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RENK



RENK Group AG
Annual Financial
Statements
2025

Content

A Combined Management Report

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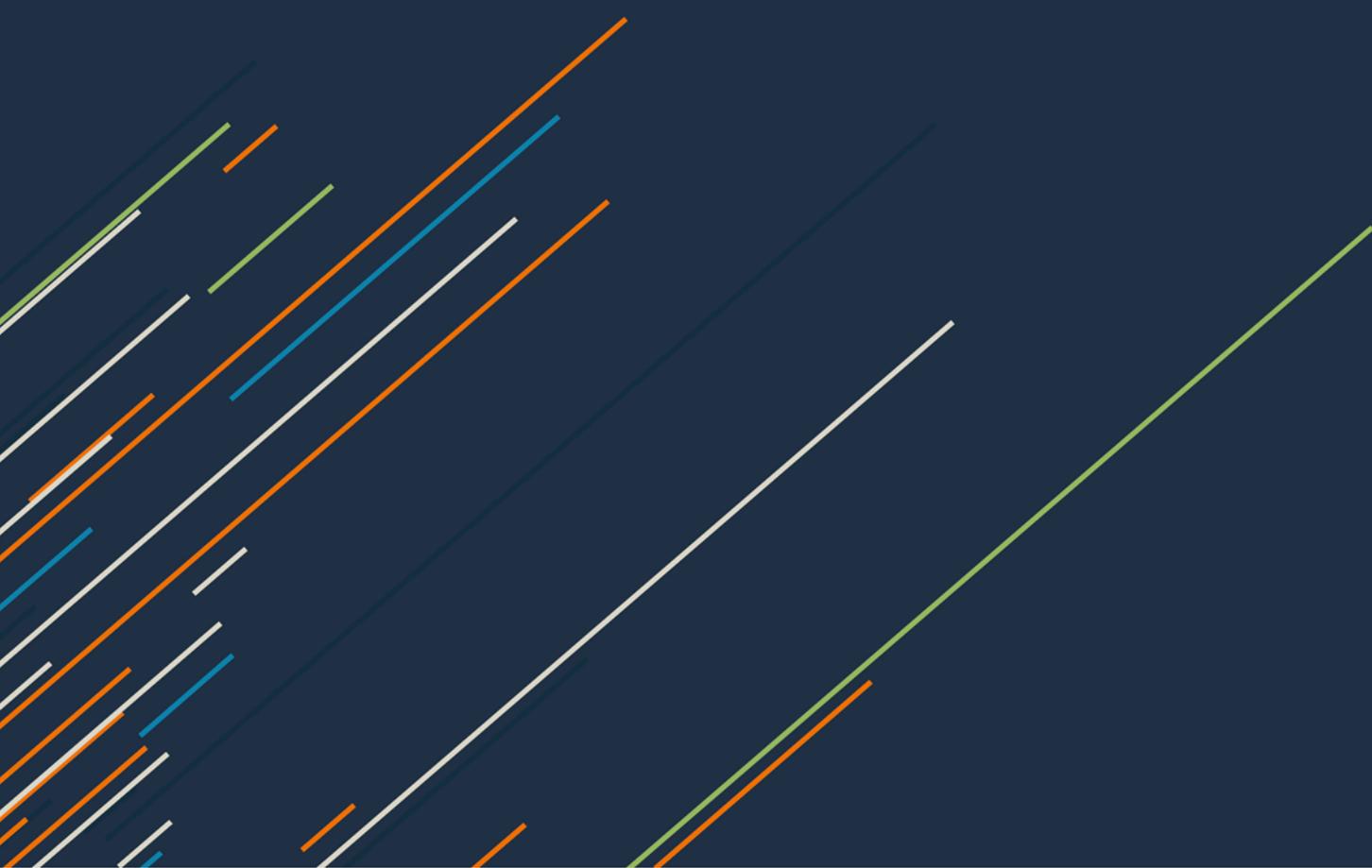
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A. Combined Management Report



List of Abbreviations

AI	Artificial Intelligence
APM	Alternative performance measures
AR	Application Requirements
BIO	Biodiversity and Ecosystems
BMWE	Bundesministerium für Wirtschaft und Energie
BP	Basis for Preparations
BSI	Federal Office for Information Security (Bundesamt für Sicherheit in der Informationstechnik)
CapEx	Capital Expenditures
CCA	Climate Change Adaptation
CCM	Climate Change Mitigation
CCR	Cash Conversion Rate
CE	Circular Economy
CFA	Chartered Financial Analyst
CFO	Chief Financial Officer
CMS	Compliance-Management-System
CO ₂	Carbon dioxide
CoC	Code of Conduct
COO	Chief Operating Officer
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPI	Corruption Perception Index
CSRD	Corporate Sustainability Reporting Directive
DEFRA	Department for Environment, Food & Rural Affairs
DICO	German Institute for Compliance e.V. (Deutsches Institut für Compliance e.V.)
DMA	Double Materiality Assessment
DNSH	Do No Significant Harm
DRS	German Accounting Standards (Deutsche Rechnungslegungsstandards)
EFRAG	European Financial Reporting Advisory Group
ERA	Pay Framework Agreement (Entgeltrahmenabkommen)
ERM	Enterprise Risk Management
ESEF	European Single Electronic Format
ESG	Environment, Social and Governance
ESRS	European Sustainability Reporting Standards
EWC	European Works Council
GCGC	German Corporate Governance Code
GDI	Government Defence Integrity Index
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GOV	Governance
GRI	Global Reporting Initiative
HGB	German Commercial Code (Handelsgesetzbuch)
HR	Human Resources
HR IS	Human Resource Informationssystem
HRB	Commercial Register, Section B (Handelsregister, Abteilung B)
HRC	Human Rights Committee
HSE	Health, Safety and Environment
IASB	International Accounting Standards Board
ICS	Internal Control System
IDW	German Institute of Auditors (Institut der Wirtschaftsprüfer)
IFRS	International Financial Reporting Standards
IG	Industrial Union (Industriegewerkschaft)
ILO	International Labour Organization

IMF	International Monetary Fund
Inc.	Incorporated
IPCC	Intergovernmental Panel on Climate Change
IPO	Initial Public Offering
IRC	Incidents Response Committee
IRO	Impacts, Risks, and Opportunities
ISIN	International Security Identification Number
ISMS	Information Security Management System
ISO	International Organization for Standardization
KBA	Key Biodiversity Areas
KG	Limited Partnership (Kommanditgesellschaft)
KIT	Karlsruhe Institute of Technology
KPI	Key Performance Indicator
LkSG	German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz)
LLC	Limited Liability Company
LTI	Long Term Incentive
M&I	Marine und Industrie
MBA	Master of Business Administration
MDR	Minimum Disclosure Requirement
MEP	Management Equity Program
MWh	Megawatt hour
NATO	North Atlantic Treaty Organization
NWC	Net Working Capital
OECD	Organization for Economic Cooperation and Development
OpEx	Operational Expenditures
PI	Performance Indicators
PPA	Purchase Price Allocation
PPC	Pollution Prevention and Control
PSU	Performance Share Unit
Q-HSE	Quality - Health, Safety, Environment
R&D	Research and development
RAIF	Reserved Alternative Investment Fund
RGM	RENK Group Manual
RGR	RENK Governance Rules
RMS	Risk Management System
ROCE	Return on Capital Employed
SB	Slide Bearings
SBM	Strategy and Business Model
SBTi	Science Based Targets initiative
SCE	Societas Cooperativa Europaea
SCoC	Supplier Code of Conduct
SDGs	Sustainable Development Goals
SE	Societas Europaea
SFDR	Sustainable Finance Disclosure Regulation
SICAV	Société d'investissement à capital variable
Srl	Società con responsabilità limitata
SSFA	Super Senior Facilities Agreement
SSP	Shared Socioeconomic Pathways
STI	Short Term Incentive
TCFD	Task Force on Climate-related Financial Disclosures
tCO ₂ e	Tonnes of CO ₂ equivalents
TLB	Term Loan B
UNESCO	United Nations Educational, Scientific and Cultural Organization

VDMA	German Machinery and Equipment Manufacturers Association (Branchenverband der deutschen Maschinen- und Anlagenbauer)
VMS	Vehicle Mobility Solutions
WRI	World Resources Institute
WTR	Water and Marine Resources

1. Business description

1.1 Organizational and reporting structure*

The RENK Group (hereafter also referred to as RENK) comprises RENK Group AG and its subsidiaries. RENK Group AG, headquartered in Augsburg, Germany, is registered with the Local Court ("Amtsgericht") of Augsburg under commercial register number HRB 39189 and operates as the holding company of RENK Group. The Company went public on the Frankfurt Stock Exchange on February 7, 2024.

As the ultimate German company, RENK Group AG holds all shares of the operating RENK companies with RENK GmbH, Augsburg, at the top.

In accordance with the German Stock Corporation Act, the Management Board of RENK Group AG is the body with overall responsibility for the operational management of the business. The Company's Supervisory Board is responsible for monitoring business development and the Management Board.

RENK sees itself as one of the major providers of propulsion technology for a wide range of applications with a global focus. Production sites are located in Germany as well as in the United States of America ("U.S."), Switzerland, the United Kingdom, France, Canada and India.

In fiscal year 2025, RENK operated business activities in the three segments of Vehicle Mobility Solutions (VMS), Marine & Industry (M&I) and Slide Bearings (SB).

1.2 Business model*

RENK is a leading global supplier of highly efficient propulsion and control technology. Our customers and users come from the defense, industry and energy sectors, who integrate our products into vehicles, ships and machines. The requirements profile for our technical solutions is characterized by high customer specificity and minimum error tolerances, especially in mission-critical applications. This makes technological leadership and innovation key pillars of RENK's business model.

RENK derives from this its strategic focus on technological excellence in all key areas of expertise; maintaining and expanding this expertise is of pivotal importance for defending market share and leveraging growth opportunities. The latter currently exist in particular in the area of defense and the associated investments in military equipment. As a result, RENK's growth strategy envisions a significant expansion of business in the area of, notably, military propulsion solutions for both ground-based systems and marine applications. In addition to organic growth, which can be achieved to a significant extent using the existing capital base, the Group intends to take advantage of opportunities based on targeted M&A activities. This not only addresses the potential in new business but also paves the way for high-margin growth in the aftermarket and service business. RENK's aftermarket business lines are already benefiting from the large number of installed propulsion systems in core markets such as the United States, Europe and the Asia-Pacific region. The product portfolio for civilian applications is subject to a clear focus on returns due to the currently prevailing macroeconomic conditions and the resulting limited growth potential. Growth fields in both the military and civilian sectors include the increasing electrification of propulsion units and propulsion control systems, hybridization as well as the development of autonomous platforms.

All business areas are geared toward continued internationalization, strict customer centricity, innovation leadership and quality leadership. This strategic direction is put into practice at all RENK plants thanks to the operational excellence of our organization and the skills of each and every employee. Logically, this puts our employees at the heart of our company's success. With a clear focus on occupational safety, further development and team spirit, we have created a working environment that unites safety, appreciation and innovativeness. This both enhances employee satisfaction and lays the groundwork for developing and implementing innovative solutions for our customers.

* Sections marked with * contain disclosures typical for management reports, which also address the disclosure requirements under ESRS 2 SBM-1 40(a) (i)-(ii).

The RENK Group is divided into three segments. Guided by a product or market/customer structure, these have a segment manager with full business responsibility who reports indirectly to the Management Board of RENK Group AG. The Management Board of RENK Group AG as the chief decision maker in fiscal year 2025 was identical to the management of RENK GmbH.

Vehicle Mobility Solutions (VMS)

In addition to gear units for military vehicles, our product portfolio in this segment comprises engines, suspension systems, final drives and electrical components for military vehicles. Through our VMS segment, we supply propulsion technologies for military tracked and wheeled vehicles to over 70 armed forces worldwide, with a strong focus on the European Union (EU), member states of the North Atlantic Treaty Organization (NATO), NATO-aligned countries and other countries, such as South Korea, India and Israel. RENK is also a leading manufacturer of test systems (e.g. for load, torque and service life testing) in various industrial and defense applications. We offer our customers turnkey test systems to support their research and development activities as well as their production and quality assurance processes – for example, in the automotive, rail, aviation, wind and military vehicle industries.

Marine & Industry (M&I)

Our M&I segment is the technology leader for propulsion and coupling solutions for naval forces, commercial shipping and industrial applications. In the maritime sector, RENK's products are primarily used in naval surface combatants such as frigates and corvettes for naval customers as well as in high-speed ferries, cargo ships and superyachts for civilian clients. Our marine gear units for naval vessels are used by more than 40 naval forces worldwide. In the industrial sector, our customers include companies in the plastics, steel and cement production sectors as well as companies active in the areas of oil and gas, hydrogen, carbon capture, utilization and storage, industrial heat pumps and the power generation sector. RENK's M&I segment serves markets all over the world, such as Germany, Europe, the United States of America, South America, the Middle East and the Asia/Pacific region. Thanks to our global network of sales and service centers, we are able to quickly provide local support to customers across the globe. We offer tailored solutions to furnish our customers with the products that meet their specific requirements.

Slide Bearings (SB)

Our SB segment is the global market leader in the field of standardized slide bearings (type E slide bearings) for electric machinery and hydrodynamically lubricated standard bearings. We offer slide bearings for various industrial applications in large electric propulsion systems, including in the power generation sector (for conventional as well as hydroelectric, wind and nuclear power generation), for other industrial applications as well as for the naval and merchant shipping sectors. Our slide bearings are used, for instance, in electric motors, generators, pumps, fans, water turbines and conveyor belts. SB is a segment that offers its customers innovative products, such as complex special slide bearings. We have assembly, maintenance, repair and operations centers in several regions worldwide alongside a global network of representatives and partners.

1.3 Research and Development (R&D)

In fiscal year 2025, our self-financed expenditure on research and development (R&D) amounted to €28.6m (previous year: €29.0m). The resulting R&D intensity (ratio of R&D expenditure to revenue) amounted to 2.1% (previous year: 2.5%). As of December 31, 2025, RENK held 544 individual patents and utility models in its continuing operations (previous year: around 540 individual patents and utility models). In addition, RENK is the owner of around 69 (previous year: 69) registered trademarks.

Research and development activities are of great importance to RENK Group when it comes to maintaining and expanding its position as a technological leader. We work closely with various universities, research institutes and industrial partners to stay at the cutting edge of technology and continuously improve our products.

Ongoing investment in R&D is crucial to providing innovative solutions for our customers. One particular focus of our R&D activities is on technological trends and customer requirements relating to unmanned vehicles and vessels.

In the area of hybridization, we are investing in the development of innovative electric and hybrid propulsion systems for military vehicles and marine applications. Our solutions are geared to reducing emissions and improving fuel efficiency.

To meet the growing demand for digital solutions that harness product and maintenance data when it comes to optimizing engineering and production processes, we have devised digital solutions that offer customers in shipping and industry easy access to technical documents, spare parts and service information.

Additionally, we have implemented Industry 4.0 solutions such as machine data acquisition systems and big data analytics to optimize workflows and enhance efficiency. Sensors are necessary for collecting, collating and subsequently providing digital data. We are working on intelligent sensors in order to analyze and interpret such data with the help of software supported by artificial intelligence (AI).

To support the energy transition, we are also developing components and systems for the green energy sector.

2. Financial management system

2.1 Financial framework

RENK applies a multi-stage process to coordinate its planning and management activities. The medium-term plan prepared once a year with a time horizon of five years (previous year: three years) is the starting point for managing RENK Group. It forms the core of operational planning. Based on this, RENK derives a product and program/project plan for each segment, which is incorporated into the medium-term financial planning. This includes planning upfront investments for future product and operational alternatives as well as earnings and financial planning.

Prepared on a monthly basis, the first year of the medium-term plan represents RENK's budget. The degree of target achievement during the course of the year is monitored continuously and used as the basis for operational management. Budget/actual and prior-year comparisons, variance analyses and – where necessary and feasible – action plans are used to ensure that budgeted targets are met. Revolving forecasts are prepared for the current fiscal year, with newly emerging risks and opportunities taken into consideration. Accordingly, managing activities during the year center on ongoing adjustments to internal and external circumstances in order to achieve the budgeted targets.

RENK's financial management system is based on performance indicators (PIs). Key performance indicators (KPIs) are determined for the following fiscal year and the target achievement levels are evaluated in relation to previous forecasts. RENK Group likewise defines medium-term targets to be achieved over the medium-term planning period. For information on the KPI forecast, see chapter 7 *Report on expected developments*.

Growth and profitability in particular, as well as liquidity, are the key factors that determine RENK's strategic objectives and are operationalized using performance indicators. In some cases, these represent benchmarks for the variable component of management remuneration.

Individual performance indicators are to be understood as alternative performance measures (APMs). These APMS are not defined by IFRSs and are hence not an original component of the information conveyed by IFRS financial statements. The use of APMs and their reporting is in line with RENK's view that this provides stakeholders with additional information relevant to decision making. Due to their company-specific nature, they are potentially not comparable with APMs of other companies.

2.2 Growth

The RENK Group's growth is measured, managed and monitored based on the development of revenue (KPI), order backlog (PI/APM) and order intake (KPI/APM). Order intake corresponds to the receipt of binding customer contracts within the reporting period, measured at the transaction price as required by IFRS 15 to be applied to customer contracts. Development of this performance indicator is one of the components for determining variable management remuneration. RENK uses the rolling three-year average for forecasting purposes. Awarding practices are heavily shaped by public-sector clients and the characteristics of the defense sector, which includes multi-year time horizons for contract initiation and performance.

The order backlog at the end of the fiscal year (fixed order backlog) is calculated as the previous year's order backlog plus the current order intake, less revenue recognized in the current fiscal year. In addition to orders from binding customer contracts, RENK's total order backlog also includes orders agreed with customers under framework contracts but not yet finalized by customer orders or call-offs (frame order backlog) as well as prospective order backlogs (soft order backlog) based on past experience, customer dependencies due to product specifics and publicly available information. The forecast on which this is based covers the term of framework agreements and, in the case of prospective order backlogs without a binding contractual basis, a maximum period of four fiscal years after the reporting date.

2.3 Profitability

In light of the economic boom surrounding military applications, management at RENK is geared toward leveraging profitable growth opportunities and is based on adjusted EBIT as one of the key performance indicators (KPI/APM). This is calculated by adjusting annual earnings before interest and taxes (EBIT) (PI/APM) for special items. The back calculations for interest and taxes serve to counterbalance different financing activities and internationally diverse taxation systems, thereby facilitating peer group comparisons. By eliminating special items, RENK aims to focus the informational content of the APM on operating activities. The adjustments for the fiscal year, summarized in the *RENK adjustments* table, typically include the effects of M&A activities, including purchase price allocations, improvements to globally used systems, consulting services or severance payments. The adjusted EBIT margin (PI/APM) is calculated as the ratio of adjusted EBIT to revenue.

RENK uses adjusted net income (PI/APM) to provide an indication of future dividend potential, based on the available equity of RENK Group AG. This is done by adjusting the reported profit or loss for the fiscal year for special items in the same way as calculating adjusted EBIT, but deducting the income tax effect on the total adjusted special items. The Group tax rate is used to determine the tax effect. The profit/loss after tax (PI) reported in the consolidated financial statements and the basic earnings per share (PI) based on this are important performance indicators for RENK Group that impact the company's attractiveness on the capital markets. By referring to a performance indicator that includes earnings contributions not used as a basis for managing and monitoring our operating activities, we emphasize the need to additionally focus management attention on special items. Adjusted profit/loss after tax is similarly a benchmark for the variable component of management remuneration.

Starting in fiscal year 2025, RENK has established ROCE (return on capital employed) (PI/APM) as one of the Group's key performance indicators. It is calculated as the ratio of adjusted EBIT to average capital employed during the fiscal year. The latter comprises averaged property, plant and equipment and intangible assets at the beginning and end of the fiscal year as well as average net working capital (NWC) (see chapter 6 *Financial position*). In fiscal years starting from 2026, RENK will additionally report on relative total shareholder return (rTSR) (PI/APM), which serves as a measure of profitability from the shareholder perspective and will be a further basis for calculating the Management Board's long-term variable remuneration going forward. This performance indicator reflects the price development of RENK shares over a defined period plus dividends paid, which are assumed to have been reinvested in RENK shares. The calculated return is compared with the performance of a benchmark index (STOXX Europe Total Market Aerospace & Defense Index) to reflect RENK's relative performance compared with the index. For the 2025 reporting period, rTSR is for the first time being disclosed for informational purposes.

2.4 Liquidity

The liquidity of RENK Group is largely driven by its ability to generate a positive net cash inflow. Free cash flow (PI/APM) is used here as a measure. Depreciation and amortization, interest paid, income taxes paid and capital expenditure on property, plant and equipment and intangible assets (excluding transactions within the scope of IFRS 3) are added to EBIT for this calculation. Increases in NWC (PI/APM) reduce free cash flow, while a reduction increases it. Other reconciliation items include changes in provisions not attributable to NWC and miscellaneous insignificant cash and non-cash effects. In addition, the cash conversion rate (CCR) (PI/APM) provides information about the extent to which the adjusted net profit/loss for the year translates into cash inflows or outflows. The CCR is calculated as the ratio of adjusted profit/loss after tax to free cash flow. Starting in fiscal year 2025, RENK bases its calculations and management on a three-year average in order to focus on medium-term trend management. The development of NWC as a determinant of free cash flow is a particular focus.

Capital efficiency and hence the management of NWC is of central importance to RENK. This is defined as the sum of trade receivables, contract assets and inventories, less the sum of trade payables, contract liabilities and liabilities from customer prepayments that cannot be allocated to contract liabilities. The ratio of the nominal value of NWC to revenue for the fiscal year (PI/APM) is used for management purposes. In addition, the size of inventories is subject to special scrutiny, with appropriateness being assessed on the basis of the ratio of inventories to revenue (PI/APM).

The management of long-term capital employed contributes significantly to the efficiency of the overall capital base. RENK focuses here on capital expenditure on property, plant and equipment and intangible assets, which also influences net cash inflows. Implementation is in line with the group-wide segment strategy. For management purposes, the ratio

of capital expenditure to revenue for the fiscal year (PI/APM) is also calculated to highlight the intrinsic relationship between value added and the productive capital base this needs.

RENK focuses on the Group's net debt (PI/APM) for liquidity management purposes. The ratio of net debt to adjusted EBIT plus depreciation of property, plant and equipment and amortization of intangible assets (PI/APM) is calculated as a measure of debt sustainability. Net debt is defined as the sum of non-current financial liabilities and lease liabilities less cash and cash equivalents.

2.5 Non-financial performance indicators

RENK is committed to providing sustainable solutions in its segments that contribute to the energy efficiency of mobility solutions. At the same time, we align our business activities with social and environmental standards, which RENK formalizes through its sustainability strategy and translates into key action areas. These include the targets "Increasing the proportion of women in management positions" (PI/APM) and employee engagement as measured by an engagement score (PI/APM). The non-financial performance indicators represent one of the basic components for calculating long-term variable management remuneration.

3. Business development during the fiscal year

3.1 Overall statement by the Management Board on the current economic situation

Fiscal year 2025 stands as confirmation of RENK's highly positive development, which combines profitable growth with strong financial power. The Group again recorded a significant increase in order intake and was hence able to translate the economic boom in the defense sector into growth potential. Consequently, military applications, particularly in the VMS segment, proved to be the main driver behind the expansion in business volume. The accelerated order execution resulted in consolidated revenue which, at €1,366.2m (previous year: €1,140.5m), was in line with the development forecast. Reflecting this, adjusted EBIT likewise grew very positively, reaching the upper end of the forecast at €230.4m (previous year: €189.2m). Production-related reduced fixed cost per unit was achieved thanks to the increased output volume. In addition, a higher proportion of military applications and stable general administrative expenses compared with the previous year led to an overall favorable margin trend. As a result, the adjusted EBIT margin at the end of the fiscal year was 16.9% (previous year: 16.6%), thereby underpinning the profitability of the growth path.

While the increase in inventories was lower than in the previous year, notably customer-specific reporting date effects and customer orders in progress led to an increase in NWC. This resulted in a ratio of NWC to revenue of 25.2% (previous year: 24.9%), which is again above the defined 20% reference level. Free cash flow in the fiscal year was once again positive due to the operating performance and lower financing costs, but at €66.9m was below the previous year's level of €87.4m after factoring in NWC development. The ratio of payments for capital expenditure amounting to 38.7 Mio. € to the sharp rise in consolidated revenue was again slightly below the 3% benchmark, at 2.8% (previous year: 2.7%). These were mainly attributable to production plant and equipment and intangible assets. Net debt as of the reporting date was 1.5x after 1.7x in the previous year. This positive development and convergence toward the internal benchmark of <1.5x is mainly due to the strong increase in adjusted EBITDA.

Comparison to forecasted PI 2025

	2024	Forecast 2025	Result 2025	Evaluation
Consolidated revenue (in €b)	1.1	>1.3	1.4	fulfilled
Adjusted EBIT (in €m)	189.2	~210.0-235.0	230.4	fulfilled

3.2 Significant developments and events affecting the course of business

The economic boom surrounding military applications translated into further growth in the fiscal year and is becoming increasingly important for the overall picture of the Group's net assets, financial position and results of operations. According to the Defence Industry Compass 2025 published by the University of the Bundeswehr Munich and the German Association for Defence Technology, the industry was extremely upbeat at the beginning of 2025. The current and future business and competitive situation as well as the order backlog were predominantly assessed as good to very good. The German and European end-market for military applications continues to be influenced by the substantial threat posed by Russia, which in Germany's case has already translated into adjustments to government spending targets for military equipment. With its portfolio of military applications, RENK is part of this overall development and occupies dominant market positions in some areas. This has been the driver of the considerable growth in the order backlog in this and previous fiscal years. Thanks to higher output volumes – buoyed by efficiency improvements, the cornerstone of which was laid in previous fiscal years – the order backlog has been converted into a strong rise in revenue. This successful business performance was achieved despite a gloomy investment environment in the civilian sector, adverse exchange rate effects, obstacles to the export of military equipment to Israel during the year and the restrictive U.S. tariff policy. Nevertheless, despite political and trade-related risks, the Americas accounted for 21.9% (previous year: 20.5%) of the Group's revenue. Demand in the Asia-Pacific region resulted in a share of consolidated revenue of 29.1% (previous year: 23.4%).

Even though RENK believes that the importance of macroeconomic conditions is currently secondary to the growth drivers of the defense market, they are indirectly influencing the fiscal framework and are impacting demand in the civilian industrial sector. Macroeconomic developments in fiscal year 2025 were marked by considerable uncertainty, particularly as a result of the tariff policy introduced by the United States and the subsequent adjustments. The associated trade barriers resulted in increasing fragmentation of the global market. In cases where tariffs levied were passed on to customers, this encourages inflationary tendencies. To the extent suppliers sacrificed margins to compensate for the effects of tariffs, this at least negatively impacted profits. Even though RENK was affected by these adverse effects only to a very limited extent, they still had a negative impact on global demand for capital goods.

According to analyses by the International Monetary Fund (IMF), global growth remained at a low overall level. Global economic growth of 3.3% is assumed for both 2025 and 2026, followed by 3.2% for 2027. As in previous years, this overall picture reflects diverging developments in individual economic regions. The developed economies and their growth prospects are of overriding importance to RENK. These are expected to range between 1.7% and 1.8% in the period 2025 to 2027 and will hence be at a low level. As for Germany, low growth of 0.2% is assumed for 2025, followed by 1.1% in 2026 and 1.5% in 2027. According to the IMF, this growth impetus is attributable to government investments, which do not yet include the planned expenditure to strengthen German national defense, which are believed to have a material impact only in later periods. Although the German Mechanical Engineering Industry Association (VDMA) sees slight signs of recovery in the order situation in 2025, it says it is still too early to talk about the beginning of any positive order trend starting in 2026. Overall growth of 1.4% is anticipated in the eurozone for 2025. Alongside the slight recovery in the German economy, this was primarily attributable to Spain, while growth rates in France and Italy declined. By contrast, economic growth in the United States is proving to be relatively robust despite a reduction of 0.7 percentage points compared with the previous year to an expected 2.1% in 2025. However, this trend is primarily attributable to the digital and technology sector and is not a reflection of a growth path supported by the broader economy. The most recent announcements on the expansion of the U.S. defense budget are not yet explicitly reflected in the IMF's forecast up to 2027, when growth of 2.0% is anticipated. Based on growth of 4.4% in 2025, a reduction to 4.1% in 2027 is forecast for emerging and developing countries. This is primarily attributable to China's anticipated weak growth in this time frame.

In view of the overall picture, which can at best be characterized as a sideways trend, and given the subsiding inflationary pressure, 2025 mainly saw a phase of moderate interest rate cuts, following a period of recently more restrictive monetary policy. This did not result in any clearly perceptible growth momentum for the civilian sector, as geopolitical stress factors, including the war in Ukraine, crises in the Middle East, tense trade relations and protectionist measures as well as high levels of government debt, did not change for the better. The IMF is assuming an inflation rate of 2.0% for the eurozone by 2027, which does not currently indicate any immediate pressure on the European Central Bank to act. According to IMF estimates, the inflation rate in the United States is set to fall to 2.2% in the same period, which makes it comparable to that of the eurozone. Nevertheless, the aforementioned general conditions represent risk factors that could revive the inflationary pressures observed in recent years and ultimately have an adverse effect on the investment environment due to a potential rise in interest rates.

4. Results of operations

4.1 Order intake and revenue

in €m	Order intake				Revenue			
	Fiscal year		Change		Fiscal year		Change	
	2024	2025	in €	in %	2024	2025	in €	in %
VMS	1,015.0	1,129.3	114.4	11.3	699.0	872.2	173.2	24.8
M&I	307.3	326.8	19.5	6.3	329.8	380.4	50.6	15.3
SB	132.7	126.4	(6.3)	(4.8)	124.8	127.9	3.1	2.5
Total segments	1,455.0	1,582.5	127.5	8.8	1,153.7	1,380.5	226.9	19.7
Reconciliation consolidated financial statements	(13.1)	(11.3)	1.8	(13.6)	(13.2)	(14.4)	(1.2)	9.1
RENK	1,441.9	1,571.2	129.3	9.0	1,140.5	1,366.2	226.0	19.8

RENK succeeded in leveraging the Group's growth prospects once again in fiscal year 2025. Order intake increased significantly once again from €1,441.9m to €1,571.2m. This was primarily due to gains in the area of military technology applications in the VMS and M&I segments. VMS accounted for an increase of €114.4m or 11.3%, resulting in order intake of €1,129.3m. Demand for propulsion solutions for tracked vehicles and complementary services are dominating this development. The increase in order intake in M&I was mainly attributable to the marine sector, rising by a total of 19.5 Mio. € to €326.8m. Order intake for civilian applications remained stable over the course of the previous year despite the gloomy conditions. The SB segment achieved a solid level of order intake but was unable to match the previous years' performance. As a result, order intake fell year on year by -4.8% to €126.4m, which was due in particular to delayed contract awards in the defense sector.

The Group's revenue increased significantly. Boasting a growth rate of 19.8%, it amounted to €1,366.2m at the end of the fiscal year, after €1,140.5m in the previous year. VMS made a decisive contribution to the continuation of this trend with €872.2m, representing a strong increase in revenue by 24.8%. Overall, VMS accounted for 63.8% (previous year: 61.3%) of consolidated revenue. The increase in output volume as the driving force behind the revenue development was primarily achieved at the locations in Augsburg and Muskegon (MI), United States. Military products and related services were the primary revenue drivers. The same applies to the M&I segment, whose revenue again increased significantly by 15.3% to €380.4m (previous year: €329.8m). This was primarily due to the navy business at the Augsburg site. The activities at the new location in Cincinnati (OH), United States, also made a positive contribution. Despite the slowdown in industrial demand, revenue volume in the SB segment nevertheless grew slightly compared with the previous year by €3.1m and amounted to a total of €127.9m. After overcoming temporary staff shortages, the previous year's output level was maintained over the course of the year. Revenue was primarily attributable to bearings for electric motors, generators and marine applications. Consolidated intersegment revenue mainly relates to intragroup deliveries and services.

Order backlog

in €m	Order Backlog			
	Fiscal Year		Change	
	2024	2025	in €	in %
Fixed order backlog	2,079.7	2,259.9	180.2	8.7
Frame order backlog	644.2	858.7	214.4	33.3
Soft order backlog	2,236.1	3,557.5	1,321.4	59.1
Total order backlog	4,960.1	6,676.0	1,716.0	34.6

RENK's fixed order backlog reached a new record high at the end of the fiscal year. This amounted to €2,259.9m, after €2,079.7m in the previous year. The uninterrupted growth of €180.2m or 8.7% is largely attributable to orders for military applications. 77.4% (previous year: 76.1%) of the portfolio is attributable to VMS, 19.6% (previous year: 20.5%) to M&I and 3.0% (previous year: 3.4%) to SB. Medium-term order volumes (frame order backlog) based on framework agreements and previous customer behavior amounted to a total of €858,662k (previous year: €644,217k) at the end of the fiscal year. In addition, our assessments of current contract negotiations, budgeting on the part of our customers and decisions on government military spending led to an estimated prospective order backlog (soft order backlog) of €3,557,460k for the medium-term planning horizon (previous year: €2,236,107k). Development of the total order backlog, with growth of €1,715,951k, is hence substantially influenced by the prospect of rising defense spending. The most significant prospects for future customer orders are still attributable to sales of military applications in the VMS segment.

4.2 Profitability

Profitability	Fiscal Year		Change	
	2024	2025	in €	in %
in €m				
Adjusted EBIT	189.2	230.4	41.1	21.7
VMS	139.5	178.3	38.8	27.8
M&I	34.9	45.2	10.3	29.6
SB	21.4	22.9	1.5	6.9
Reconciliation consolidated financial statement	(6.6)	(16.1)	(9.4)	142.2
Adjusted EBIT Margin	16.6%	16.9%	n/a	0.3 p.p.
VMS	20.0%	20.4%	n/a	0.5 p.p.
M&I	10.6%	11.9%	n/a	1.3 p.p.
SB	17.2%	17.9%	n/a	0.7 p.p.
Adjustments (seperate table)	73.2	61.0	(12.2)	(16.7)
EBIT	116.0	169.4	53.3	46.0
VMS	125.4	173.9	48.6	38.8
M&I	32.2	44.2	12.0	37.4
SB	21.4	22.9	1.5	6.9
Reconciliation consolidated financial statement	(62.9)	-71.7	(8.8)	13.9
EBIT Margin	10.2%	12.4%	n/a	2.2 p.p.
VMS	17.9%	19.9%	n/a	2.0 p.p.
M&I	9.8%	11.6%	n/a	1.9 p.p.
SB	17.2%	17.9%	n/a	0.7 p.p.
Financial result	(21.3)	(45.2)	(23.9)	112.1
Profit (+) / loss (-) before tax	94.7	124.2	29.5	31.1
Income taxes	(39.9)	(22.9)	17.1	(42.7)
Profit (+) / loss (-) after tax¹	54.8	101.3	46.5	84.9
Adj. Net Income	103.1	141.9	38.7	37.6
Basic earnings per share (€)	0.53	1.00	0.47	88.7
Diluted earnings per share (€)	0.53	1.00	0.47	88.7

¹ including profit attributable to non-controlling interests in the amount of €0.9m (previous year: €1.4m)

The Group's results of operations clearly underline the profitability of the growth trend. With a sharp rise in EBIT to €169.4m (previous year: €116.0m), a Group-wide EBIT margin of 12.4% (previous year: 10.2%) was recorded. As in the previous year, it was notably reduced fixed cost per unit that led to high earnings contributions thanks to higher output volumes. This was flanked by more efficient processes and the gross margins achieved in the defense sector. RENK's employees made a significant contribution to operational excellence and, as in the previous year, their number increased considerably. The equally significant increase in personnel expenses translated into even higher increases in profitability thanks to employee commitment. The VMS segment and its military applications again made the key contribution, with EBIT growth from €48.6m to €173.9m (previous year: €125.4m). The Group recorded an increase in gross profit to €338.9m (previous year: €279.7m) and thus recorded a strong 21.1% rise year on year. In addition to reduced costs for

special items such as the implementation of efficiency programs, strict cost management with regard to administrative processes had a positive impact. Despite strong operational growth, general and administrative expenses were maintained at the previous year's level, amounting to €96.4m after €96.9m in the previous year. Disproportionate to revenue growth, distribution expenses increased by 12.4% to €69.5m (previous year: €61.8m).

The positive EBIT performance of the VMS segment resulted in an EBIT margin of 19.9% (previous year: 17.9%), which is primarily attributable to positive economies of scale. With a share of 18.3% (before Group reconciliation), M&I generated EBIT of €44.2m (previous year: €32.2m). The 37.4% growth is mainly due to the expansion of the navy and aftermarket business with attractive margins. Consequently, this led to an EBIT margin of 11.6% (previous year: 9.8%). The SB segment performed satisfactorily over the year as a whole. Thanks to attractive margins in new business and aftermarket, the subdued revenue growth momentum nevertheless led to moderate EBIT growth of 6.9% to €22.9m (previous year: €21.4m). As a result, this led to an EBIT margin of 17.9% (previous year: 17.2%), which is again above the average for the Group.

Adjustments	Fiscal Year		Change	
	2024	2025	in €	in %
in €m				
Purchase price allocation effects	43.9	45.5	1.6	3.6
M&A activity-related costs	1.9	2.2	0.3	15.6
Capital market readiness costs	1.6	-	(1.6)	(100.0)
Costs of implementing efficiency programs	11.6	-	(11.6)	(100.0)
Consulting costs for refinancing long-term financial liabilities	1.4	-	(1.4)	(100.0)
Global system improvements	2.8	7.4	4.6	162.8
Implementation of tax compliance standards	1.1	0.4	(0.8)	(66.4)
Other adjustments	8.7	5.5	(3.3)	(37.6)
Total adjustments	73.2	61.0	(12.2)	(16.7)

At €45.5m (previous year: €43.9m), the adjustments are mainly due to purchase price allocation (PPA) effects, largely relating to the depreciation and amortization of remeasured non-current assets and reconciliation to the consolidated financial statements. The €2,249k in M&A activity-related costs in the current fiscal year primarily concerns the acquisition of selected assets of Midwest Gear & Tool Inc., Roseville (MI), and of selected assets and liabilities of Cincinnati Gearing Systems Inc., Cincinnati (OH), and of Lee Holdings LLC Wilmington (DE) (all United States). Costs of global system improvements amounted to €7,395k. In the previous year, the costs of implementing efficiency programs shaped the overall picture, paving the way for the higher output volumes in the current reporting period. The other adjustments mainly relate to costs of consulting services for individual minor matters.

For the year as a whole, RENK recorded adjusted EBIT of €230.4m (previous year: €189.2m), which corresponds to strong growth of 21.7% and again outpaced revenue growth thanks to reduced fixed cost per unit effects and strict cost management. The VMS and M&I segments and their military technology applications, which by far more than offset the subdued development in the industrial sector, made the key contributions. VMS recorded a significant rise of €38.8 to €178.3m with an increased adjusted EBIT margin of 20.4% (previous year: 20.0%). M&I was also able to significantly increase adjusted EBIT by 29.6% to €45.2m (previous year: €34.9m). Consequently, this led to a significant increase in M&I's adjusted EBIT margin to 11.9% (previous year: 10.6%). The SB segment's adjusted EBIT of €22.9m represents a moderate increase of 6.9% compared with the previous year's figure of €21.4m. Despite periodic underutilization of the segment's capital base, the adjusted EBIT margin for the year rose from 17.2% in the previous year to 17.9%.

Driven by its operating performance, RENK increased its profit after tax by 84.9% to €101.3m (previous year: €54.8m), almost double the previous year's figure. Whereas interest expenses returned to normal after the refinancing of non-current financial liabilities in the previous year, declining from €41.8m to €33.8m, negative currency effects led to an overall other financial result of €-11.4m (previous year: €20.5m). This led to a significant widening of the negative financial result to €-45.2m after €-21.3m in the previous year. For information on changes in income taxes, please refer to Note 12. *Income tax expenses*. The measures to utilize an interest carryforward at a U.S. subsidiary, tax credits and loss carryforwards of the former RENK AG as well as the planned reduction in the corporate income tax rate in Germany from 2027 had a marked impact on the fiscal year. Adjusted profit after tax came to €141.9m (previous year: €103.1m). ROCE for fiscal year 2025 was 23.5%, after 19.7% in the previous year. The significant improvement is the result of the

sharp rise in profitability. The long-term capital base decreased moderately in the same period on account of depreciation and amortization, which exceeded investments in intangible assets and property, plant and equipment. This partially offset the increase in NWC, which was mainly driven by reporting date effects. RENK achieved a total shareholder return of 219.7% in the fiscal year, ranking first in the STOXX Europe Total Market Aerospace & Defense Index. The performance of the RENK share price accounted for by far the largest share of this return.

5. Net assets

RENK closed the fiscal year with total assets of €1,707.5m (previous year: €1,589.2m), of which 41.2% (previous year: 45.1%) is attributable to non-current assets and 58.8% (previous year: 54.9%) to current assets.

Assets

in €m	Fiscal Year		Change	
	2024	2025	in €	in %
Total non-current assets	717.2	703.0	(14.2)	(2.0)
thereof				
Intangible assets	360.5	310.0	(50.5)	(14.0)
Property, plant and equipment	320.7	339.8	19.1	6.0
Total current assets	872.0	1,004.5	132.5	15.2
thereof				
Inventories	391.2	436.0	44.7	11.4
Trade receivables	163.6	214.8	51.1	31.3
Contract assets	114.9	165.9	51.0	44.3
Cash and cash equivalents	164.3	152.1	(12.2)	(7.4)
Total assets	1,589.2	1,707.5	118.3	7.4

At 92.4% (previous year: 95.0%), long-term capital employed is primarily composed of intangible assets and property, plant and equipment, which result to a large extent from the acquisition of the former RENK AG and RENK America. As part of the purchase price allocations, the difference between the purchase price paid and the carrying amounts acquired in previous years was allocated in particular to goodwill, intangible assets and property, plant and equipment.

At €436.0m (previous year: €391.2m), 43.4% (previous year: 44.9%) of current capital employed comprises inventories. These are primarily attributable to the VMS segment and customer orders in progress. Compared with the prior-year period, the growth rate has fallen from 19.9% to 11.4% and was significantly below the revenue growth of 19.8%. The ratio of inventories to revenue for fiscal year 2025 was 31.9%, after 34.3% in the previous year. Trade receivables increased sharply due to reporting date factors and the revenue trend and amounted to €214.8m (previous year: €163.6m). The same applies to contract assets, which increased by 44.3% to €165.9m (previous year: €114.9m). Reflecting the development of current operating liabilities and despite a sharp increase in operating profit, this resulted in a reduction in cash and cash equivalents from €164.3m to €152.1m as of the reporting date.

Liabilities

in €m	Fiscal Year		Change	
	2024	2025	in €	in %
Total equity	446.7	490.0	43.4	9.7
Total non-current liabilities	663.9	709.7	45.8	6.9
therein				
Non-current financial liabilities	527.2	528.3	1.2	0.2
Non-current contractual liabilities	39.0	105.5	66.5	170.3
Other non-current provisions	12.1	12.3	0.2	10.0
Total current liabilities	478.6	507.8	29.2	6.1
therein				
Trade payables	117.0	143.9	27.0	23.1
Current contractual liabilities	231.4	220.0	(11.4)	(4.9)
Other current provisions	40.0	43.5	3.5	8.8
Other current liabilities	51.1	50.3	(0.8)	(1.6)
Total liabilities	1,589.2	1,707.5	118.3	7.4

Equity amounted to €490.0m at the end of the fiscal year (previous year: €446.7m) and the equity ratio was 28.7% (previous year: 28.1%). This is due to the virtual doubling of the net profit for the year after deduction of the dividend payment of €42.0m in June 2025 and currency effects from translation into the Group reporting currency. Non-current liabilities represent 41.6% (previous year: 41.8%) of total equity and liabilities and are attributable in the nominal amount of €528.3m to financial liabilities, the amount of which was used to finance the purchase price of the former RENK AG and RENK America. This means equity and non-current liabilities considerably exceed non-current assets. Net debt in the fiscal year was 1.5 x (previous year: 1.7 x) and approached the internal target value of <1.5 x thanks to the strong increase in adjusted EBITDA.

Total current and non-current contract liabilities amounted to €325.5m (previous year: €270.4m). The sharp €55.1m increase reflects a higher volume of customer prepayments for long-term deliveries and services. As in the previous year, other non-current and current provisions amounting to €55.8m (previous year: €52.1m) mainly relate to loss allowances for warranties and obligations to employees.

6. Financial position

6.1 Principles and objectives of financial management

RENK's financial management is handled centrally by the treasury function. The aim of central financial management is to ensure sufficient liquidity at all times, limit financial risks and thus increase the value of the company.

This includes securing liquidity for the operating business, investments and targeted growth as well as the financial hedging of currency risks. Liquidity was managed by a central cash management system. Please also refer to the comments in section B 4. *Financial risk management and financial instruments* and to section A 8. *Report on the internal control and risk management system and significant risks and opportunities* of the management report.

6.2 Analysis of cash flow and investments

Free Cashflow

in €m	Fiscal Year		Change	
	2024	2025	in €	in %
EBIT	116.0	169.4	53.3	46.0
Amortisation and depreciation of intangible assets and property, plant and equipment (incl. PPA amortisation and depreciation)	77.0	79.4	2.4	3.1
EBITDA	193.0	248.8	55.7	28.9
Interest received ¹	1.7	1.7	(0.0)	(1.3)
Interest payments ¹	(52.0)	(28.4)	23.7	(45.5)
Income tax payments	(24.0)	(33.5)	(9.4)	39.2
Change in net working capital	(31.1)	(80.1)	(49.0)	157.3
Change in inventories	(63.5)	(43.1)	20.4	(32.1)
Change in trade receivables and current assets	(15.0)	(120.8)	(105.8)	704.8
Change in trade payables	(6.7)	29.4	36.1	(541.3)
Changes in contract liabilities and liabilities from customer prepayments	54.0	54.3	0.3	0.6
Investments in property, plant and equipment and intangible assets	(30.9)	(38.7)	(7.8)	25.3
Other ²	30.8	(2.8)	(33.6)	(109.1)
Free Cashflow	87.4	66.9	(20.4)	(23.4)

¹ Reported net in the comparative period.

² Other reconciliation items include changes in provisions, other receivables and liabilities not included in NWC and other non-material cash and non-cash effects.

At €66.9m (previous year: €87.4m), free cash flow for the fiscal year is again positive, albeit significantly lower than in the previous year. Based on the sharp increase in EBITDA, which amounted to €248.8m during the reporting period, and a €23.7m lower interest burden of €28.4m (previous year: €52.0m), the €80.5m increase in NWC had a noticeable negative impact. Higher tax payments and capital expenditure, each in the single-digit million range, also reduced net cash inflow.

The development of NWC is primarily the result of the increase in trade receivables as of the reporting date and the performance-related increase in contract assets by a total of €120.8m. As in the previous year, there was also an increase in inventories, at €43.1m, albeit significantly below the previous year's level, which saw an increase of €63.5m. This was offset by the increase in contract liabilities and customer prepayments received, the total effect of which amounted to €54.3m. The same applies to the reporting date-related increase in trade payables of €29.4m (previous year: decrease of €-6.7m). As a result, the ratio of NWC to revenue developed negatively, increasing by 0.4 percentage points to 25.2% (previous year: 24.9%).

Capital expenditure payments for intangible assets and property, plant and equipment amounting to €38.7m (previous year: €30.9m) in the fiscal year are primarily attributable to production plant and equipment. The ratio of capital expenditure payments for intangible assets and property, plant and equipment to revenue was 2.8% (previous year:

2.7%). The increase in this ratio is due to the even higher increase in capital expenditure payments compared with the positive revenue trend.

The three-year average CCR of the ratio of adjusted profit after tax to free cash flow is 54.6% for the period 2023 to 2025, following 67.5% in the period 2022 to 2024. RENK recorded a strong increase in adjusted profit after tax in all of the periods under review. Due to adverse effects on NWC, free cash flow performance in 2023 and 2025 lagged behind this overall trend and the self-imposed long-term CCR benchmark of ~80%. The overall picture in fiscal year 2025 was characterized by the reporting date-related increase in trade receivables and contract assets. The decisive factor was strong sales growth with particular momentum in the fourth quarter. In addition, the accumulation of inventories needed for production contributed significantly to NWC and hence to the corresponding changes in free cash flow. Nevertheless, the ratio of inventories to revenue amounted to 31.9% at the end of the fiscal year, which meant it was well below the previous year's level of 34.3%. This reduction is the result of a significantly higher rate of increase in revenue compared with the increase in inventories.

