



ESG REPORT

of the Apator Group for 2025

WE MEASURE WHAT MATTERS

Publication date: April 29, 2026

This Report is a separate version of the Sustainability Statement, which is an integral part of the Report of the Management Board on the activity. The full version of the Report is available on the company's website in the Investor relations / Periodic reports section.

We measure what matters

At Apator, measuring is in our DNA. For years, we have been developing solutions that help monitor energy, water, heat, and gas consumption. However, the measurement alone is not an end in itself. What matters is what we can do with the insights it provides. That is exactly how we approach ESG. Because what we measure, we can better understand, and what we understand, we can improve more effectively.

Sustainability is not a fixed state that can be achieved and then considered complete. It is a process, a path on which we seek to take the next step every year. Sometimes that step is small; sometimes it brings meaningful change. What matters is that we continue moving forward consistently.

Above all, we do this to build a better business, one that is more efficient, resilient, and responsible. A business that benefits people, minimizes its impact on the environment, and at the same time remains a strong, profitable enterprise. We believe that responsibility does not have to be a cost. It can be a source of efficiency, innovation, and competitive advantage.

We do not act simply because regulations are changing. We listen to our customers, business partners, employees, and other stakeholders. Their expectations and experiences help us better understand where we need to change and how we should develop.

We want to work for a company that is honest, trustworthy, and true to its commitments, one that respects people and is mindful of its social and environmental responsibilities. A company we can be proud of, not only because of the results it achieves, but also because of the way those results are achieved.

That is why we view ESG primarily as an element of good management and building a company in which we want to work. Above all, we do this for ourselves, because we believe that responsible business is simply better business.

Monika Pietkiewicz, PhD

Press Officer, Apator Group ESG Manager

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1.1 Business units



47.2%

33.8%

19.0%

Unit share of total sales

PLN 567 million
generated revenue

PLN 82 million in EBITDA

87% of revenue from domestic market

performance of contracts under the
ongoing rollout

an increase in orders resulting from
the automation of power grids and
the energy transition

PLN 406 million
generated revenue

PLN 66 million in EBITDA

55% of revenue from exports

main international markets: the
Czech Republic, Germany, Romania,
Spain

an upward sales trend in Poland
and in the EMEA markets

PLN 228 million
generated revenue

PLN 20 million in EBITDA

59% of revenue from exports

main international markets:
Ukraine, Romania, Turkey

a significant increase in domestic
revenue as a result of eGazomierz
[eGasMeters] deliveries

**PLN 1,202
million**
revenue from sales



**PLN 164.3
million**
in EBITDA



**PLN 72.8
million**
of net profit*



**PLN 102.8
million**
in Capex



**PLN 227
million**
of working capital



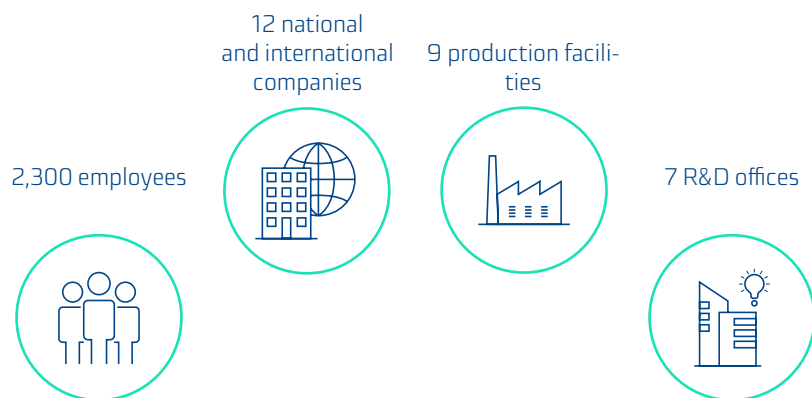
0.48 x
net debt / EBITDA*



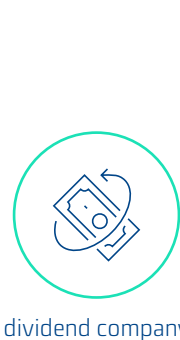
* EBITDA and net profit adjusted for the impact of one-time events (for more information, see the 2025 Report on the activity, Section 4.1.)

1.2 Our direction

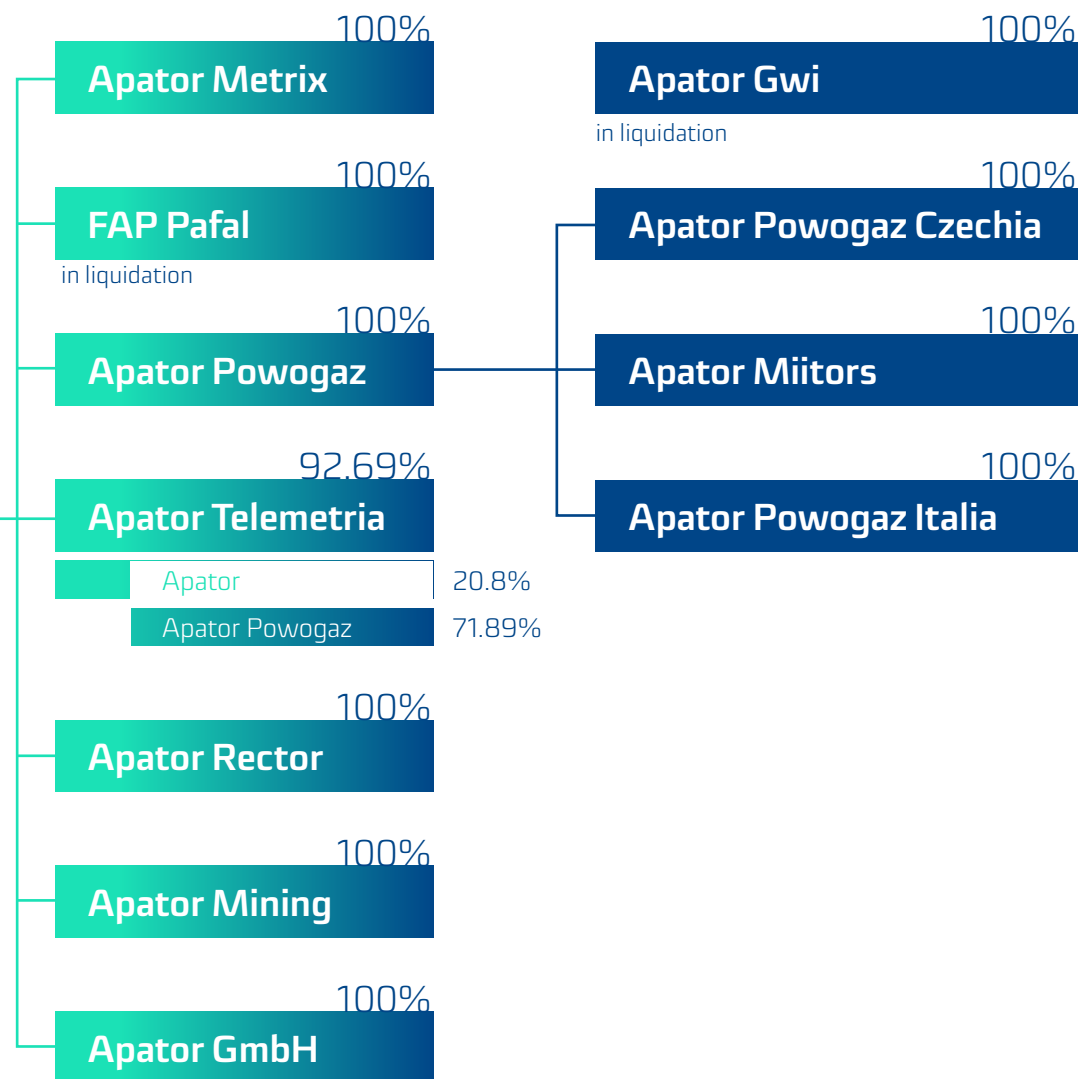
The Apator Group is an international group of manufacturers of measuring devices and systems, as well as providers of solutions that support the operation of power, water, and gas networks.



The parent company of the Apator Group is Apator SA, with its headquarter in Toruń.



1.3 Group structure as at December 31, 2025



1.4 Apator Group business model

The Apator Group's activities are organized in three business units:

Business units	 Electricity	 Gas	 Water and heat
Business lines	 opomiarowanie energii elektrycznej  automatyka  aparatura łączeniowa  ICT		
Companies in the business unit	▪ Apator SA (Toruń, Łódź, Poznań) ▪ Apator Rector (Zielona Góra) ▪ FAP Pafal (Świdnica) – in liquidation as of October 29, 2025 ▪ Apator GmbH (Germany)	▪ Apator Metrix (Tczew, Gdańsk) ▪ Apator GmbH (Germany)	▪ Apator Powogaz (Jaryszki) ▪ Apator Telemetry (Słupsk) ▪ Apator Powogaz Czechia (Czech Republic) ▪ Apator Miitors (Denmark) ▪ Apator Powogaz Italia (Italy) ▪ Apator GmbH (Germany)
Solutions	▪ Electronic electricity meters (household, residential, industrial, prosumer), including smart solutions (with remote reading function) ▪ Energy distribution devices ▪ Control and supervision systems ▪ Measuring data management systems ▪ Solutions for RES (automation, RES management systems, energy storage)	▪ Bellows gas meters (household, industrial), including smart solutions (with remote reading function) ▪ Remote meter reading services; a system that allows users to suspend and resume gas supply via the GSM network ▪ Production of machines for industrial process automation	▪ Mechanical water meters (residential, household, industrial), including smart solutions (with remote reading function) ▪ Ultrasonic water meters ▪ Heat meters, heat cost allocators ▪ Remote meter reading and utility billing services, systems supporting network infrastructure management

Business units	 Electricity	 Gas	 Water and heat
Main customers	- electricity distribution network operators - electricity grid wholesalers, electrical assembly, and electrical installation companies - construction, industry, railways - photovoltaic and wind farms, energy clusters and cooperatives, other RES sector entities	gas companies/gas distributors and gas suppliers	- water, sewerage, and heat energy companies - housing cooperatives/homeowners' associations - construction - industry
Main markets	Poland, Germany, Brazil, Romania, Turkey, Hungary	Poland, Belgium, Ukraine, Turkey, Germany	Poland, Czech Republic, Germany, Romania, Spain
Sales volume in 2025	PLN 567.1 million	PLN 228.4 million	PLN 406.4 million
Share of exports in revenue in 2025	12.9%	59.3%	54.9%
			

1.5 Business Strategy 2024–2028 [ESRS 2 SBM-1]

The Group maintains a strong position as a European supplier of smart measuring devices and solutions for managing power, water, heat, and gas distribution networks.

MISSION

We are the first choice in providing integrated solutions for the energy and water sectors of the future.

VISION

We develop technologies that help customers manage their energy and water resources in an informed and sustainable manner.

THE 5 PILLARS OF THE STRATEGY

Growth through innovation

Organizational effectiveness

Synergy within the Apator Group

Business lines -
strategic initiatives

Business lines -
"business as usual"



Implementation of the strategy after 2025

	2023	2024	2025	2028 Financial targets
Revenue from sales	PLN 1,137 million	PLN 1,228 million (+8% y/y)	PLN 1,202 million (-2% y/y)	annual growth rate of 8–10%*
EBITDA (EBITDA margin)	PLN 114 million (10%)	PLN 141 million (11.5%)	PLN 164 million** (13.7%)	improvement of 5–6 p.p.*
DN/EBITDA	1.48x	0.69x	0.48x**	indicator <2.0
CAPEX (revenue share)	PLN 36.3 million (3%)	PLN 57.3 million (5%)	PLN 91.9 million (7.6%)	5–7% of revenue
DIVIDEND (% of Apator SA net profit)	PLN 0.5 (50%)	PLN 0.9 (47%)	PLN 1.2 (67%)	up to 75% of Apator SA profit

*compared to 2023

**adjusted EBITDA for 2025 (excluding the impact of one-time events)



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2.1 BP-1 – Basis for preparation of sustainability statement

This sustainability statement (hereinafter: statement, sustainability statement, SS) has been prepared based on:

- Chapter 6c of the Accounting Act of 29 September 1994, as amended by the Act of 17 December 2024, (Article 14(5)), implementing Directive (EU) 2022/2464 of the European Parliament and of the Council (**CSRD Directive**);
- Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU with regard to European sustainability reporting standards (**ESRS standards**);
- Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the so-called **EU Taxonomy**) together with the applicable delegated acts, including in particular the regulations specifying the technical eligibility criteria and the rules for the presentation of information (including Regulation 2021/2178 and the most recent updates, including Regulation 2026/73).

The Apator Group did not take advantage of the option to be exempt from reporting. This statement has been prepared in **consolidated** form. The scope of data consolidation corresponds to the scope of data consolidation in the Apator Group's financial statements. All of the Group's companies are consolidated using the full consolidation method. As of December 31, 2025, the Apator Group consisted of 11 companies headquartered in European Union countries, including the parent company Apator SA headquartered in Toruń (Poland) (the structure of the Apator Group is presented in Chapter 1.3).

As with the preparation of financial statements, the statement also reflects changes in the structure of the Apator Group. In 2025, these changes related to:

- the establishment in January 2025 of the distribution company Apator Powogaz Italia Srl, headquartered in Padua (Italy), a wholly-owned subsidiary of Apator Powogaz SA; the company is subject to financial consolidation and, consequently, has been included in the sustainability reporting for the 2025 financial year; however, its operations are in the early stages of development, which results in a limited scope of impacts, risks, and opportunities in the ESG area at this stage of its operations.
- Decision to liquidate FAP PAFAL SA, headquartered in Świdnica (Resolution of the Extraordinary General Meeting of Shareholders of FAP PAFAL SA dated October 29, 2025). In 2025, the company was subject to financial consolidation and, consequently, sustainability reporting; however, the scale of its operations during the reporting year was gradually reduced due to market conditions, which was reflected in its ESG disclosures. The available ESG data has been compiled with due diligence and to the greatest extent possible.

This statement includes information on the Apator Group's sustainability for the period from **January 1 to December 31, 2025**. The sustainability report is prepared on an annual basis.

The Apator Group discloses significant information regarding the value chain developed based on an analysis of material flows and business processes occurring within the group. **The Apator Group's value chain** serves, among other things, as the basis for calculating Scope 3 greenhouse gas emissions and for analyzing the Group's impact on sustainability issues and stakeholders. The Apator Group's value chain is presented in Section SBM-1 – Strategy, business model and value chain.

As a result of the materiality assessment, the topics covered by **ESRS E4** and **ESRS S3** were not deemed material to the Apator Group. Other social and environmental topics covered by the **ESRS E1, ESRS E2, ESRS E3, ESRS E5, ESRS S1, ESRS S2** and **ESRS S4** standards were deemed material.

The organization did not exercise the option of omitting certain information on intellectual property, know-how, or the results of innovation, and omitting disclosure of upcoming events or issues during the negotiations allowed by the Member State.

2.2 BP-2 – Disclosures in relation to specific circumstances

Time horizons

The Apator Group, in accordance with the requirements of ESRS 1, has adopted the following definitions of time horizons for the analysis of impacts, risks, and opportunities:

Short-term horizon: covers the reporting year (1 year).
 Medium-term horizon: covers a period of more than 1 year but no more than 5 years.
 Long-term horizon: covers a period of more than 5 years.

For the climate risk analysis, a **separate time horizon** was used, tailored to the nature of the available climate models and scenarios (e.g., models based on the RCP 8.5 scenario — the Klimada 2.0 portal for the 2031–2040 horizon), which is justified by the specific nature of the tools and climate data, which require a longer forecast period. With regard to the ESG Strategy goals, the company has adopted medium-term goals with a 2028 horizon (in line with the time horizon of its current business strategy) and long-term goals, with 2035 as an intermediate milestone and 2050 as the target date for achieving climate neutrality (in line with the goals of the European Green Deal).

Value chain estimation, sources of estimates, and uncertainty of results

Due to the extensive structure of suppliers (especially outside the EEA) and the significant costs of acquiring primary data, the Group focused on upstream value chain disclosures for strategic suppliers. This approach is consistent with the principle of materiality and the transition periods for value chain data set forth in the standards.

Methodology and sources of data

Direct data: For calculations related to in-house operations, ERP systems (including LN, BaaN, and Enova), MES systems, and direct readings from measuring devices, invoices, and environmental certificates were used.

Emissions metrics (Scope 1 and 3): The main source of data was the DEFRA 2025 database. Additionally, for Scope 3 categories requiring expenditure-based modeling, the EXIOBASE and Market Economics Limited databases were used.

Emissions metrics (Scope 2):

- Location-based method: data from KOBIZE (for operations in Poland, December 2025), the Ministry of Industry and Trade (Czech Republic), and the Danish Energy Agency (Denmark).
- Market-based method: European Residual Mixes indicators (2025 edition) and heat supplier-specific data (Ecoparks).

Climate risk analysis: The analysis utilized models based on the RCP 8.5 scenario (the Klimada 2.0 portal for the 2031–2040 horizon), the EFFIS system (fire risk), and the WRI Aqueduct tool (water stress analysis).

Uncertainty of results

The greatest level of uncertainty in the estimates was identified in Scope 3 of the carbon footprint. This is due to the limited availability of primary data from business partners and the need to use averaged emission factors. The Group aims to minimize this uncertainty by gradually replacing spend-based metrics with metrics based on activities or actual data. With regard to Category 11 Scope 3 (Use of Apator Group products sold throughout their

life cycle), the Group relies on applicable laws, available technical data, and operational knowledge regarding the manner and duration of equipment use, including energy consumption and losses for equipment operating in customers' networks and installations. To ensure the accuracy and completeness of the input data for the calculations, an internal procedure was implemented in 2026 to identify Apator Group products and solutions that generate emissions during the use phase.

Prospects for the development of reporting systems

In order to improve processes, Apator Group is in the process of implementing a new ERP system. This solution will enable the automation of the collection of quantitative metrics and improve the accuracy of reporting in future periods. The Group also monitors legislative changes related to value chain reporting, adapting its data collection processes to evolving market standards and customer expectations.

Changes in the preparation or presentation of sustainability information; reporting errors in previous periods

In 2025, the approach was changed in accordance with the auditor's recommendations:

- Carbon footprint: aligning the methodology for calculating Category 1 Scope 3 emissions with GHG Protocol requirements – calculating emissions based on reports of raw material and material purchases (vs. consumption reports);
- E5-4: Use of source reports on the consumption of raw materials and other materials used in the manufacture of products (vs. material purchase reports);
- E5-5: Use of source reports for sold products (vs. reports on the purchase of raw materials and other materials);
- S1: Change in the presentation of metrics. FTEs (full-time equivalents) were replaced with headcount.

The above changes did not have a significant impact on the ratios. In addition, the company has made changes to the presentation of data for 2024 in the following areas:

- CF Emissions – the carbon footprint for 2024 in Category 11 has been recalculated. In connection with a renewed review of the Group's products/solutions supplied to the market that are sources of CO₂ emissions throughout their life cycle and a verification of their useful lives, the calculation has been supplemented with estimates of emissions associated with products from the switchgear line, the average annual power consumption of the meter used to calculate emissions on the domestic market has been verified, and the service life of electricity meters in Poland and on the German market has been changed.
- S1-6 (turnover ratio): in 2024, due to an error identified in the data at Apator and Apator Powogaz, the turnover ratio was reported incorrectly.

Tab.1 Summary of data changes for 2024

Changes in the reported figures	2024			
	Unit	Published figures	Figures after the changes	Change

Tab. 14. GHG emissions at the Apator Group

Scope 1 gross greenhouse gas emissions	MgCO ₂ e	2,248.6	2,248.6	0.0
Scope 2 gross greenhouse gas emissions according to the location-based method		5,443.3	5,443.3	0.0
Scope 2 gross greenhouse gas emissions according to the market-based method		7,715.9	7,715.9	0.0
Scope 3 total gross indirect greenhouse gas emissions		217,130.4	584,750.0	367,619.5
1. Purchased goods and services	MgCO ₂ e	44,661.9	44,661.9	0.0
2. Capital goods		7,435.1	7,435.1	0.0
3. Energy and fuel related emissions not included in Scope 1 and 2		2,172.6	2,172.6	0.0
4. Upstream transport and distribution		1,826.2	1,826.2	0.0
5. Waste generated as a result of operations		30.7	30.7	0.0
6. Business travel		249.3	249.3	0.0
7. Employee commuting		1,644.2	1,644.2	0.0
8. Leased upstream assets		emissions included in Scope 1, 2, and Scope 3C1		-
9. Downstream transport and distribution		1,221.9	1,221.9	0.0
10. Processing of sold products		there are no emissions		-
11. Use of products sold		157,815.9	525,435.4	367,619.5
12. Handling of sold products at the end of their useful life		72.8	72.8	0.0
13. Leased downstream assets		emissions included in Scope 1 and 2		-
14. Franchises		there are no emissions		-
15. Investments		there are no emissions		-
Scopes 1+2 (location-based method) + 3 total greenhouse gas emissions		224,822.4	592,441.9	367,619.5
Scopes 1+2 (market-based method) + 3 total greenhouse gas emissions		227,095.0	594,714.6	367,619.5

Changes in the reported figures	2024			
	Unit	Published figures	Figures after the changes	Change
Tab. 15. Emission Rates				
Scope 1+2 (location-based method) + 3 total GHG emissions per net revenue	MgCO ₂ e / PLN 1 mln	183.1	482.5	299.4
Scope 1+2 (market-based method) + 3 total GHG emissions per net revenue		185.0	484.4	299.4
Scope 1+2 (location-based method) + 3 total GHG emissions per unit sold	MgCO ₂ e per unit sold	0.032	0.083	0.052
Scope 1+2 (market-based method) + 3 total GHG emissions per unit sold	MgCO ₂ e per unit sold	0.032	0.084	0.052
Tab. 35 Changes in employment, turnover rate at the Apator Group				
Turnover ratio	%	15.70%	17.43%	1.73 p.p.

