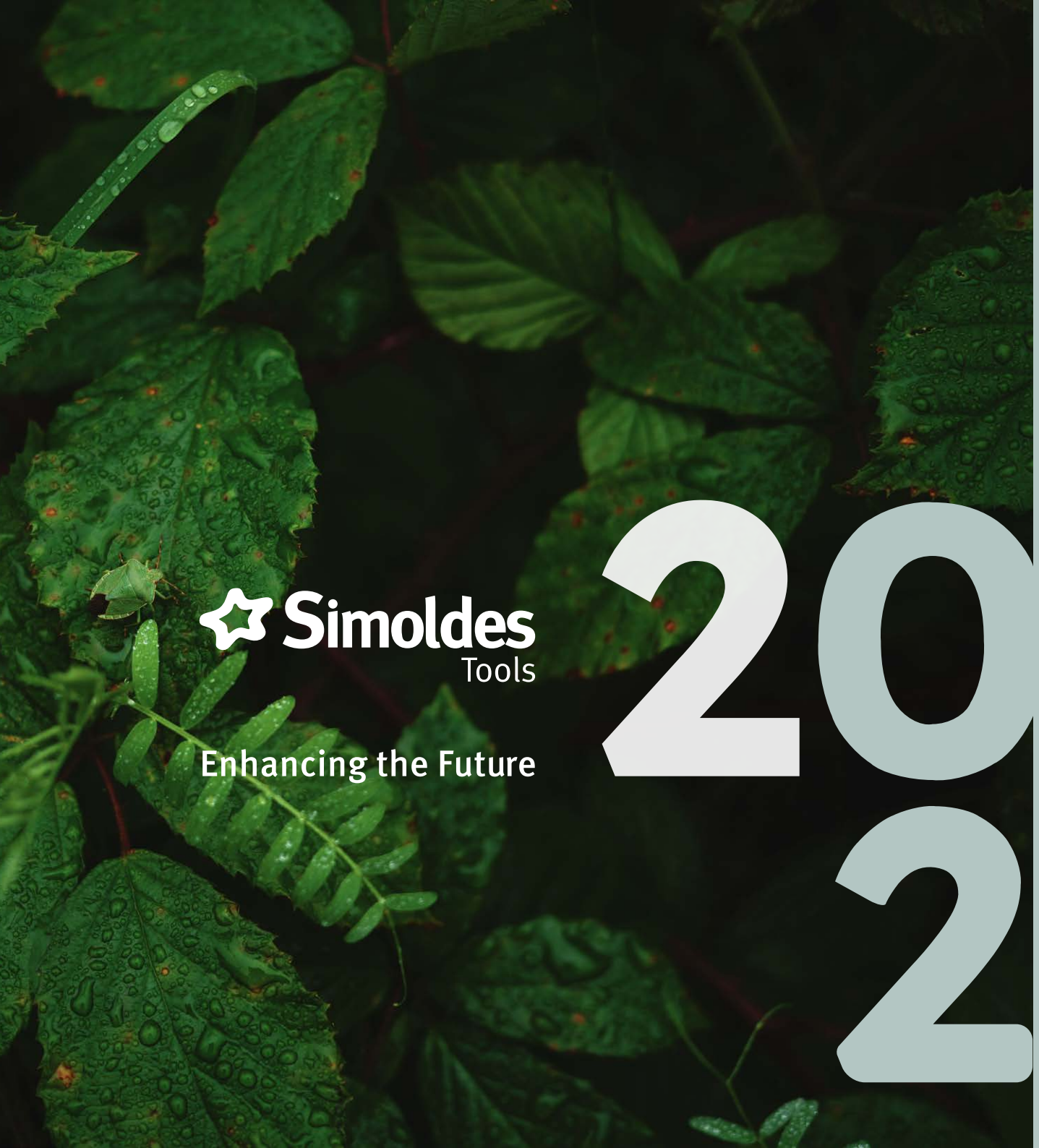


Simoldes Tools

Enhancing the Future

2025 SUSTAINABILITY REPORT

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MESSAGE FROM THE CHAIRMAN OF SIMOLDES GROUP

Dear Stakeholders,

Since the founding of Simoldes Group in Oliveira de Azeméis, we have been building a path based on the creation of sustainable value, guided by respect for people, communities, and the environment. Over several decades, we have maintained a long-term vision founded on responsibility, innovation, and the ability to adapt to the challenges of each era.

In an increasingly demanding global context, shaped by profound environmental, economic, and social transformations, we believe that industry has a decisive role to play in building a more balanced, resilient, and sustainable future. At Simoldes Tools, sustainability is not merely a formal commitment – it is a guiding principle that shapes our decisions, investments, and operations.

Our international presence, combined with strong ties to local communities, enables us to generate a positive impact across the various markets in which we operate. We continue to invest in the development of our people, technological innovation, and more efficient, productive, and environmentally responsible industrial solutions, designed to address current challenges and meet future demands.

The diversity of our teams, our close relationships with partners, and our collaboration with academic and industrial institutions have been fundamental in strengthening our capacity for innovation and adaptation. These pillars allow us not only to keep pace with the evolution of the sector, but also to actively contribute to its transformation.

We are fully aware that the path to sustainability is continuous and demanding. It requires commitment, transparency, rigour, and a long-term strategic vision. This is why we remain committed to strengthening best governance practices, fostering an ethical and responsible culture, and integrating ESG principles across all areas of the organisation.

We firmly believe that economic growth can be reconciled with social and environmental responsibility, and competitiveness with the creation of long-term value. With this conviction, we will continue to work every day to leave future generations a stronger, more innovative, and more sustainable industry.

Yours sincerely,
António da Silva Rodrigues
Chairman of Simoldes Group



MESSAGE FROM THE CEO OF SIMOLDES TOOLS

Dear Stakeholders,

The industry is going through a period of unprecedented structural transformation. The acceleration of regulatory requirements, the evolution of customer expectations, and the increasing pressure on efficiency, decarbonisation, and operational resilience are redefining competitiveness models on a global scale.

In this context, sustainability is no longer a topic separate from business strategy. It is now a critical factor for performance, differentiation, and value creation. At Simoldes Tools, we approach this transformation with pragmatism, ambition, and a focus on execution.

Throughout 2025, we continued to integrate ESG principles in an increasingly cross-cutting manner into our operations and decision-making processes. We strengthened the energy efficiency of our industrial units, accelerated the incorporation of more circular solutions, and consolidated our governance, reporting, and monitoring systems, aligning them with the most demanding European frameworks. At the same time, we deepened the integration of sustainability criteria into the operational and strategic management of the business – from investment and industrial modernisation decisions to supply chain management, solution development, and risk mitigation. However, the real challenge lies not only in the implementation of individual initiatives, but in the ability to ensure consistency, scale, and measurable impact. The future competitiveness of industry will depend on the ability to transform sustainability into operational efficiency, innovation, and resilience.

It is precisely this vision that guides Simoldes Tools. Through the continuous optimisation of our processes, the incorporation of new technologies, and the empowerment of our teams, we are building an organisation that is more agile, better prepared, and more competitive in responding to the challenges of the global market and sustainability, in its different dimensions.

Our execution capability, proximity to customers, and culture of continuous improvement continue to be distinguishing factors of the organisation. This journey is only possible thanks to the commitment of our people and the close collaboration with customers, partners, and suppliers.

Our commitment remains clear: to transform strategy into action, ambition into results, and sustainability into tangible value for the business, for our stakeholders, and for society.

We remain focused, with discipline, responsibility, and a long-term vision, on building a more efficient, more innovative, and more sustainable Simoldes Tools.

Yours sincerely,
Rui Paulo Rodrigues
CEO, Simoldes Tools
Vice chairman, Simoldes Group



ABOUT THIS REPORT

This 2025 Sustainability Report presents the consolidated non-financial report of **Simoldes Tools** for fiscal year 2025. It has been prepared in accordance with Article 48i of Directive 2013/34/EU on consolidated sustainability reporting. The report is made publicly available by its publication on its website.

The report was prepared in compliance with the ***European Sustainability Reporting Standards (ESRS)*** from the Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 – *Corporate Sustainability Reporting Directive (CSRD)*. It has therefore been structured in two sections, the first being related to the Management's Review, while the second regards the Sustainability Statements.

The scope of this report is the operations carried out by Simoldes Tools, in the period between January 1st and December 31st, 2025, considering the following companies:

- Simoldes Aços
- MDA – Moldes de Azeméis
- IMA – Indústria de Moldes de Azeméis
- IGM – Indústria Global de Moldes
- Mecamolde – Moldes Para Plásticos
- Ulmolde – Moldes Técnicos
- Simoldes Steel Center

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Portugal

Technical support – Humb Consulting



ABOUT SIMOLDES TOOLS

Simoldes Tools is a specialised manufacturer of high-quality steel moulds for plastic injection applications. We produce a wide range of tools, including small, highly precise components and large-scale moulds weighing up to 120 tons. This ensures precision, reliability, and consistent performance across all projects.

Since our foundation in 1959, we have established a strong and lasting presence in multiple industries and we are currently considered the largest mould manufacturer in Europe.

From the beginning, Simoldes Tools has focused on understanding clients' evolving needs and delivering solutions that effectively respond to new challenges and emerging opportunities.

Simoldes Tools is present in 10 countries across three continents, reflecting our strong international footprint. With a team of around 900 people, we are dedicated to supporting our clients at every step, from the early stages of engineering and technical expertise through to production and reliable after-sales service.

Operating on an end-to-end basis, from concept development through to final production, we deliver integrated solutions that generate tangible value for our clients. Our foundation is rooted in our technical expertise, a commitment to continuous improvement, and a shared sense of purpose that fosters strong, long-term relationships with our employees, customers, and suppliers.

Our sites referenced in the report:

SIMOLDES AÇOS

IMA
INDÚSTRIA DE MOLDES DE AZEMÉIS

MECAMOLDE
MOLDES PARA PLÁSTICOS

ULMOLDE
MOLDES TÉCNICOS

MDA
MOLDES DE AZEMÉIS

IGM
INDÚSTRIA GLOBAL DE MOLDES

SIMOLDES
STEEL CENTER

Click here and discover more about Simoldes Tools YouTube

Mission

Promote a collaborative and integrative business environment, sustained by customer preference and continuous improvement resulting in maximized returns for our stakeholders.

Vision

To be the best and most sustainable mould maker in the world.

Values

Dedication, commitment, passion, integrity, respect towards our customers, employees and society.

TIMELINE

1959
Foundation of Simoldes Aços in Oliveira de Azeméis, Portugal

1991
Launch of MDA – Moldes de Azeméis

1993
Launch of IMA – Indústria de Moldes de Azeméis

1998
International expansion with Simoldes Aços Brasil

2000
Launch of IGM – Indústria Global de Moldes

2001
Launch of Mecamolde

2002
Launch of Ulmolde and further expansions with ACS Germany, ACS Iberia and ACS France

2005
Launch of ACS Argentina

2015
Launch of ACS Mexico

2018
Expansion of Simoldes Aços to Morroco and inauguration of Simoldes Milling Center



2020



2021
Inauguration of Tryout Center and the Simoldes Steel Center



2022



2023
Launch of Simoldes Tools USA



2025



SUSTAINABILITY STRATEGY

Sustainability is integral to how we operate daily. Rather than being treated as a standalone goal, environmental, social, and governance (ESG) principles are embedded in our decisions and actions, guided by transparency, ethical behaviour, and a continuous willingness to reflect and improve. As part of this commitment, Simoldes Tools is a member and is aligned with the principles of the United Nations Global Compact, reinforcing our dedication to responsible business conduct. With a strong sense of responsibility, we strive to contribute positively to society and reduce our environmental impact, while building long-term trust and resilience across our value chain.

This integrated approach aligns our organisational objectives with stakeholder expectations, anticipates emerging risks, and identifies sustainable opportunities in line with the United Nations Sustainable Development Goals (SDGs). At Simoldes Tools, we recognise the importance of aligning our strategy and operations with these global goals and assume the responsibility of actively contributing to a more sustainable and resilient industrial sector.

We have assessed the SDGs most relevant to our operations and identified those where we can generate the greatest positive impact. By focusing on goals connected to our business model, technological capabilities, and value chain, we ensure our sustainability efforts are purposeful, measurable, and aligned with global priorities and stakeholder expectations.

UN GLOBAL COMPACT

2025 PARTICIPANT

Our company is committed to upholding the Ten Principles of the **United Nations Global Compact**.



SUSTAINABLE DEVELOPMENT GOALS

The United Nations' Sustainable Development Goals (SDGs) set a global framework to address key social, environmental, and economic challenges. At Simoldes Tools, we align our strategy with these goals, recognising our responsibility to contribute to a more sustainable industrial sector. Through our activities, we impact areas such as innovation, resource efficiency, decent work, and climate action, and have identified the SDGs where we can create the most significant positive contribution.

Environmental



Social



Governance



ESG GOALS

Environmental

- Investment in renewable energy and energy efficiency
- Development of recyclable, lighter and more sustainable materials
- Climate change mitigation commitment
- Reduction of GHG emissions and CO_2 footprint

Social

- Employees as a key driver of success
- Safe and balanced work environment (physical, social, psychological
- Fair, non-discriminatory employment and compensation
- Promotion of diversity, inclusion and equal opportunities
- Strong occupational health and safety culture
- Human capital as a pillar of long-term sustainability

Governance

- Engagement of the supply chain in sustainability efforts
- Mechanisms to raise awareness and promote collaboration with stakeholders

MESSAGE FROM THE SUSTAINABILITY TEAM

Strengthening sustainability within our operations while simultaneously expanding our impact throughout the value chain were two of our main focuses throughout this year.

In 2025, this commitment took on a new dimension with the integration of the maintenance and production areas into the sustainability team. This development brought sustainability even closer to operational reality, strengthening our capacity to implement, monitor, and continuously improve sustainability directly within our production processes.



Our work on Scope 3 clearly demonstrated that significant impacts also lie beyond the organisation's direct boundaries. For this reason, we have strengthened collaboration with our strategic partners by promoting joint initiatives with suppliers on energy efficiency and emissions reduction, supporting the adoption of circularity practices, integrating ESG criteria into value chain management, and collaborating with customers to optimise solutions with lower environmental impact.

More than measuring impact, we are building the capability—within the organisation and throughout the value chain—to turn it into action.

This is a demanding but fundamental journey. We believe that through more integrated teams, closer alignment with our operations, and active collaboration with our partners, we can accelerate the transition towards more sustainable and resilient business models.

We remain focused on consolidating this path, ensuring that sustainability becomes an increasingly integral part of the way Simoldes Tools operates, makes decisions, and creates value.

Yours sincerely,
Simoldes Tools Sustainability Team

SUSTAINABILITY STATEMENTS



GENERAL INFORMATION
BASIS FOR PREPARATION

ESRS 2 BP-1 General basis for preparation of the sustainability statement

ESRS 2 BP-2 Disclosures in relation to specific circumstances

This Sustainability Report serves as Simoldes Tools' sustainability statement, prepared according to the ***European Sustainability Reporting Standards*** (ESRS), the Directive (EU) 2022/2464 of the **European Parliament** and of the Council of 14 December 2022 – ***Corporate Sustainability Reporting Directive*** (CSRD). It covers the period from January 1st to December 31st, 2025, which coincides with Simoldes Tools' fiscal year.

This report focuses on the non-financial ESG performance of Simoldes Tools and is publicly available on the company's website.

Simoldes Tools is headquartered in Oliveira de Azeméis, Portugal, operating primarily in the field of manufacture of tools and wholesale of metals and metal ores (NACE 25.73 and NACE 46.72). The scope of this report encompasses the operations of the following companies:

- Simoldes Aços, S.A.
- MDA – Moldes de Azeméis, S.A.
- IMA – Indústria de Moldes de Azeméis, S.A.
- IGM – Indústria Global de Moldes, S.A.
- Mecamolde – Moldes para Plásticos, S.A.
- Ulmolde – Moldes Técnicos, S.A.
- Simoldes Steel Center Unipessoal, Lda

These companies collectively represent the core industrial and operational structure of Simoldes Tools, specialising in the design, development and production of moulds and related metalworking solutions for global markets. Their activities are supported by integrated technical capabilities, advanced manufacturing processes and a strong focus on innovation, quality and operational efficiency.

This report presents the general disclosures required under ESRS 2, including information on governance, the business model, the integration of sustainability into strategy, stakeholder engagement, the materiality assessment process, and the related metrics and targets. In addition, it covers the sustainability topics identified as material through the double materiality assessment, in line with the applicable topical standards.

Following the ESRS double materiality approach, Simoldes Tools reports only on sustainability topics considered material based on the results of its assessment. Topics assessed as not material in terms of impacts, risks, or opportunities are therefore not addressed in this report.

All financial figures are reported in euros (€), while sustainability metrics are disclosed using relevant units, including tonnes, percentages, and headcount, according to the characteristics of each indicator.

The preparation of this report was closely overseen by the Board of Directors, which reviewed and approved its final content. Simoldes Tools holds overall accountability for the quality, accuracy, and integrity of the sustainability information presented.

GOVERNANCE OVERVIEW

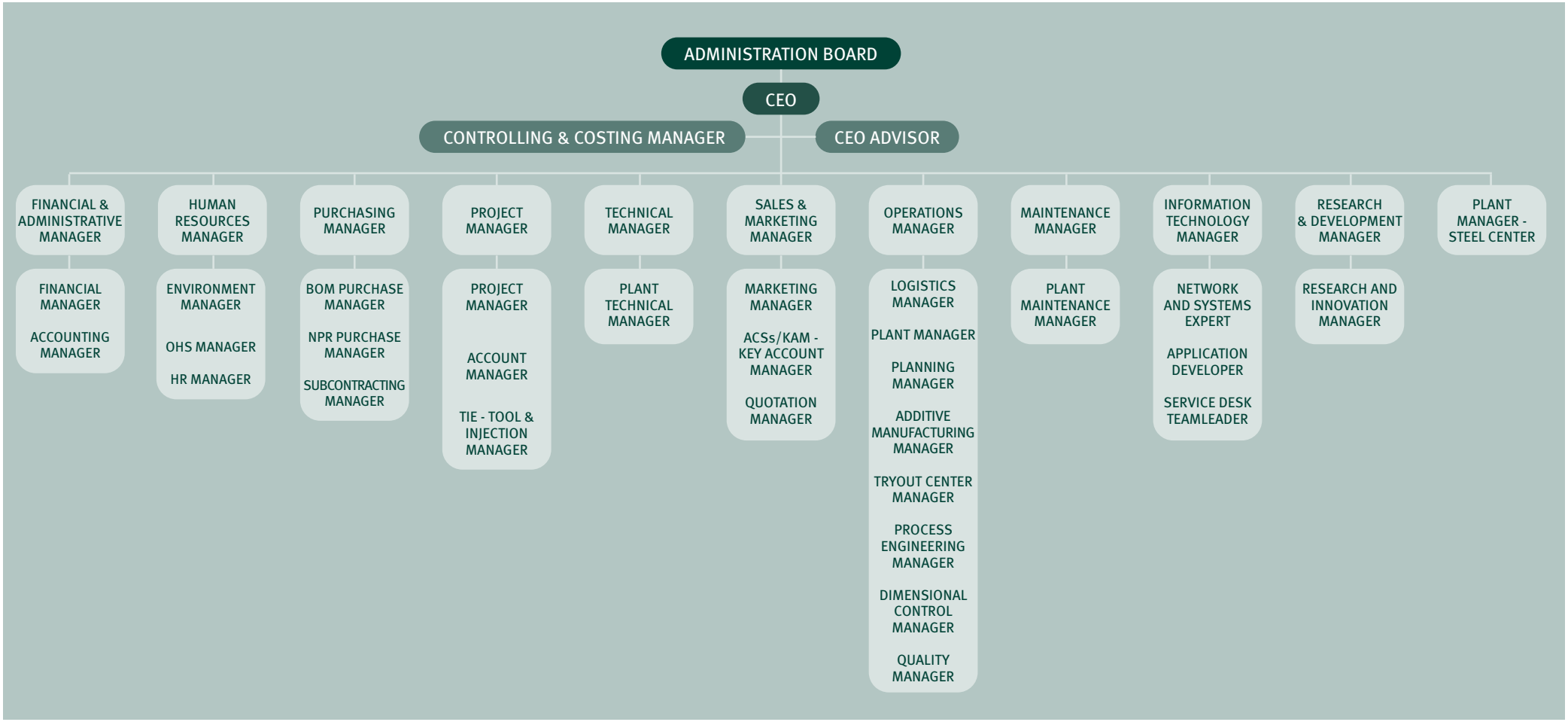
ESRS 2 GOV-1 | The role of the administrative, management and supervisory bodies

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

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

ESRS 2 GOV-4 Statement on due diligence

ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting



At Simoldes Tools, we structure governance to ensure strong oversight of sustainability matters, while maintaining full alignment with our mission and applicable regulatory frameworks. Our Board of Directors assumes overall responsibility for governance, including the incorporation of ESG principles into strategic planning, risk management, and performance evaluation processes. Sustainability is therefore not treated as a standalone topic, but as an integral part of our decision-making, enabling us to manage impacts, risks, and opportunities while supporting long-term value creation in a consistent and accountable manner. This approach reinforces a culture of transparency, accountability, and ethical conduct across Simoldes Tools.

Our organisational structure is led by a Board of Administration, chaired by a President, from which the Chief Executive Officer (CEO) is appointed. The CEO is responsible for implementing the strategic direction defined by the Board, as well as for overseeing the day-to-day operations of the organisation. All departments report directly to the CEO, ensuring alignment across functions and promoting efficient and cohesive management. Each Director is responsible for a specific department and leads a dedicated team covering the key areas within their scope. Additionally, two roles report directly to the CEO: the Controlling & Costing Manager and the CEO Advisor.

The roles and responsibilities of the administrative and management bodies are formally defined in internal regulations and governance documents, ensuring clarity in accountability and decision-making processes. Management plays an active role in monitoring and managing impacts, risks, and opportunities through a structured risk management system supported by regularly monitored internal KPIs and periodic meetings.

At operational level, directors and representants from all departments meet on a biweekly basis to discuss ESG-related topics, ensuring that sustainability is addressed in a cross-functional and integrated manner. These meetings support the monitoring of performance, the discussion of key risks and opportunities, and the validation of actions, involving areas such as operations, environment, and human resources.

This governance model ensures that ESG considerations are embedded across all relevant functions, enabling effective coordination and integration with other internal processes. The Board of Directors exercises oversight through regular reporting and alignment with management, ensuring that sustainability-related matters are appropriately monitored and addressed.

Targets related to sustainability and material impacts, risks, and opportunities are defined and monitored through KPI-based frameworks. Progress is regularly reviewed at management level, ensuring alignment with strategic objectives and continuous performance improvement.

Through this structured and integrated approach, Simoldes Tools ensures that governance, risk management, and sustainability are closely interconnected, supporting informed decision-making and reinforcing our commitment to long-term sustainable value creation.

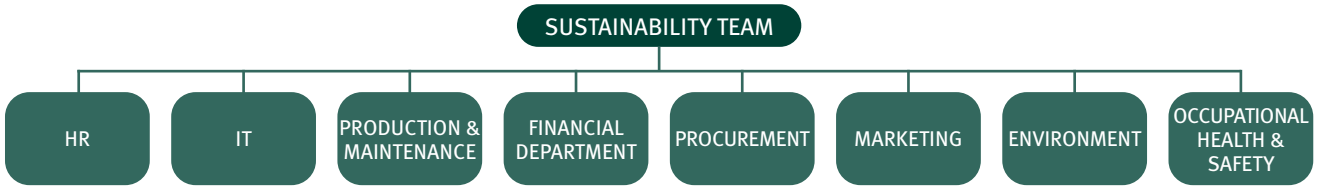
METRIC	VALUE
Board's Gender Diversity Ratio (Female to Male)	0.2
Percentage of Female Board Members	20%
Executive members	100%

Sustainability at Simoldes Tools

For us, sustainability is not a recent concept, but rather a principle that has been embedded in the company since its foundation. It is reflected in the focus on employee well-being, support for local institutions, close collaboration with academia, and the continuous optimisation of resources. From an early stage, these pillars became an integral part of the company's way of operating.

In 2018, the first interactions with the EcoVadis platform, involving the Environment, Human Resources, and Health & Safety teams, marked the beginning of a more structured process for organising and reporting ESG data. This contributed to greater internal alignment and improved consistency of information.

From 2021 onwards, this approach was significantly strengthened through the creation of a multidisciplinary sustainability team. Although none of its members were fully dedicated to sustainability on a full-time basis, this structure enabled greater focus, coordination, and cross-functional commitment through regular meetings and closer collaboration between departments. Over time, additional department directors joined the team, allowing for a more comprehensive and 360-degree view of the company.



Today, this evolution is reflected in a more mature and consolidated ESG management system, demonstrated by consistent achievements such as an EcoVadis score of 77/100 and concrete initiatives, including the use of 100% renewable electricity and a significant reduction in CO_2 emissions.

Each department is responsible for collecting and managing its own data, supported by KPI monitoring where applicable. This approach ensures accuracy and alignment with operational realities. The information is then reviewed and validated at management level, with oversight from the Board of Directors. Final approval of the sustainability report is carried out by senior management.

Sustainability reporting is integrated across key functions, including operations, environment, and human resources, ensuring a consistent and organisation-wide approach. Relevant findings and updates are regularly discussed in management meetings and reported to the Board, supporting effective oversight and continuous improvement.

Sustainability has therefore become a strategic pillar of Simoldes Tools, reinforcing its credibility and positioning the company to successfully address future challenges.

Risk assessment

Our risk assessment approach follows a structured methodology based on severity and likelihood, also considering risks related to data quality, completeness, and consistency. These risks are mitigated through clear responsibilities, cross-functional coordination, and internal validation processes.

Remuneration policies

At Simoldes Tools, remuneration policies for members of administrative and management bodies are not currently directly linked to sustainability-related targets or performance metrics. Variable remuneration, where applicable, is primarily based on overall business performance and the achievement of operational and financial objectives.

While sustainability considerations are embedded in our strategy, risk management, and decision-making processes, these are not yet formalised as specific performance criteria within incentive schemes. As such, no defined percentage of variable remuneration is currently dependent on sustainability-related targets or impacts.

The terms of remuneration and incentive schemes are defined and approved at the appropriate governance level, ensuring alignment with the overall strategic priorities and organisational structure.

Risk management

The risk management system at Simoldes Tools operates in a structured and integrated way, embedded within governance and applied across the entire organisation to continuously identify, assess, and manage risks.