6.3 Financing and liquidity analysis

Change in cash and cash equivalents

in €m	Fiscal Year		Change	
	2024	2025	in €	in %
Cash and cash equivalents at the beginning of the fiscal year	102.2	164.3	62.1	60.7
Cash flow from operating activities	168.6	132.3	(36.3)	(21.5)
Cash flow from investing activities	(23.7)	(68.5)	(44.7)	188.5
Cash flow from financing activities	(89.0)	(74.2)	14.8	(16.6)
Other changes in cash and cash equivalents	6.2	(1.9)	(8.0)	(130.5)
Change in cash and cash equivalents in fiscal year	62.1	(12.2)	(74.3)	(119.7)
Change in cash and cash equivalents at the end of the fiscal year	164.3	152.1	(12.2)	(7.4)

In the past fiscal year, RENK generated positive cash flow from operating activities of €132.3m (previous year: €168.6m). This sharp decline reflects the negative development of NWC, which was primarily characterized by the increase in trade receivables and contract assets. Parts of the sharp rise in profit before tax amounting to €124.2m (previous year: €94.7m) were hence not yet reflected in cash flow as of the reporting date.

Cash flow from investing activities amounted to €-68.5m (previous year: €-23.7m) and is attributable to the acquisition of selected assets of Midwest Gear & Tool Inc., Roseville (MI), and selected assets and liabilities of Cincinnati Gearing Systems Inc., Cincinnati (OH) and Lee Holdings LLC, Wilmington (DE) (all United States), in addition to payments for intangible assets and property, plant and equipment.

The negative cash flow from financing activities in the amount of €74.2m (previous year: €89.0m) improved noticeably as a result of the €23.7m lower interest payments in the amount of €28.4m. This more than offset the €12.0m rise in the dividend payment to shareholders of RENK Group AG to €42.0m.

Payments for capital expenditure and financing activities exceeded cash flow from operating activities in the fiscal year. Net of exchange rate effects, cash and cash equivalents thus decreased by €12.2m to €152.1m.

7. Report on expected developments

The global security and conflict situation as well as political tensions, which were accompanied by a high level of uncertainty regarding the economic effects on the global economy and the traditional multilateral system of order, continued to dominate the situation in fiscal year 2025. Geopolitical stress factors remain at a high level, particularly the relationship between China and Taiwan and the USA, the Ukraine conflict and the focus on geostrategic zones of influence in a move away from a multilateral, rules-based world order. Due to the continuing threat situation and politically influenced by the Trump administration, the majority of NATO member states have agreed on the spending target of 5% of gross domestic product by 2035. Of this figure, 3.5 p.p. is attributable to investments of a purely military nature and thus to RENK's key sales markets. RENK's business is heavily driven by the defense spending and procurement processes of its customers, including governments, government agencies, international organizations and companies that rely on government spending to purchase the Group's products and services. This makes RENK dependent on decisions in government programs that are based, among other factors, on sociopolitical considerations, fiscal and budgetary restrictions, general macroeconomic conditions or changes in government or administrative policy. The forecast assumes that current institutions, including NATO, will continue to exist and that the decisions and resolutions taken will be implemented. Due to the economic boom in defense spending, RENK is expecting a longer growth phase in defense spending and procurement activities. The forecasts for 2026 are hence based on the assumption that these will be reflected in substantial order intake in fiscal year 2026, particularly from German customers. Additionally, our role as a supplier gives rise to the indirect assumption that both our customers and the companies in the upstream production stage will be able – to the same extent as RENK – to optimally utilize existing production capacity and, if necessary, develop new capacity.

Uncertainties for the global economy and the Group's business development arise from the tariff regime introduced by the United States, repeated adjustments to this system and any reciprocal measures. Access to input factors or the economic efficiency of production could be impaired. For its fiscal year 2026 forecast, RENK is assuming that such uncertainties will have no material adverse effects. Nevertheless, there is a risk of variances from the forecast due to tariffs, even if there were no corresponding effects with a significant impact on target achievement in fiscal year 2025. In the coming years, we continue to expect strong order intake and revenue growth in line with our forecast.

Aside from the general impact on the defense budget, the sanctions and export control measures imposed by the EU, the United States, the United Kingdom, Canada, Japan and other nations against Russian and Belarusian individuals, companies and organizations, some of which have been tightened, continue to have a negative impact on global economic conditions and are also driven by Russia's countermeasures. In addition, geopolitical tensions – particularly between China and the United States – led to a global shortage of goods, including rare earths, most of whose exploited deposits are currently under Chinese control. Undiminished is the danger of rising inflation risks due to a shortage of energy sources, raw materials, including rare earths, and intermediate products resulting from the disruption of supply chains, the introduction of tariff regimes, artificial shortages due to export restrictions, disruptions to trade relations and routes or the emergence of new economic or military alliances. For fiscal year 2026, RENK is assuming that it will not be exposed to any material adverse effects as a result of these factors.

Military procurement programs and arms exports are subject to political decision making, which thus has a direct impact on the Group's business activities. Political developments such as changes of government, export bans, sanctions and trade policies in addressable markets such as the EU, the United Kingdom, Israel and the United States may affect the ability of RENK Group to do business in these countries. For example, the German government halted exports of certain military equipment to Israel in August 2025. Case-by-case reviews were reinstated at the end of November 2025. In the EU and Germany, foreign trade in goods of strategic importance, especially weapons, military equipment and dual-use goods, is subject to restrictive control regimes and approval requirements. In addition, new export control regulations, stricter enforcement of existing controls and regulations from supplier countries such as Germany, France, the United Kingdom, Israel, Switzerland, Canada and the United States may have a significant impact on the Group's business activities. As a global manufacturer of propulsion solutions for various civilian and military applications as well as end-markets, the Group complies with all applicable laws and regulations in the relevant countries. These regulations cover such areas as data protection, environmental protection, competition, taxation, employment and export control. Such laws and regulations may arise at national, bilateral or even multilateral level or between participating jurisdictions and may differ in their national or even extraterritorial application and relevance. For forecasting purposes, RENK assumes that changes in political developments in the countries that are most relevant to

its business activities compared with fiscal year 2025 will not have any negative impacts. Moreover, the Group assumes that government programs will not be canceled, significantly delayed or modified and that audits of government contracts will not have any negative effects. RENK is also assuming a stable legal and regulatory environment.

As a globally active manufacturer of propulsion solutions for various civilian and military end-markets, the Group's business activities are subject to fluctuations in the global economy, particularly with regard to civilian solutions. At the same time, some of the Group's markets, including power generation, oil and gas, cement and steel are sensitive to cyclical changes in the economic environment. In this context, decisions to purchase the Group's products are largely a result of the performance of these and other sectors. Demand in these sectors is influenced by changes in several factors, including commodity prices, interest rates, fuel costs, energy requirements and economic growth, which mainly affect the Group's products for industrial markets. However, changes in the economic environment are unlikely to have a significant impact on the Group's business activities in the short term, as its main activities in the VMS and M&I segments are exposed to long-term rather than short-term economic risks. This means that the forecasts for 2026 are based on the assumption that no significant Group orders will be canceled or delayed.

The majority of the Group's business activities are conducted in highly competitive markets such as Germany and the United States as well as South Korea, the Middle East and China, which are affected by changes in market penetration, price competition and the development and introduction of new products, product designs and technologies. The Group's competitiveness in these markets is primarily driven by quality, innovation, on-time delivery and design, coupled with the ability to provide technical support, repair expertise and service worldwide. A competitive environment comparable to that of fiscal year 2025 is assumed for forecasting purposes. Based on binding customer orders, no negative effects on growth or profitability are anticipated. The Group's main activities in the VMS and M&I segments are characterized by long project lead times with correspondingly long-term competitive risks.

RENK's business operations are highly dependent on the timely delivery, appropriate quality and adequate quantity of standard components (e.g. pumps, couplings, bearings, fans as well as measurement and control technology) purchased from third-party suppliers, the number of which is limited in some cases due to quality requirements. This makes the Group's logistics processes dependent on the availability of components and an uninterrupted supply chain as well as sufficient quality of these individual components in order to ensure compliance with production plans, and hence the fulfillment of its contractual and expected future obligations, notably the processing of its order backlog. The forecast for fiscal year 2026 assumes that supply chain restrictions or the availability of raw materials, including rare earths, will have no negative impact on RENK's business activities and that the raw materials and components required for processing will instead be available when needed and in the commensurate quality. This is based on existing supplier relationships, the expansion of the supplier network in the event of potential bottlenecks and a very limited susceptibility to risk, e.g. in the case of rare earths or electronic components such as microchips.

The Group's production processes are dependent on raw materials such as steel, aluminum and tin as well as supplier components. In the past, the prices of various raw materials and components rose significantly due to inflation, supply chain disruptions and for other reasons. In addition, the risk of export restrictions due to geopolitical conflicts has increased. Some, but not all, of these risks are passed on to customers on the basis of agreed contractual clauses. In this context, RENK is exposed to the risk that the actual costs incurred in connection with the fulfillment of its obligations under fixed-price contracts may be higher than assumed when the contract was entered into. Delivery delays may also occur if crucial input factors are not available in sufficient quantities at the right time. For forecasting purposes, the Group assumes that the availability and impact of price increases for key raw materials and components will remain unchanged compared with fiscal year 2025. Hence, no significant negative effects are expected.

To fulfill its contractual and expected future obligations, in particular to process the order backlog, RENK relies on the recruitment and retention of highly qualified personnel. In the past fiscal year, the Group was largely able to recruit and retain the number of highly qualified employees required for its operations. This resulted in an overall increase in the number of employees. Selective shortages were addressed through employee recruitment programs. For fiscal year 2026, the Group is assuming that the number of employees will continue to increase and there will be no noticeable staff shortages that would negatively impact its ability to meet its obligations to customers.

The Group operates worldwide, which means it is exposed to exchange rate risks. It generates a significant share of its revenue and incurs a considerable proportion of its expenses in currencies other than the euro. The largest foreign currency risks relate to the U.S. dollar (USD), the Swiss franc, the British pound, the Canadian dollar and UAE dirham. In

relation to the exchange rates for the fiscal year just ended, the Group is assuming the following exchange rates for fiscal year 2026 as of the reporting date.

Exchange rates (forecast assumption based on the reporting date)		
	Dec 31, 2025	Dec 31, 2026
US dollar	1.11	1.23
British pound	0.87	0.90
Swiss franc	0.90	0.88
Canadian dollar	1.53	1.64
UAE dirham	4.06	4.53

Aside from the general conditions and assumptions described above on which the forecast for fiscal year 2026 is based, RENK is assuming there will be no unforeseen events that could lead to significant or permanent restrictions on the Group's ongoing business operations.

Based on the above forecast assumptions, RENK is anticipating a further significant increase in consolidated revenue of more than €1.5b and adjusted EBIT of between €255m and €285m for fiscal year 2026. The average order intake for fiscal years 2024 to 2026 is expected to be clearly above the average for fiscal years 2023 to 2025, at €1,429.9m. The development of the performance indicators in all three segments is largely driven by the sector to which the product portfolios belong. As evident from their predominant referencing in the assumptions for the forecast period, military applications are becoming increasingly more important than civilian propulsion solutions. As a result, the Management Board is expecting the current trend to continue and the VMS segment to dominate overall development, followed by the M&I and SB segments. The revenue growth forecast was based exclusively on the existing fixed order backlog.

The forecasts for consolidated revenue and adjusted EBIT for fiscal year 2026 as well as the corresponding baseline (before effects of changes in the geopolitical situation) are compared in the table below.

Forecast 2026		
	2025	Forecast 2026
Consolidated revenue (in €b)	1.4	> 1.5
Adjusted EBIT (in €m)	230.4	~255.0-285.0

8. Report on the internal control and risk management system and material risks and opportunities

8.1 Key features of the internal control system*

The internal control system (ICS) is an organizational framework that aims to ensure the correctness of accounting and the associated financial and sustainability reporting as well as the effectiveness and efficiency of business processes, thereby ensuring compliance with statutory requirements and protecting assets from loss or misuse. As an integral part of RENK's corporate structure, the ICS is the cornerstone of governance and transparent business processes.

The Group-wide ICS is based on the internationally recognized framework concept proposed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The COSO ICS was adapted to RENK's specific characteristics and individual circumstances to ensure seamless integration and customized implementation.

Overall responsibility for the Group ICS is one of the Management Board's duties of care and includes promoting awareness of the ICS, providing sufficient resources for implementing and maintaining the ICS and monitoring its effectiveness. The managing directors of the subsidiaries are similarly required to exercise the same duty of care and ensure that an effective ICS is implemented and maintained in their companies. Alongside the Management Board, the Supervisory Board of RENK Group AG monitors the effectiveness of the ICS. Within the Supervisory Board of RENK Group AG, the Audit Committee performs this function and serves as an independent monitoring body.

The process for preparing the annual and consolidated financial statements and for sustainability reporting is safeguarded by numerous controls at local and central level that take account of materiality aspects. These controls include automated controls, the dual control principle, plausibility checks and monitoring controls. Furthermore, RENK's ICS takes account of principles such as the separation of functions, transparency and minimum information. These are tested in a rolling annual process in order to provide the Management Board and Supervisory Board with a basis for making decisions as to the appropriateness and effectiveness of the ICS.

Every year, the Management Board receives a report from the ICS department containing details about the appropriateness and effectiveness of the processes and controls, the potential deficiencies identified, the defined actions and planned improvements as well as the current status of the ICS. In addition, the Management Board reports once a year to the Audit Committee on the annual ICS cycle.

Despite RENK's careful design and comprehensive application of the ICS, its effectiveness remains subject to inherent risks due to subjective discretionary decisions or other factors.

Accounting-related ICS

RENK's accounting-related ICS is specifically aimed at ensuring the correctness of financial reporting (correct presentation of the net assets, financial position and results of operations) and aims to ensure the accuracy, completeness and timely preparation of financial reports as well as compliance with accounting standards. It takes account of the most significant risks and controls for the main accounting processes and relevant functional processes. Alongside accounting-related processes, these processes include purchasing, sales, inventory measurement and human resources, to the extent that they have an impact on financial reporting.

Annual tests of design and operating effectiveness are implemented to monitor the appropriateness and effectiveness of these controls.

The Management Board attaches great importance to effective and responsible corporate governance. Good governance is the bedrock of successful, sustainable business conduct and plays a pivotal role in achieving the Company's strategic and operational goals. To support the Management Board, the central ICS department has

^{*)} This section, marked with *, contains disclosures that are typical for a management report but also address the disclosure requirements of ESRS 2 GOV-5.36(a)(b) and ESRS 2 IRO-1.53 (c).

operational responsibility with regard to all ICS-related activities. It defines the scope of the accounting-related ICS in a two-stage approach that includes company and process scoping. An annual review of the scope of application ensures that any changes to the ICS are taken into account. At the level of the respective entities, local ICS officers are the main point of contact for coordinating the ICS.

Compliance with statutory requirements, including the timely preparation of RENK's annual and consolidated financial statements including sustainability reporting, is ensured by policies, schedules and analyses at Group and entity level.

The following key actions have been implemented within the Group's accounting-related ICS:

- Financial statement guidelines informing the subsidiaries of the relevant topics for preparing their financial statements
- Detailed procedure and schedule for preparing the annual financial statements
- Controls in the process for preparing the annual and consolidated financial statements (analyses, plausibility assessments, etc.)

Non-financial ICS

The non-financial ICS is designed to ensure the completeness and accuracy of the metrics to be reported and additional disclosure stipulations in accordance with sustainability reporting requirements. As part of this, RENK carries out qualitative scoping of the susceptibility to error and complexity of the processes for the sustainability-related metrics identified as relevant by the double materiality assessment in order to determine the risks and necessary controls. This is reviewed annually and updated as required, and tested with regard to its suitability and effectiveness.

Further information about risk management, the internal control system, the compliance management system and internal audit can be found in section 11 Combined Corporate Governance Statement in accordance with Section 289f and Section 315d German Commercial Code.

8.2 Risks and opportunities report*

Every company is exposed to opportunities and risks in the conduct of business activities. RENK systematically identifies, assesses and manages potential risks and opportunities that could have a material impact on its business activities. Taking account of its risk strategy, the Company has introduced a Group-wide risk management system for the early identification, assessment and management of risks. An integral part of this is the risk early warning system, which identifies and assesses risks that could jeopardize the Company's continued existence and development as a going concern. Suitable actions are then taken in response to such risks. RENK describes risks as possible future developments that could impede the achievement of defined Group or segment targets. It considers the impact of risks on net profit.

RENK consciously takes risks in order to leverage market opportunities, provided that these make a significant contribution to increasing the Company's value and conform with RENK's corporate objectives. By contrast, risks that could jeopardize the Company's continued existence as a going concern are avoided or, if they are unavoidable, mitigated by way of appropriate actions. This can only be ensured by an effective risk early warning and risk management system (RMS) that provides relevant information for managing the Company. Another key factor in the RMS process is the monitoring of risk-bearing capacity, which is the maximum level of risk the Company can bear over time without jeopardizing its own existence as a going concern.

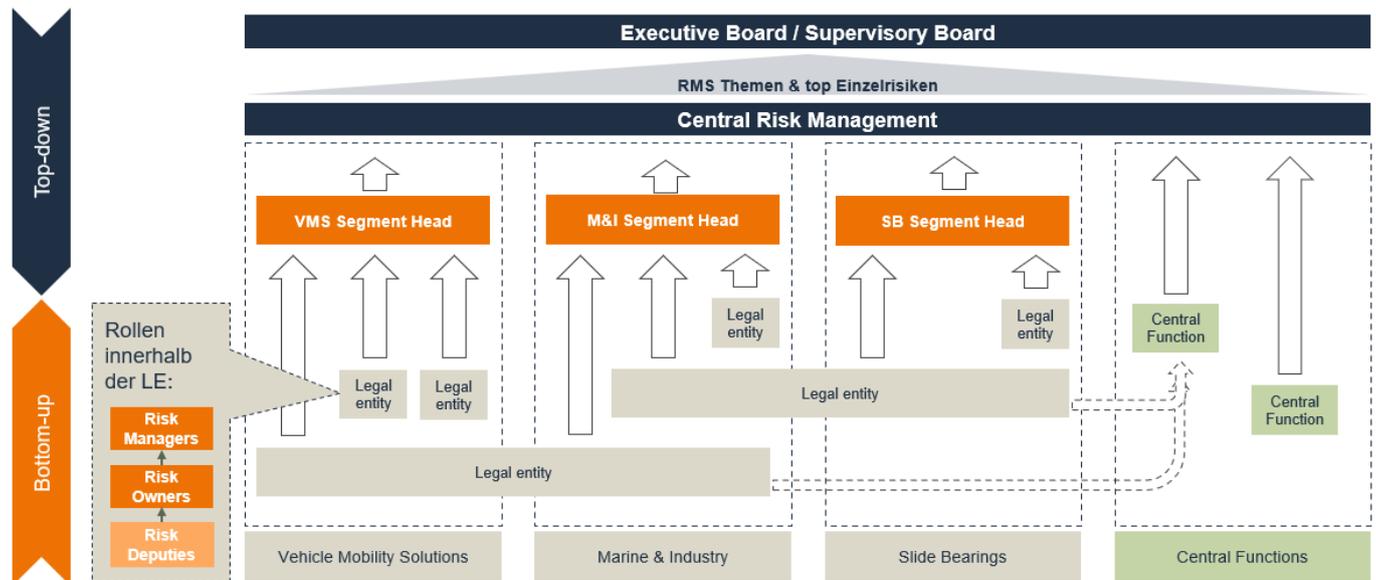
Careful analysis and regular monitoring of the opportunities and risks identified are intended to heighten the awareness of opportunities and risks and ensure an ongoing improvement process. The RMS is based on a management-oriented

* This section marked with * contains disclosures that are typical for a management report but also address the disclosure requirements of ESRS 2 SBM-1.42 (a), (b), (c) and ESRS 2 IRO-1.53 (c).

enterprise risk management (ERM) approach aligned with the internationally recognized COSO framework concept. To ensure the system’s optimum application and effectiveness, it was adapted to the Group’s specific circumstances.

As the Management Board bears overall responsibility for the RMS, it defines the structure and methodology as well as the necessary opportunity and risk management actions. In addition, the Management Board reports regularly to the Group’s Audit Committee. The ongoing review and updating of the RMS as well as the implementation and monitoring of compliance with uniform Group standards were delegated by the Management Board to Corporate Risk Management.

Serving as the link between the legal entities, corporate functions and segments, Management Board and Supervisory Board, Corporate Risk Management is responsible for ensuring a structured organizational and operational workflow.



The RMS process consists of the risk identification, assessment and management phases and is generally relevant for all Group companies, irrespective of their size.

Risk identification has the goal of comprehensively and systematically recording all material risks faced by the Group, irrespective of their nature. The risk owners and risk managers of the legal entities and corporate functions are responsible for identifying risks and opportunities in their area of responsibility and competence (bottom-up approach). The focus is on short-term risks (within the next year). Due to CSRD reporting requirements, the time horizon has been supplemented by medium-term (one to five years) and long-term risks (more than five years). By contrast, the risk cluster heads and segment managers validate and record risks as part of a top-down approach for their respective areas of expertise; they also assess the interactions of risks for RENK.

To identify risks, measures such as workshops, discussions with employees as well as analyses of early warning indicators and key financial indicators are taken.

RENK divides identified risks into seven clusters:

- Legal and compliance risks
- Financial risks
- Reputational risks
- Technology and IT security risks
- ESG risks
- Strategic risks
- Operational risks

All risks must be assessed quantitatively, or at least qualitatively, in terms of their impact on net profit. Cumulative individual risks that may exceed the materiality threshold due to interdependencies must also be reported. The role of the risk manager is to assess whether risks that are considered immaterial on an individual basis might be material if aggregated.

Risk is composed of the potential extent of damage and the probability of occurrence. Risk assessment distinguishes between gross and net assessment, whereby measures already taken can reduce gross risk. The risk classification is shown in the following risk matrix:



Extent of damage	Marginal	Low	Relevant	Material
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- **High risk**
- **Medium risk**
- **Low risk**

Probability of occurrence

in %	
< 5 %	Very unlikely
< 25 %	Unlikely
≤ 50 %	Possible
> 51 %	Likely

Amount of damage

in € millions	
< 2	Marginal
2 - 5	Low
5 - 10	Relevant
> 10	Material

The net risk thus represents the extent of damage and probability of occurrence, taking account of the actions already implemented as of the reporting date to minimize the damage and/or reduce the probability of occurrence. In order to manage the identified and assessed risks appropriately, the risk owner must initiate actions to avoid risks, reduce the extent of damage and the probability of occurrence, hedge the risks or accept the risks. A conscious acceptance of risk requires the determination of the Company’s risk acceptance or appetite and coordination with the risk managers, who must submit the matter to Corporate Risk Management. The Management Board takes the final decision on risk acceptance, allowing for the Company’s risk-bearing capacity in this process.

The risk-bearing capacity determines the maximum risk value that the Company or the Group can bear over time without jeopardizing its continued existence as a going concern. This means that a Company’s risk-bearing capacity can also be described as its risk coverage potential or resilience.

The overall risk results from aggregating all of the Group’s short-term individual risks. Aggregation is necessary because developments that could jeopardize the Company’s continued existence as a going concern may also be caused by the interaction of several risks that, viewed in isolation, do not jeopardize the Company’s continued existence as a going concern. Various recognized quantitative and qualitative approaches can be used in risk aggregation. Due to its specific situation, RENK has decided to cumulate the sum of the expected extent of damage from all short-term individual risks.

In order to adequately account for the risk of several risks occurring simultaneously as well as for interactions, RENK takes the highest percentage of the respective probability of occurrence as the basis for determining the expected extent of damage from the individual risks. Based on the aggregation performed, there is no substantial threat to the Company as a going concern.

Within the context of half-yearly reporting, Corporate Risk Management consolidates the Group risks and reports to the Management Board, Supervisory Board and Audit Committee. Risks that occur unexpectedly, outside of the regular reporting cycles, and are associated with a particularly high extent of damage are reported immediately to Corporate Risk Management outside of the half-yearly risk process.

The annual risk report prepared by Corporate Risk Management and approved by the Management Board forms the basis for external reporting and allows the Management Board to assess the effectiveness of the RMS. The reporting also serves as the basis for the Supervisory Board's monitoring activities.

Internal Audit includes reported risks in its risk-oriented audit approach and provides support for monitoring the implementation of containment actions.

Material risk areas

Based on the risk reporting to the Management Board, the following risk situation exists as of the balance sheet date and summarizes the main risks from a Group perspective:

Significant risk areas			
Risk clusters	Risk areas	Risk category	Changes from the prior year
Strategic risks	Macroeconomic and geopolitical conditions	Medium risk	increased
	Strategic market risks	Medium risk	unchanged
	M&A	Medium risk	unchanged
Operational risks	Production risk	Medium risk	unchanged
	Procurement	Medium risk	unchanged
	Personnel	Medium risk	unchanged
Legal & compliance risks	Warranty and liability risks	Medium risk	unchanged
	Compliance risks	Medium risk	unchanged
Technology & IT-security	Cyber risks	Medium risk	unchanged
Financial risks	Liquidity risk	Medium risk	unchanged
	Currency risk	Medium risk	unchanged
	Tax risks	Medium risk	unchanged

In addition to the risks mentioned below, RENK is exposed to risks inherent in the industry due to the conduct of its business activities. RENK and its performance reflect public sector spending behavior in the individual countries and are inherently exposed to a competitive situation. The major projects awarded to the Company, some of which have been running for many years, are subject to project risks in planning, costing and production. These can be attributed to a wide variety of causes such as technological implementation, cost increases and capacity bottlenecks. Regulatory requirements for the industry may also have a negative impact on RENK's performance, resulting in the need for short-term action. They include sustainability reporting requirements and the corresponding responses to medium- and long-term physical and transition risks due to climate change. In 2025, economic factors such as the downturn in the German economy had an impact on demand for our products for the industry segment. In summary, rapid market changes, increasing uncertainty, a complex international framework and technological progress mean that reliable risk and opportunity assessments are essential for business decision making. As a global company with a portfolio of products, RENK faces a spectrum of risks that vary by segment, industry and region. In light of the current conditions, RENK identified the following net risks that could have a moderate impact on RENK's net profit in the planning period. Unless the opportunities and risks are explicitly allocated to the segments, the disclosures on opportunities and risks relate to all of RENK's segments.

Strategic risks

The risks described below are among RENK's material strategic risks.

Macroeconomic and geopolitical conditions

2025 was marked by a tense and volatile geopolitical situation. Political decisions with immediate impacts on the international movement of goods, multilateral structures and alliances made it more difficult to conduct operations and plan business activities. This was demonstrated by the growing instrumentalization of supply chains, whether as a result of the restrictive U.S. tariff policy or China's export ban on rare earths, which intensified trade conflicts. Moreover, conflicts in the Middle East, China/Taiwan and, not least, Russia's war of aggression against Ukraine heightened global uncertainty and had an adverse impact on global trade, particularly due to temporary restrictions on the issue of export licenses. These macroeconomic and geopolitical developments coupled with the unpredictable effects of the decision-making dynamics may have a negative impact on RENK's current business and projected growth.

To counteract these risks, RENK continuously monitors the relevant import and export legislation in force (e.g. customs and export control regulations) and adapts its sourcing and sales strategies accordingly. Actions include modification of the sourcing strategy, the agreement of new Incoterms, cost transfer agreements with customers and the use of tariff-free import regulations for military transactions with the U.S. government. In the case of rare earths, for example, RENK was able to quickly secure access to alternative suppliers, which meant that any additional costs incurred were negligible.

However, 2025 showed that companies are increasingly facing decision-making dynamics associated with unforeseeable risks and impacts. On the basis of current estimates, RENK assumes that 2026 will likewise be shaped by geopolitical events and protectionism, which could have a moderate impact on RENK's net profit.

Strategic market risks

In order to secure and further expand RENK's future market position, business performance and earnings situation, it is essential to continuously develop viable new applications, products and systems and bring them to market maturity as rapidly as possible. Long lead times and constantly shifting regulatory frameworks create factors of uncertainty that could have a negative impact on the economic success of current or future projects. There is notably a risk that prototypes under development will fail to reach market maturity. Moreover, changes in prevailing conditions as well as the market entry of Chinese and Indian companies in the industrial sector could lead to a lower supply volume and curtail market opportunities. As a supplier to system integrators, RENK's targeted medium-term growth is dependent on the scaling it implements also being achieved by the system integrators, based on the special funds granted by the German government and the defense spending targets of the NATO member states. Any delay or failure on the part of the system integrators to achieve upscaling would have indirect consequences on RENK's net profit.

In order to secure and further expand its market position, RENK relies on continuous dialogue with customers and clients, ongoing market surveillance and actions to consistently enhance efficiency and adapt products. Despite the actions implemented, the aforementioned risks may have a moderate impact on RENK's net profit.

As a result of its business activities in the defense industry, RENK is increasingly becoming the focus of possible industrial espionage, the aim of which is to intercept or compromise confidential company information and data. In turn, this may result in adverse economic impacts and a loss of market share, customers and revenue. Aside from performing a vulnerability analysis, a wide range of actions were implemented – for example, in the area of recruitment as well as with investments in site-specific physical security measures, general information security and cybersecurity. Nevertheless, any loss of data could have a moderate impact on net profit.

Mergers & acquisitions

Business acquisitions remain a key strategic pillar of RENK's ongoing internationalization and growth strategy. As well as reinforcing and developing targeted market positions, acquisitions can be used to meaningfully expand existing

business units. Every acquisition involves the fundamental business risk of the growth envisioned by the buyer either not or only partly materializing, for instance due to targets not being met or inadequate integration of the new company. To counter this risk, RENK conducts extensive due diligence, brings on board specialist legal advisors at an early stage and appoints a post-merger manager to ensure implementation of an appropriate integration plan.

Depending on the actual scenario, realization of the risk could have a moderate impact on RENK's net income.

Operational risks

The risks listed below are among RENK's material operational risks.

Production risks

Maintaining its production ability is pivotal to RENK's economic success. Cases of force majeure or acts of sabotage, whether on the public infrastructure and at the Company's own production sites, may result in material damage, production outages or delays or interruptions in the production chain. They may also result in reputational damage and the loss of customers and orders.

RENK has implemented appropriate actions to protect against potential damage and associated business interruptions or production outages as well as other conceivable damage events and liability risks. Such actions include taking out insurance or increasing safety precautions within and outside production sites. In this connection, RENK deploys site-specific combinations of human resources and organizational measures, flanked by structural and mechanical security measures and electronic monitoring systems. Nevertheless, the consequences of force majeure or sabotage could have a moderate impact on RENK's net assets, financial position and results of operations.

Due to the high degree of specialization at each production site, the Company's capacity to deliver may be impaired in the event of a production outage at one site. RENK counteracts this risk with a strategically optimized, global production landscape and expansion of the production network by ensuring plants' ability to substitute each other and through the continuous sharing of information within the Group. Despite the actions implemented, the risk may have a moderate impact on RENK's net profit.

Procurement risks

The procurement of raw materials, parts and components entails the risk of unexpected supply disruptions, delays and bottlenecks as well as quality issues. In addition, RENK manufactures customized products, for which some precursors or intermediates are available from just one or a handful of suppliers, resulting in a single or sole source risk.

RENK's Purchasing department ensures the Company's optimal supply when it comes to goods and services, focusing on quality, costs and delivery reliability. The risk potential can be reduced through careful selection of efficient suppliers, regular supplier audits and active supplier monitoring, precise specifications and quality requirements, reliability checks and adequate backup stocks. Supplies can also be secured by building up alternative sources for goods from critical suppliers and pursuing commodity strategies. RENK counteracts these risks by way of continuous improvement processes to stabilize the supply chain, by making targeted and detailed forecasts of its requirements and by collaborating closely with suppliers.

Procurement risks also exist due to supply chain delays, which would have a corresponding impact on all of RENK's segments. RENK counteracts these risks with long-term contracts to secure materials and prices and by building up alternative supply sources and conducting competitive tender processes. Where possible, RENK also adapts its pricing strategy.

Despite the increase in order intake, supply security was ensured through the build-up of alternative supply sources and as part of long-term planning. Nevertheless, owing to their volatility, the aforementioned risks may have a moderate impact on RENK's net profit.

Human resources risks

The successful implementation of RENK's ambitious, growth-oriented corporate strategy, achievement of its financial targets and its lasting economic success depend on the expertise and experience of the Company's highly qualified employees and specialists. In this context, material human resources risks include the shortage of skilled workers, employee turnover, difficulties in finding suitable managers, specialists and junior employees with the necessary commercial, technical or industry-specific skills, as well as an aging workforce.

To minimize these risks, RENK conducts target group-specific HR marketing that communicates the Company's strengths externally. Other measures geared to minimizing risk include the ongoing development of competitive, performance-based remuneration and incentive systems, modern human resources management as well as structured training and development for specific areas of expertise and methods. Nevertheless, the aforementioned human resources risks may continue to have a moderate impact on RENK's net profit.

Legal and compliance risks

The risks described below rank among RENK's material legal and compliance risks.

Warranty and liability risks

The quality of the products supplied by RENK is a material factor in customers' purchasing decisions. To safeguard this quality over the long term, the Company deploys a certified quality management system and other processes aimed at enhancing quality. Despite the aforementioned actions, there is a risk that products of poor quality could be delivered and cause a product liability or warranty risk. Moreover, it is customary in some countries for the award of contracts to be linked to industrial offset obligations. As a supplier to system integrators, RENK may be contractually required to fulfill their offset obligations. These may include support for local purchasing or production, the transfer of technology or investments in the customer's country. Failure to fulfill such obligations may result in contractual penalties or restrictions on participation in future tender processes.

A corporate offset manager has been appointed to support and monitor any offset obligations. Aside from conducting contract negotiations, they support the implementation of local actions and ensure ongoing dialogue with our customers. In addition, RENK deploys strict quality assurance measures, continuous improvement processes for products and production – most recently at the Augsburg and Muskegon (United States) production sites – and regular training to ensure the qualification of its employees. Legal specialists help to minimize RENK's contractual risks and selected product liability risks are insured.

Despite these actions, RENK is a party to legal disputes arising from asserted claims for damages and liability. Court and arbitration proceedings are regularly associated with complex legal issues and are subject to considerable valuation and estimation uncertainties with regard to any potential obligations to remedy defects and pay damages. RENK believes that it has applied a best estimate in recognizing adequate provisions to cover existing or foreseeable litigation risks. It is nevertheless possible that negative court or official rulings or the conclusion of settlements may result in expenses that are not or not fully covered by existing provisions or insurance benefits and hence exceed said provisions and benefits. In consequence, the occurrence of individual risks may have a moderate impact on RENK's net profit.

Compliance

As a global company, RENK must comply with different laws and regulations worldwide. The Company has implemented a Group-wide compliance management system to ensure this. In the event of corruption or non-compliance with anti-corruption laws or the identification of matters that do not meet the requirements of the compliance management systems, appropriate action is taken without delay.

RENK cooperates with the authorities in investigations into possible compliance violations and responds appropriately to any deficiencies identified. Systemic and company-specific compliance risks are identified by way of regular, Group-wide compliance risk assessments (top-down and bottom-up) and case-by-case risk analyses – for example, in the

context of software-assisted, third-party screening processes and due diligence procedures in critical markets. Clearly defined responsibilities within the Group, internal policies – such as the Code of Conduct – and regular training help employees to act in a compliant manner and prevent damage to RENK. Compliance violations and allegations of corruption may have a moderate impact on RENK's net profit and reputation.

RENK is additionally exposed to risks that may arise from regulatory and statutory changes in individual countries or at European level. These may include new laws or amendments to the legal frameworks for export control or export restrictions. Moreover, embargoes, economic sanctions or other forms of trade restrictions could be imposed on the countries in which RENK operates. Although regulatory requirements are monitored continuously, such changes may have a moderate impact on the Company's financial position and results of operations.

Technology and IT security risks

The risks described below rank among RENK's material risks in the area of technology and IT security.

IT cybersecurity

The IT systems used throughout the RENK organization are pivotal for the Company. Business process functionality and hence the maintenance of business operations depend on the availability of IT systems, the function of which can be impaired in whole or in part by cyber attacks. Other risks exist due to unauthorized access to IT systems, the modification or removal of sensitive business data as well as the malfunctioning of processes and data.

To ensure the confidentiality, integrity and availability of data and IT systems, RENK has implemented an information security management system (ISMS) certified in accordance with the internationally recognized ISO 27001 standard and Germany's BSI standards for basis IT protection.

Raising employee awareness for the need to handle business-relevant information carefully is an important tool for RENK. For this reason, audits and awareness campaigns are essential. At the same time, the Company deploys integrated hardware and software protection systems and ensures continuous active monitoring by a Cyber Defense Center; it has also taken out cyber insurance.

Despite the actions implemented, the aforementioned risks may still have a moderate impact on net profit.

Financial risks

The risks described below are among RENK's material financial risks.

Liquidity risk

Liquidity risk refers to the risk that RENK will be unable to meet its payment obligations on time. This is the case if financing requirements cannot be covered by existing equity or debt financing. RENK's financing requirements in 2025 were covered entirely by existing financing instruments. Although RENK's financing resources were far from exhausted in 2025, there is a fundamental risk that loans could be terminated by lenders for cause if contractually agreed financial covenants are not met. The financial covenant is contractually defined as the consolidated net leverage ratio and is intended to promote responsible corporate governance. The consolidated net leverage ratio is calculated quarterly as of the last day of the quarter based on the preceding twelve months. In order to secure liquidity, the Treasury department conducts rolling liquidity planning for RENK and continuously monitors adherence to the financial covenant. Additionally, Group cash-pooling arrangements are used to optimize financing resources.

RENK depends on banks providing guarantees and sureties to secure its orders and offers. If RENK is unable to obtain adequate guarantees and sureties from financial institutions, the Company's projected growth may be jeopardized.

Due to the use of variable interest rates for refinancing transactions, RENK is exposed to an interest rate risk and an abstract risk of changes in conditions. This risk is counteracted by early and continuous financial planning and the conclusion of an interest rate swap. Despite the low probability of occurrence, the individual liquidity risks may have a moderate impact on the net assets, financial position and results of operations.

Currency risk

As an international company, RENK is exposed to currency risks; the Company's functional currency is the euro. For this reason, operating results are influenced by exchange rate fluctuations, in particular the exchange rate of the US dollar against the euro. That is why RENK uses derivatives to mitigate currency risk. The income and cost risks resulting from currency fluctuations are limited by making purchases and sales in the respective foreign currencies and by using forward exchange transactions. However, these may have a moderate impact on net profit.

Tax risks

Due to its global business activities, RENK is subject to different and changing legislation and tax audits in Germany and abroad, which may entail the risk of additional taxes, interest and penalties. In order to identify and minimize tax risks at an early stage, RENK has implemented organizational actions to ensure fiscal compliance. These include establishing a Global Tax Center, implementing policies and working closely with external tax advisors. Despite the actions implemented, tax risks may have a moderate impact on net profit.

Opportunities management

The economic situation in the defense industry is characterized by structurally and geopolitically favorable conditions. The main drivers are the strengthening of European sovereignty, also by increasing NATO defense spending targets, as well as the German government's national initiative to assume greater responsibility for security and defense policy. These political and budgetary developments are resulting in sustainable growth in the defense industry due to increased budgets with higher investment volumes, improved planning security and expanding order backlogs over the space of several years. The aforementioned conditions are yielding the following new opportunities for RENK.

Easier access to debt capital

RENK's positive business performance is reflected in its upgraded credit rating with external ratings agencies. This development both enhances RENK's financial stability and increases its strategic headroom with a moderate impact on net income over a medium-term time horizon.

Opportunities resulting from M&A

RENK will continue to pursue its profitable growth strategy in the years ahead. The ongoing review of M&A options in the defense sector is a key lever for RENK to achieve inorganic growth and compliance with increasing localization requirements. To this end, RENK systematically analyzes potential target markets, technologies and capacities with the aim of ensuring the Company's long-term competitiveness by tapping into existing customer bases, gaining access to established supply chains and securing a competitive edge. In addition, RENK is constantly exploring joint venture opportunities. The realization of its M&A activities could have a moderate impact on net income.

Partnerships and collaborations

Defense companies are at a turning point where software, automation and system connectivity as well as hybridization and autonomy will redefine the meaning of military capability. With its Next Generation Mobility innovation agenda, RENK is focusing on strategic partnerships to drive its digital transformation, the industrial growth and international expansion of the VMS and M&I segments over the medium and long term as well as enabling the targeted use of AI. With

the combined expertise of RENK and its partners, the Company aims to deliver ready-to-deploy, fully autonomous platforms to support armed forces around the world. In this connection, the digital modernization of existing fleets coupled with the conversion of older vehicles into intelligent, networked and autonomous platforms are enabling AI-supported operating systems. RENK considers a moderate impact on net income to be a possibility.

Opportunities resulting from digitalization and artificial intelligence

Alongside digitalizing its product portfolio, RENK is focusing on optimizing its own business processes by drawing on digitalization and AI. The introduction of AI-aided solutions is intended to make internal processes more efficient, reduce manual activities, achieve a more targeted approach to addressing customers and improve data-based decision making. The first prototypes and successful use cases serve as the blueprint for a successive rollout across the Company's segments and for broad-based scaling. This will enable RENK to continuously optimize its performance and delivery capabilities, for example, in the spare parts business and by utilizing data-based business models and e-commerce, which could have a moderate impact on net income.

Energy infrastructure expansion

As AI data centers are established and expanded worldwide, demand for high-performance energy infrastructure is rising significantly. Notably, the sharp increase in electricity consumption by these data centers is pushing up demand for Slide Bearings products, namely bearings and grid stabilizers to ensure a reliable and stable power supply. In light of this, RENK is already experiencing increased demand for these products in the Slide Bearings segment and foresees mid-term growth potential with a moderate impact on the segment's net income over a medium-term time horizon, particularly given the ongoing investment in AI infrastructure.

Overall assessment

The Management Board evaluates RENK's overall opportunity and risk situation by considering all material risks and individual risks and, if necessary, weighing them against any opportunities that arise. The Management Board believes that RENK's risk position has deteriorated slightly compared to the previous year. Whereas the composition of the material risks remains unchanged, unforeseeable developments and decisions that could have a negative impact on RENK's business activities are to be expected due to the aggravated geopolitical situation. Overall, there are no known risks – either alone or in combination with other risks – that could jeopardize the continued existence of the Company as a going concern.

9. Explanations to the annual financial statements of RENK Group AG

The annual financial statements of RENK Group AG comply with the provisions of the German Commercial Code (“Handelsgesetzbuch”), while the consolidated financial statements are prepared in accordance with the IFRS Accounting Standards, as adopted by the EU, and the supplementary requirements specified by Section 315e German Commercial Code. As the Group holding company, RENK Group AG performs operational management functions as well as its service and holding functions. Its economic development depends mainly on the business performance of the operating Group companies. Economic conditions such as the risks and opportunities of RENK Group AG correspond in essence to those of the Group as described in the economic report. The Group outlook directly influences our expectations for RENK Group AG. Consequently, the explanations given above apply to both RENK Group and RENK Group AG.

Since its IPO on February 7, 2024, RENK Group AG has been listed on the Frankfurt Stock Exchange with the securities identification number RENK73 or ISIN DE000RENK730. It is thus classified as a large corporation pursuant to Section 264d in conjunction with Section 267(3) s. 2 German Commercial Code.

In the context of its activities as the holding company (publicly listed since February 7, 2024) of RENK Group, RENK Group AG has entered into service agreements with RENK GmbH.

In the past fiscal year, the Company had an average of 15 employees (previous year: 7). The employees are made up of 3 Management Board members (previous year: 3) and 12 management personnel (previous year: 4).

9.1 Net assets, financial position and results of operations

Income Statement	Fiscal year		Change	
	2024	2025	in €	in %
in €k				
Revenue	2,839	6,793	3,954	>100%
Other operating income	8,464	170	(8,294)	(98.0)%
thereof income from currency translation	1	-	(1)	(100)%
Gross profit for the period	11,303	6,963	(4,340)	(38.4)%
Cost of materials	(434)	(226)	208	(48.0)%
a) Cost of raw materials, consumables and supplies and of purchased merchandise	(12)	(15)	(3)	22.5%
b) Cost of purchased services	(422)	(211)	211	(50.1)%
Personnel expenses	(4,877)	(8,007)	(3,130)	64.2%
a) Wages and salaries	(4,257)	(7,332)	(3,075)	72.2%
b) Social security, post-employment and other employee benefit costs	(620)	(675)	(55)	8.9%
thereof in respect of post-employment benefits	(496)	(417)	78	(15.8)%
Other operating expenses	(15,710)	(10,983)	4,727	(30.1)%
thereof currency translation expenses	(2)	-	2	(100)%
Operating result (EBIT)	(9,718)	(12,252)	(2,534)	26.1%
Income from profit transfer	-	115,400	115,400	-
Other interest and similar income	-	-	-	>100%
Interest and similar expenses	(1,383)	(3,258)	(1,875)	>100%
thereof relating to affiliated companies	(1,378)	(3,243)	(1,866)	>100%
Earnings before tax (EBT)	(11,101)	99,890	110,991	<(100)%
Taxes on income	(95)	(36,918)	(36,822)	>100%
Profit/loss after tax	(11,196)	62,973	74,169	>100%
Net loss for the year	(11,196)	62,973	74,169	>100%
Accumulated losses brought forward	-	1,804	1,804	
Withdrawals from revenue reserves	55,000	-	(55,000)	(100.0)%
Net retained profits	43,804	64,777	20,973	47.9%

The revenue of €6,793k (previous year: €2,839k) relates solely to intragroup cost allocations charged for the performance of corporate functions. The cost allocations charged include a markup consistent with the market and are fully attributable to Germany.

Other operating income of €170k (previous year: €8,464k) solely comprises intragroup cost allocations charged in connection with the acquisition of Cincinnati Gearing Systems Inc., Cincinnati (United States) and Lee Holdings LLC, Wilmington (United States). In the previous year, this mainly included intragroup cost allocations charged in connection with the IPO amounting to €8,379k.

Personnel expenses amounting to €8,007k (previous year: €4,877k) include €7,332k (previous year: €4,257k) in expenses for salaries and €675k (previous year: €620k) in social security expenses. Of this amount, €417k is attributable to pensions (previous year: €496k).

Other operating expenses mainly include consulting costs of €4,757k (previous year: €11,563k). The decrease compared with the previous year is mainly due to higher consulting costs in connection with the IPO on February 7, 2024, and the resulting expansion of financial reporting. Supervisory Board bonuses account for €1,059k (previous year: €989k). Also included are the costs of €1,313k (previous year: €1,265k) for the preparation and audit of the annual financial statements.

The interest expense relates to the interest expense for the loan liability to affiliated companies amounting to €3,243k (previous year: €1,378k) and the interest expense in connection with the pension provisions amounting to €15k (previous year: €5k).

Taxes on income amount to €36,917k (previous year: €95k) and result from trade tax amounting to €19,278k (previous year: €0k) and corporate income tax and the solidarity surcharge amounting to €17,639k (previous year: €94k). In addition, a control and profit and loss transfer agreement was entered into between RENK Group AG and RENK GmbH, resulting in the establishment of a consolidated tax group. On June 4, 2025, the Annual General Meeting of RENK Group AG approved the control and profit and loss transfer agreement between RENK Group AG and RENK GmbH. On entry in the commercial register on June 18, 2025, the control and profit and loss transfer agreement came into force with retrospective effect from January 1, 2025.