Application of gradually implemented legislation

In accordance with the ESRS transitional provisions (Appendix C), the Apator Group does not disclose the expected financial impacts of identified ESG risks and opportunities due to the lack of sufficiently mature methods for their reliable quantification. In 2025, the Group began work on a decarbonization plan, which is scheduled to be implemented starting in 2026. Once this work is completed, it will be possible to gradually integrate climate analyses into financial planning processes and to reliably quantify the projected financial impacts in subsequent reporting periods.

Tab. 2 Inclusion by reference

List of disclosure requirements included in the ESRS that have been incorporated by reference.	The location referred to
GOV-1 – The role of administrative, management and supervisory bodies – CVs of members of the Management Board and the Supervisory Board	Report on the activities – Items 14, 14.10.3–14.10.5
GOV-3 – Integration of sustainability-related performance in incentive schemes	Report on the activities – Items 14.11
SBM-1 – Strategy, business model and value chain	Report on the activities – Items 1, 2, 3, 4, 7
	Consolidated financial statements – Note 7.2

External verification

The sustainability report has been subject to assurance by an independent statutory auditor. The scope and results of the assurance are presented in the assurance service report.

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

Apator SA is a joint-stock company and the parent company of the Apator Group. In accordance with the Commercial Companies Code, the governing bodies of a joint-stock company are the General Meeting of Shareholders, the Supervisory Board, and the Management Board.

The administrative, management, and supervisory bodies within the Apator Group consist of the management boards and supervisory boards of the individual companies. The exceptions are Apator Miitors (Denmark) and Apator Powogaz Italia (Italy), where the governing bodies are boards of directors (comprising executive and non-executive directors). The management structure of Apator SA as of December 31, 2025, and a detailed description of the corporate governance framework are set forth in the Apator Group's Report of the Management Board on the activity for 2025 (item 14). With regard to the rules governing business operations, this document includes, in particular:

- a description of the functioning, appointment, and scope of authority of supervisory and management bodies,
- information regarding the experience and qualifications of the members of the governing bodies, including the degree of independence of the members of the Supervisory Board's Audit Committee,
- a description of the procedures for the selection of the statutory auditor,
- information on the remuneration policy of Members of the Management Board and the Supervisory Board.

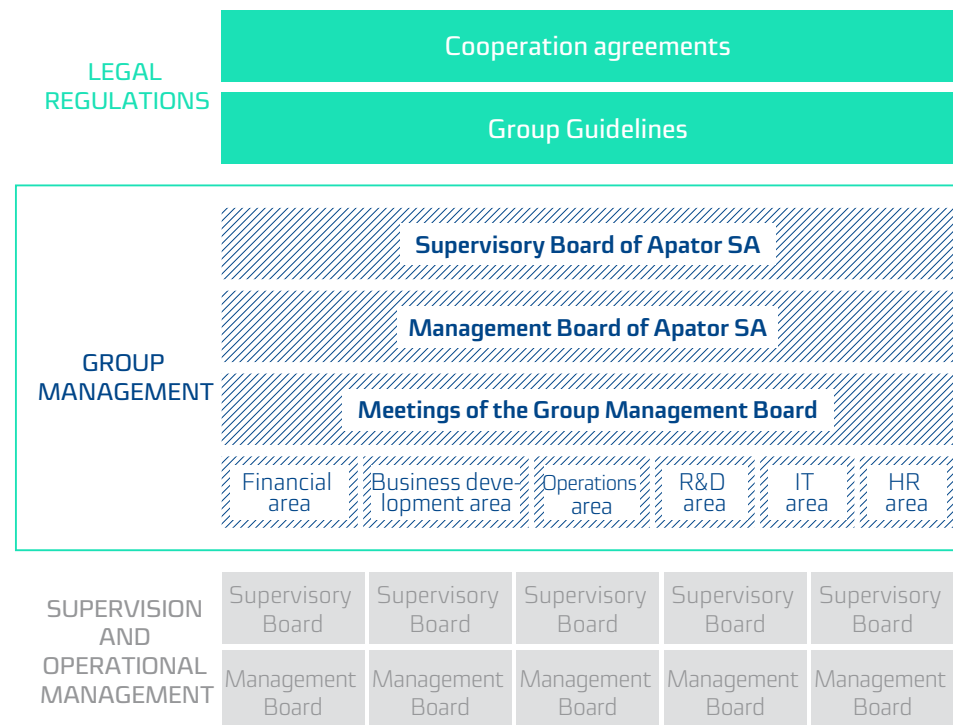
There is no employee representation on the supervisory and management bodies.

All domestic companies within Apator Group are subject to a uniform corporate governance framework. Corporate governance is exercised through:

- personnel appointments to management boards and supervisory boards,
- "internal rules" established under cooperation agreements in the form of group guidelines,
- activities of the committees established within the Apator Group,
- internal audit,
- shared functions (finance and controlling, HR, IT, IR and PR communications).

In 2025, three committees were actively operating within the Apator Group: the Finance Committee, the R&D Committee, and the Management Systems Representatives Committee, responsible for improving management systems within the Apator Group by integrating them in selected areas.

Fig. 1 Management system at the Apator Group



Documents in the form of group guidelines (which serve as internal "policies") standardize key processes and establish common operating principles across Apator Group companies. The group guidelines are approved by the Management Board of Apator SA. Guideline categories:

- Information guidelines
- Management process guidelines
- Financial management process guidelines
- Marketing and sales process guidelines
- Procurement process guidelines
- Environmental management process guidelines
- GDPR guidelines
- BI/AI information security management guidelines.

Each adopted policy (a Group-level guideline, as well as a directive, procedure, or instruction at the company level) has a designated person responsible for its implementation and reporting. The management boards of the individual Group companies are responsible for

overseeing the implementation of policies within their respective companies.

Policies regarding the identified material sustainability issues are discussed in Section G1-1.

ESG Strategy management at the Apator Group

The Apator Group's ESG Strategy for 2025–2028 was adopted in December 2024 in the form of a group guideline and applies to all Apator Group companies. This document was approved by Łukasz Zaworski, a Member of the Management Board of Apator SA and Director of Product Development, who was appointed by the Management Board to oversee ESG matters. The implementation of the Strategy is monitored through regular status meetings of the ESG Team.

The ESG Strategy sets out the principles for managing sustainability issues, including the roles of the company's governing bodies, the scope of the ESG Team's activities, and the methods for overseeing and monitoring the achievement of strategic goals. The document also defines the reporting policy, which covers the guidelines for preparing a sustainability statement and the process for developing the annual sustainability report.

Sustainable development remains a current focus of oversight by the Management Board and senior management of the Apator Group, as well as by the Supervisory Board of Apator SA. **Łukasz Zaworski is responsible for coordinating the implementation of the ESG Strategy on behalf of the Management Board of Apator SA.**

Tab. 3 Responsibilities of supervisory, management, and administrative bodies regarding sustainability at the Apator Group

Responsible governing body	Range	Form and cycle of supervision
Supervisory Board of Apator SA	Overseeing and validating the Apator Group's strategic plans, including those related to sustainable development	Supervisory reviews conducted twice a year, with additional reviews carried out as required
Audit Committee of the Supervisory Board of Apator SA	Monitoring the ESG reporting process	Supervisory reviews conducted twice a year
Management Board of Apator SA	Business strategy management, including sustainable development, at the Apator Group	Management review four times a year
Appointed Member of the Management Board of Apator SA	Oversight of the implementation of the Apator Group's ESG Strategy	Status meetings at least once per quarter

Responsible governing body	Range	Form and cycle of supervision
Chief Financial Officer of the Apator Group	Oversight of the ESG quantitative data reporting and consolidation process within the Apator Group	Status meetings at least once per quarter
Management boards of the Apator Group companies	Coordination and oversight of the implementation of the Apator Group's ESG Strategy within the Apator Group companies	Management review twice a year as part of the group Management Board meetings. Additional inspections as needed.



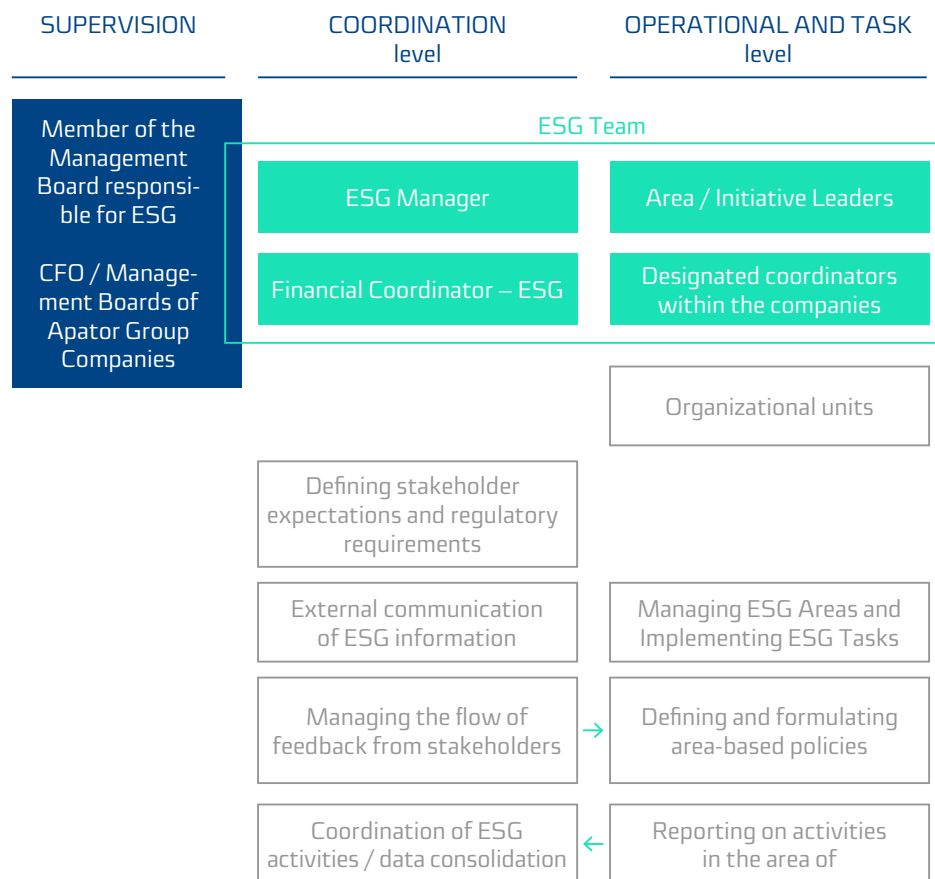
Implementation of the Apator Group's ESG Strategy

The Apator Group does not have a separate ESG department. The ESG issues are managed using a matrix model. **ESG Manager** and **ESG Financial Controller** coordinate the implementation of the Group's ESG Strategy and the preparation of the annual sustainability report. The ESG Manager is responsible for communicating with stakeholders, analyzing customer and regulatory requirements, and overseeing corrective actions within the Group. The financial controller monitors ESG metrics, prepares quantitative data for the annual report, and develops reporting tools.

At the operational level, the ESG Strategy is implemented by **area and initiative leaders**, who are responsible for carrying out specific projects. The ESG Manager, the ESG Financial Controller, and the area leaders make up **the Apator Group's ESG Team**.

The management of ESG impacts, risks, and opportunities at the Apator Group takes place as part of day-to-day business and operational processes by the individuals in charge of specific areas of operation (e.g., the HR manager is responsible for area S1, the occupational safety and health manager for area S1 –Working conditions and employee health, and the director of strategic procurement for S2 and G1-2 regarding supplier relations). This model ensures **the integration of ESG issues into the day-to-day operations of Apator Group companies**, where sustainability is treated as an integral part of operational management rather than a separate department within the organization.

Fig. 2 Sustainable development management at the Apator Group



In the area of sustainability reporting, the following applies: **Guidelines for Due Diligence in the DMA** (Double Materiality Assessment) **Process**, which is attached as an appendix to the Group's "ESG Strategy" guideline. This document outlines the approach and scope of responsibility regarding the analysis of impacts, risks, and opportunities related to sustainability.

The skills and expertise of the Management Board and the Supervisory Board in overseeing sustainability-related matters

The provision of expertise and knowledge to the Management Board and the Supervisory Board to oversee the sustainability-related matters is achieved through:

- internal and external training,
- commitment to sustainability-related initiatives,
- cooperation with consulting companies,
- carrying out the duties of the ESG Manager,
- direct involvement of a designated Member of the Management Board in the work of the ESG team.

Trainings

Training sessions on the challenges and regulatory obligations related to sustainability reporting, aimed at members of supervisory, management, and administrative bodies, are held on a regular basis, at least once a year.

In 2025, representatives of the Supervisory Board, the Management Board, and the CFO participated in internal training sessions covering topics such as anti-corruption policy, compliance, human rights, ethical principles, and anti-harassment policy. Each training session covered the scope of responsibilities of officers, the Management Board, and the Supervisory Board.

In November 2025, an external training session was held for members of supervisory and management bodies as well as CFOs, entitled "Sustainability Regulations. Recent Changes and Trends," led by an external advisor, a member of the EFRAG Sustainability Reporting TEG, and Chair of the SEG Sustainability Committee. The training covered key ESG topics, including an overview of current and proposed regulations, reporting requirements, and issues related to sustainable finance. Participants also learned about other important EU regulations, such as SFDR, CSDDD, the "Women on Boards" Directive, directives on environmental statements, regulations on pay transparency, EUDR, CBAM, and the regulation prohibiting the placing on the EU market of products manufactured using forced labor.

Collaboration with external experts

Apator SA works with external experts to support the fulfillment of its sustainability reporting obligations and to meet the requirements for external assurance. This collaboration enables the organization to monitor regulatory changes on an ongoing basis, keep its knowledge up to date, and ensure the compliance and accuracy of disclosures in accordance with applicable standards and market best practices. In addition, the companies of the Apator Powogaz Group, with the support of an external consultant, are taking preparatory steps to conduct a readiness assessment (gap analysis) for the EcoVadis evaluation. These activities include analyzing current practices, identifying areas that need improvement, and preparing to complete the EcoVadis questionnaire.

Involvement of authorities

As part of the ongoing initiatives, the designated Member of the Management Board responsible for ESG area and the Apator Group's management team were actively involved in the double materiality assessment process and the preparation of disclosures. To that end, they participated in a series of training sessions, consultations, and workshops designed to deepen their understanding of sustainability-related issues and responsibilities.

Responsibilities of the ESG Manager

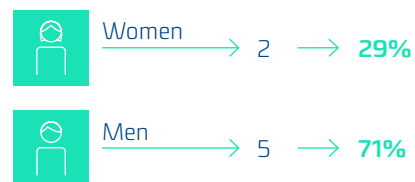
The ESG Manager provides access to specialized knowledge and qualified personnel by gathering expert insights, organizing training sessions for members of management boards, supervisory boards, and the ESG team, maintaining a database of experts, and monitoring regulatory changes. Working closely with the Management Board Member responsible for ESG on an ongoing basis, the ESG Manager supports them in maintaining up-to-date knowledge and ensures access to specialized expertise.

Diversity with regard to government bodies

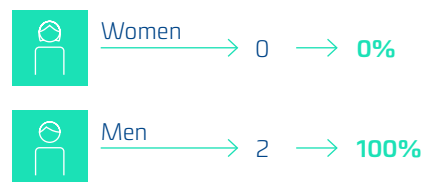
The Diversity Policy regarding administrative, management, and supervisory bodies is described in the Report of the Management Board, in the chapter on Corporate Governance: Diversity Policy and Best Practices for GPW Listed Companies (Chapters 14.12 and 14.1, respectively). The table below provides a breakdown of members of the management board and supervisory boards of the Apator Group companies by gender (male and female).

Tab. 4 Summary of members of the supervisory and management bodies of Apator SA broken down by gender

SUPERVISORY BOARD

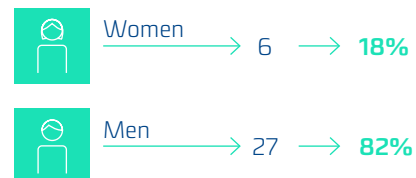


MANAGEMENT BOARD

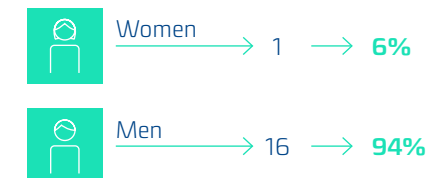


Tab. 5 Summary of members of the supervisory and management bodies in Apator Group broken down by gender

SUPERVISORY BOARDS



MANAGEMENT BOARDS



* The supervisory and management bodies of all companies comprising the Apator Group were taken into account. Apator Miitors and Apator Powogaz Italia have Boards of Directors, while Apator GmbH does not have a supervisory board.

Of the 33 positions on supervisory bodies, 6 are held by women, while among the 17 positions on management boards across the Group's companies, only 1 is held by a woman. Members of supervisory bodies serve on the governing bodies of several different companies simultaneously. The composition of each company's governing bodies is determined based on the members' experience and industry knowledge, and they support the exercise of corporate governance over the companies that are part of the group.

Independence of members of supervisory bodies

In the Supervisory Board of Apator SA in 2025, 1 person from among 7 members met the independence criterion according to the ESRS definition – the percentage of independent members of the bodies was 14%.

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

The Apator Group treats the impacts, risks, and opportunities related to sustainable development as an integral part of its business impacts, risks, and opportunities. They are regularly reviewed by the Management Board and the Supervisory Board and taken into account in the Group's operational, strategic, and decision-making processes, in a manner appropriate to the nature and needs of each area of operation.

Members of the Supervisory Board and the Management Board of Apator SA are kept informed on an ongoing basis about issues related to sustainable development during meetings, as well as through the reports and statements they receive.

During the meetings **of the Supervisory Board** in 2025, the following issues, among others, were discussed:

- presentation of the Apator Group's ESG Strategy, including the organization of the sustainability management process within the Group,
- reviews of the ESG team's current activities,
- regulatory changes regarding sustainability reporting,
- results of the double materiality assessment,
- selection of an auditing firm and preparation of the company regarding an external assurance.

In addition, the Supervisory Board discussed the Group's current situation and business risks, as well as reports on the functioning of the internal control, risk management, and compliance systems, and assessed their effectiveness. The Board analyzed reports, reviewed the results of internal audits, monitored digital security and quality processes, and discussed initiatives aimed at improving product quality.

At the level of the Management Board of the Group in 2025, the following issues, among others, were discussed: summary of ESG team work, results of sustainability report assurance, improvement action plan for ESG management and reporting in the Group, including data quality management plan, principles of cooperation with external advisors, and revision of ESG team structure and work organization.

At the level of the Management Board of Apator SA there is an ongoing communication with the Management Board member responsible for ESG matters as part of weekly status updates, which include discussions of ongoing activities, identified impacts, risks, and opportunities, as well as progress toward achieving ESG goals, and key issues requiring management decisions or corrective actions.

At the operational level, among the executive team and managers current challenges and ongoing initiatives related to operational activities, as well as environmental, social, and corporate governance impacts, are discussed. The discussions focus in particular on issues related to resource efficiency and minimizing environmental impact, social issues concerning employees, occupational safety and health, and skills development, as well as aspects of cooperation with suppliers, meeting customer requirements, compliance with existing and new regulations, payment practices, and business ethics, including the need to adapt the organization to changing legal and market requirements. During management meetings in 2025, issues related to the implementation and execution of the ESG Strategy and the organization of the reporting process within the Group were also discussed. Managers

responsible for specific ESG-related areas actively participated in the double materiality assessment (DMA) process (see Section IRO-1 for more information) and in the preparation of this report.

ESG risks are integrated into the organization's risk management process, undergo periodic reviews, and are managed by the risk owners as part of risk management plans (for more information on the risk management process at the Apator Group, see Section ESRS 2 GOV-5).

The ESG Manager is responsible for the day-to-day coordination of information flow and reporting on ESG matters to management boards, supervisory boards, and executive teams.



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

The rules governing the remuneration of members of the management and supervisory bodies of Apator SA are set forth in the remuneration policy, which, in accordance with the Public Offering Act, is adopted by the General Meeting (Report of the Management Board, item 14.11). This policy describes the method for determining the remuneration of Management Board members, including those who also serve as directors or members of the Supervisory Board, and specifies the components of such compensation, while also taking into account ESG-related issues.