1. Risk identification

- Identification of internal and external risks that may impact the business
- Covers strategic, operational, financial, environmental, and reputational risks
- Includes emerging risks such as ESG, climate change, regulatory changes, supply chain disruptions, and digital transformation

2. Risk assessment

- Each risk is evaluated based on two key criteria:
  - Severity: potential impact (scale, scope, and possible irreversibility)
  - Likelihood: probability of occurrence
- This enables risks to be classified and ranked

3. Prioritisation

- Critical risks (higher impact and/or likelihood) are prioritised
- Focus on those that may significantly affect strategic objectives

4. Response definition

- Appropriate actions are defined for each risk:
  - Mitigation
  - Prevention
  - Contingency plans

5. Integration into decision-making

- Risk management is embedded in management and decision-making processes
- Supports strategy, operations, and investment decisions

6. Organisational involvement

- Cross-functional process involving multiple departments
- Shared responsibility across Simoldes Tools
- Supported by training, internal communication, and leadership engagement

7. ESG and CSRD integration

- Strengthened in 2024 to include ESG risks and opportunities
- Direct link to the double materiality assessment
- Aligned with CSRD requirements

8. Continuous improvement

- Ongoing monitoring of risks
- Regular updates based on new challenges and insights

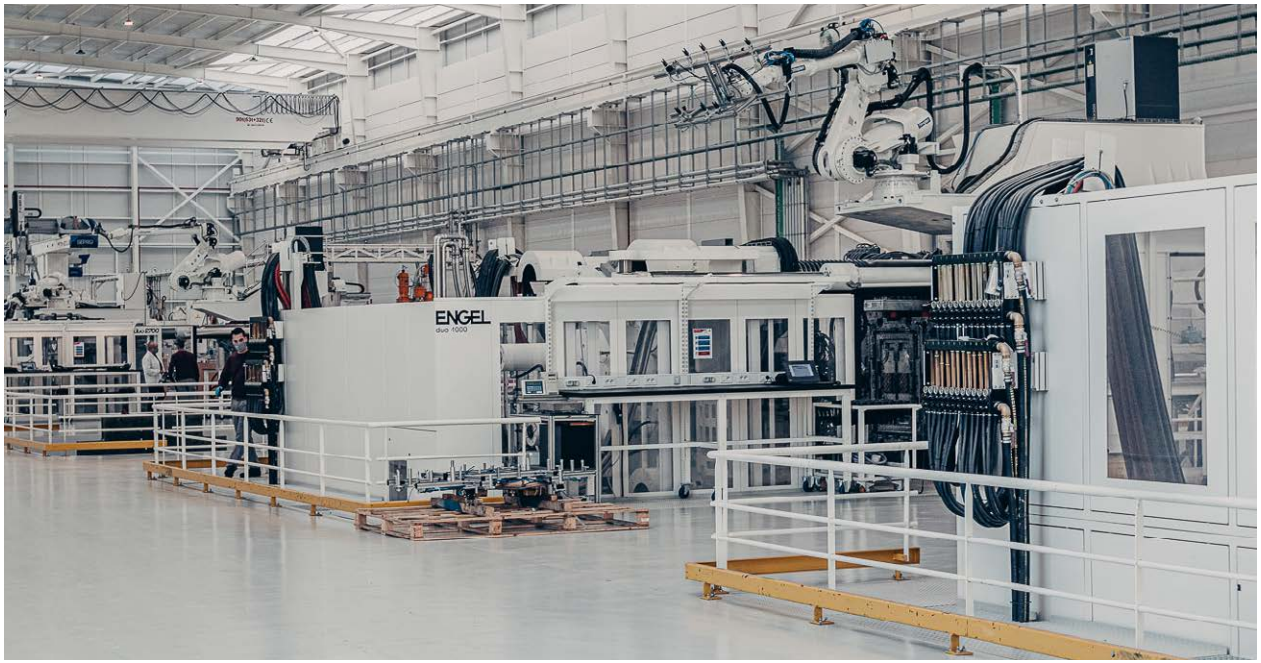
At Simoldes Tools we approach risk management not only as a control mechanism, but as a strategic tool to anticipate challenges, enhance resilience, and drive long-term sustainable value.



BUSINESS MODEL, STRATEGY AND VALUE CHAIN

ESRS 2 SBM-1 | Strategy, business model and value chain

Simoldes Tools operates at a pivotal point in the manufacturing value chain, designing and producing precision tooling for thermoplastic injection production in a variety of industrial sectors. Our business model is founded on engineering expertise, long-term client relationships and our capacity to deliver comprehensive tooling solutions, from initial concept to after-sales support. This disclosure gives stakeholders a clear picture of our strategic position, how we operate and the structure of our value chain. Understanding these elements is essential for contextualising our sustainability performance, as our material positive and negative impacts are directly linked to our operational footprint, supply relationships and the markets we serve.



Our business model, value chain and products

366 molds delivered

7 manufacturing units

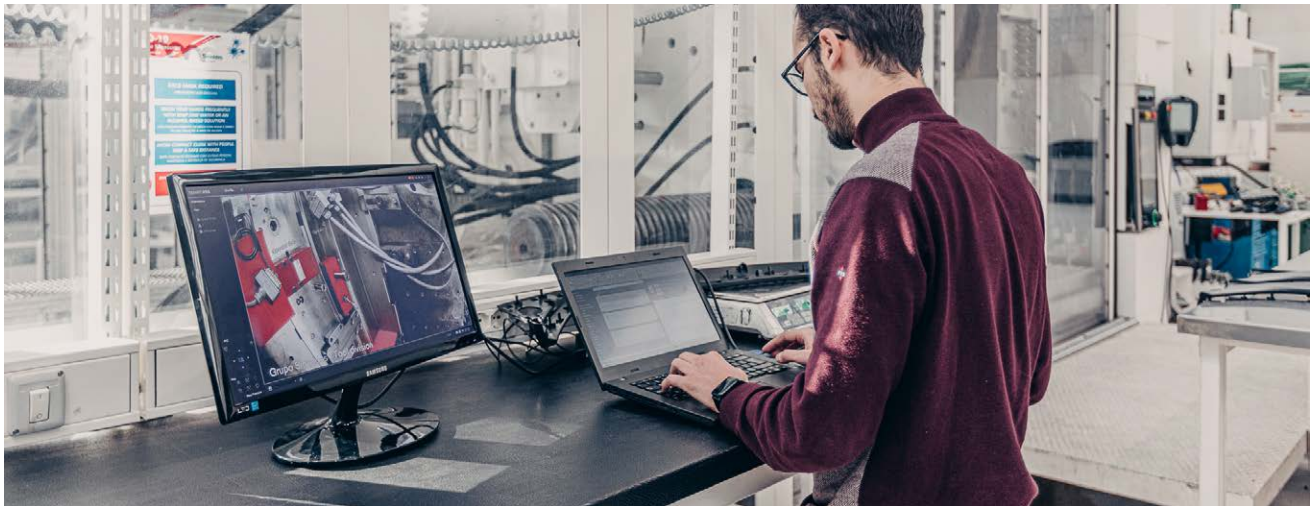
888 employees

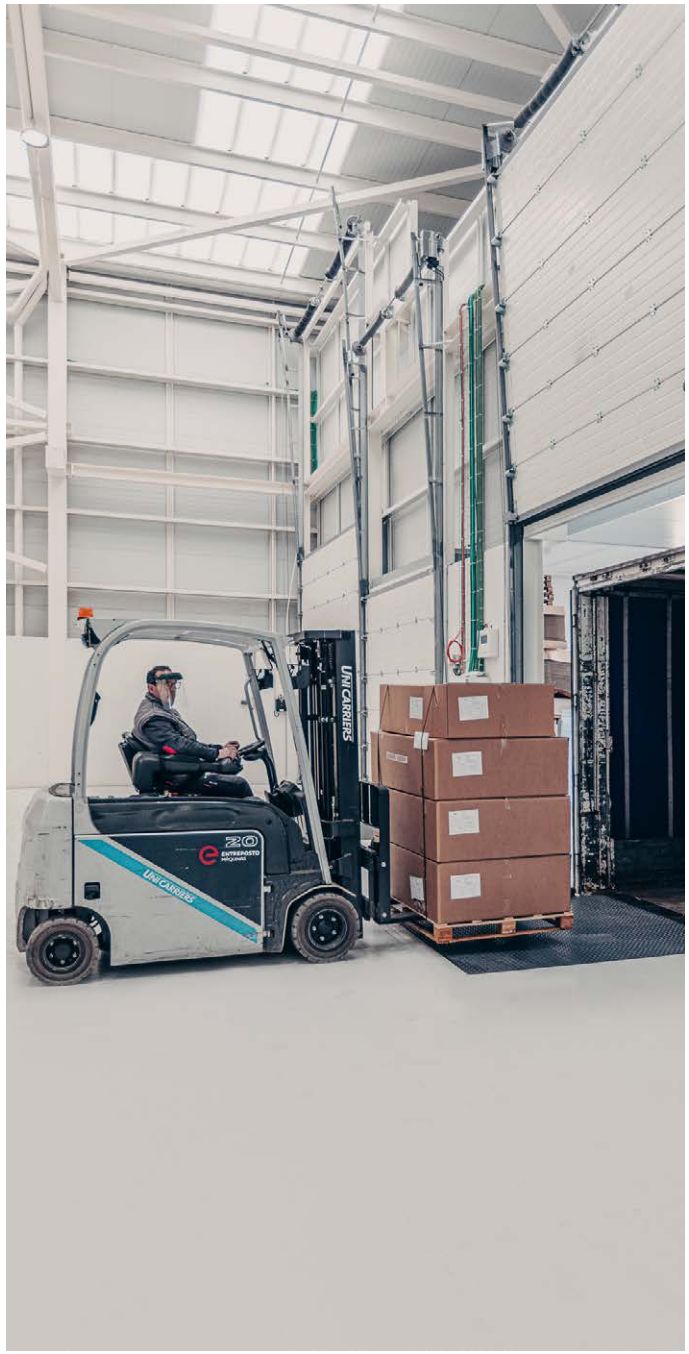
10 countries, **1** vision: enhancing the future of industry on a global scale.

Our products

We maintain a diversified portfolio structured around three main sectors:

MOBILITY	CONSUMER GOODS	SPECIALISED INDUSTRIES
Automotive: Air Ducts, Bonnet, Bumper, Cladding, Console, Door Panel, Encapsulated Glasses, Fender, Front, End, Glove Box, Grill, Instrument Panel, Lighting, Spoiler, Tailgate, Trim, Wheel Arch **Motorcycle**	**Furniture:** Chair **Household:** Cooking Robot, Fridge, Vaccum Cleaner	**Childcare, Face shield, Floaters** **Packaging:** Box, Collapsible box **Others:** Gas container





The inputs we depend on

High-grade steel alloys, metal components, and precision tooling consumables sourced primarily from European suppliers

Electricity for production processes and licensed groundwater extraction with closed-loop systems

Human capital: a specialised, diverse and stable team with low turnover

Strategic partnerships with suppliers who meet our labour and environmental standards, and close collaborative ties with academic institutions/innovation centres and our clients

Logistics partners for timely delivery and supply chain management

Our business model



Comprehensive engineering and product development solutions, providing clients with end-to-end support from concept to production.

Design and manufacture of moulds for thermoplastic injection moulding, representing our core expertise and largest source of revenue.

Provide maintenance and after-sales technical services to ensure the optimal performance and longevity of our tooling solutions throughout their operational lifecycle.

The outputs we deliver

Highly technical moulds and engineering solutions that improve manufacturing efficiency and reduce time-to-market

Transparent information and reliable partnerships built on proximity, integrity, and technical expertise

Compliance with international standards and certifications ISO 9001, ISO 14001

Competitive compensation, health benefits, and an inclusive working environment

Contribution to community development and improved living standards through employment and regional economic contributions

Responsible resource management and reduced environmental impact through efficient material use and closed-loop systems

Our value chain



UPSTREAM

- Raw materials sourcing
- Mould manufacturing equipment
- Transportation



OWN OPERATIONS

- Design and Development
- Quality control
- Mould manufacturing
- Packaging
- Waste management
- Maintenance and support: after-sales follow-up, repairs and modifications to moulds
- Research and Development (R&D)



DOWNSTREAM

- Distribution and logistics
- Recycling and reuse
- Costumer relationship
- Feedback collection

KEY STAKEHOLDERS

- Suppliers (Raw materials, Machinery and equipment, Packaging)
- Transportation companies
- Universities, research centres, providers

- Employees: product development, quality, sales, after-sales,
- Clients

- Clients
- Transportation companies
- After-sales team

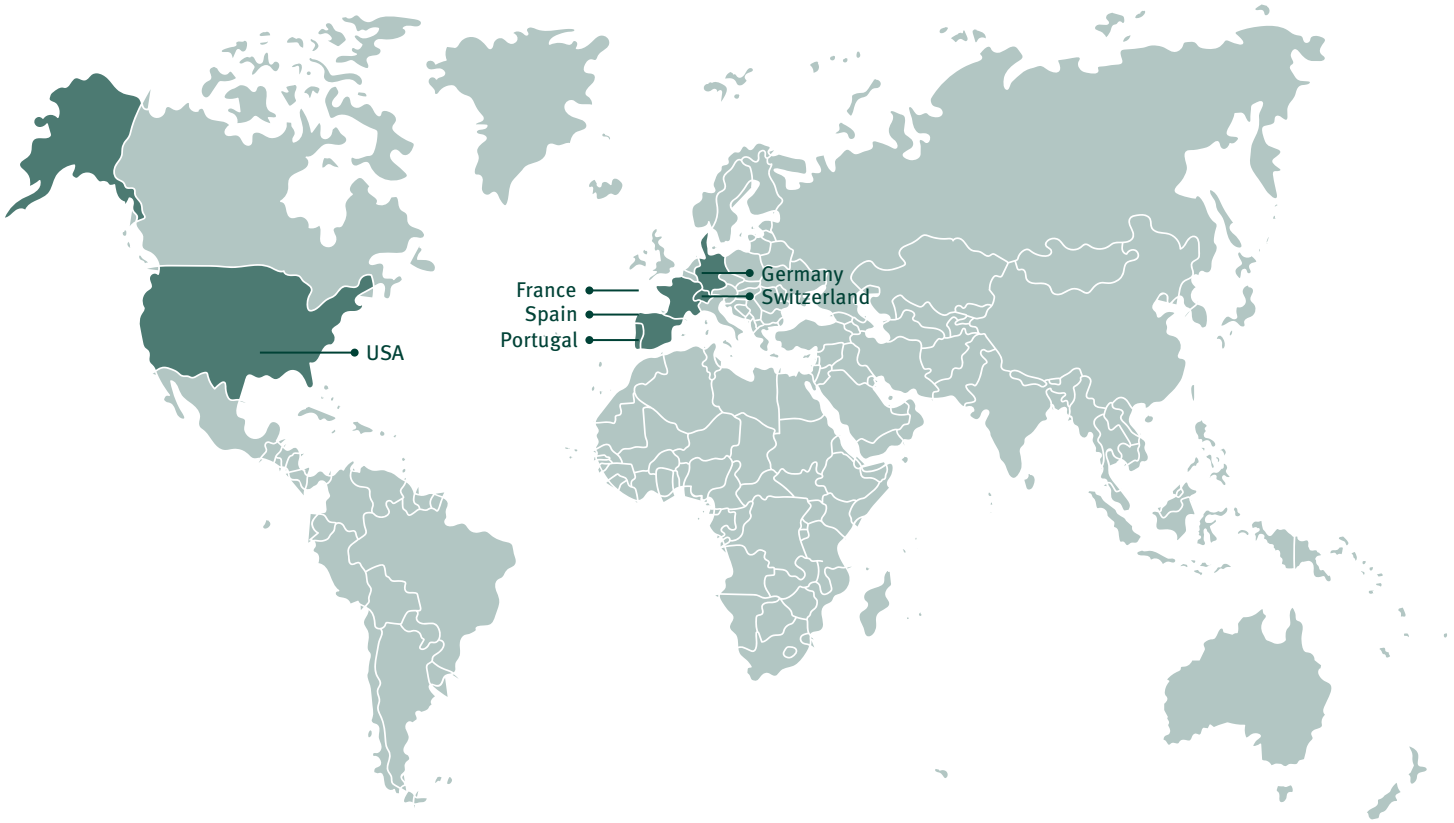
Our financial performance and strategy

In 2025, we reinforced our trajectory of sustained growth, strengthening the position of Simoldes Tools in the market and deepening the trust of our stakeholders. This path translated into a 6% increase in revenue, reaching a total of €130 million, reflecting our ability to adapt to a demanding and constantly evolving environment.

At the same time, we achieved a consistent improvement in profitability and overall financial performance, driven by disciplined management, continuous process optimisation, and a clear focus on value creation. These results demonstrate the strength of our business model and reinforce our commitment to balanced, resilient, and sustainable growth over the long term.

	2025	2024
Net revenue €	130 M €	122 M €
Moulds Sold	366	369

KEY MARKETS

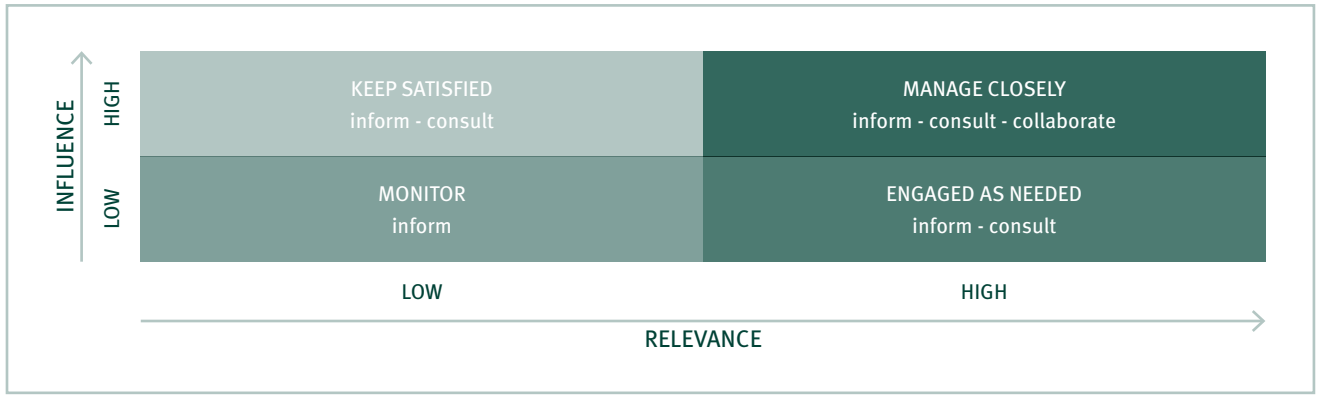


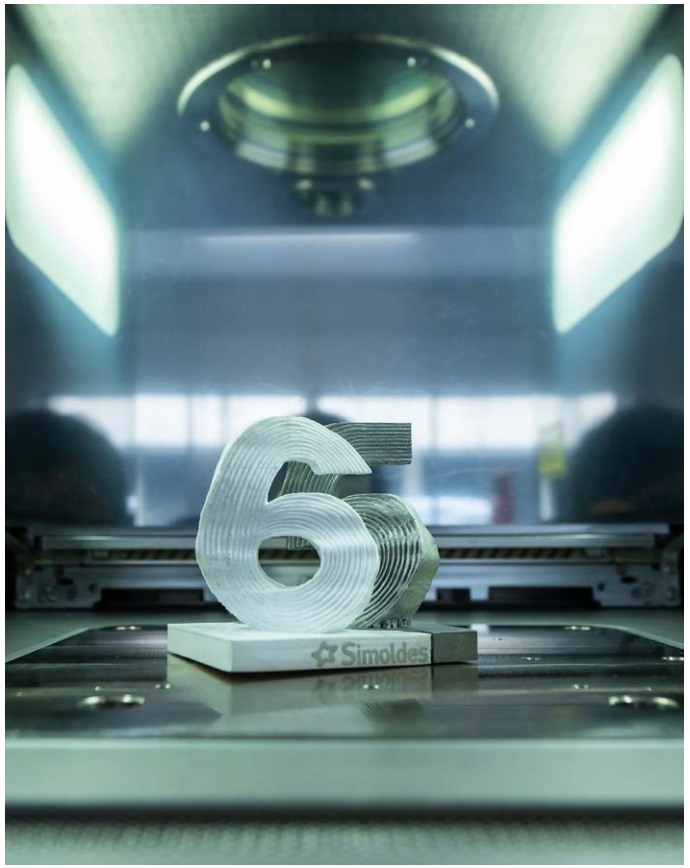
STAKEHOLDER ENGAGEMENT

ESRS 2 SBM-2 | Interests and views of stakeholders

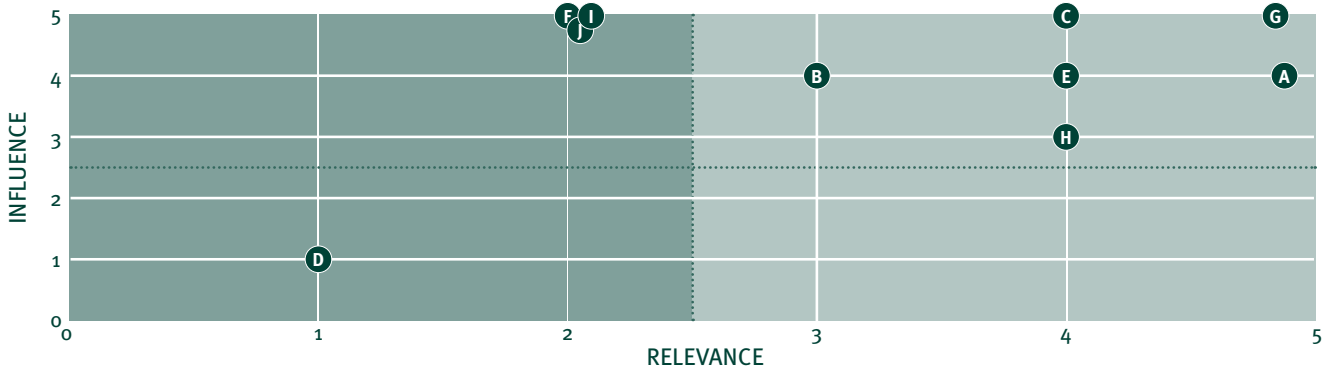
When assessing stakeholder engagement for 2025, we identified several stakeholders who had an impact on our business and operations during the reporting period.

We analysed the level of influence and priority of these stakeholders to prioritise our relationships with them according to the following criteria:





The following matrix presents the identified stakeholders, as well as their respective level of relevance and influence.



LEGEND

A Employees
B Suppliers
C Clients
D Academic institutions
E Community and social partners
F Public authorities
G Shareholders
H Business partners
I Government
J Banking institutions

Accordingly, a communication plan was developed that addresses all stakeholders and details the main objectives, communication channels, and frequency of communication. Respective internal teams manage these practices, ensuring a systematic and coherent procedure that aligns with our guiding values and strategic goals.

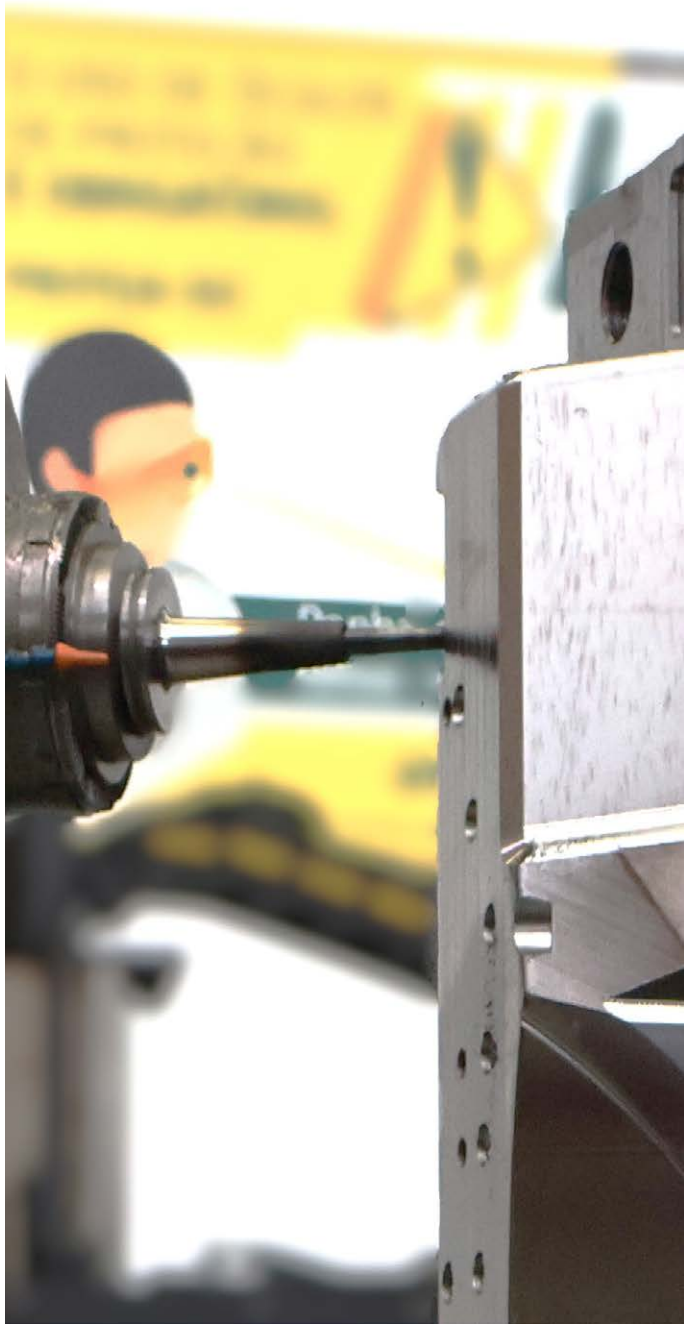
IDENTIFIED COMMUNICATION CHANNELS
In-person and online meetings
Email
Internal communication channels
Audits
Site visits
Website
Workshops and techdays

Engaging with stakeholders helps uncover the critical issues and expectations that could impact strategic decisions. It allows Simoldes Tools to align sustainability efforts with stakeholder priorities, develop internal policies and strategies, and ensure the overall strategy centres on delivering sustainable, long-term value.

Collecting insights and points of view from relevant stakeholders is essential to continuing to develop effective improvement actions. Therefore, we prepared a stakeholder consultation plan to identify who should be consulted on ESG topics for the 2025 period.

In order to, to better understand their perception of our ESG performance, three stakeholder groups were selected and consulted through a survey containing several questions aligned with the ESRS topics. The outputs of this assessment were incorporated into the double materiality assessment in the following subchapter. A total of 104 responses were obtained.

STAKEHOLDERS CONSULTED	RESPONSES
Employees	100
Academic Institutions	4
Total	104



Stakeholder engagement survey analysis

The survey consisted of several questions related to different ESRS topics. Participants were asked to respond to the questions using a scale of 1 to 5. While some questions delved deeper into the specific areas of ESG, the following broader questions provide an overall picture.

QUESTION	AVERAGE (SCALE 1-5)
Overall, how would you rate Simoldes Tools' global performance?	**3.62**
What is your overall level of satisfaction in your relationship with the company, considering the products/services, overall performance, and interaction with Simoldes Tools?	**3.60**
Do you consider that Simoldes Tools acts responsibly at the environmental and social level?	**3.81**
Do you consider that Simoldes Tools promotes sustainable and responsible practices?	**3.85**

Open question on the **stakeholders' suggestions and expectations** were also included in the survey. The following were the main conclusions:

SUGGESTIONS	EXPECTATIONS
1. Environment and energy: energy and water efficiency, renewable energy (solar panels), electric fleet, decarbonisation, circular economy, improved waste management, indoor air quality (metal filings), sustainable catering in canteens. **2. People and working conditions:** recognition and appreciation of employees, better wages, mental health and work-life balance, reduced pressure/stress, equal opportunities, retention of young talent, ongoing training (including technical training in moulds), clear and transparent career progression. **3. Governance and processes:** greater transparency, regular internal audits, strict compliance with standards and procedures, formalised internal policies, Kaizen-style systems, ESG as a competitive advantage. **4. Internal/external relations:** better internal communication between departments, employee involvement in decision-making, closeness to stakeholders, valuing local/national suppliers, continued collaboration with universities (internships).	**1. Continuous improvement is the dominant theme** **2. Sector leadership and sustainability:** an expectation that Simoldes Tools will become "the most sustainable mould manufacturer in the world", consolidate its leadership and maintain competitiveness. **3. Environment:** reduction of emissions, greater energy efficiency, more renewable energy, improved waste management, sustainable solutions for the automotive industry. **4. People:** appreciation of employees, better working and safety conditions, well-being, training, diversity and inclusion, transparent communication. **5. Governance and strategy:** integrate ESG into the company's strategy, greater transparency, strengthened ethics, a responsible supply chain, technological innovation.