ASSETS				
in €k	Fiscal year		Change	
	2024	2025	in €	in %
A. Intangible assets	357,374	357,374	-	0%
I. Long-term financial assets	357,374	357,374	-	0%
1. Shares in affiliated companies	357,374	357,374	-	0%
B. Current assets	3,046	117,285	114,239	>100%
I. Receivables and other assets	3,046	117,285	114,239	>100%
1. Receivables from affiliated companies	1,609	115,778	114,168	>100%
2. Other assets	1,438	1,508	70	4.8%
II. Bank balances	-	-	-	-
C. Prepaid expenses	46	164	117	>100%
	360,467	474,823	114,356	31.7%

EQUITY AND LIABILITIES				
in €k	Fiscal year		Change	
	2024	2025	in €	in %
A. Equity	314,335	335,308	20,973	6.7%
I. Subscribed capital				
Contingent capital: 50.000 (previous year: 50.000)	100,000	100,000	-	0%
II. Capital reserves	170,531	170,531	-	0%
III. Net retained profits	43,804	64,777	20,973	47.9%
B. Provisions	5,156	17,878	12,722	>100%
1. Provisions for pensions and similar obligations	651	789	138	21.19%
2. Provisions for taxes	94	9,061	8,966	>100%
3. Other provisions	4,411	8,028	3,618	82.0%
C. Liabilities	40,976	121,637	80,661	>100%
1. Trade payables	2,251	3,760	1,510	67.1%
2. Liabilities to affiliated companies	37,326	115,821	78,495	>100%
3. Other liabilities	1,399	2,056	657	47.0%
thereof from taxes	1,391	2,040	648	46.6%
thereof relating to social security and similar obligations	7	16	9	>100%
	360,467	474,823	114,356	31.7%

In addition to the share in the affiliated company RENK GmbH and equity, the statement of financial position of RENK Group AG mainly presents receivables from and liabilities to Group companies.

The increase of €114,239k in current assets is primarily attributable to the receivables from affiliated companies arising for the first time under the profit and loss transfer agreement in the amount of €115,400k, which are solely attributable to RENK GmbH. In contrast, receivables from intragroup cost allocations decreased by €1,232k as of the reporting date.

Equity of RENK Group AG increased by €20,973k compared to the previous year, due in particular to income of €115,400k from profit and loss transfers. This was offset in part by the distribution of a dividend of €0.42 per dividend-bearing no-par value share (€42,000k in total) resolved by the Annual General Meeting on June 4, 2025.

The settlement amount of the provisions for pensions as of December 31, 2025 was €937k (previous year: €794k). In accordance with Section 246(2) S. 2 German Commercial Code, pension provisions must be netted with plan assets. The cost of the plan assets was €148k (previous year: €143k) and corresponded to the fair value as of December 31, 2025.

The provisions for taxes amounting to €9,061k (previous year: €94k) relate to corporate income tax of €4,776k (previous year: €94k) and trade tax of €4,285k (previous year: €0k). The increase is due to the tax group newly formed with RENK GmbH.

Liabilities to affiliated companies amounting to €115,821k (previous year: €37,326k) are attributable in full to RENK GmbH, Augsburg, Germany. Of this amount, €72,020k (previous year: €30,010k) is attributable to two long-term loans and €42,963k (previous year: €7,316k) to cash pool liabilities. The €42,010k increase in liabilities to affiliated companies from loans to €72,020k is attributable to a new loan granted by RENK GmbH.

Total assets of RENK Group AG increased by 31.72% and amounted to €474,823k as of December 31, 2025 (previous year: €360,467k).

Due to the interrelationships with RENK Group companies, the performance of RENK Group AG is considered sustainably positive. As a result of the cash-pooling agreement with RENK GmbH, sufficient liquidity will also be ensured in the future.

The Management Board proposes to use €58,000k of the net retained profit in the single-entity financial statements of RENK Group AG amounting to €64,777k as of December 31 to distribute a dividend of €0.58 per dividend-bearing no-par value share. The net retained profit remaining after distribution of the dividend in the amount of €6,777k is to be carried forward to new account.

9.2 Risks and opportunities

RENK Group AG participates in the risks and opportunities of its subsidiaries; the degree of this participation depends on the respective holding in the investment. It also results in corresponding risks of the possible impairment of the investment. Details of this can be found in chapter 8.2 Opportunity and risk report.

In addition, charges may arise from the control and profit and loss transfer agreement concluded between RENK Group AG and RENK GmbH.

As the parent company of RENK Group, RENK Group AG is included in the Group-wide risk management system (see chapter 8.2 Opportunity and risk report). The relationships with investments may also result in charges and write-downs on the shares in affiliated companies due to legal or contractual provisions, especially relating to financing.

9.3 Forecast

The future economic development of RENK Group AG is closely linked to the future operating performance of the Group. Net profit serves as the key financial performance indicator.

In the future, RENK Group AG will incur expenses for the remuneration of the members of the Management Board and Supervisory Board and for other employees, for tax payments, for utilized funding and for its own holding organization. Income is also generated through the provision of services for other Group companies. Against this backdrop and the existing profit transfer agreement with RENK GmbH, Augsburg, the forecast from the previous year was achieved, and the Management Board expects the annual result to remain clearly positive, with at least a moderate increase compared to the previous year.

For fiscal year 2026, we are aiming for a payout ratio of around 40% to 50% of RENK Group's adjusted net profit.

Due to the interrelationships with RENK Group companies, the general expectations for RENK Group AG are reflected in the forecast for RENK Group.

10. Disclosures required under takeover law

Explanatory report by the Management Board pursuant to Section 176(1) S. 1 German Stock Corporation Act ("*Aktiengesetz*") on the disclosures required under takeover law pursuant to Section 289a S. 1 and Section 315a S. 1 German Commercial Code ("*Handelsgesetzbuch*") as of the December 31, 2025 reporting date.

10.1 Composition of the Company's subscribed capital

As of December 31, 2025, the subscribed capital (share capital) of RENK Group AG pursuant to Articles 6(1), 6(2) and 7(1) of the Company's Articles of Incorporation amounted to €100m (in words: one hundred million euros) and was divided into 100m no-par value common bearer shares. Each of the shares has a notional value of €1.00. The shares are fully paid up. There are no different classes of shares.

All of the shares are subject to the same rights and obligations. Shareholder rights and obligations are set out in detail in the provisions of the German Stock Corporation Act, including but not limited to Sections 12, 53a ff., 118 ff. and 186. Accordingly, the membership rights arising from the shares confer on shareholders both financial rights and governance rights. Financial rights generally include the right to share in profits and liquidation proceeds as well as preemptive subscription rights in the event of capital increases. Governance rights notably include the right to participate in the Annual General Meeting and to speak, pose questions, submit motions and vote at the AGM as well as the ability to enforce such rights by way of legal actions to obtain information, or legal challenges, as well as various minority rights.

Pursuant to Article 7(2) of the Articles of Incorporation, shareholders' entitlement to the issuance of share certificates is excluded to the extent legally permissible and insofar as securitization is not required under the rules of the stock exchange on which the shares are admitted to trading. The Company is authorized to issue share certificates representing individual shares (individual share certificates), multiple shares or all shares (global certificates). Shareholders are not entitled to the issuance of dividend coupons or renewal certificates.

10.2 Restrictions on voting rights and share transfers

Pursuant to Section 20(1) of the Articles of Incorporation, each share entitles the shareholder to one vote at the Annual General Meeting and determines the shareholder's interest in the Company's profits. Excluded from this are treasury shares held by the Company, from which the Company derives no rights pursuant to Section 71b German Stock Corporation Act; as of December 31, 2025, the Company held no such treasury shares. In the cases in which Section 136 German Stock Corporation Act applies, the voting rights attached to the relevant shares are precluded by law. Statutory restrictions on voting rights may also arise in the event of breaches of notification obligations under Sections 20(7) and 21(4) German Stock Corporation Act. Similarly, breaches of notification obligations within the meaning of Sections 33(1), 33(2), 38(1) and 39(1) German Securities Trading Act ("*Wertpapierhandelsgesetz*") may result in rights attached to shares, including voting rights, not being exercisable at least temporarily pursuant to Section 44 German Securities Trading Act.

The Federal Ministry for Economic Affairs and Energy (BMWE) may conduct a review of direct or indirect acquisitions of shares in the Company by a foreign acquirer if, following the acquisition, the acquirer would hold 10% or more of the voting rights in the Company, either directly or indirectly. Pursuant to Sections 60 ff. German Foreign Trade and Payments Regulation ("*Außenwirtschaftsverordnung*"), the BMWE must be notified in writing of the intended acquisition; the BMWE will only approve the acquisition if there are no objections based on material security interests of the Federal Republic of Germany. Whether the provisions of Sections 60 ff. German Foreign Trade and Payments Regulation apply depends on whether the target company operates in one of the sectors listed in Section 60(1) German Foreign Trade and Payments Regulation. Even if Section 60 German Foreign Trade and Payments Regulation does not apply, the BMWE may nonetheless prohibit or restrict the acquisition if it is likely to impair public order or the security of the Federal Republic of Germany, another EU Member State or projects or programs of European Union interest (cross-sector review, Sections 55 ff. German Foreign Trade and Payments Regulation).

In connection with Article 19(11) of Regulation (EU) No. 596/2014 (Market Abuse Regulation), certain trading prohibitions apply to the purchase and sale of shares in RENK Group AG, in particular during periods surrounding the publication of financial results.

An agreement was entered into between the shareholder KNDS N.V., Amsterdam, Netherlands, and the shareholder Rebecca BidCo S.à r.l., pursuant to which KNDS N.V. was granted an option to acquire up to 25% of the voting rights plus one vote from Rebecca BidCo S.à r.l., subject to regulatory approval. Under the agreement, KNDS N.V. was subject to a lock-up period of 360 days following the first day of trading in RENK shares, during which KNDS N.V. was not permitted to dispose of the shares acquired by it under the agreement. In addition, the agreement granted KNDS N.V. the right to nominate one member and one alternate member to the Supervisory Board. Rebecca BidCo S.à r.l. has undertaken to support the appointment of the nominated Supervisory Board member and the alternate member at the Annual General Meeting.

KNDS N.V. has exercised its option rights in full, as evidenced by the ad hoc announcement issued by RENK Group AG on February 10, 2025 as well as press releases published by RENK Group AG and KNDS N.V. on February 11, 2025. In an ad hoc announcement dated July 28, 2025, RENK Group AG announced that KNDS N.V. would acquire 9,166,667 shares in RENK from Rebecca BidCo S.à r.l. The corresponding voting rights notification relating to the July 25, 2025 acquisition was published on August 3, 2025. According to information available to RENK, KNDS N.V. has not acquired any additional shares from Rebecca BidCo S.à r.l. in connection with exercise of the options announced by RENK on February 10, 2025.

Additional information on exercising option rights and the resulting scope of the share acquisition by KNDS N.V. is set out below in Section 10.3 *Direct/indirect shareholdings exceeding 10% of voting rights*.

Each Management Board contract includes a share ownership clause according to which the members of the Management Board are required to invest a specified amount in Company shares over a period of four years on an arm's length basis. The amount to be invested corresponds to a multiple of the respective member's annual base salary, with any existing shareholdings being credited toward the required investment sum. Shares acquired in accordance with those requirements must be held in full until the end of the respective Management Board member's tenure.

One component of the remuneration afforded to RENK Group AG Management Board members is structured as a Long-Term Incentive (LTI) plan. The remuneration amount determined in accordance with the provisions of the LTI is paid out either in cash or in shares at the end of the respective performance period at the discretion of the Supervisory Board. The payout is made following approval of the respective audited consolidated financial statements. To the extent that RENK shares are issued as remuneration under the LTI, such shares are not subject to any restrictions.

Apart from the foregoing, the Management Board is not aware of any agreements entered into by RENK Group AG shareholders that contain restrictions relating to the exercise of voting rights or the transfer of shares.

10.3 Direct/indirect shareholdings exceeding 10% of voting rights

To the knowledge of the Company (based on notifications pursuant to Sections 33 and 34 German Securities Trading Act), the following direct or indirect interests in the voting share capital of RENK Group AG that exceed 10% of the voting rights existed as of the reporting date (as a rule, the shareholdings stated in voting rights notifications are listed; however, it cannot be ruled out that the level of shareholdings may have changed since that time without notification thresholds being crossed and thus without RENK becoming aware of the changes):

As of December 31, 2025, KNDS N.V., Amsterdam, Netherlands, directly controlled 15.83% of the voting rights of RENK Group AG, corresponding to 15,833,333 shares.

The Company has not been notified or become aware in another manner of any other shareholdings equal to 10% of the voting rights.

10.4 Holders of shares conveying special rights of control

The Company has not issued any shares conveying special rights of control.

10.5 Control over voting rights in the event of employee shareholders who do not exercise their rights directly

Like other shareholders, RENK employees who hold shares in the Company exercise their rights of control directly pursuant to the statutory provisions and the Articles of Incorporation. This likewise applies to RENK Group AG Management Board members who were granted shares as a component of their LTI remuneration and to RENK Group AG Management Board members who acquired shares under the share ownership guidelines contained in their contracts.

10.6 Statutory requirements and requirements of the Articles of Incorporation concerning the appointment and removal of Management Board members and amendments to the Articles of Incorporation

The appointment and removal of members of the Management Board are governed by Sections 84 and 85 German Stock Corporation Act, Sections 31 and 33 German Co-Determination Act ("*Mitbestimmungsgesetz*") and Article 8 of the Articles of Incorporation. Pursuant to Article 8(1) of the Articles of Incorporation, the Management Board should consist of one or more members, with the number of members being determined by the Supervisory Board. Management Board members are appointed by the Supervisory Board for a maximum of five years; reappointment is permitted. The Articles of Incorporation also stipulate that the Supervisory Board may appoint a Management Board chair and deputy chair and issue rules of procedure for the Management Board.

According to Section 119(1) No. 6, Section 133 and Section 179(1) s. 1 German Stock Corporation Act, any changes to the Articles of Incorporation must be approved by the Annual General Meeting. Article 6(6) of the Articles of Incorporation stipulates that the Supervisory Board is authorized to amend the wording of the Company's Articles of Incorporation after the implementation of a capital increase or after expiry of the authorization period where no Authorized Capital (see Article 6(4) of the Articles of Incorporation) or Conditional Capital (see Article 6(5) of the Articles of Incorporation) has been utilized.

Pursuant to Section 179(2) German Stock Corporation Act, any resolutions of the Annual General Meeting to amend the Articles of Incorporation require a majority of at least three-quarters of the share capital represented at the vote, unless a different capital majority is stipulated by the Articles of Incorporation. Article 21 of the Articles of Incorporation of RENK Group AG provides for a different capital majority in this respect. Article 21 s. 1 of the Articles of Incorporation stipulates that the Annual General Meeting may approve resolutions with a simple majority of the votes cast, unless mandatory statutory provisions or the Articles of Incorporation call for a greater majority or impose other requirements. Article 21 s. 2 of the Articles of Incorporation moreover stipulates that if a capital majority is required by law in addition to a majority of votes, a simple majority of the share capital represented at the time of the vote will suffice, insofar as permitted by law. However, such a simple majority as per Article 21 s. 2 of the Articles of Incorporation does not apply to changes in the purpose of the Company, given that Section 179(2) s. 2 German Stock Corporation Act requires that a capital majority of greater than three-quarters be stipulated in the Articles of Incorporation in that respect. Any additional capital majorities required by law for amendments to the Articles of Incorporation – specifically a majority of at least three-quarters of the share capital represented at the time of the vote in addition to a simple majority of votes – remain unaffected; this applies in particular to resolutions concerning the creation of Conditional Capital (Section 193(1) s. 1 German Stock Corporation Act), the creation of Authorized Capital (Section 202(2) s. 2 German Stock Corporation Act), capital increases from company funds (Section 207(2) s. 1 in conjunction with Section 182(1) s. 2 German Stock Corporation Act), reductions in share capital (Section 222(1) s. 1 German Stock Corporation Act and Section 229(3) in conjunction with Section 222(1) s. 1 German Stock Corporation Act), and the retirement of shares in the cases set out in Section 237(2) s. 1 in conjunction with Section 222(1) s. 1 German Stock Corporation Act.

10.7 Authority of the Management Board to issue or buy back shares

Conditional Capital and authorization to issue warrant-linked or convertible bonds as well as profit participation securities conferring option or conversion rights

By resolution of the Annual General Meeting of September 18, 2023, the Management Board of RENK Group AG was authorized, subject to the approval of the Supervisory Board, to issue registered or bearer warrant-linked or convertible bonds as well as profit participation securities conferring option or conversion rights with limited or unlimited terms in a total nominal amount of up to €50m (in words: fifty million euros) on one or more occasions on or before September 17, 2028. The Management Board was further authorized to grant to debt security holders option or conversion rights for up to 50m new shares in the Company, each representing a proportionate amount of the share capital of up to €1.00, in accordance with the terms and conditions for warrant-linked or convertible bonds and/or profit participation securities to be set forth by the Management Board.

The debt securities may be issued in euros or in another legal foreign currency provided the equivalent value in euros is not exceeded. The debt securities may also be issued by undertakings that are controlled or majority-owned by the Company, in which case the Management Board is authorized, subject to the approval of the Supervisory Board, to assume the guarantees for the debt securities on behalf of the Company and to grant options and/or conversion rights for shares of the Company to the holders of such debt securities, as well as to make other declarations and take other actions necessary for successful issue and placement.

Debt security issues may be broken down into separate tranches with equal rights. Debt securities may also be issued in exchange for non-cash consideration, provided the value of the consideration corresponds with the issue price and the issue price calculated using recognized financial valuation methods does not fall significantly below the hypothetical fair value of the debt securities.

The Management Board has been authorized, subject to the approval of the Supervisory Board, to disapply shareholders' statutory preemptive rights to subscribe to debt securities in order to eliminate fractional amounts arising on the basis of the subscription ratio.

The Management Board is also authorized, subject to the approval of the Supervisory Board, to disapply shareholders' statutory preemptive rights to the extent necessary in order to grant preemptive rights to the holders of warrant-linked or convertible bonds or profit participation securities that establish a conversion right or option or a conversion obligation (or a combination thereof) and were issued by the Company or by undertakings controlled or majority-owned by the Company, in the scope to which such holders would be entitled after exercising their rights or fulfilling their obligations.

In addition, the Management Board is authorized, subject to the approval of the Supervisory Board, to disapply shareholders' statutory subscription rights with respect to the issue of debt securities in exchange for non-cash consideration, including, but not limited to, for the purpose of acquiring companies, parts of companies, interests in companies or other assets.

The Management Board is also authorized, subject to the approval of the Supervisory Board, to disapply shareholders' statutory preemptive rights in order to issue debt securities in exchange for cash, provided the sale is transacted at an issue price that does not fall significantly below the hypothetical fair value of the bonds calculated using recognized methods (including but not limited to financial valuation methods). However, the authorization to disapply preemptive rights is subject to the provision that the shares issued for the purpose of fulfilling option or conversion rights or conversion obligations do not make up more than 10% of the Company's share capital. The 10% threshold is calculated on the basis of the share capital existing at the time the authorization takes effect. Should the value of the share capital be lower at the time the authorization is exercised, such lower value will apply. To be included in that amount is the pro-rated amount of share capital attributable to (i) shares that were or will be issued from Authorized Capital during the term of the authorization (or until the authorized volume is exhausted), with preemptive rights disappplied pursuant to Section 186(3) s. 4 German Stock Corporation Act, (ii) treasury shares sold during the term of the authorization (or until the authorized volume is exhausted) on the basis of authorizations pursuant to Section 71(1) No. 8 German Stock Corporation Act or issued with shareholders' preemptive rights disappplied pursuant to Section 186(3) s. 4 German Stock Corporation Act, and (iii) shares that were or will be issued to fulfill warrant-linked or convertible bonds/profit participation securities conferring conversion or option rights, or a conversion obligation, provided the debt securities

were issued during the term of the authorization (or until the authorized volume is exhausted) on the basis of another authorization, with statutory preemptive rights disapplied in corresponding application of Section 186(3) s. 4 German Stock Corporation Act.

Additional details can be found in the authorization resolution adopted by the Annual General Meeting.

The Company's share capital has been conditionally increased by up to €50m (in words: 50 million euros) for the purpose of granting shares to holders of the aforementioned instruments (Conditional Capital 2023). More information on Conditional Capital 2023/1 can be found in Article 6(5) of the Articles of Incorporation.

Authorized Capital

The Management Board is authorized, subject to the approval of the Supervisory Board, to increase the Company's share capital by up to a total of €50m (in words: fifty million euros) on one or more occasions on or before September 10, 2028 by issuing up to 50m new no-par value bearer shares in return for cash or non-cash consideration (Authorized Capital).

As a rule, shareholders are granted preemptive rights to subscribe to shares issued from Authorized Capital. Such statutory preemptive rights may also be upheld by having the new shares acquired by a bank or other financial institution that meets the requirements of Section 186(5) s. 1 German Stock Corporation Act, or a syndicate of such banks or financial institutions, subject to the provision that the shares be offered to shareholders indirectly within the meaning of Section 186(5) German Stock Corporation Act.

However, the Management Board is authorized, subject to the approval of the Supervisory Board, to disapply shareholders' statutory preemptive rights with respect to one or more capital increases within the scope of Authorized Capital:

- in order to exclude fractional amounts resulting from the subscription ratio from shareholders' preemptive rights;
- with respect to non-cash capital increases where the purpose includes but is not limited to the acquisition of companies, parts of companies or interests in companies as well as for the purpose of acquiring other assets, including rights and/or claims;
- in the event that a capital increase is implemented in return for cash consideration and the issue price of the new shares does not fall significantly below the market price for shares of the same class and vested with the same rights that are already traded on the exchange at the time the final issue price is determined, as set forth in Sections 203(1), 203(2) and 186(3) s. 4 German Stock Corporation Act, and where the proportionate share of the share capital attributable to the new shares issued in accordance herewith – with preemptive rights disapplied pursuant to Section 186(3) s. 4 German Stock Corporation Act – does not exceed 10% of the share capital. The 10% threshold is based on the share capital existing at the time the authorization takes effect. Should the amount of share capital be lower at the time the authorization is exercised, such lower amount will apply. This figure includes shares issued to settle warrant-linked or convertible bonds/profit participation securities or so-called "income bonds" (*Gewinnschuldverschreibungen*) where those instruments grant a conversion or option right or establish a conversion obligation during the term of such Authorized Capital, or until it has been exhausted, in corresponding application of Section 186(3) s. 4 German Stock Corporation Act, with preemptive rights disapplied. Similarly included in the maximum threshold of 10% of the share capital are any new shares or treasury shares issued from Authorized Capital or sold as treasury shares during the term of the Authorized Capital or until it is exhausted on another basis, with shareholders' preemptive rights disapplied, in direct or corresponding application of Section 186(3) s. 4 German Stock Corporation Act;
- in order to grant preemptive rights to the holders of convertible or warrant-linked bonds/profit participation securities or income bonds issued by the Company or by undertakings controlled or majority-owned by the Company where those instruments grant a conversion or option right or establish a conversion obligation (or a combination thereof), in the scope to which they would be entitled after exercising their rights or fulfilling their obligations arising from the aforementioned instruments;

- for the purpose of fulfilling Company obligations arising from conversion rights and options/conversion obligations arising from convertible or warrant-linked bonds/profit participation securities or income bonds issued by the Company or by undertakings controlled or majority-owned by the Company where those instruments grant a conversion or option right or establish a conversion obligation (or a combination thereof); or
- for the purpose of issuing new shares in return for cash or non-cash consideration in connection with share-based incentive programs. Shares may only be issued to individuals participating in share-based incentive programs as a member of the Company's Management Board, as a member of the management of an undertaking controlled by the Company, or as an employee of the Company or of an undertaking controlled by the Company, or to whom share-based remuneration has been granted as a member of the Company's Management Board, as a member of the management of an undertaking controlled by the Company, or as an employee of the Company or of an undertaking controlled by the Company, or to third parties who transfer beneficial ownership of or the economic benefits arising from the shares to such individuals. The new shares may be issued under preferential conditions (including issuance at the lowest issue price pursuant to Section 9(1) German Stock Corporation Act) or in return for contributing remuneration entitlements. They may also be issued through an intermediary bank or an undertaking operating in accordance with Section 53(1) s. 1, Section 53b(1) s. 1 or Section 7 German Banking Act ("*Kreditwesengesetz*") that acquires the shares with the obligation to offer them to the aforementioned individuals. The shares issued by way of exercising the authorization to disapply preemptive rights may not exceed a total of 10% of the share capital, either at the time the authorization takes effect or at the time it is exercised. The nominal amount of any Conditional Capital of the Company approved for the purposes of Section 192(2) No. 3 German Stock Corporation Act is to be included in the 10% threshold. To the extent that shares are to be granted to members of the Company's Management Board within the scope of the authorization, the Company's Supervisory Board will decide on allocation in line with the allocation of responsibilities under stock corporation law.

The Management Board decides on the additional elements of rights to shares of stock and the terms and conditions governing issuance, subject to the approval of the Supervisory Board. In so doing, the Management Board may – at variance with Section 60(2) German Stock Corporation Act – structure the profit entitlement such that it applies from the start of the fiscal year preceding the issue, provided the Annual General Meeting has not yet approved the resolution on the appropriation of profits for the fiscal year in question at the time the new shares are issued.

Acquisition and use of treasury shares

By resolution of the Annual General Meeting of September 18, 2023, the Management Board was authorized, subject to the approval of the Supervisory Board, to acquire treasury shares up to an amount not to exceed 10% of the share capital. The 10% threshold is based on the level of share capital at the time the authorization takes effect. If the value of the share capital is lower at the time the authorization is exercised, such lower value will apply. The shares purchased on the basis of the aforementioned authorization, together with other shares in the Company that the Company has already purchased and still holds, may not account for more than 10% of the share capital at any time. The authorization may also be exercised by undertakings controlled or majority-owned by the Company or by third parties for the account of the Company or for the account of undertakings controlled or majority-owned by the Company. It may be exercised on one or more occasions, either in full or in part.

The shares are acquired via the stock exchange either by way of a public purchase offer addressed to all Company shareholders or via a public invitation to submit offers to sell, including through the use of derivatives and/or through a bank or financial institution.

If the shares are acquired via the stock exchange, the acquisition price (excluding transaction costs) may not exceed or fall below the opening price for Company shares in the opening auction in Xetra trading, or in a comparable trading system that has replaced the Xetra system on the Frankfurt Stock Exchange on the relevant trading day, by more than 10%. If no opening auction is held, the first price for shares in the Company in Xetra trading, or in a comparable trading system that has replaced the Xetra system on the Frankfurt Stock Exchange on the respective trading day, will be decisive.

If the acquisition is made through a public purchase offer, the Company may either publish a formal offer or publicly invite shareholders to submit offers to sell. The purchase price offered (excluding transaction costs) may not exceed or fall below the arithmetic mean of the closing prices (closing auction prices for the Company's shares in Xetra trading or a comparable successor system replacing the Xetra system) on the Frankfurt Stock Exchange on the last three trading

days prior to publication of the purchase offer or the invitation to submit offers, by more than 10%. If, after publication of the offer, the market price for Company shares deviates significantly from the price in question, the offer may be adjusted. In such case, the arithmetic mean of the share prices (closing auction prices for Company shares in Xetra trading or in a comparable trading system replacing the Xetra system or, if no closing auction is held, the respective latest market prices) on the Frankfurt Stock Exchange during the last three trading days prior to publication of the adjustment will be taken as the basis.

The repurchase volume may be limited. If the shares offered by shareholders for purchase exceed the total amount of the Company's purchase offer, shares must be acquired in the same ratio as the total amount of the purchase offer to the total number of shares offered by shareholders at the purchase price governing the offer or a lower price. In addition, it may be stipulated that shareholders are entitled to have small quantities (up to 100 shares) of the shares they offer accepted with priority ahead of larger offers. Both the purchase offer and the invitation to submit offers may contain additional conditions.

The acquisition of treasury shares may also be carried out (i) by acquiring options that give the Company the right to repurchase its own shares (call options), (ii) by selling options that obligate the Company to acquire its own shares if the options are exercised (put options), and/or (iii) by entering into forward purchase contracts for the Company's shares where more than two trading days have elapsed between the date the contract is entered into and the date of settlement (call options, put options, and forward purchase contracts). A combination of different derivatives is permitted.

- The terms and conditions of the derivatives must stipulate that they may only be settled in exchange for shares in the Company acquired on the stock exchange in compliance with the principle of equal treatment. The acquisition price paid for such shares in the Company (excluding transaction costs) may not exceed or fall below the opening auction price, or the first traded price, for the Company's shares in Xetra trading, or in a comparable trading system that has replaced Xetra on the Frankfurt Stock Exchange, by more than 10% on the relevant trading day. If no opening auction is held, the first price for shares in the Company in Xetra trading, or in a comparable trading system that has replaced the Xetra system on the Frankfurt Stock Exchange on the respective trading day, will be decisive.
- The price per share specified in the derivative contracts may not exceed or fall below the arithmetic mean of the closing prices (closing auction prices for the Company's shares in Xetra trading or in a comparable system replacing Xetra) on the Frankfurt Stock Exchange over the last three trading days before the relevant derivative contract is entered into by more than 10%. Additionally, the acquisition price paid by the Company for call options or forward purchase contracts, or the respective option premium, may not be significantly higher than the theoretical market value of the derivatives as determined using generally accepted financial valuation methods, and the sale price received by the Company for put options, or the respective option premium, may not be significantly below such theoretical market value. When calculating the theoretical market value, the price per share specified in the derivative contracts must be adequately accounted for.

Finally, the Company may agree with one or more banks or other undertakings that meet the requirements of Section 186(5) s. 1 German Stock Corporation Act that, within a specified period, they will deliver to the Company a predetermined number of shares in the Company or a predetermined euro equivalent in Company shares. In such case, when determining the price at which the Company will acquire its own shares, a discount must be applied to the arithmetic mean of the volume-weighted average price of the shares in Xetra trading on the Frankfurt Stock Exchange (or a comparable successor system), calculated over a period comprising a predetermined number of trading days. However, the share price may not fall below the aforementioned arithmetic mean by more than 20%. In addition, the banks or other undertakings meeting the requirements of Section 186(5) s. 1 German Stock Corporation Act must undertake to purchase the shares to be delivered to the Company on the stock exchange at prices that are within the range that would apply if the Company were to purchase the shares directly on the stock exchange.

The authorization may be exercised for any purpose permitted by law, in particular to pursue one or more of the objectives listed below. Acquisition for the purpose of trading in the Company's own shares is prohibited.

- The Management Board is authorized to redeem those Company shares acquired on the basis of the authorization, subject to the approval of the Supervisory Board, in accordance with Section 71(1) No. 8 German Stock Corporation Act, without the redemption requiring an additional resolution by the Company's Annual General Meeting. The share redemption may be limited to a portion of the shares purchased and the redemption authorization may be used on

more than one occasion. Generally, redeeming shares results in a capital reduction. In lieu of a capital reduction, the Management Board may decide that the share capital should remain intact and that the proportion of other shares in the share capital should increase based on the share redemption pursuant to Section 8(3) German Stock Corporation Act. In such case, the Management Board is authorized to change the corresponding figure specified in the Articles of Incorporation.

- The Management Board is moreover authorized, subject to the approval of the Supervisory Board, to use the shares acquired on the basis of the authorization in another manner than by selling them on the stock exchange or offering them to all shareholders with preemptive rights disappplied in full or in part; the shares may be:
 - sold in exchange for non-cash consideration, where the purpose includes but is not limited to the acquisition of companies, parts of companies or interests in companies;
 - sold in exchange for cash, provided the shares are sold at a price that is not significantly below the stock market price for the Company's shares at the time of the sale (simplified disapplication of shareholders' preemptive rights pursuant to Section 186(3) s. 4 and Section 71(1) No. 8 s. 5 half-sentence 2 German Stock Corporation Act). The authorization is limited to a maximum of 10% of the current share capital, taking into account other shares and warrant-linked or convertible bonds as well as profit participation securities conferring option or conversion rights, or conversion obligations, that are issued or sold during the term of the authorization until it is exhausted, in direct or corresponding application of Section 186(3) s. 4 German Stock Corporation Act, with shareholders' preemptive rights disappplied. The 10% threshold is calculated on the basis of the share capital existing at the time the authorization takes effect. Should the share capital be lower at the time the authorization is exercised, such lower value will apply;
 - used for the purpose of fulfilling Company obligations arising from option and conversion rights or conversion obligations arising from warrant-linked or convertible bonds or profit participation securities (or a combination thereof) issued by the Company or by undertakings controlled or majority-owned by the Company, or to establish a conversion obligation;
 - used to grant subscription rights to the holders of warrant-linked bonds, convertible bonds or profit participation securities conferring option or conversion rights or establishing a conversion obligation (or a combination thereof), and which are issued by the Company or by undertakings controlled or majority-owned by the Company, in the scope to which they would be entitled after exercising the rights or obligations arising from those instruments;
 - used for the transfer of shares as part of a share-based incentive program or a share-based payment transaction. The transfer of shares or corresponding commitments or agreements may only be made to/with individuals who participate in such programs or who receive such share-based remuneration as a member of the Company's Management Board, as a member of the management body of an undertaking controlled by the Company or as an employee of the Company or of an undertaking controlled by the Company. Company shares may be transferred to such individuals at reduced prices or without special consideration. Insofar as Company shares are to be granted to members of the Company's Management Board in accordance with the authorization, the Company's Supervisory Board will decide on allocation as well as all other details.

The above authorizations may be exercised on one or more occasions by undertakings controlled or majority-owned by the Company or by third parties for the account of the Company or for the account of undertakings controlled or majority-owned by the Company. To such extent, shareholders' preemptive rights are disappplied.

10.8 Significant Company agreements that are conditional upon a change in control of the Company following a takeover bid, and the effects of such agreements

RENK Group AG and its subsidiaries are party to the following significant agreements that contain provisions covering a change in control or acquisition of control following a takeover bid:

- On February 19, 2024, RENK GmbH as borrower and guarantor as well as RENK Group AG, RENK FinCo GmbH and multiple subsidiaries of RENK GmbH, namely Horstman System Defence Limited, Horstman Holdings Limited, RENK Holdings Inc. and RENK America LLC, entered into an agreement ("Facility Agreement") as guarantors with a number of lenders. The Facility Agreement entails a term loan facility of €525m, a revolving credit facility of €75m and a guarantee facility of €450m. The Facility Agreement contains a change-of-control clause that applies if (a) RENK Group AG no longer directly or indirectly holds 100% of the shares or voting rights in RENK FinCo GmbH (this provision is intended to ensure a single enforcement entity; for the avoidance of doubt, a merger of RENK FinCo GmbH into RENK Group AG does not constitute a change of control, as this is a permitted activity of RENK Group AG in its capacity as a holding company) or (b) any person or persons acting in concert (other than funds directly or indirectly managed by Triton Investment Management Limited) directly or indirectly acquire control of RENK Group AG, i.e. hold or control 30% or more of its share capital or voting rights. In the event of a change of control, each lender may terminate its obligations for cause and declare the amounts it has disbursed to be due and repayable within 90 days following notification of the change of control.
- RENK FinCo GmbH was merged with and into RENK GmbH pursuant to a merger agreement dated July 2, 2025. The merger took effect upon registration in the commercial register for RENK GmbH on July 11, 2025. To avoid a change of control within the meaning of the Facility Agreement, a consent letter was requested from the lenders party to the Facility Agreement prior to the merger, and such consent was granted. The terms set out in the consent letter request were implemented on June 6, 2025 by means of a waiver and amendment agreement. As a result, the change-of-control clause under the Facility Agreement now extends not only to the shares of RENK Group AG but also to the shares of RENK GmbH.

10.9 Compensation agreements between the Company and members of the Management Board or employees in the event of a takeover offer

RENK Group AG has not entered into any agreements to provide compensation in the event of a takeover offer, either with its employees or members of its Management Board, or with employees or managing directors of its direct or indirect subsidiaries.

11. Combined Corporate Governance Statement in accordance with Section 289f and Section 315d German Commercial Code

Introduction

The Management Board and the Supervisory Board of RENK Group AG report jointly on the corporate governance of RENK Group AG and RENK Group (RENK Group AG and consolidated Group companies, hereafter also referred to as "RENK") in fiscal year 2025 in the Combined Corporate Governance Statement in accordance with Sections 289f, 315d German Commercial Code ("*Handelsgesetzbuch*") and as provided for in Principle 23 of the German Corporate Governance Code in the version dated April 28, 2022 (published in the Federal Gazette on June 27, 2022) (hereafter also referred to as the "Code"). In doing so, the Management Board and Supervisory Board each disclose the information that falls within their area of responsibility.

In accordance with Section 317(2) s. 6 German Commercial Code, the audit of the disclosures in accordance with Section 289f(2) and (5) German Commercial Code and Section 315d German Commercial Code by the auditor must be limited to whether the disclosures have been made. The content of the Combined Corporate Governance Statement is hence unaudited.

Declaration of Compliance with the German Corporate Governance Code by the Management Board and Supervisory Board of RENK Group AG in accordance with Section 161 German Stock Corporation Act

The Management Board and Supervisory Board of RENK Group AG addressed the recommendations and suggestions of the German Corporate Governance Code in great detail and, in December 2025, issued the Declaration of Compliance with the German Corporate Governance Code in accordance with Section 161 German Stock Corporation Act reproduced below.

"Declaration of Conformity in accordance with Section 161 German Stock Corporation Act

The Executive Board and the Supervisory Board of RENK Group AG ("Company") declare the following in accordance with Section 161 of the German Stock Corporation Act:

The Recommendations of the 'Government Commission on the German Corporate Governance Code' (*Regierungskommission Deutscher Corporate Governance Kodex*) in the version as amended on April 28, 2022 (published in the German Federal Gazette (*Bundesanzeiger*) on June 27, 2022) ("Code") have been complied with since the last declaration of conformity and continue to be complied with in the future.

Augsburg, December 2025

The Supervisory Board

The Executive Board"

The above Declaration of Conformity was published on RENK's website on December 19, 2025 and is accessible at <https://ir.renk.com/corporate-governance> in the subsection "Declaration of Conformity".

According to the Declaration of Conformity submitted in May 2025, the recommendations of the Code were not complied with in full or not applied in full in the period from December 19, 2024 to May 27, 2025. The Declaration of Conformity issued in May was published on RENK's website on May 28, 2025 and is accessible at <https://ir.renk.com/corporate-governance> in subsection "Declaration of Conformity". It reports the following departures from the recommendations of the Code for the period December 19, 2024 to May 27, 2025:

Recommendations B.2 half-sentence 2, B.5, C.1 s. 5 and 6, C.2, C.8, D.2 s. 2, D.3 s. 4 and D.12 s. 2

Recommendations B.2 half-sentence 2, B.5, C.1 s. 5 and 6, C.2, C.8, D.2 s. 2, D.3 s. 4 and D.12 s. 2 in each case require the disclosure of certain information in the Corporate Governance Statement. In accordance with the legal requirements applicable to it, the Company had not issued a Corporate Governance Statement by March 26, 2025, which is why the aforementioned recommendations regarding the publication of information had not been complied with by that date.

Recommendations G.1 and G.2

Recommendation G.1 sets out requirements for the structure of the remuneration system for the Management Board. Recommendation G.2 requires that, on the basis of the remuneration system, the Supervisory Board is first to determine the specific total target remuneration for each Management Board member, which must be appropriate to the tasks and performance of that Management Board member and the situation of the Company, and may not exceed the usual level of remuneration without specific reasons. The following departures from these recommendations were made.

Until the IPO, the Company was not required to create a Management Board remuneration system in accordance with the provisions of Section 87a German Stock Corporation Act. On May 2, 2024, the Supervisory Board adopted a Management Board remuneration system that complies with the statutory requirements and recommendations of the Code. The Management Board remuneration system was approved by the Company's Annual General Meeting on June 26, 2024. The Company had departed from recommendation G.1 until that date. The arrangements in the Management Board employment contracts entered into prior to introduction of the remuneration system did not comply in full with the Management Board remuneration system, as allowed, with the result that there was a departure from recommendation G.2 with regard to these Management Board employment contracts.

Recommendation G.3

Recommendation G.3 stipulates that the Supervisory Board is to use an appropriate peer group of other companies, whose composition it must disclose, to determine whether the specific total remuneration of the members of the Management Board is in line with those other companies. The Company departed from this recommendation.

Recommendation G.8

Recommendation G.8 stipulates that a subsequent change to the targets or comparison parameters relating to the remuneration of the Management Board must be excluded. The Company departed from this recommendation prior to the issue of the most recent Declaration of Conformity.

Recommendation G.9 s. 2

Recommendation G.9 s. 2 stipulates that target achievement must be comprehensible in terms of both rationale and amount. The Company departed from this recommendation.

Remuneration report and remuneration system of the Management Board and Supervisory Board

The remuneration report for fiscal year 2025 and the auditor's report in accordance with Section 162 German Stock Corporation Act are published on RENK's website and accessible at <https://ir.renk.com/corporate-governance>.

The applicable remuneration system for the members of the Management Board of RENK Group AG in accordance with Section 87a(1) and (2) s. 1 German Stock Corporation Act was approved by 99.57% of the votes at the Annual General Meeting on June 26, 2024, was published on RENK's website on September 12, 2024 and is accessible at <https://ir.renk.com/corporate-governance> in the subsection "Remuneration of the Management Board and Supervisory Board".

The Annual General Meeting on June 26, 2024, also passed a resolution on the remuneration of the Supervisory Board members of RENK Group AG in accordance with Section 113(3) German Stock Corporation Act. The decision was approved by 99.99% of the votes, was published on RENK's website on September 12, 2024 and is accessible at <https://ir.renk.com/annual-general-meeting>. In addition, a description of the remuneration of the Supervisory Board members ("Remuneration system of the Supervisory Board") is accessible on the RENK website at <https://ir.renk.com/corporate-governance>. There have been no changes to the remuneration system for the Supervisory Board since it was adopted.

Relevant corporate governance practices

As a globally operating group, RENK is responsible for ensuring compliance with applicable laws, protecting fundamental values as well as acting ethically and sustainably. To manage this responsibility, ensure the legality of all business transactions and effectively counter other risks, the Management Board issues internal regulations that must be implemented by all Group companies and their employees. At the top of the written internal rules is the Code of Conduct, which contains the fundamental rules for employee conduct (for more information on the Code of Conduct, see Corporate governance und Code of Conduct

Subordinate to this, the RENK Group Manuals (RGM) define minimum standards and summarize RENK's core policies from each specialist unit. RENK has prepared RGMs on the following topics: Ethics and Compliance, Internal Audit Guideline, Investor Relations, Global Security, Global Procurement, Business Continuity Management, Export Control, Corporate Sustainability, Tax Strategy, Innovations & Technology, Global HR, Marketing and Events, Q-HSE Management System, Communications, Information Technology and Government Relations. The RENK Governance Rules (RGR) apply across all locations and provide binding, general instructions on individual topics. In particular, RENK issued Governance Rule RGR-11-1 on diversity, equity and inclusion, which is accessible on RENK's website at <https://www.renk.com/en/career/why-renk>. In this RGR, RENK articulates its goal of creating an inclusive working environment for its employees that is based on commitment, cooperation and appreciation.

In addition to the recommendations of the Code referred to in the Declaration of Conformity reproduced in section Declaration of Conformity in accordance with Section 161 German Stock Corporation Act, RENK also complied voluntarily with the suggestions of the Code in fiscal year 2025.

The relevant corporate governance practices at RENK are described in greater detail in the following.

Policy statement on human rights and social responsibility

As a globally operating group, RENK is committed to unqualified respect for human rights and believes firmly that social responsibility for people's well-being is the cornerstone of sustainable success. RENK acknowledges the United Nations Universal Declaration of Human Rights. RENK joined the UN Global Compact in 2022, thereby committing to its principles in the areas of human rights, labor standards, environmental protection and anti-corruption (more information on the UN Global Compact is published on its website at <https://unglobalcompact.org/>). In addition, RENK's commitment to human rights is based on the core conventions of the International Labour Organization (ILO) (more information on the ILO standards can be found on its website at <https://www.ilo.org/international-labour-standards#key>) and the OECD Guidelines for Multinational Enterprises (available on the OECD website at <https://www.oecd.org/de/publications/2023/06/oecd-guidelines-for-multinational-enterprises-on-responsible-business->

conduct_a0b49990.html). RENK has issued a Policy Statement on Human Rights that is accessible on RENK's website at <https://www.renk.com/en/company/responsibility/compliance>.

Corporate governance und Code of Conduct

The Code of Conduct is an integral part of RENK's corporate governance and serves to promote ethical standards and values among business partners and employees, ensure compliance with laws and regulations and create a positive working environment. The Code of Conduct summarizes RENK's responsibility for Ethics & Compliance under the three fundamental aspects of "Our responsibility as a member of society", "Our responsibility as a business partner" and "Our responsibility in the workplace", and notably covers the topics of human rights, equal opportunities, equal treatment and non-discrimination, product conformity and product safety, environmental protection, political advocacy, conflicts of interest, prohibition of corruption, prohibition of money laundering and terrorist financing, accounting and financial reporting, fair and free competition, export controls, occupational health and safety, employee representation and fair working conditions as well as IT security and data protection. The Management Board and Supervisory Board support the effective and efficient implementation of the Code of Conduct and are hence also responsible for enforcing applicable laws, the Company's own values and internal policies. The Code of Conduct is accessible on RENK's website at <https://www.renk.com/en/company/responsibility/compliance>.

RENK has additionally drawn up a Code of Conduct for Suppliers and Business Partners, which RENK's Management Board and Supervisory Board are working to implement. This Code of Conduct sets out the Company's core values and fundamental principles that must be observed also by suppliers and business partners. The Code of Conduct establishes a binding minimum standard and forms the basic understanding for cooperation along an international supply chain that is intended to comply with ethical, environmental and social standards. The Code of Conduct for Suppliers and Business Partners is accessible on RENK's website at <https://www.renk.com/en/company/responsibility/compliance>.

Risk management, internal control system, compliance management system and internal audit

Risk management

Based on an enterprise risk management (ERM) approach, RENK's risk management system (RMS) is aligned with the COSO framework. This enables risks that could have a significant impact on business activities to be systematically identified, assessed and managed. The risk early warning system is a key component of this system. It aims to identify at an early stage risks that threaten the Company's continued existence and to minimize their impact. Risks that can help increase enterprise value are consciously accepted, while those that could potentially jeopardize the Company's continued existence are consistently avoided or reduced through suitable measures.

RENK divides identified risks into seven clusters: strategic risks, operational risks, legal & compliance risks, reputational risks, technology & IT security risks, financial risks and ESG risks. All risks must be assessed quantitatively, or at least qualitatively, in terms of their impact on RENK's net income. Risk is composed of the potential extent of damage and the probability of occurrence. Risk assessment distinguishes between gross and net assessment, whereby measures already taken can reduce gross risk.

Cumulative individual risks that may exceed the materiality threshold due to interdependencies must also be reported. The role of the risk manager is to assess whether risks that are considered immaterial on an individual basis might be material if aggregated.

Centrally organized risk management acts as a link between the legal units, corporate functions and segments, the Management Board and the Audit Committee and is responsible for ensuring a structured organizational and operational workflow. Regular reporting by risk management to the Management Board and the Audit Committee ensures continuous oversight and control of the risks identified.

Internal control system

RENK's internal control system (ICS) serves to comply with legal requirements, ensure the propriety of financial and sustainability reporting and protect the Company's assets. Likewise based on the COSO framework, it was tailored to RENK's specific requirements. The Management Board bears overall responsibility for the ICS, while the subsidiaries also comply with their specific obligations. Annual tests of design and operating effectiveness are implemented to monitor the appropriateness and effectiveness of these controls. Compliance with principles such as the separation of functions and the dual control principle is regularly monitored and reported to the Management Board and Audit Committee.

Compliance management system

Ethics & Compliance is a fundamental component of RENK's corporate strategy and culture. The Management Board used the changes to the ownership and organizational structure in recent fiscal years to establish a state-of-the-art and well-staffed compliance organization and to shape the mindset of all specialist units in this area in line with current requirements. Under the supervision of the Management Board, the entrepreneurial activities of every employee and every management body must consistently adhere to high compliance standards, which are enforced through organizational structure, binding policies and appropriate processes to ensure that RENK's conduct complies with laws and regulations. The compliance function is part of the CEO's sphere of responsibility, which means the Chief Compliance Officer reports directly to the CEO. In this respect, the Management Board issues internal regulations regarding conduct that complies with the law and regulations, including in the form of policies applicable throughout the Company and the Group. The Code of Conduct forms the core framework with rules of conduct for all employees. RENK communicates all policies to its employees. In addition, training courses are used to raise awareness of all compliance issues, such as violations.

