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FORE

WORD

Dear readers,

As a family-run business, we think in terms of cycles that extend beyond individual financial years – and it is precisely this perspective that proved its worth again last year: we are very well positioned strategically, in terms of our workforce and financially to successfully overcome a wide range of challenges. This stability is no coincidence, but the result of consistent business decisions over many years – decisions that ensure we retain the flexibility to act even in economically challenging times.

Nor have we slacked off on sustainability during this period. We have made tangible progress towards our long-term goals in several areas. For example, we were able to reduce the proportion of kraftliner on average from 11.4 to 10.9 per cent – bringing us close to the target we had set for the reporting year. With regard to average basis weight, we recognised the increased market demand for lighter grades at an early stage and significantly boosted sales in this area. With a reduction of 6.2 per cent compared with 2012, we have already exceeded our target set for 2030.

In other areas, new challenges have arisen, which we are tackling head-on. Following several years of steady decline, our specific CO₂e emissions in scopes 1 and 2 were once again higher than the previous year's level. This is largely attributable to the commissioning of our new PPO2 waste-to-energy plant in Sandersdorf-Brehna. As PPO2 supplies energy to our PM3 paper mill but does not itself produce either paper or corrugated board – against which the resulting emissions could be offset – they have a significant statistical impact. However, PPO2 remains a valuable component of the circular economy at the site. And with the transition to normal operation, the auxiliary firing with natural gas required during the start-up phase is no longer necessary, so we expect to make a significant contribution to reducing the consumption of fossil fuels in the medium term.

With a view to long-term development, we look to the future with optimism thanks to our robust business model, our forward-looking strategic direction and the entrepreneurial drive that has always characterised us as a family-run business. For us, sustainability is not at odds with economic success, but rather a prerequisite for it. It is precisely this that drives us to continue steadfastly on our path together with our customers, employees, partners and all other stakeholders – for the sake of our company and for future generations.

Yours,

A handwritten signature in blue ink, consisting of stylized, overlapping loops and strokes, representing the name Maximilian Heindl.

Maximilian Heindl
Chief Executive Officer, Progroup AG

CONTENTS

OUR COMPANY

An expanding family company

Business model
Digital transformation

7

Our sustainable products

Part of the circular economy
Green Hightech
Adding value in Europe
Corrugated board instead of plastic

12

Business ethics

Compliance structure
Whistleblower system
Code and policies
Management
Sustainable procurement

15

STAKEHOLDERS AND MATERIALITY

Identification of key issues

23

Dialogue with our stakeholders

26

Sustainability organisation

29

Corporate structure	33
Value-added chain	34
Corporate strategy	34
Economic performance	36

3

ECO NO MY

5

SO CIAL AS PECTS

4

ECO LOGY

Our workforce	47
Dialogue with the workforce	
Close links to people	
Training and development	
Boosting equal opportunities	
Occupational safety as the most important task	

Charitable involvement	54
Our projects	

Circular economy in practice	39
-------------------------------------	-----------

Our raw materials	40
Fewer raw materials in corrugated board	
Recycled fibre instead of fresh fibre	

Water and wastewater	40
Biological water treatment	
Reduction of wastewater r	

Energy and emissions	43
Our waste-to-energy plants	
Greenhouse gas balance	

General Information

This sustainability report from Progroup AG focuses on the 2025 financial year and covers all the business units that were operating in the reporting period.

Any variations are highlighted. The report makes reference to the GRI standards. The key figures have been externally audited by GUTcert – GUT Zertifizierungsgesellschaft für Managementsysteme mbH, Berlin (p. 58).

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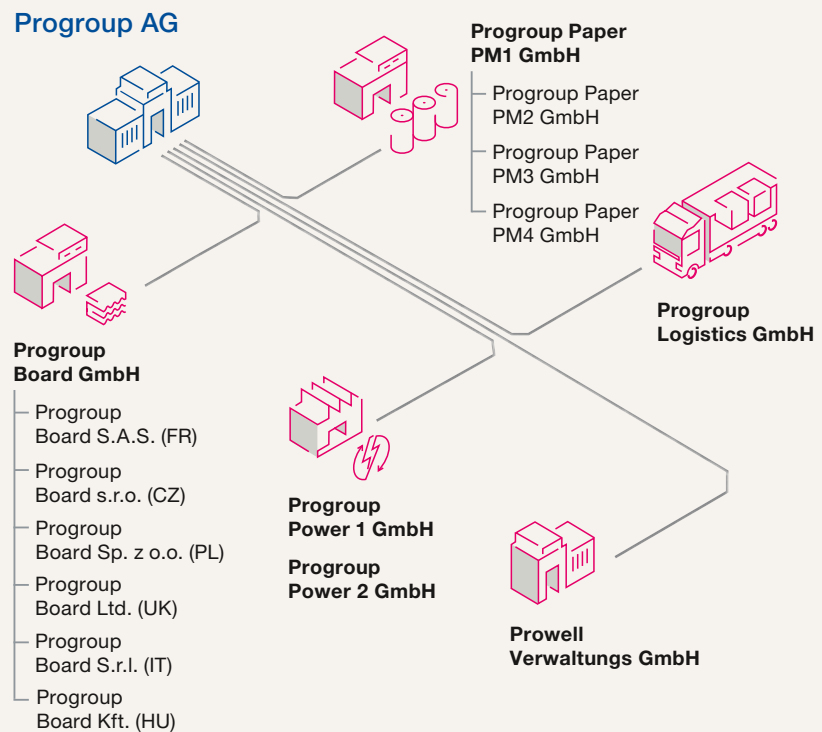
An expanding family company

Progroup AG, which is based in Landau in the German state of Rhineland-Palatinate, is a family-run company that has been working for many

decades with its selection of medium-sized customers both in Germany and abroad. We are proud to be one of the biggest manufacturers of container-board and corrugated board sheets in Europe. Sustainability is part of our company's philosophy. Ever since our

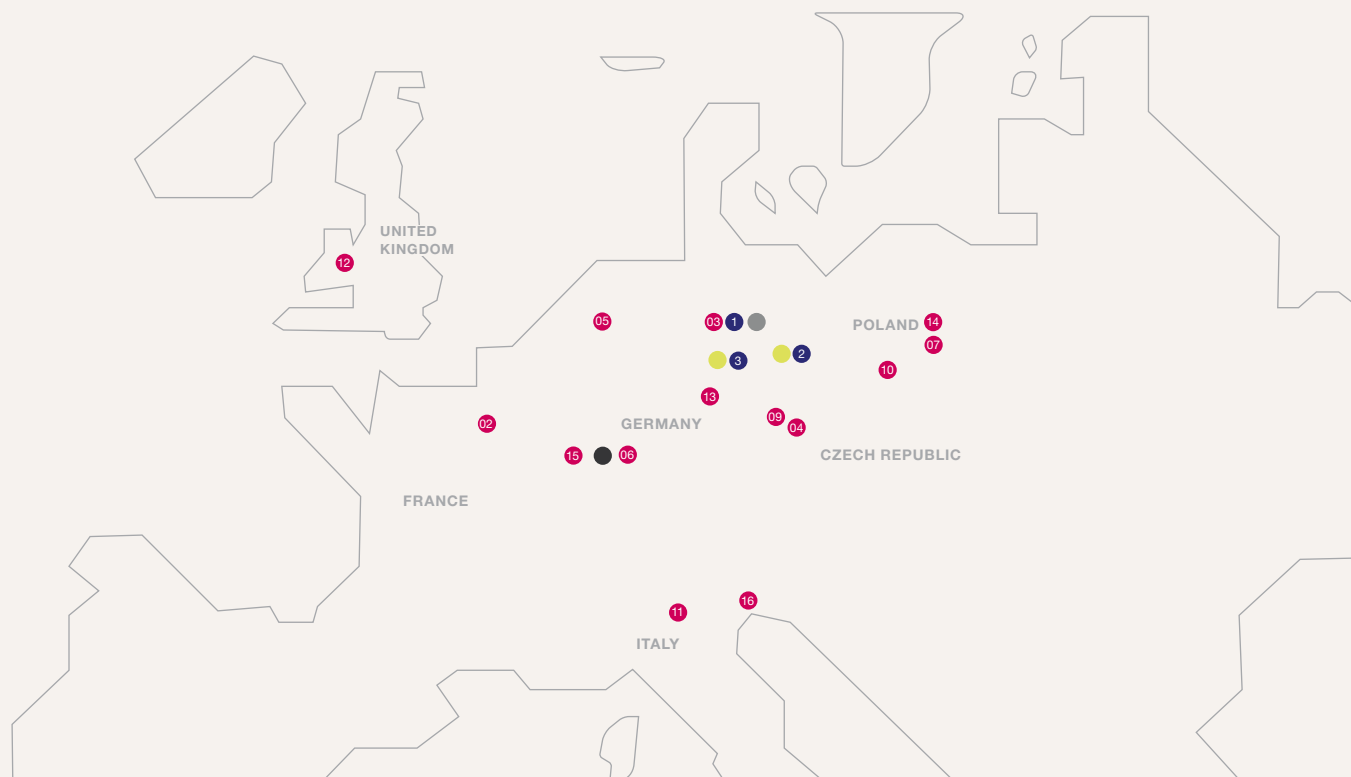
company was founded back in 1991, we have pursued a consistent growth strategy that is based on technological leadership and an innovative business model which successfully combines profitability, closes links to customers and ecological aspects.

Progroup's corporate structure



The scope of this sustainability report encompasses all the business units of Progroup AG that were operating in the reporting period. This includes the companies that are shown here, with the exception of Prowell Verwaltungs GmbH, which does not have any relevant assets, and the companies Progroup Paper PM4 GmbH and Progroup Board Kft, which are still in the planning phase.

Our locations



Progroup manufactures containerboard and corrugated board sheets of different grades. We produce containerboard at three locations in Germany, and corrugated board sheets at 14 locations in six different European countries.

● Board ● Logistics ● Group Office
● Paper ● Power

What makes Progroup special



Our vision

Our visionary business strategy and the unique business model are what make us the company with the biggest organic growth in the industry.



Our mission

Our partners are independent packaging manufacturers. We follow our mission in helping them to grow – with reliability, expertise and the outstanding structures of a highly specialised provider.



Our culture and values

The culture in our family company is unique and gives us a key competitive advantage that cannot be copied.

Business model

Our business model is unique in many different ways. Our target customers are family-run small and medium-sized enterprises that manufacture packaging but do not have their own corrugated board production capacities. We have often been working with them for many decades. We do not compete with them because we only produce containerboard and corrugated board sheets, but do not make packaging. We

grow alongside our customers thanks to our closely linked production.

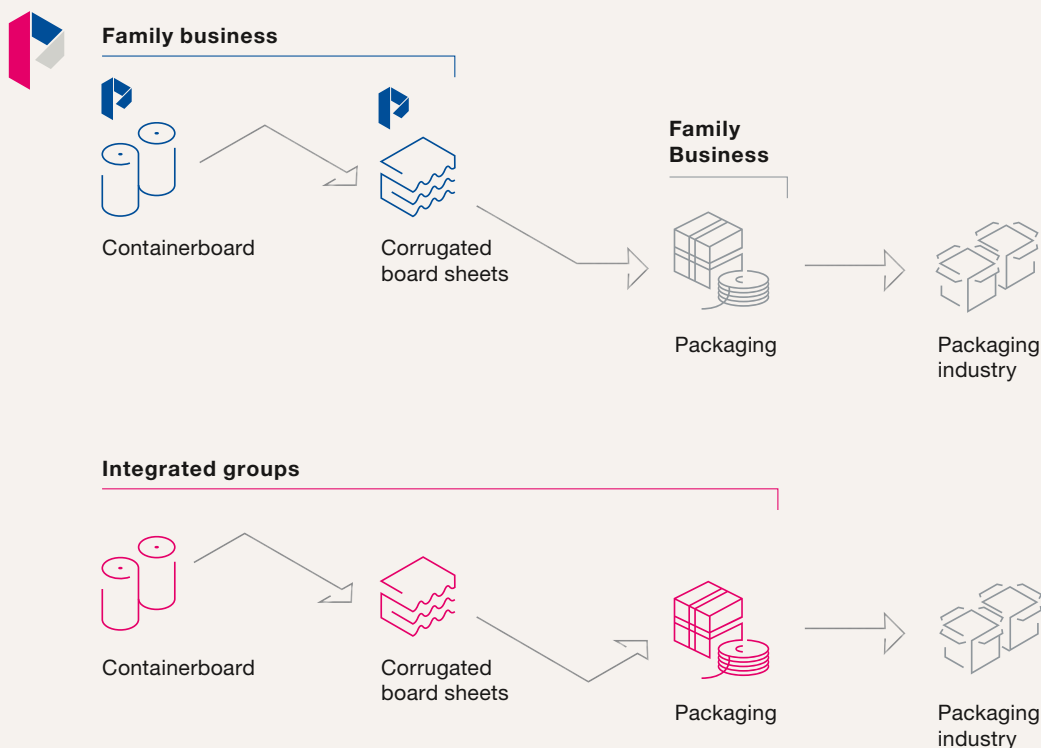
With some of our biggest customers, the cooperation goes one step further: The packaging park I model involves a customer establishing themselves right next to one of our corrugated sheetfeeder plants. With the packaging park II model, we do the reverse and construct a corrugated sheetfeeder plant next to our customer. What both

models have in common is the principle that both partners maintain their independence as businesses, but manufacture together in a virtual integration, next door to each other and hand in hand. When we link up with a customer in this way, we build highly efficient corrugated board plants that are very much state-of-the-art when it comes to technology. A plant like this will operate for at least 25 years.

In both cases, we link together the manufacture of the corrugated board and packaging. The ecological advantages are also significant: Our corrugated board does not have to be transported by truck over many kilometres, but instead travels via conveyor belts from the Progroup plant to our customer's plant.