Additional questions were included on the survey to support the Double Materiality assessment. Consistent with the ESRS framework, these questions were designed to capture stakeholders' views on the relevance of the topics included in the analysis. The insights gathered helped us define our final set of material topics.

Overall, the findings suggest that all assessed ESG topics are considered critical by stakeholders, with average scores ranging between 3.92 and 4.34 (on a 5-point scale). The topics deemed most critical were our impact on and contributions to the community, waste management, and energy consumption.

Given the narrow range of average scores and the overall survey outcomes, it is clear that stakeholders expect an integrated ESG effort that addresses environmental issues and prioritises the well-being of all those impacted by our operations, whether directly or indirectly.

DOUBLE MATERIALITY

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

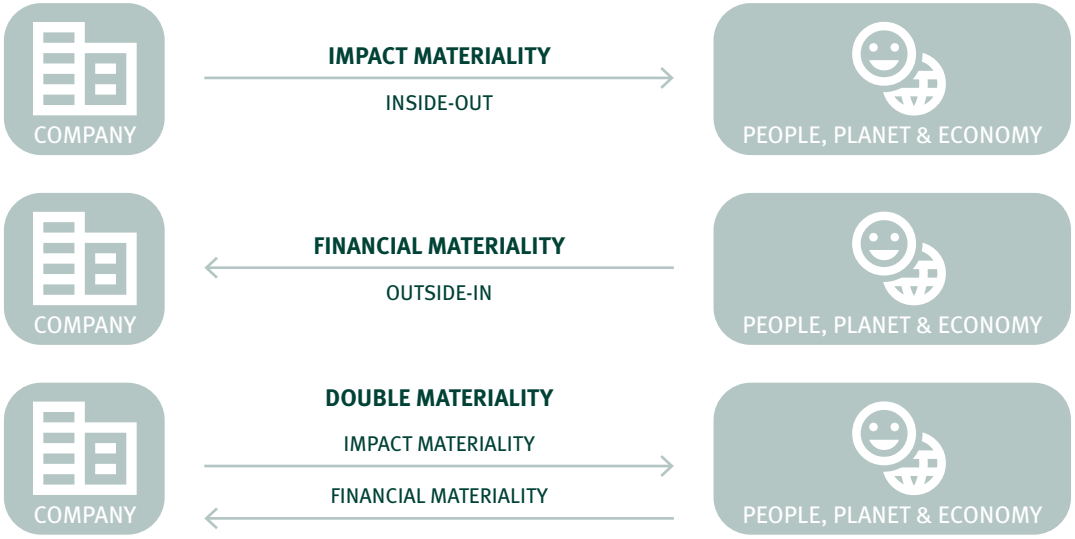
ESRS 2 IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

ESRS 2 IRO-2 | Disclosure of the outcome of the materiality assessment

A comprehensive double materiality assessment was undertaken, examining the relationships between Simoldes Tools, the environment, and society. This process enables us to identify and evaluate the impacts, risks and opportunities (IROs) associated with the topics defined under the ESRS, and to determine their level of importance in our context.

The assessment was conducted in accordance with ESRS requirements and the relevant double materiality guidelines.

This analysis draws on two distinct perspectives:





This analysis considers two different perspectives:

- **Impact materiality (inside-out)**: assesses the actual and potential impacts of the company's activities on people, the environment, and the economy.
- **Financial materiality (outside-in)**: analyses how environmental, social, and governance factors may affect the company's financial performance, position, and prospects.

In order to identify and assess the topics that should be reported transparently, the phase and time horizon of each topic and sub-topic related to ESRS standards were assessed.

VALUE CHAIN PHASE	TIME HORIZON FOR ACTION
Upstream – Own operations – Downstream	Short – Medium – Long term

For each sub-topic, **8 parameters** were identified and assessed that make up **impact materiality**:

Type of impact Actual or potential
Description of positive impacts
Description of negative impacts
Probability of impact *
Irremediability of the Impact*
Severity scale of the impact *
Geographical scale of the impact *
Relevance of the Impact for Stakeholders*

* Assessed on a scale from 1 to 5

At this stage of the process, the results obtained are considered and contribute to the final scoring. This provides a more comprehensive understanding of the topics that are material to us.

For each sub-topic, **4 parameters** were identified and assessed that make up **financial materiality**:

Scale of relevance*
Description of risks
Description of opportunities
Probability of occurrence*

* Assessed on a scale from 1 to 5

Following a thorough analysis of the IROs (impacts, risks and opportunities), and the remaining criteria assessed, the average of both the impact and financial materiality parameters was calculated.

IMPACT MATERIALITY	FINANCIAL MATERIALITY
Probability x Irremediability x Severity Scale x Geographic Scale x Relevance to Stakeholders	Scale of relevance x Probability of occurrence

Numerical ranges were defined to establish three levels of impact — **low, medium and high** — to be applied to the results of the impact materiality and financial materiality assessment.

- **Low impact**: up to 1.7
- **Medium impact**: 1.8 to 3.4
- **High impact**: from 3.5 onwards

The materiality threshold was defined for all topics that achieved a final rating of medium or high impact, in accordance with the above formulas, the ESRS standards and IRO-1. The topics that we have considered to be material, along with their respective scores, are listed below.

ESRS TOPICS	ESRS SUBTOPICS	CODE	IMPACT
ESRS E1 Climate change	Greenhouse gas (GHG) emissions	E1-A	High
	Climate change adaptation and mitigation	E1-C	High
	Climate-neutrality targets	E1-D	High
	Energy consumption	E1-F	High
ESRS E2 Pollution	Air pollution	E2-A	High
	Soil pollution	E2-C	High
ESRS E3 Water and marine resources	Water consumption and reuse	E3-A	Medium
ESRS E5 Resource use and circular economy	Impact on and dependence on ecosystems	E4-B	Medium
	Efficiency in the use of materials	E5-A	Medium
	Waste management	E5-B	High
	Recycling and reuse	E5-C	Medium
ESRS S1 Own workforce	Circular economy in the value chain	E5-D	High
	Equal opportunities (diversity, equity and inclusion)	S1-A	High
	Working conditions (fair wages, working hours)	S1-B	High
	Health, safety and well-being	S1-C	High
	Freedom of association, rights to information, consultation and participation of workers	S1-E	Medium
	Measures against violence and harassment at work	S1-F	Medium
	Forced labour and child labour	S1-G	Medium
ESRS S2 Workers in the value chain	Human rights in the value chain	S2-A	Medium
	Child and forced labour	S2-B	Medium
	Fair working conditions for employees	S2-C	Medium

ESRS TOPICS	ESRS SUBTOPICS	CODE	IMPACT
ESRS S3 Communities	Social impact of the company's operations	S3-A	Medium
	Contributions	S3-G	Medium
ESRS S4 Consumers and end-users	Access to clear information on the product/services	S4-A	Medium
	Product and service health and safety	S4-B	Medium
	Data privacy and consumer protection	S4-C	High
ESRS G1 Business conduct	Governance structure and organisational culture	G1-A	Medium
	Risk management policies and practices	G1-B	High
	Management of ESG topics by the board	G1-C	Medium
	Prevention, detection and training against corruption and bribery	G1-D	Medium
	Whistleblowing mechanisms and assurance of compliance	G1-E	Medium
	Supplier assessment using ESG criteria	G1-F	Medium
	Management of supplier relationships (including payment practices)	G1-G	High

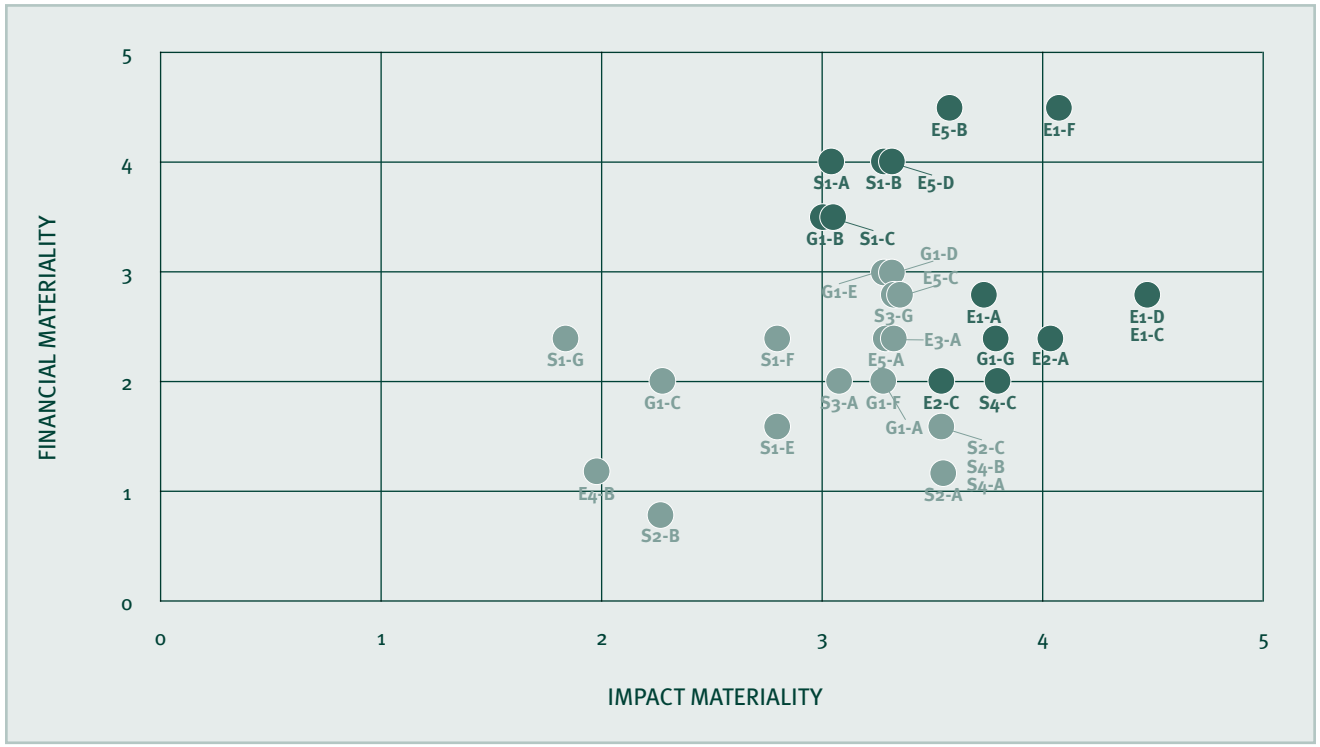
Of the ESRS-related sub-topics identified, **18 were not considered material** and, therefore, will not be included in the double materiality matrix.

ESRS TOPICS	ESRS SUBTOPICS	CODE	IMPACT
ESRS E1 Climate change	GHG removal and mitigation (financed projects and carbon credits)	E1-B	Low
ESRS E2 Pollution	Water pollution and use	E2-B	Low
	Pollution of living organisms and food resources	E2-D	Low
	Hazardous and potentially hazardous substances	E2-E	Low
	Microplastics	E2-F	Low
ESRS E3 Water and marine resources	Water discharges into water bodies and oceans	E3-B	Low
	Extraction and use of marine resources	E3-C	Low
ESRS E4 Biodiversity and ecosystems	Biodiversity preservation	E4-A	Low
	Impact on and dependence on ecosystems	E4-B	Low
	Impact of the company's activities on protected areas	E4-C	Low
	Plans to restore degraded habitats	E4-D	Low
ESRS S3 Communities	Rights of vulnerable communities	S3-B	Low
	Community engagement and dialogue	S3-C	Low
	Impacts on community safety	S3-D	Low
	Impacts on water and sanitation	S3-E	Low
	Impacts on land used	S3-F	Low
ESRS S4 Consumers and end-users	Accessibility and inclusion in products/services	S4-D	Low
	Responsible marketing practices	S4-E	Low

Double Materiality Matrix

A Double Materiality Matrix was developed based on the scores assigned in the financial and impact materiality assessments. This matrix provides a visual representation of the positioning of each topic according to its relevance to Simoldes Tools and its associated potential financial and socio-environmental implications.

Only topics classified as *medium* or *high* were included.



Each point corresponds to the code assigned to each ESRS-related sub-topic.

Material topics identified:

ESRS E1, E2, E3, E5, S1, S2, S3, S4, G1.

These topics are in line with the ESRS standards, namely the requirements of **IRO-2**, and are part of our strategic framework and governance processes. These topics are considered when assessing risks, shaping product development, directing investments, and structuring engagement with stakeholders.



MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

ESRS 2 IRO-2 | Disclosure of the outcome of the materiality assessment

As part of the double materiality assessment, Simoldes Tools identified and evaluated the impacts, risks, and opportunities (IROs) associated with each material topic, in alignment with the requirements of the ESRS. This process enabled the company to better understand how its activities interact with environmental, social, and governance matters, while also assessing how these topics may influence the organisation's long-term performance, resilience, and value creation.

The following tables provide a structured overview of the double materiality assessment, organised by Environmental, Social, Governance, and company-specific topics. They present the material and relevant (non-material) impacts, risks, and opportunities identified throughout the assessment process, reflecting their direct or indirect relevance to Simoldes Tools' operations, strategy, and stakeholders.

The identified IROs are described in greater detail throughout the corresponding ESRS chapters of this report.



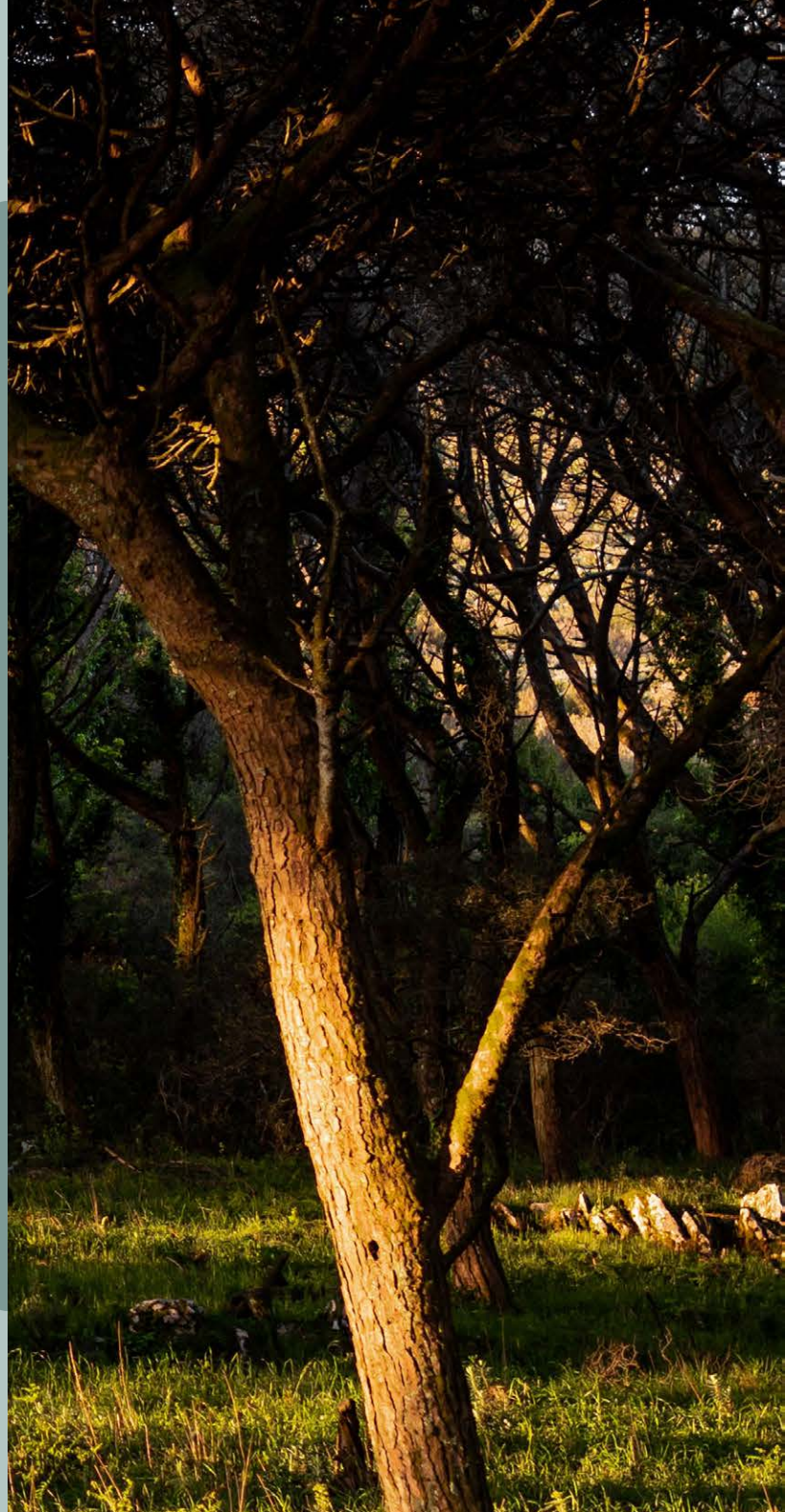
TOPIC	ESRS TOPIC'S RELATED DOMAINS	TIME HORIZON FOR ACTION Short – medium – long term	VALUE CHAIN STAGE 1- Upstream 2- Own operations 3- Downstream	POTENTIAL AND ACTUAL IMPACTS		RISKS	OPPORTUNITIES
				Positive	Negative		
ESRS E1 Climate Change	Greenhouse gas emissions (GHG)	Long	1, 2, 3	●	★	★	●
	Adaptation and mitigation of climate change	Medium	2	★	★	★	★
	Climate neutrality goals	Long	2	★	★	★	★
	Energy consumption	Short	2	★	★	★	★
ESRS E2 Pollution	Air pollution	Short	2	■	★	●	●
	Soil pollution	Short	2	●	●	●	●
ESRS E3 Water and marine resources	Water consumption and management	Short	2	★	★	★	★
ESRS E5 Resource use and circular economy	Material use efficiency	Medium	2	●	●	●	★
	Waste management	Medium	2	★	★	★	★
	Recycling and upcycling	Medium	2	●	●	●	★
	Circular economy in the value chain	Medium	2	★	★	●	★
ESRS S1 Own workforce	Equal opportunities (diversity, equity, and inclusion)	Short	2	★	●	●	★
	Employment conditions (fair compensation, working hours)	Short	2	★	★	★	★
	Health, safety, and wellness	Short	2	★	★	★	★
	Training and Development	Short	2	★	●	●	★
	The right to freedom of association, access to information, and the consultation and involvement of workers	Short	2	●	●	●	●
	Strategies to Address Violence and Harassment in the Workplace	Short	2	●	●	●	●
	Mandatory labour and child labour	Short	2	●	●	★	●

LEGEND ★ Material ● Relevant (not material) ■ Not material

TOPIC	ESRS TOPIC'S RELATED DOMAINS	TIME HORIZON FOR ACTION Short – medium – long term	VALUE CHAIN STAGE 1- Upstream 2- Own operations 3- Downstream	POTENTIAL AND ACTUAL IMPACTS		RISKS	OPPORTUNITIES
				Positive	Negative		
ESRS S2 Workers in the value chain	Human rights throughout the value chain	Medium	1, 3	★	★	★	●
	Mandatory labour and child labour	Medium	1, 3	★	★	★	●
	Fair working conditions for suppliers	Medium	1, 3	★	★	★	●
ESRS S3 Affected Communities	Social impact of the company's operations	Medium	1, 2, 3	★	●	●	★
	Contributions	Medium	1, 2, 3	●	●	●	★
ESRS S4 Consumers and End Users	Access to clear information concerning the products or services	Short	3	★	★	★	●
	Health and safety of products and services	Short	3	★	★	★	●
	Data Privacy and Consumer Protection	Short	3	★	★	★	●
ESRS G1 Business Conduct	Governance structure	Short	2	●	●	●	●
	Risk management policies and procedures	Short	2	★	★	★	★
	Leadership in the management of ESG matters	Short	2	★	●	★	●
	Prevention, detection and training in the battle against corruption and bribery	Short	2	●	★	★	●
	Reporting frameworks and compliance assessments	Short	2	★	●	★	●
	Supplier assessment using ESG criteria	Short	1, 2	★	★	★	●
	Managing supplier relations, including payment practices	Short	1, 2	★	★	★	★

LEGEND ★ Material ● Relevant (not material) ■ Not material

EU TAXONOMY



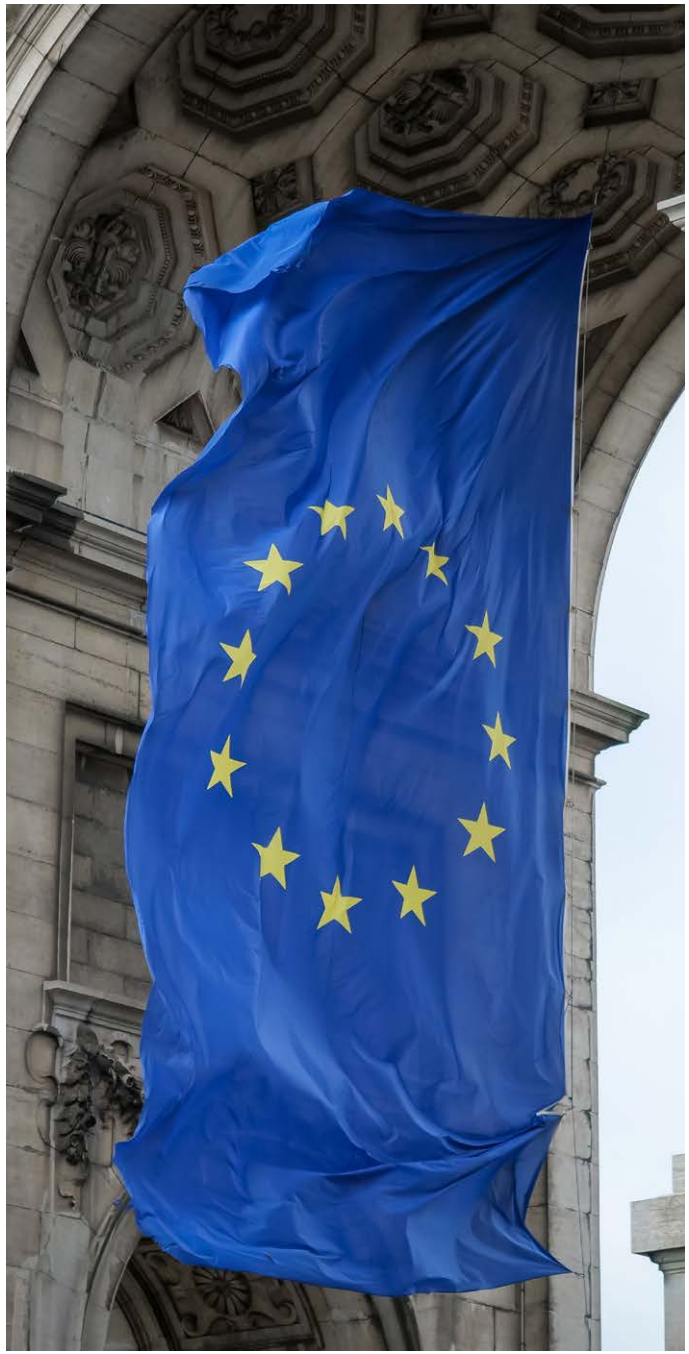
OVERVIEW

The European Taxonomy, established by Regulation (EU) 2020/852 of 22 June 2020, provides a common framework for identifying environmentally sustainable economic activities. To further simplify disclosure requirements, Delegated Regulation (EU) 2026/73, published on 8 January 2026, introduced updated reporting templates together with revised Do No Significant Harm (DNSH) criteria relating to pollution.

To ensure consistency and maintain a transparent overview of its activities, the Group has chosen not to apply the materiality thresholds introduced by the Delegated Regulation. This approach enables a more comprehensive assessment and disclosure of its Taxonomy-eligible activities.

The European Taxonomy aims to support the transition to a more sustainable economy by directing investments towards environmentally sustainable activities, embedding sustainability considerations into risk management processes and improving the quality and comparability of corporate disclosures. Under this framework, an economic activity is considered environmentally sustainable only if it makes a substantial contribution to at least one of the following six environmental objectives:

- Climate Change Mitigation (CCM);
- Climate Change Adaptation (CCA);
- Sustainable Use and Protection of Water and Marine Resources (WTR);
- Transition to a Circular Economy (CE);
- Pollution Prevention and Control (PPC);
- Protection and Restoration of Biodiversity and Ecosystems (BIO).



METHODOLOGY

The Taxonomy assessment process begins with the identification of the Group's eligible economic activities. These activities are then evaluated against the relevant technical screening criteria to determine whether they are Taxonomy-aligned. The assessment requires the collection and analysis of both financial and non-financial information, with the resulting disclosures presented in the Sustainability Report in accordance with the applicable regulatory requirements.

1. ELEGIBILITY ASSESSMENT

Identification and assessment of economic activities covered by the EU Taxonomy framework.

• Mapping ot the company's business activities against the activities listed in the EU Taxonomy Delegated Acts.

• Identification of activities potentiatly contributing to 6 environmental objective.

• Assessment of whether each activity meets the Taxonomy eligibility criteria.

- Classification of activities as:
  - Taxonomy-eligible;
  - Non-eligible;

• Allocation of relevant financial data to eligible activities:
  - Turnover;
  - CapEx;
  - OgEx.

2. ALIGNMENT ASSESSMENT

A - Substancial contribution

Assessment of compliance with the applicable Technical screening Criteria (TSC) demonstrating a substantial contribution to the relevant environmental objective.

• Review of technical and operational evidence.

• Verification of thresholds, performance levels and activity-specific requirements.

• Confirmation that the activity substantially contributes to at least one of the objectives:
  - **Climate mitigation**
  - **Climate adaptation**
  - **Water**
  - **Circular economy**
  - **Pollution prevention**
  - **Biodiversity**

B - Do No Significant Harm (DNSH)

Assessment of whether the activity avoids significant harm to the remaining environmental objectives.

• Evaluation of environmental safeguards and management practices.

• Verification of compliance with DNSH requirements established in the Delegated Acts.

• Review of supporting documentation, controls and internal procedures.

C - Minimum safeguards

Assessment of compliance with minimum social and govemance safeguards. Review of policies and procedures related to:
  - Human rights
  - Labour rights
  - Business ethics
  - Anti-corruption

Verification of alignment with:
  - OECD Guidelinesfor Multinational Enterprises
  - UN Guiding Principles on Business and Human Rights
  - International labour standards and conventions

3. KPI'S CALCULATION

Calculation of EU Taxonomy performance indicators based on the eligibility and alignment assessments performed.

• Determination of Taxonomy-eligible KPIs

• Determination of Taxonomy-aligned KPIs

• Calculation of:
  - **Aligned Turnover KPI**
  - **Aligned CapEx KPI**
  - **Aligned OpEx KPI;**
  - Consolidation of supporting assumptions, methodologies and evidence used in the assessment process.