A Group-wide analysis of compliance-related risks is an important component of the CMS. The compliance risk analysis is based on the standards issued by Deutsches Institut für Compliance e. V. (DICO). The risk analysis covers all Group companies and, on a risk-based approach, takes into account the size of the Group company, the business model, the customer and sales structure, the local Transparency International CPI ("Corruption Perception Index") and the GDI ("Government Defence Integrity Index") as well as the relevant competitive structure. In addition, governance rules provide clear and transparent procedures and processes ensuring that compliance violations are identified, clarified and remedied in-house without delay. Sector- and business model-related risk areas, particularly as regards export controls and sales intermediaries, are monitored proactively and regularly reassessed with a high level of resource commitment.

Employees and other stakeholders have various options to report violations. On the one hand, potential violations of laws or policies can be reported online via a whistleblower system – the RENK Integrity Line can be accessed at <https://renk.integrityline.app> and also allows for anonymous reports. In addition, employees can turn to an external ombudsman or contact the staff in the Corporate Ethics & Compliance department directly. Reports are reviewed and processed by that department promptly, objectively, confidentially and independently in accordance with a defined incident management process. Findings from investigating reports are continuously incorporated into adapting the CMS and contribute to the sustainable adjustment and improvement of the compliance management system.

A detailed presentation of the compliance management system is published under "Compliance at RENK" on RENK's website accessible at <https://www.renk.com/en/company/responsibility/compliance>.

Internal audit

RENK has established an independent internal audit department as an additional control mechanism for the CMS. Internal audit supports the business organization independently and objectively in assessing and enhancing the effectiveness of the CMS and risk management, controls and management as well as monitoring processes. At the same time, RENK draws on external support to ensure the quality of its compliance requirements.

Statement on the appropriateness and effectiveness of the internal control system and risk management system

On the basis of internal reporting on the internal control system, the annual report of the risk management department, the audit opinion of the statutory auditor, the audit reports of the internal audit department, which tests relevant risks and controls for each audit area, and the certification process implemented in each legal entity and corporate function subject to reporting requirements, which confirms that internal controls are maintained, the Management Board makes an overall statement on the appropriateness and effectiveness of the internal control system and risk management system. These also include a compliance system aligned with the Company's risk position. Based on this, the Management Board is not aware of any circumstances that would indicate that the RENK Group's internal control system and risk management system were inappropriate or ineffective. However, further measures to optimize documentation will be initiated in the future.

Irrespective of this, there are inherent risks that, despite the systems being considered appropriate and effective, process violations or risks may occur.

Sustainability

RENK believes it has a responsibility to contribute to the economically stable and ecologically responsible development of our society. As a provider of mission-critical propulsion technology for military vehicles and naval vessels, RENK plays a key role in safeguarding freedom, democracy and security. With the involvement of the Management Board and Supervisory Board, RENK therefore committed to a sustainability strategy in 2025 and the definition of four areas of action that will contribute to a sustainable world fit for the future:

Social responsibility through product quality and safety

RENK products ensure the necessary conditions for liberal, democratic, social, ecological and economic sustainability.

Emission reduction in the Company's own operations

RENK is systematically driving forward the reduction of greenhouse gases in its own operations.

Promotion of health, safety and inclusion in the workplace

RENK creates a workplace for its employees that fosters safety and health and promotes inclusion.

Resilient corporate governance

RENK is a systemically important, reliable partner that operates sustainably and responsibly at all levels of the Company.

In light of this, environmental, social and societal sustainability are an integral part of RENK's corporate strategy. RENK is guided primarily in this regard by internationally recognized instruments such as the UN Global Compact, the UN Universal Declaration of Human Rights, the OECD Guidelines and the internationally recognized United Nations Guiding Principles on Business and Human Rights (see also section 0).

For more information on sustainability issues, please refer to section 12. *Sustainability Statement* of the combined management report in the Annual Report 2025. This is accessible on RENK's website at <https://ir.renk.com/publications>.

Shareholders and Annual General Meeting

The shareholders of RENK Group AG exercise their rights at the Annual General Meeting. The Annual General Meeting decides on all matters assigned to it by law, including the appropriation of profits, the remuneration system and the

remuneration report for members of the Management Board and Supervisory Board, approval of the actions of the members of the Management Board and Supervisory Board, the election of the auditor, amendments to the Articles of Association, capital reduction and capital raising measures and, in the cases provided for by law, the adoption of the annual financial statements. The Annual General Meeting also elects the shareholder representatives to the Supervisory Board.

In fiscal year 2025, the Annual General Meeting was held on June 4, 2025 in a virtual format without the physical presence of shareholders or their proxies. The Annual General Meeting for fiscal year 2026 is scheduled for June 10, 2026. More information on the Annual General Meeting is accessible on RENK's website at <https://ir.renk.com/annual-general-meeting>.

Proprietary trading by managers

In accordance with the provisions of Article 19 of Regulation (EU) No. 596/2014 (Market Abuse Regulation), RENK Group AG is required to disclose personal transactions by persons discharging managerial responsibilities and persons closely associated with them in shares of RENK Group AG or debt instruments of RENK Group AG or related derivatives or other related financial instruments. The relevant information is accessible on RENK's website at <https://ir.renk.com/corporate-governance>.

Corporate communications and transparency

RENK Group AG is aware of the importance of comprehensive, timely and equitable communication with shareholders, capital market participants and the interested public with regard to its economic situation as well as current developments and events. Regular, timely reporting is carried out on an ongoing basis, in particular as part of the annual report, which contains the consolidated financial statements, the combined management report and the annual financial statements of RENK Group AG. RENK Group AG also publishes a half-year financial report including condensed interim consolidated financial statements and an interim group management report as well as quarterly statements. It reports on current developments and important events in press releases and, if necessary, ad hoc disclosures. Furthermore, the Group publishes all mandatory publications, such as voting rights notifications, on its website. An up-to-date financial calendar is also available there, providing information on all key publication and event dates. The relevant information is generally provided in English and German.

Further information on publications, share prices and other activities is accessible on RENK Group AG's website, primarily under "Investor Relations", at <https://ir.renk.com> and in the newsroom at <https://www.renk.com/en/newsroom/press-releases>.

Financial reporting and auditing

The consolidated financial statements and the condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards), as adopted by the European Union, and the provisions of German commercial law applicable under Section 315e(1) German Commercial Code. The combined management report and the single-entity financial statements of RENK Group AG, upon which the dividend payment is based, are prepared in accordance with German commercial law (German Commercial Code). The interim group management report is prepared in accordance with the requirements of the German Accounting Standards by virtue of the preparation requirement under Section 115(2) No. 2 German Securities Trading Act. In addition, RENK prepares and publishes quarterly statements for the first quarter and the first nine months of each fiscal year in accordance with Section 53 of the Exchange Rules for the Frankfurt Stock Exchange. The quarterly statement for the first quarter of 2026 will be published on May 6, 2026 and the quarterly statement for the first nine months of fiscal year 2026 will be published on November 5, 2026. The half-year financial report will be published on August 6, 2026.

The consolidated financial statements, the combined management report and the annual financial statements as well as the condensed interim consolidated financial statements and the interim consolidated management report are prepared by the Management Board of RENK Group AG. The independent auditor is elected by the Annual General Meeting on the basis of the resolution proposed by the Supervisory Board, which in turn is based on the recommendation of the Audit

Committee. Before submitting the election proposal, the Supervisory Board and its Audit Committee obtained a declaration of independence from the independent auditor. The independent auditor audited the consolidated financial statements, the combined management report and the annual financial statements and issued an unqualified audit opinion in each case. The annual financial statements are adopted by the Supervisory Board. The condensed interim consolidated financial statements and interim management report are reviewed in accordance with the German principles for the review of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer).

In fiscal year 2025, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, (PwC) – as in the previous fiscal years 2024, 2023 and 2022 – was engaged to perform the statutory audit and, in 2024 for the first time, to review the condensed interim consolidated financial statements and the interim group management report. As a precautionary measure, PwC was likewise appointed as the auditor of the (Group) sustainability statement for fiscal year 2025. The appointment as statutory auditor for fiscal year 2025 was resolved by the Annual General Meeting on June 4, 2025. Holger Graßnick has been the lead auditor since PwC started auditing the Company in fiscal year 2022.

In the context of its oversight of the Management Board, the Supervisory Board was notably responsible for auditing the accounting and monitoring the accounting-related control and risk management systems with the support of the auditor. In particular, the Audit Committee discussed the assessment of audit risks, the audit strategy, the audit planning and the audit results with the auditor; the Chair of the Audit Committee regularly discussed the progress of the audit with the auditor and reported on this to the Audit Committee.

Management Board

Working methods

The Management Board is responsible for managing RENK and is committed to safeguarding the interests of the Group and to increasing its sustainable value. It devises RENK's strategic direction, regularly agrees this with the Supervisory Board and ensures its implementation. The Management Board manages RENK in accordance with the law, the Articles of Association and the rules of procedure issued by the Supervisory Board. It is in particular responsible for ensuring compliance with legal provisions and internal company guidelines as well as their observance by all RENK companies (compliance).

The members of the Management Board are jointly responsible for the overall management of the Company. The Management Board as a whole decides on all matters in which the law, the Articles of Association or the rules of procedure require a decision by the full Management Board. It may appoint individual members of the Management Board to implement resolutions and execute measures that are the responsibility of the full Management Board. Regardless of this, each member of the Management Board manages the area of responsibility assigned to them in the business allocation plan both independently and under their own responsibility. The members of the Management Board work together as colleagues, advising and informing each other. In cases where decisions made by a member of the Management Board exceed the limits of their area of responsibility or significantly affect the area of responsibility of another member of the Management Board, the members of the Management Board concerned make decisions jointly. If no agreement can be reached, the full Management Board takes the decision. Management Board meetings are held regularly. However, they must be held mandatorily if required in the best interests of RENK. Any member of the Management Board may request a meeting of the Management Board to be convened without undue delay. The Management Board generally makes its decisions at meetings, which may also be held in the form of conference calls or by other electronic means of communication. The Management Board must make every effort to reach all its decisions unanimously. If unanimity cannot be achieved, the resolutions of the Management Board are adopted by a simple majority of the votes cast by the members of the Management Board participating in the resolution, unless other majorities are prescribed by law, the Articles of Association or the rules of procedure.

Cooperation with the Supervisory Board

The Supervisory Board and Management Board work together in RENK's best interests. Providing the Supervisory Board with sufficient information is the joint responsibility of the Management Board and the Supervisory Board. In principle, the CEO is responsible for informing the Supervisory Board chair and the Supervisory Board committees. One exception is the provision of information to the Audit Committee, for which the CFO is primarily responsible. In light of this, the Supervisory Board chair and the CEO regularly consult on the development of decisions relating to RENK's strategy, risk and compliance. The Supervisory Board and Management Board involve each other at an early stage in fundamental decisions relating to their areas of responsibility. If requested by the Supervisory Board, the members of the Management Board attend meetings of the Supervisory Board or its committees. In addition, measures and transactions provided for in the rules of procedure of the Management Board require the prior approval of the Supervisory Board.

Composition including diversity and succession planning

In accordance with Article 8(1) of the Articles of Association, the Management Board of RENK Group AG consists of one or more members, with the specific number of members being determined by the Supervisory Board. The members of the Management Board are appointed for a period of up to five years; reappointments are permitted.

As of the end of fiscal year 2025, the RENK Group AG Management Board consisted of three members. They were: Dr. Alexander Sagel (CEO), Anja Mänz-Siebje (CFO) and Dr. Emmerich Schiller (COO). Further information on the résumés of the current members of the Management Board can be found at <https://ir.renk.com/corporate-governance>.

There were several changes to the Management Board of RENK Group AG in the course of fiscal year 2025. Susanne Wiegand (CEO) left the Management Board effective January 31, 2025. Dr. Alexander Sagel, who had been COO of Renk Group AG from February 2024, was appointed CEO effective February 1, 2025. Effective March 1, 2025, Dr. Emmerich Schiller was appointed to the Management Board of RENK Group AG as COO. He has also served as Labor Director since March 1, 2025. Dr. Schiller has already been a member of the Management Board of RENK GmbH since February 2024. The topic of diversity in all its dimensions is particularly important to RENK and forms a key focus of the Group's sustainability strategy. In particular, RENK understands that gender diversity is conducive to a more inclusive and equitable working environment, which can lead to higher employee satisfaction and retention.

This makes diversity a key consideration also in the composition of the RENK Group AG Management Board. With regard to the representation of women in the Management Board, the targets and deadlines defined by the Supervisory Board for their achievement as well as the statutory minimum ratio are observed (for more details, see 0). With regard to the age limit of its Management Board members, RENK has stipulated that appointments for members of the Management Board must (as a rule) end when they reach the age of 63, but can be extended for a maximum of five further years.

In addition to leadership experience and expertise in strategy development, other aspects such as knowledge and networking in the defense industry as well as different professional qualifications and experience, depending on the area of responsibility, play a key role in long-term succession planning and the requirements for members of the Management Board. Though a globally active undertaking, RENK nonetheless acknowledges its origins and headquarters in Germany and attaches importance to the German language skills of the members of its Management Board. The members of the Management Board should complement each other to the best possible extent in terms of their skill set and experience. Considering these aspects, the Supervisory Board decides in the best interests of the Company, as well as considering all circumstances in each case as to which person will fill a specific position on the Management Board.

The Supervisory Board and Management Board are jointly responsible for long-term succession planning. Succession planning is a regular topic at Supervisory Board meetings. In 2025, the Supervisory Board and the Management Board discussed the Management Board concept/succession planning at one Supervisory Board meeting. In addition, the Personnel Committee held a meeting on the topic of succession planning, which was reported in a Supervisory Board meeting. The discussion covered both potential successors for current Management Board members in general and specific candidates for vacant Management Board positions. Suitable internal and external candidates were evaluated as part of this process. Succession planning likewise includes planning for management positions at the level below the Management Board.

In addition to the proportion of women in the Management Board, which was one-third at the end of fiscal year 2025, the standard age limit for Management Board members was complied with in fiscal year 2025.

Avoiding conflicts of interest and ensuring independence

All members of RENK's Management Board are required to act in the best interests of the Company. They may not pursue any personal interests in their decisions, are subject to a comprehensive ban on competition clause during their employment with the Company and, as a general rule, may not exploit business opportunities that accrue to RENK Group AG or any RENK company for their own benefit or that of third parties. Each member of the Management Board is required to disclose any conflicts of interest without delay to the Supervisory Board chair and the CEO and to inform the other members of the Management Board about them. No conflicts of interest were disclosed in fiscal year 2025.

Supervisory Board

Working methods, including cooperation with and provision of information by the Management Board

The main tasks of the RENK Group AG Supervisory Board are to appoint and dismiss members of the Management Board as well as to advise and supervise the Management Board in its management of RENK. The Supervisory Board complies with the recommendations of the Code and its subsequent development, where applicable, in accordance with the applicable Declaration of Compliance issued by the Management Board and Supervisory Board in accordance with Section 161 German Stock Corporation Act. The Supervisory Board conducts its business in accordance with the statutory provisions, the Articles of Association and the rules of procedure of the Supervisory Board, which are accessible on the RENK website at <https://ir.renk.com/corporate-governance>. Information on the cooperation between the Management Board and the Supervisory Board can be found in section 0.

In accordance with its rules of procedure and Section 110 German Stock Corporation Act, the Supervisory Board must hold two meetings per calendar half-year (i.e., a total of four meetings per calendar year). Further meetings must be convened if this is necessary in the best interests of the Company or if a member of the Supervisory Board or the Management Board requests that a meeting be convened, stating the purpose and reasons. The Supervisory Board of RENK Group AG held eight meetings in fiscal year 2025. Meetings of the Supervisory Board are convened by the chair with notice of at least 14 calendar days. The chair of the Supervisory Board chairs the meetings of the Supervisory Board. The chair determines the order of the items on the agenda as well as the type and sequence of voting. The Management Board generally attends the meetings of the Supervisory Board and its committees.

Resolutions of the Supervisory Board are generally passed at meetings, which may be held in person, by video or conference call or as a combination of these options. Resolutions may also be passed outside of meetings in writing, by email or by other comparable means of communication as well as by a combination of the aforementioned forms, if the chair of the Supervisory Board orders this or if all members of the Supervisory Board participate in the resolution. The Supervisory Board is quorate if at least half of the members of which it is to be composed participate in the adoption of resolutions. Resolutions are generally adopted by a simple majority of the votes cast, with abstentions not being counted as votes cast. If a vote in the Supervisory Board results in a tie, the Supervisory Board chair has two votes in the event that a new vote on the same matter also results in a tie. If the Supervisory Board chair is unable to attend, this right is not transferred to their deputy. Further information on the work of the Supervisory Board can be found in the Report of the Supervisory Board, which is included in the Notes to the Financial Statements in the Annual Report. The Annual Report is accessible on RENK's website at <https://ir.renk.com/publications>.

Composition, including diversity, skills profile and qualification matrix*

The RENK Group AG Supervisory Board consists of twelve members with equal representation, comprising six shareholder representatives elected by the shareholders at the Annual General Meeting and six employee representatives elected in accordance with the German Co-Determination Act. More information on the composition of the Supervisory Board is accessible on RENK's website at <https://ir.renk.com/corporate-governance>.

At the end of fiscal year 2025, the Supervisory Board of RENK Group AG was composed as follows: The shareholder representatives were Claus von Hermann, Florian Hohenwarter, Johannes Meier, Doreen Nowotne, Karin Sonnenmoser and Klaus Stahlmann. The employee representatives on the Supervisory Board were: Klaus Refle, Sascha Dudzik, Lothar Evers, Adela Lieb, Ferdije Rrecaj and Mario Sommer. Claus von Hermann is chair of the Supervisory Board and Klaus Refle is deputy chair.

There were no changes to the RENK Group AG Supervisory Board in the course of fiscal year 2025.

The Supervisory Board has prepared a skills profile and a diversity policy as well as further goals regarding its composition.

In the context of the skills profile, the following requirements and goals for the composition of the Supervisory Board as a whole are considered essential:

- experience in leading companies, associations and networks
- familiarity of the members as a whole with RENK's sector and associated value chains
- appropriate knowledge in the Supervisory Board as a whole of finance, accounting, financial reporting, risk management, law and compliance
- appropriate expertise in the Supervisory Board as a whole regarding sustainability issues of importance to RENK
- at least one member with special knowledge and experience (particular expertise) in the field of financial reporting
- at least one member with special knowledge and experience (particular expertise) in the field of auditing
- at least one member with considerable experience in operations including, for instance, production, innovation, research and development, technology
- at least one member with considerable experience in the fields of legal, human resources and society
- at least one member with experience in the fields of security and/or defense industry
- specialist knowledge and experience in industry sectors outside the scope of activity of Renk Group AG

The Supervisory Board strives for sufficient diversity in terms of gender, internationality as well as educational and professional background. It has hence drawn up a diversity policy that takes the following criteria into account when determining its composition:

- at least 30% women and 30% men
- at least 30% of the members have international experience based on origin or activity
- at least 50% of the members have different educational backgrounds and professional experience
- at least 30% of the members are under 60 years of age

In addition to the aforementioned aspects relating to skills and diversity, the Supervisory Board has set itself the following further objectives regarding its composition:

Personality and integrity

The members of the Supervisory Board must be personally reliable and have the knowledge and experience necessary to discharge the duties of a Supervisory Board member conscientiously and independently. They must also pass (hypothetical) vetting in accordance with the German Security Screening Act.

* Sections marked with * contain disclosures typical for management reports, which also address the disclosure requirements under ESRS 2 GOV-1.23.

Availability

Each member of the Supervisory Board must ensure that they have the time required to properly discharge their duties as a member of the Supervisory Board of RENK Group AG. When accepting further mandates, the statutory restrictions on mandates and the recommendations of the Code must be observed.

Age limit and length of membership

As a rule, only persons who have not yet reached the age of 70 at the time of the election are to be nominated for election as a member of the Supervisory Board.

Independence

In order to ensure independent oversight of and advice to the Management Board, the Supervisory Board is to comprise an appropriate number of independent members, both overall and in terms of its members elected by the shareholders (shareholder representatives). In assessing independence, the Supervisory Board applies the assessment criteria contained in the current Code.

The implementation status of the skills and diversity profile of the Supervisory Board is presented in the qualification matrix:

Qualification Matrix

Implementation status of the skills and diversity profile – shareholder representatives

	Claus von Hermann	Florian Hohenwarter	Johannes Meier	Doreen Nowotne	Karin Sonnenmoser	Klaus Stahlmann
Length of membership						
Member	since Sept 1, 2023	since Mar 7, 2024	since Sept 1, 2023	since June 26, 2024	since June 26, 2024	since Sept 1, 2023
Regular term of office ends	Annual General Meeting 2028	Annual General Meeting 2028	Annual General Meeting 2028	Annual General Meeting 2028	Annual General Meeting 2028	Annual General Meeting 2028
Diversity						
Born	1974	1976	1984	1972	1969	1960
Standard age limit	✓	✓	✓	✓	✓	✓
Gender	m	m	m	f	f	m
Educational/ professional background	Business administration/ Investment Advisory	Electrical engineering	Business administration/ Investment Advisory	Business administration/ Consulting	Business administration/ Finance	Industrial engineer
Nationality	German	German	German/ Austrian	German	German	German
Personal aptitude						
Independence	✓	✓	✓	✓	✓	✓
In the opinion of the shareholder representatives, the Supervisory Board has an appropriate number of independent members.						
No overboarding	✓	✓	✓	✓	✓	✓
Knowledge, skills and professional experience						
Leadership of companies, associations and networks	•••	•••	••	•••	•••	•••
Sector knowledge	•••	•••	•••	••	••	•••
Finance	•••	••	•••	•••	•••	••
Financial reporting	•••	••	•••	•••	•••	••
Accounting	•••	••	•••	••	•••	••
Risk management	••	••	••	•••	•••	•••
Legal	••	••	••	••	••	••
Compliance	••	••	••	••	•••	•••
Particular expertise in the field of accounting			✓		✓	
Particular expertise in the field of auditing			✓	✓	✓	
Significant sustainability issues for RENK Group AG	•	••	•	••	•••	•
Operations (including e.g. production, innovation, research and development, technology)	••	•••	••	••	••	•••
Legal, HR and society	••	••	••	••	••	••
Security and/or defence industry	••	•••	••	••	••	••
Specialist knowledge and experience in industry sectors outside Renk Group AG	•••	•••	•••	•••	•••	•••
EM = Supervisory Board members elected by the employees in accordance with Section 96(1) German Stock Corporation Act in conjunction with the German Co-Determination Act						
The qualification matrix is based on the self-assessment of the Supervisory Board members:						
•	Basic knowledge	sound basic knowledge of key areas within the specialist field – acquired, for example, through training or practical experience.				
••	Advanced knowledge	extensive knowledge through many years of practical experience in relation to the entire field or specialized knowledge in parts of the field.				
•••	Expert knowledge	expert knowledge in the entire specialist field, acquired through a function as a decision maker.				
✓	Expertise	Specialised education, training and work experience in the field				

Qualification Matrix

Implementation status of the skills and diversity profile – shareholder representatives

	Claus von Hermann	Florian Hohenwarter	Johannes Meier	Doreen Nowotne	Karin Sonnenmoser	Klaus Stahlmann
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Qualification Matrix

Status of Implementation of the Skills and Diversity Profile

	Klaus Refle	Sascha Dudzik	Lothar Evers	Adela Lieb	Ferdije Rrecaj	Mario Sommer
Length of membership						
Member	since Sept 1, 2023	since Sept 1, 2023	since Sept 1, 2023	since Sept 1, 2023	since June 11, 2024	since Sept 1, 2023
Regular term of office ends	next employee elections (expected 2026)	next employee elections (expected 2026)	next employee elections (expected 2026)	next employee elections (expected 2026)	next employee elections (expected 2026)	next employee elections (expected 2026)
Diversity						
Born	1966	1977	1968	1976	1976	1981
Standard age limit	✓	✓	✓	✓	✓	✓
Gender	m	m	m	f	f	m
Educational/ professional background	Machine tool operator	Industrial mechanic/ Business and labor law	Industrial machinist	Business administration/Finance	Adult education	Production engineering
Nationality	German	German	German	German	German	German
Personal aptitude						
Independence	EM	EM	EM	EM	EM	EM
In the opinion of the shareholder representatives, the Supervisory Board has an appropriate number of independent members.						
No overboarding	✓	✓	✓	✓	✓	✓
Knowledge, skills and professional experience						
Leadership of companies, associations and networks	•	•••	•••	•	•••	•
Sector knowledge	•	•	••	•••	••	••
Finance	••	••	•	•••	•••	•
Financial reporting	••	••	•	•••	••	•
Accounting	••	••	•	•••	••	•
Risk management	•	••	•	••	•••	•
Legal	•	••	•	•	•••	•
Compliance	•	••	•	•	•••	•
Particular expertise in the field of accounting				✓	✓	
Particular expertise in the field of auditing				✓	✓	
Significant sustainability issues for RENK Group AG	••	•	••	••	•••	••
Operations (including e.g. production, innovation, research and development, technology)	••	••	••	•	•••	••
Legal, HR and society	•	••	••	••	•••	•
Security and/or defence industry	•	•	••	•	••	•
Specialist knowledge and experience in industry sectors outside Renk Group AG	•	••	•	•	•••	•
EM = Supervisory Board members elected by the employees in accordance with Section 96(1) German Stock Corporation Act in conjunction with the German Co-Determination Act						
The qualification matrix is based on the self-assessment of the Supervisory Board members:						
•	Basic knowledge	sound basic knowledge of key areas within the specialist field – acquired, for example, through training or practical experience.				
••	Advanced knowledge	extensive knowledge through many years of practical experience in relation to the entire field or specialized knowledge in parts of the field.				
•••	Expert knowledge	expert knowledge in the entire specialist field, acquired through a function as a decision maker.				
✓	Expertise	Specialised education, training and work experience in the field				

Avoiding conflicts of interest and ensuring independence

The members of the Supervisory Board are required to safeguard the best interests of the Company at all times. When making decisions, they may not pursue personal interests or take advantage of business opportunities that accrue to the Company. Each member of the Supervisory Board is obliged to disclose any conflicts of interest to the chair of the Supervisory Board, in particular those that may arise as a result of advising or performing a function for customers, suppliers, lenders or other business partners. No conflicts of interest were disclosed in fiscal year 2025.

As can be seen from the above qualification matrix, RENK's Supervisory Board consists of a sufficient and appropriate number of independent Supervisory Board shareholder representatives. The shareholders deemed Claus von Hermann and Johannes Meier to be dependent as regards fiscal year 2024. This assessment has since been changed to independent, as Triton GP HoldCo SARL ("Triton") is no longer a controlling shareholder of RENK Group AG.

In the interests of transparency, it should be noted that Mr. Florian Hohenwarter is CEO of KNDS Deutschland Verwaltungs GmbH, the general partner of KNDS Deutschland GmbH & Co. KG. The KNDS Group has a customer relationship with RENK. In addition, KNDS N.V., an affiliated company of KNDS Deutschland GmbH & Co. KG, holds a minority interest in RENK Group AG. However, the shareholders did not consider this customer relationship and the minority shareholding to be material within the meaning of recommendation C.7 (2) of the Code insofar as they influence independence.

The members of the Supervisory Board must maintain confidentiality regarding confidential information and secrets of the Company, namely trade and business secrets, that become known to them through their activities on the Supervisory Board.

Self-assessment

The Supervisory Board reviews regularly – at least every two years – the effectiveness of the performance of its duties and those of its committees. In addition to the qualitative criteria defined by the Supervisory Board, this self-assessment focuses in particular on the procedures in the Supervisory Board, the flow of information between the committees and the full Supervisory Board as well as the timely and adequate provision of information to the Supervisory Board. Self-assessment is a self-imposed element of the Supervisory Board's rules of procedure.

In fiscal year 2025, the Supervisory Board performed a self-assessment using an online questionnaire. The survey was conducted anonymously and evaluated by the Corporate Office. The results of the evaluation were discussed in detail at a Supervisory Board meeting. Potential improvements were identified and appropriate measures taken to implement them promptly.

Supervisory Board committees

Following its constitution in 2023, the Supervisory Board established four standing committees. The Nomination Committee, Personnel Committee, Audit Committee and Mediation Committee contribute to the efficient performance of the Supervisory Board's duties. These committees prepare delegated topics and take the decisions assigned to them to the extent permitted by law.

Nomination Committee

The Nomination Committee recommends suitable candidates to the Supervisory Board for the latter's proposals to the Annual General Meeting with regard to the election of Supervisory Board members; it also consults regularly on succession planning. At the end of fiscal year 2025, the Nomination Committee consisted of three members, all of whom were shareholders. They are Doreen Nowotne (chair), Johannes Meier and Claus von Hermann. The Nomination Committee held two meetings in fiscal year 2025.

Personnel Committee

The Personnel Committee prepares resolutions for the full Supervisory Board on (a) all remuneration issues relating to the remuneration of the Management Board and Supervisory Board issues relating to employee shares; (b) recommendations on the size of the Management Board as well as the appointment and dismissal of Management Board members; and (c) succession planning for the Management Board. The Personnel Committee is composed of four members with equal representation of shareholder and employee representatives. They are Doreen Nowotne (chair), Claus von Hermann, Klaus Refle and Ferdije Rrecaj. There were no changes to the Personnel Committee in the course of fiscal year 2025. The Personnel Committee held three meetings in fiscal year 2025.

Audit Committee

The Audit Committee is responsible for (a) overseeing the financial reporting process, the effectiveness of the internal control system, the risk management system and the internal audit system as well as the audit of the financial statements including, in particular, selecting the auditor and verifying its independence, the quality of the audit and the additional services provided by the auditor; (b) making recommendations or proposals to ensure the integrity of the accounting process; (c) preparing the Supervisory Board's decision on the approval of the annual financial statements and the consolidated financial statements as well as discussing half-year and quarterly reports; (d) preparing the Supervisory Board's decision on the recommendation for the election of the auditor as well as resolving on the areas of emphasis of the audit and approving the audit engagement and the fee agreement; (e) monitoring compliance and sustainability issues (notably their reporting and auditing); (f) discussing with the auditor the assessment of audit risk, the audit strategy and audit planning as well as the audit results; and (g) acknowledging the audit plan of the internal audit department for consultation and resolution. The Audit Committee is composed of at least four members with equal representation of shareholder and employee representatives. At the end of fiscal year 2025, the members were Karin Sonnenmoser (chair), Johannes Meier, Klaus Refle and Sascha Dudzik. There were no changes to the Audit Committee in the course of fiscal year 2025. The Audit Committee held four meetings in fiscal year 2025.

The current chair of the Audit Committee, Karin Sonnenmoser, has special expertise in the areas of financial reporting and auditing due to her many years in management positions in finance and financial control. She has expert knowledge in the areas of finance, accounting and financial reporting as well as in sustainability issues of importance to RENK. Ms. Sonnenmoser also has particular experience and knowledge of internal control and risk management systems as well as sustainability reporting and its auditing. She held several management positions in the Volkswagen Group, where she worked in various finance functions. Notably, she headed the General Secretariat of the Volkswagen brand group and functioned in the top management of Volkswagen AG as Managing Director for Finance, Procurement, IT and Venture Capital and as CEO of AutoVision GmbH, a wholly owned subsidiary of Volkswagen AG. In addition, Ms. Sonnenmoser was CFO and member of the Management Board of Zumtobel Group AG from 2014 to 2018, and held the position of CFO and Management Board member of Ceconomy AG from 2019 to 2021. Karin Sonnenmoser holds a degree in business administration from the University of Augsburg and a Master of Business Administration (MBA) from the University of Dayton, Ohio, United States.

Due to his many years of experience in finance and financial control, Johannes Meier has special expertise in the areas of financial reporting and auditing coupled with expert knowledge in finance and accounting. Johannes Meier began his career as a controller at Voith GmbH. After further roles in the finance sector, he held the position of Investment Advisory Professional at Triton from 2018 to 2025. He holds a degree in business administration from the Baden-Württemberg Cooperative State University, a degree in international management from the University of London and a qualification as a Financial Analyst® from the CFA Institute.

Sascha Dudzik has advanced knowledge and experience in the areas of finance, financial reporting, risk management and accounting as well as in the areas of legal and compliance due to his work as treasurer of IG Metall. A trained industrial mechanic, he holds a degree in business and employment law.

Sascha Dudzik has advanced knowledge and experience in the areas of finance, financial reporting, risk management and accounting as well as in the areas of legal and compliance due to his work as treasurer of IG Metall. A trained industrial mechanic, he holds a degree in business and employment law.

Klaus Refle has advanced knowledge and experience in the areas of finance, financial reporting and accounting due to his many years of service as chair and deputy chair of works councils at various RENK companies. Additionally, he has basic knowledge in the areas of risk management, legal and compliance. Klaus Refle is a trained machine tool operator.

Mediation Committee

The Mediation Committee is responsible for submitting a proposal to the Supervisory Board for the appointment of the members of the Management Board in accordance with Section 31(3) German Co-Determination Act. In accordance with Section 27(3) German Co-Determination Act, the Mediation Committee consists of the Supervisory Board chair, their deputy and one member elected by the Supervisory Board members representing the employees and one member elected by the Supervisory Board members representing the shareholders by a majority of votes cast. At the end of fiscal year 2025, the members were Supervisory Board chair Claus von Hermann, Klaus Stahlmann as elected shareholder representative, Klaus Refle as deputy chair of the Supervisory Board and Lothar Evers as elected employee representative. The Mediation Committee held no meetings in fiscal year 2025.

Disclosures on the proportion of women in the Supervisory Board, Management Board and the two management levels below the Management Board of RENK Group AG

Proportion of women in and targets for the Supervisory Board

In accordance with Section 96(2) German Stock Corporation Act, the Supervisory Board of RENK Group AG must be composed of at least 30% women and at least 30% men, as RENK Group AG is a listed company and subject to the German Co-Determination Act. In fiscal year 2025, the composition of the Supervisory Board of RENK Group AG met the requirements for the statutory minimum proportion of women and men in accordance with Section 96(2) German Stock Corporation Act. It is not necessary to set targets for the proportion of women in the Supervisory Board due to the mandatory application of the statutory minimum participation requirement under Section 111(5) s. 8 German Stock Corporation Act.

Proportion of women in and targets for the Management Board and the two management levels below the Management Board

In fiscal year 2025, the Management Board of RENK Group AG consisted of only three persons, meaning that the statutory requirements regarding the minimum proportion of women and men in the Management Board under Section 76(3a) s. 1 German Stock Corporation Act did not apply. Under Section 111(5) German Stock Corporation Act, the Supervisory Board of RENK Group AG is required to define targets for the proportion of women in the Management Board of RENK Group AG and deadlines for meeting those targets. RENK has nevertheless met the requirements for the statutory minimum proportion of women. The Supervisory Board has defined a target of 30% for the proportion of women in the Management Board of RENK Group AG. A deadline of June 30, 2028 was set to achieve this target. The target was already met in fiscal years 2024 and 2025.

Under Section 76(4) German Stock Corporation Act, the Management Board of RENK Group AG is required to define targets for the two management levels below the Management Board as well as deadlines for meeting those targets. The Management Board has committed itself to the longer-term target of achieving a 20% proportion of women in the four management levels below the Management Board by 2030. Based on this, it derived the medium-term target of achieving a 15.9% proportion of women in the four management levels below the Management Board by 2027. Target achievement cannot be determined before the December 31, 2027 and December 31, 2030 reporting dates. As of the December 31, 2025 reporting date, the proportion of women in the four management levels below the Management Board was 12.24%.

In addition to gender diversity, RENK intends to focus on and increase the proportion of managers with a foreign background. To achieve this, the entire application process is to follow a global approach. Job advertisements for all locations are prepared in English and published on international platforms. In addition, recruitment consultants who operate globally are increasingly being engaged to find the ideal candidates.

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12.1 General information

12.1.1 ESRS 2 General disclosures

BP-1 General basis for preparation of the sustainability statement

Report scope and framework

This sustainability statement has been prepared on a consolidated basis for the RENK Group in full compliance with the European Sustainability Reporting Standards (ESRS). At the same time, it satisfies the requirements of non-financial reporting obligations pursuant to Sections 315b to 315c German Commercial Code (“Handelsgesetzbuch”) (consolidated non-financial statement). The information disclosed in the report takes into account the results of the double materiality assessment (DMA) and thus the framework conditions, impacts, risks and opportunities (IROs) that are currently relevant to RENK. Wherever reporting requirements relate to facts or to current or future plans that were not relevant to RENK in the reporting period, this is disclosed transparently using a comply or explain approach. This likewise applies if the facts underlying the zero disclosures are interdependent or causally linked in some other way, which means that redundant statements may sometimes be unavoidable.

The sustainability statement is based on the fiscal year of RENK Group AG, Augsburg, Germany, which covers the period from January 1 to December 31, 2025. The statement is prepared on a consolidated basis and relates to the group of fully consolidated companies as shown in the list of shareholdings in Section B, Chapter 31. *Statement of shareholding* and which underlies the financial statement. The annual report contains sections marked with * and form an integral part of this sustainability statement.

Alongside the Company’s own business operations, the sustainability statement covers the upstream and downstream stages of the value chain – wherever possible – because the associated impacts, risks and opportunities were taken into account in the DMA. The upstream stages of the value chain notably include the suppliers of intermediate products such as castings, welded parts, bearings, forged parts, turned, milled or toothed parts, electrical equipment and hydraulic components.

On the customer side, RENK manufactures, sells and maintains mission-critical applications such as gear units, vehicle propulsion systems, hybrid propulsion systems, suspension systems, slide bearings, couplings and test systems. The downstream stages of the value chain include customers in particular. RENK serves a wide range of customers in the defense and industrial sectors, with a special focus on customers in the military vehicle, marine, civil maritime, cement and plastics production, as well as oil and gas sectors. In addition, the Company supplies customers in the energy production sector, including those in the fields of hydrogen and carbon capture, utilization and storage.

Data availability and comparability

In fiscal year 2025, RENK was in communication with industry associations to obtain relevant information regarding data from the upstream and downstream value chain. However, there are as yet no workable systems or other exchange formats to ensure a reliable flow of information. As before, there are plans to work with industry associations to foster communication between companies so as to facilitate provision of the requisite information. In the years ahead, RENK will be reviewing other information-gathering measures. Due to the lack of sufficient information and data in the upstream and downstream value chain, the upstream and downstream value chain cannot be fully considered in the relevant topical standards. Limitations such as these are disclosed in this report in the sections relating to the topical standards.

The sustainability statement for the 2025 financial year will continue to be prepared on a voluntary basis, as Directive (EU) 2022/2464 on sustainability reporting (CSRD) has not yet been transposed into German law. For the 2025 reporting period, the same methodological and substantive basis will be applied as in the 2024 financial year. The metrics and

parameters presented in this sustainability statement have been verified with limited assurance. Further information can be found in Section C, Chapter 3. *Assurance report of the Group Sustainability Statement* and is also an integral part of this sustainability statement. No other external validation was carried out.

	Yes	No
Option to omit certain information about intellectual property		
Did RENK make use of the option to omit information relating to certain research and development results, know-how and intellectual property in fiscal year 2025?		x
Exemption to disclosures about pending developments or matters under negotiation		
Did RENK make use of the exemption under Article 19a (3) and Article 29a (3) of Directive 2013/34/EU on exemptions from disclosure of imminent developments or matters under negotiation in fiscal year 2025?		x

BP-2 Disclosures in relation to specific circumstances

Legal provisions and references

The period-specific information contained in this sustainability statement applies the definitions for short-, medium- and long-term time horizons contained in ESRS 1 section 6.4. RENK does not disclose any information required by other legal provisions or generally accepted standards apart from the German Commercial Code. Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation) can be found in section 12.2.1 *EU Taxonomy*. The ESRS disclosure requirements that are incorporated by reference to other sections of the annual report include the following:

ESRS disclosure requirement	Reference
BP-1.5 (b) (i.) Description of the scope of consolidation	Section B Chapter 31. Statement of shareholding
GOV-1.23 Skills and expertise of the Supervisory Board members	Section A Chapter 11. Combined Corporate Governance Statement pursuant to Section 289 f and Section 315 d German Commercial Code
GOV-3.29 Sustainability-related incentive schemes and sustainability-related remuneration policy	Section C Chapter 5. Remuneration report for fiscal year 2025
GOV-5.36 (a), (b) Scope and main features of the internal control and risk management system, incl. identified risks	Section A Chapter 8.1 Key features of the internal control system
SBM-1.40 (a) (i)-(ii.) Description of the key elements of the business model	Section A Chapter 1.1 Organizational and reporting structure Section A Chapter 1.2 Business model
SBM-1.42 (a), (b), (c) Opportunities and risks associated with supply chain management	Section A Chapter 8.2 Risk and opportunity report
IRO-1.53 (c) Description of the procedures for identifying, assessing, prioritizing and monitoring risks	Section A Chapter 8.1 Key features of the internal control system Section A Chapter 8.2 Risk and opportunity report
E1-5.43 Energy intensity based on net sales	Section B Chapter Consolidated Income Statement
E1-6.53-55 Greenhouse gas intensity based on net sales	Section B Chapter Consolidated Income Statement

Estimates and assumptions

	Yes	No
Estimation of upstream and/or downstream value chain data		
Did RENK estimate parameters using indirect sources that include data on the upstream and/or downstream value chain?	x	

The following data includes estimates in the ESRS E1 – Climate change section:

To supplement individual missing energy consumption data, standardized estimation methods were applied. These included extrapolating prior-year values, combining current consumption data with historical comparison periods, and calculating average values based on monthly data already available for the current year. For certain energy types, reference months or averages across multiple months were also used to ensure a consistent and reliable data basis.

Given that RENK is not yet able to use direct inputs from the upstream and downstream value chain and thus primary data from suppliers or other business partners for its Scope 3 data, the metric *significant Scope 3 greenhouse gas emissions* is subject to certain measurement uncertainties. Overall, an estimated share of 5.9 % (PY: 13.0 %) can be derived for energy and Scope 1 and 2 data.

Other disclosures on estimates:

Further detailed disclosures on estimates can be found in the topical standard *ESRS E1 – Climate change*. Comparability with the results of the previous years' carbon footprints is guaranteed. RENK continues to use 2024 as the base year for the future analysis and comparison of its carbon footprints.

	Yes	No
Disclosures due to other legislation or generally recognized statements on sustainability reporting		
Does RENK disclose any other information from other legislation or generally recognized standards or frameworks for sustainability reporting?	x	

Reconciliation to reporting requirements in accordance with commercial law

Legal basis and equivalence of CSRD reporting requirements with the German Commercial Code

The Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD), which came into force on January 5, 2023, was required to be transposed into national law by July 6, 2024. The German legislature had not complied with this requirement by December 31, 2025. This means that the reporting requirements in accordance with commercial law continue to apply to the RENK Group's reporting date of December 31, 2025.

The sustainability statement contained in the management report was prepared in accordance with the ESRS, which form the reporting framework for fulfilling the CSRD requirements. It simultaneously fulfills the reporting requirements pursuant to Sections 315b to 315c German Commercial Code for the preparation of the non-financial Group statement, which were mandatory for RENK for the first time for the fiscal year that ended on December 31, 2024, supplemented by the disclosures and explanations in the following section. The disclosures required pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation) are listed in the *12.2.1 EU Taxonomy* section of this sustainability statement as part of the environmental information. Hence, the RENK sustainability statement also constitutes our non-financial Group statement.

Additional disclosures and explanations in fulfillment of reporting requirements in accordance with commercial law

The reporting requirements concerning environmental matters (see the *ESRS E1 – Climate change* section), employee matters (see the *ESRS S1 – Own workforce* section), social matters (see the *ESRS S2 – Workers in the value chain* section), respect for human rights (see the *ESRS S2 – Workers in the value chain* section) and anti-corruption and bribery (*ESRS G1 – Business conduct*) are disclosed within the context of the topic-specific disclosure requirements in accordance with the ESRS reporting structure. This includes the presentation of aspect-specific policies and due diligence processes. The existing policies have already delivered some discernible results. Effectiveness is currently measured using internal reporting structures.

The materiality assessment discussed in the *ESRS 2 General disclosures* section and the presentation of the main features of the sustainability-related risk management system do not indicate any material risks that are very likely to have serious negative impacts on non-financial aspects within the meaning of Section 289c German Commercial Code. In this connection, please refer in particular to the topic-specific information on impacts, risks and opportunities in the aforementioned chapter.

The financial management system does not currently include any non-financial performance indicators that are attributable to the most significant indicators.

Application of the provisions for phased-in disclosure requirements (Quick Fix)

As part of the preparation of this sustainability statement, RENK makes use of the Quick Fix approach introduced under the EU Omnibus procedure to the CSRD and applies the transitional provision with regard to the topical standard ESRS S4.

ESRS	Sustainability matters covered in topical ESRS		
	Topic	Sub-topic	Sub-sub-topic
ESRS S4	Consumers and end users	Personal safety of consumers and/or end-users	Security of a person

RENK offers specialized products for the military and civil sectors, with a focus on the highest quality and safety, supported by ISO 9001 certifications and strict quality controls to ensure high operational safety and reliability for users and to achieve corporate goals.

RENK has currently not established any time-bound, performance-based targets for indirect impacts on consumers and end users, due to the complexity and limited ability to exert influence within the value chain.

RENK pursues key policies to ensure the safety of consumers and end users. These include the Human Rights Policy Statement, the implementation of human rights due diligence obligations, as well as the corporate policy on quality, environmental protection, occupational safety, and health protection. These guidelines ensure respect for human rights and high standards of product safety.

RENK attaches great importance to responsible action. By integrating product safety, ethical business practices, and compliance with international standards into its sustainability strategy, RENK ensures that the rights and needs of consumers and end users are protected. Further measures will be reviewed if existing approaches are considered insufficient, although there is currently no substantial evidence to suggest this.

RENK does not currently collect specific metrics related to product safety. The personal safety of consumers and end users is ensured through internal audits and regular quality controls, which have proven effective in the early identification of risks.

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

The German Stock Corporation Act ("Aktengesetz") applicable to RENK provides for the organizational separation between the Management Board with its executive function and the Supervisory Board as the oversight body (dualistic system). Appropriate organizational structures have been established to achieve the sustainability targets and implement the associated actions.

The Management Board as the executive body

The Management Board, consisting of the CEO, CFO and COO, is the statutory executive body of RENK. It has sole responsibility for managing the Company and represents the Company externally. The Management Board has the following skills profile:

	CEO	CFO	COO
Experience of management and supervisory bodies			
Sector-specific experience	✓	✓	✓
Product-specific experience	✓	✓	✓
Site-specific knowledge	✓	✓	✓

Within the established organization, the Management Board has embedded responsibilities, tasks and structures at RENK. The management and oversight of sustainability matters is performed centrally by RENK Group AG for the entire Group under the leadership of the Management Board, which also holds overall responsibility for sustainability matters. Departmental responsibilities are assigned on the basis of a business allocation plan.

The CEO and CFO are responsible for formulating the sustainability strategy. External sustainability reporting, the associated processes, the reporting-related internal control system (ICS) and the management and monitoring of IROs are the responsibility of the CFO. RENK has not implemented any specific controls or processes relating to the management of qualitative issues in accordance with the ESRS or to the monitoring, management and control of the associated IROs.

The Management Board is actively involved in the double materiality assessment, examines its results, decides on sustainability-related corporate policies, strategies and actions and monitors material IROs and the effectiveness of actions taken to reduce negative impacts and risks and realize opportunities. In developing the corporate strategy, the Management Board takes account of the nature of RENK's business activities and material IROs. This process includes a focus on the efficient and effective allocation of resources and consideration of the attainability and measurability of the derived objectives, which are influenced by the maturity of the internal ESG organization, the ESG reporting system, the availability of information and existing technologies.

The Supervisory Board and Audit Committee

The Supervisory Board is the governance body that monitors management of the Company by the Management Board and proper accounting, assesses transactions requiring approval and the correctness of the accounting system and reviews the annual and consolidated financial statements and non-financial reporting. The Supervisory Board has no authority to issue instructions to the Management Board. The Supervisory Board, notably the Audit Committee, oversees and advises the Management Board in respect of sustainability-related matters. Interaction takes place primarily at Supervisory Board meetings or on an ad-hoc basis. The Management Board submits the sustainability statement to the Supervisory Board for auditing as part of the audit of the annual financial statements.