This allows us to take traffic off the roads, reduce CO₂ emissions and lower logistics costs. However, the majority

Packaging manufacturers as target customers



Progroup's business model (top) differs from that of integrated groups (bottom). Instead of producing packaging ourselves, we deliver corrugated board sheets particularly to small and medium-sized packaging manufacturers. They are mostly family businesses just like us.



WE SHOW HOW THE CIRCULAR ECONOMY WORKS SUCCESSFULLY

of our business is done outside of packaging parks, with our approximately 500 small and medium-sized customers in Central Europe. Cooperating with Progroup also offers them a number of advantages: As we produce our own containerboard, we are able to manufacture reliably and also cater for requests at very short notice. We can give our customers an assurance they will receive their deliveries within no more than 48 hours and meet a very high proportion of delivery deadlines. The combination of smaller and medium-sized orders and central management of our plants allows our facilities to operate with an excellent workload, efficient production with a low level of rejects and great efficiency as a result. This is

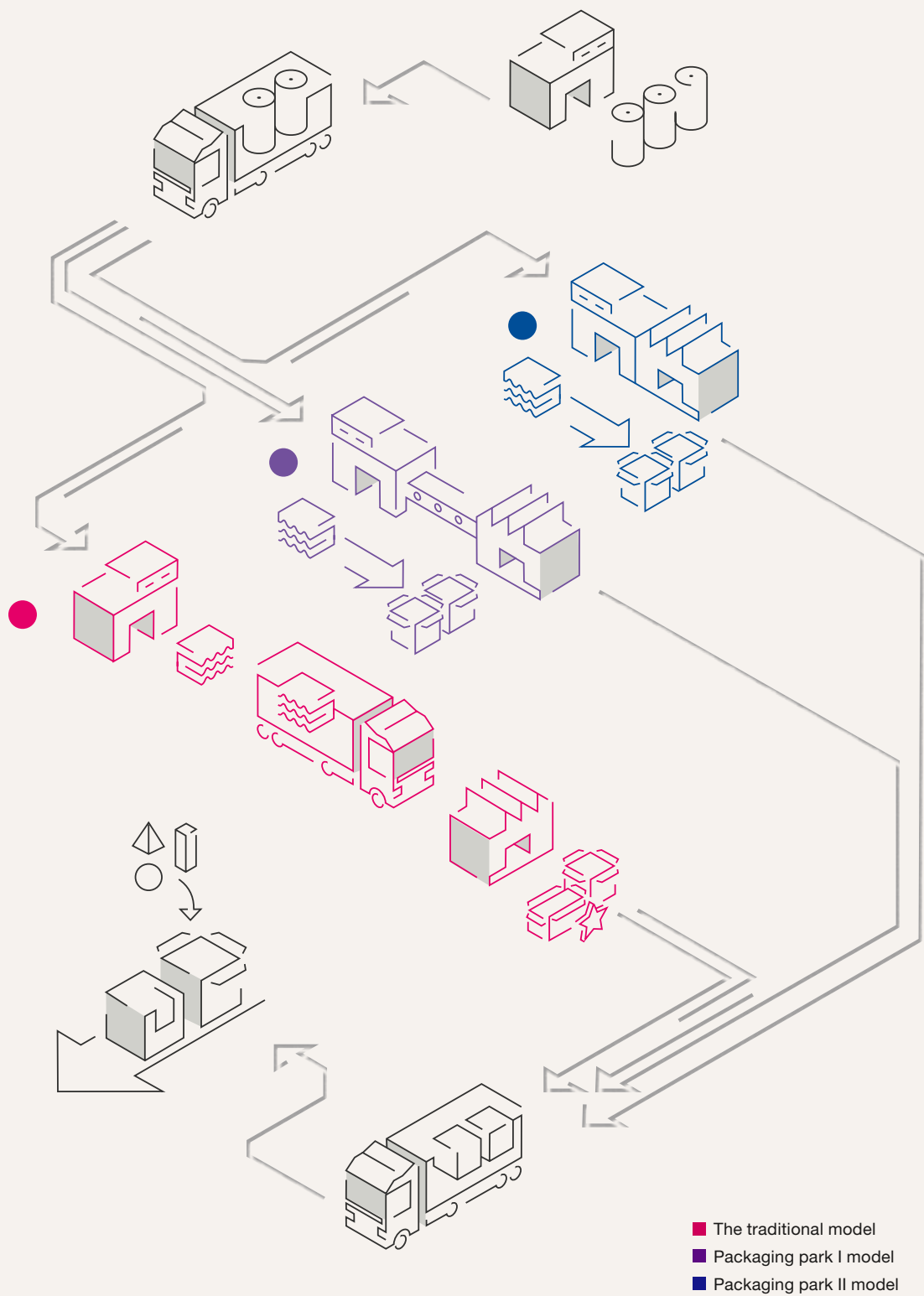
the basis on which we are able to offer even smaller and medium-sized series of orders with attractive conditions. We therefore view the way we work together in partnership in win/win collaborations as a vital component of our unique business model.

Digital transformation

Part of our strategy is to lead the way when it comes to the digital transformation within the paper industry. We rely on a high degree of automation, maximum standardisation of workflows and the production of large quantities – otherwise the high levels of investment that we make would not be worth it for a commodity product like corrugated board. Our customers also

benefit from our innovative strength: They grow alongside us by up to 20 per cent each year. We have networked all our sites and all processes that link us to our customers. This enables us to achieve a high degree of transparency and flexibility. On the one hand this enables us to optimally balance out the capacities of our plants, and on the other to deliver to our customers just in time.

Our packaging park models



Digital integration of processes



Digital linking of all participants in the supply chain



General **balancing** of needs and capacities to achieve the overall optimum



Reliable just-in-time deliveries to customers within 24 to 48 hours

Our sustainable products

Part of the circular economy

Progroup's products are shining examples of the circular economy. We only ever use recovered paper as the raw material for our containerboard. The end product is also recyclable because at the end of its life the corrugated board is largely processed through waste separation and reused – throughout Europe. Progroup is FSC®-certified at its production sites and complies with either the "FSC® Recycled" or "FSC® Mix" standard. Our production processes also follow the concept of a cycle: We produce energy from production residues and waste materials in our waste-to-energy plant in Eisenhüttenstadt (Brandenburg). A second waste-to-energy plant started operating commercially at our site in Sandersdorf-Brehna in mid-2025. Our water loops are closed on two of the three paper machines, and we recycle corrugated board waste materials back into the production cycle as a raw material used for papermaking.

Green Hightech

Our machines are not just highly efficient when it comes to energy and water consumption, but they also enable us to produce paper and corrugated board sheets that are particularly lightweight. We call them nextgeneration®. Despite less material being used, they are just as stable as conventional products. With nextboard® we have developed a corrugated board on which we have significantly reduced the grammage while maintaining consistent quality. What this means for our customers is a lower transport weight and volume. In addition, the products save raw materials, water and energy during production and also generate lower CO₂ emissions when they are

used than similar products with a higher grammage. Highly robust corrugated boards are normally manufactured using fresh fibre paper because it has better technical values. But we have an alternative to this too. As is the case with all our containerboard, it is made entirely from recovered paper.

Adding value in Europe

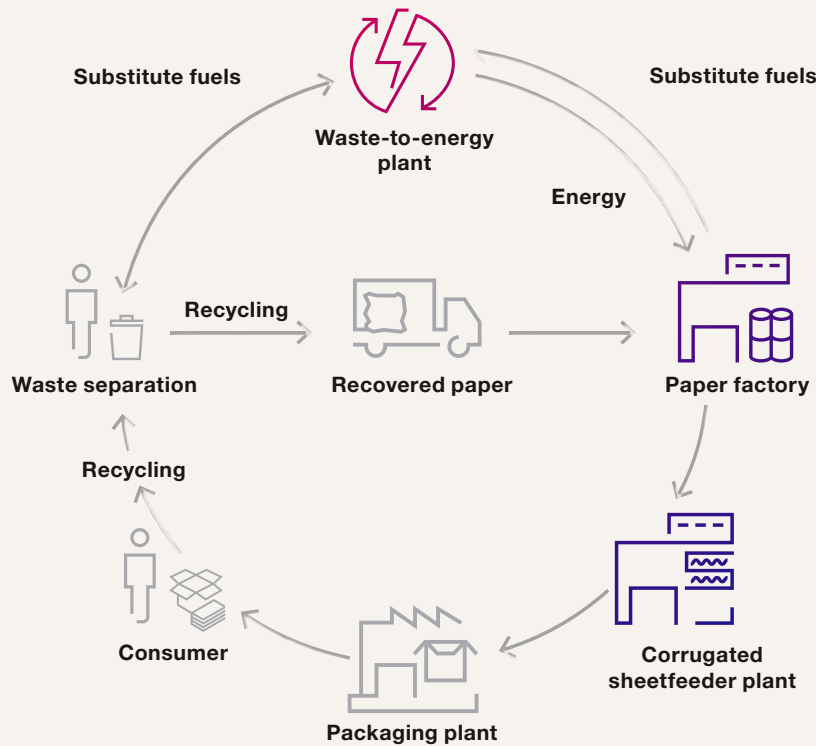
Many companies are currently engaged in the painstaking process of bringing their production sites and global supply chains back to Europe. Progroup does not have to contend with this challenge. We only manufacture our corrugated board sheets in Central Europe, at sites which are very close to our customers. We cover most of our paper production, which is the most environmentally relevant part of the upstream value-adding process, with our own paper factories. We only buy in small quantities of the containerboard that we use in our corrugated sheetfeeder plants from external sources. This means that quality and a reliable supply are safeguarded. Our recovered paper raw material also comes almost entirely from European sources – the overwhelming majority of it actually originates from the region in which our sites are located. This all has huge logistical advantages which are reflected in the price, but in particular also in the life-cycle assessment of our corrugated board sheets.

Corrugated board instead of plastic

With the Green Deal, the European Union has set out the framework for sustainable development: Economic growth and resource use need to be decoupled from one another.

This transformation is driven by renewable energies and renewable raw materials, but it is all based on

Progroup as part of the circular economy



A circular economy is defined as a regenerative system in which the use of resources and waste production, emissions and energy wastage are minimised by slowing down, reducing and closing energy and material cycles. With our paper factories, our corrugated sheetfeeder plants and our waste-to-energy plants, we are part of a successful circular economy.

switching to a circular economy. We are already embracing the circular economy with our containerboard and corrugated board sheets made from recycled fibres. Corrugated board is also an excellent alternative to plastic packaging, which is gradually being removed from circulation by the European Union. This presents a great opportunity for our products. At the

same time, embracing the circular economy represents one of their most important contributions to conserving resources.

Versatile substitute for plasticse

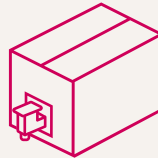
Corrugated board is a variable material that is used in many different areas. It consists of at least two smooth cover papers and at least one corrugated middle layer, so in this case we describe the product as single-wall corrugated board. Double-wall materials are the standard for shipping boxes, while three-wall corrugated board can protect heavy and sensitive goods just as well as stable wooden or plastic crates.

It is not just the number, but also the type of flutes that is adapted to suit different purposes. The high A-flute, for example, offers a particularly big cushioning effect, the medium B- and C-flutes are very versatile, and low flutes such as E-flutes take up a small volume. In multi-corrugated types of cardboard, different flutes are often combined with each other to create the perfect fit.

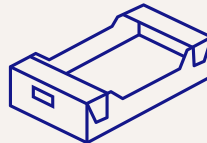
Paper-based packaging is already replacing materials such as plastic in many cases – and for good reason. Corrugated board is very easy to recycle and has a much better carbon footprint than plastic. According to a study by the University of Freiburg, for example, a fruit basket made of cardboard saves around 34 per cent CO₂ compared to one made of plastic. There are even advantages compared to reusable plastic packaging: The CO₂ emissions produced by reusable plastic would only be on a par with corrugated board after around 200 uses.

Corrugated board therefore offers plenty of opportunities for ecologically beneficial packaging: A study published by Gesellschaft für Verpackungsmarktforschung (GVM), Germany's market research institute specialising in packaging, reckons that corrugated board is capable of replacing around 21 per cent of all plastic packaging. This would enable more than 800,000 tonnes of plastic to be saved every year in Germany, Austria and Switzerland alone.

Three examples of smart packaging innovations made from corrugated board:



The “**Bag-in-Box**” is a form of packaging for liquid and paste-like products such as liquid detergents, juices or oils. It is made from corrugated board with an inner bag made from plastic film. Once the product has been used up, the different component parts of the packaging can be separated from each other and returned to the respective recycling loop.



According to a study by GVM, 64 per cent of the plastic used in packaging for fruit and vegetables is capable of being replaced with corrugated board.

And this does not entail any drawbacks: Corrugated board is not only just as hygienic – it is also softer than plastic, which means there are fewer pressure points on sensitive fruit and vegetables such as tomatoes when they are transported.



Filler and padding materials help to keep the goods nice and secure inside the box, protect them from any jolts and vibrations and cushion them. This works really well with paper cushions made from **kraftliner paper or with continuous corrugated board** that can replace plastic bubble wrap in many cases.

21%

of all plastic packaging
can be replaced with
corrugated board.

Percentage in selected
product ranges:

Fruit and vegetables		64%
Groceries		14%
Non-food		31%
Mail-order business		75%

Source: GVM (<https://gvmonline.de/substitution-von-kunststoffverpackungen-durch-wellpappe/>)

Business ethics

We are a family business that has worked together with its customers and suppliers over many decades in a partnership based on trust. We consider fairness, commitments and integrity to be the foundation of our corporate culture. We safeguard and bolster ethical practices in the way we do business in particular through our compliance system and our purchasing principles. Since 2024, Progroup has had to comply with the German Supply Chain Due Diligence Act. This act prescribes certain duties of care (due diligence) that must be undertaken to identify and prevent any negative impacts on human rights and environmental concerns along the supply chains. An element that really matters to us here is that we are resolutely opposed to any form of forced labour or child labour all along our value chain.