ELIGIBLE ECONOMIC ACTIVITIES

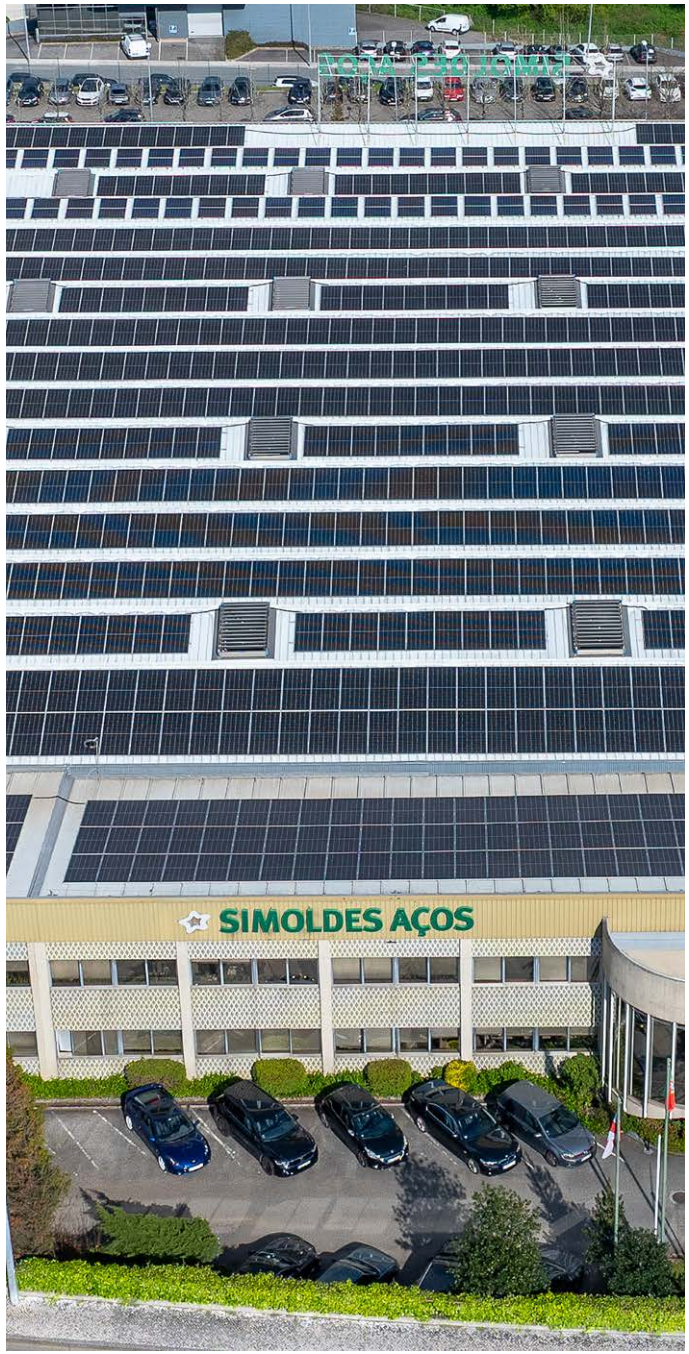
An economic activity is considered Taxonomy-eligible when it falls within the scope of the activities defined in the Delegated Acts adopted under the six environmental objectives of the EU Taxonomy Regulation.

As an initial step in the assessment process, the Group reviewed its portfolio of economic activities to determine which fall within the scope of the EU Taxonomy. This eligibility assessment was performed by comparing the Group's activities against the definitions and descriptions set out in the relevant Delegated Acts covering each of the six environmental objectives.

TAXONOMY ACTIVITY	ELIGIBLE			REASON
	Yes	Partial	No	
Activity 1 Electricity generation using solar photovoltaic technology	✓			Simoldes Tools generates electricity through photovoltaic panels installed at its facilities, for self-consumption and the sale of surplus electricity to the national grid.
Activity 2 Repair, refurbishment and remanufacturing	✓			Simoldes Tools provides repair, maintenance and replacement services for mould components and related equipment.

Simoldes Tools is a pioneer in its sector in undertaking an EU Taxonomy assessment and is committed to progressively evaluating all of its economic activities against the Taxonomy eligibility and alignment criteria. As part of its continuous improvement approach, the Company intends to expand the scope of activities assessed in future reporting periods and increase the number of activities that achieve Taxonomy alignment.

With regard to the activity Manufacture of other low-carbon technologies, Simoldes Tools has concluded that conducting a product-level Life Cycle Assessment (LCA) is currently not feasible. The Company manufactures highly customised moulds, each designed and produced according to specific customer requirements, with products remaining at the manufacturing facilities only for the duration of the production process before being delivered to the customer. Given the bespoke nature of the products and their limited time within the Company's operational control, performing representative LCAs for individual moulds would not be technically or operationally feasible at this stage. Simoldes Tools will continue to monitor the evolution of methodologies and data availability to support future assessments where practicable.



ALIGNED ECONOMIC ACTIVITIES

Economic activity 1 : electricity generation using solar photovoltaic technology

SUBSTANTIAL CONTRIBUTION CRITERIA	
Climate mitigation	**Climate adaptation**
This criterion **is applicable,** as Simoldes Tools generates electricity through solar panels installed at its facilities.	This criterion **is applicable,** as a climate risk and vulnerability assessment in accordance with the EU Taxonomy requirements has been carried out.

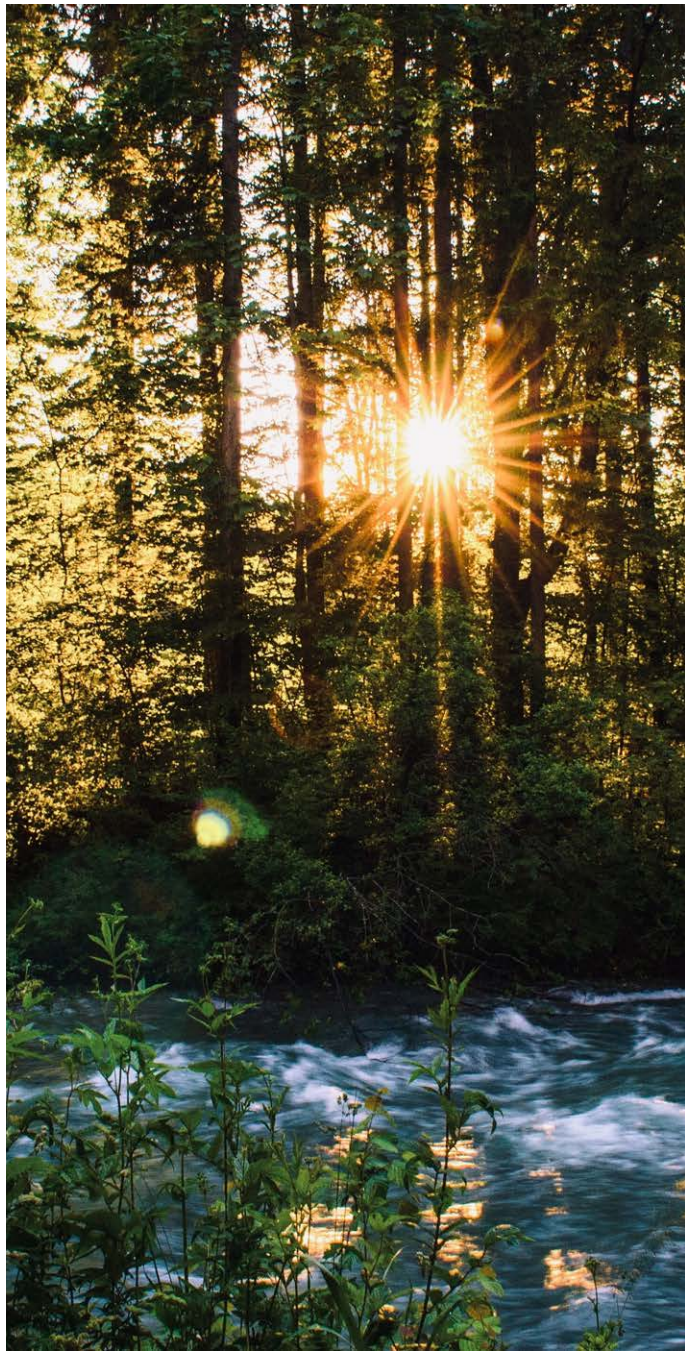
DO NO SIGNIFICANT HARM (DNSH)				
	Climate mitigation		**Climate adaptation**	
Climate mitigation	N/A	✓	N/A	✓
Climate adaptation	A climate risk and vulnerability assessment in accordance with the EU Taxonomy requirements has been carried out (page 8).	✓	N/A	✓
Water	N/A	✓	N/A	✓
Circular economy	Simoldes Tools designs and manufactures customised moulds tailored to each client's specific requirements, with durability and long service life as key considerations. Whenever necessary, moulds are modified, refurbished, or adapted to accommodate changes in production needs, extending their useful life. In addition, components and parts are reused and recovered whenever feasible, supporting resource efficiency and reducing waste generation.			✓
Pollution prevention	N/A	✓	N/A	✓
Biodiversity	The installation of photovoltaic panels was carried out within the existing facilities and did not involve the development of new land or a project requiring an Environmental Impact Assessment (EIA) under Directive 2011/92/EU. Therefore, no EIA was required for this activity.			✓

MINIMUM SAFEGUARDS
Based on the available information regarding Simoldes Tools, the company has a solid framework in place to comply with the EU Taxonomy Minimum Safeguards, aligned with the **OECD Guidelines for Multinational Enterprises**, the **UN Guiding Principles on Business and Human Rights**, and the **fundamental conventions of the ILO**. Simoldes Tools implements relevant mechanisms mentioned throughout the Sustainability Report.

The activity is eligible and aligned with the EU Taxonomy.

For the SCA climate change mitigation and climate change adaptations activities, Simoldes Tools meets the applicable criteria, complies with de DNSH, and the minimum safeguards.

ACTIVITY ALIGNED		
Yes	Partial	No
✓		



Economic activity 2 : repair, refurbishment and remanufacturing

SUBSTANTIAL CONTRIBUTION CRITERIA
Circular economy
This criterion is applicable, as the alignment assessment is supported by the following operational practices and evidence: • provision of repair and maintenance services aimed at extending the useful life of moulds and components; • replacement and recovery of damaged parts instead of full product disposal; • reuse and remanufacturing of returned components whenever technically feasible; • remelting and reintegration of metallic materials into new mould applications; • implementation of internal procedures for waste identification and management; • classification of waste streams using European Waste Catalogue (LER/EWC) codes; • prioritisation of reuse and recycling practices over disposal; • control and traceability of material flows and waste handling processes. Simoldes Tools also maintains documentation identifying the waste streams generated in the activity and their respective LER codes, supporting compliance with applicable waste management requirements and demonstrating structured monitoring of material recovery processes.

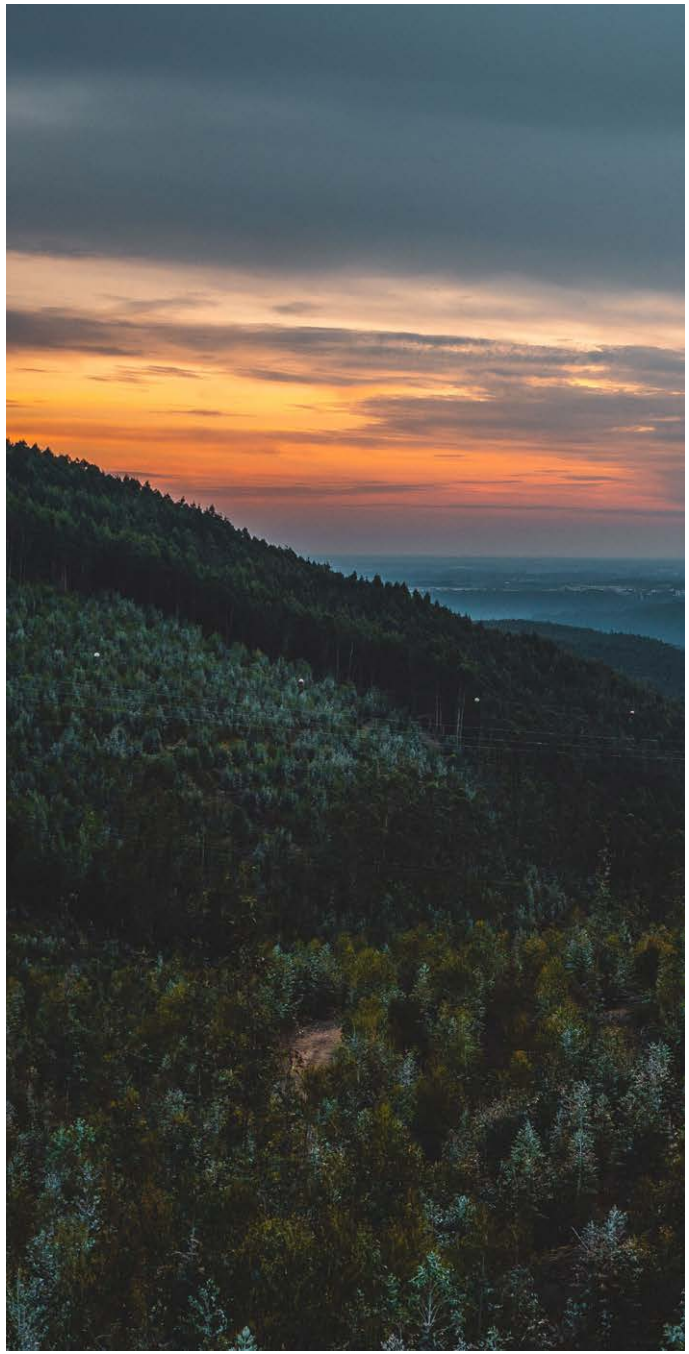
DNSH	CIRCULAR ECONOMY	
Climate mitigation	The only on-site energy generation is from solar panels, it meets this threshold, as solar power has no direct GHG emissions, well below 270 gCO_2e/kWh.	✓
Climate adaptation	A climate risk and vulnerability assessment in accordance with the EU Taxonomy requirements has been carried out (page 8).	✓
Water	Simoldes Tools complies with the criteria regarding environmental degradation risks related to the preservation of water quality and the avoidance of water stress, based on the analysis carried out in the 2025 Sustainability Report.	✓
Circular economy	N/A	✓
Pollution prevention	ST has a formal supplier management process in place requiring REACH compliance declarations for all relevant materials and components used in repair, reconditioning, and remanufacturing activities. This process is integrated into procurement procedures. The installations are not covered by Directive 2010/75/EU (IED/PCIP), therefore BAT-AEL requirements are not applicable.	✓
Biodiversity	N/A	✓

MINIMUM SAFEGUARDS
Based on the available information regarding Simoldes Tools, the company has a solid framework in place to comply with the EU Taxonomy Minimum Safeguards, aligned with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the fundamental conventions of the ILO. **Simoldes Tools implements relevant mechanisms mentioned throughout the Sustainability Report.**

The activity is eligible and aligned with the EU Taxonomy.

For the SCA circular economy activity, Simoldes Tools meets the applicable criteria, complies with the DNSH, and with the minimum safeguards.

ACTIVITY ALIGNED		
Yes	**Partial**	**No**
✓		



SIMOLDES TOOLS FINANCIAL KPI'S

2025		
Turnover	**CapEX**	**OpEX**
130 043 210.65 €	509 756.11 €	78 085 067.24 €

Turnover proportion

EU TAXONOMY — ECONOMIC ACTIVITIES KPIS | ANNEX II | TURNOVER PROPORTION																			
			Substantial Contribution Criteria						DNSH Criteria ('Does Not Significantly Harm')										
Economic Activities (1)	Absolute turn-over (3) Currency	Turnover Propor-tion (4)%	Climate Change Mitiga-tion (5)%	Climate Change Adapta-tion 6)%	Water & Marine Resources (7)%	Circular Economy (8)%	Pollution (9)%	Biodi-versity & Ecosys-tems (10)%	Climate Change Mitigation (11) Y/N	Climate Change Adapta-tion (12) Y/N	Water & Marine Resources (13) Y/N	Circular Economy (14)Y /N	Pollution (15) Y/N	Biodi-versity & Ecosys-tems (16) Y/N	Minimum Safe-guards (17) Y/N	Taxonomy Aligned (18)%	Category (20) E/T	Category 'Transi-tion' (21) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally Sustainable Activities (Taxonomy-Aligned)																			
Activity 1	6 653.78 €	0,005%	0,005%	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0,005%		
Activity 2	2 538 310,66 €	1,952%	0	0	0	1,826%	0	0	Y	Y	Y	Y	Y	Y	Y	1,826%		
Subtotal A.1.	2 544 964,44 €	1,957%	0,005%	0	0	1,826%	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,831%		
TOTAL A	2 544 964,44 €	1,957%	0,005%	0	0	1,826%	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,831%		

CapEX proportion

EU TAXONOMY — ECONOMIC ACTIVITIES KPIS | ANNEX II | CAPEX PROPORTION

			Substantial Contribution Criteria						DNSH Criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Absolute CapEX (3) Currency	CapEX Proportion (4)%	Climate Change Mitigation (5)%	Climate Change Adaptation 6)%	Water & Marine Resources (7)%	Circular Economy (8)%	Pollution (9)%	Biodiversity & Ecosystems (10)%	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water & Marine Resources (13) Y/N	Circular Economy (14)Y /N	Pollution (15) Y/N	Biodiversity & Ecosystems (16) Y/N	Minimum Safeguards (17) Y/N	Taxonomy Aligned (18)%	Category (20) E/T	Category 'Transition' (21) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally Sustainable Activities (Taxonomy-Aligned)																		
Activity 1	0 €	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0		
Activity 2	0 €	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0		
Subtotal A.1.	0 €	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0		
TOTAL A	0 €	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0		

*** CapEx and OpEx could not be calculated for this activity.**

OpEX proportion

EU TAXONOMY — ECONOMIC ACTIVITIES KPIS | ANNEX II | OPEX PROPORTION

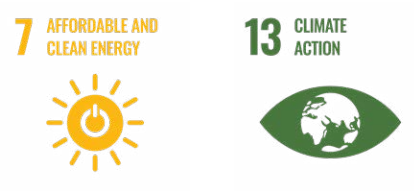
			Substantial Contribution Criteria						DNSH Criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Absolute OpEX (3) Currency	OpEX-Proportion (4)%	Climate Change Mitigation (5)%	Climate Change Adaptation 6)%	Water & Marine Resources (7)%	Circular Economy (8)%	Pollution (9)%	Biodiversity & Ecosystems (10)%	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water & Marine Resources (13) Y/N	Circular Economy (14)Y /N	Pollution (15) Y/N	Biodiversity & Ecosystems (16) Y/N	Minimum Safeguards (17) Y/N	Taxonomy Aligned (18)%	Category (20) E/T	Category 'Transition' (21) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally Sustainable Activities (Taxonomy-Aligned)																		
Activity 1	12 869.77 €	0.016 %	0.016 %	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0,005%		
Activity 2	0	0	0	0	0	1,826%	0	0	Y	Y	Y	Y	Y	Y	Y	1,826%		
Subtotal A.1.	12 869.77 €	0.016 %	0.016 %	0	0	1,826%	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,831%		
TOTAL A	12 869.77 €	0.016 %	0.016 %	0	0	1,826%	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,831%		

*** CapEx and OpEx could not be calculated for this activity.**

ENVIRONMENT



ESRS E1 CLIMATE CHANGE



Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The **positive impacts** are reflected in compliance with environmental legislation, including the implementation of Energy Rationalisation Plans (PREn), which support continuous reductions in energy consumption and the overall carbon footprint. Efforts to source electricity from renewable energy providers further reduce dependence on fossil fuels, contributing to both climate mitigation and adaptation while strengthening environmental performance.

The **negative impacts** result from the company's contribution to greenhouse gas emissions through its operations, as well as the challenges associated with transition processes. These include high implementation costs, pressure across the supply chain and potential operational disruptions.

The **risks** are associated with potential non-compliance with greenhouse gas regulations, which may lead to financial penalties and reputational damage. Ongoing changes in environmental legislation require continuous adaptation, increasing operational complexity and costs. In addition, volatility in fossil fuel prices can drive cost instability, while extreme weather events pose a threat to infrastructure, potentially disrupting production and affecting business continuity.

The **opportunities** arise from measuring and actively reducing the carbon footprint, enabling efficiency gains and long-term cost savings. Investment in renewable energy and more sustainable practices can provide access to tax incentives, public subsidies and more favourable ESG-related financing conditions. At the same time, strong environmental performance enhances the company's reputation, reinforces client trust and opens access to new markets and strategic partnerships.



Driving climate action across our operations

ESRS E1-1 | Transition plan for climate change mitigation

At Simoldes Tools, sustainability has always been part of who we are. Since the very beginning of our journey, environmental responsibility has been naturally integrated into the way we operate, grow, and innovate. Over the years, this commitment has evolved alongside our business, becoming a fundamental pillar of our strategy and long-term vision.

Climate change is one of the most significant global challenges of our time and, because it is deeply embedded in our operations and decision-making processes, it remains constantly present in our strategic approach. We recognise the responsibility of the industrial sector in supporting the transition towards a lower-carbon economy and in contributing to a more sustainable future.

Across Simoldes Tools, we have implemented a set of measures and targets aimed at reducing greenhouse gas emissions both within our own operations and throughout our value chain. These initiatives include continuous improvements in energy efficiency, the optimization of processes and resources, and the promotion of more sustainable practices in collaboration with our partners and suppliers.

In 2025, Simoldes Tools established a greenhouse gas emissions decarbonization roadmap, defining a set of specific measures and actions to be implemented over the coming years in support of our climate transition strategy and long-term sustainability objectives.

Our actions are aligned with the objectives of the United Nations Paris Agreement, reinforcing our commitment to supporting global efforts to limit climate change and mitigate the overheating of our planet. Through innovation, responsibility, and continuous improvement, we remain focused on creating long-term value while contributing positively to the environment and future generations.

Although certain activities are currently classified as taxonomy-eligible, Simoldes Tools is still progressing towards full alignment with the EU Taxonomy requirements. Ongoing investments in energy efficiency, process optimization, and climate-related initiatives are expected to support this transition over time.

Policies related to climate change mitigation and adaptation

ESRS E1-2 | Policies related to climate change mitigation and adaptation

Simoldes Tools is committed to integrating climate-related considerations into its business strategy and operational management. Climate change mitigation is addressed through internal policies, environmental management practices, and continuous improvement initiatives focused on reducing the environmental impact of our activities and supporting the transition to a lower-carbon economy, aligned with the UN Global Compact and internationally recognised environmental principles.

Our Sustainability Policy establishes the company's commitment to climate change mitigation, with a particular focus on reducing greenhouse gas (GHG) emissions and lowering the carbon footprint of our products. This commitment guides the implementation of measures aimed at improving environmental performance across operations and throughout the value chain.

To support this approach, Simoldes Tools has developed a decarbonization plan that defines a structured roadmap for the reduction of greenhouse gas emissions over the coming years. The plan includes specific actions focused on energy efficiency, process optimization, resource management, and the gradual reduction of emissions associated with operations and other relevant activities within the value chain.

The company also prepares a greenhouse gas emissions inventory covering Scope 1, Scope 2, and Scope 3 emissions, allowing the monitoring and assessment of climate-related impacts associated with our activities. This assessment supports decision-making processes, the identification of improvement opportunities, and the definition of reduction priorities and actions.

In parallel, Simoldes Tools establishes annual environmental management objectives, including targets related to energy consumption reduction and environmental performance improvement. These objectives are monitored regularly as part of the company's environmental management practices and continuous improvement approach.

Through these policies, plans, and management processes, Simoldes Tools reinforces its commitment to climate change mitigation and to aligning its operations with internationally recognized sustainability and environmental responsibility principles.

Actions towards climate change

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

Over the years, we have implemented several energy-related initiatives aimed at improving energy performance and promoting more responsible consumption.

- Transport by national electric trucks. During 2025, partnerships were established with transport companies operating electric or HVO-powered fleets to carry out transport activities aimed at reducing our carbon footprint.
- Electric vehicle chargers installed at the Testing Centre/MDA. Two chargers were installed.
- In July 2023, a 100% green energy supply agreement was established. This is beneficial as it ensures that all electricity consumed comes from renewable sources, significantly reducing greenhouse gas emissions associated with operations and supporting the company's decarbonisation and sustainability goals.
- In 2023, we installed 6,249 photovoltaic (PV) solar panels across our facilities, achieving a total installed capacity of 2,676 kWp.
- In 2025, we purchased 1,014 kg of Sustainable Aviation Fuel (SAF) through the Lufthansa Group Compensaid programme, achieving an emission mitigation of at least 3,031 kg CO_2e compared with conventional fossil jet fuel.
- Replacement of light bulbs with LEDs in administrative areas across all plants is an improvement because it significantly reduces electricity consumption while maintaining the same level of lighting. LED technology is more energy-efficient, leading to lower operational costs, reduced associated emissions from electricity use, and LEDs have a much longer lifespan.

Waste management

Waste management is an important component of Simoldes Tools' decarbonisation efforts, contributing to the reduction of emissions associated with waste handling, transport, treatment, and final disposal.

All waste generated through our operations is systematically separated, stored, and managed in compliance with applicable environmental legislation. We ensure that waste is only processed by licensed and approved external operators, guaranteeing proper treatment and disposal practices.



Targets

ESRS E1-4 | Targets related to climate change mitigation and adaptation

We monitor our climate change mitigation performance through a set of energy and emissions-related key performance indicators (KPIs). These indicators enable us to assess the effectiveness of our energy management practices, improve operational efficiency, and support the reduction of greenhouse gas emissions.

The main KPIs include:

- Specific Energy Consumption (Energy Consumption / Number of Working Hours)
- Specific Energy Consumption (SEC)
- Energy Intensity (EI)
- Carbon Intensity (CI)
- Energy Index
- Total Energy Consumption (kWh).

These indicators are monitored regularly and used to evaluate performance, identify improvement opportunities, and support decision-making in line with our climate change mitigation objectives.

Energy consumption

ESRS E1-5 | Energy consumption and mix

At Simoldes Tools, we manage our energy consumption through a combination of purchased electricity, fossil fuels, and natural gas, reflecting the operational needs of our industrial activities.

Electricity is our main energy source and is fully sourced from renewable origins, supporting our decarbonisation strategy and our commitment to reducing greenhouse gas emissions.

In addition to electricity, we use fossil fuels to support our mobility activities. We consume gasoline and diesel in our company fleet, which is used for operational and logistical purposes.

We also use natural gas on-site for specific needs, namely for water heating in sanitary facilities and for cooking in our facilities.

This energy mix reflects our current operational reality, while the full reliance on renewable electricity reinforces our ongoing transition towards a lower-carbon energy profile and supports our broader climate change mitigation objectives.