Structure of the Management Board

	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Executive members	Number	3	3
Non-executive members	Number	0	0
Proportion of female members	%	66.66	33.33
Employee representatives	Number	0	0
Independent members	%	0	0

Structure of the Supervisory Board

	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Executive members	Number	0	0
Non-executive members	Number	12	12
Proportion of female members	%	33.33	33.33
Employee representatives	Number	6	6
Independent members	%	33.33	50.00

Corporate Sustainability Team

In order to give sustainability the necessary prominence, the ESG Competence Team was established in 2022, comprising the Chief Human Resources Officer, General Counsel, Head of Quality, Health, Safety & Environment (Q-HSE) Management and Head of Procurement Excellence. In a further step, the Corporate Sustainability Team was created in

fiscal year 2024 to deal exclusively with sustainability matters. As part of the Regulated Reporting unit, it has the same status as the team in charge of financial reporting.

The team is responsible for the central management of the IROs identified, for standard setting and for the Group-wide coordination of sustainability matters; it supports the refinement of RENK's sustainability strategy as well as the collection of data and information for sustainability reporting. It also steers the ESG Competence Team which will remain in place. Since fiscal year 2024, operational sustainability management has been based on clearly defined roles and responsibilities, aligned with RENK's internal organizational units.

Skills profile and continuing development

The Management Board and the Corporate Sustainability Team are supported in their activities by qualified specialists and managers. To ensure their adequate qualification, selected members of the Management Board, Supervisory Board and Corporate Sustainability Team receive regular training, e.g. in specialist courses or forums for sharing experience.

Based on their many years of experience in the management and oversight of capital market-oriented companies, the members of the Management Board and Supervisory Board have extensive skills and qualifications, particularly relating to the introduction of new regulatory requirements, operational and sustainability-related objectives, processes and governance structures. This skills profile enables the Company's executive bodies to efficiently and effectively address IROs identified and implement the targets of the sustainability strategy. This calls for a high level of customer and employee orientation, process understanding and awareness of regulatory frameworks, especially in the context of military applications. The qualification matrix for the Supervisory Board members can be found in Section A, Chapter 11. *Combined Corporate Governance Statement in accordance with Section 289f and Section 315d German Commercial Code under Composition, including diversity, skills profile and qualification matrix.* The disclosures are marked with * and form an integral part of this sustainability statement.

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

On the basis of regular meetings with the Head of the Corporate Sustainability Team, the CFO receives information on the current status of sustainability-related topics, makes pertinent strategic decisions together with the full Management Board, defines the governance framework and is responsible for the uniform implementation and monitoring of the sustainability strategy set by the full Management Board. The specialist units have operational responsibility for implementing the actions geared to achieving the targets of the sustainability strategy. Both the nature and scope of existing targets and actions are described in the topic-specific sections of the sustainability statement.

The Management Board members received regular information on sustainability-related topics such as policies, metrics and targets from the units for which they are responsible. The units also prepare information for the full Management Board. This did not result in the need for any further actions.

As a general rule, the Supervisory Board and Audit Committee receive reports at the meetings defined in the meeting schedule on a regular basis. In addition to a review of the 2024 sustainability statement (including the underlying strategies, targets, actions and metrics), reporting focused in particular on the refinement of the CSRD-compliant processes implemented in 2024, the improvement of quality and routine in the data collection and reporting processes and the update of the double materiality assessment, including the results relating to the impacts, risks and opportunities identified. Policies, metrics and actions were not discussed in fiscal year 2025.

In the year under review, there were no complex issues that could arise from a potential conflict between operating activities – especially executed or planned transactions – and the sustainability-related impacts, risks and opportunities identified.

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

The members of the Management Board receive variable remuneration that takes account of ESG-related factors. Climate-related factors are not considered in their remuneration. Remuneration consists of a short-term component (Short-Term Incentive, STI) and a long-term component (Long-Term Incentive, LTI). No ESG-related targets were formulated in the STI in the fiscal year. The LTI consists of four-year performance periods, at the end of which the respective LTI for the performance period is paid out. The Supervisory Board sets several targets for each performance period, including at least one non-financial target.

As for the 2024 to 2027 performance period, the Supervisory Board set one sustainability-related target in the LTI. This is weighted at 10%. Likewise, the Supervisory Board set one sustainability-related target in the LTI for the current 2025 to 2028 performance period. This is weighted at 20%.

The proportion of variable remuneration linked to sustainability-related targets amounts to between 11.10% and 11.72% of the total variable remuneration of the Management Board members in office during fiscal year 2025. This calculation is based on the respective variable remuneration of the Management Board members consisting of the full LTI and STI amounts. The STI/LTI ratio is not completely identical for the individual Management Board members, meaning that the share of variable remuneration linked to sustainability-related targets is different for each Management Board member. Due to the applicable good leaver provisions relating to the LTI, the share of sustainability-related remuneration is proportionally lower for the Management Board member who left the Company. The sustainability-related target of the LTI consists of two components: "Increasing the proportion of women in management positions" for the performance period 2024 to 2027 and "Increasing employee engagement" for the performance periods 2025 to 2028 and 2026 to 2029.

The "women in management positions" target will be considered to have been fully achieved if a quota of 15.9% is reached at management levels M1 to M4 as of December 31, 2027. This is derived from a linear growth path until the target quota is reached, based on a proportion of women of 11.54% in 2024.

For the 2025 to 2028 and 2026 to 2029 performance periods, the "engagement score" criterion was defined on the basis of two sub-performance indicators: (i) score and (ii) participation rate (weighting of 50% each). The "engagement score" target for the period 2025 to 2028 will be considered to have been fully achieved if a score of 3.78 and a participation rate of 80% are reached as of December 31, 2028. For the period 2026 to 2029, the target will be considered to have been achieved at 100% if, as of 31 December 2029, a score of 3.84 and a participation rate of 86% are attained. Further information on the two social targets can be found in the *ESRS S1-5* section.

The Management Board remuneration system was resolved by the Supervisory Board and approved by the Annual General Meeting in June 2024 (Sections 87a, 120a (1) sentence 1 German Stock Corporation Act). With the support of its Personnel Committee, the Supervisory Board is responsible for setting the specific performance indicators and target values for variable remuneration and for determining the respective target attainment in accordance with the provisions of the remuneration system (Sections 87 and 87a (2) sentence 1 German Stock Corporate Act). A supplementary description of the remuneration system can be found in Section C, Chapter 5. *Remuneration report for fiscal year 2025*, under *Long-Term Incentive (LTI)*, and on the RENK website at <https://ir.renk.com/corporate-governance>. The disclosures are marked with * and form an integral part of this sustainability statement.

Sustainability-related performance in incentive schemes

	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Proportion of variable remuneration of members of the management and supervisory bodies dependent on sustainability-related targets and/or impacts ¹	%	6.14	11.25

¹ For the financial year 2024, the share of variable remuneration of the members of the management and supervisory bodies that is linked to sustainability-related targets and/or impacts was retrospectively adjusted from 2.54% to 6.14% by correctly applying the following formula: (share of sustainability-related targets in variable remuneration divided by total variable remuneration) multiplied by 100.

GOV-4 Statement on due diligence

The disclosures relating to ESRS 2 GOV-4 can be found in the *Appendix to the Sustainability Statement*

GOV-5 Risk management and internal controls over sustainability reporting

Information on the risk management structure and methodology in respect of sustainability-related risks and their presentation can be found in Section A, Chapter 8.1 *Key features of the internal control system*. The disclosures are marked with * and form an integral part of this sustainability statement.

As with the financial ICS, the goal of the non-financial ICS is to ensure the completeness and accuracy of externally reported data. The latter were divided into three risk categories (low, medium and high) as part of a scoping process performed by the specialist units for environmental (Q-HSE), social (HR) and governance (Ethics & Compliance) matters, particularly with regard to their susceptibility to error and data quality. Metrics in the medium and high categories were included in the documented ICS and controls were applied at the corresponding interfaces and process steps. Key controls include the dual control principle, plausibility checks and system controls, which are documented in a risk control matrix for the specialist units. In addition, the introduction of a software tool ensured an automated and reliable method for the Group-wide data collection and calculation process for environmental, social and governance metrics.

Sustainability-related risks, controls and processes are subject to regular internal review, e.g. through annual updates of the scope of control and review. These reviews may be carried out by the Risk Management, Internal Control System, Internal Audit and Q-HSE departments. If deficiencies are identified, action plans are developed together with the affected units in order to contain any risks in accordance with the corporate strategy. In addition, the Management Board and Audit Committee are informed half-yearly about the results of the risk assessment process and annually about the adequacy and effectiveness of the internal control system.

The physical and transition climate risks identified by RENK and the Company's internal non-financial controls are integrated into the regular internal risk report to both the Management Board and Supervisory Board. Climate and environmental risks determined as relevant by the Management Board and submitted to the Supervisory Board were also integrated into the risk strategy.

SBM-1 Strategy, business model and value chain

Strategy and business model

RENK had 4,342 employees in fiscal year 2025. The number of employees reported in the sustainability statement differs from that in the financial section of the management report because different definitions are used. In accordance with CSRD requirements, the metric does not include agency workers and external employees.

Strategy, business model and value chain

	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Employees¹	Number	3,956	4,342
By geographical area			
Europe	Number	3,303	3,452
America	Number	553	777
Asia	Number	100	113

¹ All figures in headcounts

RENK sees itself as one of the major providers of mission-critical propulsion technology for a wide range of applications with a global focus. The Company is divided into three segments based on a product or market/customer structure,

each with a segment manager who holds full business responsibility and reports to the CEO of RENK Group AG. For information on the Group strategy, business model, business activities and customer groups, please refer to Section A, Chapter 1.1 *Organizational and reporting structure* and 1.2 *Business model*. The disclosures are marked with * and form an integral part of this sustainability statement.

There are currently no sustainability targets relating to individual products, services, customer groups or their geographical distribution. In particular, products for military applications and related services – including especially propulsion solutions for armored vehicles and military vessels – may be subject to export restrictions.

As a leading provider of propulsion technology for military and civilian applications, RENK makes a key contribution to safeguarding freedom, democracy and security. This vision and commitment are the foundation of our sustainability strategy, which integrates environmental, social and governance aspects into our core business. Anchoring sustainability aspects in this way enables RENK to be resilient and commercially successful in the long-term and to grow its role as a responsible company and one of the industry's leading providers.

On the basis of its sustainability strategy, RENK focuses on the essentials and takes account of the customer, capital market and legislative perspectives. Four focus areas are derived from this: social responsibility through product quality and safety; emission reduction in the Company's own operations; promotion of health, safety and inclusion in the workplace; and resilient corporate governance.

RENK supports the United Nations' Sustainable Development Goals (SDGs) as a global reference framework for sustainable development. In line with our materiality assessment and our stakeholders' expectations, we have identified the SDGs that are particularly relevant for RENK. These are reflected in our strategic priorities and demonstrate the contribution we make to environmental, social and economic objectives through our business activities.

- SDG 5 – Gender equality: We are promoting equal opportunities and diversity by setting ourselves the target of increasing the proportion of female managers to 20% by 2030 and supporting the development of talents by way of specific programs.
- SDG 8 – Decent work and economic growth: RENK is seeking to ensure an inclusive corporate culture and attractive working environment. Our target is to increase the engagement score to 3.84 and achieve a participation rate of 86% by 2029.
- SDG 9 – Industry, innovation and infrastructure: With our products, we are contributing to technological development and to environmental and economic sustainability by creating framework conditions for innovative, efficient and safe solutions.
- SDG 13 – Climate action: RENK has committed to achieving net-zero emissions (Scope 1 and 2) by 2050 and consistently integrates climate action into its strategy and product development.
- SDG 16 – Peace, justice and strong institutions: As a leading provider of mission-critical propulsion solutions for various military and civilian applications, we contribute to safeguarding freedom, democracy and security.

Social responsibility through product quality and safety

Product quality and safety are of paramount importance in our customers' demanding application scenarios in the military and civilian environments. RENK aims to strengthen the trust of customers, stakeholders and society in the Company and to ensure its long-term resilience and competitiveness through an uncompromising focus on quality and safety. To this end, RENK relies on a comprehensive quality management system covering all development and production processes. Through regular testing and certification, which is required for military and safety-critical applications, the Company ensures compliance with the highest standards.

This objective is underpinned by RENK's research and development activities, which are focused on innovation and the continuous improvement of performance and reliability. Product quality and safety are the cornerstones of product development. Our products are subjected to rigorous tests that simulate realistic application scenarios, thus ensuring long-term functionality in the field and on the water. Working with our customers, we tailor solutions that meet the

specific requirements and extreme demands of military and civilian applications. This is supplemented by customer-oriented and proactive aftercare. The ability to address individual customer needs increases the quality and reliability of our solutions over their life cycle, which is also maximized in order to optimize the use of resources.

Emission reduction in the Company's own operations

RENK is committed to the ambition of sustainably minimizing the environmental footprint of its own operations by reducing greenhouse gas (GHG) emissions from its own production activities. In this way, RENK intends to promote a climate-friendly future and drive the transformation toward climate neutrality. The Company is focusing on the energy efficiency of production processes, the use of renewable energy sources, energy-saving measures in building management and raising employee awareness. Actions that contribute the most to reducing emissions in relation to the resulting costs are prioritized so that short- and medium-term savings potential can be leveraged in the best possible and most economical way.

Promotion of health, safety and inclusion in the workplace

RENK is committed to creating a working environment that supports employees' physical and mental health, ensures their safety and fosters diversity and inclusion. The aim is to increase employee satisfaction, productivity and loyalty as well as to strengthen the Company's position as a responsible and attractive employer. RENK has anchored these objectives in its Code of Conduct and employee-related guidelines, as presented in the *ESRS S1 – Own workforce and ESRS G1 – Business conduct* sections and explained in more detail with regard to the individual characteristics of the objectives. At present, there are no comparable or derived objectives for workers in the downstream value chain.

The well-being of our employees is consistently and comprehensively considered by way of an occupational health and safety management system that includes clear guidelines and procedures for identifying, assessing and minimizing health risks in the workplace. RENK offers training to raise employee awareness of safety-related issues and equip them with the knowledge and skills they need to perform their work safely. These actions are embedded in an occupational safety culture that encourages employees to raise safety concerns, report risks and support each other to ensure a safe working environment.

Resilient corporate governance

RENK is often system-relevant to its customers and partners due to their mission-critical application scenarios. This gives rise to the need for resilient corporate governance that promotes responsible conduct at all levels of the Company, enforces the highest standards and enables long-term relationships with customers, partners and stakeholders. RENK's corporate governance contributes to achieving these principles and objectives. Building on binding ethical principles of conduct and compliance requirements as set forth in the RENK Code of Conduct, it ensures the open communication and constructive cooperation that serve as the basis for good corporate governance throughout the RENK Group. The corporate governance structure fosters an open and risk-mitigating culture of compliance and integrity, while simultaneously advancing the strategic business areas.

The compliance culture includes systematic internal training and awareness-raising, which focus on compliance with legal and ethical standards and thus contribute to the Company's sustainable success. RENK has a compliance management system (CMS) to avoid legal and reputational risks. The goal of the CMS is the prevention and, if possible, early detection of violations of the law, such as corruption and money laundering as well as violations of competition and foreign trade law. Another CMS focus is on data protection and information security. The CMS provides protection for RENK and its employees.

Robust supply chain management

At RENK, we see it as our mission to contribute to a safe and sustainable future through our products and thus by collaborating with our customer groups in the defense, mobility and industrial sectors. We are one of the world's leading manufacturers of mission-critical propulsion solutions for a wide range of defense and civilian end markets. We

manufacture, sell and maintain equipment such as gear units, hybrid propulsion systems, chassis systems, slide bearings, couplings and test systems. Our goal is to satisfy the global need for freedom and security and a world that uses resources efficiently as well as to contribute to a safe and sustainable future.

RENK purchases a range of intermediate products, mainly castings, welded parts, bearings, forged parts, turned, milled or toothed parts, electrical equipment and hydraulic components. Our supplier base includes more than 5,000 suppliers worldwide, particularly in Europe, where around 60% of our suppliers are based, as well as in North America and the United Kingdom. We have a very limited supplier concentration, with no single supplier accounting for more than 2% of our total supply costs and our 25 largest suppliers accounting for less than 25% of our total supplies based on the cost of supplies in the fiscal year ended December 31, 2025.

Our supply chain management, which is also responsible for global procurement, is a central function. By automating purchasing processes and systems, consolidating our supplier base across our segments and diversifying to avoid dependence on individual suppliers, RENK aims to ensure a lean and consistently efficient procurement process. Corresponding implementation projects have been initiated. On the supply chain side, RENK additionally uses careful selection processes, supplier audits, active monitoring, reliability checks and long-term contracts to secure materials and prices, thereby optimizing supply to the Company. Please also refer to the information on the risk management system for procurement risks in Section A, Chapter 8.2 *Risks and opportunities report*. The disclosures are marked with * and form an integral part of this sustainability statement.

SBM-2 Interests and views of stakeholders

RENK included the perspectives of the most important stakeholders in its double materiality assessment. These perspectives were determined by subject matter experts from RENK’s specialist units when identifying and evaluating IROs. For this process, the population of potential users of sustainability information and those affected by positive and negative impacts were identified. This was followed by a weighting to determine the most important stakeholders.

The weighting factors used were the degree of possible influence (power) and the extent of stakeholders’ interest in RENK (interest), including the demand for information on sustainability issues. The most important stakeholders were identified as those who can exert significant influence and also have a particular interest in RENK. They include RENK’s customers, employees and shareholders.

Stakeholder group	Description	Interaction
Customers	The specific nature of the application scenarios for our propulsion solutions requires constant interaction with customers. This is particularly important when it comes to government contracts, which are subject to restrictive regulations.	Order-related interaction begins with contract initiation and includes the definition of qualitative requirements for propulsion solutions. In this context, the type and frequency of customer involvement and modalities for product testing and acceptance are also determined. The frequency and intensity of customer involvement is specific to a given customer-, order or product.
Employees	Employees are the ambassadors of our corporate values and culture and represent a key factor in our economic success. At the same time, employees require special protection, including occupational safety and the avoidance of discrimination or loss of personal rights. The ongoing involvement of employees in improvement processes, health protection and the promotion of equality and inclusion is based on open communication, transparent processes and fair conduct at all levels of the hierarchy.	The views of employees are incorporated into RENK’s strategies, decisions and actions using well-established dialogue formats. Please refer to the section ESRS S1-2. In addition, the Works Council was involved in ESG-related topics as an employee representative in fiscal year 2025.
Shareholders	Due to the risk of loss for investors and their interest in positive and sustainable corporate development, RENK believes that they have very extensive information requirements, both in terms of the depth of information and the timeframe beyond the usual planning horizons.	The Investor Relations department ensures ongoing capital market communication (including sustainability information) and evaluates investor feedback. This is passed on to the Management Board, which takes appropriate measures in accordance with identified areas of action based on the sustainability strategy and processes. The Management Board regularly interacts with shareholder and employee representatives on the Supervisory Board and with institutional investors in the context of ongoing capital market communication such as roadshows and institutional investor conferences, in addition to the Annual General Meeting.

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

Topic-specific disclosures:

The IROs identified by the double materiality assessment are described in the following tables and in the topic-specific standards in respect of their interaction with RENK’s corporate strategy and business operations.

ESRS E1 – Climate change

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
Climate change adaptation								
Production downtime and financial burden due to climate-related disruptions and adaptation measures	-	Risk		•			•	•
Delivery delays and financial burden due to climate-related disruptions and adaptation measures	-	Risk	•			•	•	•
Climate change mitigation								
Contribution to global warming through GHG emissions along the upstream and downstream value chain (Scope 3)	A	Negative I.	•		•	•	•	•
Contribution to global warming through GHG emissions from own business activities (Scope 1) and purchased energy (Scope 2)	A	Negative I.	•	•		•	•	•
Reduction of GHG emissions through efficiency measures in energy consumption	A	Positive I.		•		•	•	•
Reduction of GHG emissions in the use phase of products through durable, energy-efficient and low-emission components and technologies for new energy markets	A	Positive I.			•	•	•	•
Increased costs, investment requirements and reputational risks due to stricter climate-related regulations and possible non-compliance	-	Risk	•	•			•	•
Energy								
Environmental and resource impact due to the use of non-renewable energies along the value chain	A	Negative I.	•	•	•	•	•	•
Energy savings in the use phase of products through delivering energy-efficient components	A	Positive I.			•	•	•	•
Higher operating costs due to an increase in energy prices	-	Risk	•	•		•	•	•
Reduction of operating costs and improving environmental performance by increasing energy efficiency	-	Opportunity	•	•		•	•	•

ESRS S1 – Own workforce

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
Working conditions								
Employment security through permanent employment contracts	A	Positive I.	•			•	•	•
Employment security through stable business model	A	Positive I.	•			•	•	•
Health issues for employees due to additional workload and shortage of employees	A	Negative I.	•			•	•	•
Increasing employee satisfaction through appropriate remuneration	A	Positive I.	•			•	•	•
Increasing employee satisfaction and motivation through active involvement	A	Positive I.	•			•	•	•
Increasing employee satisfaction through co-determination within the framework of employee representatives	A	Positive I.	•			•	•	•
Special protection of employees’ rights by collective agreements	A	Positive I.	•			•	•	•
Enhanced employee well-being through a good work-life balance	A	Positive I.	•			•	•	•
Work-related accidents due to dangerous production settings	A	Negative I.	•			•	•	•
Work-related fatalities due to dangerous production settings	P	Negative I.	•			•	•	•
Promotion of occupational safety through an effective occupational health and safety management system	A	Positive I.	•			•	•	•
Equal treatment and equal opportunities								
Financial security and satisfaction due to low gender pay gap	A	Positive I.	•				•	•
Increasing employee satisfaction through personal and professional development	A	Positive I.	•				•	•
Loss of efficiency and productivity due to insufficient qualification of administrative staff as a result of inadequate further training	-	Risk	•				•	•
Increasing employer attractiveness, employee satisfaction and performance through first-class training and development	-	Opportunity	•				•	•
Increased employee well-being through zero tolerance of violence and harassment	A	Positive I.	•			•	•	•
Endangering the well-being of employees through discrimination	P	Negative I.	•			•	•	•
Increasing productivity and innovative strength through active diversity	-	Opportunity	•				•	•
Other work-related rights								
Privacy violations or identity theft due to loss of employee data	P	Negative I.	•			•	•	•
Legal and reputational consequences and loss of employees’ trust due to violations of employee data protection regulations	-	Risk	•			•	•	•

ESRS S2 – Workers in the value chain

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
Working conditions								
Strengthening social stability while taking national conditions into account through appropriate remuneration	P	Positive I.	•	•	•	•	•	•
Health and safety risks due to inadequate working conditions and lack of protective equipment	P	Negative I.	•	•	•	•	•	•
Other work-related rights								
Strengthening children's rights and ethical standards by avoiding child labor	A	Positive I.	•	•	•	•	•	•
Strengthening human rights and ethical standards by avoiding forced labor	A	Positive I.	•	•	•	•	•	•

ESRS G1 – Business conduct

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
Corporate culture								
Increased well-being and greater identification through a positive working atmosphere and value-oriented corporate culture	A	Positive I.	•	•	•	•	•	•
Legal consequences and reputational damage due to unethical behavior and violations of the law	-	Risk	•	•	•	•	•	•
Protection of whistleblowers								
Harassment, discrimination or retaliations against whistleblowers due to lack of whistleblower protection	P	Negative I.	•	•	•	•	•	•
Increased well-being and greater identification through open corporate culture and established whistleblower protection	A	Positive I.	•	•	•	•	•	•
Financial consequences and reputational damage due to non-compliance with the Whistleblower Protection Act	-	Risk	•	•	•	•	•	•
Early detection of misconduct and avoidance of legal or financial consequences through established whistleblower protection	-	Opportunity	•	•	•	•	•	•
Political involvement and lobbying activities								
Reputational damage due to unethical influence on political decisions	-	Risk	•	•	•	•	•	•
Gain in reputation and improved stakeholder relations through the promotion of sustainable business practices and technologies	-	Opportunity	•	•	•	•	•	•
Corruption and bribery								
Reduced product quality and standards due to deviation from processes and guidelines as a result of corruption	P	Negative I.	•	•	•	•	•	•
Legal consequences and reputational damage due to non-compliance with anti-corruption legislation, especially when involving sales agents	-	Risk	•	•	•	•	•	•

Conducting the resilience analysis

In fiscal year 2025, RENK again conducted a resilience analysis for the entire Group to analyze the resilience of the strategy and business model to material impacts and risks and the leveraging of material opportunities. The analysis builds on the results of the double materiality assessment and the climate risk analysis from the current fiscal year and is based on the same time horizons. Where appropriate, the value chain is also taken into account.

The starting point for the analysis is the list of material impacts, risks and opportunities from the DMA, clustered at the sub-topic and sub-sub-topic levels. To assess resilience, the following aspects were analyzed for all material IROs:

- Coverage in existing policies, actions and objectives
- Inclusion in the sustainability and corporate strategy
- Reference to the business model and inherent industry characteristics
- Planned implementation of adaptation actions

Overall, no material impacts, risks or opportunities were identified for RENK that would require a fundamental modification of the business model or could significantly impair or improve the net assets, financial position and results of operations in the short-term. The analysis shows that RENK is able to address and manage the material IROs but that this ability varies depending on the topic area. This is explained in more detail in the respective topic-specific standards.

Current financial impacts

For fiscal year 2025, no current financial impacts of material risks and opportunities that have materialized in terms of the net assets, financial position and results of operations need be reported.

Material impacts, risks and opportunities and their interaction with strategy and business model

	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Current financial effects of material risks and opportunities on financial position, financial performance and cash flows and material risks and opportunities for which there is significant risk of a material adjustment to carrying amounts of assets and liabilities reported in related financial statements within next annual reporting period	€	0	0

IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

In 2024, RENK for the first time performed a double materiality assessment in line with ESRS requirements. This included the identification and objective assessment of the impacts, risks and opportunities arising from RENK's business activities. It took account of both the risks and opportunities that could affect RENK's profitability and the impacts of the Company's business activities on stakeholders, the environment and society. The relevance to stakeholders, including the environment and society, and the resulting impacts were evaluated based on the experience of the respective specialist units, see *ESRS 2 SBM-3*.

In fiscal year 2025, the DMA was updated in the course of the ongoing implementation of CSRD requirements. The aim was to review the relevance and validity of the topics already identified and adjust them if necessary. In particular, the methodology used in 2025 focused more on the IROs classified as material in 2024, refined the definition of materiality, considered all data and examined the positive and negative IROs within a sub-topic. The DMA was also reviewed in the context of structural changes, including the acquisition of RENK America Marine & Industry (RAMI) and the planned construction of a new production site in India. The *ESRS S3 Affected Communities* standard was identified as non-material and will therefore no longer be reported in the 2025 financial year. No new potential IROs were identified.

At the start of the DMA process in 2024, RENK defined its value chain, including upstream and downstream activities, and its own business model. A longlist of topics was drawn up on the basis of the mandatory ESRS topics listed in ESRS 1, Appendix A, AR 16, and of other Company-specific topics. The main focus was on those topic areas covered by the sustainability strategy. Particular consideration was given to the perspectives of customers, capital markets and

legislators, especially with regard to country-specific factors. Each topic on the longlist was assigned actual and potential impacts, risks and opportunities that arise directly or indirectly, within and outside the Company and over the short-, medium- and long-term.

No need to adjust the longlist was identified; however, the topics and IROs identified in 2024 were reviewed and updated. The aim was to ensure the relevance and validity of the results and take appropriate account of any new findings and structural changes within the Company.

The assessment of actual and potential IROs relating to environmental, social and governance matters was carried out by RENK's respective subject matter experts. This assessment and the selected materiality thresholds are based on the methodology contained in the EFRAG "Double materiality conceptual guidelines for standard-setting." In accordance with ESRS requirements, all actual and potential impacts were initially assessed on a gross basis, i.e. without taking account of existing or planned remedial, preventive or mitigation actions. This ensures that the materiality of the impacts is assessed independently of containment actions. Any mitigation or adaptation actions are only included in the disclosure of policies, actions and targets in the section on the respective topical standard.

When identifying and assessing the IROs, the entire value chain was taken into account wherever possible. Consideration was given to the risks and opportunities arising from business relationships as well as to the dependence on natural and social resources. There are no individual activities or business relationships that present a fundamentally higher risk of negative impacts. Each of the risks and opportunities was assessed according to the probability of their occurrence and the extent of their financial effect (gross). Financial risks and opportunities are consistent with RENK's financial risk management. Information on the risk management structure and methodology in respect of sustainability-related risks and their presentation can be found Section A, Chapter 8.1 *Key features of the internal control system*. The disclosures are marked with * and form an integral part of this sustainability statement.

The impacts on people and the environment resulting from RENK's business activities were analyzed in a multidimensional approach, distinguishing between actual and potential, positive and negative as well as short-, medium- and long-term impacts. In the case of actual negative impacts, materiality is determined by the extent, scope and irreversibility of the impact. In the case of potential negative impacts, the extent, scope, irreversibility and, additionally, the probability of occurrence are relevant. In the case of potential negative impacts on human rights, however, the probability of occurrence takes second place to the severity of the impact. The materiality of potential positive impacts is determined by the extent, scope and probability of occurrence. The latter factor does not apply to actual positive impacts.

RENK takes each of the factors considered and converts them into scale values. These are then added, averaged, weighted for probability and consolidated to yield an aggregate value between 0 and 5. Impacts are classified as material and hence reportable if they have an aggregate value of between 3 and 5.

For RENK, a sustainability matter is financially material if it could have a significant negative or positive impact on the Company and its net assets, financial position and results of operations. The thresholds for the probability of occurrence and the financial effects were based on the risk management assessment scales. In deviation from this, a finer gradation of the financial impacts was made as part of the double materiality assessment to enable adequate consideration of minor but potentially sustainability-relevant effects. While the risk management system applies a four-level scale (<€2 million, €2–5 million, €5–10 million, >€10 million), the DMA uses an extended six-level scale (0, <€0.5 million, €0.5–2 million, €2–5 million, €5–10 million, >€10 million).

The significance of financial risks and opportunities is measured on the basis of the potential impact in terms of the amount and the probability of occurrence. Impacts are classified as material and hence reportable if they have an aggregate value of between 3 and 5. The results of the DMA are validated by the subject matter experts from the specialist units and by the Management Board and submitted to the representatives of the stakeholder groups for discussion. Compliance with financial risk and opportunity reporting in accordance with Section A, Chapter 8.2 *Risks and opportunities report* is ensured through the involvement of RENK Risk Management. The disclosures are marked with * and form an integral part of this sustainability statement.

The IROs presented in this sustainability statement are based on this year's DMA, which is an update of the 2024 materiality assessment. In accordance with RENK's sustainability reporting guidelines, the Company must update the DMA annually. The IROs relevant for fiscal year 2025 and their implications for the environment, people and RENK are

presented in the following sections on topical reporting requirements. For the corresponding report contents, please see *ESRS E1 – Climate change*, *ESRS S1 – Own workforce*, *ESRS S2 – Workers in the value chain* and *ESRS G1 – Business conduct*.

IRO process description for each topical standard

ESRS E1 – Climate change

To determine its impacts on climate change (*ESRS E1 – Climate change*), RENK has systematically reviewed its activities and plans to identify both actual and potential future sources of GHG emissions. In advance of this, the Company performed a value chain analysis to ensure that all activities and projects that actually or potentially cause GHG emissions are included in the materiality assessment. This analysis describes the upstream and downstream value chain as well as the Company's own activities. In this way, we ensure that all relevant emission sources and climate-related impacts are recorded and assessed. The actual and potential impacts on climate change identified by this analysis were assessed by RENK's subject matter experts in workshops that considered various sources of information and data.

The climate-related physical risks were determined using the available data from Zurich Insurance's *Resilience Solutions* software. Selected short-, medium- and long-term climate risks as listed in *ESRS E1 – Climate change*, Appendix A, AR 11 were identified. We analyzed whether and to what extent each of the sites under RENK's operational control could be exposed to corresponding climate-related hazards. This analysis was based on two climate change scenarios developed by the Intergovernmental Panel on Climate Change (IPCC): SSP5-8.5 (high emissions) and SSP1-2.6 (low emissions). Short-term (less than one year), medium-term (two to five years) and long-term (more than five years) time horizons were considered. These time horizons are not related to the expected lifetime of the assets, the strategic planning horizons or RENK's capital allocation plans.

An expert survey was conducted within the procurement function to determine whether and to what extent climate-related physical risks could impact our suppliers and affect RENK. Due to our business model and the geographical location of our main production sites and suppliers, the climate-related physical risks arising from the climate-related hazards in both scenarios were classified as non-material within the meaning of RENK's risk management.

The downstream value chain was not included in the physical climate risk analysis because no reliable, RENK-specific data is available at the present time that would allow the realistic quantification of physical or transition climate risks. As explained in the "*Data availability and comparability*" chapter, there are currently no workable systems or exchange formats to ensure a reliable flow of information within the value chain. RENK is therefore pursuing the goal of working with industry associations to drive the development of corresponding databases in the years ahead.

In fiscal year 2025, the transition risks and opportunities for RENK's business activities and assets as well as for the upstream and downstream value chain were identified in workshops with experts as part of RENK's risk management. The identification of transition events and the assessment of exposure took account of the IPCC's SSP1-2.6 climate change scenario. The analysis considered the influence of transition risks (according to the TCFD classification) on RENK's business activities and assets over the short-, medium- and long-term. These time horizons are aligned with ESRS 1 Section 6.4.

On this basis, the risks and opportunities arising for RENK from the transition to a low-carbon economy were analyzed and assessed, taking into account the extent and duration of the transition events. Having performed a plausibility check of the findings from 2024 for fiscal year 2025, we are still not aware of any assets or business activities that would be incompatible with the transition to a climate-neutral economy or would require significant efforts to be compatible with the transition to a climate-neutral economy.

In identifying and assessing physical risks, transition risks and opportunities, RENK did not use any climate-related scenario analysis based on climate scenarios other than the climate change scenarios mentioned. No additional climate scenarios were considered in financial reporting.

ESRS E2 – Pollution

RENK analyzed its business activities and sites to identify the material impacts, risks and opportunities related to pollution (*ESRS E2 – Pollution*). The analysis covered the upstream and downstream value chain. RENK operates its sites in accordance with the applicable EU and national environmental regulations in order to avoid any kind of environmental pollution. This makes it possible to rule out any significant soil, water and air pollution from the sites. The IROs were identified and assessed based on the available analyses and internal data on pollutant release and with reference to internal expert assessments.

Due to the complexity of the value chains and RENK's limited influence, a targeted and active dialogue with stakeholders affected requires more in-depth analysis. In light of this, there was no direct consultation of affected communities in the context of the materiality assessment of the impact of pollution in fiscal year 2025.

ESRS E3 – Water and marine resources

In 2025, RENK's business activities and sites were also assessed to identify the impacts, risks and opportunities related to water and marine resources (*ESRS E3 – Water and marine resources*). This analysis likewise covered the upstream and downstream value chain. Water risks for RENK's sites were investigated using the "Aqueduct" water risk atlas produced by the World Resources Institute (WRI). According to this evaluation, no material impacts, risks and opportunities were identified in respect of RENK's sites and the value chain. The overall analysis and assessment were based on the expertise of RENK's subject matter experts without direct consultation of affected communities. Given the overall analysis, the topic of water and marine resources was classified as non-material by RENK's subject matter experts.

ESRS E4 – Biodiversity and ecosystems

To identify impacts, risks and opportunities related to biodiversity and ecosystems (*ESRS E4 – Biodiversity and ecosystems*), the focus was placed on RENK's sites as well as the upstream and downstream value chain. The analysis of the actual and potential impacts on biodiversity and ecosystems at our own sites took account of the respective geographical location and the activities performed there (production, administration, sales and engineering). RENK's subject matter experts checked whether each site was located in or near designated Natura 2000 areas, UNESCO World Heritage Sites and/or Key Biodiversity Areas (KBA). Currently, there is no RENK site that impacts any of the aforementioned areas.

No dependencies on biodiversity and ecosystems and their benefits were identified at our own sites or in the upstream and downstream value chain. The same applies to transition risks and systemic risks related to biodiversity. No affected communities could be reasonably identified, meaning that there was no systematic consultation of affected communities. As no material IROs related to biodiversity and ecosystems were identified at RENK's own sites or in the upstream and downstream value chain, the Company has not defined any biodiversity-related remedial action.

ESRS E5 – Resource use and circular economy

To address the issues of resource use and the circular economy (*ESRS E5 – Resource use and circular economy*), no further site analyses were carried out in addition to the procedures already described. The impacts, risks and opportunities were identified and assessed by RENK's subject matter experts. No material IROs related to resource use and the circular economy were identified. The overall analysis did not involve direct consultation of affected communities.

ESRS G1 – Business conduct

The material impacts, risks and opportunities in the area of corporate governance (*ESRS G1 – Business conduct*) were identified on the basis of RENK's business activities and also took account of the associated exposure in respect of extensive regulation, political influence, corruption and bribery. The IROs were identified and assessed by RENK's own subject matter experts with the appropriate information and expertise. The basis for this was the Group-wide

compliance and risk management system, which is geared toward identifying and managing impacts, risks and opportunities in the context of corporate governance. Please refer to the *ESRS G1 – Business conduct* section.

IRO-2 Description of the processes for determining material information

Based on the impacts, risks and opportunities assessed as material, the corresponding disclosure requirements were identified in accordance with the topical ESRS. The allocation of the material IROs identified by the DMA and the respective disclosure requirements was documented in an internal mapping table. This transparently presents which ESRS disclosures are relevant for each IRO category. The list of disclosure requirements and topics based on the results of the materiality analysis can be found in the *Appendix to the Sustainability Statement*

12.2 Environmental information

12.2.1 EU Taxonomy

Disclosures in accordance with Article 8 of Regulation 2020/852 (Taxonomy Regulation)

EU Taxonomy: objectives and background

The EU Taxonomy is a key tool for encouraging sustainable investment in Europe, developed in response to the 2015 Paris Agreement on climate change. The aim of the Agreement is to limit global warming to well below two degrees Celsius, ideally to no more than 1.5 degrees. To support this, the EU is striving to achieve net zero greenhouse gas emissions by 2050 and to reduce emissions by at least 55% by 2030. Germany has set itself even more ambitious targets, with a reduction of 65% by 2030 and GHG neutrality by 2045. In addition to the two environmental objectives (1) climate change mitigation (CCM) and (2) climate change adaptation (CCA), the EU Taxonomy includes four other environmental objectives to be pursued: (3) sustainable use and protection of water and marine resources (WTR); (4) transition to a circular economy (CE); (5) pollution prevention and control (PPC); and (6) protection and restoration of biodiversity and ecosystems (BIO).

The EU Taxonomy Regulation supports these objectives by promoting transparent, sustainable financial flows that are aligned with environmentally friendly developments. It classifies economic activities according to their environmental sustainability, thereby offering investors certainty and preventing greenwashing. This is based on Regulation (EU) 2020/852, which has been in force since July 2020 and both defines sustainable investment criteria and expands disclosure requirements.

The European Commission is authorized to define technical screening criteria by means of delegated acts. Such legal acts for climate change mitigation and climate change adaptation (environmental objectives 1 and 2) were issued on December 9, 2021. In June 2023, the Commission introduced further criteria, this time for economic activities that contribute to non-climate-related environmental objectives. These objectives include the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control as well as the protection and restoration of biodiversity and ecosystems. In addition to the delegated regulations on the technical screening criteria for the six environmental objectives, the EU Taxonomy Regulation provides for a further delegated regulation on the taxonomy-related reporting requirements under Article 8 of the EU Taxonomy Regulation, which contains more detailed provisions on content, methodology and presentation. EU Taxonomy reporting for fiscal year 2025 is already based on the modified reporting requirements of Delegated Regulation (EU) 2021/2178, as amended by Delegated Regulation (EU) 2026/73. The changes they contain were taken into account when determining taxonomy-eligible and taxonomy-aligned turnover (revenue), capital expenditure (CapEx) and operating expenditure (OpEx). The information in the Draft Commission Notice (FAQs on the Omnibus Package) was used as non-legally binding interpretation guidance.

The EU Taxonomy distinguishes between taxonomy-eligible and taxonomy-aligned economic activities. Economic activities described in the delegated legal acts are "taxonomy-eligible". The EU Taxonomy includes criteria for economic sectors and activities that have the potential to make a significant contribution to the six environmental objectives.

Economic activities are "taxonomy-aligned" within the meaning of the Taxonomy Regulation if they meet all of the following criteria:

- they make a significant contribution to the relevant environmental objective,
- they do no significant harm to achievement of the five other EU environmental objectives, as demonstrated in each case by compliance with the criteria defined by the EU, and
- they comply with the minimum safeguards.

Determining taxonomy eligibility

The taxonomy-eligible economic activities were determined by reviewing all of RENK's business activities in accordance with the materiality thresholds set out in Delegated Regulation (EU) 2026/73. Economic activities can be classified as non-material if their cumulative share of one of the three KPIs – turnover (revenue), CapEx or OpEx – is less than 10% of the corresponding total value. In the previous year, Renk reported one revenue-generating activity (from the energy sector) and several cross-cutting activities that are classified as non-material under this rule starting in this reporting period, as their cumulative share of the relevant KPIs is less than 10%.

Hence, in the reporting period, only the capital expenditure and operating expenditure for the cross-cutting activity CCM 7.7: Acquisition and ownership of buildings were identified as taxonomy-eligible.

Determining taxonomy alignment

To determine the taxonomy alignment of economic activity CCM 7.7, the related technical screening criteria had to be correspondingly reviewed in the fiscal year under review. These are the significant contribution to fulfillment of the environmental objective and doing no significant harm to the other environmental objectives – in each case on the basis of specific requirements for the relevant economic activity.

Significant contribution and DNSH criteria

The review of the significant contribution with regard to the CCM 7.7 activity was carried out by the project team on the basis of the available energy performance certificates (EPC) and implementation of the relevant verification requirements. As corresponding EPC certificates – which are recognized as suitable evidence under the EU Taxonomy – were available only for individual buildings at the Augsburg site, the assessment of the primary energy demand was made in particular for these locations. The study by Drees & Sommer published in June 2025 was additionally used to determine the energy performance of the buildings.

A robust climate risk and vulnerability analysis was performed for all relevant Renk AG locations in accordance with the requirements of Delegated Regulation 2021/2139, Annex I, Appendix A. On this basis, it was possible to rule out any significant harm caused by any of the economic activities carried out at these locations (CCM 7.7) as a result of the climate-related hazards listed in Section II of this appendix.

CapEx and OpEx for buildings that meet all technical screening criteria are shown as aligned.

Minimum safeguards

Compliance with minimum social standards was analyzed for the individual economic activities in accordance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO core labor standards and the International Bill of Human Rights. The requirements of these frameworks for minimum safeguards were assessed and compared with internal documents, such as the Code of Conduct or the Code of Conduct for Suppliers and Other Business Partners, the Policy Statement on Human Rights and other policies.

Based on these policies and requirements, our systematic due diligence approach ensures that we have robust minimum standards in the areas of human and labor rights, bribery and corruption as well as taxation and fair competition.

Please refer in this connection in particular to the topic-specific information in *ESRS S2 – Workers in the value chain* and *ESRS G1 – Business conduct*.

Accounting policy and calculation of KPIs

Based on the assessment of taxonomy eligibility and alignment as well as the internal calculation of the financial metrics required by the Taxonomy (turnover/revenue, capital expenditure (CapEx) and operating expenditure (OpEx)), the

economic activities identified as taxonomy-eligible and taxonomy-aligned were mapped to the corresponding metrics. The EU Taxonomy Regulation KPIs¹ were determined on the basis of the IFRS consolidated financial statements for fiscal year 2025. Various quality assurance steps, including documenting data generation and ensuring reconcilability with other financial information, were performed to ensure the systematic elimination of double counting across economic activities.

The population of turnover/revenue (denominator) is represented by the line "Revenue" in the consolidated income statement in the amount of €1,366,170k (see Section B Chapter *Consolidated Income Statement*) for fiscal year 2025.

The population (denominator) of capital expenditure comprises the Group's investments in "Property, plant and equipment" (including right-of-use assets in accordance with IFRS 16 and, where applicable, investments in "Non-current assets held for sale"), "Investment property" and "Other intangible assets" (excluding "Goodwill") in fiscal year 2025 (see section 15. *Intangible assets* and 16. *Property, plant and equipment*). This amounted to €74,842k in the fiscal year. In fiscal year 2025, 18.2% of CapEx was taxonomy-eligible. The project description is used to analyze taxonomy eligibility and alignment and to compare this with Annexes I and II of Delegated Regulation 2021/2139 and the environmental objectives of Delegated Regulation 2023/2468. The sum of additions reflecting a taxonomy-eligible investment forms the numerator of the taxonomy-eligible CapEx metric, amounting to €13,602k from investments related to the acquisition of taxonomy-eligible products and services (CapEx c)). In the 2025 reporting period, these arise exclusively from the acquisition or lease of ownership of buildings (economic activity CCM 7.7) for additional office space or the renewal of existing leases. Of the taxonomy-eligible investments, €1,475k meet the technical screening criteria and are considered taxonomy-aligned, which corresponds to around 2.0% of total capital expenditure. The acquisition of RENK America Marine & Industry resulted in a non-recurring significant increase in the denominator value in fiscal year 2025. This limits the comparability of this year's KPI for capital expenditure with the previous year, as the percentage share has fallen slightly despite higher taxonomy-eligible investments in activity CCM 7.7. No investments were made in activities adapted to climate change and no CapEx plan was prepared.

Operating expenditure (OpEx) under the EU Taxonomy generally include direct, non-capitalized costs for research and development, building refurbishment measures, short-term leases, maintenance and repairs as well as all other direct expenses in connection with the day-to-day maintenance of property, plant and equipment. The denominator of the taxonomy-relevant OpEx of €57,179k was determined by identifying the relevant accounts and cost centers to which the relevant expenditure is assigned. As for operating expenditure, only activity CCM 7.7 was taxonomy-eligible. This means all expenditures relating to building refurbishment measures as well as maintenance and repair services on purchased or leased/rented buildings were included when determining the numerator. In total, taxonomy-eligible operating expenditure amounted to €8,180k, corresponding to a share of 14.3%. Of the taxonomy-eligible operating expenditure, €170k meet the technical screening criteria and are considered taxonomy-aligned. As it was not possible to allocate maintenance and repair costs directly to individual buildings, this expenditure was allocated pro rata to the relevant buildings using a square meter key in order to determine the taxonomy-aligned shares. This corresponds to approximately 0.3% of total operating expenditure according to the OpEx definition. Other expenditures in connection with the daily maintenance of property, plant and equipment, which are included in both the numerator and the denominator, notably include primary personnel costs for own staff who regularly carry out repair and maintenance work on property, plant and equipment.

¹ KPIs under the EU Taxonomy Regulation must be considered separately from the KPIs required by GAS 20.

Financial year (N)		2025														
KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities										Taxonomy aligned activities in previous financial year (N-1)	Proportion of Taxonomy aligned activities in previous financial year (N-1)
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material			
Text	In €m	in %	In €m	in %	in %	in %	in %	in %	in %	in %	in %	in %	in %	In €m	in %	
Turnover	1,366.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	74.8	18.2	1.5	2.0	2.0	-	-	-	-	-	-	-	-	-	1.9	-
OpEx	57.2	14.3	0.2	0.3	0.3	-	-	-	-	-	-	-	-	-	1.2	-

Reported KPI		CapEx		2025												
Financial year (N)		Environmental objective of Taxonomy aligned activities														
Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover / CapEx / OpEx)	Taxonomy aligned KPI (monetary value of Turnover / CapEx / OpEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover, CapEx, OpEx)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible			
		%	In €m	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%	%		
Acquisition and ownership of buildings	CCM7.7	18.2	1.5	2.0	2.0	-	-	-	-	-	-	-	-	-	10.8	
Sum of alignment per objective					2.0	-	-	-	-	-						
Total KPI CapEx		18.2	1.5	2.0	2.0	-	-	-	-	-	-	-	-	-	10.8	

Reported KPI		OpEx 2025											
Financial year (N)		Environmental objective of Taxonomy aligned activities											
Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover / CapEx / OpEx)	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover / CapEx / OpEx)	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover / CapEx / OpEx)	Climate Change Mitigation	Climate Change Adaption	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
		%	In €m	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Acquisition and ownership of buildings	CCM7.7	14.3	0.2	0.3	0.3	-	-	-	-	-	-	-	2.1
Sum of alignment per objective					0.3	-	-	-	-	-			
Total KPI OpEx		14.3	0.2	0.3	0.3	-	-	-	-	-	-	-	2.1

12.2.2 ESRS E1 – Climate change

Climate change is one of the greatest challenges of our time and addressing this challenge is of great importance to RENK. That is why we are committed to international climate protection goals and strive to contribute to achieving them. Accordingly, we are currently developing specific targets and actions that we aim to implement in order to fulfill our own ambitions while respecting international agreements.