At the beginning of each year, the Supervisory Board adopts a resolution setting goals for the Management Board, including both financial and non-financial goals, such as ESG goals. In 2025, the share of ESG goals in variable remuneration was 20% for the President of the Management Board and 5% for a Member of the Management Board.

ESG goals set for 2025 for members of the Management Board:

President of the Management Board:

1. Developing the ESG Strategy for the organization and setting goals.

Member of the Management Board:

1. Implementation of a systematic evaluation of strategic suppliers, taking ESG criteria into account, within the Group.
2. Implementation of a systematic assessment of the eco-design criteria for new products and solutions introduced within the Group.

The Supervisory Board's remuneration is not tied to financial performance, including the achievement of ESG goals, which reflects the independence of the supervisory function and supports objective oversight of the implementation of the sustainability strategy.

2.6 GOV-4 – Statement on due diligence

The Apator Group implements a due diligence process that involves identifying, assessing, and managing impacts, risks, and opportunities (IRO) related to the Group's operations in the economic, social, and environmental areas. This process is integral to the Group's operations and is implemented using a matrix model – across individual business areas, including compliance, risk management, internal control, ethics, human rights, anti-corruption, whistleblower protection, business strategy and ESG, as well as operational management (procurement, finance, occupational safety and health, and marketing).

In 2025, the due diligence process was carried out in accordance with **the Guidelines for Due Diligence in the DMA Process**, which systematizes the conduct of a double materiality assessment to identify key impacts, risks, and opportunities that could have a significant effect on the Group's operations and the achievement of its ESG goals. The process ensures that actions are taken to minimize or eliminate risks and maximize benefits, and its results are reflected in ESG reporting.

ESG issues are fully integrated into the Apator Group's risk management process. The risk manager is responsible for updating risks and the criteria for assessing risks and opportunities based on the results of the DMA process, as well as for coordinating the work of risk owners.

Tab. 6 Main elements of the due diligence process with regard to required ESRS disclosures

Part of the due diligence process	Related items in the SS / ESRS statement
Incorporating due diligence into corporate governance, strategy, and the business model	GOV-2, GOV-5, SBM-3
Cooperation with stakeholders at all key stages of the due diligence process	IRO-1, SBM-2, S1-2, S2-2, S4-2
Identification and assessment of adverse impacts	IRO-1, SBM-3
Taking action to mitigate identified adverse impacts	IRO-1, E1-3, E2-2, E3-2, E5-2, S1-4, S2-4, S4-4
Monitoring the effectiveness of actions and providing information in this regard	GOV-1, GOV-2, E1-4, E2-3, E3-3, E5-3, S1-5, S2-5, S4-5, G1-4

2.7 GOV-5 – Risk management and internal controls over sustainability reporting

Risk management system, including risks related to ESG issues

The risk management process at the Apator Group with regard to sustainability issues is described in the Group guideline "Risk Management at the Apator Group" and the "Guidelines for Due Diligence in the DMA Process."

The risk control framework establishes uniform principles for the allocation of roles and responsibilities in the areas of functional internal control, risk management, and compliance, based on three lines of defense:

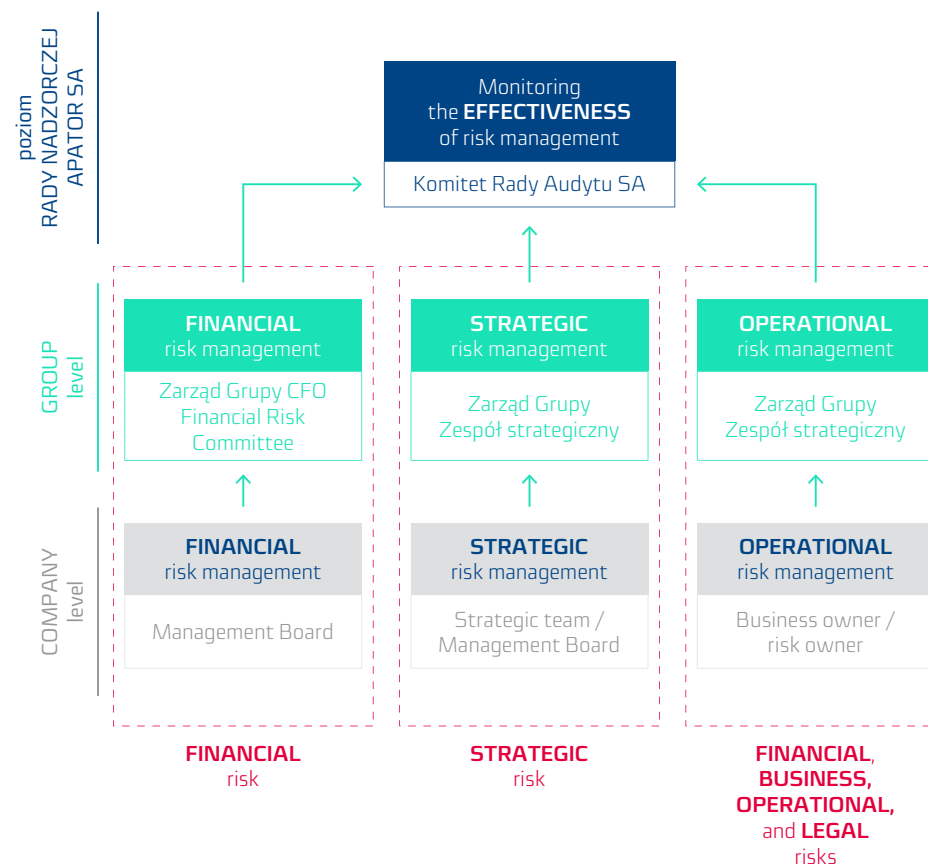
- First line of defense – represents the supervision and control exercised as part of managerial and management functions (operational management),
- Second line of defense – involves monitoring operational compliance and adherence to internal and external regulations, carried out by dedicated units,
- Third line of defense – is an independent verification and advisory function carried out by an internal auditor, with the goal of improving the organization's operational efficiency and adding value.

Risks in each business area are managed by the owners of those business areas. Their responsibilities include identifying and assessing risks, including opportunities and threats, in accordance with established methods of risk analysis and assessment. Owners are also responsible for coordinating management activities and conducting periodic risk assessments within their respective processes or areas.

Periodic review of risk at the Apator Group

The risk review is conducted twice a year (by January 20 and July 20) and includes a verification of the status of risks (current/historical), risk levels, the emergence of new risks, and progress in implementing risk management plans. Recurring risks can be aggregated, reanalyzed, assigned to a process owner, and addressed through company-wide measures. The Risk Management and Personal Data Protection Manager, together with the appropriate personnel at the companies, updates the risk registers and prepares reports following approval by the Management Board. Once a year, the Legal and Corporate Governance Office, in cooperation with the companies, prepares a report on the risk profile across the entire Apator Group, which is submitted to the Audit Committee and the Supervisory Board of Apator SA. The procedure for sustainability-reporting matters to supervisory, management, and administrative bodies is described in ESRS2 GOV-1 and GOV-2.

Fig. 3 Responsibility for risk management within the Apator Group



The risk analysis process with regard to sustainability issues

Sustainability risks (ESG) are fully integrated into the overall risk management process of Apator Group. The risk assessment process is conducted in accordance with the following framework:

Fourth quarter of the reporting year:

An analysis of the organization's context, stakeholders, and climate risks, including an assessment of the location in terms of exposure to physical risks. The results of this analysis are incorporated into the DMA process, which enables the identification of key impacts, risks, and opportunities (IRO) within the organization. The methodology for evaluating IROs is described in the Guidelines for Due Diligence in the DMA Process (ESRS 2, IRO-1).

First quarter of the next reporting year:

As part of the annual risk review, ESG risks are addressed by the owners of the respective business areas. Owners update the risk assessment in accordance with the adopted methodology and implement corrective or mitigating actions, which are mandatory for key risks.

Significant ESG risks identified during the DMA process are verified by the Risk Management Manager in the existing risk sheets. If necessary, the changes are forwarded to the appropriate process or area owner, who updates the risk sheet, taking into account the IROs within the ESG area.

Risk sheets are additionally tagged and approved based on ESG criteria (ESG tagging), which enables the monitoring and reporting of risks related to the Group's impact on the environment, society, and corporate governance issues. As a result, ESG risks are treated equally with operational and financial risks, and the results of risk reviews are included in internal reports and annual sustainability reports.

Internal control system for ESG reporting

The Apator Group's sustainability reporting policy is described in the Group guideline "**Apator Group ESG Strategy**," which applies to all Group companies subject to financial and ESG data consolidation. The document sets out the basis for preparing the sustainability statement and the process for preparing the annual ESG report.

The process includes double materiality assessment (DMA), data collection from all Group companies, data standardization and validation, certification of the report by an independent auditor, and statements from the management boards of the subsidiaries confirming that the data complies with the quality requirements of ESRS 1. The ESG Manager is responsible for the final editing and publication of the report.

The adopted model ensures the consistency, transparency, and appropriate quality of ESG data in accordance with the requirements of ESRS 2 regarding supervision, internal control, and management accountability, while identifying key risks, including data incompleteness and inconsistency resulting from the fragmentation of sources and the lack of integrated reporting tools, the potential for errors related to manual aggregation of information, and the limited availability of historical data and value chain data.



2.8 SBM-1 – Strategy, business model and value chain

Apator is an international group of manufacturers and distributors of measuring devices and systems, as well as providers of solutions that support the operation of power, water, and gas networks. **The Apator Group's operations are organized into three business units: Electricity, Water and Heat, and Gas.** The Group provides its solutions to the Energy & Utilities sector, and is also expanding its offerings for the RES sector, IT systems for businesses and local governments, and solutions in the field of automation and robotics for industrial companies.

The Group brings technologically advanced products and services to market, including:

- a wide range of devices for measuring utility consumption: electricity meters, gas meters, water meters, and heat meters, including smart solutions,
- remote utility meter reading systems,
- systems for managing utility consumption in businesses,
- specialized equipment for protecting, isolating, monitoring, and controlling the power grid,
- systems that support the management of utility distribution networks,
- solutions for the RES sector, including, among others, protective devices, controllers, electricity meters, and control and supervision systems designed for photovoltaic farms, wind farms, or other renewable energy sources, as well as those used in local energy management (targeted at energy clusters and cooperatives),
- energy storage systems that support the balancing and stabilization of power grids,
- software solutions for optimizing business processes (including applications for asset management and service team management),
- solutions and services in the field of automation and robotization of manufacturing processes.

The Apator Group companies hold a strong position in Poland and on European markets. Nearly 50% of the Group's revenue comes from exports, and its solutions and products are distributed to more than 60 countries around the world. In 2025, aside from Poland, the largest markets were Germany, the Czech Republic, Belgium, Ukraine, Romania, Turkey, Greece, Romania, Spain, and Italy. A description of the Apator Group's operations and key risks is included in the Report of the Management Board on the activity (Chapters 1–3 and 7).

As of December 31, 2025, the Apator Group had **2,350 employees** (under employment contracts). The Group's workforce consists exclusively of employees at locations within Europe (Poland, the Czech Republic, Germany, Denmark, Italy, and Lithuania). The Group does not employ workers under employment contracts outside this geographic area.



Apator Group business model

A detailed description of the operations of the Apator Group's three business units, including information on the solutions offered, major customers, key geographic markets, and sales volumes in each unit, is provided in Chapter 3 of the Report of the Management Board on the activity and in Chapter 1 of this ESG Report.

The Apator Group provides solutions that support the energy transition and digital transformation of the energy sector, businesses, and local government units. The Group's products and solutions enable customers to manage all types of energy utilities and water in an informed and efficient manner, contributing to the conservation of energy resources and natural resources. At the same time, as a manufacturer, the Group strives to conduct sustainable, resource-efficient manufacturing processes and operations, minimizing the negative impact of its activities on society and the natural environment.

The Apator Group does not engage in any activities related to the fossil fuel sector, chemical production, controversial types of weapons, or the cultivation and production of tobacco.

The Apator Group reports its financial results on a consolidated basis and broken down by business units. The breakdown of revenue and financial results generated by business units is described in the consolidated financial statements (Note 7.2). Given the nature of the Group's operations, no need was identified to distinguish business units for sustainability reporting purposes.

Directions of development of Apator Group specified in the business strategy

In accordance with its current business strategy, the Apator Group identifies the following

key strategic opportunities for business growth:

1. Electricity unit:
 - distributed micro-energy systems – energy efficiency in industry and construction, IoT-based control systems, energy management,
 - large-scale energy systems – development of measuring systems and switchgear, energy storage solutions and grid stabilization, grid automation, enhanced system flexibility, and integrated management systems.
2. Water and Heat unit: efficient water resource management, service and billing models, and the transition to ultrasonic meters across Europe.
3. Gas unit: hydrogen measurement.

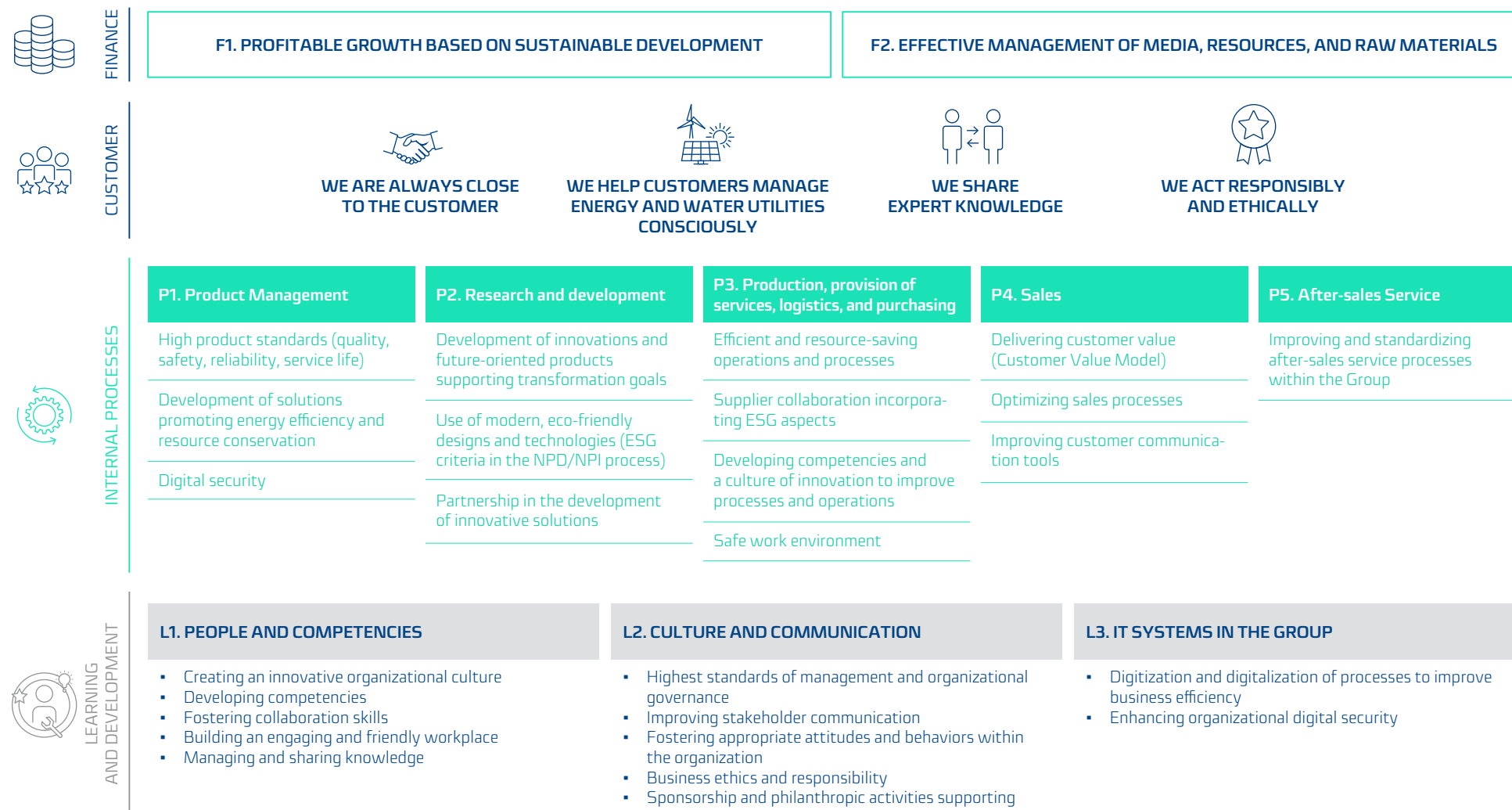
More information on the implementation of the Apator Group's Business Strategy is provided in the Report of the Management Board on the activity (Item 2: Business strategy).

Assumptions of the Apator Group's ESG Strategy for the years 2025–28

The Apator Group's ESG Strategy is a functional strategy that supports the achievement of the Group's business strategy goals, as well as its vision and mission. In line with **its vision**, the Apator Group is the first choice for providing integrated, forward-looking solutions for the energy and water sectors. **The mission** of the Apator Group is to develop technologies that support customers in the informed and sustainable management of energy and water resources.

The overarching goal of the Apator Group's ESG Strategy is **to manage the organization effectively in accordance with the principles of sustainable development and the Group's vision and mission**. The Apator Group is also committed to accurately reporting on the impact of its operations on the economy, the environment, and the broader social context in response to social and climate challenges, as well as legal requirements and the expectations of the Apator Group's stakeholders.

Fig. 4 Map of the Apator Group's ESG Strategy for 2025–28



The ESG Strategy sets out commitments, goals, and KPIs in the area of sustainable development over the medium and long term (i.e., for the years 2028, 2035, and 2050). They were set at the capital group level, rather than at the product group or customer level. Some of the objectives will be formulated after detailed analyses have been conducted and implementation plans have been developed. The phased nature of the ESG goal-setting process stems from the Group's operational characteristics, its ongoing organizational improvement initiatives, and its implementation capabilities.

At the same time, we are carrying out **the process of operationalizing the ESG Strategy** by integrating its goals into business processes and strategic initiatives, for which business area leaders and owners are responsible. A designated Member of the Management Board of Apator SA and the ESG Manager are responsible for the overall coordination of the ESG Strategy goals. The

Apator Group's ESG Strategy is implemented through:

- planning and implementation of ESG initiatives by area leaders,
- achieving the goals and tasks of selected strategic group initiatives by implementing regulatory requirements and the objectives of the ESG Strategy.

The sustainability aspects covered by the oversight are presented in the table below.