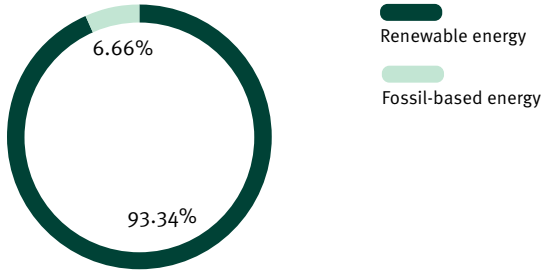


ESRS REF.	ENERGY CONSUMPTION, MWH	2025
E1-5, 37(a)	**Total energy consumption from non-renewable sources**	**706.7**
E1-5, 37(b)	Total energy consumption from nuclear sources	-
E1-5, 38(a)	Fuel consumed from coal and coal products	-
E1-5, 38(b)	Fuel consumed from crude oil and petroleum products	538.03
E1-5, 38(c)	Fuel consumed from natural gas	168.67
E1-5, 38(d)	Fuel consumption from other fossil sources	-
E1-5, 38(e)	Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	-
E1-5, 37(c)	**Total energy consumption from renewable sources**	**9 907.27**
E1-5, 37(c)(i)	Fuel consumed from biomass, biofuels, biogas, hydrogen from renewable sources	-
E1-5, 37(c)(ii)	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	9 907.27
E1-5, 37	**Total energy consumption**	**10 613.97**
E1-5, 40	Energy intensity from activities in high climate impact sectors (MWh / million euros of net revenue)	81.62

At Simoldes Tools, our energy consumption is predominantly based on renewable sources, which represent 93.34% of our total energy mix, while fossil-based energy accounts for 6.66%, mainly associated with fuels used in our company fleet and natural gas consumption for specific operational needs.

81.62
energy intensity
(MWh/ million euros of net revenue)

Energy type





Gross emissions from scopes 1, 2, 3

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

At Simoldes Tools, we assess our greenhouse gas emissions across Scope 1, Scope 2 and selected Scope 3 categories, in line with internationally recognised methodologies such as the GHG Protocol, to ensure a comprehensive understanding of our climate impact across operations and the value chain.

Scope 1 emissions correspond to our direct emissions arising from sources under our operational control. These include emissions from stationary combustion, primarily associated with the use of natural gas in our activities, as well as mobile combustion resulting from gasoline and diesel consumption in our company fleet. We also account for fugitive emissions, which relate to the unintended release of greenhouse gases with high global warming potential, particularly fluorinated gases used in refrigeration and air conditioning systems.

Scope 2 emissions cover indirect emissions associated with the consumption of purchased electricity. These are calculated using both location-based and market-based approaches, reflecting the different methodologies established under the GHG Protocol. Since 2024, all our operational sites have been supplied exclusively with renewable electricity. As a result, market-based Scope 2 emissions have been reduced to zero, marking an important milestone in our decarbonisation journey and reinforcing our commitment to cleaner energy sources.

Scope 3 emissions include selected indirect categories considered most relevant to our operations. At Simoldes Tools, we currently assess emissions related to waste generated in our operations, business travel, and employee commuting. These categories provide additional insight into our broader value chain impacts and support our ongoing efforts to identify opportunities for emissions reduction beyond our direct operations.

Our carbon footprint is calculated in accordance with the GHG Protocol, providing a structured and reliable framework that ensures consistency, transparency, and comparability in greenhouse gas emissions reporting.

Emissions are estimated by combining internal operational data with the respective emission factors associated with each activity. These factors are applied to the relevant activity data to derive quantified emissions results. Where available, we prioritise the use of supplier-specific emission factors, as they enhance the precision and representativeness of the calculations.



ESRS REF.	GREENHOUSE GAS EMISSIONS, TONNE CO_2E	2022 (BASE YEAR)	2025
E1-6, 44(a), 48(a), 50(a)	**Direct GHG emissions (scope 1)**	295.5	346.3
	Stationary combustion	N/A	32.2
	Mobile combustion	N/A	123.2
	Fugitive emissions	N/A	190.9
E1-6, 44(b), 49(a), 50(a)	**Indirect GHG emissions (scope 2), location-based**	N/A	911.47
E1-6, 44(b), 49(b), 50(a)	**Indirect GHG emissions (scope 2), market-based**	2 279.6	0
	GHG emissions (scope 3)	N/A	811.1
	Waste generated in operations	N/A	203.6
	Business travel	N/A	53.0
	Employee commuting	N/A	554.6
E1-6, 52(a)	**Total GHG emissions, location-based**	N/A	2 068.87
E1-6, 52(b)	**Total GHG emissions, market-based**	2 575.1	1 157.5
E1-6,53	**Scope 1 & 2 emissions intensity, location based** (tonne of CO_2e million euros of net revenue)	N/A	9.7
E1-6,53	**Scope 1 & 2 emissions intensity, market-based** (tonne of CO_2e /million euros of net revenue)	22.9	2.7
E1-6,53	**Scope 1, 2 & 3 emissions intensity, market-based** (tonne of CO_2e /million euros of net revenue)	N/A	8.9



-86% GHG emissions compared to baseline year

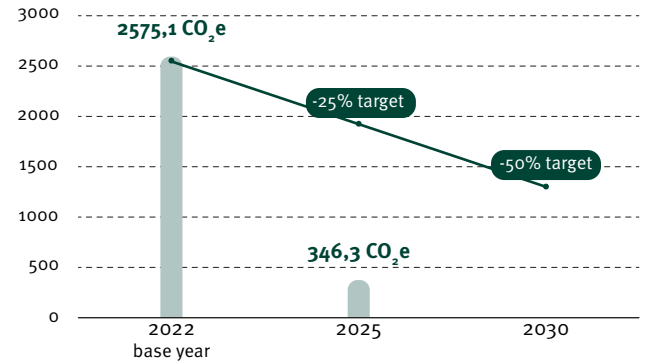
8.9 Scope 1, 2 & 3 emissions intensity (market-based)
(tonne of CO_2e /million euros of net revenue)

In 2025, we recorded total greenhouse gas emissions of 2 068.87 tonnes of CO_2 equivalent under the location-based approach, and 1 157.5 tonnes of CO_2 equivalent under the market-based approach.

In terms of emissions intensity, our results show that:

- When considering Scope 1 and Scope 2 emissions calculated using the location-based method, we generate 9.7 tonnes of CO_2e per million euros of net revenue.
- Using the market-based approach, this value decreases to 2.7 tonnes of CO_2e per million euros of net revenue.
- Scope 1, 2 and 3 emissions intensity (market-based) amounts to 8.9 tonnes of CO_2e per million euros of net revenue.

GHG emissions targets



Simoldes Tools had set a target for 2025 to reduce Scope 1 and 2 emissions by 25%, and by 50% by 2030, compared to the 2022 base year. Through the procurement of renewable energy, emissions in 2025 decreased by 86.6%, significantly exceeding the targets defined for both periods.

Given that Scope 3 emissions were calculated in 2025, new targets will be established.

Climate Risk, Financial Impacts and Carbon Strategy

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

ESRS E1-8 | Internal carbon pricing

ESRS E1-9 | Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

For the 2025 reporting period, no initiatives related to greenhouse gas (GHG) removals, mitigation projects financed through carbon credits, or internal carbon pricing mechanisms were implemented. After a period of significant capital investment across up to 2024, aimed at enhancing competitiveness, and operational efficiency, 2025 represented a year of consolidation, focusing on the effective utilization and integration of these investments. Furthermore, the company has not yet quantified the expected financial impacts associated with material physical or transition climate-related risks, nor the potential climate-related opportunities.

Going forward, the company is focused on reinforcing the foundations required to address these topics in a more structured manner. Efforts are being directed towards enhancing climate mitigation practices, improving the quality and consistency of climate-related data and strengthening the understanding of how climate risks and opportunities may influence business performance. This approach is intended to support the future development of more advanced tools, including carbon-related mechanisms and more robust assessments of financial impacts.



ESRS E2 POLLUTION

Material impacts, risks and opportunities

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

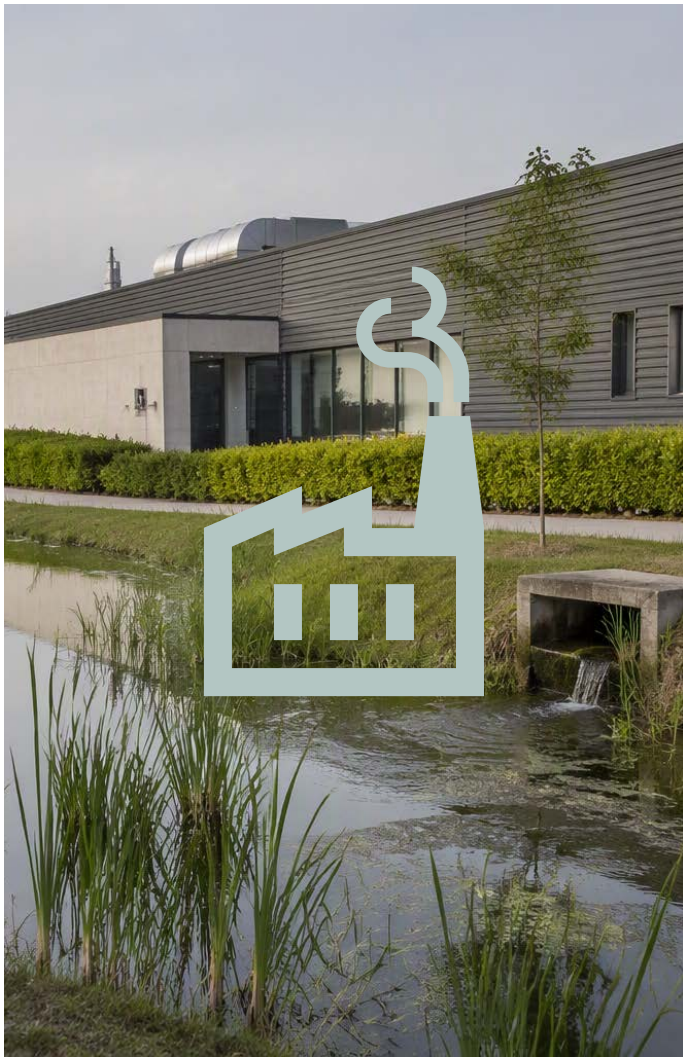
ESRS 2 IRO-1 | Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

The company generates **positive impacts** through the implementation of structured chemical management practices, including the use of Safety Data Sheets (SDS), absorption kits, spill response training and chemical risk assessments. These measures support the safe handling of hazardous substances, help prevent environmental contamination and ensure compliance with applicable regulations, while promoting the protection of employees' health and the surrounding environment.

At the same time, there are **negative impacts** associated with the use of solvent-based paints and adhesives, which generate volatile organic compound (VOC) emissions, contributing to air quality degradation and potential risks to public health. In addition, supply chain activities may generate further atmospheric pollutants, and inadequate substance management may lead to risks of watercourse contamination and the release of microplastics into the environment.

In terms of **risks**, the investment required in pollution control technologies and cleaner processes may increase operational costs. The absence or incompleteness of SDS may result in accidents, regulatory non-compliance, fines and production delays. There is also a broader risk of environmental damage and associated financial and reputational impacts if hazardous substances are not properly managed.

Finally, there are **opportunities** linked to strengthening environmental and chemical management practices. Investment in cleaner technologies can improve operational efficiency and reduce long-term remediation costs. Robust chemical and waste management reduces accident liability, helps avoid fines, may facilitate access to environmental certifications and strengthens relationships with suppliers and other stakeholders, supporting a more competitive and sustainable business position.



Pollution policies

ESRS E2-1 | Policies related to pollution

ESRS E2-4 | Pollution of air, water and soil

At Simoldes Tools, pollution management is addressed through a combination of operational controls, chemical management practices and progressive infrastructure improvements, with a focus on mitigating impacts on air, water and soil.

In terms of air pollution, our activities involve the use of coatings and paints applied to moulds, as well as spray applications for smaller components, which may generate emissions of volatile organic compounds (VOCs). Solvents, such as isopropyl alcohol, are also used, although a formalised management plan for these substances is not yet in place. To mitigate emissions and protect indoor air quality, painting areas and graphite cells are equipped with extraction systems, including vacuum units and HEPA filters, which help capture particles and reduce airborne pollutants.

Regarding water pollution, liquid effluents from processes are segregated and managed as waste, ensuring that they are not directly discharged without control. While a structured water pollution management approach is still evolving, the current practice focuses on containment and appropriate handling of process-related liquids.

Soil pollution represents the most critical area, given the nature of operations and the associated risk of spills. Some older facilities still include non-impermeabilised areas; however, improvements are being progressively implemented. Whenever layout changes occur, impermeabilisation measures are introduced, reflecting a gradual investment approach. To mitigate spill risks, retention basins are in place for chemicals and oils, and emergency response plans have been established. In addition, regular drills are conducted to raise awareness among employees and strengthen preparedness. Despite these measures, minor spill occurrences may still happen due to the operational context, reinforcing the need for continuous improvement.

No Persistent Organic Pollutants (POPs) have been identified in our operations. We conduct prior assessments when acquiring new chemical products and, where feasible, seek to replace them with less hazardous alternatives.

Our approach to pollution prevention is further supported by structured chemical management practices, including the use of Safety Data Sheets (SDS) and compliance with applicable regulations. These practices ensure the safe handling, storage and disposal of hazardous substances, contributing to the protection of employee's health and the mitigation of environmental impacts. Additionally, safer alternatives are considered whenever possible, reinforcing our commitment to reducing pollution and improving overall environmental performance.

Air and soil emissions from our operations are systematically monitored in line with the legal and regulatory requirements applicable in each location where we operate. This ensures that all emissions are controlled and maintained within the thresholds established by environmental legislation and relevant operating permits.

The quantification of pollutant emissions is carried out based on methodologies aligned with applicable legal requirements and relevant technical standards, including the use of operational data, recognised emission factors and direct measurements whenever applicable.



Pollution control measures

ESRS E2-2 | Actions and resources related to pollution

At Simoldes Tools, we implement a range of measures aimed at preventing and controlling pollution across our operations, combining technological improvements, operational practices and awareness initiatives.

Our approach includes investment in cleaner technologies and more efficient production processes, as well as the implementation of pollution control systems. We use absorption kits and spill prevention measures to minimise the risk of environmental contamination, supported by ongoing investment in retention basins, impermeabilisation of critical areas and maintenance of infrastructure. To address soil pollution risks, we invest in the impermeabilisation of factory floors and other critical areas such as oil storage zones and waste storage areas, ensuring proper containment and reducing the likelihood of contamination. While absorption materials are also used, these are primarily associated with response actions rather than preventive measures. In addition, we carry out chemical risk assessments for new substances and ensure the systematic use of Safety Data Sheets (SDS) to promote safe handling practices. Training programmes are also delivered to employees to reinforce proper management of hazardous substances.

These actions are supported by the allocation of dedicated resources. Financial resources are directed towards the acquisition of equipment, technologies and control systems; human resources include specialised technical and operational teams, as well as continuous training; and technical resources involve environmental monitoring and management systems to track performance and ensure compliance.

Our pollution prevention approach extends across the value chain. Upstream, we require suppliers to provide SDS and prioritise the selection of less hazardous substances. Downstream, we provide customers with relevant information to ensure the safe use, storage and disposal of our products.

At operational level, local action plans are defined and implemented in each unit. These plans include measures for emission control, spill prevention, employee training and environmental performance monitoring, ensuring that actions are tailored to the specific risks and characteristics of each facility.

Targets

ESRS E2-3 | Targets related to pollution

At this stage, Simoldes Tools has not defined quantitative or time-bound targets specifically dedicated to pollution reduction. Our current approach is centred on ensuring full alignment with applicable environmental legislation and regulatory requirements, maintaining emissions, discharges and the handling of substances within legally established thresholds across all operations.

We continuously monitor our activities to ensure compliance and to prevent pollution levels that could adversely affect human health or the environment. This compliance-based approach is supported by internal procedures, operational controls and chemical management practices, which collectively contribute to minimising environmental impacts.

Looking ahead, we remain committed to strengthening our approach to pollution management. As our monitoring systems and internal processes continue to evolve, we aim to progressively enhance our performance, creating the foundation for the potential definition of more structured targets aligned with best practices and regulatory expectations.

ESRS E3
WATER AND MARINE RESOURCES

Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

There are **positive impacts** associated with the implementation of closed-loop water systems, the use of licensed borehole abstraction and the modernisation of infrastructure, namely the reduction of overall water consumption, decreased dependence on the public water network and improved stability of operational supply. These measures contribute to more efficient resource use and support a more sustainable management of water.

There are also potential **negative impacts**, particularly if water abstraction is not properly monitored and managed, which may lead to the risk of aquifer contamination due to the use of industrial chemicals in production processes. This may affect surrounding ecosystems and compromise water quality, even though Simoldes regularly controls water consumption and performs water analysis whenever necessary.

In terms of **risks**, infrastructure upgrades and water management systems require significant upfront investment, as well as ongoing costs related to licensing, maintenance and operation. Additionally, technical failures or contamination events may result in regulatory penalties, remediation costs and production disruptions, with potential impacts on financial performance and operational continuity.

At the same time, there are **opportunities** to improve water use efficiency, leading to reduced consumption and associated costs over time. The modernisation of infrastructure also supports regulatory compliance, fosters innovation in water management and enhances the company's environmental reputation among clients and stakeholders, strengthening its competitive advantage.



Water management and policies

ESRS E3-1 | Policies related to water and marine resources

Water management is framed by the company's management policies, namely the management systems policy, where the efficient use of natural resources, including water resources, is established as a guiding principle. These policies set out the commitment to reducing water consumption, preventing waste, and ensuring compliance with applicable legal requirements related to water use and discharge.

The company uses water from both the public network and own abstractions (boreholes), with a total of 9 boreholes distributed across companies. Borehole water is mainly used for production processes and irrigation, while water from the public network is used for human consumption and support services, including changing rooms, sanitary facilities and canteens.

Within the scope of the environmental and management policies, environmental management objectives are defined, including the monitoring and optimisation of water consumption. These policies are supported by environmental indicator documents, where KPIs, including water consumption, are defined and monitored, enabling the assessment of performance and the effectiveness of implemented measures.

Regarding effluents, the management policies ensure that wastewater equivalent to domestic effluents is discharged into the municipal sewer system, in compliance with legal requirements, while other streams are treated and managed as waste according to their nature.

Overall, these management policies ensure a structured and consistent approach to water management, promoting efficient use of water resources, control of associated impacts, and continuous improvement of environmental performance.

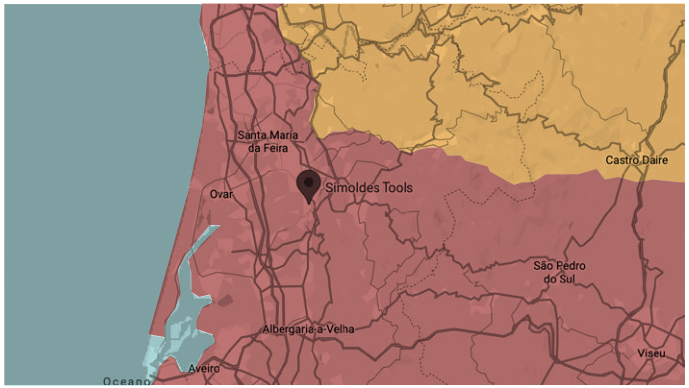
Water stress

The operations of Simoldes Tools are in a region classified as **extremely high water stress**, according to the *Aqueduct Water Risk Atlas* developed by the World Resources Institute (WRI). This classification is based on the ratio between total water withdrawals and the available renewable water supply within a given geographic area, indicating that water demand significantly exceeds the available resources.

Operating in such a context represents a material environmental constraint, increasing exposure to risks related to water scarcity, potential supply restrictions, and rising water costs. These conditions may affect operational continuity, particularly for water-dependent processes, and reinforce the need for efficient and responsible water management practices.

In this context, the company recognises the importance of minimising water consumption, optimising resource use, and reducing dependency on external water sources, as part of its broader environmental management approach. Strengthening water efficiency measures and monitoring consumption patterns are key to enhancing operational resilience and mitigating risks associated with water stress.

Although no significant disruptions related to water availability have been recorded to date, the geographic exposure to extremely high-water stress reinforces the need for a preventive and adaptive approach, ensuring that water-related risks are continuously assessed and integrated into the company's environmental and risk management processes.





Water use optimisation actions

ESRS E3-2 | Actions and resources related to water and marine resources

At Simoldes Tools, we have implemented a set of concrete actions to improve water management and minimise consumption across our operations, combining infrastructure upgrades with awareness and behavioural change.

We have prioritised the optimisation of water use in our facilities through the installation of temporised systems. This includes the replacement of 20 taps in changing rooms with timed solutions, the optimisation of collective washbasins by reducing 8 taps to 4 more efficient units, and the substitution of 15 taps in WCs and lavatories. These measures allow us to control water flow more effectively and prevent unnecessary consumption.

We also manage water use in outdoor areas by defining irrigation schedules aligned with operational needs, ensuring that watering is carried out efficiently and avoiding waste. During the winter period, irrigation systems are switched off, eliminating non-essential water use.

At the same time, we actively promote responsible water consumption among our employees. We have implemented a training session focused on how to contribute to reducing water use and reinforced this message through the placement of awareness posters across our facilities. These initiatives encourage more conscious behaviours and support a culture of efficiency.

These initiatives are particularly relevant given the increasing pressure on water resources and the growing importance of efficient water use in industrial contexts. By reducing consumption, we not only minimise our environmental footprint but also decrease our exposure to water-related risks, such as supply constraints, regulatory restrictions or rising costs associated with water use and treatment. Improving water efficiency also strengthens operational resilience, ensuring greater stability in our processes in scenarios of water stress.

Furthermore, these actions contribute to reinforcing our compliance with environmental requirements, supporting continuous improvement in our environmental performance and enhancing our credibility with clients and stakeholders who increasingly value responsible resource management. Through this approach, we align operational efficiency with long-term sustainability objectives, creating both environmental and business value.

Targets

ESRS E3-3 | Targets related to water and marine resources

Simoldes Tools has established a target to monitor and improve water efficiency by tracking total water consumption per employee. In 2025, water consumption reached 16.1 m^3 per employee, providing a baseline indicator to support ongoing performance assessment and future improvements.

This metric enables us to evaluate the effectiveness of our water management actions, identify opportunities for optimisation and promote more efficient use of water resources across our operations. By linking water consumption to workforce size, we ensure a consistent and comparable approach over time, supporting data-driven decision-making.

Moving forward, we aim to progressively reduce this indicator through the implementation of efficiency measures, continuous monitoring and increased awareness among employees, reinforcing our commitment to responsible water use and long-term environmental sustainability.

TOTAL WATER CONSUMPTION PER EMPLOYEE (M^3) E3-3, 23 (C)	2025	UNIT
Simoldes Tools	16.1	Total water consumption per employee (m^3)

Water consumption

ESRS E3-4 | Water consumption

At Simoldes Tools, we monitor water consumption closely to ensure efficient use of resources and to support continuous improvement in our environmental performance.

In 2025, our total water consumption amounted to 15,103 m³, sourced from both the public network and licensed boreholes. The public network accounted for 8330 m³, while 6,773 m³ were obtained through borehole extraction. This diversified sourcing approach allows us to manage supply more effectively, reduce pressure on public systems and ensure operational continuity.

WATER CONSUMPTION (M³) | E3-4, 28 (A)	2025
Total	15 103
Public network water	8 330
Borehole water	6 773

To further assess efficiency, we track water intensity in relation to our economic performance. In 2025, water intensity reached 116 m³ per million euros of net revenue. This indicator enables us to evaluate how efficiently water is used relative to business output and supports benchmarking over time.

116
water intensity
(m³ of water consumed/million euros of net revenue)

These metrics are essential to identify optimisation opportunities and to assess the effectiveness of implemented water management measures. By continuously monitoring consumption and intensity, we strengthen our ability to reduce water use, mitigate potential risks associated with water availability and reinforce our commitment to sustainable resource management.



ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The **positive impacts** include the reuse of steel offcuts and other metals in the manufacture of new moulds, reducing waste generation and supporting circular economy principles. The management of hazardous waste through licensed operators ensures compliant treatment, reflecting responsible practices and encouraging the continuous search for more innovative and efficient recycling solutions.

The **negative impacts** arise from the limited availability of sustainable materials, which constrains the implementation of circular economy practices and may lead to increased waste generation. The inability to recycle certain waste streams internally increases dependence on external operators, while conventional steel production continues to carry a significant carbon footprint in the absence of more sustainable alternatives.

The **risks** are linked to the potential scarcity of sustainable materials, which may disrupt production processes and affect supply stability. Inadequate management of hazardous waste can result in regulatory fines, environmental damage and high remediation costs. In addition, the transition to circular economy practices requires investment and operational adaptation, while insufficient recycling capacity may increase reliance on new raw materials.

The **opportunities** emerge from the adoption of circular practices that reduce waste, optimise resource use and lower operational costs over time. The valorisation of metallic waste, combined with demonstrated best practices in circular economy management, strengthens market differentiation and contributes to a reduced environmental footprint.



Resource use and circular economy policies

ESRS E5-1 | Policies related to resource use and circular economy

At Simoldes Tools, we manage resource use and circular economy through an integrated policy framework that has been approved at the highest level within our organisation. The Organisational Policy is the cornerstone of this framework, setting out the company's commitments across quality, environmental stewardship, sustainable procurement and biodiversity. Said policy is also supported by operational waste management procedures implemented across our production sites and was reinforced in 2025 by the introduction of the Circular Economy in Mould Manufacturing programme, which oversees the recovery and reintegration of end-of-life tool steel into the production cycle.

Our policy framework commits us to adopting a life-cycle perspective that explicitly considers the end-of-life phase of manufactured products. It establishes principles for responsible waste management, including source segregation, the handling of hazardous waste exclusively through licensed operators, and the ongoing enhancement of internal sorting practices. Building on these principles, we are committed to progressively reducing our dependence on virgin raw materials by increasing the incorporation of secondary materials into our manufacturing processes, with particular emphasis on the internal valorisation of ferrous materials such as steel offcuts and other recoverable metallic components.

The Circular Economy in Mould Manufacturing programme is the main operational manifestation of this commitment. Through the structured, documented and auditable dismantling of end-of-life moulds, supported operationally by the Mould Dismantling Form, we separate tool steel, standardise its dimensions and send it to European steelworks to be reintegrated into new production cycles. Gradually, this enables us to substitute virgin steel with certified recovered material. At factory level, we also promote the reuse of steel offcuts and other recoverable ferrous materials in the manufacture of new moulds, thereby reinforcing circularity principles and maximising material efficiency.

Complementing this, the waste-sorting infrastructure implemented across our production sites (including dedicated streams for glass, paper and cardboard, mixed plastics and packaging, urban-equivalent waste and hazardous materials) ensures that recoverable resources are effectively separated and diverted from undifferentiated disposal.

Action towards resource use and circular economy

ESRS E5-2 | Actions and resources related to resource use and circular economy

Actions implemented to support resource use and circular economy span waste management, material reuse, product-level optimisation, and value-chain engagement, and are supported by human, financial and operational resources allocated to our environment and production functions. We continue to invest in more advanced technologies and practices with the aim of reducing waste generation, decreasing our reliance on external operators, and increasing the efficiency of internal resource management.

Hazardous waste is systematically directed to licensed operators, ensuring its proper treatment. Non-hazardous metallic waste, which accounts for the largest share of materials leaving our production sites, is essentially all valorised through reintegration into the European steelworks, and is the principal driver of our overall waste-valorisation rate, which in 2025 reached 92,4%. Internally, steel ends and other ferrous metals are reincorporated into the production process, minimising waste at source and optimising material use.

The same principle is applied across other resource streams. At the Simoldes Steel Centre, steel blocks are used to their full extent maximising material yield from each block, with larger sections are allocated to moulding components and smaller pieces are repurposed for other components. Within our maintenance practices, machine parts are reused wherever feasible. At the administrative level, paper consumption is reduced through reuse practices such as printing on both sides, and pallet use is kept to a residual level. For trade-fair activities, exhibition structures are reused repeatedly across the Simoldes Tools' facilities, client sites and events, and

shipping boxes from injection-systems material are reused for the same purpose. Furthermore, all merchandising material incorporates recycled content wherever feasible.