Compliance structure

We have embedded the issue of compliance in the structure of our business. The members of the Executive Board are responsible for complying with the compliance rules in their divisions through the relevant experts in each case. In addition, Chief Compliance Officer Dr. Stefan Schmidt is responsible for all strategic and overarching compliance issues. In this role, he reports to the Chief Financial Officer.

Possible breaches of laws or regulations are reported to the Executive Board either by the Chief Compliance Officer or by the legal department. All employees complete general compliance training on a regular basis and the level of participation is reviewed. In addition, we provide other mandatory training, for example in antitrust law or data protection. This is assigned to the relevant employees based on the

level of risk depending on which area they work in. To comply with compliance-relevant regulations, we carry out risk-based random checks. These relate in particular to antitrust law, money laundering and data protection. Progroup has not breached any important laws or regulations either in this reporting year or in previous years, and no significant fines have been imposed upon our company. In 2025, the total figure for all fines was in the three-digit euros range.

Whistleblower system

Progroup has had an electronic whistleblower system for many years. Employees or external parties can use a communication platform on our homepage to report wrongdoing or submit documents, including anonymously. This can also be done by e-mail or post. Any tip-offs go to our Chief Compliance Officer, who looks into the issues and discusses any relevant questions with the Executive Board. The whistleblower system is not just an important component for complying with the German Whistleblower Protection Act, which came into force in 2023, but also gives our company the opportunity to find out about any irregularities at an early stage, whether they apply to us or our supply chain. In 2025, three reports of possible breaches of the rules were submitted via the whistleblower channels (human resources: 3; data protection: 0; purchasing: 0; other: 0). All the cases were investigated by the Chief Compliance Officer. Specific grounds for suspicion were not found to exist in any of the cases. The incidents have now been closed. No incident ended up with legal action being taken.

Code and policies

We have set out Progroup's values in our compliance code. The code is at the heart of our compliance programme and provides guidance for employees. It helps people to identify cases of corruption or bribery and explains how to handle gifts or conflicts of interest. In addition, it formulates our demands when it comes to environmental protection, employee and human rights and occupational safety.

All our employees are made aware of the code during their compliance training. We explain specific aspects in more detail on the intranet, particularly if any content has been updated or needs to be expanded on. The code of compliance and all the company's other policies apply through a clause in the employment contract.

Apart from the code of compliance, Progroup has a large number of internal policies and work instructions that guide the way we operate. These rules and regulations can be accessed by all employees on the intranet. They are not relevant to external stakeholders and are therefore also not communicated externally.

Policies of overarching relevance are approved by the Executive Board, others are approved by the relevant departments or sites, depending on their scope, significance and the circumstances. It is extremely important that our policies on data protection (based on the General Data Protection Regulation) and data security are complied with, because the risks posed by cyber crime are growing.

As well as a data protection officer in all plants and at our administrative

site, we also have data protection coordinators that receive briefings on data protection law. Our purchasing organisations are also given training on the requirements under data protection law.

Management

Progroup is a joint stock corporation under German law. This means the company is managed by two bodies, the Supervisory Board and the Executive Board. The Supervisory Board supervises the way the Executive Board runs the business; the Executive Board has responsibility for running the business. Both bodies together act as the ultimate control body. Progroup AG is family-owned. More than 91 per cent of shares are held by the founding family through JH Holding GmbH, with the remaining nine per cent held by a few other shareholders. The annual general meeting, which all shareholders are invited to attend, makes decisions on tasks such as appointing the Supervisory Board or allocating profits. The Supervisory Board appoints the members of the Executive Board. These leadership positions have previously been filled by people who have particular experience of working with medium-sized family companies and can be entrusted to make sure that the company continues to thrive and exist over the long term. There is a very close, trusting working relationship between the owners, Supervisory Board and Executive Board.

Group policies

- [Code of compliance](#)
- Antitrust law policy
- Gifts policy
- IT use policy
- Privacy incident policy incl. reporting form
- External personnel employment policy
- Funds policy



The five-person Executive Board of Progroup AG consists of CEO Maximilian Heindl, CSO Vinzenz Heindl, CCO Beate Flamm, CFO Dr. Thorben Finken and COO Dr. Marc Sesterhenn.

Boards

At the turn of 2022/2023, Maximilian Heindl succeeded Jürgen Heindl as Chief Executive Officer of Progroup, with Jürgen Heindl moving to the Supervisory Board at the same time. Alongside Vinzenz Heindl, Jürgen and Maximilian Heindl are Progroup's majority shareholders. They are all also represented on the decision-making bodies. This does not result in a conflict of interest.

In 2025, the Supervisory Board consisted of:

- **Rainer Dietmann**, lawyer, Chairman of the Supervisory Board, member since 28.08.2007

- **Jürgen Heindl**, founder of Progroup AG, member and Deputy Chairman of the Supervisory Board since 01.01.2023
- **Prof. Dr. Rudolf Wimmer**, Professor of Leadership and Organisation at the Witten Institute for Family Businesses at Witten/Herdecke University, member since 06.02.2008
- **Christian Buchel**, President of Union Française de l'Électricité (UFE), member of the Progroup Supervisory Board since 24.01.2019

Up until 31 July 2025, the Progroup Executive Board comprised four members. Since Vinzenz Heindl joined as

Chief Sales Officer on 1 August 2025, it has had five members.

The role of Chief Financial Officer was held by Dr. Volker Metz until 15 October 2025. Since this date, Dr. Thorben Finken has been Chief Financial Officer of Progroup AG.

In 2025, the Executive Board had the following members:

- **Maximilian Heindl**, Chief Executive Officer since 01.01.2023, member of the Executive Board since 01.08.2017
- **Vinzenz Heindl**, Chief Sales Officer since 01.08.2025

▪ Dr. Volker Metz, Chief Financial Officer from 01.11.2016 until 15.10.2025 ▪ Dr. Thorben Finken, Chief Financial Officer since 15.10.2025 ▪ Dr. Marc Sesterhenn, Chief Operating Officer since 01.10.2023	▪ Beate Flamm, Chief Culture & Communications Officer since 15.04.2024 The members of the Executive Board are contractually obliged to avoid any conflicts of interest. For example, they are prohibited from having any stake in competitors in the market or secondary roles, unless they are disclosed	to the Supervisory Board or the annual general meeting. Outside of the stated bodies, there is no disclosure of possible conflicts of interest.
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Sustainability: Shared Responsibility

At Progroup, sustainability is a key, cross-functional priority. The Executive Board bears joint responsibility for implementing and further developing the company’s sustainability strategy. By specifically embedding sustainability within the respective areas of responsibility of the Executive Board members, we ensure that it is firmly rooted in all relevant areas of the business.

Maximilian Heindl, Chief Executive Officer (CEO), is responsible for Progroup’s overarching sustainability strategy. The aim is to ensure that Progroup, as a family-owned business, is and remains fit for future generations. He is also involved in the “DIE PAPIERINDUSTRIE” association and actively advocates for improved framework conditions – particularly at the intersection of security of supply, competitiveness and climate targets, which are equally relevant to the paper industry.

Dr Thorben Finken, Chief Financial Officer (CFO), is responsible in particular for governance, compliance and risk management. His work also focuses on optimising energy use across the entire company. His work creates transparency and ensures that sustainable business decisions are made on the basis of sound data.

Dr Marc Sesterhenn, Chief Operating Officer (COO), drives forward environmental sustainability in production. This includes investment in resource-efficient technologies, the further development of environmentally friendly production processes and the continuous improvement of energy efficiency. In doing so, he makes a decisive contribution to Progroup’s sustainable development.

Vinzenz Heindl, Chief Sales Officer (CSO), provides impetus at Progroup and amongst our customers for corporate development that will stand the test of time. As CSO and Managing Director of the Professionals Academy, he is building a network for sustainable collaboration between family-run businesses in the paper and packaging industry.

Beate Flamm, Chief Culture & Communication Officer (CCO), is in charge of the company’s social engagement and sustainability reporting. Her focus is on communication and the implementation of initiatives that promote social responsibility. Her commitment ensures that sustainability is visible to the public not only in figures but also through concrete actions.



Memberships

Progroup is a member of DIE PAPIER-INDUSTRIE E. V. association. It brings together 100 companies that represent over 95 per cent of the industry in terms of their sales. Maximilian Heindl was a member of the association's executive committee during the reporting period.

Remuneration policy

Since 2023, Progroup has had bonus arrangements relating to the attainment of sustainability goals.

The sustainability goals for 2025 comprise:

- Expansion of the sources of CO₂ emissions to include key Scope 3 categories.
- Introduction of reporting during the year in relation to the key sustainability indicators.
- Implementation of the requirements of the German Supply Chain Due Diligence Act.

The goals are broken down by way of cascading to the management teams of the various divisions. The Executive Board and managers receive a basic salary and variable, performance-related payments. The variable remuneration paid to the Executive Board depends on various key indicators. These include achieving a defined EBITDA margin in relation to the peer group and an absolute minimum EBITDA figure. In addition, defined volume growth targets must be achieved. Severance payments are assessed in each individual case. Board contracts include provisions relating to repayments.

The remuneration of the Supervisory Board is set by the annual general meeting; the remuneration of the Executive Board is set by the Supervisory Board in consultation with the owners. The elements of the Executive Board remuneration are reviewed annually. This is based on the provisions in the German Stock Corporation Act.

Sustainable procurement

Progroup has a central purchasing division and separate purchasing

organisations for procuring recovered paper, containerboard, substitute fuels and freight volumes. In our general purchasing conditions, we have outlined the requirement of our business partners to show awareness of the environment and not waste resources when they manufacture their products, as well as to comply absolutely with laws and international standards. This includes in particular protection of health and the environment, employee and human rights, and preventing corruption. If a supplier behaves unlawfully, Progroup reserves the right to withdraw from contracts or dismiss them without notice. In 2024, Progroup adopted stricter internal guidelines which stipulate that Central Purchasing will actively engage in dialogue with suppliers at an even earlier stage in order to address any outstanding issues when it comes to sustainability.

Sustainability along the supply chain was improved still further in 2025: We developed a Supplier Code of Conduct that presents our principles in this area in a compact and transparent way for our business partners. This code was implemented at the beginning of 2026.

In all of this, we rely on partnerships with our suppliers and a working relationship that is defined by shared values and objectives and the willingness to take responsibility together. We have set this out in our purchasing guidelines.

Risk management as part of the Supply Chain Due Diligence Act

Since 01.01.2024, Progroup has had to comply with the specifications of the German Act on Corporate Due Diligence to Prevent Human Rights Violations in Supply Chains (Supply Chain Due Diligence Act – SCDDA). To make sure the company is as well prepared for this as possible, we implemented a project relating to it in 2023. As part of this, processes have been implemented to take sufficient account of risks within the company's own business, but also within the supply chain. The overall risk management system is monitored by the various risk owners and the Executive Board of Progroup AG. The SCDDA risk management system fits into this overall system and is monitored by the SCDDA officer. In addition, this officer is the point of contact for the respective internal business units and ensures that the company meets its obligation to report to the Federal Office for Economic Affairs and Export Control.

In detail, the supplier risk management in relation to human rights and environmental risks is based on the following content:

- Carrying out annual and event-related risk analyses based on set criteria. The risk analyses are carried out in several phases. First of all, location risks and industry risks are considered generally. In a second step, a specific risk analysis is

carried out when an updated threshold value is exceeded. The analysis is carried out using software.

- Stipulating and implementing appropriate preventive measures, such as clear communication channels, comprehensive training measures, a compliance code, supplier qualification and tool-based research to identify any anomalies in the supply chain to prevent risks from arising in the first place.
- Defining and implementing remedial measures when risks become known in the company's own business or within the supply chain.
- Introducing a confidential and freely accessible complaints procedure, which can be used within and outside the corporate group and allows anonymous tip-offs to be submitted so that any human rights and environmental risks or violations of human-rights-related or environmental obligations are highlighted.
- Ensuring communication with relevant stakeholders and providing the scheduled annual report to the relevant authority. The risk management requirements are summarised for our employees in an SCDDA risk management manual and reflect the interfaces with the existing business processes. All employees in the purchasing organisations receive training on the SCDDA risk management system annually or if any anomalies arise. Special focus is given to implementing the risk analysis and selecting suppliers. New suppliers can only be created once they have been checked.

We also communicate what we expect from our suppliers in the general purchasing conditions and in the Supplier

Code of Conduct. The appropriateness and relevance of risk management is reviewed annually and when circumstances require this.

Priority risks

In general, our business activities do not entail a high level of human rights or environmental risk. We are confident that our guidelines and principles and the fact we operate primarily in Central Europe and Great Britain mean we are able to ensure reliable compliance with human rights and environmental requirements. Although our risks are at a low level, given the nature of our business, we consider it to be a particular priority to protect employees from discrimination and exclusion as well as to minimise any harmful pollution of the soil, water or air.





STAKE HOLDERS AND MATERIALITY



Identification of
key issues

Dialogue with
our stakeholders

Sustainability
organisation

Identification of key issues

Papermaking as a whole is resource-intensive. Even though Progroup uses recovered paper as a raw material, the demand for energy and water remains high, which is typical of the industry. Consistently reducing this level of consumption will benefit both the company and wider society. This is why we continue to develop our Green Hightech strategy. It enables us to make use of the very latest technology to reduce consumption and optimise products.

We reviewed and expanded our sustainability strategy in 2021. We did this by linking our existing ecological and social activities to other aspects of sustainable business and developing a cohesive overall strategy which focuses on the long term.

It is an integral part of the corporate strategy, has been devised by a core internal team with scientific support and approved by the Executive Board of Progroup AG.

The members of the Executive Board responsible for sustainability in 2025 were Dr. Volker Metz, CFO (until he left the company in October), Marc Sesterhenn, COO, and Beate Flamm, CCO.