Tab. 7 Commitments and goals of the Apator Group's ESG Strategy

COMMITMENT	Goal name	Link to DMA	Meter	2028 medium-term GOAL	2035 long-term GOAL
E	Sustainable operations and processes	Reduction in resource and utility consumption (efficiency and quality of processes)	Energy intensity (total energy consumption from operations in sectors with a significant impact on the climate [kWh] / net sales revenue [PLN million])	Maintain the indicator within +/-5% of the base-line value (2025)	Maintain the indicator within +/-5% of the baseline value (2025)
			Raw material waste intensity (for selected key raw material categories in the Group's largest manufacturing companies) [% of waste, calculated as the ratio of waste generated to raw material consumption].	Apator GOAL: to maintain the indicator at 28.5% Apator Powogaz GOAL: 2028: 2.22% Apator Metrix TARGET: to reduce the indicator by 0.5 p.p. year on year. 2026 = 9.34%; 2027 = 8.84%; 2028 = 8.34%.	Apator: 28.5% Apator Powogaz: 2.00% Apator Metrix: 4.84%
			Weight of new packaging introduced on the market [Mg] / net sales revenue [PLN]	Maintain the indicator within +/-5% of the base-line value (2025)	Maintain the indicator within +/-5% of the base-line value (2025)
		Sustainable management of water resources (indicator for Apator Powogaz)	Water intensity (Total water consumption from own operations at Jaryszki [m ³] / Apator Powogaz net sales revenue in PLN million)	Maintain the indicator within +/-5% of the base-line value (2025)	Maintain the indicator within +/-5% of the base-line value (2025)
	E.2 Use of environmentally friendly designs and technologies	Use of environmentally friendly designs and technologies	Number of products assessed for eco-design criteria (based on established criteria)	100% of new product designs assessed against eco-design criteria	100% of new product designs assessed against eco-design criteria

COMMITMENT	Goal name	Link to DMA	Meter	2028 medium-term GOAL	2035 long-term GOAL
E	E.3 Mitigating the negative impact of operations on the climate	The use of chemicals (SVHC) in manufacturing	Monitoring of substances (SVHC list) in the supply chain.	Monitoring of substances for SVHC content	Monitoring of substances for SVHC content
		Mitigating the negative impact of operations on the climate	Leverages for decarbonization	Goals set following the development of the decarbonization plan	Goals set following the development of the decarbonization plan
S	Responsible employer	Working conditions	Voluntary turnover [%]	Voluntary turnover at a rate of no more than 8%	Voluntary turnover at a rate of no more than 8%
		Employees' sense of satisfaction and belonging	Employee satisfaction [%]	A metric to be developed after calculating the eNPS	A metric to be developed after calculating the eNPS
		Inadequate remuneration and working conditions that pose a risk of losing key employees	Gender Pay Gap [%]	Pay gap in each pay grade, as defined by the Directive (<5%)	Pay gap in each pay grade, as defined by the Directive (<5%)
		No succession plan for key employees	Development of a succession plan (qualitative goal)	Metric to be developed following the implementation of the succession plan	Metric to be developed following the implementation of the succession plan
		Employee development	Number of training courses (h)	A metric to be developed following the implementation of a development and training program	A metric to be developed following the implementation of a development and training program
		Risk of accidents, near misses, and violations of the Labor Code	Number of fatal and serious accidents	Number of fatal and serious accidents: 0	Number of fatal and serious accidents: 0

COMMITMENT	Goal name	Link to DMA	Meter	2028 medium-term GOAL	2035 long-term GOAL
Partner in transformation	S.2 Development of technologies that support customers in the informed and sustainable management of energy and water resources	Investments in the development of solutions for the efficient management of energy and water resources	Achievement of CAPEX targets in accordance with the goals set forth in the business strategy	CAPEX at 5–7% of sales revenue	n/a
	S.3 High standards of quality, safety, and cybersecurity	Personal and digital security of customers and end-users	Customer satisfaction index (product quality, safety of use, and digital security)	Metric to be developed after the implementation of the testing system	Metric to be developed after the implementation of the testing system
G Ethical business practices	G.1 Adherence to high ethical standards in business and anti-corruption	An organizational culture based on the principles of sustainable development	Participation of Apator Group employees trained in ethical issues (including the principles of anti-corruption policy)	100% of employees trained in ethical issues (including anti-corruption policy guidelines) and passed the test	100% of employees trained in ethical issues (including anti-corruption policy guidelines) and passed the test
		Risks associated with incidents such as legal violations, corruption, and breaches of ethical standards	Integration of ESG risks with the risk management process in the organization (qualitative objective)	ESG risk assessment for the Apator Group	ESG risk assessment for the Apator Group
		Shaping an organizational culture that supports the Group's operational effectiveness	EcoVadis assessment results for the Apator Powogaz Group companies	Goal set following the first EcoVadis assessment	Goal set following the first EcoVadis assessment
	G.2 Responsible partnership in the value chain	Supplier relationship management	Participation of strategic suppliers assessed in terms of ESG criteria	100% of strategic suppliers assessed for ESG criteria (as part of a periodic assessment and/or audit)	100% of strategic suppliers assessed for ESG criteria (as part of a periodic assessment and/or audit)

Apator Group's value chain

The Apator Group's value chain was developed based on an analysis of the Group's relationships with suppliers, customers, and other key stakeholders in its environment. The value chain analysis, including both upstream and downstream aspects, took into account the key impacts, risks, and opportunities resulting from the Apator Group's impact on the business, social, and environmental spheres, as well as the impact of these spheres on the Group.

The Apator Group's value chain was developed based on an analysis of **primarily direct business relationships**, including key suppliers, customers, and partners cooperating with the Group as part of its core operations. The value chain analysis focused on:

- **the upstream segment of the value chain** – direct suppliers of materials, components, and services that have a significant impact on product quality, supply continuity, and the delivery of value to customers,
- **in-house operations** – the design, production, testing, and integration of solutions,
- **the downstream segment of the value chain** – direct customers and users, including the stage of product use and the provision of maintenance services.

Indirect relationships in the value chain were taken into account **to a limited extent**, only where they were significant in terms of impacts, risks, and opportunities, particularly with regard to the origin of key raw materials and services (strategic suppliers).

The identification of the value chain and key IROs was based primarily on:

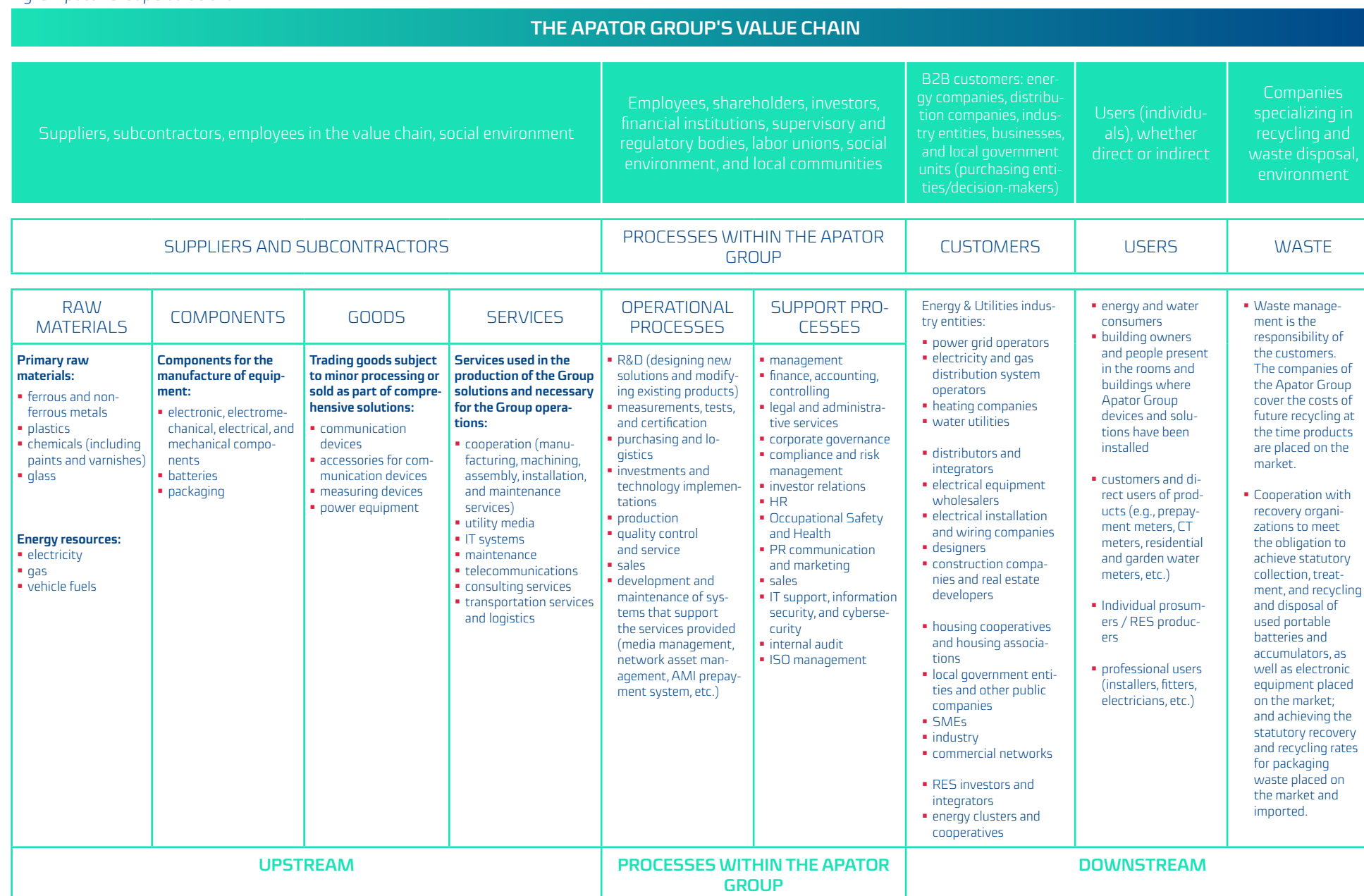
- internal analyses of procurement and operational processes,
- data obtained from direct suppliers as part of their qualification and evaluation,
- information from direct customers and business partners (as part of ongoing consultations and operational cooperation, requests for proposals (RFP) and requests for information (RFI) processes, as well as during industry events, trade shows, conferences, training sessions, and technical workshops),
- the expertise of the Group's organizational units.

From the perspective of creating value for customers, the following are of key importance:

- reliability and security of supply,
- high quality, durability, and energy efficiency of products,
- availability of service and technical support throughout the product lifecycle,
- solutions for reducing energy and water consumption that support the energy transition and the digitization of customers' infrastructure.



Fig. 5 Apator Group's value chain



2.9 SBM-2 – Interests and views of stakeholders

Approach to managing relationships with stakeholders

Stakeholder relationship management at the Apator Group is an integral part of the sustainable development management system and enables the ongoing consideration of the expectations of key stakeholder groups in decision-making processes. This approach ensures that the Group's activities are tailored in a transparent and proportionate manner, consistent with the principle of double materiality.

The process encompasses all stakeholders whose actions, decisions, or expectations may affect the Company's or the Group's operations, as well as those whose operations are affected – directly or indirectly – by the Apator Group throughout the value chain. Relationships with stakeholders are managed on an ongoing and systematic basis, taking into account the specific characteristics of each group and the nature of their interdependencies.

Identification of stakeholders

Stakeholder categories

The identification of significant stakeholders is conducted in accordance with ESRS requirements and includes two main categories:

1. Stakeholders over whom the Apator Group exercises influence or who exercise influence over the Group

These are entities, individuals, or groups whose interests are or may be affected, positively or negatively, by the activities of Apator Group companies, as well as by direct and indirect business relationships.

The process of identifying this group includes, in particular:

- a review of industry practices, consisting of an analysis of stakeholder management approaches used by entities engaged in activities similar to those of the Apator Group,
- an analysis of reports submitted through the whistleblower reporting system to identify stakeholder signals that may indicate impacts,
- a preliminary identification and analysis of the Apator Group's impacts on various stakeholder groups to assess whether the effects of these impacts may be felt by these groups,
- business practices, relationships, and operations of the Apator Group companies.

2. Information users

These are entities that rely on information disclosed by the Apator Group, particularly due to regulatory obligations, financial ties, reporting requirements, or expectations related to ESG.

Stakeholder engagement in the DMA process

Representatives of key stakeholder groups are involved in the double materiality assessment (DMA) process through participation in surveys and, where appropriate, in-depth interviews. The goal of this stage is to understand their expectations and perceptions of the impact of the Apator Group's activities, and to identify key issues from the stakeholders' perspective.

The results of surveys and information obtained during interviews are used in the materiality assessment process, specifically by:

- supplementing or reviewing the list of impacts, risks, and opportunities (IROs),
- a review of the materiality assessment of individual topics developed by the Apator Group's team of in-house experts.

Stakeholder materiality assessment

The assessment is conducted for all identified stakeholder groups based on two dimensions:

- a stakeholder's impact on the Apator Group,
- the Apator Group's impact on a stakeholder.

The rating is based on a 5-point scale:

5 → A very strong impact

4 → A strong impact

3 → Above-average impact

2 → Below-average impact

1 → Minimal / No impact / I don't know

A stakeholder is considered material if, in at least one of the dimensions (impact on the Group or the Group's impact on a stakeholder), it receives a score of at least **3 points**. The results of this assessment serve as the basis for prioritizing actions, selecting forms of cooperation and dialog with stakeholders, and the next steps in managing material ESG impacts, risks, and opportunities.

A detailed description of the activities and results of the double materiality assessment conducted in 2025 is presented in Section IRO-1.

Tab. 8 Forms of cooperation between Apator Group and stakeholder groups assessed as material

STAKEHOLDER GROUP	COMMUNICATION GOALS	FORMS OF COMMUNICATION	BASICS OF IDENTIFICATION	RESPONSIBILITY OF MANAGEMENT
Key stakeholder groups				
Investors, stock market analysts	Reliable and transparent communication and reporting on the current situation of the group, in accordance with the requirements, regulations, and best practices for information disclosure applicable to companies listed on a regulated market.	Current reports, financial statements, conferences, meetings, newsletters, website, social media profiles on Facebook and LinkedIn, and statements to financial media in the form of interviews and articles.	For Apator SA, as a company listed on the Warsaw Stock Exchange, building relationships with capital market participants is a priority.	- Management Board of Apator SA - IR Manager - Apator Group Press Officer
B2B Customers	Cooperation on optimizing the customer's business, developing technologies and solutions, exchanging/sharing technical knowledge, and presenting the product portfolio and terms of commercial cooperation.	Face-to-face meetings, trade shows, conferences, training sessions, newsletters, website, product materials, and social media profiles on Facebook and LinkedIn.	The Apator Group achieves its business objectives by providing customers with solutions and products that meet their expectations and needs.	- Management boards of the companies - Business lines directors - Sales directors
Employees	Communicating the organization's goals and values, providing regular updates on the company's performance and financial results, key decisions, and organizational and personnel changes, social initiatives. Building a shared organizational culture.	Management meetings, department/office meetings, educational campaigns, newsletters, website, social media profiles on Facebook and LinkedIn. In addition, depending on the practices followed at a given company: meetings between management boards and employees, an employee portal, and an in-house radio station at Apator SA. Periodic surveys on employee satisfaction and engagement	The Apator Group achieves its business goals thanks to the dedication and expertise of its employees.	- Management boards of the companies - HR Director for the Apator Group - HR Managers
Strategic suppliers	The exchange of knowledge and the communication of mutual expectations to ensure the effective implementation of operational processes and efficient cooperation.	Regular meetings and presentations, audits, website, and social media profiles on Facebook and LinkedIn.	The Apator Group achieves its business goals by selecting reliable partners who meet specific quality requirements, while taking price considerations into account.	Directors/managers of strategic procurement and logistics departments
Government, regulators, public administration	Activities aimed at shaping and developing the smart metering/smart grid market, and promoting effective solutions and technologies. Efforts to develop cybersecurity standards.	Participation in consultation meetings, conferences, and symposia; involvement in industry associations and organizations.	The Apator Group operates in accordance with legal requirements and best practices, sharing knowledge and best practices to promote the development of new technologies and the effective management of utilities.	Management Board of Apator SA
Utilities	Conscious shaping of the image of the company and the brand by informing the market environment about the company's activities.	Press materials and press releases, industry articles, press conferences, website, and social media profiles on Facebook and LinkedIn.	The Group cooperates with industry, specialist and local media, participating in the exchange of expert knowledge, promoting its products, showcasing the results of its business and non-business activities, and building the company's and brands' market image.	- Management Board of Apator SA - Apator Group Press Officer
Local authorities (local government, district, municipality)	Communication to promote effective cooperation and organizational development in line with the needs of local community and the expectations of local governments.	Face-to-face meetings, participation in local events, website, and social media profiles on Facebook and LinkedIn.	The Apator Group companies operating in the area subordinate to local governments cooperate with local authorities for the gradual development of business and local communities.	Management Board of Apator SA

In 2025, the Company did not make any changes to its strategy or business model; therefore, no actions were taken to change its relationships with stakeholders. At the same time, as part of its ongoing cooperation with stakeholders, the Company took their opinions and needs into account in its day-to-day business processes. For example:

- Employees – their feedback and needs were taken into account when shaping HR policies and development initiatives;
- Customers – information obtained from customers influenced the product offer and the development of services;
- Suppliers and business partners – their feedback and suggestions were taken into account in procurement processes and operational cooperation.

The procedure for informing members of the Supervisory Board and the Management Board about the interests and opinions of stakeholders regarding sustainability issues is described in Section GOV-1.

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

The table below presents the significant impacts, risks, and opportunities identified in the materiality assessment. As of the date of publication of this report, the company has not identified any risks that would necessitate an adjustment to the value of the Group's assets; however, these risks are the subject of systematic attention by the Management Board of Apator SA and form the basis for any potential updates to the strategy.

Relationship between IROs and the strategy and business model

The identified impacts, risks, and opportunities are directly linked to the Apator Group's strategy and business model. They pertain, among other things, to operational activities, product portfolio development, HR policies, and supply chain management. Information gathered through cooperation with stakeholders is taken into account in strategic planning and the day-to-day implementation of business objectives.

The Group's resilience to IROs

The Apator Group has implemented oversight, control, and management accountability mechanisms that ensure resilience against identified IROs. Detailed information on how risks are managed within the organization is provided in Section GOV-5, while the approach to managing specific risks and opportunities is described in the relevant thematic chapters of the statement.

Current impact of risks and opportunities on the financial position

In 2025, no risks or opportunities materialized that would have had a significant impact on the Group's financial position. There were no physical events or other external factors (e.g., floods, supply chain disruptions) that would have required accounting adjustments or

changes in the valuation of assets.

Changes to IROs

Compared to the previous period, no significant changes were observed with regard to the identified IROs. The materiality assessment and the associated risks and opportunities are subject to systematic review, which allows them to be taken into account on an ongoing basis in the Group's strategic and operational planning.

Key to the symbols used to indicate impacts, risks, and opportunities below

Type of impact



Positive real impact



Positive potential impact

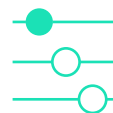


Negative real impact

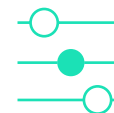


Negative potential impact

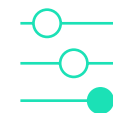
Time horizon



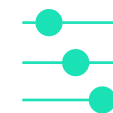
Short time horizon



Medium time horizon



Long time horizon



All time horizons

Location in the value chain



Upstream



Own operations



Downstream

Tab. 9 Significant impacts, risks, and opportunities of the Apator Group

Impact name	Description of IMPACT	Positive/ negative impact	Time horizon	Location in the value chain
E1: Climate change	Products that promote energy efficiency			
	Consumption of high-emission raw materials			
	Greenhouse gas emissions in the upstream and downstream parts of the value chain and energy consumption in our own operations			
E2: Pollution	Air pollutant emissions in the value chain			
	SVHC use in manufacturing			
E3: Water and marine resources	Providing technologies for measuring and managing water that help reduce water consumption.			

Impact name	Description of IMPACT	Positive/negative impact	Time horizon	Location in the value chain
E5: Re-source use and circular economy	Use of primary raw materials			
	Extending product life and efficient management of raw materials			
	Waste generation, including hazardous waste			
S1: Own workforce	Social dialog and employee representation			
	Offering stable forms of employment			
	Flexible working arrangement			
	Accidents and incidents in the workplace			

Impact name	Description of IMPACT	Positive/negative impact	Time horizon	Location in the value chain
Equal pay	Currently, there is a pay gap within the Group, which may cause employees to feel a sense of injustice and reduce their job satisfaction.			
S2: Workers in the value chain	Health and safety of workers in the value chain			
	The risk of human rights violations in the supply chain in regions with lower labor standards			
S4: Consumers and end-users	Negative impact on users' privacy			
	Negative impact on end-user safety caused by manufacturing defects			
	Positive impact of communication activities toward customers			
	Manufacturing of high-quality measuring devices			

Impact name	Description of IMPACT	Positive/negative impact	Time horizon	Location in the value chain
Voluntary certifications to ensure compliance with high quality and safety standards	Holding a voluntary Q INiG certificate confirms that gas meters meet high quality and safety standards, giving consumers confidence in their reliability and reducing the risks associated with their use.			
Impact of measuring device failures on users	Malfunctions in measuring devices in customer networks can lead to incorrect billing and improper cost allocation for users, affecting their financial security and their ability to use services properly. An extended service life of devices increases the risk of such incidents.			
G1: Business conduct	An organizational culture based on the principles of sustainable development			

Impact name	RISK description	Time horizon	Location in the value chain
E1: Climate change	Regulatory and market risks associated with the transition away from natural gas The transition away from natural gas as a fuel, resulting from the European Green Deal and, in particular, the provisions of the REPowerEU package, may lead to a decline in demand for gas meters.		
E5: Resource use and circular economy	Risk of limited availability of raw materials and materials A shortage of metals, plastics, and electronic components could lead to higher production costs, delays in fulfilling orders, and a decline in the Group's financial results.		

Impact name	RISK description	Time horizon	Location in the value chain
S1: Own workforce	Inadequate remuneration and working conditions that pose a risk of losing key employees		
	No succession plan for key employees		
G1: Business conduct	Reputational and financial risks associated with a cybersecurity breach		
	Meters and devices that make up smart energy grids may be vulnerable to cyberattacks and user data breaches, which can lead to financial losses, privacy violations, and loss of customer trust.		
	Risks associated with incidents such as legal violations, corruption, and breaches of ethical standards		
	Supplier relationship management		

	Impact name	Description of OPPORTUNITIES	Time horizon	Location in the value chain
E1: Climate change	Increased demand for energy solutions and smart grids	The growing demand for energy-efficiency devices presents an opportunity to increase sales and develop new products for the Group. This market opportunity stems from growing demand for digital measuring solutions such as smart metering and smart grids, which enable greater operational flexibility in power grids and the storage of excess energy.		
E3: Water and marine resources	Market opportunities in water management	Apator Powogaz offers state-of-the-art measuring devices and water management systems, the development and implementation of which create opportunities to enter new markets and generate additional financial benefits.		
E5: Re-source use and circular economy	Efficient use of resources through recycling and partnerships	Reusing materials in our own operations, utilizing recycled materials, and forming partnerships in this area provide an opportunity to reduce costs associated with the purchase of primary raw materials and strengthen our competitive position.		
S1: Own workforce	An opportunity to retain valuable employees	Implementing a competency assessment model and competency development plans will provide an opportunity to retain the most valuable employees, build their engagement, and actively manage labor costs.		
	Training and skills development	Providing employees with training and the opportunity to participate in development projects – including those with industry partners – presents an opportunity to develop the team's competencies. Significant investment in employee development not only helps retain current specialists but also attracts qualified individuals in the future, which is particularly important in the context of the ongoing automation of processes that require modern skills.		
G1: Business conduct	Cybersecurity/Critical infrastructure security	The Apator Group companies provide solutions that enable the digital management of energy utilities and water, while ensuring the highest standards of information security and user data protection. As the business significance of this area continues to grow, it presents a significant opportunity for the development of new product lines and increased sales of existing ones.		
	Shaping an organizational culture that supports the Group's operational effectiveness	Building an organizational culture helps to enhance the organization's operational effectiveness and strengthen its image as an employer (employee loyalty, lower turnover) and the Group's credibility as a business partner (attracting customers, partners, financing, etc.).		