At product level, the materials integrated into each mould are specified by the client, which constrains the scope for substituting metallic inputs. Within this boundary, we conduct steel-use optimisation studies focused primarily on bumper moulds, to ensure that steel is used efficiently and without excess. We are also researching the future use of lower-impact materials such as green steel, although market availability is currently limited.

To extend circularity beyond our own operations, we provide documentation that accompanies the mould when it is delivered to the client, including the previously explained Mould Dismantling Form and a maintenance care document. Both reference the relevant European Waste List (EWL) codes, supporting the client in managing the mould responsibly throughout its life and at end-of-life.

Targets

ESRS E5-3 | Targets related to resource use and circular economy

At present, Simoldes Tools has not established quantified, time-bound targets regarding resource use and circular economy. However, we monitor a structured set of resource- and waste-related KPIs. Together, these indicators allow us to follow resource-efficiency trends over time and to evaluate the effectiveness of the previously described actions.

Our internal KPIs include:

RESOURCE INFLOWS

- Paper consumption (reams per month), tracked in absolute terms and normalised against turnover and against the number of moulds shipped.
- Consumption of solvents used in surface cleaning (tonnes), tracked in absolute terms and normalised against turnover.
- Oil consumption normalised against turnover.

WASTE OUTFLOWS

- Total annual waste production, in tonnes.
- Waste production normalised against turnover (tonnes per €K of sales).
- Percentage of waste valorised.
- Percentage of waste sent for disposal.
- Cost-to-revenue ratio of waste management (waste-related costs versus revenues from waste).

QUALITY OF WASTE MANAGEMENT

- Number of incorrect waste-sorting findings detected during environmental audits, tracked in absolute terms and normalised against the number of recycling points per site.

Resource inflows

ESRS E5-4 | Resource inflows

The main resource used in our operations is metallic raw material, primarily tool steel, which is sourced from European steelworks. Aluminium and copper alloys are used in smaller quantities for specific moulding components and ancillary applications.

During the 2025 reporting period, the total weight of metallic technical materials purchased was approximately **9 832 tonnes**, of which steel accounted for 9.8071 71 kg (approximately 99,8% of metallic inflows by weight), copper alloys for 24 153 kg, and aluminium for 256 kg. These figures are derived from internal purchasing records and represent materials received at our operational sites.

Resource outflows

ESRS E5-5 | Resource outflows

Products and materials

Simoldes Tools' primary product is the injection mould, which is manufactured to client specifications for the automotive and non-automotive sectors. Our products are predominantly metallic in composition, with steel forming the bulk of each mould, supplemented by copper alloys, aluminium, and metallic accessories such as cylinders, screws, and extenders.

By nature, injection moulds align with several core principles of circular economy. They are designed for long service lives, repairability, and composed almost entirely of materials that

can be fully recovered at the end of their life cycle, as steel and the associated metallic components retain their material value indefinitely and can be reintegrated into steel production cycles. Through the Circular Economy in Mould Manufacturing programme, we are working with European steelworks to structure this end-of-life recyclability into a documented, traceable closed loop, ensuring that the steel content of decommissioned moulds is recovered rather than downcycled.

Each mould placed on the market by Simoldes Tools is supplied with a contractual warranty of one million injection cycles, which provides the baseline indication of expected durability under normal operating conditions. Furthermore, our moulds are designed to be maintained, refurbished and modified throughout their working life. We support the reparability of our products in two complementary ways:

- Preventive maintenance, which is usually carried out by the client, although Simoldes Tools is available to provide this service upon request.
- Corrective maintenance, which is carried out by our team in Portugal or Germany whenever a component fails or requires modification.

Waste

During the reporting period, Simoldes Tools generated a total of 3 145,8 tonnes of waste throughout all operating sites. Of this total, 92,4% were diverted from disposal through recycling and other recovery operations, whilst 7,6% were directed to disposal through landfilling or other disposal operations. The breakdown by hazard classification and treatment type is set out in the table below.

WASTE GENERATED IN 2025 (TONNES)			
Total waste		**3 145.8**	
Total waste diverted from disposal		**2 907.5**	
Total waste diverted from disposal in %		92.4%	
Hazardous	6.3	Recycling and recovery operations:	6.3
Non-hazardous	2 901.2	Recycling and recovery operations:	2 901.2
Total Waste directed to disposal		**238,32**	
Total Waste directed to disposal in %		7.6%	
Hazardous	238.0	Disposal operations (including landfilling and incineration):	238.0
Non-hazardous	0.3	Disposal operations (including landfilling and incineration):	0.3

92.4%
waste recovered from disposal

The waste figures disclosed in the table derived from direct records and internal operational accounting maintained throughout the year. Information is collected based on the actual weights measured at the point at which waste is sent for treatment and is categorised in accordance with the European Waste List (EWL) codes applicable under EU and Portuguese waste legislation. Waste quantities are consolidated in the company's internal management system, which covers all operating sites within the reporting perimeter. All published figures reflect direct measurement (rounding numbers), no estimates have been used.

For additional context, we calculated waste intensity in relation to our economic performance for the 2025 period, expressed as tonnes of waste per million euros of net revenue, which reached 24 tonnes of waste per million euros of net revenue. This indicator allows us to monitor the efficiency of our operations in relation to waste generation.

24,2
waste intensity
(tonne of waste/million euros of net revenue)

SOCIAL



ESRS S1
OWN WORKFORCE



At Simoldes Tools, our story is built by people. Behind every project delivered, every solution developed and every challenge overcome, there is a team whose knowledge, dedication and commitment drive the company forward. We believe that sustainable success begins with a strong, supported and valued workforce, and that is why human capital is not just a resource, but a strategic priority embedded in the way we operate and grow.

Ensuring a safe and healthy working environment is the foundation of this commitment. Across all our operations, we continuously invest in preventive measures, awareness and improvement of occupational health and safety conditions, recognising that the well-being of our collaborators is essential to maintaining trust, motivation and performance. This approach goes beyond compliance, reflecting a genuine responsibility towards those who contribute daily to our results.

At the same time, we actively promote a culture of learning and development. Through continuous training programmes, we strengthen technical and behavioural skills, enabling our collaborators to adapt to evolving industry demands while building meaningful and long-term careers within the organisation. Performance evaluation and career development processes provide structure and transparency, ensuring that growth opportunities are aligned with individual ambitions and the company's strategic direction. Complementing this, our benefits framework is designed to support well-being, foster engagement and reinforce a sense of belonging.

Respect for human rights is a non-negotiable principle that guides our actions. We are committed to upholding fair labour practices, ensuring equal opportunities and maintaining a workplace free from discrimination, harassment or any form of forced labour. Through clear policies, internal controls and alignment with internationally recognised standards, we work proactively to prevent and mitigate risks, promoting an ethical and responsible working environment throughout our operations and value chain.

The workforce of Simoldes Tools is composed of 905 employees with and with no direct contract with Simoldes Tools, distributed across different operational and functional areas, performing their roles under both standard working schedules and shift-based regimes, in line with the company's production needs. This structure ensures operational continuity and enables the company to respond efficiently to market and client demands.



Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The **positive impacts** are reflected in the integration of diversity and non-discrimination principles into the Code of Conduct, supported by above-minimum-wage pay, permanent contracts and benefits such as health insurance, which contribute to a stable, safe and inclusive working environment. Work-life balance policies, the mandatory use of personal protective equipment, structured safety procedures and access to continuous training through an LMS platform further reinforce employee well-being and skills development. At the same time, internal standards prohibiting forced and child labour, aligned with the principles of the International Labour Organization, strengthen compliance with international standards and build stakeholder trust.

The **negative impacts** may arise from the absence of formal gender equality plans and structured pay audits, which can allow inequalities to remain undetected. Night and extended shift work can affect employees' physical and mental health, increasing the likelihood of burnout and higher turnover. In addition, insufficient implementation of anti-harassment and anti-violence measures can result in underreporting of incidents, weakening a safe and inclusive workplace environment.

The main **risks** relate to the potential for pay inequality or discriminatory practices to trigger labour disputes, reputational damage and financial penalties. Health-related effects of shift work may drive higher absenteeism and turnover, leading to increased recruitment and training costs. Workplace accidents can generate lost working days and higher insurance expenses. Furthermore, collective bargaining agreements may limit management flexibility in times of economic pressure, potentially impacting overall competitiveness.

The **opportunities** lie in strengthening talent attraction, retention and productivity through inclusive practices and competitive working conditions, thereby reducing recruitment costs. Continued investment in training supports innovation and enhances operational efficiency by lowering quality-related costs. A strong safety and well-being culture helps reduce accident rates and absenteeism. Moreover, transparent labour practices and alignment with international standards reinforce the company's reputation as a responsible employer and improve its positioning within international value chains.



Workforce engagement and ethical conduct

ESRS S1-1 | Policies related to own workforce

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

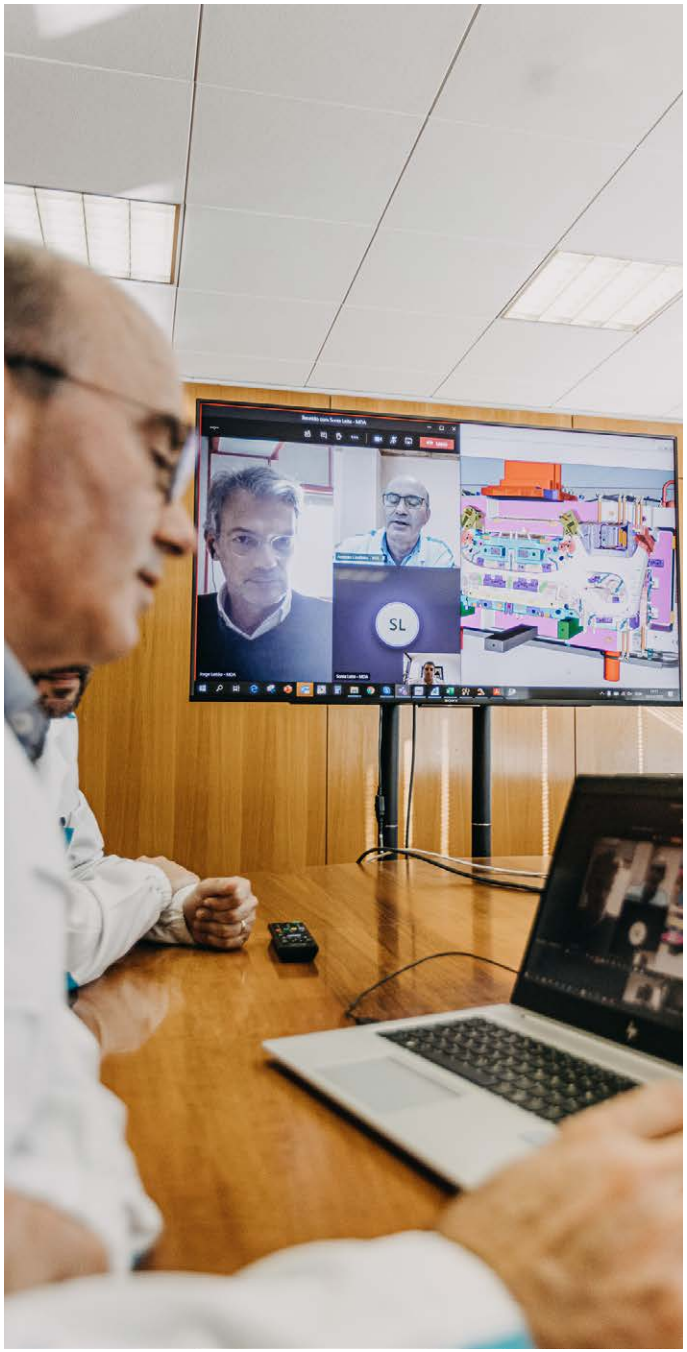
At Simoldes Tools, we have established a structured set of policies governing our workforce, including a Code of Ethics and Conduct, human resources policies, and a Code of Conduct for the Prevention and Combat of Harassment at Work. These frameworks promote equal treatment, non-discrimination, respect for human rights and fair working conditions.

Our senior management plays a central role in defining, approving and overseeing these policies, ensuring alignment with international standards and applicable legislation. We foster a culture based on merit, inclusion and ethical behaviour, with leadership actively promoting inclusive practices and ensuring equal access to opportunities. This commitment is further reflected in our recognition with a gold rating from EcoVadis in 2025.

We have implemented formal processes to engage with our workforce and address potential impacts, including structured recruitment, performance evaluation and career progression practices, carried out in a transparent, objective and equitable manner. A grievance mechanism is in place, allowing employees and other stakeholders to raise concerns related to discrimination or workplace misconduct, as mentioned in our Code of Conduct and anti-harassment policy.

Reports can be submitted through a whistleblowing channel or other internal communication means, ensuring confidentiality, impartiality and protection against retaliation. We actively seek to remove formal and cultural barriers to reporting, promoting accessible and trusted communication channels.

All complaints are assessed and investigated through a structured process, with corrective actions implemented when necessary. In addition, we conduct specific risk mapping exercises, including for vulnerable groups such as pregnant workers, to support the identification and effective management of workforce-related risks.



Employee feedback and complaint channels

ESRS S1-3 | Processes to remediate negative impacts and channels for own workers to raise concerns

Simoldes Tools has established a structured framework of employee feedback and complaint channels to ensure open communication, early identification of concerns and effective resolution of issues. Formal engagement mechanisms include:



FORMAL ENGAGEMENT MECHANISMS

- A confidential whistleblowing channel for reporting sensitive issues, including discrimination, harassment or other irregularities
- Direct access to the Human Resources Department and the Compliance Office
- Periodic individual and team meetings, promoting continuous dialogue
- An annual evaluation survey, allowing employees to submit comments, suggestions and feedback

Employees may also raise concerns through multiple accessible channels, including:



ACCESSIBLE CHANNELS

- Direct hierarchical lines
- Human Resources
- Email and written communication (including formal letters)
- Other internal communication tools

All complaints and feedback are handled in accordance with internal procedures defined in the Code of Conduct and the Code of Good Conduct for the Prevention and Combat of Harassment at Work. The process includes:



CODE OF CONDUCT

- Identification and reporting of the situation through available channels
- Impartial assessment and investigation, ensuring confidentiality and protection against retaliation
- Definition and implementation of corrective measures, which may include disciplinary actions, organisational adjustments or other mitigation measures
- Follow-up and monitoring to ensure effective resolution and prevent recurrence

Human Resources is responsible for managing these processes, applying procedures depending on the nature and severity of each case. Where situations are considered serious, a formal disciplinary process is initiated in line with internal regulations.

In cases where the company has caused or contributed to negative impacts, structured remediation procedures are activated to ensure appropriate response and resolution. In 2025, no complaints were reported through these channels.

Management of impacts, risks and opportunities and targets

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

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

At Simoldes Tools, we adopt a structured and preventive approach to managing impacts, risks and opportunities related to our workforce, supported by a comprehensive framework of internal policies, procedures and governance mechanisms. This approach is grounded in the implementation and continuous reinforcement of key policies, including our Code of Conduct and our Code of Good Conduct for the Prevention and Combat of Harassment at Work (2025), as well as policies in the areas of human resources, human rights, sustainability, sustainable procurement and biodiversity. These frameworks establish clear principles on ethical behaviour, working conditions, non-discrimination and respect for human rights, guiding our organisational practices and decision-making.

Actions already implemented and ongoing include:



ACTIONS

- Promoting a safe, inclusive and equitable working environment, ensuring equal opportunities and respect for diversity
- Providing and actively promoting whistleblowing and communication channels, enabling early identification and management of risks and non-compliance situations
- Integrating equality, diversity and inclusion principles into our human resources practices, including recruitment, performance management and career progression
- Delivering internal awareness and communication initiatives to encourage responsible behaviours and ensure understanding of policies and procedures
- Establishing structured procedures for handling complaints, conducting investigations and implementing corrective measures

We identify and respond to actual or potential negative impacts through a structured process based on:

- Reporting of situations through available channels (whistleblowing channel, Human Resources and management lines)
- Assessing the nature, severity and potential consequences of each impact
- Analysing root causes to prevent recurrence
- Classifying impacts (actual or potential) to prioritise actions
- Aligning actions with internal policies and regulatory frameworks

Where impacts are identified, we implement appropriate corrective and preventive actions, which may include disciplinary measures, organisational adjustments or other mitigation actions. We also ensure continuous review of our procedures to maintain their adequacy and responsiveness to evolving needs.

Ongoing and planned actions focus on:

- Strengthening our organisational culture based on ethics and respect for human rights
- Updating and improving internal policies in line with best practices and legal requirements
- Enhancing prevention and response mechanisms to ensure their effectiveness and accessibility
- Promoting continuous awareness and training initiatives

We monitor the effectiveness of these actions through:

- Regular tracking of internal indicators related to complaints, incidents and workforce performance
- Analysis of reported cases, including response times and resolution measures
- Periodic review and updating of policies and procedures
- Active involvement of management and relevant departments, particularly Human Resources, in oversight and validation
- Employee feedback collected through internal communication and engagement channels

We ensure that our activities do not cause or contribute to material negative impacts on our workforce through a preventive approach based on clear policies, operational controls and continuous supervision. This includes integrating ethical and social principles into our core processes, maintaining accessible reporting channels and consistently applying corrective measures when risks are identified.

These actions are supported by dedicated resources, including specialised human resources teams, active involvement

of senior management, internal governance structures such as grievance mechanisms, and the organisational and administrative capacity required to conduct investigations and implement corrective actions. Continuous investment in communication, training and monitoring systems further strengthens the effectiveness and ongoing improvement of our approach.

To support effective workforce management and continuous improvement, we monitor a set of key human resources indicators that provide insight into engagement, structure and development:

- Employee satisfaction
- Total number of collaborators
- Distribution of collaborators by sector
- Training per collaborator (hours/month)
- Share of collaborators involved in improvement teams

In cases where the company has caused or contributed to negative impacts, structured remediation procedures are activated to ensure appropriate response and resolution. In 2025, no complaints were reported through these channels.

Human Capital composition

ESRS S1-6 | Characteristics of the undertaking's employees

At Simoldes Tools, our people are at the core of our operations. Providing fair and supportive working conditions enables us to build a resilient and engaged workforce, capable of evolving with the company and sustaining our long-term performance.

2025 (HEADCOUNT)	FEMALE	MALE	TOTAL
Number of employees	**54**	**834**	**888**
Number of permanent employees	42	792	833
Number of temporary employees	6	48	53
Number of full-time employees	48	838	886
Number of part-time employees	0	2	2

In 2025, **we employed a total of 888 employees with direct contract with Simoldes Tools**, reflecting a workforce structure strongly supported by stable employment relationships. Most of our employees, representing **93.93%** of our total workforce, held permanent contracts, while **6.07%** were employed under temporary arrangements. This distribution demonstrates our commitment to employment stability and long-term workforce retention.

Regarding working arrangements, our workforce was almost entirely composed of full-time employees. Of our total workforce, **99.78%** worked on a full-time basis, while part-time employment represented a very small proportion, accounting for only **0.22%** of our employees. This structure reflects our operational model, which is primarily based on full-time roles.

In terms of gender distribution, our workforce was predominantly male, with **94.61%** male employees and **5.39%** female employees. This composition reflects the technical and industrial nature of our activities, which have historically shown higher male representation, while also highlighting an opportunity for us to continue promoting diversity and improving gender balance over time. All our employees are based within the same region.

In 2025, we recorded a total of 73 departures from our organisation. Based on our total workforce of 890 employees, this corresponds to a **turnover rate of 8.20%**, calculated as the number of departures divided by total headcount over the period.

This level of turnover reflects a relatively stable workforce, supported by a strong proportion of permanent and full-time employees. Monitoring employee turnover is an important indicator for us, as it allows us to better understand workforce dynamics, strengthen retention practices, and ensure continuity in our operations.

Non-employees' composition

ESRS S1-7 | Characteristics of non-employee workers in the undertaking's own workforce

Alongside our directly employed workforce, Simoldes Tools makes only very limited use of external collaborators, ensuring that our core operations remain anchored in a stable and committed team. In 2025, this approach was reflected in the engagement of a small number of non-employees to address specific and clearly defined operational needs.

2025 (HEADCOUNT)	FEMALE	MALE	TOTAL
Number of non-employees	**0**	**17**	**17**

During the year, we worked with one independent professional, a male employee performing a technical-commercial role, contributing specialised expertise in a targeted manner. In addition, 16 workers were engaged through external recruitment agencies, all male, supporting our production area. These collaborators played a complementary role, providing the flexibility needed to respond to operational demands while ensuring the continuity and efficiency of our production processes.

Overall, the presence of non-employed labour at Simoldes Tools remains residual and highly controlled, used primarily in temporary or specialised contexts, and always as a complement to our permanent workforce.

Collective labour agreements

ESRS S1-8 | Collective bargaining coverage and social dialogue

At Simoldes Tools, collective labour agreements are a fundamental part of ensuring fair, consistent and transparent working conditions across the organisation. In 2025, **100% of our employees** were covered by a collective labour agreement, reflecting our commitment to structured social dialogue and alignment with established labour standards.

The company operates under a single collective agreement, applied across all entities, ensuring a harmonised approach to employment conditions. This unified framework promotes equity, clarity and stability in areas such as working conditions, rights and responsibilities, benefiting both the organisation and our collaborators.

As all employees are covered by this agreement, there is no need to define alternative conditions based on external benchmarks or agreements from other companies. Similarly, non-employed workers are not influenced by collective bargaining agreements, as their engagement is governed by separate contractual arrangements. There are also no additional formal structures, such as European Works Councils, in place for employee representation at this level.

Overall, this approach reflects a strong commitment to fair labour practices, consistency and respect for collective representation, reinforcing a stable and transparent working environment for all.

Diversity, equity and inclusion

ESRS S1-9 | Diversity indicators

At Simoldes Tools, building a workplace where people feel respected and treated fairly is not a standalone initiative — it is part of how we operate every day. Our approach to diversity, equity and inclusion is grounded in clear principles and reinforced through the policies that guide our decisions and behaviours.

- Our Code of Conduct, aligned with the Ten Principles of the United Nations Global Compact, sets the foundation by explicitly committing to the elimination of discrimination in employment and occupation.
- This commitment is brought into practice through our internal rules and daily interactions, ensuring that opportunities are based on merit and that all individuals are treated with fairness.
- We have also established a Policy for the Prevention and Combating of Harassment at Work, which addresses, among other aspects, the prevention of discriminatory harassment and promotes a respectful and safe working environment.

- In addition, our Human Rights Policy reinforces these principles by explicitly addressing non-discrimination and advocating for a workplace based on equal opportunities and equal treatment, free from discrimination, harassment and violence.
- Across the organisation, we uphold the principle that all employees must be treated equally, without distinction based on any legally prohibited factor.

Together, these elements shape a culture where respect is expected, inclusion is actively supported, and every individual is given the conditions to contribute with confidence.

GENDER DISTRIBUTION ON LEADERSHIP POSITIONS

LEADERSHIP POSITION	% WOMEN	% MEN	NUMBER OF WOMEN
Middle Management	4.7%	95.3%	3
Senior Management	9.4%	90.6%	3
Board	0%	100%	0

Top management roles are considered by headcount at the end of the reporting period.

EMPLOYEE AGE DISTRIBUTION

UNIT	‹ 30 YEARS OLD	30 TO 50 YEARS OLD	› 50 YEARS OLD	TOTAL
Total	163	482	243	888

Our workforce of 890 employees shows a balanced age structure, with the majority (482) aged between 30 and 50, forming a strong and experienced core that supports operational stability. At the same time, 163 employees are under 30, reflecting our ability to attract new talent and foster future growth, while 245 employees are over 50, contributing with valuable experience and supporting knowledge transfer across the organisation.

Compensation and benefits framework

ESRS S1-10 | Adequate wages

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

At Simoldes Tools, our approach to compensation is guided by fairness, market awareness and a clear commitment to providing adequate wages. To support this, we regularly conduct benchmarking analyses to ensure our remuneration practices remain aligned with the market and reflect the value of each role.

At entry level, our minimum salary is set approximately **9%** above the national minimum wage, demonstrating our intention to go beyond legal requirements and offer more competitive and equitable compensation. This approach supports employees' financial well-being from the outset and reinforces our commitment to fair pay.

In 2025, the difference in average salary levels between female and male employees stands at **+22%** in favour of women, expressed as a percentage of the average salary level of male employees. This difference is primarily explained by the structure of our workforce: most employees are engaged in production roles, which are predominantly held by men due to the nature of the activity. Women, in turn, are more represented in administrative and management positions, which are typically associated with higher salary levels.

Employee social security and protection

ESRS S1-11 | Social protection

At Simoldes Tools, we ensure that all employees are covered by social protection mechanisms that safeguard their income in the event of key life and career disruptions. This protection is ensured through a combination of public social security systems and company-provided benefits.

As part of its commitment to employee well-being, Simoldes provides employees with a complimentary Multicare health insurance plan, offering access to high-quality healthcare services, including hospitalisation, outpatient care, maternity coverage, diagnostic exams, medication support. It also includes 24/7 free of charge online medical consultations. Through its partnership with Multicare, employees also have the option to extend coverage through a dedicated plan at preferential rates for their spouses and children.

Protection in the event of unemployment, parental leave, and retirement is ensured through the national social security system, in accordance with applicable legislation. This guarantees access to statutory rights and income continuity during these periods.

In addition, all employees are covered by work-related accident and disability insurance, ensuring financial protection in the event of occupational incidents or situations that may impact their ability to work.

Through this combined framework of legal coverage and supplementary benefits, we provide a comprehensive social protection system that supports employees throughout different stages of their professional and personal lives.

Inclusion of employees with disabilities

ESRS S1-12 | Persons with disabilities

At Simoldes Tools, inclusion is reflected in the people who are part of our day-to-day operations. Today, 16 of our 888

employees are people with self-declared disabilities, each bringing their own perspective, skills and experience into the organisation. While this represents **1.8%** of our workforce, it is a meaningful step in building a more inclusive environment where opportunities are open to all.

- 0.34% female employees
- 1.46% male employees

Across our teams, these colleagues contribute actively to our operations, reinforcing the idea that talent is not defined by limitations but by the value each person adds. Their presence strengthens our culture, encourages more inclusive practices and reminds us that diversity, in all its forms, plays an important role in how we grow as an organisation.



Training and development

ESRS S1-13 | Training and skills development indicators

Performance and career development

At Simoldes Tools, performance and career development are managed through a structured annual review process that ensures all employees can reflect on their progress and define their future path within the organisation. This process is applied consistently across all employee categories and genders, ensuring broad participation and equal access to development opportunities.

The annual performance review combines a qualitative assessment with an evaluation of objectives, considering both the results achieved in the previous year and the goals defined for the year ahead. Each cycle includes a dedicated evaluation meeting, where employees and managers discuss performance, identify training needs and share career ambitions. This moment of dialogue is essential to align individual expectations with organisational priorities.

Training

At Simoldes Tools, training is part of the everyday rhythm of the organisation. Each year, an annual training plan is rolled out across all teams, ensuring that every employee has access to learning opportunities aligned with both their role and development goals.