The two new Executive Board members Dr. Thorben Finken (CFO) and Vinzenz Heindl (CSO) also assumed responsibility during the course of the year. In developing the sustainability strategy, we looked at which economic, ecological and social issues are having an impact on our business today and will do so in the future, and also at what impacts our own activities are having on economic, ecological and social concerns. We incorporated the viewpoint of our internal and external stakeholders and also consulted the United Nations Sustainable Development Goals (SDGs).

In total, we came up with around 40 topics which we have examined and prioritised by looking at two aspects:

- With which topics do we make a relevant contribution to sustainable development?
- Which topics have a decisive influence on the way our company is perceived by the stakeholders?

The topics recognised as being essential were the three to four topics

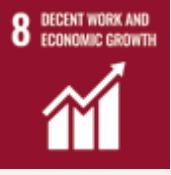
in each sustainability dimension which were judged to be of the highest relevance from both perspectives. In the economic sphere, growth, innovation and cost efficiency were regarded as being particularly important. They were not given their own measured sustainability variables, but defined as a requirement for doing business sustainably over the long term.

For the dimensions of ecology and social aspects, there were six essential topics which we have set out with detailed action strategies and specified targets for the period through to 2030 and in some cases beyond.

We developed all the strategies for action derived from the key topics on the basis of scientific scenarios (KS95 and KS80 from the Fraunhofer Institute for Systems and Innovation Research and the Öko-Institut) that cover the period up to 2050. As a result, this includes elements of the European Green Deal: Emissions into the air and water, energy efficiency and the circular economy.

In the first quarter of 2022, we applied the targets which have been defined for the company together with the divisional managers to the individual divisions of the company.

Our key sustainability topics

SDG	Key topic	Measured variable	2012
	Reduction in CO ₂ emissions (Scope 1 and 2) ^[1]	Specific CO ₂ e emissions (t of CO ₂ e/t of total output ^[2])	0.321
		Specific CO ₂ e emissions for corrugated board (t of CO ₂ e/1,000 m ²)	0.245
		CO ₂ e emissions in total (t of CO ₂ e)	527,821
	Reduction in water consumption	Specific fresh water quantity (m ³ /t of total output ^[2])	3.27
	Reduction in the use of raw materials	Use of kraftliner (proportion of the amount of paper used in total)	14.0%
		Grammage (g/m ²)	497
	Boosting our employees' level of satisfaction	Rate from the "Engagement" and "Attractiveness" indicators	Not recorded
	Improvement in occupational safety	Notifiable workplace accidents per 1 mill. hours worked	No direct comparable figure available
	Boosting equal opportunities	Percentage of women among salaried employees	Not recorded
		Percentage of women in management positions	Not recorded

Development of the sustainability goals

We strive constantly to keep developing our sustainability strategy. In 2024, as part of this process and in preparation for the upcoming CSRD reporting obligations, we began reviewing our defined sustainability goals. At the beginning of 2025, we then also conducted a double materiality analysis with this in mind. Based on the results of this analysis, we reassessed our sustainability goals and have already adjusted some of them. Further adjustments are currently being reviewed.

2023	2024	2025	Target for 2030
0.229 (–28%)	0.213 (–33%)	0.234 (–27%)	–40%
0.175 (–29%)	0.160 (–34%)	0.150 (–39%)	–40%
702,751	654,689	734,262	Constant emissions with further growth of the company
2.18 (–33%)	1.98 (–39%)	2.12 (–35%)	–40%
11.4% (–20%)	11.4% (–20%)	10.9 (–24%)	–30%
488 (–1,8%)	489 (–1,7%)	467 (–6,2%)	–5%
65%	Not recorded	Not recorded	Under review
Paper machines: 10.6 Corrugated sheetfeeder plants: 11.9 CHP plant: 10.1 Progroup as a whole: 11.3	Paper machines: 13.0 Corrugated sheetfeeder plants: 13.1 CHP plant: 0 Progroup as a whole: 12.3 ^[3]	Paper machines: 6.5 Corrugated sheetfeeder plants: 12.6 CHP plant: 0 Progroup as a whole: 9.4	Progroup as a whole: <5
33%	36%	36%	>35%
9%	10%	9%	15%

[1] Owing to a lack of availability, in some cases emissions factors from previous years were used to calculate the emissions.

[2] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

[3] The data used as the basis was amended from 2024 owing to the uniform digital recording of time.

Dialogue with our stakeholders

To ensure that Progroup's strategy is as focused as possible, we conducted more than 30 interviews with stakeholders in the process of developing our strategy in 2021. They included internal

stakeholders such as the family that owns the business, the management and other employees, but also external stakeholders such as suppliers, investors and associations. The dialogue with stakeholders was split into two stages. A survey of the employees and initial discussions with external stakeholders were conducted as part of a master's thesis. An online questionnaire was

created internally to try to appeal to as broad a range of employees as possible. Based on these results, the second stage of the dialogue involved a more in-depth discussion that the whole sustainability team, comprising the family, Supervisory Board and Executive Board, took part in. There were then discussions with selected experts from different fields.

Stakeholder groups considered

Family, Supervisory Board, Executive Board

	Customers	>	Packaging park customers		Regional customers
	Employees	>	Current employees		Future employees
	Capital	>	Investors		Banks Rating agencies
	Partners and suppliers	>	Disposal		Machine manufacturers Carriers Other suppliers
	Politicians/legislators	>	EU		D, PL, F, CZ, IT, UK German states
	Politicians/funders	>	EU Green Deal		National funding
	Community	>	Local community, politicians		Associations, social groups Residents
	Society	>	NGOs		Science
	End customers	>	Corporates (EU, global)		SMEs (various sectors) E-commerce Consumers

We held direct talks with external stakeholders, structured according to previously defined content. They were tailored to reflect the areas in which the other party worked. For example, the team spoke to representatives of a machine manufacturer about modifications to boost the energy efficiency of future generations of machines, while financial institutions were asked about their requirements in relation to disclosing sustainability indicators.

In addition, we incorporated and evaluated requests from investors. In conclusion, it can be stated that our external stakeholders are increasingly striving to integrate sustainability measures into the way they do business, especially when it comes to CO₂ reduction and compensation.

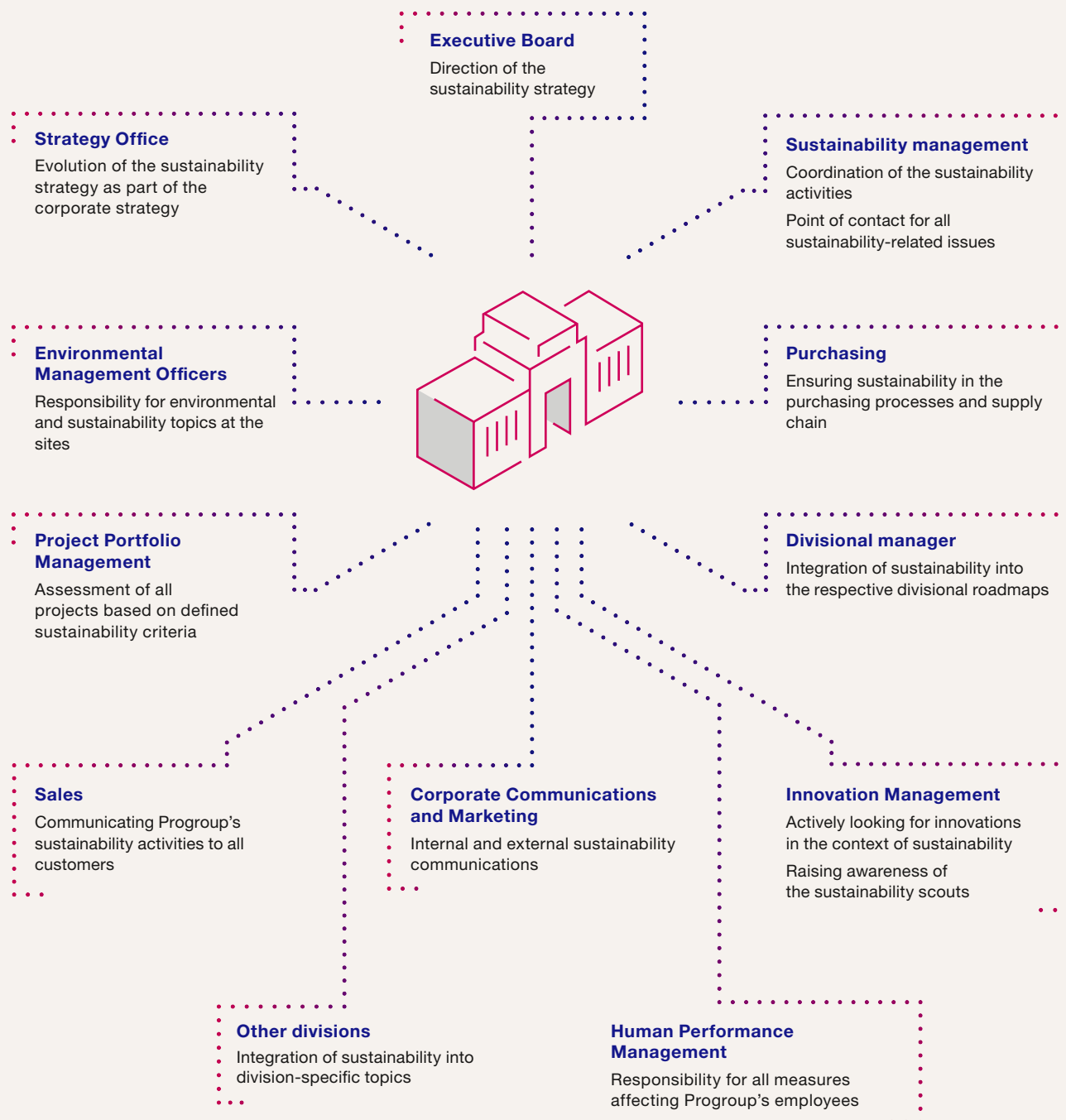
As far as the expectations placed on Progroup are concerned, the stakeholder survey revealed that in particular the family that owns the company and the management as well as the capital market expect Progroup to address issues of sustainability.

It also became clear that in general large B2B customers and end customers tended to be more interested in sustainability aspects of our products, whereas there were different levels of interest among smaller customers and suppliers.

In relation to our employees, it can be stated in summary that they consider Progroup to be sustainable and identify with the ecological issues that the company is pursuing. In terms of specific employee issues, many would like to see a greater commitment from the company. In 2025, in preparation for the CSRD reporting, we conducted a stakeholder survey that is the basis for identifying the topics along the company's double materiality.



Sustainability organisation



Sustainability is firmly established at all levels in all divisions



Sustainability organisation

Sustainability management means systematically embedding social and ecological requirements in the structures and processes of a company.

The requirements are very varied, and the timescale for implementation often stretches over decades. Sustainability management is therefore a complex task that can be accomplished only by working across departments and hierarchies.

This is why we have created an organisational structure that spreads the workload, clearly establishes responsibilities and assigns tasks to the divisions of the company. Adhering to this benefits both the individual division and the shared sustainability goal.

All divisions of the company are part of the same network. The Executive Board makes major policy decisions. Subordinate to it is the Strategy Office, which develops the overall strategy of the company, including its sustainability strategy. Sustainability Management provides the technical expertise and coordinates the sustainability activities. There are also prominent roles for the divisional managers, who integrate sustainability aspects into their planning and present this to their teams, as well as Project Portfolio Management, in which new projects are examined to establish their feasibility, viability and sustainability.

Key roles are also played by the following divisions:

- **Innovation Management**
Reviews all innovations to determine if there are more sustainable ways to achieve the goals, and deliberately looks for innovations to achieve Progroup's sustainability goals.

- **Corporate Communications and Marketing**
Gives Progroup visibility on the issue of sustainability to external and internal stakeholders.
- **Sales**
Makes customers aware of opportunities and risks in the context of sustainable development and positions Progroup as a powerful partner for a sustainable future.
- **Human Performance Management**
Draws up all the measures of the sustainability strategy that relate to the employees, and implements them.

An ecosystem with our customers

GROWING TOGETHER, SHAPING A SUSTAINABLE FUTURE



From left to right: Vinzenz Heindl, Jürgen Heindl, Maximilian Heindl. The senior management leaders of Progroup AG, JH Holding and Professionals Academy represent a network in which each unit plays a clear role and all contribute together to success.

Sustainability cannot develop its full potential in an isolated way. What sets Progroup and its parent company, JH Holding, apart from other companies is the conviction that sustainable development is a collaborative endeavour – one that involves customers and partners.

The vision behind the creation of the ecosystem is to bring together family-run businesses in the packaging industry and to strengthen them strategically and structurally within the community, so that they can operate successfully and responsibly across generations. The ecosystem is primarily developed and managed by Progroup AG's parent company, JH Holding GmbH. Alongside Progroup, the Professionals Academy, as well as partners and customers from across Europe, form the network.

A think tank for the industry

The JH Holding GmbH sees itself as a think tank for the non-integrated packaging market. Under the leadership of Jürgen Heindl, the founder of Progroup, the holding company is focused on an ambitious and complex task: to provide the next generations – both within its own organisation and in family-run businesses across the industry – with the strategic, financial and creative scope to grow and further develop their skills. In this context, sustainability means, above all, ensuring the company's viability for future generations, in all its aspects: the overarching goal is not the short-term optimisation of key performance indicators, but long-term resilience.

This commitment is evident in the wide range of issues addressed by JH Holding: through the Professionals Academy, it provides concrete support for Progroup's clients, imparts knowledge and offers data and platform services to help them develop their skills. To this end, it brings together entrepreneurial, financial and strategic expertise and makes it available to the network. The dialogue that arises from these inputs is, in turn, a key factor in developing the organisation's own strategies. This demonstrates that family

businesses realise their strengths most effectively when they operate as part of a network that facilitates shared learning and mutual support.

Network for Family Businesses

Founded in 2021, the Professionals Academy GmbH complements the holding company's activities by providing a platform for sector-specific knowledge transfer. Led by Vinzenz Heindl, it is aimed at family-run manufacturers of corrugated cardboard packaging. These companies form the backbone of the European packaging industry and strengthening them in the long term is the ecosystem's stated aim.