Information disclosed in the reporting as Group-specific

In the Apator Group's materiality assessment, cybersecurity issues were identified as material matters specific to the entity. They pertain to two areas:

- reputational and financial risks associated with potential digital security breaches of devices and systems used in smart power grids,
- development opportunities arising from the growing demand for secure solutions for critical infrastructure that support the digital management of energy and water resources.

These aspects are discussed in Sections G1 and S4-4.

2.11. IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

The Apator Group updated its materiality assessment in 2025, which involved a peer group analysis, interviews with selected key external stakeholders, and an assessment of impacts, risks, and opportunities through a series of internal workshops.

The methodology meets the materiality assessment requirements set forth in the ESRS standards, as introduced by Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023, in particular the requirements specified in Chapter 3 of ESRS 1. In addition, the methodology took into account the guidance contained in the Implementation Guidance EFRAG IG1 Materiality Assessment issued in May 2024.

The research methodology is based on a matrix analysis of the results of the assessment of individual impacts, risks, and opportunities from the perspective of impact significance and financial significance. The study focused on the impacts, risks, and opportunities associated with all 90 sustainable development issues listed in the table included in AR16 ESRS 1.

A description of the materiality assessment approach

The methodology used is based on a parallel assessment of impact and financial materiality.

Impact materiality perspective

The impact materiality perspective is taken into account by identifying which sustainability issues are associated with material impacts.

The identification and assessment of impacts were closely linked to the Apator Group's identified business activities and business relationships throughout the entire value chain, as outlined in the Apator Group's 2024 Sustainability Report. The value chain served as the basis for analyzing the Group's actual and potential impacts through an examination of,

among other things, the Group's suppliers, subcontractors, and business partners, the products and services it offers, its organizational structure, and the customers and end-users of the products and services offered by the Group, as well as an analysis of product end-of-life and waste management.

Business activities, business relationships, geographic areas, and other factors that increase the likelihood of such impacts have been identified based on the Group's management structure, which is reflected in the Group's main business segments, namely the production and sale of measuring devices and systems, as well as solutions supporting the operation of power grids as well as water and gas networks.

The assessment focused on four parameters of impact significance: the scale of impact, the scope of impact, and the irreversibility of impact (which together determine the severity of the impact), as well as the likelihood of the impact occurring. The individual parameters were rated on a scale of 1 to 5:

Scale of impact:

- 5 → Very strong
- 4 → Strong
- 3 → Average
- 2 → Low
- 1 → Minimal

Scope of impact:

- 5 → Global / Total
- 4 → Widespread
- 3 → Moderate
- 2 → Concentrated / Local
- 1 → Limited

Likelihood of impact:

- 5 → Global / Total
- 4 → Widespread
- 3 → Moderate
- 2 → Concentrated / Local
- 1 → Limited

Irreversible nature of impact:

- 5 → Irreversible impact
- 4 → Largely irreversible impact
- 3 → Impact difficult to reverse, very costly or long-term reversal of impact
- 2 → Impact that can be reversed if the necessary costs are incurred in a timely manner
- 1 → Impact that is reversible in the short term, at a relatively low cost

For positive impacts, the irreversibility parameter was not taken into account, while for actual impacts, the maximum likelihood was assumed. In the case of potential adverse human rights impacts, materiality could be determined regardless of the result calculated using the standard formula, with the severity of the impact given priority over the likelihood. Revenues were considered material if their materiality assessment was ≥ 2.5 or if there were grounds to consider them material following additional verification. Furthermore, some environmental impacts could be considered related to human rights if this was justified from the perspective of severity and risk.

The assessment of individual impact parameters was conducted by experts from the Apator Group's internal working group during workshops moderated with the support of an external consultant.

The list of recommended inputs was reviewed by the Management Board during a validation workshop.

Perspective of the financial materiality

The assessment focused on two parameters related to risks or opportunities that may be associated with a given sustainability issue. Each parameter was rated on a scale of 1 to 5:

Risk scale / opportunity scale:

5 → Critical or very severe risk impacts / very significant opportunities

4 → Severe risk impacts / significant opportunities

3 → Risk impacts above average / opportunities above average

2 → Risk impacts below average / opportunities below average

1 → Minimal or minor risk impacts / minimal or minor opportunities

Likelihood of occurrence of a risk or opportunity:

5 → Very high / Almost certain

4 → High

3 → Moderate

2 → Low

1 → Minimal

Each issue associated with risks or opportunities for which the materiality assessment was **≥2.4** or for which there were grounds to recommend materiality based on the conclusions reached during the sense-check phase, was considered material.

The assessment of individual risk/opportunity parameters was conducted by an internal working group of the Apator Group during workshops moderated with the support of an external consultant.

Double materiality principle

Any sustainability issue associated with a material impact, material risk, or material opportunity was considered material from a double materiality perspective and, therefore, subject to reporting in accordance with the relevant standards and disclosure requirements.

Validation

The final list of impacts, risks, and opportunities shaping reporting practices consists of the list of recommended factors, risks, and opportunities, with adjustments based on the Management Board's judgment as expressed during the validation workshop.

Materiality assessment procedure

The main steps in the materiality assessment are presented below.

- 1. Value chain model analysis** - The value chain was developed by the Apator Group during the previous reporting year and was used in the process of assessing the impact and financial materiality.
- 2. Benchmarking analysis** - an analysis of entities from sectors representative of the Apator Group's operations, focusing on the material impacts, risks, and opportunities they identify in their sustainability reports.

3. Introductory workshop

During a workshop attended by representatives from the Group's key operational areas, participants were introduced to the basic terminology of sustainable development, the double materiality principle, and the parameters of impact and financial materiality. The discussion also covered the need to take into account the entire value chain in the assessment, as well as the results of the benchmarking analysis. The participants worked together to define the parameters of sample impacts, risks, and opportunities to ensure that they could independently conduct the ESG inference process.

4. Thematic workshops

As part of six thematic workshops, experts and in-house specialists assessed the impacts, risks, and opportunities related to sustainable development.

5. Interviews with stakeholders

In the next step, a questionnaire survey and structured interviews were conducted with representatives of the Group's key external stakeholder groups. The information gathered related to identified impacts, risks, and opportunities, as well as expectations regarding sustainability disclosures. The collected data was analyzed to identify new impacts and to verify the significance of the impacts, risks, and opportunities previously assessed by the Group's working groups.

6. Preparation of a list of material impacts, risks, and opportunities, and validation by the Management Board

Based on the results of the earlier stages of the materiality assessment, a list of material impacts, risks, and opportunities related to sustainable development was compiled, along with their prioritization. The final stage of the process was the validation of the list by the Management Board and CFO, taking into account their knowledge and experience. The results of the materiality assessment form the basis for preparing disclosures and improving internal processes for managing risks and opportunities.

Incorporating the results of the materiality assessment into the overall risk management process

Material ESG risks and opportunities identified during the DMA process are incorporated into overall risk management and reviewed in risk sheets by process owners. The Apator Group assesses impacts, risks, and opportunities in environmental areas E1–E5, covering its own operations and the value chain, based on environmental reporting, the ISO 14001 system, climate risk analyses, and a review of supply risks. Details on risk management are provided in Section GOV-5, while IRO-1 is presented in the relevant chapters of the report.

An aerial photograph of a dense, lush green forest. A winding asphalt road with yellow lane markings curves through the trees. A few vehicles, including a car and a motorcycle, are visible on the road. Overlaid on the top right of the image are large, white, sans-serif numbers '03'.

03



ENVIRONMENTAL INFORMATION

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3.1 ESRS E1 Climate change

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

Climate-related issues were not taken into account in the remuneration of members of the Apator Group's administrative, management, and supervisory bodies in 2025.

3.1.2 E1-1 Transition plan for climate change mitigation

In 2025, the Apator Group did not have a formally adopted transition plan for climate change mitigation. That same year, analytical work began on developing an approach to decarbonizing the Group's operations, including the identification of potential levers for reducing emissions and an assessment of the feasibility of implementing them in operations.

These efforts are part of the Group's ongoing development of its approach to managing climate impact. In the coming years, the Group plans to progressively develop and operationalize its decarbonization initiatives, taking into account technological, regulatory, and economic considerations.

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

Key climate change impacts, risks, and opportunities identified in 2025 by the Group and its stakeholders include:

Positive impacts: Apator Group products **support energy efficiency and responsible energy consumption management** by customers and are a key component of the energy transition (smart metering, smart grid, RES).

Negative impacts: With regard to **the use of high-emission raw materials** (metals, plastics) and greenhouse gas emissions in our own operations and throughout the value chain (upstream and downstream).

In addition, as part of a materiality assessment conducted in 2025, the Apator Group identified the following climate-related transition risks and opportunities associated with climate change.

Risks: Regulatory and market risks associated with **the transition away from natural gas** – resulting from the European Green Deal, and in particular the provisions of the RE-PowerEU package, the transition away from natural gas as a fuel may lead to a decline in demand for gas meters.

Opportunities: **Growing demand for energy solutions and smart grid technologies** – the growing demand for energy-efficiency devices presents an opportunity to increase sales and develop new products for the Group. The market opportunity stems from **growing demand for digital measuring solutions** such as smart metering and smart grids, which enable greater flexibility in the operation of power grids and the storage of excess energy.



The Group did not conduct a full resilience analysis or a scenario analysis; instead, it assessed physical risks and transition risks for selected locations and scenarios.

3.1.4 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

A detailed description of the identification and assessment of the impacts, risks, and opportunities related to sustainable development, including those related to climate change, can be found in Section 2.11 as part of disclosure requirement IRO-1.

Responsibilities in the climate risk assessment process

The climate risk assessment process at the Apator Group is carried out based on clearly defined roles and responsibilities. The ESG Manager coordinates DMA assessment (described in ESRS 2 GOV-5) and identifies key climate risks in accordance with ESRS E1, including initiating physical risk assessments for locations level related to activities classified under the EU Taxonomy. The Risk Manager ensures that the results of the analyses are reflected in the Group's risk management system. Risk owners are responsible for updating or creating risk sheets and conducting a detailed risk assessment in accordance with the established methodology. The Management Board member responsible for ESG approves the results of the assessments.

Physical risk assessment for locations

In 2025, an update was conducted to the assessment of selected Group locations engaged in activities classified as compliant with the EU Taxonomy (Chapter 3.5). Taxonomic disclo-

asures in terms of exposure to **physical risks associated with climate change**, including: severe fires, droughts and water shortages, heat waves, floods and localized flooding, as well as cold spells/freezes. The assessment took into account the vulnerability and exposure of individual locations to climate hazards, as well as climate scenarios **RCP 8.5 for the period 2021–2040**. The assessment drew on tools and data from, among others:

- **Geographic and topographic data for the location**, including distance from natural resources and proximity to other facilities,
- **EFFIS – Danger by wildfire thermal anomalies** (severe fires resulting from proximity),
- **Klimada 2.0** (water shortages, heat waves, floods, cold spells/freezes),
- **Aqueduct Water Risk Atlas**, based on water stress and water depletion indicators (details are provided in Chapter E3).

In most locations, the climate risk was assessed as **low or moderate**. Exceptions are sites located in areas prone to **water shortages**, for which detailed information and adaptation measures are described in Section E3.

Analysis of climate risks associated with the Apator Group's operations

The Apator Group has identified and analyzed climate risks related to its business operations and value chain. The analysis covers both physical risks and transition risks for the moderate scenario (i.e., assuming a temperature increase of 1.5–2°C by 2050), which are related to the resilience of the company's own operations to climate change, as well as future regulatory requirements and potential challenges related to technological development, infrastructure security, and supply chain stability.

Physical risks arising from extreme weather events and long-term climate change, as well as transition risks, including regulatory, technological, market, and reputational changes, were taken into account, including risks of climate transition-related litigation. The risk assessment was conducted across three time horizons: short-term (up to 1 year), medium-term (3–5 years), and long-term (more than 5 years). Risks and opportunities were considered material if they met the materiality criterion, i.e., when the probability or magnitude of the effects reached a level of ≥ 4 .

Significant climate-related risks include:

- increased competition and price pressure resulting from regulatory changes and the roll-out (mass replacement) of smart electricity meters (risk of transition – market-related / legal),
- reduction in the market capacity for gas meters due to EU energy policy (transition risk – market-related/legal),
- risk of global trade wars and sanctions, which could disrupt international trade, interrupt supply chains, lengthen delivery times, and reduce profitability

Significant climate-related opportunities include:

- growing demand for solutions that support the energy transition and sustainable water management in connection with EU climate policy (Green Deal, Fit for 55, Blue Deal),
- an increase in demand for smart electricity meters due to the rollout of smart metering required by the Energy Act,
- an increase in demand for water meters and heat meters with remote-reading functions in connection with the Energy Efficiency Act,
- the opportunity to use proprietary solutions and innovations to improve energy efficiency, reduce emissions, and develop new climate-friendly products or services, which promotes business growth and generates additional revenue,
- capitalizing on growing customer expectations regarding ESG and the local origin of products to strengthen our position in bids, increase market share, and boost revenue

The aforementioned transition risks related to climate change were taken into account in the double materiality assessment (DMA) process as part of the aggregate category of environmental and regulatory risks.

The threats and opportunities arising from climate risks are addressed in the Group's strategy and translated into strategic actions (product and market initiatives, Group-wide initiatives), R&D efforts, and day-to-day operations (optimization of sourcing, production, and other processes).

The company has not conducted a comprehensive scenario analysis for climate risks that would allow it to assess the projected financial impacts resulting from material physical and transition risks.



3.1.5 E1-2 Policies related to climate change mitigation and adaptation

The Apator Group companies have diverse business profiles (manufacturing, services, trade, research and development); therefore, environmental and climate management has been tailored to the nature and scale of each business's impact on the natural environment.

The overarching document governing the Apator Group's approach to issues related to climate change mitigation and adaptation is **the Apator Group's Business Strategy**. This document sets out the framework for research and development activities, the expansion of the product portfolio, and the investment priorities of the Group's companies, serving as the basis for actions taken in response to identified material opportunities and risks related to products, supply chains, and energy costs.

The Apator Group does not have a separate climate policy, but in order to manage the material impacts, risks, and opportunities related to climate mitigation and adaptation, these issues have been partially addressed in its environmental policies. Since January 2025, the Apator Group's unified **ISO Integrated Management System Policy** has been in force, of which the following is a part: **the Environmental Policy (in accordance with ISO 14001)** and **the Energy Management Policy (in accordance with ISO 50001)**. The first addresses issues of energy efficiency, reducing energy consumption, and mitigating air emissions. The second requires companies to practice optimal energy management and to set and achieve energy goals.

The Environmental Policy sets forth the following goals and priorities for the Apator Group:

- reducing air emissions and minimizing waste generation,
- designing products and processes with a focus on energy efficiency, recycling, and the circular economy,
- supporting the development of RES and the rational management of energy and water resources,
- raising environmental awareness among employees and promoting environmentally friendly behavior.

The Energy Management Policy at Apator SA sets forth the following goals and priorities for the company:

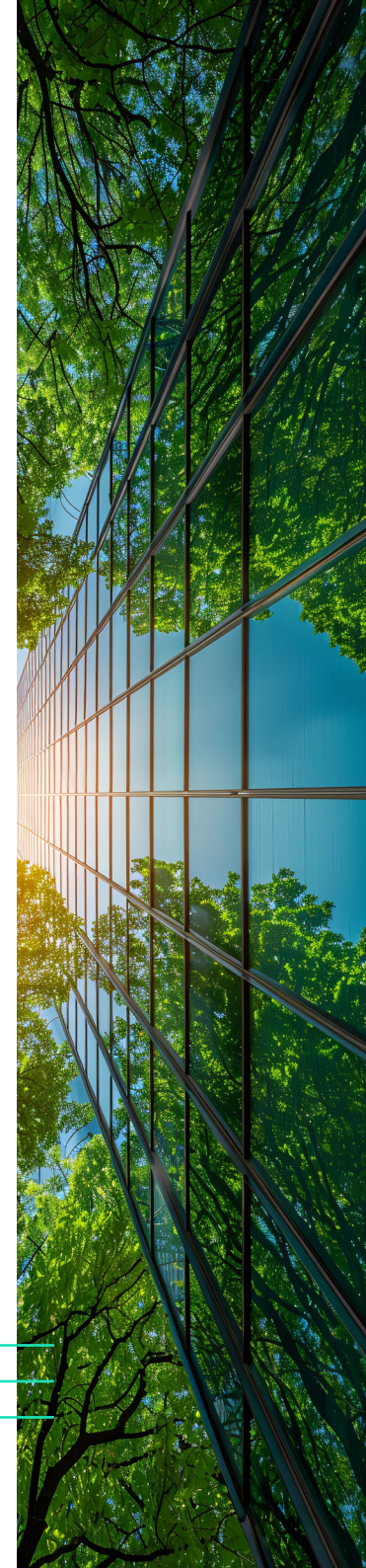
- improving energy efficiency and energy security while ensuring the quality of products and services,
- continuous improvement of the energy management system in accordance with the requirements of ISO 50001:2018, including the setting and achievement of energy goals,
- raising awareness and fostering a culture of energy efficiency among employees, and incorporating energy efficiency into processes, investments, and purchases.

The Integrated Management System Policy (including the Environmental Policy) applies to the companies that are part of the Apator Group and have ISO management systems in place (Apator SA, Apator Powogaz, Apator Metrix, Apator Telemetry, and Apator Rector).

The Management Board of Apator SA is responsible for implementing the Business Strategy and the ISO Integrated Management System Policy. The strategy's objectives and policy provisions are available on the company's website www.apator.com. The policies have also been published on the internal portal, and all employees receive notifications regarding the effective date and any changes to internal documents and are required to familiarize themselves with their content.

The policies are operationalized through:

- the management of environmental aspects and potential risks as part of the Environmental Management System,
- the optimization of operational processes,
- the environmental goals and tasks plan,
- monitoring the management of the Business Strategy and the ESG Strategy with regard to environmental aspects,
- the introduction of new materials, raw materials, and technologies, as well as the purchase of machinery, equipment, and production lines (CAPEX, OPEX), taking into account environmental considerations and EU Directives (REACH, RoHS, and WEEE),
- the implementation of solutions that optimize the consumption of energy resources (i.e., electricity, water, heat, and gas) in Apator Group companies,
- raising employee awareness and fostering a greater sensitivity to environmental and climate issues,
- the implementation of procedures to optimize electricity consumption,
- the procedures for maintaining production continuity and instructions for responding to failures and incidents.



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

Summary of actions taken in 2025 related to **climate change mitigation**:

1. Products and services

- An ongoing process of product design changes aimed at reducing weight and the number of components, which lowers the products' carbon footprint; for example, in 2025, a new gas meter was developed that is approximately 25% lighter, as well as an ultrasonic gas meter with fewer components and a lower weight.
- Systematic standardization of product designs, e.g., the use of button batteries in 2025 to improve material and energy efficiency.

2. Operational processes

- Calibration (re-verification) of water meters enabling accurate measurement of utility consumption
→ indirect energy savings
- Optimization of the "hot-water" calibration process
→ using preheated water, reducing electricity consumption.
- Optimization of calibration times on the Ultrimis production line
→ reducing equipment operating time, lowering energy consumption.
- Implementation at Apator Powogaz of a BMS system for infrastructure management (lighting, ventilation, air conditioning) + energy meters with monitoring
→ reduction in energy consumption.
- Purchase of higher-capacity robotic injection molding machines
→ reduction in the unit energy consumption of products.
- Implementation of analytical methods in calibration
→ reducing pump operating time and lowering energy consumption.
- Implementation of an ISO 50001-compliant energy management system + establishment of an energy team at Apator SA
→ continuous monitoring and improvement of energy efficiency.
- Replacing hydraulic injection molding machines with electric ones
→ higher energy efficiency.
- Modernization of soldering ovens and the Powerflow N2 line
→ higher energy efficiency.
- Automation and expansion of the tile department
→ increased productivity, reduced energy intensity.
- Installation of an automation station and purchase of an X-ray machine
→ reduction of material losses.
- Ongoing optimization efforts in the manufacturing processes of selected meters
→ reduction in manufacturing costs.
- Use of electricity from the company's own RES at its facilities:
 - Apator SA Ostaszewo → 500 kWp PV system
 - Apator Metrix Tczew → 40 kWp PV system

Results of the actions

The measures taken resulted in:

- striving to reduce the carbon footprint of our operations and selected products by improving the energy efficiency of processes and equipment,
- strengthening the Apator Group's competitiveness and capitalizing on market opportunities related to the energy transition,
- striving to reduce the energy intensity per unit of production and the consumption of raw materials and materials,
- reducing indirect emissions associated with customers' use of products,
- improving the energy efficiency of facility infrastructure.