Partnership with ISEP for Advanced Training

At Simoldes Tools, we promote advanced training through a partnership with ISEP, delivering a post-graduate programme in Process and Industrial Operations Management at our facilities. In 2024, 34 employees participated in the programme, followed by 4 employees in 2025. This initiative supports the continuous development of technical and operational skills, aligned with our business needs.

39 486 h total training hours

AVERAGE TRAINING HOURS PER EMPLOYEE	
GENDER	AVERAGE TRAINING HOURS
Female	44 hours
Male	53 hours

TRAINING TOPIC	TRAINING HOURS (2025)
Sustainable Procurement	12
Cybersecurity	286
OHS (Occupational Health and Safety)	4 891
Environment	476
Ethics	267
Technical training	33 554

Occupational health and safety performance

ESRS S1-14 | Health and safety indicators

Occupational health and safety remain a core priority at Simoldes Tools, as it directly supports the well-being of our people and the continuity of safe, efficient operations.

In 2025, we achieved a 90% rate of occupational medical examinations, including pre-employment, periodic, and occasional assessments, reinforcing our preventive approach to employee health monitoring.

Within our Occupational Health and Safety (OHS) framework, we conducted two employee satisfaction surveys over the year, reaching an average satisfaction level of 90%. The highest-rated areas were physiotherapy services, safety signage, curative medical care, and emergency response support.

This framework is underpinned by a dedicated Health and Safety at Work policy, complemented by the onboarding handbook provided to all employees, which includes essential safety guidance, emergency procedures, and instructions on how to act in the event of an incident.

Work-related accidents

Recorded work-related accidents mainly affected the eyes, trunk, hands, and lower limbs. The most frequent types of incidents were related to the projection of fragments or particles, excessive physical exertion, contact with sharp surfaces, and falls, highlighting key focus areas for ongoing preventive improvement efforts.

INDICATOR	TOTAL
Lost days (with medical leave)	1403
Total number of recordable accidents	75
Total number of recordable accidents with medical leave	55
Average number of sick leave days per employee	1.6
Accident frequency rate	35.7
Work-related fatalities	0

OHS TRAINING IN 2025

5017 h training in OHS*
82% participation rate

* Includes service providers



Work-life balance and employee well-being

ESRS S1-15 | Work-life balance indicators

Work-life balance and employee well-being are key pillars of Simoldes Tools' people management approach, as we believe that a healthy, motivated workforce is essential for sustainable performance and long-term success.

We promote conditions that support employees in balancing their professional responsibilities with their personal lives, fostering an environment that values flexibility, respect, and recovery. Well-being is addressed through a combination of occupational health initiatives, access to medical and physiotherapy services, and continuous improvement of working conditions.

Parental leave

All our employees, irrespective of gender or role, are fully entitled to parental leave. This entitlement is safeguarded through national legislation, supported by internal policies, and reinforced by the applicable collective bargaining agreement.

EMPLOYEES WHO TOOK PARENTAL LEAVE	TOTAL
Women	2
Men	36
Total	38

Employee benefits

At Simoldes Tools, we are committed to supporting the well-being and everyday needs of our employees through a comprehensive benefits package designed to promote health, financial well-being, and work-life balance.

Our employees have access to a set of benefits that enhance their overall experience within the company:

BENEFITS

- **Canteen service** with a variety of four different meal options available daily
- **Health insurance (Multicare)**, with the possibility of extension to family members
- **Meal allowance** provided through a meal card
- **Fuel and gas discount card**, supporting daily commuting and household energy costs
- **Banking benefits**, including preferential conditions when opening a bank account
- **Chicco card for parents**, offered to employees who become parents

These benefits reflect our ongoing commitment to supporting our employees beyond the workplace, contributing to their well-being and that of their families.



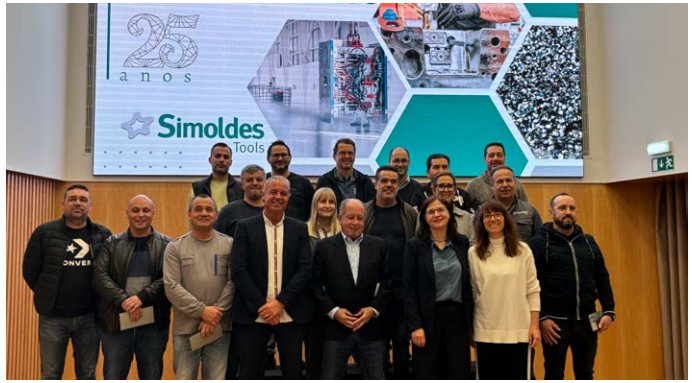
Employee activities

Throughout the year, we promote a range of initiatives and commemorative activities designed to strengthen employee engagement, well-being, and team spirit across Simoldes Tools. These moments reflect our commitment to creating a positive and people-oriented workplace culture, while encouraging social interaction, recognition, health awareness, sustainability, and inclusion.

By celebrating important occasions and fostering shared experiences, we continue to reinforce a strong sense of belonging and connection among our employees.

DATE	ACTIVITY
29 January	Employees' 25-Year Anniversary Celebration
8 March	Women's Day
19 March	Father's Day
28 April	Safety Day
May	Heart Month
3 May	Mother's Day
5 June	Environment Day
June/July	Summer Initiative
27 June	Industrial Workers' Day
May/September	Sports Day
25 September	Sustainability Week
10 October	Mental Health Day
30 November	Simoldes Anniversary
December	Food Collection Campaign
December	**Christmas Party** (including gifts for employees' children under 12 years old)







Sustainability Week

During the week of the World Sustainability Day, we celebrated our Sustainability Week with a set of initiatives designed to reinforce awareness, responsibility, and engagement across our teams and community. Throughout the week, we shared daily actions and communications that reflected the values we aim to integrate into our culture and operations.

We began by promoting a dedicated video about our Code of Ethics and Conduct, highlighting the principles that guide the way we work, collaborate, and make decisions. We also shared the lecture "*Sustainability in Industry: Simoldes*", presented at Serafim Leite School, creating an opportunity to connect with younger generations and demonstrate how sustainability is part of our industrial reality and future vision.

Awareness posts were published during the week to encourage reflection on the impact of our everyday choices. These communications addressed topics such as the use of bicycles as a more sustainable mobility option, the importance of volunteering, and the environmental benefits associated with reducing meat consumption.

To close the week, we highlighted key topics from our Sustainability Report, with a focus on energy consumption and waste management, reinforcing our commitment to continuous improvement and more responsible resource management.

Through these initiatives, we continued to strengthen a culture where sustainability is not only a strategic priority, but also a shared responsibility embraced through small actions with long-term impact.



Human rights cases

ESRS S1-17 | Incidents, complaints and severe human rights impacts and incidents

At Simoldes Tools, we maintain robust mechanisms to ensure that any complaint or concern is addressed with strict confidentiality, integrity, and in accordance with both internal procedures and applicable legal requirements. This approach is an integral part of our commitment to human rights, a respectful working environment, and the promotion of transparency and accountability across all activities.

A range of reporting channels is made available to employees and external stakeholders, ensuring that concerns can be raised in a safe and accessible manner, without risk of retaliation. These include the whistleblowing channel, direct in-person communication, email, and other internal reporting tools.

These mechanisms are open not only to employees, but also to customers, suppliers, and members of the public, reinforcing an inclusive and transparent approach to stakeholder engagement.

In 2025, Simoldes Tools had **zero complaints** or human rights-related grievances across its operations, covering all reporting channels and stakeholder groups.

We continue to prioritise the effectiveness of our grievance systems, fostering a culture grounded in trust, ethical behaviour, and openness.

ESRS S2
WORKERS IN THE VALUE CHAIN



Material impacts, risks and opportunities

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

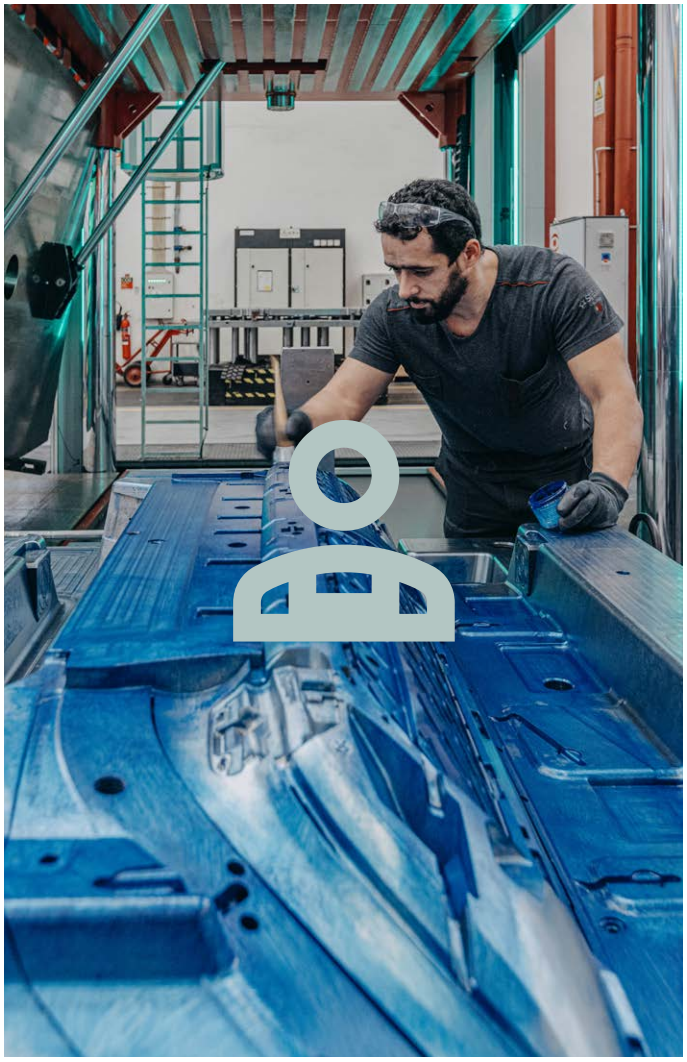
ESRS 2 IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

The **positive impacts** are associated with the establishment of clear requirements on working conditions for suppliers, combined with ongoing workforce monitoring, which help prevent human rights violations across the value chain. Fair labour practices, social dialogue and non-discrimination among suppliers contribute to higher productivity, improved product quality and the development of a more responsible and sustainable supply chain.

The **negative impacts** arise when violations such as forced labour, child labour or discrimination occur within the supply chain, generating social, economic and reputational harm. Limited oversight of suppliers' working conditions may allow abusive or non-compliant practices to persist, weakening the overall integrity of the value chain.

The **risks** are linked to the possibility that human rights violations or inadequate labour conditions at supplier level may result in legal sanctions, reputational damage and loss of trust from clients and investors. Labour disputes or operational disruptions within the supply chain can increase costs and compromise production continuity, affecting the company's ability to meet delivery deadlines.

The **opportunities** stem from embedding procurement requirements aligned with the principles of the International Labour Organization and implementing robust human rights due diligence processes, which reduce the risk of supply disruptions and enhance operational resilience. These practices also strengthen corporate reputation and foster more reliable, transparent and responsible relationships with suppliers.



Human rights and labour practices in the value chain

ESRS S2-1 | Policies related to value chain workers

We understand that our responsibility for human rights and decent working conditions extends beyond our own workforce and into the entire value chain that supports our activity. Therefore, our policies and contractual instruments are designed to safeguard the rights and welfare of workers both upstream and downstream of our operations.

The framework that governs our approach is anchored in the Code of Ethics and Conduct and our Organisational Policies, which consolidate our commitments across quality, environment, occupational health and safety, sustainability, human rights, sustainable purchasing and biodiversity. Both documents are publicly available on our website and on the corporate intranet.

Our human rights commitments draw on the principal international reference frameworks in this area, since we are signatories to the United Nations Global Compact, and our human rights policy is built around the Universal Declaration of Human Rights and the Ten Principles of the Global Compact. These commitments are operationalised through internal procedures, due-diligence routines and the supporting controls such as risk assessments, audits and indicator-based monitoring, as well as the dedicated reporting channel.

Furthermore, our Sustainable Purchasing Policy sets out the strategic principles applied to the supply base, including the engagement of suppliers in the consistent adoption of sound environmental, social and ethical practices, the development of business relationships with ethical and social integrity, and the promotion of continuous progress through lasting commercial partnerships built on shared responsibility for sustainable outcomes. In our purchase orders, clause 6 of the standard terms requires the supplier to comply with environmental, labour and human rights requirements, while clause 1 binds the supplier to the data protection framework in force.

In 2025, we developed a dedicated Supplier Code of Conduct, which was adopted the following year. This policy formalises the principles and minimum requirements that apply to every supplier working with Simoldes Tools, encompassing legal compliance, respect for human rights, sound labour practices, occupational health and safety, ethics, integrity and the prevention of corruption, the continuous improvement of environmental performance, fair business practices and alignment with the SDGs. Acceptance and compliance with this code are a mandatory condition for any contractual relationship with Simoldes Tools, and suppliers are required to apply its provisions internally and to cascade them throughout their own supply chain. Non-compliance may lead to the termination of the contract.

During the reporting period, no cases of non-compliance with our human rights and labour-related requirements were identified in the value chain.

Supplier evaluation and risk management

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

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

ESRS S2-4 | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain

Given the nature of our business model, our engagement with workers in the value chain is conducted predominantly on an indirect basis. We engage with these workers principally through their employers (our suppliers) and through a combination of supplier audits, supplier evaluations and reporting mechanisms accessible to third parties. This engagement takes place on a periodic basis through formal evaluation and audit cycles, and on a continuous basis through the reporting and communication channels that remain available throughout the year. Where appropriate, engagement is mediated by worker representatives or other intermediaries. The perspectives captured through these processes inform our identification of risks and opportunities for improvement and, where relevant, drive specific decisions, including the implementation of corrective actions, the reinforcement of contractual requirements and, in the most serious cases, the discontinuation of commercial relationships.

Operational responsibility for ensuring this engagement, and for communicating its results to the governance structure, sits with our Marketing and Sales Director, who acts as the senior owner of the process and ensures that the relevant information is escalated to the management board.

Our Code of Ethics and Conduct constitutes the formal expression of Simoldes Tools' commitment to human rights

across the entire value chain, including workers upstream and downstream of our operations. Besides said code, the contractual requirements integrated into purchase orders, periodic supplier evaluations, audits, and the monitoring of indicators relevant to human rights and labour practices all contribute to prevent and mitigate any potential negative impacts on value chain workers.

Workers in our value chain, alongside all other stakeholders, have access to a dedicated reporting infrastructure for raising concerns. The principal channel is an externally operated whistleblowing platform, accessible through our corporate website, which has been designed to ensure anonymity, confidentiality and full protection against retaliation. These channels are particularly relevant for ensuring that more vulnerable are heard, complementing the requirements we place on suppliers to observe non-discrimination practices and to protect human rights throughout their operations.

When non-conformities or risks are identified, we pursue remediation through corrective action plans defined together with the supplier in question, accompanied by structured follow-up to ensure that the necessary measures are implemented and that the underlying issue is resolved. The effectiveness of our actions is assessed through this continuous follow-up, the analysis of identified non-conformities and the verification of their resolution.

To capture positive impacts and opportunities, we give preference to partners that are aligned with ethical principles, the protection of human rights and the maintenance of decent working conditions, embedding these requirements in our contractual terms and in our supplier selection criteria. Promoting continuous improvement and recognising suppliers that demonstrate strong performance in human rights and labour practices is a means of advancing positive outcomes for workers in our value chain.

Suppliers evaluation 2025

During 2025, we conducted a structured evaluation of our supplier base, covering both project-related subcontractors and component and equipment suppliers (BOM). The evaluation is based on the perception of our internal teams regarding supplier performance, assessed against the top five principles defined for each evaluation rubric. The exercise covered 41 suppliers across the two segments, with the following overall results:

SUPPLIER SEGMENT	AVERAGE SCORE
Project subcontractors	85%
BOM (components and equipment)	85%
Overall	85%

The lowest individual score recorded was 70% and the highest was 95%, indicating a generally consistent performance across the supply base, with a small number of suppliers requiring closer follow-up. Suppliers scoring below the segment average are subject to specific monitoring actions and, where appropriate, are invited to put in place improvement plans.

Management of social impacts in the value chain

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

In the reporting period, Simoldes Tools did not have formally defined, measurable and time-bound targets specifically dedicated to the management of impacts, risks and opportunities relating to workers in the value chain. Our policy framework establishes a clear operational principle: where non-compliance is identified, the commitment set out in our Human Rights Policy is to terminate the cooperation with the supplier concerned. While this principle operates as an implicit threshold within our supplier management practices, it is not, at present, expressed in the form of a quantitative key performance indicator.

ESRS S3 COMMUNITY



Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

Under ESRS S3 – Community, we have identified a set of material impacts, risks and opportunities (IROs) related to the social impact of our operations on the surrounding communities, as well as our broader contributions to local development.

Through our employment practices and social investment, we have a **positive impact** on local communities. By offering remuneration above the national minimum wage, health insurance and canteen facilities, we improve the living conditions of our workforce and the communities in which our production units are located. Beyond employment, we support community development by increasing our annual donations and sponsorships to promote economic, social, cultural, educational and technological initiatives in the areas where we operate.

At the same time, we recognise that failing to maintain competitive employment conditions could **negatively impact** employee satisfaction and retention, which would have a knock-on effect on the broader community. Reducing our institutional support, whether financial or in-kind, would also directly impact the local organisations and programmes that depend on it.

External socio-economic factors beyond our direct control pose **risks** to our business, including demographic decline, labour shortages and broader instability in the communities where we operate. Additionally, our reputation could be damaged if any of the institutions we support become embroiled in controversy, which highlights the importance of thorough due diligence when selecting our community partners.

However, there are significant **opportunities** for us to strengthen our positive community impact. Sustained investment in local communities generates goodwill, fosters long-term social cohesion, and strengthens our EESG profile. By presenting ourselves as responsible patrons and active contributors to local development, we can increase brand recognition, attract local talent and reinforce our social licence to operate.



Policies on affected communities

ESRS S3-1 | Policies related to affected communities

Simoldes Tools is committed to safeguarding the wellbeing of all communities potentially affected by its operations, by preventing environmental impacts, safeguarding public health, and actively seeking to contribute to the livelihoods of local communities. We strive to engage with communities through maintaining open dialogue with local communities and authorities, conducting impact assessments, participating in local initiatives, and incorporating stakeholder feedback into operational management.

Simoldes Tools does not have a stand-alone policy focused on affected communities. However, our Code of Ethics and Conduct addresses Simoldes Tools' commitment to human rights, which extends to the entire value chain, including affected communities.

At Simoldes Tools we embrace our role in fostering positive impacts within the communities in which we operate. We do this by actively supporting initiatives based on an integrated approach that combines financial investment, direct community engagement and participation in key social innovation projects. This strengthens Simoldes Tools' institutional standing as a responsible partner committed to the communities' sustainable development. In 2025, several voluntary community actions were carried out, covering five main areas of intervention: culture, sports, education, religion and wellbeing.

Simoldes Tools' policies are aligned with recognised international standards such as the UN Guiding Principles on Business and Human Rights. These principles are incorporated into the Code of Ethics and Conduct, other internal policies, and risk management processes. Alongside these policies, other measures are implemented to guarantee compliance with human's rights, including ESG risk assessments, internal and supplier audits, monitoring of indicators, and the provision of whistleblower channels dedicated to reporting instances of non-compliance.

We are aware of the importance of assessing and managing potential impacts on affected communities. In 2025, zero cases of non-respect of human's rights involving affected communities were reported in Simoldes Tools' own operations or in its upstream and downstream value chain. However, there is a designated Compliance office, which is prepared to deal with potential complaints, shall they arise.

Engagement, communication and remediation of negative impacts

ESRS S3-1 | Policies related to affected communities

Simoldes Tools strives to engage with the communities that are potentially or actually impacted through its operations. Although a strict community engagement process is not defined, commonly different entities reach out to us with requests for support, whether financial or in other capacities, and such requests are properly assessed to understand if we are indeed prepared to help. Occasionally, when Simoldes Tools identifies an opportunity to positively impact the community, initiative to do so is taken, which is the case with some ongoing partnerships with local academic institutions.

Simoldes Tools engages with local stakeholders and collaborates with relevant organisations in the appropriate spaces to better understand community needs. As an example, alongside other public, private and social sector entities, we take part in the Municipal Plan for Social Innovation in Oliveira de Azeméis, where local challenges and innovative solutions are discussed.

Additionally, even though there isn't a formal remediation procedure designed specifically for affected communities, through social, environmental and risk impact assessments, we are able to identify, prevent, mitigate and remediate potential or actual impacts on affected communities. Simoldes Tools maintains accessible communication channels and incorporates feedback received through such channels into our operational management. Besides there being an Compliance office prepared to deal with negative impacts and potential complaints, a whistleblowing channel is also open to all stakeholders, allowing for confidential reporting of concerns, which are dealt with by an external partner in close contact with Simoldes Tools.

Simoldes Tools' Board of Directors holds the highest level of responsibility for ensuring that this engagement with affected communities stays relevant and that their input is properly considered. To evaluate the existing mechanisms to engage with affected communities and remediate negative impacts, such aspects are assessed in internal and external audits.

Taking action

ESRS S3-4 | Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

ESRS S3-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

At Simoldes Tools, we recognise that our operations can have a positive or negative impact on the environmental, social and economic dynamics of our surrounding communities, either because of our activities or as a result of our commitment to social responsibility. Although no significant incidents involving the affected communities were recorded in 2025, this awareness motivates the work that has been carried out over previous years to mitigate such negative impacts and contribute to the development of the surrounding communities. Simoldes Tools' Administration is ultimately responsible for these efforts to ensure they align with local needs and with the sustainability strategy.

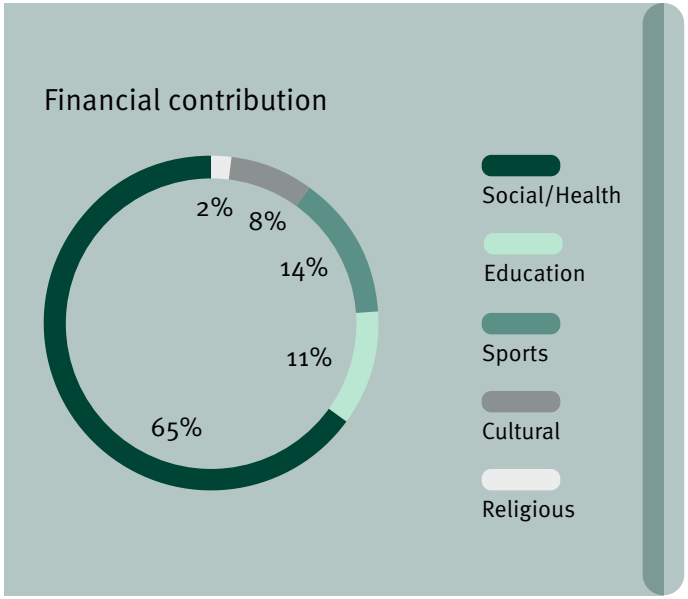
To mitigate potential negative impacts and risks, Simoldes Tools incorporates ESG criteria into its decision-making processes. This includes conducting risk and impact assessments prior to land acquisition, construction, operation and closure projects. Control measures and continuous monitoring are also implemented. Potential impacts are managed by using our influence with partners and suppliers through codes of conduct, contractual requirements and assessment processes to promote alignment with environmental and social standards.

To leverage opportunities for positive impact on the affected communities, we have established and maintained several social partnerships with local social, academic and cultural actors, and we keep on contributing to community support initiatives, thereby promoting local development and strengthening relations with the surrounding communities.

Actions and initiatives in 2025

In 2025, Simoldes Tools implemented a wide range of initiatives to support local communities and improve their well-being, particularly in terms of access to opportunities, support for social initiatives, and community cohesion. The initiatives were designed to promote sustainable local development, build trust with communities and create a lasting positive impact. These efforts were delivered through both financial contributions and collaborative partnerships with a diverse set of stakeholders.

A significant proportion of the investment was directed towards social and healthcare-related initiatives, underlining a clear priority to enhance people's well-being. At the same time, approximately a quarter of the total support was allocated to education and sports, demonstrating an ongoing commitment to skills development, social inclusion, and the promotion of healthy lifestyles. Additional support was also extended to cultural and religious organisations, contributing to community cohesion and the preservation of local identity.



Participation in the Municipal Plan for Social Innovation of Oliveira de Azeméis

A key highlight of Simoldes Tools' social responsibility strategy is the active involvement in the Municipal Plan for Social Innovation of Oliveira de Azeméis. This flagship initiative unites public authorities, private companies and social sector organisations, encouraging them to work together to address societal challenges through innovative and sustainable solutions. By participating in this programme, we strengthen our position as a proactive partner in driving meaningful social impact in the local community and reflect the our core belief that cross-sector collaboration is essential for long-term sustainable development. Furthermore, this participation demonstrates clear alignment between Simoldes Tools' corporate social responsibility strategy and local public policies aimed at fostering social innovation.

Educational and Scientific Collaboration

We actively foster strong partnerships with educational institutions, reinforcing our commitment to skills development, knowledge transfer, and the promotion of technical careers.

At secondary education level, several local schools are supported, including Escola Soares Basto, Escola Ferreira Castro, and Escola Ferreira da Silva. These collaborations focus on vocational education initiatives and the provision of internships, helping students gain practical exposure to industrial environments. In March 2025, Simoldes Tools organised an awareness session at Serafim Leite Highschool for 11th and 12th grade students, aiming to bridge the gap between education and industry.

At higher education level, Simoldes Tools maintains close cooperation with universities and polytechnic institutes:

EDUCATIONAL COOPERATION

- Collaboration with the ESAN (Escola Superior de Design Gestão e Tecnologias da Produção de Aveiro) in defining curricula, contributing teaching staff, and supporting the development of new academic programmes.
- In partnership with ISEP (Instituto Superior de Engenharia do Porto), Simoldes Tools hosts a postgraduate programme in Industrial Processes and Operations Management at its facilities, delivered in multiple editions since 2021.
- Internship opportunities are also provided to students from a wide range of institutions, including Universidade de Aveiro, Universidade Fernando Pessoa, FEUP, ISEP, and ISVouga, among others.
- Support of the Formula Student project at Instituto Superior Técnico ULisboa, acting as both a financial and technical partner, contributing to the development and manufacturing of key components for the electric vehicle used in international competitions, enhancing students' practical skills in engineering and innovation.

In the field of R&D, Simoldes Tools collaborates with leading institutions and industrial partners, including INEGI, ESAN, Engel, PIEP Plastic Innovation Engineering Platform, Canyon, and DOMO Chemicals. These partnerships act as a bridge between industry and the scientific community, enabling the development of innovative technologies, advanced manufacturing processes, and cutting-edge solutions for both the automotive and non-automotive sectors.

We have not yet established a formal framework of measurable goals or KPIs related to managing material impacts, risks, or opportunities towards affected communities. However, we remain committed to continuously strengthening our approach and impact. Simoldes Tools is aware of the importance of defining more specific targets in the future to improve monitoring and accountability, in line with our broader ESG commitments.

Nevertheless, so far Simoldes Tools has prioritised and will continue to focus on:

TARGETS

- Stability and predictability in its social responsibility policy, enabling long-term relationships with local stakeholders.
- Strengthening social impact by focusing on areas of greatest structural need.
- Complementarity between financial support and direct involvement, enhancing the effectiveness of initiatives.
- Consistent alignment with ESG principles and the United Nations Sustainable Development Goals.