The Professionals Academy's portfolio is divided into three areas. Family Business Intelligence addresses issues specific to the sector and family businesses: succession planning, governance, and corporate management with strong family involvement. Market Business Intelligence helps participants to conduct in-depth analyses of market developments, shifts in trends and strategic positioning issues – a crucial competitive advantage in a market environment characterised by an ever-increasing volume of information. Enterprise Business Intelligence addresses operational and organisational issues: leadership styles, communication, process optimisation and the implementation of strategies in day-to-day business.

The perspective on succession planning, strategic investments or market positioning varies depending on one's role within the family business. The Professionals Academy takes this distinction into account and creates a space for exchange on an equal footing, offering more than just specialist professional development programmes.

With the Professionals Academy Congress (PAC), the platform provides an event format that institutionalises the concept of networking. The PAC 'Connected Future', which will take place in Leipzig in October 2026, will explore the consequences and opportunities that increasing connectivity holds for the strategic direction of family-run businesses. This is a forward-looking topic that, in light of ongoing consolidation trends, will affect the sector either already today – or very soon.

Sustainability embedded in the structure

The three units – Progroup, JH Holding and Professionals Academy – form a functionally coordinated network with clearly defined roles. Progroup is part of the value chain and a key component of the network. It is a driver of growth for our clients. JH Holding provides strategic direction and creates the framework for cross-generational corporate governance and

strategic business development. The Professionals Academy is responsible for knowledge transfer and exchange. It ensures that expertise on market developments, leadership issues and sector-specific challenges is made visible across the network. For Progroup's clients, this ecosystem offers added value designed to ensure that medium-sized family businesses remain fit for the future.

Sustainability thrives best when it arises from collaboration between independent companies. We do not view it merely as a programme, but as a fundamental principle of doing business together – embedded in the very structure of our ecosystem.



Professionals Academy Congress 2026

PAC 2026 'Connected Future' brings together family business owners who take a long-term view of responsibility across generations and are actively shaping their future.

24 & 25 October 2026 in Leipzig, Germany

Further information at:

www.professionals-academy.de/pac-2026



**Corporate
structure**

**Value-added
chain**

Corporate strategy

**Economic
performance**



RESPONSIBILITY FOR THE FUTURE SHAPES OUR ACTIONS

Corporate structure

The corporate group has fifteen companies including Progroup AG. The Board division comprises a total of 14 corrugated sheetfeeder plants. The controlling company is Progroup Board GmbH, which oversees the six corrugated sheetfeeder plants in Germany. The eight plants abroad are operated by fully owned subsidiaries of Progroup Board GmbH in France, Great Britain, Poland, the Czech Republic and Italy.

The Paper division is engaged in the upstream stage in the value creation chain because it produces containerboard. It comprises Progroup Paper PM1 GmbH with the paper factory in Burg and its fully owned subsidiaries, Progroup Paper PM2 GmbH with its paper factory in Eisenhüttenstadt and Progroup Paper PM3 GmbH in Sandersdorf-Brehna. Progroup Power 1 GmbH with its waste-to-energy plant in Eisenhüttenstadt supplies Progroup Paper PM2 GmbH with steam and electricity. Since mid-2025,

Progroup Power 2 GmbH has also been supplying steam and electricity to Progroup Paper PM3 GmbH in Sandersdorf-Brehna.

Progroup Logistics GmbH as a logistics company provides transport services within Progroup and externally.

Value-added chain

The value-added chain within the corporate group starts with the three paper factories. The most important input factor for paper production is recovered paper. The paper factories predominantly supply the corrugated sheetfeeder plants within the corporate group as well as a small number of external customers. The complementary technical configuration means that it is possible to produce containerboard with a grammage of between 60 g/m² and 230 g/m².

Progroup Power 1 GmbH is located upstream of the paper machine PM2 and produces steam to be used in production. Since mid-2025, the second waste-to-energy plant PPO2 in Sandersdorf-Brehna has also been providing PM3 with the great benefit of power and steam that the company is able to produce sustainably itself. The second key stage in the value-added chain is the production and distribution of corrugated board sheets and therefore delivering products to the packaging manufacturers, which in turn supply the packaging industry. Between the individual stages in this value-added chain are transport logistics processes that are supported by Progroup Logistics GmbH.

The product range at the Board plants comprises single-wall to triple-wall corrugated board sheets with different flute sizes. The grammages range from approx. 300 g/m² to almost 2 kg/m². In general there are trends towards lighter-weight corrugated board that has the same strength and small batches in order to meet the ever more differentiated requirements of the packaging industry. Progroup is well positioned in the market to cater for both trends. The company's customer base for corrugated board sheets mainly comprises medium-sized packaging manufacturers.

Our corporate strategy

Our vision is to change the industry. We want to be Europe's market leader for corrugated sheetboard and the fastest organically growing, most efficient company in the industry.

Our mission is to be the preferred partner for independent packaging manufacturers that we can help to grow profitably and tap into new potential with the reliability, know-how and outstanding structures that a highly specialist provider is able to offer.

All of Progroup's activities are geared towards profitable growth. The plant in Cessalto (Italy) started operating in mid-2025, as did our second waste-to-energy plant in Sandersdorf-Brehna (Saxony-Anhalt).

We know that long-term growth is only possible if we manage to achieve the right balance between successful growth as a company, doing business in a way that conserves resources, and social responsibility. The fact that our company's continuous growth must be sustainable has never been in question and provides the foundation of our corporate strategy. To implement this strategy consistently, we devise rolling strategy periods of ten years each. In the reporting period, we successfully completed the TWO25 ten-year strategy. Over this period of time, we managed to achieve our ambitious target – doubling the size of the company compared to 2015.

TWO25 strategy components



Growth and integration



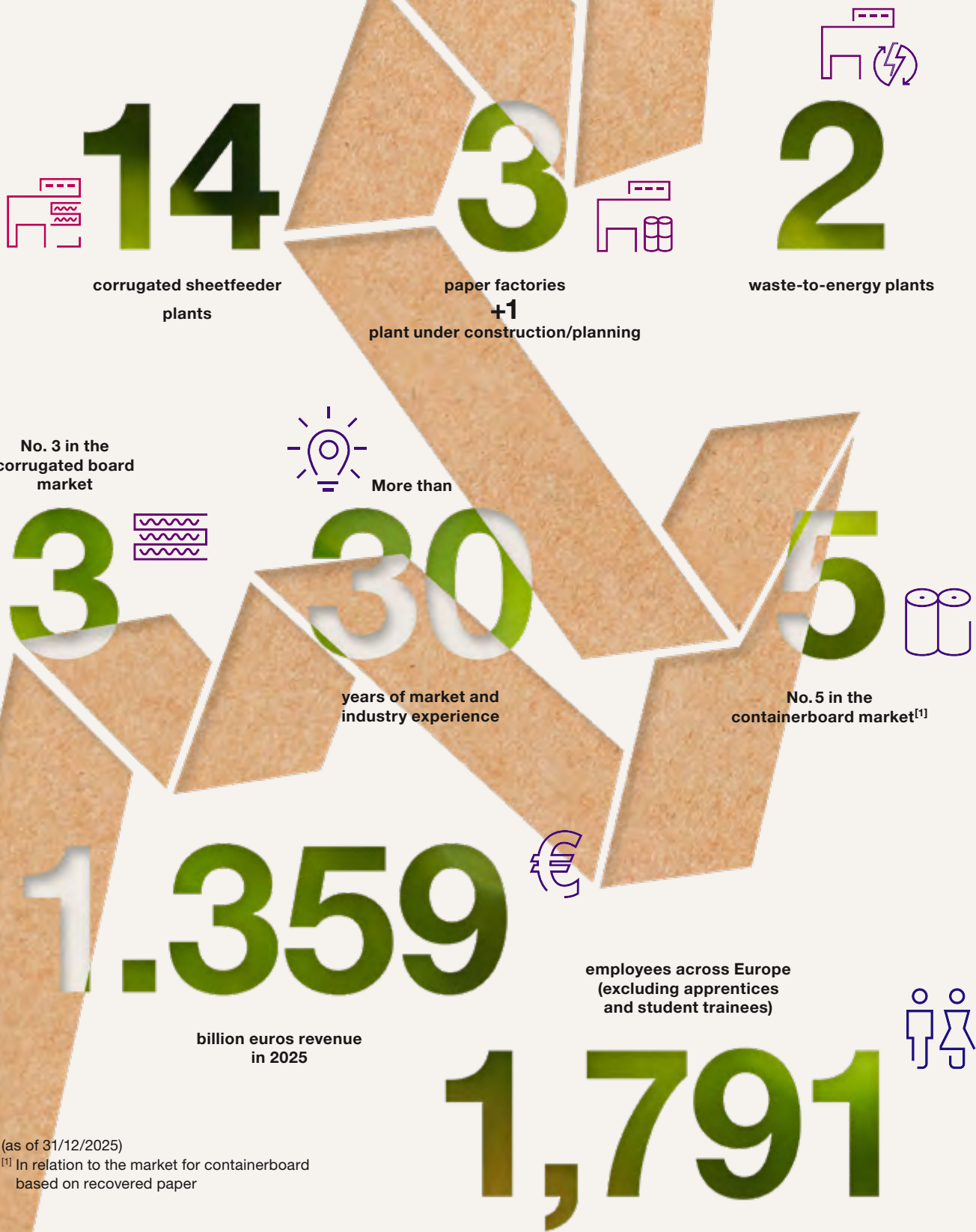
Cost leadership and profitability



Organisation and personnel development



Progroup 2025



Economic performance

In the 2025 financial year, with 1,791 employees (2024: 1,738) we generated revenue of 1.359 billion euros (2024: 1.313 billion).

In 2025, the market environment for containerboard and corrugated board was characterised by fluctuating prices, great pressure of competition and an economy that remained weak.

We saw intense competition for containerboard and corrugated board throughout the financial year. In a market environment that is still challenging as a whole, we managed to significantly increase our sales of containerboard, with a volume that was 4.3 per cent higher than in 2024. Sales of

corrugated board also rose by 0.8 per cent year-on-year. Thanks to this higher sales volume, revenue rose by 3.5 per cent despite lower market prices in some cases.

The higher revenue, combined with significantly improved cost and cash flow discipline, contributed to a significant increase in EBITDA, which was 190.8 million euros in 2025, compared to 131.2 million euros in the previous year. The EBITDA margin also rose from 10 per cent in 2024 to 14 per cent in the reporting period.

There was a very positive improvement in the company's financial position in 2025. Significant improvements were seen in the free cash flow (increase of 255.5 million euros), financial debts

(reduction of 77.3 million euros) and the net debt ratio (fell to 4.0 compared to 6.4 at the end of 2024). Progroup continues to be in a very comfortable liquidity position.

We are strategically and financially well positioned to meet all the challenges of the future. Reflecting on our development over the long term, we continue to look to the future with optimism because we have a robust, sustainable business model, a future-proof strategic focus and a real determination to take action.

Key figures



Revenue

2023: € 1,320 mill.	
2024: € 1,313 mill.	
2025: € 1,359 mill.	

Change compared to previous year:

+3.5 %



Number of employees

2023: 1,681	
2024: 1,738	
2025: 1,791	

Change compared to previous year:

+3.1 %





Circular economy in practice

Our raw material

- Fewer raw materials in corrugated board
- Recycled fibre instead of fresh fibre

Water and wastewater

- Biological water treatment
- Reduction of wastewater

Energy and emissions

- Our waste-to-energy plants
- Greenhouse gas balance

Circular economy in practice

Progroup's products reflect the idea behind the circular economy: Our containerboard is made from a secondary raw material. The corrugated board end product can be recycled more than 20 times – a shining example of how a circular economy can work. At the same time, the process of papermaking still uses a great deal of energy and water. Our biggest tools for doing business ecologically are therefore technologies that reduce the amount of energy and water required or allow us to reduce the amount of raw materials used in our products.

There are also other parameters which need to be right: As part of the process of making containerboard, we release impurities from the recovered paper. We guarantee that all impurities are in fact removed and disposed of in such a way that no harm is caused to people or the environment. If we need to use fresh fibres – which is only the case with around 11 per cent of the raw paper that is used in corrugated board production – this ensures that they come from FSC-certified and other controlled sources.

To manage the different areas of the business and provide transparency over how we tackle these issues, we monitor our environmental performance and subject ourselves to auditing and certification by relevant institutions. We evaluate potential negative impacts in our supply chains using an appropriate risk management system. Details on this can be found on page 20.

Our certified environmental performance



Energy and environmental management

All paper factories are certified to DIN ISO 14001 and DIN ISO 50001 or EMAS-certified. The waste-to-energy plants of Progroup Power 1 and 2 are also EMAS-certified. In 2025, all corrugated sheetfeeder plants that existed at the start of the year were certified to DIN ISO 50001; two are also certified to DIN ISO 14001.



Responsible forestry

All of our paper and corrugated board plants are FSC®-certified (multi-site). Our papers and corrugated board sheets conform to the "FSC® Recycled" or "FSC® Mix" standard.



Food-safe products

All our corrugated board sheets are certified by ISEGA. They fully satisfy all consumer protection requirements, can be used for food packaging and may come into direct contact with dry, non-greasy food and food that is peeled or washed before being consumed. Furthermore, they can be used as secondary packaging. In the case of dry, non-greasy foods with a large surface area, particular focus must be given to the transfer of volatile and hydrophobic substances via the gas phase. This can be done, for example, by also using suitable intermediate packaging.

Our raw materials

Our most important raw material is different grades of recovered paper. This secondary raw material is becoming increasingly rare and expensive because the demand for papers based on recovered paper continues to rise. The market is highly competitive, yet using recovered paper still makes more sense ecologically than purchasing fresh fibre papers, which are also expensive. Nevertheless, to reduce consumption, we are working hard to try to reduce the grammage of our corrugated board sheets and exploring alternative materials.