E1-1 Transition plan for climate change mitigation

In line with the strategic pillar of sustainably reducing the environmental footprint of its own operating activities, RENK intends to push ahead with the transformation toward climate neutrality. To this end, the Company is focusing on the energy efficiency of production processes, the use of renewable energy sources, energy-saving measures in building management and raising employee awareness. According to RENK's current assessment, there are no obstacles to the future disclosure of this transition plan.

	Yes	No
Disclosure of whether and when a transition plan will be adopted		
Did RENK exercise the option in the previous fiscal year to not disclose a transition plan or publish a timetable for its adoption?	x	
Does RENK plan to adopt a transition plan?	x	

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in the *ESRS 2 SBM-3* section. The following section examines the identified IROs with regard to their interaction with the corporate strategy and business activities.

Transition climate risk analysis

In the *ESRS 2 General disclosures* section, we described in detail the procedure for analyzing physical and transition climate risks. The following information is based on the theoretical 1.5-degree scenario, which simulates the limitation of global warming to 1.5-degrees. The following disclosures should hence be evaluated from this perspective.

Climate-related transition risks exist in particular due to possible bans or to higher carbon pricing for fossil fuels such as diesel, which is often used as an energy source for the propulsion solutions at the level of RENK's end products. The same applies to logistics within the Company as well as in the upstream and downstream value chain. Currently, energy-intensive production steps and the heating of production facilities are still based to a significant extent on the use of natural gas. RENK is also a buyer of carbon-intensive intermediate products, the availability of which is either in question due to the aforementioned mechanisms such as bans or emission pricing or could only be ensured at unacceptable cost.

According to RENK's current assessment, converting energy-intensive production steps to renewable energy sources and redirecting procurement toward products with a low carbon footprint are associated with transition costs that may be significant depending on the underlying scenarios. This applies both to the Company's own business activities and to intermediate products from suppliers whose cost base is higher due to their own remedial actions, which they pass on to customers such as RENK.

Resilience analysis

Based on the aforementioned climate risk analysis and the underlying theoretical scenario, RENK conducted a climate change resilience analysis several times for all business activities and sites in fiscal year 2025. The following disclosures should hence be evaluated from this perspective.

The analysis fully considered the entire upstream and downstream value chain without deliberately excluding any individual aspects. The risks and opportunities identified in previous analyses were examined to determine the extent to which RENK is prepared for and can adapt to the impacts of climate change. The same climate scenarios and time horizons were used as for the physical and transition climate risk analysis. In addition, the potential financial effects were assessed using the materiality assessment methodology, although expected financial effects have not yet been quantified. The resilience analysis is based on assumptions about future developments in climate change as well as market and price trends that are associated with uncertainties.

Especially if it involves absolute tracking of net-zero efforts – also in respect of RENK’s product portfolio, some of which serves military purposes – the resilience analysis identifies challenges that are intrinsic to the industry and business model. This is due to the energy intensity of intermediate products, the Company’s own production operations and downstream product use. It is mainly the latter that results in GHG emissions that are attributed to RENK as a contribution to climate change in accordance with the relevant calculation rules. The reduction in GHG emissions that can be avoided by RENK entails the risk of a substantial need for investment in the Company’s own infrastructure and technology and in transformation processes in its own production operations and transportation, as well as the risk of higher costs in the procurement of low-carbon energy sources and material resources due to limited availability or substitutability.

To reduce risk, RENK is exploring the possibility of sourcing alternative energy sources and material resources, retrofitting machinery and agreeing price hedges in energy supply contracts. Additionally, RENK is exposed to business interruption risks due to potential climate-related hazards at its own sites and in the supply chain as well as to the associated investments. Pending investments are considered in the overall business strategy as well as in investment and liquidity planning and are aimed at making RENK’s sites and business activities more resilient to the impacts of climate change and making the manufacture and use of products more energy- and carbon-efficient.

Results of the analyses

Based on the analyses that were carried out, RENK is confident that it will be able to adapt its business model to climate change in the medium- and long-term, also in respect of access to funding, the modernization of assets, the shift in the product portfolio and the retraining of employees. However, this calls for more in-depth analyses to develop suitable adaptation actions in order to implement the necessary transformation. This applies both to our own sites and product portfolio and to our cooperation with suppliers.

E1-2 Policies related to climate change mitigation and adaptation

RENK’s Governance Guideline RGR-19-1 on Health, Safety and Environment (HSE) defines all the fundamental values in connection with climate change mitigation and adaptation on which our business activities should be based. It is binding for all our employees.

Guideline on Health, Safety and Environment (HSE)

Policy	RGR-19-1 Health, Safety and Environment (HSE)
Main contents	<ul style="list-style-type: none"> • Environmental protection and health and safety at the workplace • Implementation of and compliance with standards • Consideration of relevant legal requirements
General objectives	<ul style="list-style-type: none"> • Control of processes, planning, implementation, monitoring and improvement of the corresponding activities • Conservation of resources • Protection of the environment • Prevention of environmental pollution • Minimizing risks to the environment • Promotion of biodiversity, reduction of waste, water and energy consumption, substitution of chemicals and substances • Consultation and participation of employees in decisions regarding health and safety in the workplace • Providing safe and healthy working conditions • Prevention of work-related injuries and illnesses
Monitoring process	<ul style="list-style-type: none"> • Internal audits and adaptation of requirements by the Q-HSE department
Scope of application	<ul style="list-style-type: none"> • Employees of RENK
Responsible organizational level	<ul style="list-style-type: none"> • RENK Management Board • Central Q-HSE department
Reference to third-party standards or initiatives	<ul style="list-style-type: none"> • Paris Agreement on climate change
Consideration of the interests of stakeholders	Central Q-HSE management ensures that the interests of stakeholders are taken into account. The material criteria of this policy are also part of the supplier selection process.
Availability of the policy	Available in English and German: <ul style="list-style-type: none"> • Intranet "OneRENK"

The table below shows whether corresponding disclosure requirements are covered by the abovementioned policies.

	Yes	No
Consideration of the area of "climate change mitigation" in the policies		
Do RENK's policies include climate change mitigation?	x	
Consideration of the area of "climate change adaptation" in the policies		
Do RENK's policies include climate change adaptation?	x	
Consideration of the area of "energy efficiency" in the policies		
Do RENK's policies include the topic of energy efficiency?	x	
Consideration of the area of "renewable energy deployment" in the policies		
Do RENK's policies include the topic of renewable energy deployment?	x	
Other areas considered in the policies		
Other areas are taken into account in RENK's policies.	x	

E1-3 Actions and resources in relation to climate change policies

	Yes	No
Specific actions		
Did RENK establish specific actions in the past fiscal year?		x

In fiscal year 2025, RENK increasingly enhanced the quality of the data recording processes used in the CSRD-compliant calculation of its Scope 1, 2 and 3 emissions. On this basis, options for reducing emissions are systematically evaluated and possible transformation actions are prepared.

In light of the EU's ongoing Omnibus process, also including amendments to the CSRD, and the associated uncertainty concerning possible changes to regulatory requirements from fiscal year 2026, RENK is currently pursuing a forward-looking but as yet unfinalized approach. This will make it possible to align the planned decarbonization pathways and

reduction actions with the final regulatory requirements. Irrespective of this, the consistent identification of reduction potential and the analysis of climate-related risks and opportunities remain a central focus.

E1-4 Targets related to climate change mitigation and adaptation

	Yes	No
Specific targets		
Did RENK formulate specific targets?		x
Does RENK track the effectiveness of its policies and actions with regard to the material sustainability-related impacts, risks and opportunities?		x

In fiscal year 2025, RENK held fast to its ambition of achieving net-zero Scope 1 and 2 emissions by 2050 at the latest. In this way, we are continuing to contribute to limiting global warming to 1.5 °C above pre-industrial levels and to supporting the EU Green Deal and international climate policy.

In light of the EU's ongoing Omnibus process, also including amendments to the CSRD, and the associated uncertainty concerning possible changes to regulatory requirements from fiscal year 2026, RENK decided in fiscal year 2025 not to publish any additional ESRS-compliant targets and interim targets for the time being. This decision is aimed at ensuring that the future target architecture is aligned with the final regulatory framework. RENK will closely monitor further developments and update and refine its targets accordingly once regulatory certainty is established.

E1-5 Energy consumption and mix

Total energy consumption in connection with the Company's own operations

Our energy requirements are mainly covered by electricity and a fossil energy source – gas. In the context of our science-based ambition, we are working to reduce the mix of non-renewable energy and add renewable energy to the mix in order to use electricity from renewable sources for our own operations. RENK purchases electricity from renewable sources through its electricity contract at its Augsburg, Hanover, Rheine, Starnberg and Bath sites.

Explanation of data quality

RENK used the Sphera Cloud software, version 8.17.0 (hereafter "the Sphera tool") to prepare its energy balance sheet in fiscal year 2025. The energy consumption data input into the Sphera tool may be the following: exact values, planned values (estimates, e.g. based on prior-year values) or estimated values (estimates, e.g. averages, projections or scenario assumptions).

Estimates of energy consumption were only used if no primary sources such as invoices or meter readings were available. A detailed description of the estimates used and the metrics concerned can be found in the *ESRS 2 General disclosures* section. In the subsequent reporting cycle, the estimates used are checked for plausibility.

Energy intensity based on net revenue

All of RENK's business areas are in the climate-intensive sector. Energy intensity is hence calculated by dividing total energy consumption by RENK's net revenue.

Net revenue from activities in climate-intensive sectors – in RENK's case due to its allocation to the mechanical engineering sector – corresponds to the amount reported in Section B, Chapter *Consolidated Income Statement* under the heading "revenue" for fiscal year 2025. The disclosures are marked with * and form an integral part of this sustainability statement.

Total energy consumption and energy intensity			
	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Total energy consumption	MWh	125,959	133,701
Energy consumption from fossil sources	MWh	93,290	98,768
Coal and coal products	MWh	0	0
Crude oil and petroleum products	MWh	12,659	13,061
Natural gas	MWh	52,675	58,702
Other fossil sources (MWh)	MWh	0	0
Purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	27,955	27,005
Of which Energy consumption from nuclear sources	MWh	5,461	7,156
Energy consumption from renewable sources	MWh	32,547	34,813
Renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources	MWh	0	0
Purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	32,495	34,773
Self-generated non-fuel renewable energy	MWh	52	40
Own non-renewable energy production and renewable energy production	MWh	2,626	3,093
Own non-renewable energy production ¹	MWh	2,490	2,964
Own renewable energy production	MWh	136	129
Energy intensity (total energy consumption per net revenue) associated with activities in high climate impact sectors	MWh/ € thousands	0.11	0.10

¹ The metric "Own non-renewable energy production" was adjusted retroactively from 1,238 MWh to 2,490 MWh for the 2024 fiscal year. Subsequently, the generation of energy from natural gas at Rheine site was correctly taken into account here. The correction does not affect any other metrics.

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

The disclosed data on gross Scopes 1, 2 and 3 emissions and total GHG emissions cover all locations and legal entities under RENK's operational control. RENK applies the Greenhouse Gas Protocol (GHG Protocol) to calculate its GHG emissions.

Scope 1 and Scope 2 – Own operations

In 2025, RENK's GHG emissions amounted to 23,462 (PY: 22,950) tons of CO₂ equivalents (tCO₂e), according to the market-based method (taking green electricity into account). Scope 1 emissions accounted for 15,970 (PY: 14,162) tCO₂e, and 7,492 (PY: 8,788) tCO₂e were attributable to market-based Scope 2 emissions.

RENK used the Sphera tool to calculate its Scope 1 and 2 emissions in fiscal year 2025. The emission factors used are taken from the DEFRA v14.1 (10/2025) database, a third-party database recommended also on the GHG Protocol website and published by the U.K. government's Department for Environment, Food & Rural Affairs. In addition, data from IEA Statistics v5.0 (11/2025) was used to determine Scope 2 emissions. The emission factors used do not differentiate between the percentage share of biomass and biogenic CO₂, and take into account all greenhouse gases in accordance with the GHG Protocol. Scope 1 and Scope 2 emissions are calculated based on the energy consumption data entered in the Sphera tool. Estimates, which are described in the E1-5 section, can therefore be assigned in full to Scope 1 and Scope 2 emissions.

Scope 3 – Value chain

In fiscal year 2024, RENK analyzed its Scope 3 emissions in detail and assessed their materiality. The plausibility of the materiality assessment was checked in the 2025 reporting year based on the GHG Protocol measurement criteria. The plausibility check found that, as previously, only categories 3.1 *Purchased Goods and Services* and 3.11 *Use of Sold Products* are material for RENK, since these two categories account for more than 95% of its emissions. Based on this assessment, the remaining categories were considered not material and are hence not reported. Categories 3.14 *Franchises* and 3.15 *Investments* are not relevant to RENK. In fiscal year 2025, our GHG emissions (Scope 3) amounted to 14.5 million (PY: 14.8 million) tCO₂e.

Our material Scope 3 emissions for 2025 were calculated in the same way as for fiscal year 2024. The emission factors used are taken from the current DEFRA v14.1 (10/2025) database and the IEA data package v5.0 (11/2025), which provides a global grid emission factor. A new database for global grid emission factors was used in 2025 (2024: "Our World in Data" website <https://ourworldindata.org/grapher/carbon-intensity-electricity>) to ensure greater methodological consistency. This makes it possible to present Scope 3.11 emissions using the Sphera tool.

Category 3.1 comprises the goods and services purchased in fiscal year 2025 as well as their transportation. The emissions were calculated using a spend-based method. Since the majority of the transportation costs are reflected in the price of goods, category 3.1 inevitably also includes emissions from categories 3.4 (*Upstream Transportation and Distribution*) and 3.9 (*Downstream Transportation and Distribution*). We source the raw data for our purchased goods and services from our supplier data management system, "IVALUA". The increase in Scope 3.1 emissions compared to the previous year can be attributed to the update of the emission factors in the DEFRA database. For category 3.11, we used the calculation formula developed in 2024 for each product area. Our individual products were grouped into product areas by experts in sales and technology based on the product range already available on our website. We selected the quantity-based method to calculate these emissions. The calculation formula includes the rated power and energy consumption of RENK products during their use phase, the energy sources used as well as the service life, operating hours and number of products sold in fiscal year 2025.

The share of energy consumption was determined based on the actual efficiency of the product areas. The rated power was taken from the relevant technical specification. Either electricity or fuels were used as energy sources, depending on the use of the products. Product service life and operating hours are based on expert estimations, as it was not possible to use primary data sources. The relevant specialist departments provided the number of products sold in each product area in fiscal year 2025. The emission factor for products powered by electricity corresponds to an average global grid emission factor. As for products installed in applications that use fuels such as diesel or marine diesel oil, the appropriate DEFRA emission factors were used. No further inputs from the upstream and downstream value chain or primary data from suppliers or other business partners were used to measure and calculate Scope 3 GHG emissions.

GHG intensity based on net revenue

Greenhouse gas intensity is calculated by dividing total greenhouse gas emissions by RENK's net revenue. The net revenue figure used to calculate greenhouse gas intensity corresponds to the amount shown in Section B, Chapter *Consolidated Income Statement* under the heading "revenue" for fiscal year 2025. The disclosures are marked with * and form an integral part of this sustainability statement.

Gross Scopes 1, 2, 3 and Total GHG emissions							
	Retrospective				Milestones and target years		
	Base year 2024	Compara tive	2025	% 2025 / 2024	2025	2030	Annual % target / Base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO ₂ e)	14,162	1,808	15,970	12.8%	-	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (in %)	0	-	0	-	-	-	-
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO ₂ e)	19,517	(1,301)	18,216	(6.7)%	-	-	-
Gross market-based Scope 2 GHG emissions (tCO ₂ e)	8,788	(1,296)	7,492	(14.7)%	-	-	-
Significant Scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ e)	14,789,075	(296,555)	14,492,520	(2.0)%	-	-	-
1 Purchased goods and services	162,576	194,036	356,612	119.4%	-	-	-
2 Capital goods	n.r. ¹	-	n.r. ¹	-	-	-	-
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	n.r. ¹	-	n.r. ¹	-	-	-	-
4 Upstream transportation and distribution	n.r. ¹	-	n.r. ¹	-	-	-	-
5 Waste generated in operations	n.r. ¹	-	n.r. ¹	-	-	-	-
6 Business traveling	n.r. ¹	-	n.r. ¹	-	-	-	-
7 Employee commuting	n.r. ¹	-	n.r. ¹	-	-	-	-
8 Upstream leased assets	n.r. ¹	-	n.r. ¹	-	-	-	-
9 Downstream transportation	n.r. ¹	-	n.r. ¹	-	-	-	-
10 Processing of sold products	n.r. ¹	-	n.r. ¹	-	-	-	-
11 Use of sold products	14,626,499	(490,591)	14,135,908	(3.4)%	-	-	-
12 End-of-life treatment of sold products	n.r. ¹	-	n.r. ¹	-	-	-	-
13 Downstream leased assets	n.r. ¹	-	n.r. ¹	-	-	-	-
14 Franchises	n/a ²	-	n/a ²	-	-	-	-
15 Investments	n/a ²	-	n/a ²	-	-	-	-
Total GHG emissions							
Total GHG emissions (location-based) (tCO ₂ e)	14,822,754	(296,048)	14,526,706	(2.0)%	-	-	-
Total GHG emissions (market-based) (tCO ₂ e)	14,812,025	(296,043)	14,515,982	(2.0)%	-	-	-
GHG emissions intensity based on net revenue							
GHG emissions intensity (location-based) (tCO ₂ e/€ thousands)	13.00	-2.37	10.63	(18.2)%	-	-	-
GHG emissions intensity (market-based) (tCO ₂ e/€ thousands)	12.99	-2.36	10.63	(18.2)%	-	-	-

¹ Not relevant² Not applicable

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

Total amount of carbon credits

In fiscal year 2025, RENK will use offset credits totaling 6,000 tCO₂e for the natural gas consumption at its Augsburg, Rheine and Hanover sites. The offsetting of natural gas use at the Augsburg, Rheine and Hanover sites through the acquisition of carbon offsets is contractually regulated until December 31, 2026 and always covers the total amount of natural gas consumed at these sites, which is expected to amount to 12,000 tCO₂e.

The carbon offsets take the form of the ÖkoPLUS/EcoPLUS product provided by Bischoff & Ditze Energy GmbH & Co KG. ÖkoPLUS/EcoPLUS climate protection projects are assessed with regard to the actions implemented or to be implemented in areas such as education, medical care, infrastructure, equality and child and cultural support, and are certified accordingly by TÜV Rheinland.

GHG removals and GHG mitigation projects financed through carbon credits			
	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Total amount of GHG removals and storage	tCO₂e	0	0
Total amount of carbon credits outside the value chain that are verified against recognised quality standards and cancelled in reporting period	tCO₂e	6,000	0
Of which reduction and storage projects	%	100	0
Of which removal projects	%	0	0
Of which for each recognised quality standard	%	100	0
Of which issued from projects in the EU	%	0	0
Share that qualifies as a corresponding adjustment (under Article 6 of the Paris Agreement)	%	0	0
Total amount of carbon credits outside the value chain planned to be cancelled in future	tCO₂e	12,000	12,000
Of which reduction and storage projects	%	100	100
Of which removal projects	%	0	0
Of which for each recognised quality standard	%	100	100
Of which issued from projects in the EU	%	0	0
Share that qualifies as a corresponding adjustment (under Article 6 of the Paris Agreement)	%	0	0

E1-8 – Internal carbon pricing

	Yes	No
Application of an internal carbon pricing system		
Did RENK use an internal carbon pricing system in the past fiscal year?		x

12.3 Social information

12.3.1 ESRS S1 – Own workforce

Our employees are crucial to our business success, so we strive to create a safe and inclusive working environment by adhering to occupational safety standards and promoting diversity in our own workforce. In this way, we aim to foster employee satisfaction and to support a diversity of ideas and perspectives, which we can leverage to develop new solutions for our customers.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in the *ESRS 2 SBM-3* section. The following section examines the identified IROs with regard to their interaction with the corporate strategy and business activities.

As one of our strategic pillars, employees hold special importance for RENK. Consequently, we strive to provide a working environment that is safe, financially attractive, family-friendly and aligned with ethical corporate values.

Occupational health and safety at the core

All of this rests on the physical and mental well-being of our employees, the protection of whom is a central focus of several policies, including the RENK Global HR Policy and RGR-19-1 Health, Safety and Environment (HSE), which form the basis for the relevant actions. RENK's business activities are attributable to the field of mechanical engineering and are hence exposed to risks typical for the industry, such as working with technical equipment, the improper use of which can pose significant health risks. That is why we ensure employees are aware of safety-related issues – for example, by way of training – and provide them with the knowledge and skills required to safely perform their work.

Employee development, diversity and fair wages

Starting from this basis, RENK strives to develop employees through education, training, career development and active employee interaction. Employees represent the key input for RENK's productivity and innovative power. They are the crucial factor in securing the Group's long-term competitiveness. In return, RENK undertakes to pay its employees fairly on the basis of individual or collective agreements and to support balance between work and family life. Moreover, diversity, inclusion, non-discrimination and respect for personal rights play a central role in the competition for talent and are firmly embedded in RENK's corporate values. Without employee protection, development, fair wages and interaction, there is a medium- to long-term risk of decreasing employer attractiveness, with the associated loss of or inadequate access to employees and, ultimately, a decline in RENK's profitability and financial strength.

Results of the double materiality assessment and resilience analysis

The DMA did not identify any business activities with a material risk of forced or child labor based on the nature of the activity or the countries in which the activities take place.

The resilience analysis with regard to the Company's own workforce has confirmed RENK's ability to control and manage material impacts, risks and opportunities over the medium to long-term within the framework of its human resources policy, which supports RENK's strategy and business model. Group-wide implementation of the Global HR Policy, together with the corresponding processes and the existing approaches and planned measures to increase the proportion of women in management positions by 2030, are key contributing factors to working conditions, equal treatment and equal opportunities, other work-related rights, as well as to employee satisfaction and mitigating the risk of a skilled worker shortage.

Underlying assumptions

At RENK, employees are all individuals who have a direct contractual relationship with the Company. They include full- and part-time employees, employees with fixed-term or permanent contracts, working students, interns, seasonal workers, hourly wage earners, degree candidates and vocational trainees. RENK does not consider individuals requested by RENK from an agency or a third-party company, such as agency workers or other external workers, to be employees.

The following information and disclosures apply to the whole of RENK GmbH throughout Germany. No information regarding differing legal, contractual or other rules based on different legal frameworks applicable outside of Germany is presented. RENK policies are binding throughout the Group by virtue of RENK GmbH’s direct or indirect control of the Group companies as their (majority) owner.

As part of the update of the materiality assessment, RENK no longer made a distinction between specific groups within its own workforce (e.g. production workers vs. office workers, location or other characteristics) in fiscal year 2025. Given the current corporate structure, its size and the nature of its business activity, RENK has not identified any particular risk groups within its own workforce with heightened risk exposure due to specific characteristics, activities or contexts. This means risks and opportunities are assessed uniformly for the entire workforce. RENK adopted this approach, as there were no indications that individual employee groups might be more severely or differently affected by negative impacts than others in the reporting year.

S1-1 Policies related to own workforce

RENK applies the following relevant guidelines and policies for identifying, assessing, controlling and managing material impacts on the stakeholders affected:

- 1) RENK Global Human Resources Policy
- 2) Implementation of human rights due diligence
- 3) Policy Statement on Human Rights
- 4) Diversity, equity and inclusion
- 5) Anti-Harassment Policy
- 6) Code of Conduct
- 7) Occupational health, safety and environmental protection (HSE)

- 1) RENK Global Human Resources Policy

Policy	RGM-11-0 RENK Global HR Policy
Main contents	<ul style="list-style-type: none"> • Protection of human rights • Building a strong corporate culture and leadership skills • Growth through human resources development • Fostering the health, safety and well-being of our employees • Diversity, equity and inclusion • Fostering open communication and social dialogue • Ensuring fair working conditions
General objectives	<ul style="list-style-type: none"> • Establishing a working environment based on respect, fairness and equal opportunities
Monitoring process	<ul style="list-style-type: none"> • Monitoring within standard processes by management, HR, and internal audit
Scope of application	<ul style="list-style-type: none"> • All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence
Responsible organizational level	<ul style="list-style-type: none"> • RENK Management Board • Central HR department incl. responsible departments
Reference to third-party standards or initiatives	<ul style="list-style-type: none"> • UN Global Compact • UN Declaration of Human Rights • Core Conventions of ILO • OECD Guidelines
Consideration of the interests of stakeholders	<p>The interests of stakeholders have been ensured by the central HR department. For topics that fall under the responsibility of other departments, but are included in the Global HR Policy for completeness, the respective departments ensure that the interests of stakeholders have been appropriately considered.</p>
Availability of the policy	<p>Available in English and German:</p> <ul style="list-style-type: none"> • Intranet "OneRENK"

Policy	RGM-11-0 RENK Global HR Policy
Reference	<ul style="list-style-type: none"> • Declaration of principles on human rights • RGR-4-10 Implementation of human rights due diligence • RGR-0-3 Code of Conduct • RGR-19-1 Health, Safety and Environment - HSE • RGR-11-1 Diversity, equity and inclusion • RGR-11-5 Anti-Harassment Policy

2) Implementation of human rights due diligence

Policy	RGR-4-10 Implementation of human rights due diligence
Main contents	• Description of internal risk management for the implementation of human rights due diligence obligations in its own business area
General objectives	• Compliance with human rights
Monitoring process	• Human Rights Committee (HRC) monitors compliance • Chief Compliance Officer monitors the work of the HRC and reports to the Management Board and Supervisory Board • Internal and external audits
Scope of application	• All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence and the supply chain
Responsible organizational level	• RENK Management Board • Corporate Ethics & Compliance department
Reference to third-party standards or initiatives	<ul style="list-style-type: none"> • UN Global Compact • UN Declaration of Human Rights • Core Conventions of ILO • OECD Guidelines • German Supply Chain Due Diligence Act (LkSG) • U.K. Modern Slavery Act 2015 • Norwegian Transparency Act
Consideration of the interests of stakeholders	The interests of employees, suppliers and other potentially affected groups are taken into account via the 'RENK Integrity Line' whistleblower system.
Availability of the policy	Available in English and German: <ul style="list-style-type: none"> • Intranet "OneRENK"

3) Policy Statement on Human Rights

Policy	Policy Statement on Human Rights
Main contents	<ul style="list-style-type: none"> • Respect for human rights in own operations and supply chain • Recognition of the UN Declaration of Human Rights • Membership of the UN Global Compact • Commitment based on the ILO core conventions and OECD guidelines
General objectives	<ul style="list-style-type: none"> • Taking social responsibility • Systematic identification and management of human rights risks • Sustainable success through respect for human rights • Anchored in the sustainability strategy
Monitoring process	<ul style="list-style-type: none"> • Implementation by the HRC • Monitoring by the Chief Compliance Officer • Regular reporting to the Management Board and Supervisory Board
Scope of application	• All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence and the supply chain
Responsible organizational level	• RENK Management Board
Reference to third-party standards or initiatives	<ul style="list-style-type: none"> • UN Global Compact • UN Declaration of Human Rights • Core Conventions of ILO • OECD Guidelines
Consideration of the interests of stakeholders	The interests of relevant stakeholders are taken into account through a respectful working environment, preventive measures, training, risk analyses and audits. The 'RENK Integrity Line' makes it possible to submit complaints. In addition, transparent reporting is ensured.
Availability of the policy	Available in English and German: <ul style="list-style-type: none"> • Intranet "OneRENK" • RENK website

4) Diversity, equity and inclusion

Policy	RGR-11-1 Diversity, equity and inclusion
Main contents	<ul style="list-style-type: none"> Principles of diversity, equity and inclusion Legal protection of differences in gender, abilities, orientation, nationality, identity, race, religion, age, education, and industry background in many countries Lack of protection in some countries Global, consistent approach by RENK at all locations Respectful workplace for all employees
General objectives	<ul style="list-style-type: none"> Creating an inclusive working environment within RENK Commitment, cooperation and appreciation as a basis
Monitoring process	<ul style="list-style-type: none"> Shared responsibility of the Board, management, and Human Resources for ensuring compliance with this policy in all HR processes.
Scope of application	<ul style="list-style-type: none"> All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence
Responsible organizational level	<ul style="list-style-type: none"> RENK Management Board Central HR department
Reference to third-party standards or initiatives	n/a
Consideration of the interests of stakeholders	The consideration of the interests of stakeholders has been ensured by the central HR department.
Availability of the policy	Available in English and German: <ul style="list-style-type: none"> Intranet "OneRENK" RENK website

5) Anti-Harassment Policy

Policy	RGR-11-5 Anti-Harassment Policy
Main contents	<ul style="list-style-type: none"> Prevention of harassment at the workplace Zero tolerance policy towards harassment Definition of the terms "harassment" and "sexual harassment" Dealing with harassment Reporting channels for affected persons Investigating and punishing incidents
General objectives	<ul style="list-style-type: none"> Working environment free of harassment of any kind Clarification of the terms of harassment and sexual harassment Clarification of the obligations of superiors Information on reporting channels and the process of investigation and penalization
Monitoring process	<ul style="list-style-type: none"> Responsibility of managers to provide a climate that prevents any kind of harassment Responsibility of managers to report incidents to the Corporate Ethics & Compliance department
Scope of application	<ul style="list-style-type: none"> All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence
Responsible organizational level	<ul style="list-style-type: none"> RENK Management Board Companies are responsible for implementing the policy
Reference to third-party standards or initiatives	<ul style="list-style-type: none"> Code of Conduct RGR-11-1 Diversity, equity and inclusion Applicable legal requirements
Consideration of the interests of stakeholders	Guaranteed by various reporting channels: "RENK Integrity Line", compliance email inbox, direct approach to the manager or employee of the Corporate Ethics & Compliance department or the HR department and employee representatives.
Availability of the policy	Available in English and German: <ul style="list-style-type: none"> Intranet "OneRENK"

6) Code of Conduct

RENK's Code of Conduct is the cornerstone of internal compliance and an essential part of our corporate culture. It contains rules for lawful and ethical conduct and governs our business practices. The obligations it sets out apply to the entire Group as well as to external partners and the public, and hence also cover communities potentially affected. For further information, please see the *ESRS G1 – Business conduct* section.

7) Occupational health, safety and environmental protection (HSE)

Occupational safety is a high priority for RENK. The Company has a global occupational safety management system that is subject to continuous improvement. Site-specific HSE programs and regular audits ensure the safety of employees and external parties. We are committed to avoiding and minimizing work-related accidents and illnesses. When designing safe and employee-friendly workplaces and processes, we give equal consideration to our own employees and those of external companies. For further information, please see the ESRS E1 – Climate change section.

Alongside the policies for its own workforce, RENK also takes into account the labor and social standards in its supply chain. The corresponding requirements are set forth in the Supplier Code of Conduct:

	Yes	No
Information in the Supplier Code of Conduct (SCoC) for determining the safety of employees		
Does the SCoC cover the issue of unsafe working conditions?	x	
Does the SCoC cover the issue of human trafficking?	x	
Does the SCoC cover the issue of forced labor or child labor?	x	
Is the information in the SCoC based on the core labor standards of the ILO?	x	

Respect for human rights, including workers' rights

In addition to complying with all legal requirements regarding respect for human rights, RENK aligns its actions with international standards and conventions. These include the principles of the UN Global Compact, the core conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises. Furthermore, RENK is guided by the Diversity Charter and the United Nations Global Sustainable Development Goals (SDGs), as implemented in Germany. By adopting the "Policy Statement on Human Rights", the Management Board of RENK Group AG has created a framework to ensure the protection of human rights, including with regard to its own workforce. The policy statement describes RENK's commitment to human rights. Information on the risk assessments performed was supplemented in the reporting period. The policy statement is publicly available on RENK's corporate website.

The processes outlined in ESRS S1-2 for companies engaging with their own workforce and workers' representatives about material impacts can also be used by employees to address and discuss human rights issues with RENK.

Remedy for human rights impacts

Employees receive training to raise their awareness of human rights issues. Employees in the risk areas of sales and purchasing receive specific training on human rights in the supply chain every two years. In 2025, RENK again carried out a risk assessment for its own operations in accordance with the German Supply Chain Due Diligence Act (LkSG). This process identified and evaluated potential human rights and environmental risks in the Group companies.

The table below shows whether corresponding disclosure requirements are covered by the abovementioned policies.

	Yes	No
Consideration of the issues of human trafficking, forced labor and child labor		
Do RENK's policies regarding its own workforce cover the issues of human trafficking, forced labor and child labor?	x	
Consideration of the issue of occupational health and safety		
Do RENK's policies cover the prevention of occupational accidents?	x	
Specific policies for eliminating discrimination, promoting equal opportunities or other ways of fostering diversity and inclusion		
Does the Company have policies aimed at eliminating discrimination, promoting equal opportunities and other ways of fostering diversity and inclusion?	x	
Recording the reasons for discrimination		
Are the reasons for discrimination explicitly covered by the policies?	x	

The relevant procedures include regular employee training, clear channels for reporting incidents of discrimination as well as the establishment of supervisory bodies to oversee policy compliance and implement any necessary actions. Any identified incident of discrimination is reviewed by the Incident Response Committee (IRC), ensuring that specific measures are developed and implemented in every case. For further information, please see the ESRS G1 – Business conduct section.

Consistency of the policies with relevant internationally recognized instruments

RENK's policies are based on the UN Global Compact, the UN Declaration of Human Rights, the OECD Guidelines and the internationally recognized United Nations Guiding Principles on Business and Human Rights. These form the basis for all requirements.

Policy implementation as well as inclusion and support measures

To ensure that discrimination is prevented, reduced and appropriately addressed when suspected, alongside promoting diversity and inclusion in general, specific procedures are followed to implement the above requirements. These procedures focus in particular on groups of people who are at higher risk of discrimination due to their personal characteristics. The corresponding reasons for discrimination are listed in the relevant policies.

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

	Direct involvement	Involvement by employee representatives
Procedures for engagement		
How are the Company's own workers engaged?	x	x

Stages, type and frequency of engagement

RENK considers the participation and involvement of its own workforce to be essential, so there are many opportunities to gather employees' views and opinions. The possible types and frequency of employee engagement differ from location to location. This is shown in the table below.

Type of interaction	Directly (D) or by employee representation (ER)	Validity	Participation (P), consultation (C), information (I)	Frequency
Collective legal associations (works council, youth representation, representation of severely disabled employees, committees)	ER	RENK Group	P / C / I	At least once a month
Intranet "OneRENK"	D	RENK Group	P / I	Ongoing
Engagement Survey	D	RENK Group	P	Annually
Employee appraisals	D	RENK Group	P / C / I	Annually
All Hands Meetings / Townhall	D	RENK Group	P / I	At least quarterly
Works meeting	D / ER	Sites with works council	P / I	Two times a year
Innovation management	D	RENK Group	P / C	As required
'RENK Integrity Line' (digital whistleblower system)	D	RENK Group	P / C	As required

General changes resulting, for example, from the introduction of new technologies or work processes are taken into account in our established occupational health and safety management system. This ensures that all new processes and workflows are examined with regard to their impacts on health, safety and working conditions and structured accordingly. Our employees are included in standardized occupational health and safety processes and regularly updated on any relevant changes.

The Management Board and the management team of the central Human Resources department are responsible for including employees. By adopting the abovementioned "Policy Statement on Human Rights" in August 2024, the Management Board created a framework to ensure the protection of human rights, including with regard to its own workforce. There is no global agreement with workers' representatives on this matter.

Engagement with the workforce and workers' representatives about impacts

RENK communicates with its workforce regarding operational changes, including actions to reduce carbon emissions and achieve sustainable transformation, through existing communication channels. Global communication primarily takes place via our "OneRENK" intranet site and its "Sustainability" channel. In addition, the Works Council is informed throughout the year about the results of the DMA and any special topics.

In fiscal year 2025, the climate transition risks identified in the previous year were reviewed and updated. The aim of this update was to ensure that new regulatory, technological and market-related developments have been taken into account, that the existing assessments remain valid and hence that all potential impacts, risks and opportunities have been considered.

Effectiveness of engagement

In our experience, the above forms of dialogue are an effective means of ensuring that our employees' views feed into our decisions and actions. Ideas, exchanges, views and opinions are appropriately recorded and passed on to different corporate levels. The divisions and departments then develop suitable measures based on this employee feedback.

Communication with employees and employee groups particularly affected takes place through individual and personal channels. In general, managers are urged to communicate with sensitive groups in person. This takes place as and when required.

To gain a better insight into the perspectives of those who are particularly vulnerable to impacts, our German sites have youth and trainee representatives as well as the representative body for disabled people. The abovementioned disclosures on collective associations apply to these representatives. Regular dialogue ensures a flow of information. In accordance with legal requirements, dialogue is maintained with the management and the Human Resources department.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

General approach

In our opinion and experience, the channels mentioned in section S1-2 are effective methods to detect possible negative impacts on our employees and initiate their remediation. Regular dialogue between employees and their managers is of special importance. Where required, experts from the HR department and possibly members of the Works Council can also be consulted. In the event of negative impacts, our employees at the German sites can also contact the Works Council, the youth and trainee representatives or the representative body for disabled people to initiate remediation.

Employees can use our publicly accessible complaint mechanism ("RENK Integrity Line") to report violations of national and international laws, as well as (internal) regulations and guidelines, and so enable the prompt resolution and cessation of misconduct. For detailed information on the "RENK Integrity Line", please see the ESRS G1 – Business conduct section.

Dialogue channels and their effectiveness

Employees can express their concerns or needs to the Company for review through various channels:

- Dialogue with the employee’s immediate supervisor
- Dialogue with the Works Council, youth and trainee representatives or the representative body for disabled people
- Dialogue with the central Compliance department
- Dialogue with the central Human Resources department
- Dialogue with an external ombudsman
- Participation in employee surveys
- Reporting via the “RENK Integrity Line” whistleblower system

Information about the above channels can be accessed by all employees on the “OneRENK” intranet and, to a limited extent, on RENK’s corporate website. Contact details for the relevant contact persons are available to all employees on “OneRENK”. Employees are encouraged to report their complaints and other grievances.

We consider the communication channels available for employees to raise their concerns and needs to be effective, since they are firmly established and well known. In addition, dialogue with managers and employee surveys take place according to a fixed schedule. This schedule means that actions taken to mitigate employee concerns are regularly monitored, taking the employees’ interests into account. Reports and the outcome of the complaints and concerns raised are securely and confidentially documented using the RENK Case Management System.

	Yes	No
Own workforce’s awareness of and trust in the structure or processes		
Do RENK’s policies with regard to its own workforce include the protection of individuals against retaliation?	x	

The regular use of the various dialogue channels and the opportunity to raise concerns anonymously and in a secure environment at any time mean that RENK has no reason to doubt that its employees trust the structures and processes.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

	Yes	No
Specific actions		
Did RENK establish specific actions in the past fiscal year beyond the implemented precautions, such as the mentioned dialogue channels and types of engagement?	x	

At the end of 2025, the first global employee survey based on the Gallup Q12 framework was conducted. Accordingly, the results and analyses have only recently become available. Based on the findings, specific action areas will be identified in 2026, measures will be defined and subsequently prioritized. These will be disclosed by RENK in the coming reporting periods, providing transparency on the progress toward the defined targets.

S1-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

	Yes	No
Specific targets		
Has RENK defined specific targets with regard to its own workforce?	x	

As part of its sustainability strategy, RENK has defined two targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities for its own workforce:

- Increasing employee engagement by 2029
- Increasing the proportion of women in management positions by 2030

These targets pave the way to ensuring the continuous enhancement of the working environment, strengthening employee satisfaction and loyalty, and simultaneously addressing potential risks early on.

Increasing employee engagement and satisfaction

The table below shows the various aspects of our target of increasing employee engagement and satisfaction:

Target	Increase in employee engagement by 2029
Relationship of the target to the policy objectives	The target corresponds to the target in the global HR policy.
Defined target level	In December 2025, the Executive Board and Supervisory Board defined the goal of achieving an engagement score of 3.84 based on the Gallup Q12 survey and a participation rate of 86% in our employee engagement survey by 2029.
Scope	The target applies to all employees of all legal units of the RENK Group.
Baseline value and base year	The engagement score in 2025 was 3.53 and the participation rate was 86 %.
Involving of stakeholders	The interests of stakeholders were taken into account by the HR department when setting targets and by the employee representatives on the Supervisory Board when deciding on targets.
Alteration of targets and parameters	No changes, as fiscal year 2025 is the base year.
Monitoring	Monitoring is carried out by conducting and evaluating the Gallup Q12 survey every year.
Target key figure	Engagement score and participation rate.

It should be noted that an engagement score higher than 4 indicates a very high level of employee engagement. By way of comparison: According to a Gallup press release published on March 13, 2025, only around 9% of employees in Germany reported a corresponding commitment to their company in 2024. The target was set based on real and consistently available data. It was not necessary to make any significant assumptions.

The target was adopted by the Management Board and Supervisory Board as well as by the latter's employee representatives, and agreed with the HR department. Cooperation with the Company's own employees to monitor progress toward achieving this target is ensured through the processes for engaging the workforce and workers' representatives outlined in the *ESRS S1-2* section. This also applies to cooperation with the Company's workforce to identify insights or opportunities for improvement.

Status 2025

In fiscal year 2025, RENK conducted a global employee survey based on the Gallup Q12 framework to determine the engagement score. The engagement score amounted to 3.53 with a participation rate of 86%. This established a baseline against which future performance can be measured. The survey will be conducted annually, so that progress toward the target set for 2029 and the desired participation rate can be transparently reported going forward. The survey findings reveal a solid starting point, with noticeable strengths in the form of trusting relationships and a clear focus in day-to-day work. At the same time, there is a need for action in the areas of leadership and culture, communication, as well as performance management and employee development. As already mentioned in section *S1-4*, specific areas for action will be identified in 2026, measures defined and then prioritised to ensure that the objectives are achieved.

Increasing the proportion of women in management positions

The table below shows the various aspects of our target of increasing the proportion of women in management positions:

Target	Increasing the proportion of women in management positions to 20 % by 2030
Relationship of the target to the policy objectives	The target corresponds to the target set in the global HR policy.
Defined target level	For management levels M1 - M4, the Management Board and Supervisory Board set the target of 20 % women by 2030 in December 2024.
Scope	The target applies to all managers in all legal entities of the RENK Group.
Baseline value and base year	In 2024, the proportion of women at management levels M1 - M4 was 11.54%.
Involving of stakeholders	Stakeholder interests were taken into account by the Human Resources department when defining the targets and by the employee representatives on the Supervisory Board when determining the targets.
Alteration of targets and parameters	No changes.
Monitoring	Monitoring is carried out through the remuneration report and regular reports are made to the Management Board and Supervisory Board.
Target key figure	Quota of women in management positions.

In line with our commitment to foster a diverse and inclusive working environment, we aim to increase the proportion of women in management positions within our organization. To this end, our specific target is to increase the proportion of women in management positions to 20% by 2030. An interim target sets a share of 15.9% by December 31, 2027.

The target was set based on real and consistently available data. It was not necessary to make any significant assumptions. The target was derived on the basis of the employee life cycle. Additionally, this makes it possible to take the local situation into account. The target was adopted by the Management Board and Supervisory Board as well as by the latter's employee representatives, and agreed with the HR department. Cooperation with the Company's own employees to monitor progress toward achieving this target is ensured through the processes for engaging the workforce and workers' representatives outlined in the S1-2 section. This also applies to cooperation with the Company's workforce to identify insights or opportunities for improvement.

Status 2025

In 2025, the proportion of women in management positions increased compared with the previous year to reach 12.24%. This confirms a positive trend toward achieving the interim target by 2027.

S1-6 Characteristics of the undertaking's employees²

General information on the data collection process for specific metrics

The RENK Group gathers the data for the metrics that are subject to the *ESRS S1* disclosure requirements annually through a bottom-up process using information reported by the Group companies via the Sphera tool. The central HR department has responsibility for this process. The information recorded in the location-specific software application forms the primary data basis for the HR metrics. The quality of the data reported in the Sphera tool is ensured through a four-eyes principle. The reviewed and, where applicable, corrected data is then checked for plausibility by the central HR department.

Total number of employees and breakdown by gender			
By gender	2024	2025	
	Jan 1 - Dec 31	Jan 1 - Dec 31	
Male	3,389	3,716	
Female	567	626	
Other	0	0	
Not reported	0	0	
Total Employees	3,956	4,342	

² All figures in the tables given under S1-6 in headcounts.

Number of employees in countries with significant employment

Country	2024	2025
	Jan 1 - Dec 31	Jan 1 - Dec 31
Germany	2,899	3,043
U.S.	481	704

Number of employees by employment relationship and breakdown by gender

	Female	Male	Other	Not disclosed	Total
Number of employees 2025	626	3,716	0	0	4,342
Number of employees 2024	567	3,389	0	0	3,956
Number of permanent employees 2025	578	3,485	0	0	4,063
Number of permanent employees 2024	523	3,151	0	0	3,674
Number of temporary employees 2025	48	228	0	0	276
Number of temporary employees 2024	44	238	0	0	282
Number of non-guaranteed hours employees 2025	0	3	0	0	3
Number of non-guaranteed hours employees 2024	0	0	0	0	0

Total number of employees who have left the undertaking

	Unit	2024	2025
		Jan 1 - Dec 31	Jan 1 - Dec 31
Employees who have left the undertaking ¹	Number	290	371
Employee turnover ¹	%	7.54	8.78

¹ Based on the correct data, the number of employees who left the undertaking in FY 2024 was adjusted from 541 to 290. Accordingly, the calculated employee turnover rate was corrected from 14.18% to 7.54%.

S1-8 Collective bargaining coverage and social dialogue

In Germany, employees at the three main plants in Augsburg, Rheine and Hanover are covered by the respective regional version of the binding collective agreements of IG Metall (Bavaria, North Rhine-Westphalia and Lower Saxony). These cover all contractual arrangements provided in the framework collective agreement and wage agreement, and thus form the basic content of the employment contract. Collective agreements whose application is voluntary or subject to works agreements are only applied in individual cases (e.g. partial retirement).

Apart from those mentioned above, no other collective agreements apply. There is no European Works Council (EWC), Societas Cooperativa Europaea Works Council (SCE) or Societas Europaea Works Council (SE) at RENK.

Collective bargaining coverage and social dialogue

	Unit	2024	2025
		Jan 1 - Dec 31	Jan 1 - Dec 31
Total employees covered by collective bargaining agreements	%	82.48	86.72
By country			
Germany	%	82.48	86.72
Employees covered by workers' representatives	%	98.14	98.39
By country			
Germany	%	98.14	98.39

S1-9 Diversity metrics

Diversity metrics	Unit	2024	2025
		Jan 1 - Dec 31	Jan 1 - Dec 31
Gender distribution at top management level¹	Number	25	26
Of which male	Number	20	24
	%	80.00	92.31
Of which female	Number	5	2
	%	20.00	7.69
Of which diverse	Number	0	0
	%	0	0
Not reported	Number	0	0
	%	0	0
Female employees with grading M1 - M4	Number	27	30
	%	11.54	12.24
Age distribution of employees			
Age distribution of employees under 30 years old	Number	788	837
	%	19.92	19.28
Age distribution of employees between 30 and 50 years old	Number	1,858	2,091
	%	46.97	48.16
Age distribution of employees over 50 years old	Number	1,310	1,414
	%	33.11	32.57

¹ Employees with management functions related directly to the managing directors of RENK GmbH.

S1-10 Adequate wages

To ensure that all employees receive an adequate wage, RENK's remuneration structures were once again reviewed in fiscal year 2025. This review was based on relevant benchmarks, including industry standards, statutory requirements and comparative regional figures. The findings of the review confirm that the remuneration of all employees satisfies the requirements of an adequate wage. In this way, we ensure that our employees are paid fairly and that their remuneration contributes to social and economic security.