During the period under review, some environmental indicators (including the organization's carbon footprint and energy consumption per unit of product) increased, which was due, among other things, to changes in the structure of production and the scale of operations. However, the efficiency measures implemented have helped limit the scale of this increase and lay the groundwork for further improvements in environmental performance in the coming years.

With regard to **adaptation measures**, the Apator Group companies:

- monitor utility consumption, among other things, to determine needs, detect anomalies, and mitigate the risk of resource shortages (water, energy); a project to implement the Omnitorus utility consumption management system at Apator SA has been launched,
- design weather-resistant products (as confirmed by laboratory tests); for example, electricity meters are tested for temperature resistance from -40°C to +70°C, and V0 flame-retardant plastic with high RTI (Relative Thermal Index), with a temperature resistance of up to +130°C is used in the production of switchgear. Meanwhile, for water meters, Apator Powogaz worked on enhancing the IP68 protection rating of the Ultrimis Neo water meter to withstand submersion at a depth of 10 meters for 1,440 hours of operation, while simultaneously conducting a testing program to confirm the device's resistance to UV radiation in the context of installations in sun-exposed locations,
- developed business continuity and emergency response plans,
- replaced skylights at Apator SA (to improve thermal insulation),
- made investments in infrastructure (additional air conditioning in the Apator SA production hall to protect employees from the effects of high temperatures and heat waves, improve workplace safety and comfort, and ensure the continuity of production processes during extreme weather conditions), thereby minimizing the risk of downtime caused by equipment or the hall overheating.

The implementation of these measures was made possible by their inclusion in the plans for the modernization and investment in the machinery fleet, as well as in the research and development plans, which are funded and carried out under annually approved budgets.

Consequently, these activities did not require separate sources of funding or an additional allocation of resources outside the standard financial planning process.

The resources allocated to climate policy during the reporting year are summarized in Table 10.

Tab. 10 Allocated resources in relation to climate policy (in PLN thousands)*

Allocated resources	Year 2025
Funds allocated to the action plan (OpEx)	28.1
Funds allocated to the action plan (CapEx)	25,381.2

* Capital expenditures (CAPEX) (depending on their nature) are reflected in Sections 7.4, "Intangible Assets," and 7.6, "Property, Plant, and Equipment," of the consolidated financial statements. Operating expenses (OPEX) are reported in Section 7.25, "Expenses by Nature and Function," of the financial statements.

3.1.7 E1-4 Targets related to climate change mitigation and adaptation

In 2025, work began on developing **a decarbonization plan for the Apator Group**, which will be finalized in 2026. After identifying potential levers for reducing emissions, the Group will proceed to set targets for reducing greenhouse gas emissions.



COMMITMENT:

Reduction in resource and utility consumption (efficiency and quality of processes)

METER:

Energy intensity (total energy consumption from operations in sectors with a significant impact on the climate [kWh] / net sales revenue [PLN million])

TARGET:

Maintaining the index value within +/-5% of the 2025 baseline (17.34) in the medium- and long-term

The following actions, planned for 2026–2028, are intended to support the achievement of the stated target:

- modernization and investments in machinery fleet – the purchase of new equipment and production lines evaluated in terms of energy efficiency and lower energy intensity per unit of product,

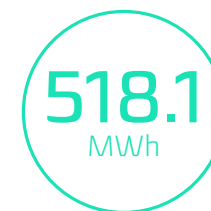
- optimization of production processes – implementing automation, shortening production cycle times, and streamlining processes, which will help reduce energy and material consumption,
- optimization of construction and materials in new projects to reduce raw material consumption and carbon footprint while maintaining full functional and quality parameters of the products,
- improvement of energy efficiency of infrastructure – implementation of energy management systems and modernization of production halls in order to improve energy efficiency.

3.1.8 E1-5 Energy consumption and mix

Direct energy consumption within the Apator Group consists of fuel and energy consumption in production processes, the generation and consumption of heat and electrical energy at facilities owned by Group companies, and the consumption of liquid fuels for business operations.

Heat is generated for use in production processes and is used to heat office spaces and production halls.

Due to their diverse locations, the individual Apator Group companies obtain their electricity from various distribution network operators (specific to each location). Two companies in the Group (Apator SA and Apator Metrix) also use their own energy sources (PV systems). Apator SA also uses the energy generated by the PV system at its Łódź facility (the system is not owned by the company). **The amount of energy generated by the company's own PV systems totaled 518.1 MWh in 2025.**



The estimated amount of electricity used by Apator at its headquarters in Łódź is 40.0 MWh.

Since all of the companies listed belong to sectors with a significant impact on the climate, the section on fossil fuels in Table 12 has been expanded to include specific fossil fuels.

The table below shows energy consumption broken down by source – fossil fuels, nuclear, and renewables – along with their percentage share in the energy mix of the Apator Group's manufacturing companies (Apator SA, Apator Metrix, Apator Powogaz, Apator Telemetria,

Tab. 11 Energy consumption and energy mix

Energy consumption and energy mix	Unit	Year 2024	Year 2025	Change y/y [%]
1. Fuel consumption from coal and coal products	MWh	0.00	0.00	-
2. Fuel consumption from crude oil and petroleum products	MWh	2,775.56	3,002.75	8.2%
3. Fuel consumption from natural gas	MWh	5,029.46	5,101.62	1.4%
4. Fuel consumption from other fossil sources	MWh	0.00	0.00	-
5. Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	MWh	9,860.00	9,807.04	-0.5%
6. Total energy consumption from fossil sources (calculated as the sum of lines 1–5)	MWh	17,665.02	17,911.41	1.4%
Share of fossil sources in total energy consumption	%	98.02%	95.84%	-2.2 p.p.
7. Energy consumption from nuclear sources	MWh	0.00	0.00	-
Share of energy consumption from nuclear sources in total energy consumption	%	0.00%	0.00%	-
8. Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.).	MWh	206.25	220.29	6.8%
9. Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	MWh	0.00	0.00	-
10. Consumption of self-generated renewable energy produced without fuel use	MWh	150.42	558.07	271.0%
11. Total renewable and low-carbon energy consumption (calculated as the sum of lines 8–10)	MWh	356.67	778.36	118.2%
Share of renewable sources in total energy consumption	%	1.98%	4.16%	2.2 p.p.
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	18,021.69	18,689.77	3.7%

* The figures shown in the table represent the total for the following manufacturing companies of the Apator Group: Apator SA, Apator Metrix, Apator Powogaz, Apator Telemetria, and Apator Powogaz Czechia

and Apator Powogaz Czechia)¹.

The quantities derived from records based on cost invoices were used as a measure of energy consumption.

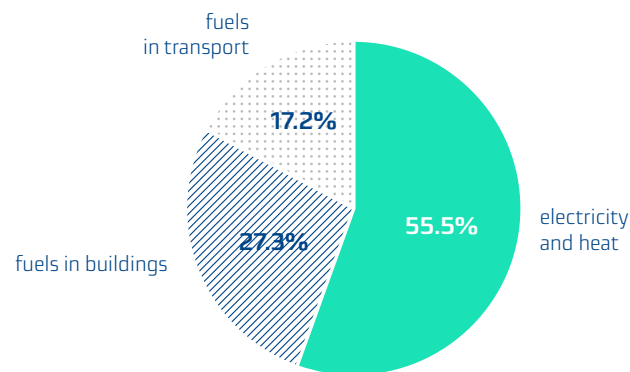
Total energy consumption at the Apator Group's manufacturing companies in 2025 amounted to 18,689.8 MWh, of which 55.5% (i.e., 10,365.1 MWh) came from purchased or procured electricity and heat, while the remaining 44.5% (i.e., 8,324.7 MWh) came from fuel consumption.

Fossil fuels dominated the energy mix, accounting for 95.8% of total consumption. This was supplemented by renewable energy sources (PV systems).

Compared to 2024, energy consumption increased by 3.7%, driven by a rise in fuel consumption by vehicles (+8.2% y/y) and natural gas consumption (+1.4% y/y), while electricity and heat consumption from fossil fuels decreased (-0.5% y/y). However, the largest y/y relative increase (+271.0%) was recorded in the amount of electricity produced independently from renewable sources (photovoltaic systems)², which consequently led to a 2.2 percentage point increase in the share of renewable sources in the Apator Group's total energy consumption (to 4.2%).

The breakdown of energy consumption by source is shown in Fig. 6 below

Fig. 6 Breakdown of energy consumption in the Apator Group in 2025



* The structure shown in the chart includes the following Apator Group companies: Apator SA, Apator Metrix, Apator Powogaz, Apator Telemetria, and Apator Powogaz Czechia

¹ Total electricity and heat consumption in 2025 at the companies not included in the table (Apator Rector and Apator Miitors) amounted to 524.4 MWh.

² The sharp increase in the amount of electricity generated independently from renewable sources (photovoltaic systems) recorded in 2025 pertains to Apator SA and is not the result of an expansion of the installation that has been in operation since 2024. However, it is related to the fact that the installation was launched in the second half of 2024, so the amount of electricity produced by the end of 2024 was correspondingly lower compared to 2025 (the first full year of operation of the installation).

The table below presents energy intensity, calculated as total energy consumption from operations in sectors with a significant impact on the climate (applies to companies operating in the following sectors: industrial processing – NACE Section C.26, C.27), divided by net revenue and per unit of product from operations in sectors with a significant impact on the climate.

Tab. 12 Energy intensity per net revenue and unit of product

Energy intensity indicators at the Apator Group	Unit	2024	2025	Change y/y [%]
Total energy consumption from activities in high climate impact sectors per net revenue*	MWh/PLN 1 mln	16.16	17.34	7.3%
Total energy consumption per unit of product sold**	MWh per unit of product sold	0.0025	0.0027	4.8%

* Net revenue refers to revenue from sales to other units of companies: Apator SA, Apator Metrix, Apator Powogaz, Apator Telemetria, and Apator Powogaz Czechia.

** The number of products calculated as the sum of the quantities of electricity meters, gas meters, water meters, heat meters, radio modules, isolating switches, and arresters sold by the companies listed in Table 1

In 2025, energy consumption per PLN 1 million of revenue from the Apator Group's operations in sectors with a significant impact on the climate amounted to 17.34 MWh. On a per-unit basis, energy consumption amounted to 2.66 kWh per unit sold. Both indicators increased compared to the 2024 figures, which is due to both higher total energy consumption and a decrease (by 1.0%) in the number of products sold and a decrease (by 3.3%) in revenue from sales.

The relationship between energy intensity based on net revenue and financial reporting data is presented in Table 13.

Tab. 13 Linking energy intensity to financial reporting

Description	Unit	2024	2025	Change y/y [%]
1. Net revenue from activities in high climate impact sectors used to calculate energy intensity*	PLN thousand	1,115,236.79	1,077,880.82	-3.3%
2. Net revenue (other)	PLN thousand	112,562.46	123,970.87	10.1%
Total net revenue (1+2) - financial statements	PLN thousand	1,227,799.24	1,201,851.69	-2.1%

* Calculated as the sum of revenue from sales to other units of companies: Apator SA, Apator Metrix, Apator Powogaz, Apator Telemetry, and Apator Powogaz Czechia.

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

Research methodology

Reported greenhouse gas emissions for Scopes 1+2 were calculated in accordance with the “revised” version of The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, and those for Scope 3 were calculated in accordance with The Greenhouse Gas Protocol Value Chain (Scope 3) Accounting and Reporting Standard.

Emissions were calculated using the tools provided by the GHG Protocol (GHG Protocol Calculation Tools and Guidance). The calculations covered seven greenhouse gases (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃) included in the GHG Protocol. The global warming potential (GWP) values used in the calculations are consistent with The Fifth Assessment Report of the IPCC (AR5).

Unit of emissions

Emission values are reported in metric tons (Mg) of carbon dioxide equivalent (CO₂e), the standard unit used to express greenhouse gas emissions.

Limits of reported emissions

The emissions data for the Apator Group include the parent company (Apator SA) and the Group's main subsidiaries, based on operational and financial control (100% of emissions of each of the listed entities): Apator Metrix, Apator Rector, Apator Powogaz, Apator Telemetry, Apator Powogaz Czechia (in 2024, the company operated under the name Apator Metra), and Apator Miitors.

The calculation did not include Apator GmbH, Apator Mining, FAP Pafal, and Apator Powogaz Italia, for which, based on estimates conducted in accordance with the adopted materiality thresholds (based on the Group guideline “Calculation of the Carbon Footprint

of the Apator Group's Organization and Products”), the individual and aggregate emission volumes were deemed immaterial on the scale of the Apator Group.

Three of the companies listed (Apator GmbH, Apator Mining, and Apator Powogaz Italia) do not engage in manufacturing, and the scale of their (commercial) operations is very limited (in terms of environmental impact) compared to the Group's other entities. FAP Pafal is a company in liquidation (pursuant to the resolution of the Extraordinary General Meeting of Shareholders dated October 29, 2025), and the scope of its operations in 2025 was already significantly limited and consisted mainly of providing services related to the storage, replacement, or re-calibration of electricity meters, as well as services provided to other entities belonging to the Apator Group.

System boundaries

The system boundaries adopted for the carbon footprint assessment encompass the product's entire life cycle, following a cradle-to-grave approach. This includes the use phase of sold products throughout their lifetime, as well as waste disposal and the treatment of products sold at the end of their life cycle.

Scope of reported emissions

The reported emissions include: Scope 1, Scope 2, and Scope 3.

- Scope 1 – direct emissions from sources owned or controlled by the company. They result, among other things, from the combustion of fuels in stationary sources (e.g., natural gas used to heat a building) or mobile sources (e.g., gasoline used in a company's vehicle fleet) – whether owned or supervised by the company – as well as from emissions generated by technological processes or from leaking refrigerants.
- Scope 2 – indirect emissions resulting from a company's operations but occurring at sources owned or controlled by another entity. These emissions result from the consumption of imported (purchased or supplied from external sources) electricity, heat,

process steam, and cooling.

- Scope 3 – other indirect emissions generated throughout a company's value chain, such as those resulting from the production of raw materials or intermediate goods, the purchase of goods and services, waste management, the transportation of raw materials or products, employee business travel, and the use of products by end-users.

not possible to use actual data. This primarily concerned the use and disposal of the products sold, as these stages are beyond the direct control of the Apator Group companies (data regarding, among other things, the products' service life and their performance parameters when used on the grid and/or in installations at customers' sites).



Functional unit

The emissions calculation was performed within the specified ranges for the organization (Apator Group). To assess the level of emissions intensity, the following indicators are used: greenhouse gas emissions per PLN 1 million of revenue at the group level, and greenhouse gas emissions per unit of product sold.

Reporting period, base year

The reporting period covered by the CF calculation presented in this report spans from January 1 to December 31, 2025. The year 2025 is the second year in which greenhouse gas emissions resulting from the operational activities of the Apator Group companies are being fully monitored.

Data sources

The emissions calculations were based on actual source data:

- internal documents of Apator Group companies, i.e., ledgers, invoices, internal and external reports (e.g., those submitted to BDO),
- data obtained from business partners (e.g., carriers) and estimates in areas where it was

Sources of emission factors

The 2025 emissions calculations for Scope 1 and Scope 3 primarily used emission factors from the DEFRA database (ghg-conversion-factors-2025-full-set).

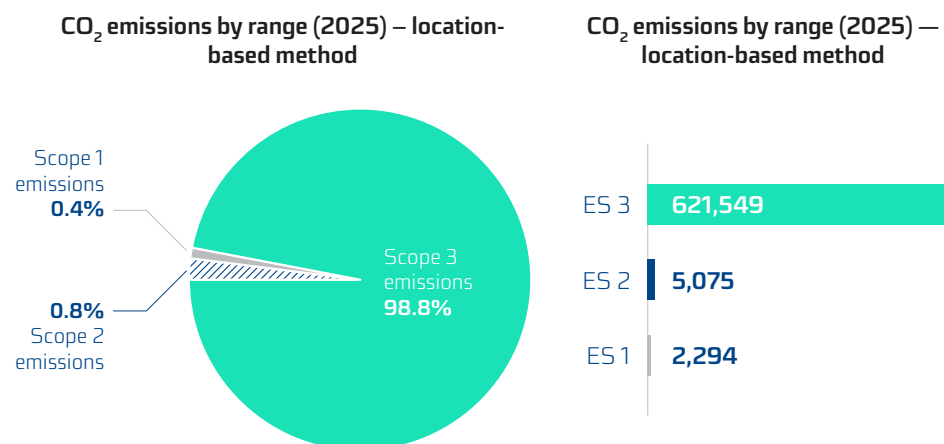
As a supplement (for selected categories of Scope 3 activities), parameters from other databases were used, including, among others: EXIOBASE, Market Economics Limited.

Data published by KOBiZE were used to calculate Scope 2 emissions (using the location-based method): Emission factors for CO₂, SO₂, NO_x, CO, and total particulate matter for electricity, based on information contained in the National Database on Greenhouse Gas and Other Substance Emissions for 2024 (Warsaw, December 2025). Data from the Ministry of Industry and Trade (emission factors for electricity in the Czech Republic) and data from the Danish Energy Agency (emission factors for electricity in Denmark).

The following were used to calculate emissions in Scope 2 (using the market-based method): the European Residual Mixes values included in the report "European Residual Mixes: Results of the Calculation of Residual Mixes for the Calendar Year 2024" (Version 1.1, August 11, 2025), as well as the Ecoparks heat energy factor (for the Danish company Miitors).

Tab. 14 GHG emissions at the Apator Group

Description	Unit	Performance		
		2024	2025	Change y/y [%]
Scope 1 greenhouse gas emissions				
Scope 1 gross greenhouse gas emissions	MgCO2e	2,248.6	2,293.6	2.0%
Share of Scope 1 greenhouse gas emissions from the regulated emissions trading system	%	-	-	-
Scope 2 greenhouse gas emissions				
Scope 2 gross greenhouse gas emissions according to the location-based method	MgCO2e	5,443.3	5,075.2	-6.8%
Scope 2 gross greenhouse gas emissions according to the market-based method		7,715.9	7,792.4	1.0%
Scope 3 greenhouse gas emissions				
Scope 3 total gross indirect greenhouse gas emissions		584,750.0	621,549.2	6.3%
1. Purchased goods and services		44,661.9	48,293.7	8.1%
2. Capital goods		7,435.1	9,699.6	30.5%
3. Energy and fuel related emissions not included in Scope 1 and 2		2,172.6	2,139.4	-1.5%
4. Upstream transport and distribution		1,826.2	1,905.9	4.4%
5. Waste generated as a result of operations		30.7	29.0	-5.3%
6. Business travel		249.3	229.3	-8.0%
7. Employee commuting		1,644.2	1,574.3	-4.3%
8. Leased upstream assets	MgCO2e	emissions included in Scope 1, 2, and Scope 3C1		
9. Downstream transport and distribution		1,221.9	1,246.9	2.0%
10. Processing of sold products		there are no emissions		
11. Use of products sold		525,435.4	556,361.1	5.9%
12. Handling of sold products at the end of their useful life		72.8	70.0	-3.8%
13. Leased downstream assets		emissions included in Scope 1 and 2		
14. Franchises		there are no emissions		
15. Investments		there are no emissions		
Greenhouse gas emissions				
Scope 1 greenhouse gas emissions		2,248.6	2,293.6	2.0%
Scope 2 greenhouse gas emissions (location-based method)		5,443.3	5,075.2	-6.8%
Scope 2 greenhouse gas emissions (market-based method)		7,715.9	7,792.4	1.0%
Scope 3 greenhouse gas emissions		584,750.0	621,549.2	6.3%
Scopes 1+2 total greenhouse gas emissions (location-based method)	MgCO2e	7,692.0	7,368.8	-4.2%
Scopes 1+2 total greenhouse gas emissions (market-based method)		9,964.6	10,086.1	1.2%
Scopes 1+2 (location-based method) + 3 total greenhouse gas emissions		592,441.9	628,918.1	6.2%
Scopes 1+2 (market-based method) + 3 total greenhouse gas emissions		594,714.6	631,635.3	6.2%

Fig. 7 CO₂ emissions by range for 2025 (location-based method)

The Apator Group's gross greenhouse gas emissions under Scope 1 in 2025 totaled 2,293.6 Mg CO₂e. Scope 2 emissions calculated using the location-based method totaled 5,075.2 Mg CO₂e, while Scope 2 emissions calculated using the market-based method totaled 7,792.4 Mg CO₂e. Emissions in Scope 3 in 2025 totaled 621,549.2 Mg CO₂e.

Total greenhouse gas emissions under Scopes 1+2 (location-based) +3 in 2025 amounted to 628,918.1 Mg CO₂e, while total greenhouse gas emissions under Scopes 1+2 (market-based) +3 amounted to 631,635.3 Mg CO₂e.