Less use of raw materials

We are continuously working to reduce our overall use of raw materials. This is why we are now able to manufacture corrugated board sheets that are lighter and lighter and yet still satisfy the same technical requirements.

Our weight-optimised products are called nextboard® and nextfibre®. nextboard® corrugated boards have a volume that is 15 per cent lower than Progroup’s conventional grades of corrugated board, which saves storage and transport costs. nextboard® is also noted for its higher compressive strength and edge crush resistance than other products which use the same quantity of raw materials. We manage to produce this special stability thanks to a change in the corrugated board design. nextfibre® containerboard delivers the best surface finish and strength figures with less use of fibres. Its processing properties make it the ideal base material for making top-performing, sustainable corrugated board sheets.

We use the total weight of the corrugated board sheets sold to produce the key parameter for determining the reduction in grammage. In the

reporting year, we noticed much bigger demand in the market for grades with a lower grammage. We responded quickly and flexibly to this development and were able to significantly increase sales of light grades by taking targeted action. This enabled us to significantly improve the previous year’s figure. With a reduction of 6.2 per cent, we actually already surpassed our target for 2030.

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

Reduction in the use of raw materials

Measured variable

Reduction in grammage (g/m²)

2012:	497
2023:	488 (–1.8%)
2024:	489 (–1.7%)
Actual for 2025:	467 (–6.2%)
Target for 2025:	–3%
Target for 2030:	–5%

Recycled fibre instead of fresh fibre

We also buy kraftliner for corrugated boards which need to be particularly resilient. Kraftliner is base paper that is made primarily from fresh fibre and is therefore especially robust. We use kraftliner exclusively for the corrugated board cover layer because it is more expensive than recycled paper and its life cycle assessment is not as good.

In our paper factory in Burg, we are able to manufacture a type of containerboard from recycled fibres that is just as robust as kraftliner: “Proliner K”. In many cases, we are able to replace

the containerboard based on fresh fibre with this recycled containerboard. By using Proliner K, we not only reduce the amount of wood we use in our upstream supply chain, but also achieve a significant energy benefit.

Our aim is to reduce the fraction of kraftliner used by 30 per cent in 2030 compared to 2012. During the reporting period, thanks to a wide range of measures, we were able to make significant progress compared with 2024 and reduce the proportion of kraftliner used to 10.9 per cent. This represents a 24 per cent reduction compared with the base year of 2012. We were therefore almost able to achieve the 25 per cent reduction target we had set ourselves for the reporting year.

15

LIFE ON LAND

Reduction in the use of raw materials

Measured variable

Use of kraftliner (proportion of the amount of paper used in total)

2012:	14.3%
2023:	11.4% (–20%)
2024:	11.4% (–20%)
Actual for 2025:	10.9% (–24%)
Target for 2025:	–25%
Target for 2030:	–30%

Water and wastewater

The process of producing containerboard uses a lot of water. In our paper factories, we utilise water not only in the production process, for example for breaking down recovered paper, but also for cooling and cleaning the facilities.

To reduce the level of consumption, we operate closed water cycles on two of our three paper machines (PM1 in Burg and PM3 in Sandersdorf-Brehna). This means that there is no wastewater from production on these two machines, and on PM3 wastewater only comes from ancillary systems alongside the paper machine. These technologies are unique in our industry. On the one hand, they enable us to reduce the environmental risk of using a very large quantity of fresh water. On the other hand, we reduce our risk of being subject to regulatory changes and price fluctuations in relation to the use of fresh water.

This has enabled us in recent years to significantly reduce the amount of fresh water we require for each tonne of total output. Compared to 2012, the reduction in the reporting year was around 35 per cent. This means we achieved the target we set ourselves for 2025.

Compared to the previous year (–39 per cent), the value has increased again. This is attributable primarily to the additional consumption of water at our new waste-to-energy plant – PPO2 – which started operating in mid-2025. As this waste-to-energy plant does not produce any paper-based products to which the increased water demand could be apportioned, the additional consumption of fresh water has a negative impact on our specific fresh water demand per tonne of product.

The increase seen compared to the previous year is attributable mainly to the process-related demand for water in the new power plant, in particular the water-steam circuit and the cooling processes. The level of water consumption is therefore directly related to the stable and safe operation of the plants.

In 2025, the demand for water in the company as a whole was around

6.6 million cubic metres; this is around 0.5 million cubic metres more than in 2024. Our administration site in Landau has been included in the calculation for the first time. As our company is growing, the absolute demand for water will also rise in the medium term.

Despite the increased amount of fresh water, Progroup remains a particularly economical company when it comes to water consumption in the paper-making sector. In 2025, we required an average of just 3.4 cubic metres of water per tonne of containerboard. This places us well below the average for recovered-paper-based packaging paper, which is around four cubic metres of water per tonne according to the industry association “Die Papier-industrie”.

We have set ourselves the goal of reducing the specific quantity of fresh water – relative to one tonne of total output – by 40 per cent.

6

CLEAN WATER AND SANITARY FACILITIES



Reduction in water consumption

Measured variable

Specific fresh water quantity (m³/t of total output^[1])

2012:	3.27
2023:	2.18 (–33%)
2024:	1.98 (–39%)
Actual for 2025:	2.12 (–35%)
Target for 2025:	–35%
Target for 2030:	–40%

[1] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

Our raw materials and their processing



Recovered paper

We do not just use any recovered paper, but instead employ recovered paper from households that has been sorted as well as paper returned from commercial sources. As recovered paper is often contaminated by plastic and other foreign substances, we subject it to mechanical cleaning. Our products are checked every two years by independent experts to certify that they are completely safe. We ourselves constantly check the quality in our laboratory. Progroup's containerboard and corrugated board sheets are approved for contact with dry and non-greasy foodstuffs.



Fresh fibre paper

We buy in base paper with a high fresh fibre content for the purpose of manufacturing highly stable, moisture-resistant corrugated boards, as are required for transatlantic shipments, for example. We process this kraftliner to make the top layer for the corrugated boards. The trend in the use of kraftliner can be seen in the table earlier on.



Starch

Starch is essential for the production of paper and corrugated board. It is applied to the raw paper so that the fibres bind together better, and so gives the paper strength. During further processing, we use starch as glue in order to bond together the corrugated board sheets. Native starch, whose use we promote in all our plants, is a natural product that we purchase from Germany, Poland, Belgium, England and Italy in particular.



Colours

The top layers of our containerboard are dyed brown. We only ever use raw materials, additives and finishes which are registered under the REACH Regulation and are permitted according to the 36th Recommendation of Germany's Institute for Risk Assessment.

Biological water treatment

Our paper factory PM3 in Sandersdorf-Brehna is not just one of the world's most efficient paper machines; we have also integrated a state-of-the-art biological circulating water treatment plant which has been installed here for the first time anywhere in the world. It reduces the amount of fresh water that is used by around 70 per cent compared to similar paper factories.

Impurities which are transferred from the recovered paper into the process water are biologically degraded in the plant under anaerobic conditions and converted into biogas. We use this to produce steam. The steam is in turn used on the paper machine for drying. This means that the plant overall consumes up to ten per cent less fossil resources.

Reduction of wastewater

The closed circuits have drastically reduced not just our demand for fresh water, but also the amount of wastewater we have produced in recent years. PM1 does not produce any at all, and PM3 only produces wastewater from ancillary systems. The wastewater on PM2 is treated to the very latest standards by the Oderaue Drinking Water and Sewage Disposal Association. Wastewaters from our corrugated sheetfeeder plants do not require any special treatment, but are instead transported via the sewer system into the public wastewater treatment plants.

13

CLIMATE ACTION

Reduction CO₂e emissions
(Scope 1 and 2) ^[1]

Measured variable Specific CO ₂ e emissions (t of CO ₂ e/t of total output ^[2])		Measured variable CO ₂ e emissions in total (t of CO ₂ e)		Measured variable Specific CO ₂ e emissions for corrugated board (t of CO ₂ e/1,000m ²)	
2012:	0.321	2012:	527,821	2012:	0.245
2023:	0.229 (–28%)	2023:	702,751	2023:	0.175 (–29%)
2024:	0.213 (–33%)	2024:	654,689	2024:	0.160 (–34%)
Actual for 2025:	0.234 (–27%)	Actual for 2025:	734,262	Actual for 2025:	0.150 (–39%)
Target for 2025:	–35%	Target for 2025:	Constant emissions (comp. to 2012) despite growth	Target for 2025:	–35%
Target for 2030:	–40%	Target for 2030:	Constant emissions (comp. to 2012) despite growth	Target for 2030:	–40%

[1] Owing to a lack of availability, in some cases emissions factors from previous years were used to calculate the emissions.

[2] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.



With the commissioning of the PPO2, we are taking a significant step towards greater energy self-sufficiency at the Sandersdorf-Brehna site.

Energy and emissions

Climate neutrality is a major challenge for Progroup, as it is for many other manufacturing companies. In Germany, the paper industry is one of the most energy-intensive industries. Although less energy is required for producing recycled paper than it is for fresh fibre paper, our company is still to a large degree energy-dependent. The drying of the containerboard is done for example using steam, whose production consumes a lot of energy.

In the reporting year, our absolute total emissions in Scopes 1 and 2 were significantly above the level of the previous year. In Scope 1, this is attributable mainly to the commissioning of the new power plant (PPO2) in the middle

of the year. Savings that we were able to make in Scope 2 did not compensate for this effect.

In the reporting year, specific CO₂e emissions developed in parallel with this. As was already mentioned in relation to fresh water consumption, PPO2 does not contribute any volumes of product to which the increased CO₂e emissions could be apportioned. Consequently, with the figure of 0.234 tonnes of CO₂e per tonne of total output, we were around ten per cent higher than the figure for 2024. But compared to the base year of 2012, this still represents a saving of more than 27 per cent.

Now that our new power plant (PPO2) has been commissioned and is operating regularly at the Sanders-

dorf-Brehna site, there is a particular focus on reducing the use of fossil fuels, especially natural gas. During the start-up phase for refuse-derived fuel combustion (RDF), what is known as auxiliary firing with natural gas was temporarily required to ensure stable operation of the plant. As the plant has now transitioned to regular operation, this additional use of natural gas is no longer required. This means we are making an important contribution to reducing the consumption of fossil fuels and to ensuring the sustainable development of our energy supply at this site.

In addition, we are continuously optimising our facilities and processes to make even more efficient use of energy in all areas and so continue to reduce CO₂ emissions.

Waste-to-energy plants

We acquired our first power plant from EnBW in Eisenhüttenstadt in 2016 and have been operating it ourselves ever since. The second plant in Sandersdorf-Brehna started operating commercially in mid-2025. They are both CHP plants in which in particular we convert waste materials from papermaking and substitute fuels into energy. In Eisenhüttenstadt, we produce roughly 1.2 million tonnes of steam and up to 200 gigawatt hours of electricity each year. This means that, apart from when the power plant is being inspected, we provide all the steam that PM2 requires. The amount of electricity produced is equivalent to roughly 50 per cent of the power that PM2 requires.

During regular operation, the CHP plant in Sandersdorf-Brehna will provide around 1.1 million tonnes of steam each year and generate up to 160 gigawatt hours of electrical energy annually. The steam that is produced allows us to cover almost all the demand for steam at PM3. The amount of electricity produced is equivalent to roughly 40 per cent of the power that PM3 requires.

Greenhouse gas balance

Our emissions in 2025 were 734,262 t of CO₂e in Scopes 1 and 2. In Scope 3, they amounted to 842,342 t of CO₂e. Together, this produces a total of 1,576,604 t of CO₂e.

The recording of the Scope 3 emissions for 2025 covers the categories that are most relevant for our production processes: the upstream emissions from the purchase of electricity and fuels, transmission and distribution losses from the purchase of electricity, production materials, office equipment, related services, capital goods,

purchased logistics services, water consumption and wastewater and the disposal of sold products.

The purchased goods and services once again account for the majority of emissions (596,100 t of CO₂e). In this category, we have recorded all the production materials that matter for us. These include glue, starch and dye for papermaking, starch and caustic soda for the production of corrugated board and the external purchase of containerboard. Purchased services and office equipment also fall into this category. As a constantly expanding company, Progroup is tending to buy more production materials. Accordingly, emissions in this area are also increasing in absolute figures.

The purchased logistics services account for another important share of our Scope 3 emissions. In this category, we have set out the recovered paper journeys and transport consignments that we issue.

Since the 2023 reporting year, we have continued to expand our records and also included the emissions for the recovered paper that was used. According to the "Recycled content method" of the Greenhouse Gas Protocol (see Product Life Cycle Accounting and Reporting Standard (2011), p. 73), the emissions of this raw material affect the Scope 3 categories of "Transport" and "Disposal of sold products". The actual recycling process is part of our paper production and is therefore already included in our Scope 1 and 2 emissions.

For an energy-intensive company likes ours, it is another way to become carbon-neutral by 2045. This will only work if in the coming years renewable energy is made both available and affordable in sufficient quantities and other general conditions (for example the possibility of storing separated CO₂

volumes) are put in place so that not only we but the industry as a whole can manufacture products in a carbon-neutral way. Politicians are in the process of establishing the general framework for this.

In 2023/24, we developed a state-funded transformation concept for a reference corrugated sheetfeeder plant. The aim of the project is to provide a detailed description of the previous, current and future-planned efforts to combat climate change at this site and to develop a strategy that is consistent with limiting global warming to 1.5°C and meets the goal of achieving climate neutrality over the long term. The transformation concept represents part of our decarbonisation strategy that we launched in 2023.