S1-14 Health and safety metrics

Health and safety metrics ¹	Unit	2024	2025
		Jan 1 - Dec 31	Jan 1 - Dec 31
People in own workforce covered by the undertaking's health and safety management system	%	100	100
Fatalities as a result of work-related injuries and work-related ill health for all employees	Number	0	0
Significant work-related accidents among all employees	Number	81	66
	Rate ²	14	10
Fatalities as result of work-related injuries among all other employees working at the Company's sites	Number	0	0

¹ The metrics were gathered using the Group-wide Sphera tool. The metrics do not include any assumptions or estimates.

² Rate per 1 million working hours.

S1-16 Remuneration metrics (pay gap and total remuneration)

The pay gap and gender pay gap were similarly comprehensively reviewed in fiscal year 2025. In Germany, no significant gender pay gap was found for employees working 35 hours per week. The ERA collective agreement minimizes pay gaps through uniform basic wages and creates a fair and transparent wage structure. Although individual performance-related salary components lead to variances, they do not result in structural differences. Regular reviews are carried out to ensure that there are no systemic biases and that measures to eliminate pay gaps are effective.

Remuneration metrics (pay gap and total remuneration)			
	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Gender pay gap expressed as percentage of the average pay level of male employees	%	(3.96)	0.27
Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)		19.75	20.72

In the reporting year, the average income of female employees was 0.27% lower than that of male employees. At the same time, the annual total compensation of the highest-paid individual at RENK was 20.72 times the median annual total compensation of all employees. As these figures show, RENK places great importance on a high degree of pay equity and ensures fair compensation structures through regular reviews.

S1-17 Incidents, complaints and severe human rights impacts

No cases of human rights violations (e.g. forced labor, human or child trafficking or child labor) were identified in 2025. Two incidents of discrimination based on gender, race, ethnic origin, nationality or religion were reported to the Human Resources department and the Legal & Compliance department.

Incidents, complaints and sanctions			
	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Incidents of discrimination (incl. harassment)	Number	2	2
Complaints filed through channels for people in the own workforce to raise concerns	Number	27	74
Total amount of fines, penalties and compensation for damages as a result of incidents and complaints	€	0	0

Severe incidents and sanctions related to human rights			
	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Reported severe incidents related to human rights	Number	0	0
Total amount of fines, penalties and damages for severe incidents relating to human rights	€	0	0

12.3.2 ESRS S2 – Workers in the value chain

RENK is committed to respecting human rights at its own sites and when working with suppliers and business partners. We have embedded this commitment in central guidelines that shape our business relationships with suppliers.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in the *ESRS 2 SBM-3* section. The following section examines the identified IROs with regard to their interaction with the corporate strategy and business activities.

Social responsibility

A key pillar of RENK's sustainability strategy is social responsibility in the form of full compliance with fundamental labor and human rights in the supply chain. The health, protection and safety of workers, especially minors, are essential values. RENK firmly believes that it is not possible to meet product-related quality and safety requirements if these values are not upheld. They pave the way for the individual development of workers within and outside of the Company's own operations and, as such, underpin RENK's financial and non-financial targets.

Due to RENK's positioning within the supply chain and our supplier approval requirements, RENK's business activities do not directly impact the working conditions of workers in the value chain. RENK's business activities are attributable to the field of mechanical engineering, which is associated with industry-typical risks such as occupational safety in the direct upstream and downstream stages of the value chain. Our requirements regarding working conditions at suppliers prevent industry-typical risks associated with the use of technical equipment in their production from becoming systemic, instead ensuring that any incidents remain isolated in nature.

Results of the double materiality assessment and resilience analysis

Due to a lack of transparency with regard to workers in the value chain, RENK focuses on the immediately upstream stage of the value chain (tier 1) as well as on service providers. These are audited for human rights risks as part of a system-based risk assessment. Wherever an actual risk or violation of human rights is identified, RENK responds immediately through the initiation of remedial actions. To achieve this, RENK has established a Human Rights Committee (HRC), which is responsible for implementing the human rights due diligence obligations. In the Company's opinion, there are currently no material financial risks or opportunities arising from impacts and dependencies on value chain workers.

Furthermore, the resilience analysis conducted several times in fiscal year 2025 shows that RENK is able to address the material impacts related to workers employed in the value chain. There are no inherent challenges arising from the supplier base, the business model or the geographical concentration of the upstream supply chain. In procurement, the Code of Conduct for Suppliers and other Business Partners (SCoC) has been implemented as a key tool for addressing minimum requirements and human rights due diligence obligations when dealing with workers in the upstream value chain. This code helps to manage the positive and negative impacts on the working conditions of RENK's suppliers over the short-, medium- and long-term.

Underlying assumptions

When assessing IROs, RENK did not distinguish between specific groups of workers or their locations. In RENK's view, such differentiation does not lead to better insights and outcomes regarding the protection of value chain workers. This means potential risks and opportunities based on impacts and dependencies in relation to workers cannot be attributed to specific groups of workers.

S2-1 Policies related to value chain workers

RENK applies the following relevant guidelines and policies for identifying, assessing, controlling and managing material impacts on the stakeholders affected:

- 1) Code of Conduct for Suppliers and other Business Partners (SCoC)
- 2) Policy Statement on Quality, Environmental Protection and Occupational Health and Safety
- 3) Policy Statement on Human Rights
- 4) Implementation of human rights due diligence

- 1) Code of Conduct for Suppliers and other Business Partners (SCoC)

RENK’s corporate values extend beyond its own business operations to the entire supply chain. This makes sustainable and responsible procurement and supplier management essential. The RENK SCoC describes the Company’s values and basic principles that must also be observed by suppliers. It sets a binding minimum standard and defines clear requirements and expectations for suppliers. Full respect for human rights and the sharing of this respect along the upstream supply chain underpin all collaboration. The provisions of the SCoC are based on the ILO’s Core Labor Standards. By accepting the RENK purchasing conditions, our suppliers agree to comply with the SCoC standards. RENK reserves the right to audit compliance with these standards on an ad-hoc basis.

Policy	RGR-0-4 Code of Conduct for Suppliers and other Business Partners (SCoC)
Main contents	<ul style="list-style-type: none"> • Protection of human rights and the explicit prohibition of all forms of human trafficking, forced labor and child labor • Ensuring equal opportunities and prohibiting discrimination • Ensuring freedom of association and fair working conditions • Occupational health and safety
General objectives	<ul style="list-style-type: none"> • Compliance with applicable law and ethical, environmental and social standards within the Company and throughout the supply chain
Monitoring process	<ul style="list-style-type: none"> • Commitment to comply with all applicable laws and observe fundamental ethical principles • SCoC as part of our supplier qualification
Scope of application	<ul style="list-style-type: none"> • Contractual partners who supply RENK with goods, materials, work or services • Business partners with an intermediary or representative function as well as cooperation partners
Responsible organizational level	<ul style="list-style-type: none"> • RENK Management Board • Corporate Ethics & Compliance department • Supply Chain Management
Reference to third party standards or initiatives	<ul style="list-style-type: none"> • UN Global Compact • Core Conventions of ILO • Supply Chain Due Diligence Act (LkSG)
Consideration of the interests of stakeholders	<p>The consideration of the interests of stakeholders was ensured by the Corporate Ethics & Compliance department during the drawing up of the SCoC.</p>
Availability of the policy	<p>Available in English and German:</p> <ul style="list-style-type: none"> • Intranet “OneRENK” • RENK website

2) Policy Statement on Quality, Environmental Protection and Occupational Health and Safety

Policy	Corporate Policy for Quality, Environmental Protection and Occupational Health and Safety
Main contents	<ul style="list-style-type: none"> • Management systems for quality, occupational health and safety, environment and energy • Compliance with legal and regulatory requirements as well as the requirements of customers and interested parties
General objectives	<ul style="list-style-type: none"> • Identification and fulfillment of customer requirements • Continuous improvement of customer satisfaction
Monitoring process	• Regular review of the performance and effectiveness of the management systems by the management of RENK and the management of the segments
Scope of application	• All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence
Responsible organizational level	<ul style="list-style-type: none"> • RENK Management Board • Central Q-HSE department
Reference to third party standards or initiatives	<ul style="list-style-type: none"> • ISO 9001 • ISO 14001 • ISO 45001
Consideration of the interests of stakeholders	The consideration of the interests of stakeholders was ensured by the central Q-HSE department.
Availability of the policy	Available in English and German: <ul style="list-style-type: none"> • RENK website

3) Policy Statement on Human Rights and 4) Implementation of human rights due diligence

We are committed to fully respecting human rights. RENK strongly believes that taking social responsibility to ensure people’s well-being is the bedrock of sustainable success. This makes respect for human rights in the Company’s own operations as well as in the supply chain a key element of good corporate governance, firmly anchored in our sustainability strategy. RENK recognizes the United Nations Universal Declaration of Human Rights. By joining the UN Global Compact, RENK has committed to adhering to principles in the areas of human rights, labor standards, environmental protection and anti-corruption.

RENK’s commitment to human rights is set out in the “Policy Statement on Human Rights”. It describes responsibilities and measures for implementing human rights due diligence within the Company’s own operations and in the supply chain. The policy statement is communicated internally and externally to relevant target groups. For further information, please see the *ESRS S1 – Own workforce* section.

RENK has only very limited influence on the more distant stages of the downstream value chain. Despite these challenges, RENK is committed to continuously reviewing ways to improve and develop alternative approaches to minimizing potential impacts on value chain workers over the long-term.

S2-2 Processes for engaging with value chain workers about impacts

	Yes	No
Process for engagement		
Does RENK have an established process in place that would serve as a basis for the regular and systematic engagement with workers in the value chain?		x

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Stakeholders throughout RENK’s value chain can report any human rights risks via the “RENK Integrity Line”, which is available online worldwide in different languages. The HRC advises on any remedial actions. The processes and actions described in the *ESRS G1 – Business conduct* section for investigating reported violations are also applicable to reports submitted by value chain workers.

Further information on the redress and complaint mechanism as well as the related policy can be found in the *ESRS S1 – Own workforce* and *ESRS G1 – Business conduct* sections. The effectiveness of remediation in the supply chain is ensured, depending on the type of action taken, through follow-up checks – for instance, in the form of documentation from or control audits of direct business partners. As soon as RENK takes remedial action, the effectiveness of the individual remedy is assessed.

The whistleblower system is available to all internal and external stakeholders on the RENK website. Under our rules of procedure and the measures described therein, all whistleblowers are protected from reprisals. Since value chain workers can raise concerns anonymously and in a secure environment at any time, RENK has no reason to doubt that they trust the structures and processes. The complaints procedure is highlighted in the SCoC and its use is actively encouraged.

S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

	Yes	No
Specific actions		
Did RENK establish specific actions in the past fiscal year beyond the implemented precautions such as the whistleblower system ("RENK Integrity Line")?		x

Responsible conduct is a high priority for RENK. By integrating the relevant topics of product safety, ethical business practices and compliance with international standards and regulations into our sustainability strategy and business model, RENK believes that the rights and needs of value chain workers are taken into account and protected, insofar as these fall within its sphere of influence. However, RENK reserves the right to establish further measures in the future if the existing steps prove to be inadequate. There is currently no substantial evidence of this.

S2-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

	Yes	No
Specific targets		
Did RENK formulate specific targets in the past fiscal year?		x

RENK has only very limited influence on the more distant stages of its upstream and downstream value chain. Should RENK become aware of negative impacts, it would only be possible to implement the necessary changes over the long-term, at considerable expense and – potentially – only partially. This means setting specific targets in relation to potential indirect impacts on value chain workers is extremely complex and must be aligned with the relevant needs to define a functional framework for action and ensure measurable success. Consequently, it is difficult to review the effectiveness of targets and actions related to material sustainability-related impacts and this has not yet been carried out.

Aside from the aim of preventing its business activities from negatively impacting value chain workers as far as possible, RENK currently has no time-bound or outcome-oriented targets. Accordingly, there is no ongoing monitoring of target attainment levels. RENK reserves the right to set targets and establish actions in the future, provided that these offer the prospect of measurability and enforceability.

12.4 Governance information

Our business success is founded on responsible corporate governance. We set great store by responsible, fair and reliable actions at all levels of the Company. Successful corporate governance also entails compliance with all legal requirements. At RENK, this is ensured through the compliance organization and the compliance management system (CMS). In addition, there is a confidential compliance reporting channel with whistleblower protection.

12.4.1 ESRS G1 – Business conduct

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in the *ESRS 2 SBM-3* section. The following section examines the identified IROs with regard to their interaction with the corporate strategy and business activities.

Resilient business conduct is embedded in RENK's corporate strategy, which promotes responsible conduct at all levels of the Company, enforces high standards and makes it possible to maintain long-term relationships with customers, partners and stakeholders. RENK is aware of its special position given the potential mission-critical applications of its products and the related services.

Without a positive corporate culture that centers on employee satisfaction, motivation and loyalty as well as compliance and an open culture of error, RENK runs the risk of limiting or not leveraging employee potential, failing to meet customers' quality requirements, increasing its exposure to legal risks and, ultimately, suffering a significant reputational loss. A lack of employee engagement hinders the prospect of financial success due to lower output volumes, inadequate quality and dwindling innovation capacity. Legal disputes, failure to prevent corruption and bribery as well as loss of reputation could pose a threat to the Company's continued existence. In light of this, RENK's corporate governance successfully does all it can to mitigate negative impacts and risks, instead leveraging employee and productivity potential. This is underpinned by RENK's corporate values, which form the basis for the content and structural requirements of its corporate culture, corporate governance, compliance culture and CMS.

ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies

RENK has a separate Management Board and Supervisory Board. The Supervisory Board advises the Management Board on the management of the Company and oversees its activities. In addition, the Supervisory Board appoints the members of the Management Board. The Management Board is responsible for the management of RENK Group AG. Management and oversight of governance factors are performed centrally by RENK Group AG for the entire Group under the leadership of the Management Board and the Supervisory Board. Overall responsibility for sustainability topics lies with the Management Board. The Chief Compliance Officer liaises directly with the Chief Executive Officer and regularly reports to the Supervisory Board. Please also refer to the information on the RENK compliance organization in the *ESRS G1-1 Business conduct policies and corporate culture* section.

Corporate governance

At RENK, corporate governance means responsible, fair and reliable action at all levels of the Company – in the Supervisory Board, on the Management Board, in relation to employees and all other stakeholders. It falls to RENK's management and supervisory functions to set an example. Building on the Company's corporate values, this involves transparent documentation and communication as well as trust-based collaboration, which is the linchpin of good corporate governance at RENK. The corporate governance structure fosters an open, risk-mitigating compliance and integrity structure, while simultaneously advancing the strategic business areas. Key pillars of the corporate and compliance culture include systematic internal training and awareness-raising, which focus on adherence to legal and ethical standards and hence contribute to the Company's sustainable success.

ESRS G1-1 Business conduct policies and corporate culture

RENK applies the following relevant guidelines and policies for identifying, assessing, controlling and managing material impacts on the stakeholders affected. These apply to all employees, including those identified as risk groups: the Management Board, the management tier of RENK companies, Sales, Purchasing and Service departments as well as RENK representatives in policy discussions:

- 1) Code of Conduct
- 2) Handling of gifts, hospitality and invitations to events
- 3) Global Human Resources Policy

- 1) Code of Conduct

Policy	RGR-0-3 Code of Conduct (CoC)
Main contents	<ul style="list-style-type: none"> • Binding ethical principles of conduct and compliance requirements for all employees • CoC as a central element of internal compliance and an essential component of the corporate culture • Complementing the CoC with various compliance guidelines • Supporting employees in complying with legal requirements and implementing internal compliance processes
General objectives	<ul style="list-style-type: none"> • Guidelines for legally compliant and ethical behavior • Validity of obligations within the entire group of companies as well as towards external partners and the public • CoC as a framework for all decisions made by RENK and its employees • Specific instructions and approval processes for dealing with conflicts of interest and secondary employment • Maintaining objectivity by strictly separating professional and private interests
Monitoring process	<ul style="list-style-type: none"> • Unwavering commitment to comply with all applicable laws and to observe fundamental ethical principles for all employees without exception • Core elements of the CMS • Raising awareness through training
Scope of application	<ul style="list-style-type: none"> • All companies of RENK that are directly or indirectly held by RENK Group AG or over which RENK Group AG exercises a controlling influence • Special role model function of managers • If necessary, additional measures due to company-, business- and country-specific requirements
Responsible organizational level	<ul style="list-style-type: none"> • RENK Management Board • Corporate Ethics & Compliance department
Reference to third-party standards or initiatives	<ul style="list-style-type: none"> • UN Global Compact • Core Conventions of ILO
Consideration of the interests of stakeholders	The interests of stakeholders were taken into account by the Corporate Ethics & Compliance department when drawing up the Code of Conduct.
Availability of the policy	Available in English, German and French: <ul style="list-style-type: none"> • Intranet "OneRENK" • RENK website

- 2) Handling of gifts, hospitality and invitations to events

Policy	RGR-4-1 Handling Gifts, Hospitality and Invitations to Events
Main contents	<ul style="list-style-type: none"> • General criteria for determining the appropriateness of benefits • Approval processes for accepting and giving gifts, hospitality and invitations to events • Rules for dealing appropriately with public officials • Documentation of benefits requiring approval
General objectives	<ul style="list-style-type: none"> • Prevention of corruption • Adherence to high compliance standards • Raising employee awareness of the risks of corruption • Clear instructions for dealing with benefits
Monitoring process	<ul style="list-style-type: none"> • Joint responsibility of the Management Board, Chief Compliance Officer, managers and specialist departments
Scope of application	<ul style="list-style-type: none"> • All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence
Responsible organizational level	<ul style="list-style-type: none"> • RENK Management Board • Implementation by the CMS • Corporate Ethics & Compliance department
Reference to third-party standards or initiatives	n/a

Policy	RGR-4-1 Handling Gifts, Hospitality and Invitations to Events
Consideration of the interests of stakeholders	The interests of stakeholders were taken into account by the Corporate Ethics & Compliance department.
Availability of the policy	Available in English and German: • Intranet "OneRENK"

3) Global Human Resources Policy

For RENK, creating a working environment that reflects the values of respect, fairness and equal opportunities is a key priority. The RENK Global HR Policy provides guidance for all employees and managers to ensure that our working practices are transparent, fair and legally compliant. A positive working atmosphere supports employee well-being, while at the same time paving the way for our shared success. This policy defines clear expectations and promotes a culture of cooperation and mutual respect. For further information, please see the ESRS S1 – Own workforce section.

Corporate culture

RENK has internal guiding principles that were developed and approved by the Management Board and published on the intranet in 2023. The guiding principles provide our management and employees with a basis for sustainable action in their respective areas of responsibility and work. They outline the following key points:

- how RENK positions itself in terms of sustainability,
- that RENK focuses on its customers and business partners,
- how RENK gears itself to the challenges of advancing transformation,
- that at RENK, we treat each other in a respectful, fair and open manner, and
- that RENK aims to grow profitably and globally through innovation and internationalization.

All managers are urged to live by the guiding principles and firmly embrace them in everyday working life. In addition, the RENK Code of Conduct and the ethical rules of conduct it sets out apply to all employees.

Compliance organization and the compliance management system

Headed by the Chief Compliance Officer, the RENK compliance organization is a function within the Chief Executive Officer’s sphere of responsibility. The Chief Compliance Officer liaises directly with the Chief Executive Officer and regularly reports to RENK’s Supervisory Board on effectiveness, risks and any incidents. Material compliance risks and incidents are addressed on an ad-hoc basis outside of regular reporting. Based on internal and external training and their professional experience, the members of the Management Board and Supervisory Board have extensive expertise in assessing identified compliance risks and incidents in accordance with the relevant legal and standards framework as well as taking appropriate measures to address them.

The Chief Compliance Officer is responsible for the Corporate Ethics & Compliance department which – led by the Head of Corporate Ethics & Compliance – implements and fine-tunes the Group-wide CMS. The executive bodies of the legal entities, particularly the respective management teams, are responsible for implementing the compliance program established Group-wide by the Management Board and overseen by the Corporate Ethics & Compliance department. Furthermore, each executive body of a legal entity has appointed an ethics officer. Ethics officers report to the Head of Corporate Ethics & Compliance (“dotted line”) and assist the Corporate Ethics & Compliance department in effectively implementing compliance actions at the respective sites or with questions that arise at the site in this context.

RENK has a Group-wide CMS to protect the Company and its employees from legal and reputational risks. The aim is the prevention and potentially early detection of legal breaches such as corruption, money laundering as well as antitrust and foreign trade law violations. Another CMS focus is on data protection and information security. The CMS helps actively manage risk and provides protection for RENK and its employees.

Compliance training

In order to maintain the necessary awareness of how to deal with issues relating to integrity and to impart all relevant knowledge for legally compliant and transparent conduct, we conduct mandatory compliance training for all employees. The approach to compliance training is tailored to the relevant target group. This means that employees always receive training that aligns with their respective work area and hence with their specific risk exposure. Depending on the subject matter, we provide employees with mandatory e-learning and/or in-person or virtual training courses, which are repeated at fixed intervals.

E-learning ensures consistent, Group-wide compliance knowledge at all levels of the Company and can be completed independently and flexibly in the workplace. All employees must complete "Code of Conduct" training as basic training. Additionally, mandatory in-depth modules are carried out. In-person and virtual training is primarily aimed at the risk groups: Management Board, the management tier of RENK companies, the Sales, Purchasing and Service departments, RENK representatives engaged in political discourse as well as all managers at RENK. The content has been adapted to the prevalent compliance risks in the respective work areas and prepared interactively.

Additionally, the Company supports the Supervisory Board to an appropriate extent with human and financial resources to help its members settle into their roles and enable the training required to maintain the necessary expertise.

Reporting system and protection of whistleblowers

RENK relies on information from employees to identify compliance violations, as misconduct can largely only be discovered based on internal reports. Information provided by employees is important to establishing and maintaining a compliance culture centered on sustainability, social responsibility and integrity. The purpose of whistleblowing is to help the Company and all of its employees to conduct themselves lawfully, thus making a sustainable, long-term contribution to successful business performance and securing jobs. RENK encourages all employees to report suspicious activities and violation, ensuring that they are informed about the various reporting channels and processes. This primarily takes place through compliance training, supported by complementary measures such as posters and the distribution of flyers.

Reports can be submitted via the digital whistleblower system, the "RENK Integrity Line", or through direct communication with the Corporate Ethics & Compliance department, whose contact details are available to all employees on the intranet. In addition, the "RENK Integrity Line" can be accessed via the Internet whenever and wherever. It is available in several languages to all employees as well as to customers, suppliers, their employees and other third parties. Whistleblowers can report concerns anonymously or disclose their personal details. A secure digital mailbox has been set up so that the Corporate Ethics & Compliance department and the whistleblower are able to communicate (including anonymously). Incoming reports are reviewed and processed by the Corporate Ethics & Compliance department.

Processing is carried out according to a defined incident management process. As an official reporting office established under the German Whistleblower Protection Act, the Corporate Ethics & Compliance department has a special duty of confidentiality to protect the whistleblower's identity. The Corporate Ethics & Compliance department employees performing the tasks of an internal reporting office exercise their duties independently – meaning separately from the Management Board – and have special expertise in dealing with and investigating whistleblower reports. There are only a few people in charge of processing whistleblower reports and information is shared solely on a "need-to-know" basis. If whistleblowers do not wish to disclose their identity, they always have the option of reporting concerns to the Corporate Ethics & Compliance department anonymously.

Alternatively, whistleblowers can contact an external ombudsman. The ombudsman is bound by professional secrecy to protect the identity of whistleblowers. A whistleblower's identity will only be disclosed to the Corporate Ethics & Compliance department on request and with their express consent. The ombudsman's contact details are available on the intranet and the RENK company website.

At RENK, whistleblowers are protected from discrimination, unfair treatment and reprisals. This means that whistleblowers do not have to fear disciplinary action or any other negative consequences imposed by RENK for whistleblowing, unless they were personally involved in the compliance violation reported. RENK does not tolerate

hostility or discrimination against whistleblowers. The processes and measures implemented for this purpose comply with the provisions of Directive (EU) 2019/1937 on whistleblower protection. At the same time, the reporting channels provided by RENK may not be used to express knowingly false suspicions or accusations. In the event of serious compliance violations, an interdisciplinary Incident Response Committee advises on investigative measures and penalties. The committee is made up of representatives from the Compliance, HR and IT departments.

G1-3 Prevention and detection of corruption and bribery

Rules and actions to prevent corruption

Since RENK operates in a highly regulated environment, the Company pays particular attention to preventing corruption and acting in accordance with the law. This applies throughout the Group as well as to the entire upstream and downstream value chain. Corporate functions particularly at risk, such as the Management Board, the management tier of RENK companies, the Sales, Purchasing and Service departments as well as RENK representatives engaged in political discourse, receive training on potential compliance risks in the area of corruption prevention. This is delivered in the form of e-learning every two years. Additionally, a more detailed in-person training session lasting several hours is held for the Sales, Purchasing and Service departments as well as for all RENK managers every two years. Using practical examples, the e-learning and in-person training cover aspects such as the correct way to handle donations and raise awareness of the various forms of corruption. In particular, lawful conduct in dealings with public officials is elucidated.

Of the corporate functions concerned, 95% participated in corresponding training courses in fiscal year 2025. The Code of Conduct and the guidelines derived from it, as well as the measures and rules of conduct it describes, are available to all employees on the "OneRENK" intranet in English, French and German.

To implement RENK's zero-tolerance strategy, donations in the form of gifts, hospitality or invitations to events are classified according to a traffic light system based on a Group-wide policy. The system differentiates according to the nature and extent of potential compliance risks. If compliance violations are identified, an audit is carried out and suitable and adequate penalties imposed. The Incident Response Committee prepares recommendations for how to deal with the respective incident, which the Chief Compliance Officer then submits to the relevant management team or the Management Board for decision. Depending on the severity of the violation, penalties range from disciplinary action and civil law sanctions to criminal charges. The implementation of such penalties is monitored internally by the Group.

To avoid compliance violations, all employees are required to contact their managers or the Ethic & Compliance department with their questions or information. We give our employees the opportunity to report any irregularities confidentially ("RENK Integrity Line") so that these can be detected at an early stage.

Prevention and detection of corruption and bribery

	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Percentage of at-risk functions covered by anti-corruption/bribery training	%	96.9	95.0

ESRS G1-4 Incidents of corruption or bribery

As no judgments were issued against RENK for corruption or bribery offenses in fiscal year 2025, no case-specific actions had to be implemented. Consequently, no fines were payable.

Incidents of corruption or bribery	Unit	2024	2025
		Jan 1 - Dec 31	Jan 1 - Dec 31
Convictions for violations of anti-corruption and anti-bribery laws	Number	0	0
	€	0	0

Preventing incidents of corruption and bribery is extremely important to RENK. The Company continuously strives to create a transparent and ethical working environment. Since internal processes are regularly reviewed and satisfy the highest compliance standards, there is currently no need to introduce new measures. The fact that no relevant incidents have occurred to date demonstrates the effectiveness of the measures already in place. However, RENK reserves the right to establish further measures in the future if the existing steps prove to be inadequate. There is currently no substantial evidence of this.

	Yes	No
Specific actions		
Did RENK develop specific actions in the past fiscal year?		x

G1-5 Political influence and lobbying activities

Advocacy

In the area of political communications, RENK maintains contact with political representatives through its Government Relations department. For this purpose, RENK maintains an office in the German capital, Berlin, that is responsible for the Company's political advocacy at state (Bavaria), federal and EU level. This office additionally coordinates the work with political associations. There is also an advocacy team in Washington, D.C., U.S.

The nature and extent of the advocacy work can be viewed in the lobby register of the German Bundestag, in which RENK is registered under number R000345, the Bavarian lobby register under register number DEBYLT00CF and the EU transparency register under entry 149024447497-03. Advocacy in the U.S. is carried out by RENK Holdings Inc., Wilmington, U.S., which is registered under House Registration Number 565530001 in accordance with the Lobbying Disclosure Act. The Chief Executive Officer and the Supervisory Board monitor all advocacy team activities. None of the members of the Management Board or Supervisory Board held a comparable position in public administration (including at regulatory authorities) in the two years prior to their appointment.

Key topics regarding which RENK has contributed to the policy-making process in Germany and the U.S. mainly concern security and defense policy with a focus on the affairs of the armed forces, industrial policy issues, mechanical engineering and the energy sector. In fiscal year 2025 in Germany, this related to the legal basis for arms export control and the Carbon Dioxide Storage and Transport Act ("Kohlendioxid-Speicherungs- und Transportgesetz"). The lobbying activities regarding the legal framework for arms exports are essentially aimed at maintaining the existing regulations and accelerating approval procedures. With regard to the German Carbon Dioxide Storage and Transport Act, RENK takes the position that rapid implementation and a clear commitment to the expansion and financing of the corresponding infrastructure are required.

Overall, the lobbying activities highlight the need for predictability of political action, openness to new technologies, especially for attainment of climate goals, and efforts to maintain existing regulations that have proven to be resilient and robust, rather than creating new bureaucratic burdens. While predictability and reducing bureaucracy are factors of

the political business environment, the aspect of technological openness centers on RENK's strategic opportunity to turn negative into positive impacts through energy-efficient product solutions that contribute to climate-change mitigation.

In fiscal year 2025, RENK made financial and in-kind contributions in Germany totaling €10,976.

Political influence and lobbying activities			
	Unit	2024 Jan 1 - Dec 31	2025 Jan 1 - Dec 31
Direct and indirect financial contributions, broken down by country			
Germany	€	8,500	8,500
U.S.	€	0	0
Direct and indirect contributions in kind, broken down by country			
Germany	€	1,700	2,476
U.S.	€	0	0

Appendix to the Sustainability Statement

ESRS 2 GOV-4 Statement on due diligence

Core elements of due diligence	References within the sustainability statement
a) Integration of due diligence into governance, strategy and business model	Cf. reporting on ESRS 2 GOV-2, GOV-3, SBM-3
b) Involvement of affected stakeholders in all key due diligence steps	Cf. reporting on ESRS 2 GOV-2, SBM-2, IRO-1, MDR-P on material topic-specific disclosures relating to concepts, topic-specific stakeholder engagement processes
c) Identification and assessment of negative impacts	Cf. reporting on ESRS 2 IRO-1 (including topic-specific IRO-1 disclosures), SBM-3
d) Measures to address these negative impacts	Cf. Reporting on ESRS 2 MDR-A on material topic-specific disclosures relating to actions, topic-specific procedures to address adverse impacts and actions taken in relation to material impacts.
e) Monitoring and communicating the effectiveness of these efforts	Cf. reporting on ESRS 2 MDR-M and MDR-T on material topic-specific disclosures relating to key figures and targets, topic-specific disclosures relating to channels through which concerns can be raised

ESRS 2 IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

ESRS Content Index

ESRS 2 General Disclosures			Reference
2	BP-1	General basis for preparation of the sustainability statement	ESRS 2 BP-1
2	BP-2	Disclosures in relation to specific circumstances	ESRS 2 BP-2
2	GOV-1	The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1
2	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	ESRS 2 GOV-2
2	GOV-3	Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3
2	GOV-4	Statement on due diligence	ESRS 2 GOV-4
2	GOV-5	Risk management and internal controls over sustainability reporting	ESRS 2 GOV-5
2	SBM-1	Strategy, business model and value chain	ESRS 2 SBM-1
2	SBM-2	Interests and views of stakeholders	ESRS 2 SBM-2
2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3
2	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	ESRS 2 IRO-1
2	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements (ESRS Index)	ESRS 2 IRO-2

ESRS E1 Climate Change

ESRS E1 Climate Change			Reference
E1	GOV-3	Integration of sustainability-related performance in incentive schemes (Climate)	ESRS E1 ESRS 2 GOV-3
E1	E1-1	Transition plan for climate change mitigation	ESRS E1-1
E1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS E1 ESRS 2 SBM-3
E1	IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	ESRS E1 ESRS 2 IRO-1
E1	E1-2	Policies related to climate change mitigation and adaptation	ESRS E1-2
E1	E1-3	Actions and resources in relation to climate change policies	ESRS E1-3
E1	E1-4	Targets related to climate change mitigation and adaptation	ESRS E1-4
E1	E1-5	Energy consumption and mix	ESRS E1-5
E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	ESRS E1-6
E1	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	ESRS E1-7
E1	E1-8	Internal carbon pricing	ESRS E1-8

ESRS E1 Climate Change			Reference
ESRS S1 Own Workforce			Reference
S1	SBM-2	Interests and views of stakeholders	ESRS S1 ESRS 2 SBM-2
S1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S1 ESRS 2 SBM-3
S1	S1-1	Policies related to own workforce	ESRS S1-1
S1	S1-2	Processes for engaging with own workers and workers' representatives about impacts	ESRS S1-2
S1	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	ESRS S1-3
S1	S1-4	Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches	ESRS S1-4
S1	S 1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S1-5
S1	S1-6	Characteristics of the undertaking's employees	ESRS S1-6
S1	S1-8	Collective bargaining coverage and social dialogue	ESRS S1-8
S1	S1-9	Diversity Metrics	ESRS S1-9
S1	S1-10	Adequate Wages	ESRS S1-10
S1	S1-14	Health and safety metrics	ESRS S1-14
S1	S1-16	Compensation metrics (pay gap and total remuneration)	ESRS S1-16
S1	S1-17	Incidents, complaints and severe human rights impacts	ESRS S1-17
ESRS S2 Workers in the Value Chain			Reference
S2	SBM-2	Interests and views of stakeholders	ESRS S2 ESRS 2 SBM-2
S2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S2 ESRS 2 SBM-3
S2	S2-1	Policies related to value chain workers	ESRS S2-1
S2	S2-2	Processes for engaging with value chain workers about impacts	ESRS S2-2
S2	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	ESRS S2-3
S2	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	ESRS S2-4
S2	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S2-5
ESRS G1 Business Conduct			Reference
G1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS G1 ESRS 2 SBM-3
G1	GOV-1	The role of the administrative, management and supervisory bodies	ESRS G1 ESRS 2 GOV-1
G1	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	ESRS G1 ESRS 2 IRO-1
G1	G1-1	Business conduct policies and corporate culture	ESRS G1-1
G1	G1-3	Prevention and detection of corruption and bribery	ESRS G1-3
G1	G1-4	Confirmed Incidents of corruption or bribery	ESRS G1-4
G1	G1-5	Political influence and lobbying activities	ESRS G1-5

List of data points in cross-cutting and topical standards that derive from other EU legislation

The following table contains all data points originating from other EU legislation as listed in ESRS 2 Appendix B, and indicates where the data points can be found in our sustainability statement. If no page number is specified, the data point is not relevant for RENK.

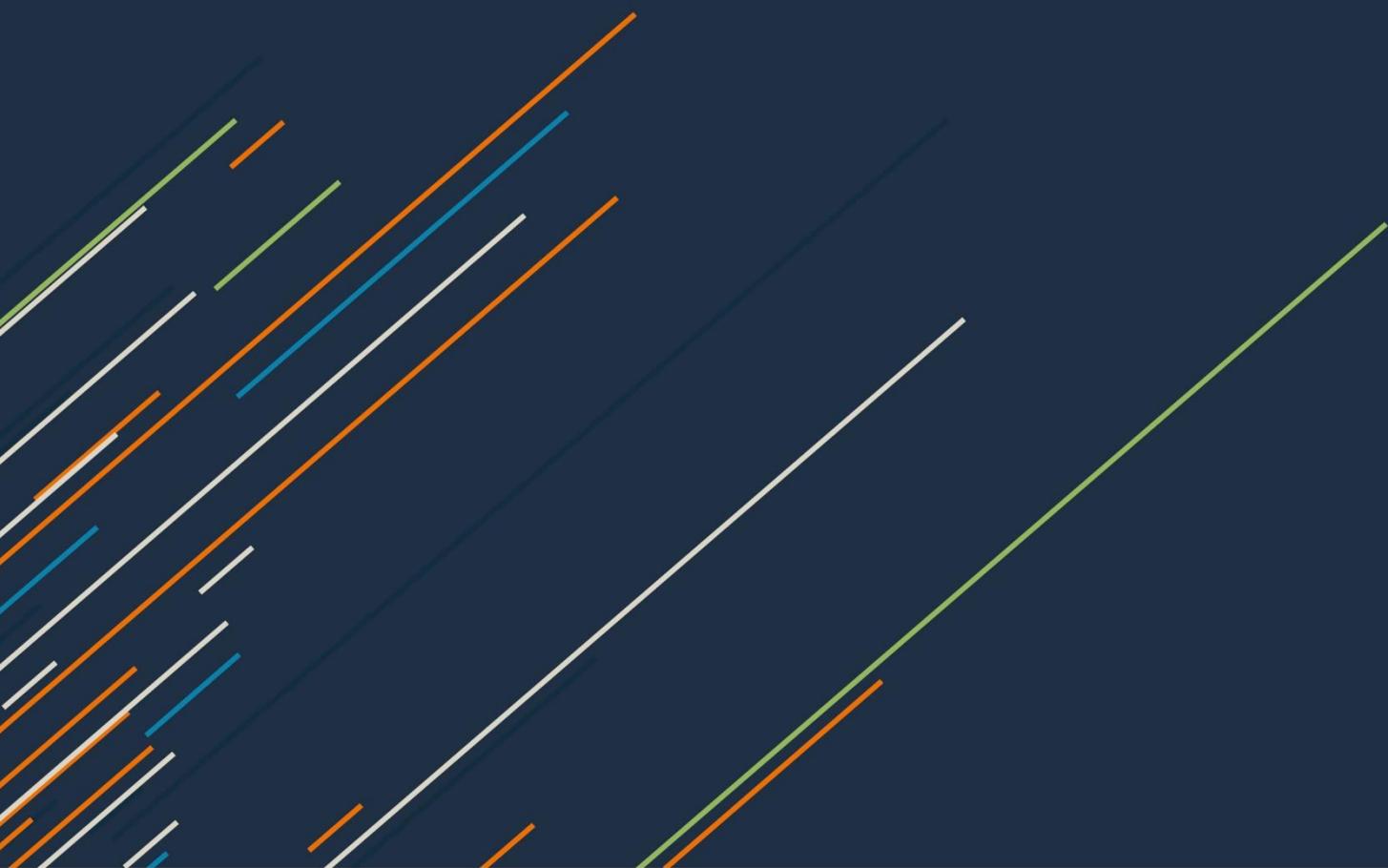
Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
ESRS 2 GOV-1 Board's gender diversity Paragraph 21 d	- SFDR: Indicator No. 13 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission(5), Annex II	ESRS 2 GOV-1
ESRS 2 GOV-1 Percentage of board members that are independent Paragraph 21 e	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS 2 GOV-1
ESRS 2 GOV-4 Statement on due diligence Paragraph 30	- SFDR: Indicator No. 10 in Annex 1 Table 3	ESRS 2 GOV-4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	- SFDR: Indicator No. 4 Table 1 in Annex 1 - Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission(6), Table 1: Qualitative disclosures on environmental risks, and Table 2: Qualitative disclosures on social risks - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	n/a
ESRS 2 SBM-1 Involvement in activities related to chemical production Paragraph 40 d (ii)	- SFDR: Indicator No. 9 in Annex 1 Table 2 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	n/a
ESRS 2 SBM-1 Involvement in activities related to controversial weapons Paragraph 40 d (iii)	- SFDR: Indicator No. 14 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818(7), Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	n/a
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco Paragraph 40 d (iv)	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	n/a
ESRS E1-1 Transition plan to reach climate neutrality by 2050 Paragraph 14	- EU Climate Law Reference: Regulation (EU) 2021/1119, Article 2 (1)	ESRS E1-1
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks Paragraph 16 g	- Pillar 3 reference: Article 449 (a) - Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 1: Annex book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) (d) to (g) and Article 12 (2)	ESRS E1-1
ESRS E1-4 GHG emission reduction targets Paragraph 34	- SFDR: Indicator No. 4 in Annex 1 Table 2 - Pillar 3 reference: Article 449 (a) - Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 3: Annex book – Transition risk related to climate change: Alignment parameters - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 6	ESRS E1-4
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) Paragraph 38	- SFDR: Indicator No. 5 in Annex 1 Table 1 and Indicator No. 5 in Annex 1 Table 2	ESRS E1-5
ESRS E1-5 Energy consumption and mix Paragraph 37	- SFDR: Indicator No. 5 in Annex 1 Table 1	ESRS E1-5
ESRS E1-5 Energy intensity associated with activities in high climate sectors Paragraphs 40 to 43	- SFDR: Indicator No. 6 in Annex 1 Table 1	ESRS E1-5
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions Paragraph 44	- SFDR: Indicators No. 1 and 2 in Annex 1 Table 1 - Pillar 3 reference: Article 449 (a) Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 1: Annex book – Transition risk related to climate change: Credit quality of exposures by sector, issue and residual maturity - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 5 (1), Article 6 and Article 8 (1)	ESRS E1-6
ESRS E1-6 Gross GHG emissions intensity Paragraphs 53 to 55	- SFDR: Indicator No. 3 Table 1 in Annex 1 - Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 3: Annex book - Transition risk related to climate change: Alignment parameters - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 8 (1)	ESRS E1-6
ESRS E1-7 GHG removals and carbon credits Paragraph 56	- EU Climate Law Reference: Regulation (EU) 2021/1119, Article 2 (1)	ESRS E1-7
ESRS E1-9 Exposure of the benchmark portfolio to climate-related	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	Phase-In (material)

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
physical risks Paragraph 66		
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk Paragraph 66 a	- Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, paragraphs 46 and 47; Template 5: Annex book – Physical risk related to climate change: Exposures with physical risk	Phase-In (material)
ESRS E1-9 Location of significant assets at material physical risk Paragraph 66 c		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes Paragraph 67 c	- Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, paragraph 34; Template 2: Annex book – Transition risk related to climate change: Loans collateralized by real estate – Energy efficiency of collateral	Phase-In (material)
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities Paragraph 69	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818 by the Commission, Annex II	Phase-In (material)
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRT Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil Paragraph 28	- SFDR: Indicator No. 8 in Annex 1 Table 1, Indicator No. 2 in Annex 1 Table 2, Indicator No. 1 in Annex 1 Table 2 and Indicator No. 3 in Annex 1 Table 2	Not material
ESRS E3-1 Water and marine resources Paragraph 9	- SFDR: Indicator No. 7 in Annex 1 Table 2	Not material
ESRS E3-1 Dedicated policy Paragraph 13	- SFDR: Indicator No. 8 in Annex 1 Table 2	Not material
ESRS E3-1 Sustainable oceans and seas Paragraph 14	- SFDR: Indicator No. 12 in Annex 1 Table 2	Not material
ESRS E3-4 Total water recycled and reused Paragraph 28 c	- SFDR: Indicator No. 6.2 in Annex 1 Table 2	Not material
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations Paragraph 29	- SFDR: Indicator No. 6.1 in Annex 1 Table 2	Not material
ESRS 2 SBM-3 – E4 Paragraph 16 a (i)	- SFDR: Indicator No. 7 in Annex 1 Table 1	Not material
ESRS 2 SBM-3 – E4 Paragraph 16 b	- SFDR: Indicator No. 10 in Annex 1 Table 2	Not material
ESRS 2 SBM-3 – E4 Paragraph 16 c	- SFDR: Indicator No. 14 in Annex 1 Table 2	Not material
ESRS E4-2 Sustainable land / agriculture practices or policies Paragraph 24 b	- SFDR: Indicator No. 11 in Annex 1 Table 2	Not material
ESRS E4-2 Sustainable oceans / seas practices or policies Paragraph 24 c	- SFDR: Indicator No. 12 in Annex 1 Table 2	Not material
ESRS E4-2 Policies to address deforestation Paragraph 24 d	- SFDR: Indicator No. 15 in Annex 1 Table 2	Not material
ESRS E5-5 Non-recycled waste Paragraph 37 d	- SFDR: Indicator No. 13 in Annex 1 Table 2	Not material
ESRS E5-5 Hazardous waste and radioactive waste Paragraph 39	- SFDR: Indicator No. 9 in Annex 1 Table 1	Not material
ESRS 2 SBM-3 - S1 Risk of incidents of forced labor Paragraph 14 f	- SFDR: Indicator No. 13 in Annex I Table 3	ESRS S1 ESRS 2 SBM-3
ESRS 2 SBM-3 - S1 Risk of incidents of child labor Paragraph 14 g	- SFDR: Indicator No. 12 in Annex I Table 3	ESRS S1 ESRS 2 SBM-3
ESRS S1-1 Human rights policy commitments Paragraph 20	- SFDR: Indicator No. 9 in Annex I Table 3 and Indicator No. 11 in Annex I Table 1	ESRS S1 ESRS 2 SBM-3
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8 Paragraph 21	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S1-1

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
ESRS S1-1 Processes and measures for preventing trafficking in human beings Paragraph 22	- SFDR: Indicator No. 11 in Annex I Table 3	Not material
ESRS S1-1 Workplace accident prevention policy or management system Paragraph 23	- SFDR: Indicator No. 1 in Annex I Table 3	ESRS S1-1
ESRS S1-3 Grievance/complaints handling mechanisms Paragraph 32 c	- SFDR: Indicator No. 5 in Annex I Table 3	ESRS S1-3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents Paragraph 88 b and c	- SFDR: Indicator No. 2 in Annex I Table 3 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S1-14
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness Paragraph 88 e	- SFDR: Indicator No. 3 in Annex I Table 3	Phase-In (material)
ESRS S1-16 Unadjusted gender pay gap Paragraph 97 a	- SFDR: Indicator No. 12 in Annex I Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S1-16
ESRS S1-16 Excessive CEO pay ratio Paragraph 97 b	- SFDR: Indicator No. 8 in Annex I Table 3	ESRS S1-16
ESRS S1-17 Incidents of discrimination Paragraph 103 a	- SFDR: Indicator No. 7 in Annex I Table 3	ESRS S1-17
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Paragraph 104 a	- SFDR: Indicator No. 10 in Table 1 of Annex I and Indicator No. 14 in Table 3 of Annex I - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)	ESRS S1-17
ESRS 2 SBM-3 – S2 Significant risk of child labor or forced labor in the value chain Paragraph 11 b	- SFDR: Indicators No. 12 and 13 in Annex I Table 3	ESRS S2 ESRS 2 SBM-3
ESRS S2-1 Human rights policy commitments Paragraph 17	- SFDR: Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1	ESRS S2-1
ESRS S2-1 Policies related to value chain workers Paragraph 18	- SFDR: Indicators No. 11 and 4 in Annex 1 Table 3	ESRS S2-1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines Paragraph 19	- SFDR: Indicator No. 10 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)	ESRS S2-1
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8 Paragraph 19	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S2-1
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain Paragraph 36	- SFDR: Indicator No. 14 in Annex 1 Table 3	ESRS S2-4
ESRS S3-1 Human rights policy commitments Paragraph 16	- SFDR: Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1	Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines Paragraph 17	- SFDR: Indicator No. 10 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material
ESRS S3-4 Human rights issues and incidents Paragraph 36	- SFDR: Indicator No. 14 in Annex 1 Table 3	Not material
ESRS S4-1 Policies related to consumers and end-users Paragraph 16	- SFDR: Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 Table 1 in Annex 1	Material - Quick Fix Application
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines Paragraph 17	- SFDR: Indicator No. 10 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Material - Quick Fix Application

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
ESRS S4-4 Human rights issues and incidents Paragraph 35	- SFDR: Indicator No. 14 in Annex 1 Table 3	Material - Quick Fix Application
ESRS G1-1 United Nations Convention against Corruption Paragraph 10 b	- SFDR: Indicator No. 15 in Annex 1 Table 3	ESRS G1-1
ESRS G1-1 Protection of whistle-blowers Paragraph 10 d	- SFDR: Indicator No. 6 in Annex 1 Table 3	ESRS G1-1
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws Paragraph 24 a	- SFDR: Indicator No. 17 in Annex 1 Table 3 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS G1-4
ESRS G1-4 Standards of anti-corruption and anti- bribery Paragraph 24 b	- SFDR: Indicator No. 16 in Annex 1 Table 3	ESRS G1-4