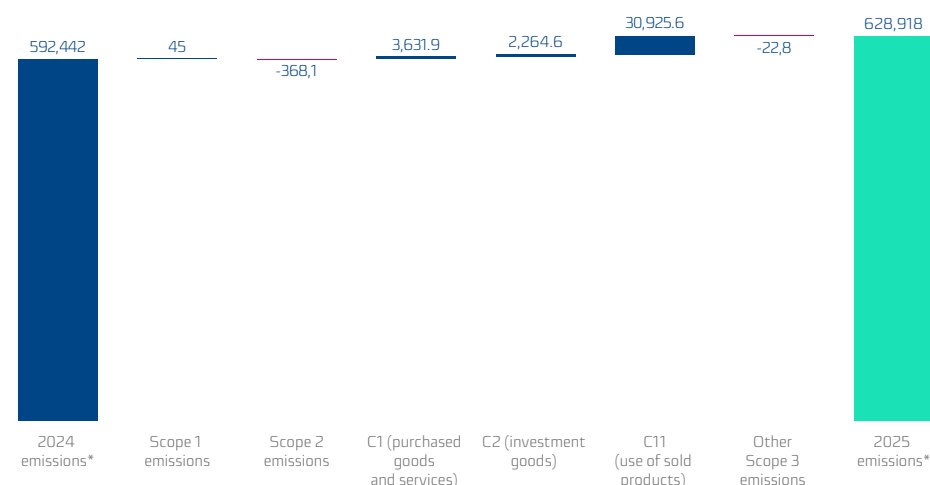
Compared to 2024³, the Apator Group's total emissions in Scopes 1+2+3 increased by 6.2% under both methods, primarily due to an increase in emissions in Scope 3 (by 6.3% y/y).

³ The Apator Group's 2024 emissions were recalculated to account for methodological changes introduced in 2025, thereby ensuring greater comparability of year-over-year calculations. This applies to Scope 3 emissions under C11: Use of Sold Products. In connection with the re-evaluation of the Group's products and solutions supplied to the market that are sources of CO₂ emissions throughout their life cycle, and the verification of their service lives, the 2024 calculation: 1) Emissions estimates related to products from the switchgear line were added; 2) the average annual power consumption of the meter used to calculate emissions on the domestic market was verified; 3) the service life of electricity meters was changed from 16 to 12 years for the Polish market and from 12 to 20 years for the German market. In the case of Poland, this is in line with current legal regulations (thus, the potential for an additional period of statistical calibration of meters was not taken into account, as market practice does not confirm that this is a common practice, and technological changes are occurring too rapidly for an extended period of meter use to be very likely in the future). In the German market, customer expectations serve as the basis for determining the service life of meters.

Emissions in Scope 1 increased by 2% y/y, driven by mixed changes in the individual components of emissions. Natural gas consumption declined, while fuel consumption in vehicles (diesel and gasoline) used by individual companies of the Apator Group increased, and the use of refrigerants remained at a comparable level y/y.

The y/y change in Scope 2 emissions was primarily driven by changes in the emission factors associated with electricity consumption, specifically an improvement in the location-based emission factor, in line with updated data published by KOBiZE, and a deterioration in the market-based emission factor, based on the new version of the report European Residual Mixes: Results of the Calculation of Residual Mixes for the Calendar Year 2024 (Version 1.1, August 11, 2025). By contrast, changes in the actual consumption of electricity and heat energy across the Apator Group were relatively minor.

The total increase in emissions in Scope 3 was 6.3% y/y, with the highest percentage growth rates recorded in the areas of Capital Goods (+30.5% y/y), Purchased Goods and Services (+8.1%), and Use of Sold Products (+5.9%). The reasons for all the changes are explained below. The largest percentage decline occurred in the Business Travel category (-8.0% y/y).

Fig. 7 CO₂ emissions by range for 2025 (location-based method)

* Emissions 1+2 (location-based) +3

In 2025, Scope 1 and 2 (location-based) emissions accounted for 1.2% of the Apator Group's total emissions. The majority (68.9% under the location-based method and 77.3% under the market-based method) of the greenhouse gas emissions generated by the Group's oper-

ations fell under Scope 2, i.e., indirect emissions resulting from the generation of purchased electricity and heat, with the vast majority of these emissions associated with purchased electricity. Among Scope 1 emissions, nearly half (45.2% of Scope 1 emissions) resulted from the combustion of natural gas in industrial processes and for heating buildings. Another 38.6% of Scope 1 emissions came from the use of fuels in vehicles operated by the Apator Group. The remaining 16.2% of Scope 1 emissions were due to refrigerant leaks.

The emissions profile outlined above underscores the importance of measures to improve energy efficiency and transition to renewable energy sources. In particular, measures aimed at reducing electricity consumption and generating electricity from renewable sources may have the greatest impact on reducing the Group's total emissions in the coming years. The measures taken in 2025 that contribute to reducing Scope 1 and 2 emissions are described in Section E1-3.

Scope 3 GHG emissions structure

The vast majority – as much as 98.8% (location-based) and 98.4% (market-based) – of the Apator Group's total emissions in 2025 were Scope 3 emissions, i.e., all indirect emissions across the entire value chain.



The largest, and therefore most significant from the perspective of the Group's operations, were Category 11 emissions associated with the use of Apator Group sold products throughout their entire life cycle. Due to the dominant importance of emissions in this category within the Group's total emissions, the process of collecting and verifying the data used as the basis for the calculation, as well as the calculation itself, are subject to a detailed, dedicated procedure.

It includes:

- an annual review of the product portfolio based on power source criteria (energy consumption, energy losses) to determine a comprehensive list of the Group's products/solutions that are sources of emissions during the use phase,
- verification of product service life (durability) based on applicable laws, customer expectations, and market practices,
- verification of electricity consumption (energy intake or losses) based on studies and tests conducted both internally and by external entities, taking into account the specified operating parameters of the equipment.

In 2025, emissions in Category 11 totaled 556,361.1 Mg CO₂e and accounted for 89.5% of emissions in Scope 3 (and, at the same time, 88.5% of total emissions in Scopes 1 + 2 (location-based) + 3). In 2024, emissions in Category 11 totaled 525,435.4 Mg CO₂e, representing an increase of 5.9% y/y in 2025. However, this increase is due to the expanded

scope of the calculation compared to 2024⁴, while lower sales volumes (primarily isolating switches and, to a lesser extent, electricity meters) contributed to a decrease. At the same time, Category 11 is the category over which the Apator Group has the least degree of management influence. This is because the emissions calculated here are primarily related to sales volume and structure, the geographic location of customers, and market expectations – factors over which the Apator Group has no direct influence.

The second-largest category in Scope 3 in terms of metric tons of carbon dioxide equivalent (Mg CO₂e) was Category 1 (Purchased Goods and Services). It accounted for 7.8% of emissions in Scope 3 (and 7.7% of total emissions in Scopes 1 + 2 location-based + 3). These are emissions resulting from purchased materials and raw materials used in production, other materials, and outsourced processing services at the Group's main companies. In 2025, Category 1 emissions totaled 48,293.7 Mg CO₂e, compared to 44,661.9 Mg CO₂e the previous year, representing an 8.1% increase y/y. In absolute terms, this increase was attributable in roughly equal measure to emissions from purchased raw materials, goods, and materials (purchases of materials) and to emissions from purchased subcontracting services (production-related services). In relative terms, emissions from purchased services rose significantly more (+32.4% y/y) compared to the 4.5% increase for tangible goods. Emissions from water supply also rose relatively sharply (+24.1% y/y). In absolute terms, however, their share of total Category 1 emissions remained marginal (less than 0.01% of emissions in 2025). The value of Category 1 emissions is closely linked to both the scale and structure of production and sales of the Apator Group and its individual companies. The need to make larger purchases in 2025 compared to 2024 resulted in higher emission levels.

At the same time, the Apator Group is undertaking a series of measures involving design changes to its products aimed at reducing weight and the number of components, as well as standardizing product designs to improve material efficiency, which will consequently also lead to a reduction in Category 1 emissions.

The third-largest category of emissions in Scope 3 was Category 2 emissions (Capital Goods). They accounted for 1.6% of Scope 3 emissions (and 1.5% of total Scope 1 + 2 location-based + 3 emissions). These are emissions resulting from capital goods purchased or acquired by Apator Group companies during the reporting year. In 2025, Category 2 emissions totaled 9,699.6 Mg CO₂e (compared to 7,435.1 Mg CO₂e in 2024, +30.5%

⁴ The 2024 calculation took into account only Apator SA two main product lines (measuring equipment and switchgear) and selected solutions from the Powogaz Group. The calculation for 2025 covered a broader range of solutions, including the Automation and ICT Solutions and Industrial Automation and Energy lines at Apator SA, as well as Powogaz Group products that were not included in the 2024 calculation. Due to the inability to obtain the complete data needed to recalculate emissions for 2024 in Category 11 by incorporating the measures listed above, this calculation and its results were modified only to the extent described in footnote 3.



y/y). Similar to Category 11, Category 2 is among the least manageable from the perspective of the entity responsible for emissions, and it is also the least consistent category (depending on the amount of capital expenditures made in a given year). The execution of capital expenditures is the result of market and customer expectations (regarding the ability to deliver specific products and solutions) weighed against the Group companies' current capabilities (the current state of their machinery and the availability of financial resources). Higher capital expenditures in a given year result in higher emissions being calculated for that period; however, these investments will "pay off" for the Group in subsequent years, eliminating the need to repeat them in the near future (this will reduce emissions in Category 2).



The remaining categories, that is, Categories 3 through 7, as well as Categories 9 and 12, accounted in 2025 for a combined 1.2% of emissions in Scope 3 and 1.1% of total emissions in Scopes 1 + 2 location-based +3. Among these categories, the most significant (when considered together) were those related to transportation and distribution (Category 4: Upstream Transportation and Distribution and Category 9: Downstream Transportation and Distribution).

Given the nature of the products sold by the Apator Group, there were no emissions in Category 10: Processing of Sold Products, and – due to the absence of such activities within the Group – no emissions in Category 14: Franchises, and Category 15: Investments. Emissions from Category 8: Upstream Leased Assets and Category 13: Downstream Leased Assets have been fully included in the emissions calculations for Scopes 1, 2, and 3 C1 (water supply).

Tab. 15 Emission factors for the Apator Group

Greenhouse gas emissions intensity per net revenue	Unit	2024	2025	Change y/y [%]
Total Scope 1+2 GHG emissions (location-based method) +3 per net revenue	MgCO ₂ e / PLN 1 mln	482.52	523.29	8.45%
Total Scope 1+2 GHG emissions (market-based method) +3 per net revenue	MgCO ₂ e / PLN 1 mln	484.37	525.55	8.50%

Greenhouse gas emissions intensity per unit of product sold	Unit	2024	2025	Change y/y [%]
Total Scope 1+2 GHG emissions (location-based method) +3 per unit of product sold	MgCO ₂ e/unit of product sold	0.083	0.089	7.38%
Total Scope 1+2 GHG emissions (market-based method) +3 per unit of product sold	MgCO ₂ e/unit of product sold	0.084	0.090	7.43%

* The number of products is calculated as the sum of the quantities of electricity meters, gas meters, water meters, heat meters, radio modules, isolating switches, and arresters

The relationship between emissions based on net revenue and financial reporting information is presented in Table 16.

Tab. 16 Linking Emissions to financial reporting

Description	Unit	2024	2025
1. Net revenue used to calculate the emission rate	PLN thousand	1,227,799.24	1,201,851.69
2. Net revenue (other)	PLN thousand	0	0
Total net revenue (1+2) - financial statements	PLN thousand	1,227,799.24	1,201,851.69

Emissions outside the scope (biogenic emissions)

At the Apator Group, biogenic emissions were calculated using the factors in the DEFRA database for the combustion of fuels containing bio-components. In 2025, they totaled 50.0 Mg CO₂e.

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

Throughout 2025, the Apator Group did not purchase any offsets or carbon credits.

3.1.11 E1-8 Internal greenhouse gas emissions pricing

Throughout 2025, the Apator Group did not establish an internal price per unit of greenhouse gas emissions to be used in processes related to managing the impacts of climate change.

3.2 ESRS E2 Pollution

3.2.1 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

A detailed description of the identification and assessment of the impacts, risks, and opportunities related to sustainable development, including those related to pollution, can be found in Chapter 2 under IRO-1 disclosure requirement.

Key issues identified by the Apator Group and its stakeholders in this area include **adverse environmental impacts associated with pollutant emissions in the value chain**, particularly those arising from suppliers' operations, and **environmental and regulatory risks resulting from the use of substances of very high concern (SVHC) in production processes**.

The analysis of dependencies and impacts identified the presence of substances classified as potentially hazardous in the Apator Group manufacturing processes. At the same time, the Group is taking steps to eliminate or reduce the use of these substances, in accordance with current and planned regulatory requirements.

In addition, significant negative impacts have been identified that are associated with the high emissions generated by the operations of suppliers of materials and components, particularly in sectors based on plastics and metals processing, where high emissions result directly from the manufacturing processes of these materials. This identification is based on an analysis of information obtained from suppliers and available industry data on emissions from the aforementioned sectors.

At this stage, no detailed analysis has been conducted of the locations of individual suppliers or the nature of their operations in terms of pollutant emissions. This is due to the proportional approach adopted to assess impacts along the value chain, which takes into account the scale of the Group's operations, the geographic dispersion of suppliers, and the limited availability of comparable and reliable environmental data from a representative group of entities in the value chain. Accordingly, the impact assessment was conducted at the sectoral level, which was deemed an appropriate approach given the current stage of maturity of the environmental data management system in the supply chain.

These impacts relate to air pollutant emissions and are addressed in the Group's environmental management of the value chain, to an extent commensurate with the scale of the impact and the potential for influence (e.g., by incorporating environmental criteria into the evaluation processes for strategic suppliers). The Group plans to gradually expand its approach in this area, in particular by increasing the scope of data collected from suppliers regarding their impact on environmental pollution.

3.2.2 E2-1 Policies related to pollution

The Apator Group does not have a separate, comprehensive policy dedicated exclusively to pollution issues. In 2025, issues related to the management of environmental aspects within the Apator Group were addressed as part of the adopted **group ISO Integrated Management System Policy**, an integral part of which is the framework Environmental Policy compliant with ISO 14001. This policy sets forth the general principles, guidelines, and framework for the quality and effectiveness of the environmental management system in the Group's companies. With regard to pollution, the policy involves reducing emissions of substances into the air from all possible sources through the use of technical measures and modernization processes. The ISO Integrated Management System Policy and the Environmental Policy are described in E1-2.

At the operational level, manufacturing companies implement their policies through detailed procedures and instructions operating within the framework of **certified environmental management and occupational health and safety management systems, compliant with ISO 14001 and ISO 45001**. These solutions are tailored to the specific nature of operations, technological processes, and the types of substances used at each company. Given the diversity of its production and material processes, the Group employs a decentralized approach at the operational level, while maintaining a common management framework at the Group level.

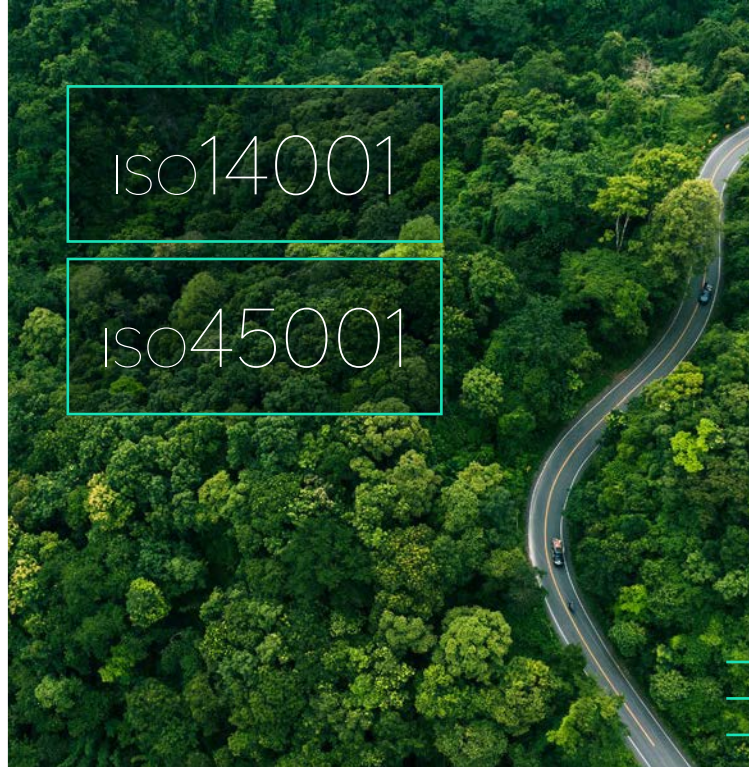
The **environmental policies and procedures** adopted by the companies address general environmental issues as well as the reduction and control of air, water, and soil pollution. As part of the processes they have implemented, companies comply with legal requirements regarding the replacement or reduction of potentially hazardous substances in production processes and products, using them only where absolutely necessary. The policies cover the companies' own operations and – to a limited extent – the value chain.

With regard to the value chain, pollution issues are addressed in the **supplier assessment process** described in Section G1. It includes, among other things, a self-assessment questionnaire (including questions about the use of chemicals and the availability of safety data sheets) and supplier audits, which verify, among other things, the identification of environmental aspects, possession of the required environmental permits (e.g., for wastewater discharge, air emissions, and waste generation), as well as the maintenance of appropriate documentation.

The companies of the Apator Group also have emergency response procedures in place designed to control and minimize the impact of pollution on people and the environment in the event of incidents or emergencies. Documents addressing these risks are also part of management systems.

Policies related to own operations are implemented through:

- the management of environmental aspects and potential risks (including risks related to pollutant emissions) as part of the Environmental Management System,
- the optimization of operational processes,
- the implementation of environmental goals and tasks,
- monitoring the management of the Business Strategy and the ESG Strategy with regard to environmental aspects,
- the introduction of new materials, raw materials, and technologies, as well as the purchase of machinery, equipment, and production lines, taking into account environmental considerations and EU Directives,
- monitoring the goals of management systems,
- raising employee awareness of environmental and climate protection, as well as occupational safety and health,
- procedures for maintaining production continuity and instructions for responding to failures and incidents,
- the oversight of the chemicals used in the processes.



Environmental processes at Apator Group companies are systematically monitored and adapted to changing technological and manufacturing processes, as well as to current legal requirements. In each process, elements of activities that may interact with the environment are identified. The companies' senior management is responsible for overseeing and implementing the above policies, as well as for approving the related documentation.

Documentation related to the Integrated Management System Policy is made available to interested parties, including employees responsible for specific areas (via internal portals) as well as subcontractors, on the website www.apator.com and directly for their review.

3.2.3 E2-2 Actions and resources related to pollution

Substance management is carried out in cooperation with the environmental protection and occupational safety and health departments.

In 2025, as part of the **environmental management system** at Apator Group companies, the following ongoing measures were implemented:

- regular inspections of operational departments that handle substances, during which storage practices and documentation are reviewed. Safe storage of substances, ensuring adequate ventilation, securing storage areas, using absorbents and spill pallets, as well as clearly marking storage locations and training employees on how to handle chemicals,
- systematic recording of emissions by quantity and type of substance; maintaining environmental records in accordance with established procedures at companies certified to ISO 14001,
- preparation of a standard annual emissions inventory as part of reporting.

As part of **the occupational safety and health management system** at Apator Group companies, the following measures were taken in 2025:

- implementation of an electronic approval system for newly introduced substances – environmental and occupational safety and health departments are given access to information about the properties of substances prior to purchase,
- modernization and maintenance of ventilation and exhaust systems – installation of local exhaust systems in areas exposed to emissions, as well as installation of general ventilation systems and filters,
- organization of work in a way that minimizes risk – reducing exposure to harmful substances by rotating stations and automating painting and drying processes, e.g., by using paint booths (continuous operation),
- systematic training and implementation of emergency procedures – regular occupational safety and health courses on working with paints and solvents, development of response protocols in the event of chemical spills or high emissions, as well as conducting an annual review of the measures taken and implementing corrections (continuous operation),
- continuous monitoring of hazardous substance concentrations – regular measurements at workstations to ensure safety and compliance with standards (continuous operation).

As part of the measures **in the area of operations and infrastructure** implemented at Apator Group companies, changes were made that resulted in a reduction in the amount of pollutants, namely:

- modernization of the on-site wastewater pretreatment plant (for the production facility in Tczew),
- replacing print marking based on volatile organic compounds with low-emission laser marking,
- replacing lead seals with composite seals,
- elimination of varnishes from the production process, which also reduces VOC (volatile organic compound) emissions.

In the **value chain (upstream)**, measures were taken to monitor emissions and manage hazardous substances among suppliers, including in particular:

- obtaining and updating environmental declarations from key suppliers, including information on emissions and substances used,
- conducting supplier audits covering, among other things, environmental aspects,
- incorporating environmental requirements into agreements and procurement processes (ESG criteria in supplier evaluations, giving preference to suppliers with certifications such as ISO 14001).