Greenhouse gas emissions in tonnes of CO₂ equivalents (CO₂e)^[1]

Scope	Emissions sources	2012	2022	2023	2024	2025
Scope 1	Natural gas	118,576	234,632	237,309	237,901	222,806
	Heating oil	3,267	10,256	5,948	2,290	2,071
	Diesel	6,227 ^[2]	7,477	7,837	7,474	7,314
	Coal	1,350	0	0	0	0
	Burning of substitute fuels	179,575	174,850	139,741	143,973	277,720
	Total	308,996	427,215	390,835	391,639	509,912
Scope 2	Purchased electricity ^[3]	154,465	247,555	264,916	234,046	194,759
	Purchased steam	64,361	19,687	47,000	29,004	29,591
	Total	218,825	267,242	311,916	263,050	224,350
Total Scope 1 and 2		527,821	694,457	702,751	654,689	734,262
Scope 3	Purchased electricity – upstream emissions		64,025	68,422	45,306	41,972
	Purchased fuel – upstream emissions		44,073	42,412	42,251	39,591
	Purchased electricity – transmission and distribution losses		10,349	11,194	12,420	11,972
	Production materials		391,012	409,571	546,112	594,646
	Office equipment (excluding IT)		1,103	1,340	1,167	953
	Related services		360	752	1,228	501
	Capital goods		56,446	87,368	45,703	21,200
	Purchased logistics services		88,497	137,707	119,457	122,324
	Water consumption and wastewater		2,041	2,216	1,677	2,018
	Disposal of sold products			31,799	9,726	7,165
	Total		657,609^[4]	792,781	825,031	842,342
Scope 1 to 3 overall total			1,352,066	1,495,532	1,479,720	1,576,604

[1] Basis of calculation: internal calculation, based on the Greenhouse Gas Protocol.

[2] The commercial vehicle fleet is not included.

[3] Location-based emissions factors were used to calculate the emissions from purchased electricity.

[4] The recovered paper used is not included.

Our workforce

- Dialogue with the workforce
- Close links to people
- Training and development
- Boosting equal opportunities
- Occupational safety as the most important task

Charitable involvement

- Our projects in 2025

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Our workforce

Having good personnel is crucial to the success of any business. One of our most important tasks is to recruit employees, train them and retain them over the long term. Progroup has grown considerably in recent decades: The number of employees has more than doubled since 2012, and has risen by 15 per cent compared to 2021.

In 2025, we employed 1,791 salaried staff and industrial employees in six European countries and offered apprenticeships to a total of 51 young people in eight different professions and five fields of study in three European countries (correct as of: 31/12/2025). We are particularly pleased that we are able to create apprenticeships and jobs in places where they are rare, specifically away from urban centres and in some cases also in economically deprived regions.

Our human resources activities focus on three key areas that we defined as part of our sustainability strategy:

- **Employee satisfaction:**
It is crucial that our employees are satisfied so we can retain them over the long term. If there are any negative changes, we intervene promptly to rectify the situation.
- **Diversity and equal opportunities:**
We want to be an attractive company for all talented people and recruit employees for the long term.
- **Occupational safety and health protection:**
Despite high performance standards, preserving the health and safety of our employees is the top priority at Progroup.

Our values

Progroup's corporate values are our compass: They define how we work together in a team and with customers and the attitude we want to display in pursuing our goals.

We highlight these values to new employees as soon as they join our company. We want them to be embraced and passed on.



Visionary

Dynamism and flexibility
Inspiration and learning



Driving forward

Innovation and responsibility
Performance and reward



Unifying

Cooperation and team spirit
Trust and reliability

Dialogue with the workforce

All companies are suffering from a shortage of skilled workers. This is why it is so important for us to retain our employees at the company. Employee surveys help us to measure their level of satisfaction and identify issues where we as an employer need to do more.

We want to continue to maintain our employees' level of satisfaction at a high level or improve it still further in the future. In recent years, we have further optimised the way we communicate with the workforce and are making the way we interact with our employees even more open, transparent and easier to understand. In addition to well-known formats, such as the regular visits that our CEO Maximilian Heindl makes to all sites, we have initiated other formats for dialogue. For example, the Executive Board holds hybrid events to report on key developments. Employees can attend these events in person in Landau or participate virtually. They have the opportunity to ask questions anonymously – including critical questions.

The Executive Board also makes sure it shows its presence at the plants so it can talk to colleagues directly and get a clear picture of the issues and the sentiment among the workforce at each site. In addition, since the end of 2024, we have installed information screens at the plants so that in particular we can make sure that employees in production are kept much better informed.

We use our Progroup ONE app to regularly share interesting and relevant news with our employees – customised for specific sites and at a company level. The app also provides options to give feedback on different topics.

The most important single project currently underway is the overhaul of the working time and remuneration system

in our plants, which will ensure greater flexibility, transparency and predictability for our wage earners. In doing this, we have responded to requests that our employees in production have expressed on numerous occasions. In 2024, we developed a concept for doing this and we will introduce it throughout the company by 2027. The essence of this concept is a higher fixed monthly wage and much more financial stability for our employees.

At the same time, we are also introducing new working time models as part of this project. These will give employees more options to organise their working hours more flexibly and thus achieve a better work/life balance. In addition, with the new plant bonus, we are providing a clear incentive for our colleagues in production to keep delivering a high level of performance in the future. In 2025, we also introduced an attractive job bike leasing scheme for all employees in Germany that has been very well received. This offer was also created in response to an idea that was frequently suggested by the workforce.

In 2018, we carried out our first ever cultural analysis – a comprehensive survey of all employees that covers various aspects of day-to-day working at Progroup and is set to take place roughly every four years. 63 per cent of our employees participated in the second cultural analysis in 2022. In that year, we achieved an overall satisfaction score of 68 per cent. This put us on a par with other manufacturing companies. To evaluate the results of the cultural analysis and keep improving the corporate culture, we have initiated a multi-stage process. As the results from the full survey differ significantly between divisions, they were initially discussed in the individual divisions. This means that internal measures can be managed directly by the relevant managers. In addition to this, we also

look at issues that affect the whole company.

A Pulse Check was conducted for the first time in 2023. It contained fewer questions and was designed to highlight the latest trends faster and allow countermeasures to be taken if necessary. “Engagement” received a positive rating from 72 per cent of those who participated in this survey. Fewer employees (58 per cent) gave a positive answer to the questions on “Attractiveness”.

The satisfaction score for 2023 was therefore 65 per cent. This means we were just below our previous year's figure of 68 per cent and below the average for manufacturing companies.

Employment structure (group-wide)

Number of employees (excluding apprentices and student trainees)	
Acc. to employment category	Salaried employees
	Wage earners
Acc. to hierarchy	Directors
	Operational management
	Managers (incl. wage earners)
Acc. to employment contract	Permanent
	Fixed-term
Acc. to employment relationship	Full time
	Part time

Another Pulse Check was conducted at the beginning of 2026. The score of 74 per cent for “Engagement” shows that we are on the right track when it comes to employee satisfaction. However, in respect of the “Attractiveness” indicator, there is a disparity between how satisfied colleagues are with Progroup themselves (69 per cent top box) and their recommendation of Progroup as an employer (47 per cent top box). We will publish and prepare all the results on a division-specific and plant-specific basis. Independently of this, we are currently reviewing whether our very ambitious target for 2030 (93 per cent for engagement/94 per cent for attractiveness) is realistic and will adjust the target if necessary.

In 2025, we also conducted a comprehensive survey of stakeholders as part of the materiality analysis. The stakeholders surveyed also included employees. The results will be used to help us continue to develop our sustainability strategy.

8

DECENT WORK & ECONOMIC GROWTH



Boosting our employees' level of satisfaction

Measured variable

Rate from the “Engagement” and “Attractiveness” indicators

2022: 68%

2023: 65%

Actual for 2025: Not recorded

Target for 2025: Average for manufacturing sector^[1]

Previous target

for 2030: Best in class; engagement: 93%, attractiveness: 94%

New target

for 2030: Under review

[1] Average for manufacturing sector: engagement: 68%; attractiveness: 66%

2023 (as of 31/12/2023)

2024 (as of 31/12/2024)

2025 (as of 31/12/2025)

	Male	Female	Total	Male	Female	Total	Male	Female	Total
	368	185	553	373	207	580 (+4.9%)	357	200	557 (−4.0%)
	1,118	10	1,128	1,144	14	1,158 (+2.7%)	1,212	22	1,234 (+6.6%)
	3	0	3	3	1	4 (+33%)	4	1	5 (+25%)
	7	1	8	7	1	8 (+0%)	7	1	8 (+0%)
	226	23	249	225	24	249 (+0%)	227	23	250 (+0%)
	1,478	189	1,667	1,486	220	1,706 (+2.3%)	1,496	218	1,714 (+0%)
	8	6	14	31	1	32 (+129%)	73	4	77 (+141%)
	1,472	164	1,636	1,476	168	1,644 (+0.5%)	1,443	160	1,603 (−2%)
	14	31	45	41	53	94 (+109%)	126	62	188 (+100%)

Close links to people

Across the company, just over four per cent of employees are covered by collective bargaining agreements or are members of a union. All employees regularly have the opportunity to talk directly with the Executive Board, both with CEO Maximilian Heindl and the respective line directors. As part of the “Executive Board on site” initiative, in 2025 members of the Executive Board visited every shift at every site and informed all the employees about the company’s current development and the planned changes in relation to working hours and remuneration. In 2025, another priority was for CEO Maximilian Heindl to provide an introduction to our company philosophy. Given the positive response and the importance of this topic, we want to provide this introduction to all employees in our plants. In addition, every quarter during the year, there is regular, direct interaction between the senior executives and managers.

Training and development

We want to enhance and develop the skills of our workforce. New recruits should be taught the knowledge that exists within the company in a straightforward way. At the same time, our long-serving employees should constantly be given the opportunity to learn about and operate the very latest technologies. We use our digital learning platform “Progroup Campus” to make it easier for our employees to access further training and knowledge within the company. The platform was first launched in Germany, but since the end of 2022 it has also been accessible from our international sites. The content offered is constantly being supplemented and expanded. Selected training courses for our employees in production and on the SAP software can also be completed via the Progroup Campus.

To ensure that our managers are as well equipped as possible to perform their role, since 2019 Progroup has been offering training for managers which is provided by experienced internal and external human resources developers. Managers receive training among other things on the importance of roles, values and principles of action at Progroup and how to implement them practically in their daily work.

Another priority was to develop and introduce a standardised job instruction concept. As part of a pilot project, the Learning & Development division appointed and qualified internal method trainers in four Board plants. They received comprehensive training in the methodology to enable them to identify and keep developing suitable experts for different areas of activity. Based on previously created analyses of activity, these experts are then able to pass on the knowledge they have acquired to their colleagues in the form of practical job instructions. This means that any know-how relevant to the workplace is systematically docu-

mented, passed on in a standardised way and secured within the company for the long term. At the same time, this supports faster induction, a consistent understanding of quality and sustainable development of skills within the plants.

Every year at Progroup, all employees have discussions with their line managers that focus on their personal development. The structured interview is intended to help them appraise their own level of performance. In addition, this provides a chance to talk about issues that there is no time to discuss during daily work. Employees have the opportunity to discuss openly what they like about their working relationship, where they would like to see improvements and how they want to progress at Progroup.

Constructive feedback from both parties and defining follow-up measures are key tools that are used here. All employee appraisal interviews in relation to the period under review were completed in the first quarter of 2026.

5

GENDER EQUALITY

Boosting equal opportunities

Measured variable		Measured variable	
Percentage of women among salaried employees		Percentage of women in management positions	
2023:	33%	2023:	9%
2024:	36%	2024:	10%
Actual for 2025:	36%	Actual for 2025:	9%
Target for 2025:	40%	Target for 2025:	12%
Previous target for 2030:	50%	Previous target for 2030:	20%
New target for 2030:	>35%	New target for 2030:	15%

Boosting equal opportunities

A low proportion of women in the workforce is typical of the structure of the workforce in the paper and corrugated board industry. Around 70 per cent of our jobs are in production and – despite all the state-of-the-art technology – this still involves physical work and operating in multiple shifts. The number of women working here is very low. Although in the period under review 36 per cent of salaried employees were women, the figure in the overall workforce was just 13 per cent. The proportion of women in the workforce overall and among salaried employees therefore did not change in the period under review compared to 2024.

28 per cent of the women who work for us worked part-time in 2025. This is another increase compared to the previous year, when the proportion of women working part-time was 24 per cent, and is the result of a deliberate effort to retain these female employees, who are often highly qualified and valuable to the company.

The intention is to gradually fill management positions with more women. This category includes all relevant employees, including wage earners, with leadership responsibility, the management team and the Executive Board. The proportion of women in management positions decreased by one percentage point to nine per cent compared to 2024. We have made some progress towards achieving these goals, but not at the pace that we set for ourselves. This is partly down to general conditions over which we have no influence, such as a lack of suitable female applicants in certain specialist areas. This is why we have adapted our targets for 2030 as part of the process of developing our sustainability strategy. We do not want to drop below the current level for female salaried employees by 2030. When it comes to management positions, we are aiming to increase the percentage to 15 per cent by 2030.

We remain steadfast in our long-term commitment to achieving a significantly higher proportion of women at Progroup.

Employment structure (by countries)

						
Number of employees in 2025 (As of 31/12/2024, excluding apprentices and student trainees)	Germany	France	Poland	Czech Republic	Italy	United Kingdom
Employees	1,111	43	159	62	104	62
Managers	195	7	20	7	14	7

Across the company, we employ people of 34 different nationalities (correct as of 31/12/2025).