ESRS S4 CONSUMERS AND END-USERS



Simoldes Tools operates exclusively in a business-to-business (B2B) context and therefore does not have a direct commercial relationship with end consumers. Our products are supplied to original equipment manufacturers (OEMs) and tier-one suppliers, who incorporate them into their own production processes. Consequently, we do not interact with end consumers at the point of use. Therefore, in this chapter, Simoldes Tools' direct clients will be considered (the industrial buyers and partners with whom we maintain direct contractual and commercial relationships).

Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

Within the scope of ESRS S4 – Consumers and end-users, we have identified a set of material impacts, risks, and opportunities (IROs) relating to the information we provide about our products and services, the safety standards we uphold, and how we manage our clients' personal and commercial data.

By providing clear, accurate and transparent information about our products and services, we can generate **positive impacts** for our clients, enabling better-informed decision-making and reducing the likelihood of contractual misunderstandings. Our high product safety standards protect end users of the moulds and components we produce, while our robust data privacy practices safeguard clients' strategic and personal information, reinforcing trust and supporting sound governance.

About **negative impacts**, we understand that failing to communicate clearly about our products and services could result in client dissatisfaction, contractual disputes, and reputational damage. Shortcomings in product safety standards could result in harm to users and legal liability, while inadequate data protection practices could have significant legal, financial and operational consequences for us and our clients.

These areas also pose significant **risks**. Lack of clarity in information, inadequate safety standards and poor data security expose us to legal proceedings, financial penalties, reputational damage and potential disruption to business continuity. In a market where clients are increasingly scrutinising the governance and accountability of their suppliers, such failures could result in the loss of key commercial relationships.

However, we also have the **opportunity** to transform these areas into genuine competitive strengths. Transparent client communication, consistent product safety and a robust approach to data protection will set us apart from the competition, foster loyalty and create a sustainable competitive advantage. A strong track record in these areas reduces our long-term legal and financial exposure and supports our positioning as a trusted and responsible partner.



Policies on clients

ESRS S4-1 | Policies related to consumers and end-users

Simoldes Tools has established a set of policies that apply to our relationships with clients. These policies cover product quality, safety, transparency, and respect for human rights throughout all operational units and client categories.

In the Code of Conduct and Ethics, Simoldes Tools pledges to respect the human rights of all stakeholders, including clients, by ensuring the safety and quality of our products and fostering transparent relationships. These commitments align with the United Nations Guiding Principles on Business and Human Rights (UNGPs), and their compliance is monitored through internal policies, quality management systems, audits and whistleblowing channels.

In the context of clients, respect for human rights is ensured in practice through quality management systems and rigorous product control throughout the manufacturing process. This involves complying with applicable legal requirements and client contractual specifications, engaging with clients through communication channels, and managing complaints. Such practices enable us to identify concerns and impacts associated with our products, as well as corrective and remediation measures to be taken when negative impacts occur, such as root cause analysis, complaint resolution, process improvement, and appropriate compensation where applicable. Remarkably, no incidents of non-compliance with international standards in the downstream value chain were identified during the reporting period.

The policies are displayed in visible locations within our premises, allowing all stakeholders to consult them whenever they visit Simoldes Tools' units. Furthermore, the relevant policies are presented to clients during pre-contract discussions and client audits, and clients must consent to them. No significant changes to consumer-related policies were recorded in 2025, but Simoldes Tools remains attentive to potential improvements.

Engagement, communication and remediation of negative impacts

ESRS S4-2 | Processes for engaging with consumers and end-users about impacts

ESRS S4-3 | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Simoldes Tools maintains ongoing dialogue with clients through formal and informal channels, such as meetings, emails, site visits and audits. This engagement occurs throughout the commercial relationship, from the initial discussions before the contract is signed, when our policies and certifications are presented, to regular operational interactions and the periodic formal audits conducted by certain clients.

The Commercial Directorate is primarily responsible for this engagement, supported by the Marketing department. All relevant information gathered from these interactions is shared with the Administration, ensuring that client expectations are met and integrated into our decision-making processes. Engagement is direct, taking place between our Commercial team and our clients without intermediaries. Given Simoldes Tools' exclusively B2B business model, the concept of vulnerable or marginalised consumers is not applicable.

The effectiveness of client engagement is informally assessed using KPIs for placed orders, complemented by the annual client satisfaction evaluation and feedback from client audits. While a formal, structured engagement process has yet to be established, the company recognises this as an area for development. To improve the team's ability to engage with and communicate with clients, a digital skills and communication training programme was designed in 2025 for the entire company and is currently being implemented throughout 2026 and 2027.

If concerns or negative impacts arise, clients, like other stakeholders, can submit complaints via an externally managed whistleblowing channel on the official website. This channel guarantees anonymity, confidentiality, and protection against retaliation, and complaints are handled by an independent Complaints Officer, who coordinates with the Compliance office at Simoldes Tools if the nature of the complaint requires it. As well as the dedicated digital platform, complaints can be submitted by email, post, telephone or by arranging an in-person meeting. The visibility of the channel is ensured through its publication on the official website, which is accessible to all external stakeholders.

Actions towards clients

ESRS S4-4 | Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

ESRS S4-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

We take a structured approach to identifying and managing the material impacts on our clients, integrating these actions into our broader risk management and governance frameworks. Material impacts and the necessary actions to address them are identified through an annual SWOT analysis and risk management process. Where necessary, we develop and implement specific action plans. No significant human rights incidents relating to client relationships were recorded during 2025.

The primary operational concern in the context of client-related impacts is cybersecurity, specifically the protection of client technical data and intellectual property. The IT department manages this by ensuring continuous alignment with applicable certifications and market requirements. While we do not currently hold our own cybersecurity certification, our practices are aligned with those of our certified Simoldes Group fellow company, ensuring group-level coherence.

Responsibility for managing any potential or actual impacts on our clients is distributed across the Commercial and Marketing departments (client relationships and satisfaction), the IT department (data and cyber security), the Compliance office (complaints and whistleblowing), and ultimately the Simoldes Tools Management Team. Resources are allocated in line with the company's operational priorities and strategic plan.

To validate our commitment to the safety, quality and environmental performance of our products, we actively engage with international standards and independent certification bodies, such as ISO 9001 and ISO 14001. In February 2025, Simoldes Tools was awarded the EcoVadis Gold Label in recognition of our strong performance across sustainability dimensions, including ethics, labour and human rights, the environment, and sustainable procurement. This recognition reinforces Simoldes Tools' positioning as a responsible supplier and enhances our appeal to clients who use sustainability criteria to assess suppliers.



Simoldes Tools has not yet set formal targets relating to the management of material impacts on clients. However, formal and informal performance benchmarks have been set and are monitored in practice, such as the annual client satisfaction evaluation and an informal satisfaction benchmark of 90% resulting from client audits (in practice, Simoldes Tools consistently achieves 94–95% customer satisfaction, placing it in the top three among its competitive peers).

Client satisfaction assessment

As part of our commitment to transparency and continuous improvement in client relations, we conduct a structured client satisfaction assessment at the end of each project. A questionnaire is sent to the client by the Quality team following the dispatch of the last mould, covering seven key dimensions: communication, technical level, technological capacity, mould quality, delivery performance, support provided throughout the project, and our capability as a global solutions provider. Responses are rated on a scale of 1 to 5, and the Quality team reviews lower-scoring answers and client suggestions, initiating PDCA improvement cycles where needed.

In 2025, the average score across all dimensions was equal to or above 4 out of 5. Our clients particularly recognised us in the areas of communication, technological capacity, support provided, and likelihood to recommend Simoldes Tools to third parties, all of which achieved a score of 5. These results reflect our clients' confidence in our technical expertise, responsiveness, and partnership approach. They also serve as important external validation of the quality standards we strive to uphold.

GOVERNANCE



ESRS G1 BUSINESS CONDUCT

Material impacts, risks and opportunities

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

ESRS 2 IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

Simoldes Tools promotes ethical and responsible business conduct through a structured governance framework, supported by a Code of Conduct aligned with the UN Global Compact, regular training on anti-corruption and anti-bribery practices, and an accessible whistleblowing system. These elements generate positive impacts by strengthening transparency, accountability and the early detection of misconduct, while supplier management practices contribute to product quality, foster innovation and support a more resilient and progressively responsible value chain.

At the same time, certain structural and operational aspects may lead to negative impacts and increased exposure. The family ownership structure may result in more centralised decision-making, and any gaps in risk management, ESG governance or the effectiveness of the whistleblowing system may undermine stakeholder trust, regulatory compliance and overall credibility. Additionally, the limited integration of ESG criteria in supplier evaluation may contribute to environmental, social and governance impacts within the value chain.

These factors are directly linked to a set of material risks. The company's capital structure exposes it to liquidity and interest or exchange rate risks, while weaknesses in governance or risk management frameworks increase exposure to legal, financial and reputational risks. At the value chain level, non-compliant or insufficiently monitored suppliers may lead to environmental and social liabilities, as well as operational disruptions such as production delays, rework and increased costs.

Conversely, strengthening governance practices represents a clear opportunity. Ethical and transparent conduct reinforces reputation, builds client trust and enhances competitive positioning. Robust ESG governance can facilitate access to sustainable financing and deepen relationships with strategic clients and partners. Furthermore, selecting and engaging responsible suppliers strengthens the resilience and sustainability of the value chain, while effective accountability mechanisms position Simoldes Tools as a trusted and preferred business partner.



Our corporate culture

ESRS G1-1 | Business conduct policies and corporate culture

At Simoldes Tools, our corporate culture is built on ethical conduct, integrity and responsible business practices. It is supported by clear organisational values and internal policies, including the Code of Conduct, approved by the management bodies and aligned with applicable requirements and best practices. These principles guide our daily operations and decision-making, ensuring consistency across the organisation.

Our values include dedication, engagement, passion, integrity and respect towards our customers, collaborators and society. They define how we work and interact, fostering a culture based on trust, accountability and continuous improvement.

Our mission is to promote a collaborative and integrative business environment, driven by customer preference and supported by continuous improvement. Through this approach, we aim to deliver consistent value and maximise long-term returns for our stakeholders.

This culture is actively promoted through internal communication, continuous training, onboarding processes and the dissemination of the principles set out in the Code of Conduct, ensuring their understanding and application across all levels of the organisation.

Its effectiveness is regularly assessed through employee satisfaction surveys, feedback collection, internal performance indicators and ongoing management oversight. This approach enables the identification of improvement opportunities, supports continuous development and ensures compliance with the Code of Conduct.

The management and administrative bodies are responsible for defining the principles and standards of business conduct, ensuring alignment with legal requirements, ethical standards and international best practices. They approve and update the Code of Conduct and other relevant internal policies, promoting their implementation across the organisation.

They also oversee the application of these principles through internal control mechanisms, continuous monitoring and the analysis of key indicators, ensuring compliance and integrity in business practices. When necessary, they assess cases of non-compliance and define corrective measures, ensuring a transparent and responsible approach.

Simoldes Tools Principles of Conduct

At Simoldes Tools, our principles of conduct reflect our commitment to sustainable, responsible, and people-centred operations. These principles guide our actions, decisions, and relationships across all areas of the organisation.



Code of Ethics and Conduct

Our Code of Ethics and Conduct serve as a fundamental framework guiding the behaviour and decision-making of all employees, management, and business partners. It establishes the principles and standards that ensure integrity, responsibility, and consistency across all areas of the organisation.

Our Code is aligned with the **Ten Principles of the United Nations Global Compact**, reflecting our commitment to internationally recognised standards in the areas of human rights, labour practices, environmental protection, and anti-corruption. These principles are embedded in our daily operations and business relationships, always ensuring responsible and ethical conduct.

In addition to these guiding principles, the Code defines clear rules of conduct covering key areas such as fair business practices, professionalism, and the appropriate use of funds, services, and assets. It also establishes expectations for relationships with suppliers and customers, the prevention and management of conflicts of interest, and the safeguarding of confidentiality, data protection, and information security.

Furthermore, the Code promotes a culture of transparency and accountability through mechanisms for incident reporting, whistleblower protection, and access to confidential reporting channels. It is supported by a corruption prevention framework, reinforcing Simoldes Tools' zero-tolerance approach to unethical practices.

By embedding these principles and rules into its operations, Simoldes Tools strengthens its organisational culture, enhances trust with stakeholders, and contributes to sustainable and responsible business conduct.

Code of Conduct for the prevention and combat of harassment at work

We have implemented a Code of Good Conduct aimed at preventing and addressing all forms of harassment at work, applicable to all stakeholders, including collaborators, management, partners and other relevant parties.

This Code establishes clear rules for the prevention of workplace harassment, covering situations of moral harassment, sexual harassment and discriminatory harassment. It is based on guiding principles such as respect, dignity, equality and zero tolerance for inappropriate behaviour.

It defines the responsibilities of the employer, as well as the duties of collaborators and management, ensuring that all parties contribute to a safe, respectful and inclusive working environment.

The Code includes dedicated reporting channels and clear communication procedures, allowing concerns or incidents to be raised in a confidential and secure manner. It also sets out structured procedures for the assessment and resolution of reported situations.

Protection mechanisms are in place to safeguard whistleblowers, victims and witnesses against any form of retaliation. The organisation ensures appropriate support to victims, including guidance and follow-up throughout the process.

Non-compliance with the Code may result in disciplinary measures, in accordance with applicable regulations. In addition, regular training and awareness initiatives are promoted to reinforce understanding, prevent misconduct and foster a culture of respect across the organisation.

Our policies

At Simoldes Tools, our policies ensure a consistent, responsible and sustainable approach across the organisation, supporting ethical conduct, operational efficiency and long-term value creation.

MANAGEMENT SYSTEMS
Provide a structured framework for processes, continuous improvement and compliance with applicable standards, ensuring quality, efficiency and effective risk control.
SUSTAINABILITY
Integrate environmental, social and governance principles into strategy and operations, supporting responsible growth and alignment with stakeholder expectations.
HUMAN RIGHTS
Ensure respect for fundamental rights across operations and the value chain, in line with international standards and applicable regulations.
HUMAN RESOURCES
Focus on attracting, developing and retaining talent, while promoting a safe, inclusive and respectful working environment for all collaborators.
SUSTAINABLE PROCUREMENT
Promote responsible practices within the supply chain, encouraging suppliers to align with our standards on ethics, environmental responsibility and social performance.
BIODIVERSITY
Support the protection of ecosystems by minimising environmental impacts and integrating biodiversity considerations into operations and decision-making.

Together, these policies form an integrated framework that supports governance, sustainability and responsible business conduct across Simoldes Tools.

Whistleblowing and grievance system

We have implemented a formal whistleblowing and grievance system, **open to all our stakeholders**, including employees, clients, suppliers and the wider community of Simoldes Tools, who wish to report irregularities, infringements or violations of applicable rules.

REPORTING CHANNELS
Reports can be submitted freely, either anonymously or with identification, in written or oral form, through multiple channels: **• Website** **• Standard mail** **• Email** **• Telephone** **• Dedicated digital platform** **• In-person meetings upon request**
INDEPENDENT MANAGEMENT
The system is managed independently by the Compliance Office, ensuring impartiality and separation from operational management. The Compliance Office is part of an external service provider, which is responsible for handling reports and complaints independently, reinforcing neutrality and confidentiality.
CONFIDENTIAL SUPPORT
We provide confidential advisory support to individuals who require assistance, additional clarification or who are considering submitting a report.
TRANSPARENCY AND ACCESSIBILITY
All relevant rules, policies, information materials and forms related to the whistleblowing system are publicly available on the digital platform.
WHISTLEBLOWER PROTECTION
We have established formal whistleblower protection policies, including a dedicated data protection policy available on our website, ensuring: **• Confidentiality** **• Protection against retaliation** **• Secure handling of personal data throughout the reporting and investigation process**

This system reinforces our commitment to transparency, accountability and ethical business conduct.

Compliance Office

Simoldes Tools has established a Compliance Office to ensure the implementation, monitoring and continuous update of its Code of Conduct and related policies.

The Compliance Office is composed of the Purchasing Director, the Data Protection Officer and the Human Resources Manager, who together form the team responsible for the handling and follow-up of complaints and reports.

The Compliance Office is responsible for clarifying any questions related to the Code of Conduct, as well as receiving, analysing and investigating all reported concerns or allegations of irregularities. It ensures that appropriate actions are taken, including the application of disciplinary measures where necessary.

It also oversees the whistleblowing process, ensuring that all reports are handled independently, confidentially and in line with established procedures. Through this structure, Simoldes Tools reinforces its commitment to ethical conduct, transparency and accountability, ensuring that all concerns related to business practices, including potential misconduct or human rights issues, are properly addressed.

Partnerships and collaborations

At Simoldes Tools, we actively engage with industry associations and specialised organisations that contribute to the development, competitiveness, and innovation of the industrial sector. These partnerships strengthen our connection with key stakeholders, promote knowledge sharing and collaboration, and support our continuous improvement in areas such as technology, sustainability, training, internationalisation, and responsible business practices.

AECOA
Business Association of Oliveira de Azeméis, focused on supporting the local business community.

AEP
One of Portugal's leading business associations, promoting competitiveness, internationalisation, and business development.

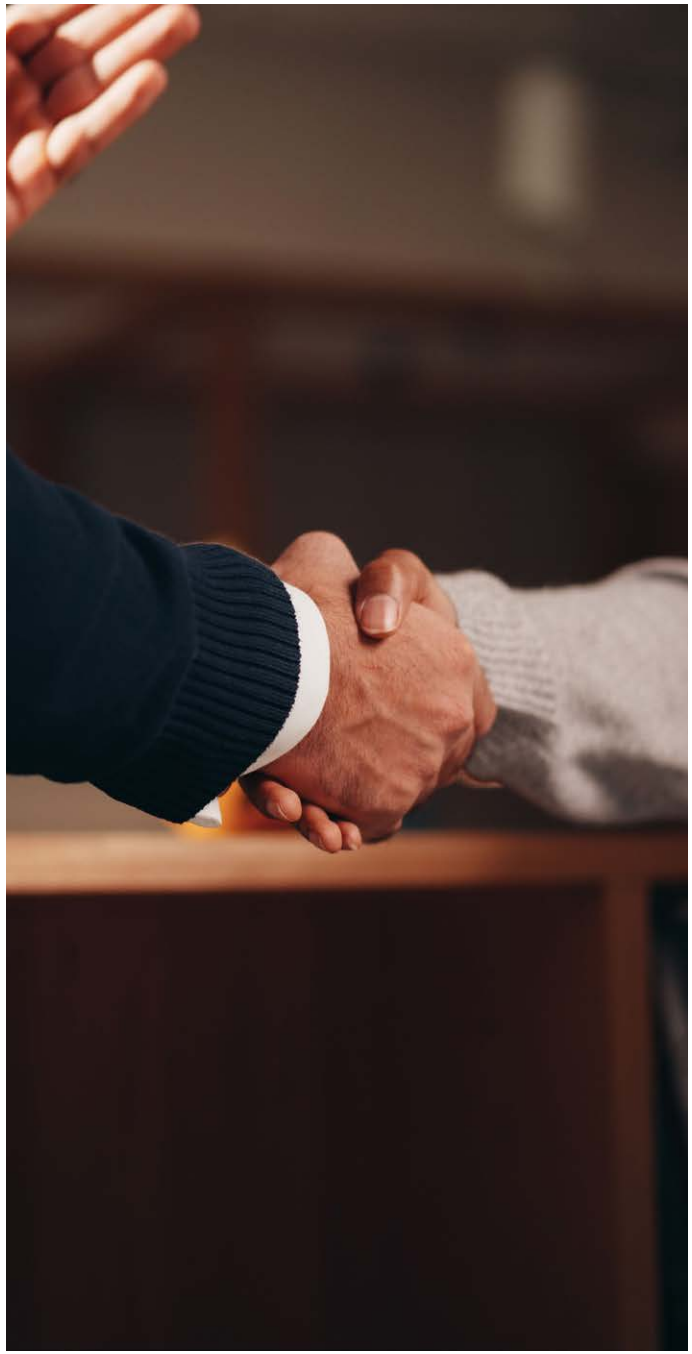
AIMMAP
Association representing the metallurgical and metalworking industries in Portugal.

AmCham
Organisation dedicated to strengthening business relations between Portugal and the United States.

CEFAMOL
National association representing the Portuguese mould industry sector.

CENTIMFE
Technological centre focused on innovation, technology, research, and industrial training for the moulds and plastics sectors.

COTEC Portugal
Business association promoting innovation, technology, and corporate competitiveness in Portugal.



Our supplier relationships

ESRS G1-2 | Management of relationships with suppliers

ESRS G1-6 | Payment practices

At Simoldes Tools, supplier relationships are managed through structured processes of selection, qualification and periodic evaluation, integrating criteria related to quality, legal compliance, ethics and sustainability.

- **Risk management in the supply chain**

Risks are identified and monitored through ongoing risk analysis and supplier performance assessment, ensuring early detection of potential issues.

- **Sustainability and compliance requirements**

Purchase orders include mandatory requirements related to environmental, labour and human rights standards, as well as data protection. These requirements ensure alignment with our Code of Conduct and broader corporate principles.

- **ESG integration in supplier evaluation**

Social and environmental criteria are embedded in supplier selection and evaluation processes. The overall assessment considers the supplier's performance across ESG dimensions, with a formal ESG-based supplier evaluation system to be implemented in 2026.

- **Corrective actions and enforcement**

When non-compliance or relevant risks are identified, corrective actions are defined and monitored. In severe cases, this may lead to the termination of the contractual relationship.

Simoldes Tools has also established a **Sustainable Procurement Policy**, which defines the strategic approach to supplier engagement:

- Engage suppliers in the consistent adoption of environmental, social and ethical best practices, recognising their key role in sustainable value chains
- Develop business relationships based on ethical integrity and social responsibility, fostering balanced and resilient supply chains
- Promote continuous improvement through long-term partnerships, built on shared values and responsibility for sustainable business practices

Although the general Code of Conduct applies to the entire value chain, Simoldes Tools developed a **Supplier Code of Conduct in 2025**, which will enter into force in 2026, reinforcing expectations and standards specifically applicable to suppliers.

Through this approach, Simoldes Tools ensures a responsible, transparent and performance-driven management of its supplier relationships, aligned with sustainability and governance best practices.

Payment Practices

Simoldes Tools does not currently have a formal policy or specific programme defining measures to prevent delays in payments, particularly to small and medium-sized enterprises. However, payment practices are managed with a strong focus on responsibility and business continuity.

On a regular basis, payments are reviewed and prioritised, taking into consideration the specific context of suppliers, especially smaller companies and local partners. This approach aims to avoid negatively impacting their financial stability and ensure the continuity of business relationships.

Although this process is not yet formalised, it reflects a practical and responsible approach to managing payment timelines, supporting suppliers' economic viability and maintaining balanced and sustainable partnerships.

Simoldes Tools ensures that payments to suppliers are made in a timely manner, in line with the conditions agreed with each supplier and in compliance with applicable contractual and legal requirements. Payment timelines are managed responsibly, considering the agreed terms and the importance of maintaining stable and balanced business relationships, particularly with small and medium-sized enterprises. Although there is no formalised policy specifically governing payment practices, the company adopts a consistent approach aimed at avoiding delays and supporting the financial sustainability of its suppliers. As of the reporting period, Simoldes Tools is not involved in any judicial proceedings related to payment practices.

Preventing corruption and bribery

ESRS G1-3 | Prevention and detection of corruption and bribery

ESRS G1-4 | Incidents of corruption or bribery

Simoldes Tools adopts a zero-tolerance approach to corruption and bribery, embedding ethical conduct within its governance structure and daily operations. This commitment is reflected in its Code of Conduct, which is aligned with the Ten Principles of the UN Global Compact and defines clear rules regarding fair business practices, professionalism, relationships with clients and suppliers, conflicts of interest, and the appropriate use of company resources.

To support the prevention and detection of potential misconduct, the company has implemented a whistleblowing and grievance system, accessible to all stakeholders, including employees, clients, suppliers and the wider community. This system allows the reporting of irregularities through multiple channels, either anonymously or with identification, and is managed independently by a designated Complaints Officer, with the support of an external entity to ensure impartiality.

These mechanisms are integrated into the company's broader governance and risk management approach, enabling the identification and monitoring of ethical risks. Through defined rules of conduct, accessible reporting channels and independent handling of complaints, Simoldes Tools promotes a culture of integrity, transparency and accountability across its operations and value chain.



The table below outlines the indicators related to corruption and bribery, in line with ESRS G1-4 requirements, and shows the results of monitoring these topics for 2025.

ESRS REF.	CORRUPTION AND BRIBERY INDICATORS	
G1-4, 24(a)	No. of convictions for violating anti-corruption and anti-bribery laws	0
G1-4, 24(a)	Amount of fines for violating anti-corruption and anti-bribery laws (euro)	0
G1-4, 24(b)	Description of actions taken to correct anti-corruption and anti-bribery failures	N/A
G1-4, 25(a)	Total no. of confirmed incidents of corruption/bribery	0
G1-4, 25(a)	Nature of confirmed incidents of corruption/bribery	N/A
G1-4, 25(b)	No. of employees dismissed or penalised for related incidents	0
G1-4, 25(c)	No. of contracts with partners terminated/not renewed due to corruption/bribery violations	0
G1-4, 25(d)	Details of public legal proceedings for corruption/bribery and their outcomes	N/A

The reported results demonstrate the measures in place to minimise the risk of corruption and bribery, supported by established policies, procedures and control systems. These efforts underline our focus on maintaining high standards of integrity, transparency and responsible business conduct.

Political influence and ethics

ESRS G1-5 | Political influence and lobbying activities

Simoldes Tools manages political influence and lobbying activities in line with applicable legal and ethical requirements, ensuring a transparent approach. The table below presents the relevant indicators for 2025, in accordance with ESRS G1-5.

ESRS REF.	POLITICAL INFLUENCE AND LOBBYING ACTIVITIES INDICATORS	2025
G1-5, 29(a)	Identification of individuals responsible for supervising political influence activities	N/A
G1-5, 29(b)i	Total value of financial and in-kind political contributions by geographical area	0
G1-5, 29(b)ii	Description of methodology used to estimate value of contributions in-kind	N/A
G1-5, 29(c)	Description of key lobbying topics, company positions, and link to material impacts	N/A
G1-5, 29(d)	Declaration on whether the company is registered in the EU Transparency Register	N/A
G1-5, 30	Disclose recent nominations of members of administrative bodies from the public administration	N/A

This report reflects Simoldes Tools' commitment to generating sustainable value and positive impact for all stakeholders. By continuing to promote sustainable growth, protect the environment and support the well-being of people, we remain determined to transform challenges into opportunities and contribute to a more resilient and sustainable future.

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ESRS S4-2	Processes for engaging with consumers and end-users about impacts	ESRS S4 – Consumers and end-users
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	ESRS S4 – Consumers and end-users
ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	ESRS S4 – Consumers and end-users
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S4 – Consumers and end-users
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS G1 – Business Conduct
ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	ESRS G1 – Business Conduct
ESRS G1-1	Business conduct policies and corporate culture	ESRS G1 – Business Conduct
ESRS G1-2	Management of relationships with suppliers	ESRS G1 – Business Conduct
ESRS G1-3	Prevention and detection of corruption and bribery	ESRS G1 – Business Conduct
ESRS G1-4	Incidents of corruption or bribery	ESRS G1 – Business Conduct
ESRS G1-5	Political influence and lobbying activities	ESRS G1 – Business Conduct
ESRS G1-6	Payment practices	ESRS G1 – Business Conduct



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