B. Annual financial statements



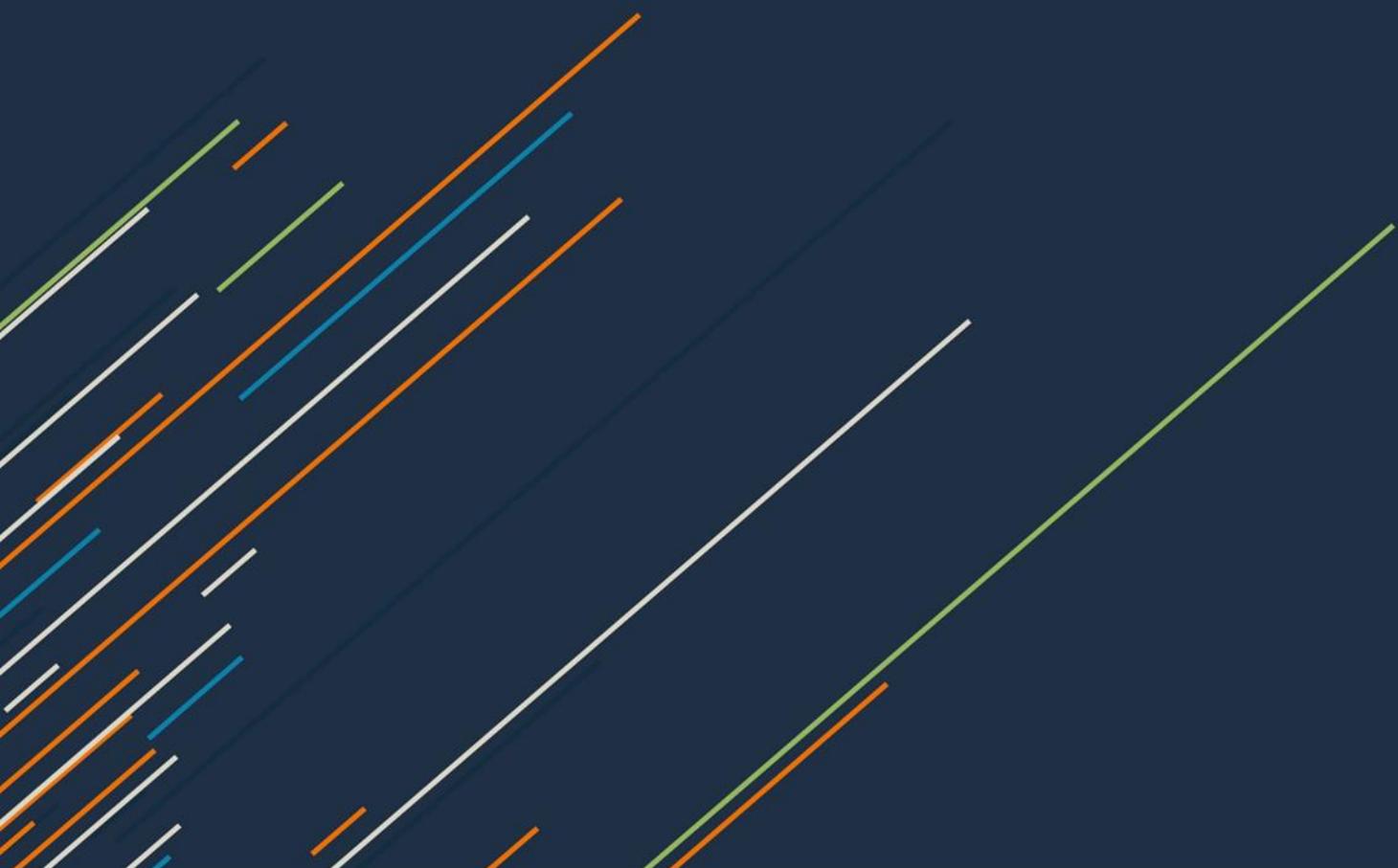
Income Statement

Income Statement	Fiscal year		Change	
	2024	2025	in €	in %
in €k				
Revenue	2,839	6,793	3,954	>100%
Other operating income	8,464	170	(8,294)	(98.0)%
thereof income from currency translation	1	-	(1)	(100)%
Gross profit for the period	11,303	6,963	(4,340)	(38.4)%
Cost of materials	(434)	(226)	208	(48.0)%
a) Cost of raw materials, consumables and supplies and of purchased merchandise	(12)	(15)	(3)	22.5%
b) Cost of purchased services	(422)	(211)	211	(50.1)%
Personnel expenses	(4,877)	(8,007)	(3,130)	64.2%
a) Wages and salaries	(4,257)	(7,332)	(3,075)	72.2%
b) Social security, post-employment and other employee benefit costs	(620)	(675)	(55)	8.9%
thereof in respect of post-employment benefits	(496)	(417)	78	(15.8)%
Other operating expenses	(15,710)	(10,983)	4,727	(30.1)%
thereof currency translation expenses	(2)	-	2	(100)%
Operating result (EBIT)	(9,718)	(12,252)	(2,534)	26.1%
Income from profit transfer	-	115,400	115,400	-
Other interest and similar income	-	-	-	>100%
Interest and similar expenses	(1,383)	(3,258)	(1,875)	>100%
thereof relating to affiliated companies	(1,378)	(3,243)	(1,866)	>100%
Earnings before tax (EBT)	(11,101)	99,890	110,991	<(100)%
Taxes on income	(95)	(36,918)	(36,822)	>100%
Profit/loss after tax	(11,196)	62,973	74,169	>100%
Net loss for the year	(11,196)	62,973	74,169	>100%
Accumulated losses brought forward	-	1,804	1,804	
Withdrawals from revenue reserves	55,000	-	(55,000)	(100.0)%
Net retained profits	43,804	64,777	20,973	47.9%

Balance Sheet

ASSETS				
in €k	Fiscal year		Change	
	2024	2025	in €	in %
A. Intangible assets	357,374	357,374	-	0%
I. Long-term financial assets	357,374	357,374	-	0%
1. Shares in affiliated companies	357,374	357,374	-	0%
B. Current assets	3,046	117,285	114,239	>100%
I. Receivables and other assets	3,046	117,285	114,239	>100%
1. Receivables from affiliated companies	1,609	115,778	114,168	>100%
2. Other assets	1,438	1,508	70	4.8%
II. Bank balances	-	-	-	-
C. Prepaid expenses	46	164	117	>100%
	360,467	474,823	114,356	31.7%
EQUITY AND LIABILITIES				
in €k	Fiscal year		Change	
	2024	2025	in €	in %
A. Equity	314,335	335,308	20,973	6.7%
I. Subscribed capital Contingent capital: 50.000 (previous year: 50.000)	100,000	100,000	-	0%
II. Capital reserves	170,531	170,531	-	0%
III. Net retained profits	43,804	64,777	20,973	47.9%
B. Provisions	5,156	17,878	12,722	>100%
1. Provisions for pensions and similar obligations	651	789	138	21.19%
2. Provisions for taxes	94	9,061	8,966	>100%
3. Other provisions	4,411	8,028	3,618	82.0%
C. Liabilities	40,976	121,637	80,661	>100%
1. Trade payables	2,251	3,760	1,510	67.1%
2. Liabilities to affiliated companies	37,326	115,821	78,495	>100%
3. Other liabilities	1,399	2,056	657	47.0%
thereof from taxes	1,391	2,040	648	46.6%
thereof relating to social security and similar obligations	7	16	9	>100%
	360,467	474,823	114,356	31.7%

Notes to the annual financial statements of RENK Group AG for fiscal year 2025



Notes to the annual financial statements of RENK Group AG for fiscal year 2025

1. General principles

RENK Group AG, whose registered office is in Augsburg, Germany (the Company), is registered with the Local Court ("Amtsgericht") of Augsburg under commercial register number HRB 39189 and operates as the holding company of RENK Group. RENK develops, produces and distributes mission-critical propulsion technology worldwide and is divided into the Vehicle Mobility Solutions, Marine & Industry and Slide Bearings segments.

The annual financial statements of RENK Group AG are prepared in accordance with German accepted accounting principles, taking into account the accounting provisions of the German Commercial Code and the supplementary provisions of the German Stock Corporation Act. They have been prepared in thousands of euros (€k). Minor differences may arise due to the commercial rounding of amounts. For the sake of clarity and transparency, a number of items in the balance sheet and income statement have been combined. These items are explained separately in the notes.

The simplification options under Section 265(8) German Commercial Code were exercised.

The Company is a large corporation within the meaning of Section 267(3) s. 2 German Commercial Code in conjunction with Section 264d German Commercial Code.

The management report of RENK Group AG and the Group management report have been combined in accordance with Section 315(5) German Commercial Code in conjunction with Section 298(2) German Commercial Code and published in the Annual Report 2025.

The income statement was prepared using the total cost method in accordance with Section 275(1) and (2) German Commercial Code. The balance sheet is classified in accordance with Section 266(2) and (3) German Commercial Code.

The Company's fiscal year covers the period from January 1 to December 31, 2025.

The annual financial statements are prepared on a going concern basis.

2. Accounting policies

The following accounting policies were applied to prepare the annual financial statements and are largely unchanged.

Shares in affiliated companies are recognized at the lower of cost or fair value in the event of an expected permanent impairment. If the reasons for impairment no longer apply, the write-down is reversed up to a maximum of historical cost.

Receivables and other assets are recognized at their principal amount. Identifiable risks are taken into account by means of appropriate value adjustments.

Deferred income and prepaid expenses are recognized for payments received or paid up to the reporting date that represent income or expenses relating to the period after the reporting date.

Equity is recognized at its par value.

Foreign currency receivables and liabilities are measured at the lower of cost or market on the reporting date. Foreign currency receivables and liabilities with a remaining term of one year or less are measured at the mid-market spot rate on the reporting date in accordance with Section 256a German Commercial Code.

Provisions for pensions and similar obligations are calculated on the basis of recognized actuarial principles using the projected unit credit method. The 2018 G mortality tables published by Prof. Klaus Heubeck were used as the biometric calculation basis. An average remaining term of 15 years was generally assumed for discounting purposes, in accordance with Section 253(2) German Commercial Code. The average market interest rate for the past ten years of 2.06% (previous year: 1.90%) – rather than for the past seven years of 2.22% (previous year: 1.96%) – as calculated by Deutsche Bundesbank as of the reporting date was used as the discount factor. Income from changes in the discount rate is recognized in net interest income.

The following parameters were used for the calculation:

interest rate: 2.06% (previous year: 1.90%)
salary trend: 3.20% (previous year: 3.20%)
pension trend: 2.20% (previous year: 2.20%)
turnover: 2.66% (previous year: 2.67%)

In accordance with Section 253(1) s. 4 German Commercial Code, plan assets were measured at fair value.

The calculation of other provisions reflects all identifiable risks and all uncertain obligations. Provisions are measured at their settlement amount in accordance with Section 253(1) and (2) German Commercial Code.

Liabilities are recognized at their settlement amount in accordance with Section 253(1) German Commercial Code.

Deferred taxes are recognized in respect of differences between the carrying amounts of assets, liabilities and prepaid expenses in the German GAAP balance sheet and their tax base, provided that these are expected to reverse in subsequent fiscal years. Deferred tax assets and liabilities are presented net (Section 274(1) s. 3 German Commercial Code). Any resulting tax liability is recognized as a deferred tax liability in the balance sheet. There is an excess of deferred tax assets as of the reporting date after offsetting deferred tax assets and liabilities (net presentation). The Company does not exercise the capitalization option under Section 274(1) s. 2 German Commercial Code, with the result that no deferred taxes are recognized overall in the balance sheet. Differences from the application of the Minimum Taxation Act and any foreign minimum tax laws are not factored into the recognition and measurement of deferred taxes.

Deferred taxes are calculated on the basis of the combined income tax rate of the RENK Group AG tax group, which remains unchanged at 31.95%. This includes corporate income tax, trade tax and the solidarity surcharge.

Expenses and income are recognized on an accrual basis.

3. Balance sheet disclosures

(a) Fixed assets

There were no changes overall in the Company's fixed assets in the fiscal year. The sole fixed assets are the shares in the affiliated company RENK GmbH, Augsburg, Germany. In the previous year, the shares in the affiliated company RENK FinCo GmbH, Augsburg, Germany, were reported. This company was merged with RENK GmbH, Augsburg, Germany, in fiscal year 2025. RENK Group AG does not report any other fixed assets.

**Statement of
Changes in Fixed
Assets**

in €k	Cost at Jan 1	Additions	Des- posals	Re- classi- fications	Cost at Dec 31	Depre- ciation, amor- tization and write- downs at Jan 1	Additions	Dis- posals	Re- classi- fications	Depre- ciation, amor- tization and write- downs at Dec 31	Carrying amounts 2024	Carrying amounts 2025
Long-term financial assets												
Shares in related companies	357,374	-	-	-	357,374	-	-	-	-	-	357,374	357,374

Shareholdings of RENK as of December 31, 2025

Company name and registered office	Shareholding in %	Functional currency (FC)	Equity (FC) ⁶	Net income/loss (LC) ⁶
RENK GmbH, Augsburg, Germany ^{1,2,5}	100	EUR	262,121,000	103,511,000
RENK Bearings GmbH, Hanover, Germany ^{2,4,5}	100	EUR	-	-
RENK Test System GmbH, Augsburg, Germany ^{2,4}	100	EUR	11,852,000	
RENK Magnet-Motor GmbH, Starnberg, Germany ^{2,4}	100	EUR	2,761,694	
RENK France S.A.S., Saint-Ouen-l'Aumône, France	100	EUR	37,294,645	4,118,901
Schelde Gears B.V., Vlissingen, Netherlands	100	EUR	3,600,711	569,353
RENK (UK) Ltd., London, United Kingdom (inactive)	100	GBP	-	-
Horstman Defence Systems Ltd., Bath, United Kingdom	100	GBP	26,268,042	5,917,784
Horstman Holdings Ltd., Bath, United Kingdom	100	GBP	42,826,167	(358,466)
RENK-MAAG GmbH, Winterthur, Switzerland	100	CHF	12,227,875	1,659,310
RENK Transmisyon Sanayi A.S., Istanbul, Türkiye	55	TRY	69,706,467	2,999,803
RENK UAE LLC, Abu Dhabi, United Arab Emirates ³	49	AED	41,593,126	7,159,126
RENK America LLC, Muskegon (MI), United States	100	USD	345,524,834	(9,835,770)
RENK Holdings Inc., Muskegon (MI), United States	100	USD	119,232,017	(19,163,062)
RENK Corporation, Duncan (SC), United States	100	USD	13,340,590	3,688,581
RENK Systems Corporation, Camby (IN), United States	100	USD	5,279,590	1,214,966
Horstman Inc., Sterling Heights (MI), United States	100	USD	1,150,733	(1,026,215)
Horstman Canada Inc., Brampton (ON), Canada	100	CAD	65,051,311	4,074,980
COFICAL RENK MANCAIS DO BRASIL LTDA, Guaramirim, Brazil	98	BRL	21,114,940	6,022,348
RENK Holding Canada Inc., Brampton (ON), Canada	100	CAD	169,313	(6,753)
Modest Tree Media Inc., Halifax (NS), Canada	28.89	CAD	1,555,302	(387,917)
RENK Gears Private Ltd, Bangalore, India	100	INR	301,881,166	(1,806,310)
RENK Korea Co., Ltd., Busan, South Korea	100	KRW	2,418,803,274	736,322,428
RENK Shanghai Service and Commercial Co., Ltd. Shanghai, China	100	CNY	1,609,096	4,186,677
RENK Italia S.r.l., La Spezia, Italy	100	EUR	383,046	(126,954)
RENK America Marine & Industry LLC, Wilmington (DE), United States	100	USD	-	-

¹ The companies exercised the exemption option under Section 291 German Commercial Code.

² The companies made use of the simplification options under Section 264(3) German Commercial Code.

³ Control agreement

⁴ Profit and loss transfer agreement with RENK GmbH; net income/loss is therefore reported as 0.

⁵ Spin-off of the Slide Bearings business unit of RENK GmbH into a separate company (RENK Bearings GmbH) in fiscal year 2025; no equity or earnings were reported for fiscal year 2024 as the Slide Bearings business unit was still part of RENK GmbH at that time.

⁶ Both equity and net income/loss are reported as of the December 31, 2024 reporting date.

(b) Current assets

As in the previous year, all receivables have a remaining term of less than one year.

As of December 31, 2025, the Company reports receivables from affiliated companies of €115,778k (previous year: €1,609k). These primarily relate to the receivables from affiliated companies arising for the first time as of the reporting date under the profit and loss transfer agreement in the amount of €115,400k, which are solely attributable to RENK GmbH. The other changes are due to internal recharging to RENK GmbH, Augsburg, Germany, amounting to €334k (previous year: €1,600k), RENK Text Systems GmbH, Augsburg, Germany, amounting to €34k (previous year: €0k) and RENK Gears Private Ltd., Bangalore, India, amounting to €9k (previous year: €9k).

Other assets include VAT receivables of €1,508k (previous year: €1,438k).

As in the previous year, the other assets have a remaining term of less than one year.

The Company is a member of the RENK Group cash pool. For this reason, no cash funds are reported.

(c) Prepaid expenses

Prepaid expenses as of the reporting date amounted to €164k (previous year: €46k) and were largely composed of consulting expenses for services after the reporting date amounting to €120k (previous year: €14k).

(d) Deferred tax assets

There is an excess of deferred tax assets as of the reporting date after netting deferred tax assets and liabilities (net presentation). The Company does not exercise the capitalization option under Section 274(1) S. 2 German Commercial Code, with the result that no deferred taxes are recognized overall in the balance sheet. The calculated deferred tax assets result primarily from the recognition of provisions for pensions and similar obligations in the tax accounts.

(e) Equity

RENK Group AG reports share capital as of December 31, 2025 of €100,000k (previous year: €100,000k) and capital reserves of €170,531k (previous year: €170,531k).

The subscribed capital of RENK Group AG amounts to €100,000k. It is composed of 100,000,000 no-par value bearer shares, each of which accounts for a notional amount of €1.00 of the share capital. Each no-par value share entitles the holder to one vote at the Annual General Meeting.

The Annual General Meeting of June 4, 2025 resolved to distribute a dividend of €0.42 per share (€42,000k in total). The dividend was paid out on June 9, 2025. The net retained profit remaining after distribution of the dividend in the amount of €1,804k was carried forward to new account.

The Management Board proposes to use €58,000k of the net retained profit in the single-entity financial statements of RENK Group AG amounting to €64,777k as of December 31 to distribute a dividend of €0.58 per dividend-bearing no-par value share. Amounting to €6,777k, the net retained profit remaining after distribution of the dividend is to be carried forward to new account.

RENK Group AG held no treasury shares as of December 31, 2025.

Disclosures on changes in capital reserves:

Change in capital reserves		
in €k	2024	2025
Capital reserves as of Jan 1	225,531	170,531
Withdrawals	(55,000)	-
Capital reserves as of Dec 31	170,531	170,531

Conditional Capital and authorization to issue warrant-linked or convertible bonds as well as profit participation securities conferring option or conversion rights

By resolution of the Annual General Meeting of September 18, 2023, the Management Board of RENK Group AG was authorized, subject to the approval of the Supervisory Board, to issue registered or bearer warrant-linked or convertible bonds and profit participation securities conferring option or conversion rights with limited or unlimited terms in a total nominal amount of up to €50m (in words: fifty million euros) on one or more occasions on or before September 17, 2028. The Management Board was further authorized to grant to debt security holders option or conversion rights for up to 50,000,000 new shares in the Company, each representing a proportionate amount of the share capital of up to €1.00, in accordance with the terms and conditions for warrant-linked or convertible bonds and/or profit participation securities to be set forth by the Management Board.

The Company's share capital has been conditionally increased by up to €50,000,000.00 (in words: 50 million euros) for the purpose of granting shares to holders of the aforementioned instruments (Conditional Capital 2023).

Authorized Capital

The Management Board was authorized, subject to the approval of the Supervisory Board, to increase the Company's share capital by up to a total of €50,000,000.00 (in words: fifty million euros) on one or more occasions on or before September 10, 2028 by issuing up to 50,000,000 new no-par value bearer shares in return for cash or non-cash consideration (Authorized Capital). The par value of the unused Authorized Capital as of December 31, 2025 is €50,000,000.

As a rule, shareholders must be granted preemptive rights to subscribe for shares issued from Authorized Capital. Such statutory preemptive rights may also be upheld by having the new shares acquired by a bank or other financial institution that meets the requirements of Section 186(5) S. 1 German Stock Corporation Act, or a syndicate of such banks or financial institutions, subject to the provision that the shares be offered to shareholders indirectly within the meaning of Section 186(5) German Stock Corporation Act.

In certain circumstances, however, the Management Board is authorized, subject to the approval of the Supervisory Board, to disapply shareholders' statutory preemptive rights with respect to one or more capital increases within the scope of Authorized Capital:

The Management Board decides on the additional elements of rights to shares of stock and the terms and conditions governing issuance, subject to the approval of the Supervisory Board. In so doing, the Management Board may – at variance with Section 60(2) German Stock Corporation Act – structure the profit entitlement such that it applies from the start of the fiscal year preceding the issue, provided the Annual General Meeting has not yet approved the resolution on the appropriation of profits for the fiscal year in question at the time the new shares are issued.

(f) Provisions

Provisions in the fiscal year totaled €17,878k (previous year: €5,156k), of which €9,061k relates to provisions for taxes (previous year: €94k), €8,028k (previous year: €4,411k) relates to other provisions and €789k (previous year: €651k) relates to provisions for pensions.

Pension provisions

Discounting the provisions at the average market interest rate of the past ten years instead of seven years resulted in a difference of €0k. In accordance with Section 253(6) s. 2 German Commercial Code, this difference is subject to a restriction on distribution.

The settlement amount of the provisions for pensions as of December 31, 2025 was €937k (previous year: €794k). In accordance with Section 246(2) s. 2 German Commercial Code, pension provisions must be netted with plan assets. The cost of the plan assets was €148k (previous year: €143k) and corresponded to the fair value as of December 31, 2025.

Provisions for taxes

The provisions for taxes amounting to €9,061k (previous year: €94k) relate to corporate income tax of €4,776k (previous year: €94k) and trade tax of €4,285k (previous year: €0k). The increase is due to the tax group newly formed with RENK GmbH.

Other provisions

The other provisions relate to provisions for costs for the preparation and audit of the annual financial statements amounting to €1,003k (previous year: €764k), costs for the remuneration of the Supervisory Board of €1,016k (previous year: €826k) and personnel provisions of €2,210k (previous year: €1,726k). In addition, €1,111k (previous year: €323k) is attributable to provisions for outstanding invoices, which relate primarily to consulting services, and €8k (previous year: €4k) relating to jubilee provisions. Personnel provisions also include amounts relating to the Long-Term Incentive (LTI) plan for the Management Board amounting to €2,680k (previous year: €768k).

RENK provides a Long-Term Incentive Plan (LTIP) with a four-year performance period, as described below, for members of the Management Board. The aim is to ensure that remuneration is aligned with long-term objectives and sustainability in accordance with legislative requirements (the German Stock Corporation Act ("Aktiengesetz") and German Corporate Governance Code). In addition, RENK aims to provide incentives for the implementation of strategic corporate targets as well as for achieving sustainable business performance to enhance value creation.

The Long-Term Incentive Plan (LTIP) is based on the granting of performance share units (PSUs) and is awarded in annual tranches, each with a four-year performance period. The beneficiaries are granted virtual shares on this basis. RENK has the option to settle payments under the LTIP in the form of equity instruments or cash. It is intended that this option will be exercised in favor of equity settlement.

(g) Liabilities

The liabilities of RENK Group AG amounted to €121,637k (previous year: €40,976k) as of the reporting date and are broken down as follows:

Liabilities	December 31, 2024				December 31, 2025			
	Remaining term				Term to maturity			
	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years	Total
in €k								
Trade payables	2,251	-	-	2,251	3,760	-	-	3,760
Liabilities to affiliated companies	7,316	30,010	-	37,326	43,801	72,020	-	115,821
thereof from loans	-	30,010	-	30,010	-	72,020	-	72,020
Other liabilities	1,399	-	-	1,399	2,056	-	-	2,056
Total	10,966	30,010	-	40,976	49,617	72,020	-	121,637

Trade payables relate in particular to commitments for purchased services amounting to €3,760k (previous year: €2,251k).

Liabilities to affiliated companies amounting to €115,821k (previous year: €37,326k) are attributable in full to RENK GmbH, Augsburg, Germany. Of this amount, €72,020k (previous year: €30,010k) is attributable to two long-term loans and €42,963k (previous year: €7,316k) to cash pool liabilities. The €42,010k increase in liabilities to affiliated companies from loans to €72,020k is attributable to a new loan granted by RENK GmbH.

Other liabilities include €1,186k for VAT (previous year: €1,312k) and €81k (previous year: €80k) withheld wage tax. In addition, they include liabilities relating to social security and similar obligations amounting to €16k (previous year: €7k).

4. Income statement disclosures

Revenue of €6,793k (previous year: €2,839k) relates solely to intragroup cost allocations charged for the performance of corporate functions. The cost allocations charged include a markup consistent with the market and are fully attributable to Germany.

Other operating income of €170k (previous year: €8,464k) solely result from intragroup cost allocations charged in connection with the acquisition of Cincinnati Gearing Systems Inc., Cincinnati (United States) and Lee Holdings LLC, Wilmington (United States). In the previous year, this mainly included intragroup cost allocations charged in connection with the IPO amounting to €8,379k.

Personnel expenses amounting to €8,007k (previous year: €4,877k) include €7,332k (previous year: €4,257k) in expenses for salaries and €675k (previous year: €620k) in social security expenses. Of this amount, €417k is attributable to pensions (previous year: €496k).

Other operating expenses mainly include consulting costs of €4,757k (previous year: €11,563k). Supervisory Board bonuses account for €1,059k (previous year: €989k). Also included are the costs of €1,313k (previous year: €1,265k) for the preparation and audit of the annual financial statements.

The interest expense relates to the interest expense for the loan liability to affiliated companies amounting to €3,243k (previous year: €1,378k) and the interest expense in connection with the pension provisions amounting to €15k (previous year: €5k).

Taxes on income amount to €36,917k (previous year: €95k) and result from trade tax amounting to €19,278k (previous year: €0k) and corporate income tax and the solidarity surcharge amounting to €17,639k (previous year: €94k). In addition, a control and profit and loss transfer agreement was entered into between RENK Group AG and RENK GmbH, resulting in the establishment of a consolidated tax group. On June 4, 2025, the Annual General Meeting of RENK Group AG approved the control and profit and loss transfer agreement between RENK Group AG and RENK GmbH. On entry in the commercial register on June 18, 2025, the control and profit and loss transfer agreement came into force with retrospective effect from January 1, 2025.

5. Other disclosures

(a) Employees

In the past fiscal year, the Company had an average of 15 employees (previous year: 7). The employees are made up of three Management Board members (previous year: 3) and 12 management personnel (previous year: 4).

(b) Consolidated financial statements

As the parent company, RENK Group AG prepares consolidated financial statements for both the smallest and the largest group of consolidated companies. It prepares the consolidated financial statements in accordance with the IFRS Accounting Standards, as adopted by the EU, and the supplementary provisions of Section 315e German Commercial Code. These are published in the company register.

(c) Related party disclosures

In the course of its ordinary business activities, the Company maintains business relationships with numerous companies, including affiliated companies that are considered related parties. Transactions with related parties include financial transactions as well as trade in goods and services. All transactions with related parties are conducted on an arm's length basis.

(d) Management Board

Members of the Management Board and mandates of the Management Board members

	Function	Appointment	Membership of supervisory bodies
Dr. Alexander Sagel	Chief Executive Officer	Since February 1, 2025	RENK Italia Srl.
	Chief Operating Officer	April 1, 2024 to January 31, 2025	RENK Holdings Inc.
			RENK America LLC.
			RENK Holding Canada Inc. Modest Tree Media Inc.
Anja Mänz-Siebjø	Chief Financial Officer	Since October 1, 2024	RENK Italia Srl.
			RENK Holdings Inc.
			RENK America LLC.
Dr. Emmerich Schiller	Chief Operating Officer	Since March 1, 2025	Member of the Board of Directors of Wagner International AG, Altstätten, Switzerland (since 2024)
			RENK Holdings Inc. (until January 31, 2025)
Susanne Wiegand	Chief Executive Officer	September 13, 2023 until January 31, 2025	RENK America LLC. (until January 31, 2025)
			Member of the Supervisory Board and the Personnel Committee of BWI GmbH
			Member of the Executive Committee and chair of the Safety Committee of the Federation of German Industries (BDI)

(e) Supervisory Board**Supervisory Board****Shareholder representative**

Ms. Doreen Nowotne, self-employed management consultant
Member of the Advisory Board and chair of the Risk and Audit Committee of Engel & Völkers Holding GmbH, Hamburg
Member of the Supervisory Board of Weidmüller Holding AG & Co. KG, Detmold, Germany
Chair of the Personnel Committee
Chair of the Nomination Committee

Ms. Karin Sonnenmoser, member of the Supervisory Board and chair of the Audit Committee of INNIO Jenbacher GmbH & Co. KG, Jenbach, Austria,
Member of the Supervisory Board of testo SE, Titisee/Neustadt, Germany,
Member of the Supervisory Board and Chair of the Audit Committee of technotrans SE, Sassenberg, Germany,
Member of the Board of Directors and chair of the Audit Committee of u-box AG (until Nov 2025), Thalwil, Switzerland,
Chair of the Audit Committee

Mr. Florian Hohenwarter, Chief Executive Officer of KNDS Deutschland GmbH & Co. KG

Mr. Johannes Meier, Independent consultant and supervisory board member,
Member of the Audit Committee and the Nomination Committee

Mr. Klaus Stahlmann, Non-executive member of the Board of Directors of Trillium Flow Technologies Holdco Ltd, London, United Kingdom,
Member of the Mediation Committee

Mr. Claus von Hermann, Investment advisory professional, co-Head (DACH) of Triton Partners, Frankfurt am Main // Member of the Investment Advisory Committee at Triton Partners, Frankfurt am Main (employed by Triton Beratungsgesellschaft GmbH), Chair of the Supervisory Board and member of the Nomination Committee, the Personnel Committee and the Mediation Committee

Employee representatives

Mr. Sascha Dudzik, 1st and Treasurer of IG Metall Hannover,
Member of the Supervisory Board of WABCO GmbH,
Member of the Supervisory Board of KraussMaffei Group GmbH, Vaterstetten, Parsdorf,
Member of the Supervisory Board of Deutsche Messe AG, Hanover,
Member of the Audit Committee

Mr. Lothar Evers, chair of the Works Council of RENK GmbH at the Rheine site and deputy chairman of the General Works Council of RENK GmbH,
Member of the Mediation Committee

Ms. Adela Lieb, Head of Operational Accounting of RENK Group AG / RENK GmbH / RENK Test System GmbH / RENK Bearings GmbH, Head of Commercial Order Processing, RENK Group AG / RENK GmbH, Augsburg / RENK Test System GmbH

Mr. Mario Sommer, Head of Process Planning Manufacturing in Vehicle Transmissions division, RENK GmbH (formerly: RENK AG)

Mr. Klaus Refle, chair of the General Works Council of RENK GmbH,
chair of the Works Council of RENK GmbH, Augsburg and chair of the Works Council of RENK Test System GmbH,
Member of the Audit Committee, Personnel Committee and Mediation Committee

Ms. Ferdije Rrecaj, First authorised representative and Treasurer of IG Metall Augsburg, Member of the Supervisory Board of Everllence SE, Member of the Supervisory Board of Airbus Helicopters Deutschland GmbH, Member of the Personnel Committee

The members of the Supervisory Board of RENK Group AG are also the members of the Supervisory Board of RENK GmbH.

(f) Management Board and Supervisory Board remuneration

The remuneration of RENK Group AG Management Board members is made up of a fixed and variable component. In addition, Management Board members receive a pension entitlement. The total remuneration granted for Management Board activities in fiscal year 2025 in accordance with Section 315e, in conjunction with Section 314(1) No. 6a German Commercial Code, amounted to €5,263k (previous year: €4,914k). This includes share-based payment in the fiscal year with a fair value of €2,552k (previous year: €2,047k) and 75k (previous year: 108k) issued shares.

Pensions and related benefits paid to former members of the Management Board and the management and their surviving dependents amounted to €0k (previous year: €0k). Pension obligations to former members of the Management Board and the management and their surviving dependents totaled €594k before netting with plan assets (previous year: €171k). This resulted in a provision of €594k (previous year: €171k).

Supervisory Board remuneration amounted to €1,020k in the fiscal year (previous year: €989k).

(g) Auditor's fee

Disclosures on the auditor's fee are included in the consolidated financial statements of RENK Group AG. Hence, they are not disclosed here in accordance with the exemption option pursuant to Section 285 No. 17 German Commercial Code.

The audit services include the audit of the annual and consolidated financial statements of RENK Group AG, the audit or review of the separate IFRS financial statements of individual subsidiaries as well as the review of the half-year financial report. Other assurance services primarily relate to the limited assurance audit of the sustainability statement and the voluntary audit of the remuneration report. Other assurance services in the previous year primarily related to services in connection with the IPO (comfort letter).

(h) Voting rights notifications

Under Section 21 German Securities Trading Act, the Federal Financial Supervisory Authority (BaFin) oversees the reporting thresholds for share ownership. Accordingly, RENK Group AG regularly informs the capital markets about voting rights notifications. In addition to publishing notifications when shareholdings exceed or fall below the reporting thresholds, RENK Group AG reports on the purchase of financial and other instruments that entitle the holder to acquire shares (Sections 25 and 25a German Securities Trading Act).

As of December 31, 2025, the following shareholdings in the Company were notified in accordance with Section 33(1) German Securities Trading Act:

Voting rights notifications pursuant to Section 33 German Securities Trading Act					
Entity subject to notification requirements	Reason for the notification	Total voting rights	Total voting rights in %	Date on which threshold was reached	Publication by RENK
Wellington Management Group LLP, Boston (MA), United States	Acquisition/disposal of shares with voting rights	3,075,613	3.08	Nov 18, 2025	Nov 25, 2025
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	Acquisition/disposal of shares with voting rights	2,937,185	2.94	Oct 1, 2025	Oct 6, 2025
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	Acquisition/disposal of shares with voting rights	3,271,182	3.27	Sep 30, 2025	Oct 6, 2025
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	Acquisition/disposal of shares with voting rights	2,696,035	2.70	Sep 24, 2025	Sep 29, 2025
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	Acquisition/disposal of shares with voting rights	3,111,772	3.11	Sep 23, 2025	Sep 29, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,471,595	3.47	Sep 15, 2025	Sep 19, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	2,998,887	2.99	Sep 12, 2025	Sep 17, 2025
Triton GP HoldCo SARL, Luxembourg, Luxembourg (Rebecca BidCo SARL)	Acquisition/disposal of shares with voting rights	2,958,668	2.96	Aug 18, 2025	Aug 20, 2025
Triton GP HoldCo SARL, Luxembourg, Luxembourg (Rebecca BidCo SARL)	Acquisition/disposal of shares with voting rights	4,545,668	4.55	Aug 13, 2025	Aug 20, 2025
KNDS N.V., Amsterdam, Netherlands	Acquisition/disposal of shares with voting rights, exercise of rights under financial instruments	15,833,333	15.83	Jul 25, 2025	Aug 8, 2025
KNDS N.V., Amsterdam, Netherlands	Acquisition/disposal of instruments	6,666,666	6.67	Jul 23, 2025	Aug 3, 2025

**Voting rights notifications pursuant to Section 33
German Securities Trading Act**

Entity subject to notification requirements	Reason for the notification	Total voting rights	Total voting rights in %	Date on which threshold was reached	Publication by RENK
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,140,023	3.14	Jul 22, 2025	Jul 25, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	2,819,935	2.82	Jul 17, 2025	Jul 23, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,015,671	3.02	Jul 16, 2025	Jul 21, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	2,935,764	2.94	Jul 14, 2025	Jul 18, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,061,194	3.06	Jul 8, 2025	Jul 11, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	2,994,063	2.99	Jun 19, 2025	Jun 24, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,036,764	3.04	Jun 18, 2025	Jun 23, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	2,701,177	2.70	Jun 16, 2025	Jun 20, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,115,096	3.12	Jun 12, 2025	Jun 17, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	2,992,900	2.99	Jun 11, 2025	Jun 17, 2025
BlackRock, Inc., Wilmington (DE), United States	Acquisition/disposal of shares with voting rights	3,008,446	3.01	Jun 10, 2025	Jun 16, 2025
The London & Amsterdam Trust Company Limited, Cayman Islands	Acquisition/disposal of shares with voting rights	3,095,237	3.10	Oct 2, 2024	May 27, 2025
The Rovida Group Protector Company Limited, Cayman Islands	Acquisition/disposal of shares with voting rights	3,095,237	3.10	Oct 2, 2024	May 27, 2025
Rovida Investment Management Limited, Cayman Islands	Acquisition/disposal of shares with voting rights	3,095,237	3.10	Oct 2, 2024	Mar 21, 2025
Wellington Management Group LLP, Boston (MA), United States	Acquisition/disposal of shares with voting rights	2,988,191	2.99	Mar 17, 2025	Mar 21, 2025
Société Générale S.A., France	Non-application of the trading exemption in accordance with Section 36(1) German Securities Trading Act; delta-adjusted for cash settlement of warrants	0	0.00	Jun, 20, 2025	Mar 21, 2025
Société Générale S.A., France	Non-application of the trading exemption in accordance with Section 36(1) German Securities Trading Act; delta-adjusted for cash settlement of warrants	421,031	0.42	Mar 17, 2025	Mar 21, 2025

Voting rights notifications pursuant to Section 33 German Securities Trading Act					
Entity subject to notification requirements	Reason for the notification	Total voting rights	Total voting rights in %	Date on which threshold was reached	Publication by RENK
Triton GP HoldCo SARL, Luxembourg, Luxembourg (Rebecca BidCo SARL)	Acquisition/disposal of shares with voting rights	18,333,335	18.33	Mar 6, 2025	Mar 12, 2025
Triton GP HoldCo SARL, Luxembourg, Luxembourg (Rebecca BidCo SARL)	Acquisition/disposal of shares with voting rights	21,256,572	21.26	Feb 27, 2025	Mar 5, 2025
Triton GP HoldCo SARL, Luxembourg, Luxembourg (Rebecca BidCo SARL)	Acquisition/disposal of shares with voting rights	27,909,897	27.91	Feb 18, 2025	Feb 25, 2025
Triton GP HoldCo SARL, Luxembourg, Luxembourg (Rebecca BidCo SARL)	Acquisition/disposal of shares with voting rights	27,909,897	27.91	Feb 18, 2025	Feb 24, 2025
Rebecca Management S.á r.l., Luxembourg, Luxembourg	Acquisition/disposal of shares with voting rights	0	0.00	Feb 10, 2025	Feb 13, 2025

In 2026, the following shareholdings in the Company existed until February 27, 2026, and were notified in accordance with Section 33(1) German Securities Trading Act:

Voting rights notifications in accordance to Section 33 German Securities Trading Act					
Entity subject to notification requirements	Reason for the notification	Total voting rights	Total voting rights in %	Date on which threshold was reached	Publication by RENK
Wellington Management Group LLP, Boston (MA), United States	Acquisition/disposal of shares with voting rights	3,014,076	3.01	Jan 2, 2025	Jan 8, 2026
Wellington Management Group LLP, Boston (MA), United States	Acquisition/disposal of shares with voting rights	2,998,987	3.00	Dec 29, 2025	Jan 6, 2026

(i) Contingent liabilities/Other financial commitments

In fiscal year 2025, guarantees in the amount of €134,744k (previous year: €124,347k) were issued, which relate to guarantees for delivery and service obligations of affiliated companies. They are not expected to be utilized, as the companies concerned have a positive financial position.

In addition, charges may arise from the control and profit and loss transfer agreement concluded between RENK Group AG and RENK GmbH.

(j) Events after the reporting period

Events after the reporting period were evaluated up until the date of preparation of the annual financial statements. There were no subsequent events that were required to be recognized or disclosed before the publication date of the annual financial statements.

6. Declaration of Conformity with the German Corporate Governance Code

The German Corporate Governance Code contains rules and recommendations for the responsible management and control of listed companies. In accordance with Section 161 German Stock Corporation Act, the management board and supervisory board of listed stock corporations are obliged to declare once a year that the recommendations of the Government Commission on the German Corporate Governance Code have been and are being complied with, or which recommendations have not been and are not being complied with.

The Management Board and Supervisory Board of RENK Group AG issued the Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 German Stock Corporation Act in December 2025. The Declaration of Conformity was published on RENK's website on December 19, 2025 and is available at <https://ir.renk.com/de/corporate-governance/> in the subsection "Declaration of Conformity".

Augsburg, February 27, 2026

RENK Group AG

Dr. Alexander Sagel

Chief Executive Officer

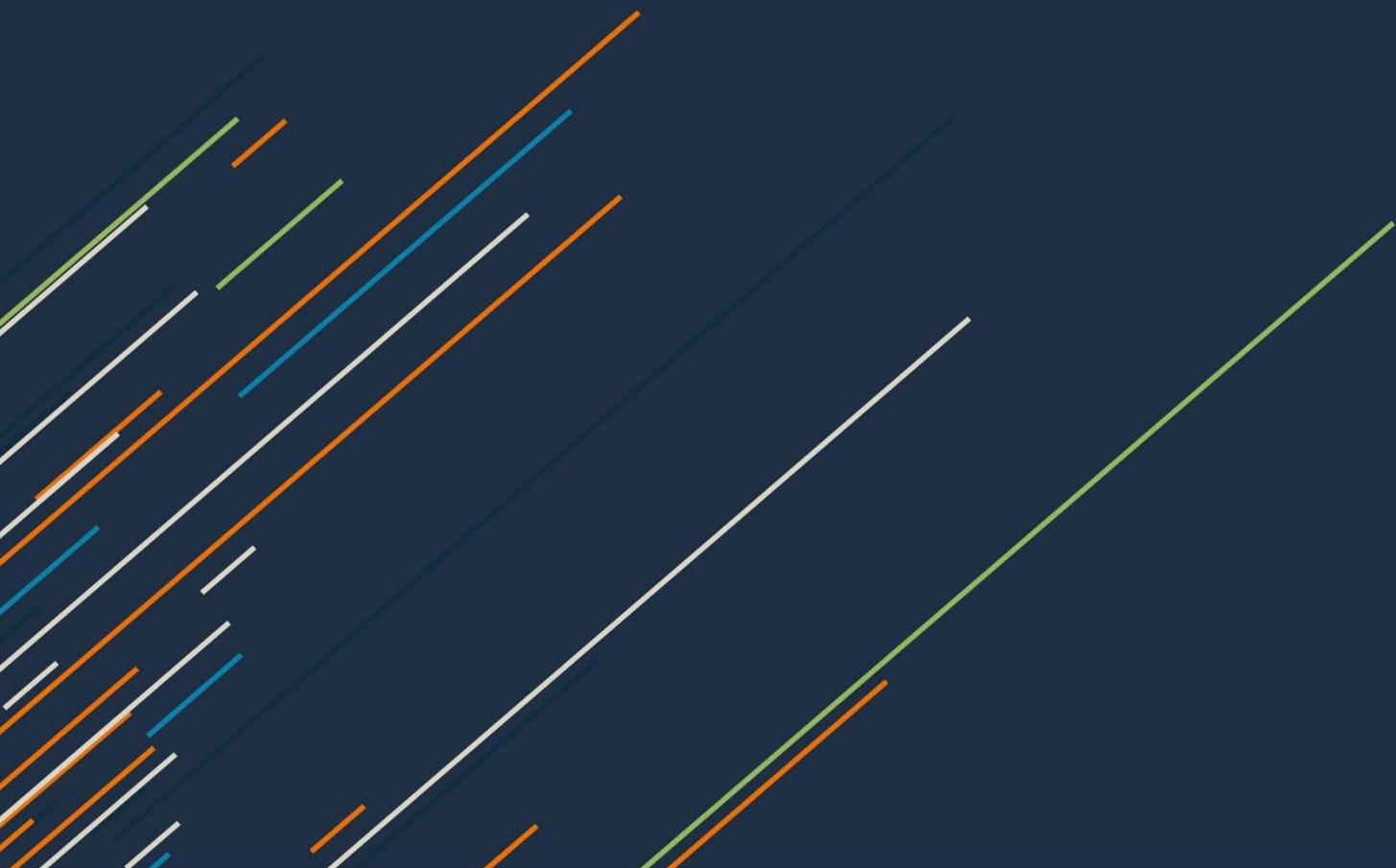
Anja Mänz-Siebjé

Chief Financial Officer

Dr. Emmerich Schiller

Chief Operating Officer

C. Further information



1. Responsibility statement

To the best of our knowledge, we confirm that, in accordance with the applicable accounting principles, the annual financial statements provide a true and fair view of the income, assets and financial position of RENK Group AG, and that the Management Report, which is summarized in the Group Management Report, presents the business performance, including the results of operations, and the position of RENK Group AG in a manner that provides a true and fair view, and describes the significant opportunities and risks of the expected development of RENK Group AG.

Augsburg, February 27, 2026

RENK Group AG
The Executive Board

Dr. Alexander Sagel
Chief Executive Officer

Anja Mänz-Siebjé
Chief Financial Officer

Dr. Emmerich Schiller
Chief Operating Officer

2. Independent Auditor's Report

To RENK Group AG, Augsburg

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of RENK Group AG, Augsburg, which comprise the balance sheet as at 31 December 2025, and the statement of profit and loss for the financial year from 1 January to 31 December 2025 and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of RENK Group AG, which is combined with the group management report, for the financial year from 1 January to 31 December 2025. In accordance with the German legal requirements, we have not audited the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2025 and of its financial performance for the financial year from 1 January to 31 December 2025 in compliance with German Legally Required Accounting Principles and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

① Measurement of shares in affiliated companies

Our presentation of this key audit matter has been structured as follows:

- ① Matter and issue
- ② Audit approach and findings
- ③ Reference to further information

Hereinafter we present the key audit matter:

① Measurement of shares in affiliated companies

① In the annual financial statements of the Company shares in affiliated companies amounting to € 357.4 million (75,26% of the balance sheet total) under the balance sheet item "Financial assets." Shares in affiliated companies are measured in accordance with German commercial law at the lower of cost and fair value. The fair values are calculated using dividend discount methods as the present values of the expected future financial surpluses according to the planning projections prepared by the executive directors. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. The discount rate used is the capitalization rate calculated individually for the respective affiliated company. On the basis of the values determined and supplementary documentation, no write-downs were required for the financial year. The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors of the future financial surpluses, and on the respective discount rates and rates of growth used. The valuation is therefore subject to material uncertainty. Against this background and due to the highly complex nature of the valuation and its material significance for the Company's net assets and results of operations, this matter was of particular significance in the context of our audit.

② As part of our audit, we assessed the methodology used by the Company for the purposes of measuring the shares in affiliated companies, among other things. In particular, we assessed whether the fair values of the material equity investments had been appropriately determined using the dividend discount method in compliance with the relevant measurement standards. We based our assessment, among other things, on a comparison with general and sector-specific market expectations as well as on the executive directors' detailed explanations regarding the key value drivers underlying the expected financial surpluses. In the knowledge that even relatively small changes in the discount rate and the growth rates applied can have a material impact on values, we focused our testing in particular on the parameters used to determine the discount rate and growth rates applied, and assessed the calculation model. We concluded by assessing whether the earnings values calculated in this way were properly compared against the respective carrying amounts of the shares in affiliated companies in order to ascertain any impairment losses or reversals of impairment losses.

In our view, taking into consideration the information available, the valuation parameters and underlying assumptions used by the executive directors are appropriate overall for the purpose of appropriately measuring the shares in affiliated companies.

③ The Company's disclosures relating to financial assets are contained in the section entitled "Accounting policies" and section 3. (a) "Fixed assets" of the notes to the financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the management report:

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB included in section „Combined Corporate Governance Statement in accordance with Section 289f and Section 315d German Commercial Code“ of the management report

- the non-financial statement to comply with §§ 289b to 289e HGB and §§ 315b to 315c HGB included in section „Sustainability Statement“ of the management report

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control of the Company and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the electronic file RENK_LB+EA-2025-12-31-0-de.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with § 328 Abs. 1 Satz 4 Nr. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF-documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the annual financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 5 June 2025. We were engaged by the supervisory board on 15 December 2025. We have been the auditor of the RENK Group AG, Augsburg, without interruption since the financial year 2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

REFERENCE TO AN OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Holger Graßnick.

Munich, 27 February 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Holger Graßnick

Wirtschaftsprüfer
(German Public Auditor)

Dario Nikolic

Wirtschaftsprüfer
(German Public Auditor)

 **Trusted Partner.**

RENK Group AG

Gögginger Straße 73

86159 Augsburg

T +49 821 5700-0

F +49 821 5700-460

www.renk.com