8

DECENT WORK & ECONOMIC
GROWTH

Improvement in occupational safety

Measured variable

Notifiable workplace accidents
per 1 mill. hours worked

2023

Paper machines: 10.6
Corrugated sheetfeeder plants: 11.9
CHP plant: 10.1
Progroup as a whole: 11.3

2024

Paper machines: 13.0
Corrugated sheetfeeder plants: 13.1
CHP plant: 0
Progroup as a whole: 12.3

Actual in 2025

Paper machines: 6.5
Corrugated sheetfeeder plants: 12.6
CHP plant: 0
Progroup as a whole: 9.4

Target for 2025

At least industry average^[1]

Target for 2030

<5

[1] At least industry average (corresponds to the figures from the year in which the targets were set; source: BG ETM)
Paper machines: 18.3
Corrugated sheetfeeder plants: 11.7
CHP plant: 10.7

Occupational safety as the most important task

One of our most important tasks is still to ensure occupational health and safety at our workplaces. To perform this task to the best of our ability, responsibility and organisation are split between the individual divisions of Paper (Progroup Paper PM1 GmbH and subsidiaries), Board (Progroup Board GmbH and subsidiaries) and CHP plants (Progroup Power 1 GmbH, Progroup Power 2 GmbH). Our administration site in Landau is looked after by the occupational safety specialists for the Board division, and Progroup Logistics GmbH is looked after by the specialists for the Paper division. The reason for this split is that the respective value chains have different production workflows. The occupational safety specialists talk to each other online if required and also meet in person twice a year. Our efforts really paid off in the year under review: In all divisions, we succeeded in reducing the accident figures.

In the reporting period, the key figures fell from 13.0 to 6.5 in the Paper division and from 13.1 to 12.6 in the Board division compared to 2024. In the Power division, there were no notifiable workplace accidents, as was also the case in 2024. In the year under review, as in the previous year, there were no fatalities caused by work-related injuries.

Paper division

To make our employees aware of occupational safety, they use our digital occupational safety tool to undertake quarterly training that is tailored to the specific work they do. If the specified number of completion attempts (3) is exceeded, the manager receives a notification and must enable the training in the system again. This ensures

that the manager can respond with appropriate qualification measures, for example. Risk assessments are conducted on a regular basis and updated if an incident occurs. Our safety checks form part of this.

In addition, all employees are required to report any hazards or unsafe situations. If an incident occurs, it is entered in the electronic first-aid log by the injured person or their manager. This ensures that the superior manager and the occupational safety team are automatically informed. How the incident happened, its cause and any actions to prevent the incident from occurring in future are then jointly discussed and documented. These details are then passed on to the managers of all paper machines. All positions within occupational safety are filled by specialists who are experts in the field.

In the last few years, the numerous measures that we have initiated have enabled us to achieve a significant improvement and reduce the number of notifiable workplace accidents per 1 million hours worked. In 2025, we were particularly successful in this regard: In the period under review, the key figure fell significantly from 13.0 to 6.5 notifiable workplace accidents per 1 million hours worked compared to 2024. A total of five notifiable accidents occurred, so only half the number compared to 2024. The most common types of injuries were bruises, cuts and abrasions. We will continue to work together in future to bring down the accident figures even further.

Board division

Safety briefings are given in our corrugated sheetfeeder plants primarily by the operations manager or the shift supervisor. The training plans are drawn up by the occupational safety specialist using various job profiles.

For certain topics, in a similar way to our paper machines, the digital tool is used for briefings. Risk assessments are prepared by the operations managers together with the safety experts and then lodged in the digital occupational safety tool. They are reviewed and updated annually and when a particular event demands this.

In addition, safety checks are carried out in our corrugated sheetfeeder plants where our employees look at potential hazards and risks before they embark on a particular task. Based on the risk assessments and analyses of accidents, we have identified essentially the following risks that may cause injuries: Risk taking, working methods and level of vigilance of the employees. These are also the risks that mainly led to injuries during the reporting period.

After an accident occurs, the relevant plant is obliged to notify a defined list of people, including the Executive Board, within 24 hours. In addition, an entry must be made in the digital occupational safety tool. The occupational safety specialist and the plant in question will then consult to reach a conclusion on which activity caused each incident. The aim is to identify preventative measures and designate who is responsible for implementing them. The implementation is monitored at regular intervals with selected senior managers from the company's head office and the plants. The most common types of injuries are cuts and lacerations.

To continue to minimise the work-related hazards and risks, our corrugated board plants have an internal information portal which also lists all the processes, responsibilities and basic principles of occupational safety. In 2023, we also incorporated occupational safety as a criterion used to calculate the plant wage for the

employees. The employees receive a bonus as soon as a set number of preventative measures has been implemented.

In 2025, Board occupational safety continued to optimise the training concept in collaboration with all competence centres.



Regular safety checks increase the level of occupational safety at Progroup and encourage the employees to suggest improvements.



The basketball club in Stryków has been supported by Progroup for many years now – just one example of the many long-standing partnerships at our sites.

Furthermore, the safety briefing was introduced as a new means of communication. This is where over a short period of time important, safety-relevant topics from day-to-day activities are addressed, for example there may be a focus on safety in certain production steps. This also has an influence on the bonus as soon as a stipulated number of safety briefings has been carried out.

In total, 18 accidents occurred at our corrugated sheetfeeder plants in 2025, so one less than in 2024. In the period under review, we recorded 12.6 notifiable workplace accidents per 1 million hours worked.

Power division

Here too, briefings are provided mainly using our occupational safety tool. In addition, the employees receive external training based on a training plan for specific tasks as well as additional briefings following an accident or incident. Risk assessments are updated on a regular basis. Unsafe situations are also reported and logged.

To ensure that they are eliminated, they are discussed in regular meetings between all managers, responsibilities are defined and the completion of the work is reported to the occupational safety specialist. The main risks identified are mechanical hazards, especially the potential to fall when working in

elevated workplaces, and the risk of tripping, falling and slipping. They were identified through observing the shift personnel and maintenance and measures to avoid them were discussed in subsequent inspections with the occupational safety specialist or the safety officers.

In 2025, one priority for the occupational safety officers was organising and documenting occupational safety at the PPO2 site in Sandersdorf-Brehna.

The success of our measures is reflected in the accident figures from the reporting period: As was the case in 2024, there was not a single notifiable workplace accident in the Power division in 2025.

Charitable involvement

Progroup sees itself as a good neighbour at its locations. This is why our sponsorship concept pursues the goal of establishing and expanding long-term relationships with local stakeholders and being an active part of the community. For us as a family business, the focus of our commitments is on supporting children and young people in the areas of culture, sport, social aspects and education. Our donations and sponsorship are transparent and focused on benefiting society as a whole. We mainly support local and regional charitable activities and organisations. They are selected and approved using a process that is stipulated by the Executive Board. We do not expect anything in return for our donations. No donations are made to any political parties, politicians, officials or political candidates.



Our projects in 2025

We would like to mention a few of the projects we are committed to. In 2025, there was a focus on supporting lots of smaller local clubs and institutions located around our sites.

We are particularly keen to fund and support sporting projects. We have been working for a number of years with the handball division of TV Offenbach in Offenbach an der Queich to promote sport for young people. As part of this long-term cooperation, we offer young talented handball players a platform to optimise their devel-

opment and thus open the door to competitive sport.

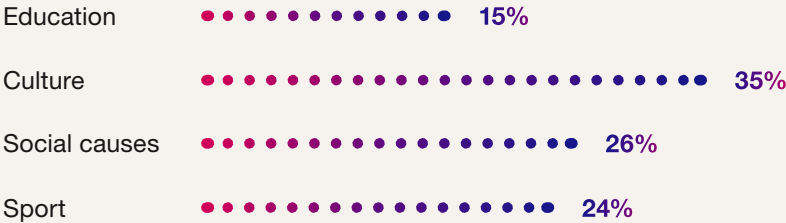
Around Sandersdorf-Brehna, we donated several smaller sums of money to sports clubs such as VC Bitterfeld-Wolfen e. V., Wassersportclub Friedersdorf e. V., Sportgemeinschaft Union Sandersdorf e. V. and SG Ramsin 1919 e. V. In Stryków, donations were made to the local basketball club and the cycling team. In Eisenhüttenstadt, a donation was also made to VSB offensiv Eisenhüttenstadt e.V. to help fund the volleyball section for young children and to the table tennis club, to name just a few examples.

When it comes to social, educational and cultural causes, the projects we supported included the town festivals in Eisenhüttenstadt and Rokycany and the festival of culture in the Czech town. We made a donation to the Offenbach daycare centre to support a project focusing on early-years musical education and English lessons. In Sandersdorf-Brehna, we have also been supporting quite a large tree-planting project for a number of years.

There is a long tradition at Progroup of supporting the fire brigades in the locations where we operate. This is because they are the people who will come to our plants if there is a fire. We are very happy to do our bit to give something back and in the reporting period we made donations to, among others, the voluntary fire brigades in the areas surrounding Trzcínica, Sandersdorf-Brehna and Plößberg.

To establish even closer links to the people in each region that we operate in, we transferred responsibility for any donations and sponsorship activities to the plants in the period under review. This helps us to strengthen the bond between our locations, employees and the local communities.

Spread of donations in 2025



GRI index

Progroup AG has reported the information that is stated in this GRI index for the period running from 1 January 2025 to 31 December 2025 with reference to the GRI standards.

GRI standards	Contents	SDG no.	Page
General Disclosures			
GRI 2: General Disclosures (2021)			
2-1	Organizational details		pp. 7, 8, 16, 17
2-2	Entities included in the organization's sustainability reporting		p. 7
2-3	Reporting period, frequency and contact point		p. 5, Legal information
2-5	External assurance		pp. 5, 58
2-6	Activities, value chain and other business relationships		pp. 9, 33, 34
2-7	Employees		pp. 46–51
2-9	Governance structure and composition		pp. 16–18
2-10	Nomination and selection of the highest governance body		pp. 16–18
2-11	Chair of the highest governance body		p. 17
2-12	Role of the highest governance body in overseeing the management of impacts		pp. 17, 18
2-13	Delegation of responsibility for managing impacts		pp. 18, 23
2-14	Role of the highest governance body in sustainability reporting		pp. 17, 18, 23
2-15	Conflicts of interest		p. 17
2-16	Communication of critical concerns		p. 15
2-17	Collective knowledge of the highest governance body		p. 17
2-18	Evaluation of the performance of the highest governance body		pp. 18, 19
2-20	Process to determine remuneration		pp. 18, 19
2-22	Statement on sustainable development strategy		Foreword, p. 25
2-23	Policy commitments		pp. 15, 16
2-24	Embedding policy commitments		pp. 15, 16
2-25	Processes to remediate negative impacts		pp. 15, 16
2-26	Mechanisms for seeking advice and raising concerns		pp. 15, 16
2-27	Compliance with laws and regulations		pp. 15, 16
2-28	Membership associations		p. 18
2-29	Approach to stakeholder engagement		pp. 26, 27
Material Topics			
GRI 3: Material Topics (2021)			
3-1	Process to determine material topics		p. 23
3-2	List of material topics		pp. 24, 26

Reduction in water consumption

GRI 3: Material Topics (2021)

3-3	Management of material topics		pp. 41, 42
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GRI 303: Water and Effluents (2018)

303-1	Interactions with water as a shared resource	6	pp. 41, 42
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Reduction in CO₂ emissions

GRI 3: Material Topics (2021)

3-3	Management of material topics		pp. 42-45
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GRI 305: Emissions (2016)

305-1	Direct (Scope 1) GHG emissions	13	p. 45
305-2	Energy indirect (Scope 2) GHG emissions	13	p. 45
305-3	Other indirect (Scope 3) GHG emissions	13	p. 45
305-4	GHG emissions intensity	13	p. 42

Reduction in the use of raw materials

GRI 3: Material Topics (2021)

3-3	Management of material topics		p. 40
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GRI 301: Materials (2016)

301-1	Materials used by weight or volume	12	p. 40
301-2	Recycled input materials used	15	p. 40

Boosting our employees' level of satisfaction

GRI 3: Material Topics (2021)

3-3	Management of material topics		pp. 48, 49
-----	-------------------------------	--	------------

GRI 2: General Disclosures (2021)

2-29	Approach to stakeholder engagement	8	pp. 48, 49
------	------------------------------------	---	------------

Boosting equal opportunities

GRI 2: General Disclosures (2021)

2-9	Governance structure and composition	5	pp. 50, 51
-----	--------------------------------------	---	------------

GRI 405: Diversity and Equal Opportunity (2016)

405-1	Diversity of governance bodies and employees	5	pp. 50, 51
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Improvement in occupational safety

GRI 3: Material Topics (2021)

3-3	Management of material topics		pp. 52-54
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GRI 403: Occupational Health and Safety (2018)

403-9	Work-related injuries	8	p. 52
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Certificate

Validation of key figures of the Sustainability Report 2025

After remote assessment, we confirm the credibility, transparency and plausibility of the GRI Key Figures in the Sustainability Report 2025, reporting period 2025, published by

Progroup AG

headquartered in
Horstring 12, 76829 Landau, Germany



The following Key Figures in the Sustainability Report 2025, related to the GRI SRS (2021) indicators are verified:

- General standard disclosures:
 - o GRI 2-7 Employees
 - o GRI 2-9 Percentage of women in management positions
- Occupational health and safety - GRI 403-9: Work-related injuries
- Diversity and equal opportunity - GRI 405-1: Percentage of female employees
- Water - GRI 303-1: Water as a shared resource
- Materials - GRI 301:
 - o GRI 301-1 Materials used by weight or volume - Weight per unit area
 - o GRI 301-2 Recycled input materials used - Use of kraftliner
- Emissions - GRI 305:
 - o GRI 305-1 Direct GHG emissions (Scope 1)
 - o GRI 305-2 Indirect energy-related GHG emissions (Scope 2)
 - o GRI 305-3 Other indirect GHG emissions (Scope 3, Selection)
 - o GRI 305-4 Intensity of GHG emissions (based on Scope 1 and Scope 2)

Berlin, 22 July 2026

Prof. Dr Jan Uwe Lieback
Director

No. N-26-24804-EN

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Legal information

Publisher

Progroup AG
Horstring 12, 78729 Landau, Germany

Responsible for the publisher

Beate Flamm (CCO), Dr. Thorben Finken (CFO)

Sustainability management

Madlen Bollinger, Bernhard Schenk

Corporate communications & marketing

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Texts

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Design, typesetting and layout

Superultraplus Designstudio

Proofreading

T&I Portfolios GmbH

Picture credits

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P. 17: Tanja Hammel/Progroup AG
P. 21: Hartmut Nägele/Progroup AG
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