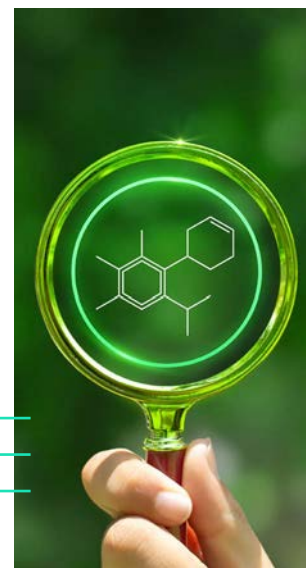
In 2026, as part of its environmental and occupational safety and health management system, the Apator Group plans to take the following actions:

- expansion of monitoring of emissions and hazardous substances – improving the emissions reporting process and increasing the frequency of measurements at workstations; expected result: better control of pollution risks and compliance with regulations,
- modernization of infrastructure and production processes – e.g., further reduction in the use of volatile organic compounds, implementation of new technologies to reduce emissions; expected result: a reduction in the total amount of pollutants emitted into the air and water,
- development of procedures and employee training – expected result: increased environmental awareness, improved safety, and minimization of the risk of accidents involving chemicals,
- implementation of innovative solutions in products – replacing materials and coatings with a high environmental impact with eco-friendly materials; assessing new designs for environmental friendliness; expected result: reduction of VOC emissions and other pollutants throughout the product life cycle.

During the reporting period, there were no incidents that resulted in contamination or other damage to the environment. The Apator Group companies did not participate in projects related to the restoration and regeneration of ecosystems.

3.2.4 E2-3 Targets related to pollution

As part of the existing ISO management systems and processes for ensuring compliance with legal requirements, the primary target is to continuously monitor and maintain emissions to air and water at levels consistent with the conditions specified in the applicable environmental decisions. It is also crucial to identify and minimize potential environmental risks.



The Apator Group has not adopted pollution targets that meet the criteria set forth in the ESRS MDR-T. As part of its adopted ESG Strategy, the target is to continuously monitor and control the use of chemicals, particularly substances of very high concern (SVHC), in production processes, through the following measures:

- systematic updating of the database of material declarations and documentation related to substances,
- continuous monitoring of the substances used for SVHC content.

These targets were not set based on quantitative environmental thresholds or direct scientific sources. These were defined with consideration for regulatory

requirements and the expectations of selected customer groups, particularly with regard to ensuring product compliance with REACH and RoHS regulations, including the availability of up-to-date declarations and information on material composition. Stakeholders were not directly involved in the target-setting process; however, their expectations – including those of customers – were taken into account indirectly through the results of the materiality assessment.

3.2.5 E2-4 Pollution of air, water and soil

The Group did not identify impacts on air, water, and soil as a significant aspect of its operations. The Group's companies do not exceed the pollutant emission levels set by administrative decisions, and the majority of emissions come from the combustion of energy sources for heating purposes and the combustion of motor fuels. Companies report and account for their emissions under national reporting and environmental fee systems. The Apator Group does not release microplastics during its manufacturing processes, and its products do not contain microplastics. Particles produced in these processes only in trace amounts as a byproduct of plastic processing.

The Group's manufacturing companies are not subject to BAT (Best Available Techniques – requirements for facilities based on best available techniques). In addition, the Group's manufacturing companies reduced fuel-related emissions into the air through infrastructure upgrades and changes to heat sources, as well as improvements in heat management (ventilation, high-speed rollers). At none of the Group's manufacturing companies did emissions to air and water in 2025 exceed the threshold values specified in Annex II to Regulation (EC) No. 166/2006. The companies are also not subject to reporting requirements under Directive 2010/75/EU and Regulation 166/2006 ("E-PRTR").

The Apator Group has not defined separate metrics for pollutant emissions in its supply chain, which is due, among other things, to the limited availability of comparable environmental data from suppliers.

3.2.6 E2-5 Substances of concern and substances of very high concern

The Group's companies report the quantities of substances as estimated contents in materials and chemicals. Substances leaving the facilities as emissions or as components of a product have been classified taking into account the uses and properties of the preparations.



Tab. 17 E2-5 Substances of concern

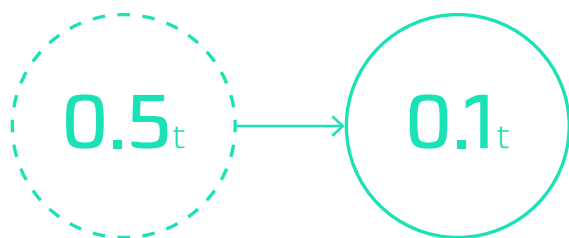
Category		Weight 2024 [kg]	Weight 2025 [kg]
1. Total quantity of potentially hazardous substances that are manufactured or used during production or that are purchased.		11,699	38,091.95
2. Total quantity of potentially hazardous substances leaving facilities in the form of emissions, products, product components, or services.		11,619	36,754.55
3. The quantity of potentially hazardous substances leaving the facilities as emissions, broken down by the main hazard classes of potentially hazardous substances.	harmful effects on the skin and eyes	9,277.37	9,971.96
	reproductive toxicity	596.25	0
	specific target organ toxicity	161.52	0
	chronic aquatic toxicity	0	359.42
	mutagenic effects	0	1,387.50
	respiratory toxicity	X	429.90
	Total	10,035.14	12,148.78
4. The quantity of potentially hazardous substances leaving the facilities as products, broken down by the main hazard classes of potentially hazardous substances.		0	0
5. The quantity of potentially hazardous substances leaving the facilities as part of products, broken down by the main hazard classes of potentially hazardous substances.	reproductive toxicity		0.53
	chronic aquatic toxicity		906.78
	respiratory toxicity		403.37
	harmful effects on the skin and eyes		2,567.71
	specific target organ toxicity		21,725.57
	persistent, mobile, and toxic properties		0.28
	carcinogenicity + specific target organ toxicity		169.00
	reproductive toxicity + chronic aquatic toxicity		9.36
	chronic aquatic toxicity	742.67	
	harmful effects on the skin and eyes	503.11	
	specific target organ toxicity	338.02	
	harmful effects on the skin and eyes + reproductive toxicity		28.14
	harmful effects on the skin and eyes + specific target organ toxicity		132.44
	Total	1,583.80	25,943.17
6. The quantity of potentially hazardous substances leaving the facilities as services.		0	0

* The disclosure includes substances used in large quantities, i.e., more than 0.1 tons per year

Tab. 18 E2-5 Substances of very high concern (SVHC)

Category		Weight [kg]
1. Total quantity of substances of very high concern that are manufactured or used in production, or that are purchased, broken down by the main hazard classes of hazardous substances.		21,891.29
2. Total quantity of substances of very high concern leaving facilities as emissions, products, or parts of products or services, by main hazard classes of hazardous substances.		21,891.29
3. The quantity of substances of very high concern leaving facilities as emissions, by main hazard classes of the substances of concern.	chronic aquatic toxicity	693.75
4. The quantity of substances of very high concern leaving facilities as products, broken down by the main hazard classes of substances of concern.		0
5. The quantity of substances of very high concern leaving facilities as part of products, by main hazard classes.	reproductive toxicity	0.53
	harmful effects on the skin and eyes	248.32
	specific target organ toxicity	20,770.06
	persistent, mobile, and toxic properties	0.28
	carcinogenicity + specific target organ toxicity	169.00
	reproductive toxicity + chronic aquatic toxicity	9.36
Total		21,197.54
6. Total quantity of substances of very high concern that are manufactured or used in production, or that are purchased, broken down by the main hazard classes of hazardous substances.		0

For the E2-5 metrics, a change in the reporting methodology was introduced in 2025, consisting of lowering the qualification threshold for acquired assets from 0.5 tons to 0.1 tons.



The previous approach was intended to limit the analysis to the substances most critical to production processes. Currently, the accuracy of reporting has been improved by expanding the scope of substances covered by monitoring, including SVHC. In 2024, disclosure requirements focused on the substances listed in Annex XIV of the REACH Regulation. In this disclosure, the Group reports all SVHC, regardless of the assessment of their release and potential exposure. Due to a significant change in methodology, no comparative data are available.

3.3 ESRS E3 Water and marine resources

3.3.1 E3-1 Policies related to water and marine resources



Key issues identified by the Apator Group and its stakeholders include **the significant positive impact and market opportunities associated with providing technologies for precise water measurement and management**. Apator Powogaz solutions, including leak detection systems, help reduce customers' water consumption and create opportunities for further business growth and the enhancement of the Group's long-term value.

Water resource management principles and policies

In the area of environmental management, including water resource management, the Apator Group's manufacturing companies conduct their operations in accordance with the implemented **environmental management systems**. Until January 2025, environmental obligations, including those related to water, were governed by individual ISO policies approved and overseen by the management boards of the respective companies. In January 2025, integrated environmental policies were adopted at the Group level. The current policies are available on the Apator Group's website.

The Apator Group does not have separate policies regarding the management of marine resources, as no material impacts, risks, and opportunities related to this area have been identified.

As part of environmental management systems compliant with the ISO 14001 standard, procedures and instructions have been implemented to regulate **water resource management**, including in particular:

- identification and monitoring of environmental aspects, within which water consumption has been identified as a significant environmental aspect at selected companies (Apator Powogaz, Apator Metrix, Apator Powogaz Czechia),
- oversight of chemicals aimed at reducing the risk of uncontrolled releases of substances into wastewater and improving wastewater quality,
- oversight of water and wastewater management.

These policies specifically address pollution prevention and ensuring compliance with applicable laws regarding wastewater discharge and water protection; however, they do not cover water treatment processes.

The Apator Group companies are implementing measures aimed at **optimizing the use of primary raw materials, including water**. In the area of water management, these measures were implemented in previous years through investments and changes in technological processes, which made it possible to reduce or maintain water consumption at levels consistent with the established targets. Apart from **Apator Powogaz (Jaryszki facility)**, water is not a significant resource in the Group's technological and operational processes, and its consumption is mainly for social and domestic purposes; therefore, no separate policies to reduce water consumption have been implemented.

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

As part of the process of identifying and assessing impacts, risks, and opportunities (IROs) related to water resources, the Apator Group companies conducted an analysis of the impact of their operations on local water resources and an assessment of water stress levels at all locations where they operate. The analysis was conducted using the **Aqueduct Water Risk Atlas**, based on water stress and water depletion indicators.

The results of the analysis indicated **a high level of water stress** at the sites of operations conducted in the vicinity of **Poznań** and in **Łódź**. At the same time, given the nature of the operations at these locations, the identified risks were assessed as limited:

- **Apator SA (Łódź)** – manufacturing operations that do not use water in key operational processes,
- **Apator Rector (Poznań)** – office locations that do not use water in their operational processes,
- **Apator Powogaz (Jaryszki near Poznań)** – manufacturing operations that use water in their processes; identified risks are mitigated through the use of a closed-loop water system in production processes

The identified opportunities primarily concern Apator Powogaz, a manufacturer of water meters and meter-reading systems and other entities in the Water and Heat unit, including:

- **Apator Telemetry** – a manufacturer of radio modules for smart water meters,
- **Apator Miitors** – a research and development company developing ultrasonic water measurement technologies,
- **Apator Powogaz Italia** – a commercial company,
- **Apator Powogaz Czechia** – a manufacturer of heat cost allocators, radio modules, and control and measuring equipment.

These companies develop and provide solutions that enable precise measurement and effective management of water resources, including leak detection, thereby helping to reduce water loss for customers.

The identified business opportunity is directly linked to the positive environmental impact of Apator Powogaz, which consists of supporting efforts to reduce water consumption and minimize losses in water supply networks, housing cooperatives, and homeowners' associations (downstream). The development and implementation of these technologies enable the Group to enter new markets and generate additional financial benefits, while strengthening its contribution to the sustainable management of water resources.

The affected communities were not consulted during the identification of impacts, risks, and opportunities.

3.3.3 E3-2 Actions and resources related to water and marine resources

The following activities were carried out during the reporting year:

Actions to seize the opportunity associated with the material identified IROs

Apator Powogaz provides the market with solutions for the precise measurement of water flow and the management of water consumption and distribution, designed to promote the rational use of water resources further down the supply chain. Work related to product optimization and improvement is carried out based on documented procedures, instructions, and methodologies established within the design process and the quality management system.

In 2025, projects were carried out to expand the range of services offered:

- Further development of the UL NEO ultrasonic water meters line, introducing features that enable better leak detection.
- The design of a new ultrasonic water meter for industrial applications that aligns with the company's business strategy.
- Implementation of the IN-IOT module using Narrow Band technology, with the ability to detect leaks and immediately notify the user of network anomalies.
- Implementation of the APRange module, a LoRaWAN-compliant repeater that increases the coverage of measuring devices, thereby improving the quality of services provided for detecting non-revenue water⁵,
- Implementation of new functionalities in the SPIDAP water and heat consumption management system, enabling zoning⁶ and water balancing⁷ for system administrators, as

⁵ Non-revenue water (known as an "unaccounted-for water") is the difference between the water consumption indicated by the main meter in the building and the sum of the readings from the individual meters in the apartments. It is usually caused by small leaks, differences in meter sensitivity, or unauthorized use. Tenants are charged for the cost of this water, often on a pro-rata basis according to their consumption.

⁶ Zoning involves dividing the water supply system into smaller, enclosed areas to more effectively detect leaks and other failures.

⁷ Balancing involves comparing the amount of water supplied to the network (production/purchase) with the amount of water billed (sold to customers). Zoning, combined with automatic balancing, allows for the effective reduction of water loss and efficient water management.

well as reducing non-revenue water (NRW).

- Business development related to the introduction of the new HUB-WMBUS concentrator, enabling water balancing through more frequent meter readings for users.

In addition, Apator Powogaz is taking steps to recover and reuse water in its own operations, with the aim of **mitigating the risks associated with conducting business in an area prone to water shortages**. These activities are ongoing and include, in particular:

- The reuse of water in manufacturing processes through the implementation of a closed-loop system in the product calibration process at Apator Powogaz.
- Investments in technological infrastructure: in 2025, two calibration benches equipped with additional hot- and cold-water tanks were purchased, which helps reduce water consumption – a medium necessary for the calibration of water meters.

Tab. 19 Financial resources in relation to the policies and above-mentioned activities at Apator Powogaz (in PLN thousand)

Description	2025
Funds allocated to the action plan (OpEx)	162.44*
Funds allocated to the action plan (CapEx)	8,582.33**

* This applies to the costs of maintaining the calibration benches, the rainwater tank, and the fire protection system.

** Capital expenditures (CAPEX) (depending on their nature) are reported in Sections 7.4, "Intangible Assets," and 7.6, "Property, Plant, and Equipment," of the consolidated financial statements. Operating expenses (OPEX) are reported in Section 7.25, "Expenses by Nature and Function," of the financial statements.

In 2026 **product and investment plans aimed at supporting the exploitation of opportunities** identified in the DMA process relate to:

- ULTRIMIS MBUS (STMUL), UL MBUS – a continuation of the project to expand the communication capabilities of ULTRIMIS DN15-50 water meters with an R800 measurement range, enabling the use of innovative W-Sonic measurement technology in systems where communication is based on a wired MBUS network. In addition, there are plans to implement the measurement and transmission of the medium temperature.
- Ultrimis NEO with Narrow Band technology – a project that expands the communication capabilities of Ultrimis NEO DN15-50 water meters with a measurement range up to R1000. Communication technology allows the device to be connected directly to the telecommunications network and to transmit data that enables precise network balancing and the direct forwarding of information about critical events (e.g., leaks, network failures) to the administrator.

The planned capital expenditures for the implementation of the above-mentioned projects will amount to approximately PLN 3.2 million in 2026. The estimated value of all expenditures related to R&D projects aimed at improving the efficiency of water metering for various market segments is PLN 6.7 million.

The company has not considered any actions or action plans based on the AWS Alliance for Water Stewardship (AWS).

3.3.4 E3-3 Targets related to water and marine resources

As part of the ESG Strategy, water management targets were established for Apator Powogaz, including water intensity metrics (the ESG targets are presented in the General Disclosures, in Section SBM-1). At the same time, as part of the existing ISO 14001 environmental management system, annual operational goals aimed at optimizing water consumption in manufacturing processes were adopted during the reporting year. The company will continue its practice of setting and monitoring annual water consumption targets as part of its integrated management system, supporting the achievement of its strategic ESG goals.



COMMITMENT:

Sustainable water resource management at Apator Powogaz

METER:

Water intensity (Total water consumption from own operations at the Jarzyski site [m³] / Net sales revenue of Apator Powogaz in PLN million)

TARGET:

Maintain the indicator within +/-5% of the baseline value (i.e., 8.16 in 2025) over the medium term (2028) and the long term (2035)

Targets related to a significant opportunity for the development of solutions for precise measurement and water management are set and implemented as part of the company's business strategy and annual budgets approved by the company's Supervisory Board. Development plans for the products listed have been included in:

- Sales Development Strategy of the Apator Powogaz Group
- Apator Powogaz Technical Plan, prepared on an annual basis

3.3.5 E3-4 Water consumption

This disclosure concerns Apator Powogaz (located in Jarzyski near Poznań) – due to the location of its operations in an area with elevated water stress, its use of water in production processes, and its presence in the Water and Heat unit, where significant business opportunities have been identified in this area.

Tab. 20 Water consumption at Apator Powogaz

Water consumption	2024	2025
Total water consumption* [m ³]	3,041.0	3,010.0
Quantity of water recovered (recycled) and reused [m ³]	196.4	196.4
Stored water volume ** [m ³]	1,350.0	1,350.0
Water intensity indicator***	9.18	8.16
Water consumption [m ³] per employee****	7.17	6.64

* Measurements based on meter readings; meter readings may be verified by water utilities. Amount of stored water – based on in-house measurements and technical documentation (data not validated by an external authority)

** The total water storage capacity includes: a rainwater tank and a fire protection tank

*** Indicator calculated according to the following formula: (Total water consumption from the company's own operations [m³] / Net revenue of Apator Powogaz SA [PLN million])

**** Indicator calculated according to the following formula: (Total water consumption from the company's own operations [m³] / Number of employees at year-end [person] at Apator Powogaz SA)

3.4 ESRS E5 Resource use and circular economy

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

A detailed description of the identification and assessment of the impacts, risks, and opportunities related to sustainable development, including those related to resource use and circular economy, can be found in Chapter 2 under IRO-1 disclosure requirement.

Key issues identified by the Apator Group and its stakeholders in this area include:

NEGATIVE impacts resulting from:

- consumption of primary raw materials (metals and plastics),
- waste generation, including hazardous waste.

POSITIVE impacts include:

- extending the product life cycle,
- eco-design initiatives,
- increasing recycling rates.

Key RISKS relate to:

- limited availability of raw materials,
- rising costs,
- potential supply disruptions.

OPPORTUNITIES are associated with:

- the efficient use of resources, including through recycling,
- partnerships that lead to a reduction in the consumption of primary raw materials and strengthen the Group's competitiveness.

The Apator Group identifies and assesses material impacts, risks, and opportunities (IROs) **in the area of resource use and circular economy** based on:

- an analysis of the consumption of primary raw materials, materials, and components in production processes,
- an assessment of the environmental impact of designed products and their potential for recycling,
- an identification of risks and opportunities resulting from purchasing processes and co-operation with suppliers based on information obtained from suppliers in their assessment processes and available industry data on the circular economy,
- documenting IROs and implementing corrective and improvement measures within the Group's companies.

Through this approach, the Group minimizes the negative impacts of resource use and maximizes the positive impacts associated with the circular economy.

3.4.2 E5-1 Policies related to resource use and circular economy

The Apator Group does not have a separate policy dedicated exclusively to resource management and circular economy. However, these issues are addressed in the current **policies, procedures, and instructions in place at manufacturing companies, as part of certified environmental and quality management systems (ISO 14001, ISO 9001)**. Initiatives aimed at optimizing resource utilization and improving operational processes are carried out in accordance with established business logic and the Integrated Management Systems, which are tailored to the specific characteristics of each Group company.

Issues related to the circular economy are addressed within the Apator Group under the current **Environmental Policy and Quality Policy**, which operate within the Integrated Management System.

The Environmental Policy supports the principles of the circular economy through measures aimed at optimizing the consumption of raw materials and energy, minimizing waste generation, designing products with due consideration for durability, recyclability and end-of-life processing, as well as increasing recycling rates and using reusable packaging.

The Quality Policy complements the circular economy approach by ensuring high quality and durability of products, continuously improving manufacturing processes, cooperating with qualified suppliers, and monitoring quality at all stages of production, which helps extend product life cycles and promote the efficient use of resources.

These principles are implemented within certified management systems that comply with the standards **ISO 14001** and **ISO 9001**, and operational goals in this area are set and monitored annually.

Requirements for suppliers and the oversight of suppliers are implemented as part of the procedures for managing supplier relationships (Section G1-2). These include, among other things, the obligation for suppliers to monitor energy consumption, keep records of waste and packaging, calculate their carbon footprint, and implement environmental and recycling measures. It is also advisable to ensure that those responsible for oversight have access to the relevant documentation. All policies and documents are approved by the Group's senior management.

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

As part of its implementation of the ISO 14001 Environmental Management System policy, the Apator Group implemented a number of initiatives related to the circular economy during the 2025 reporting year:

Upstream in the value chain:

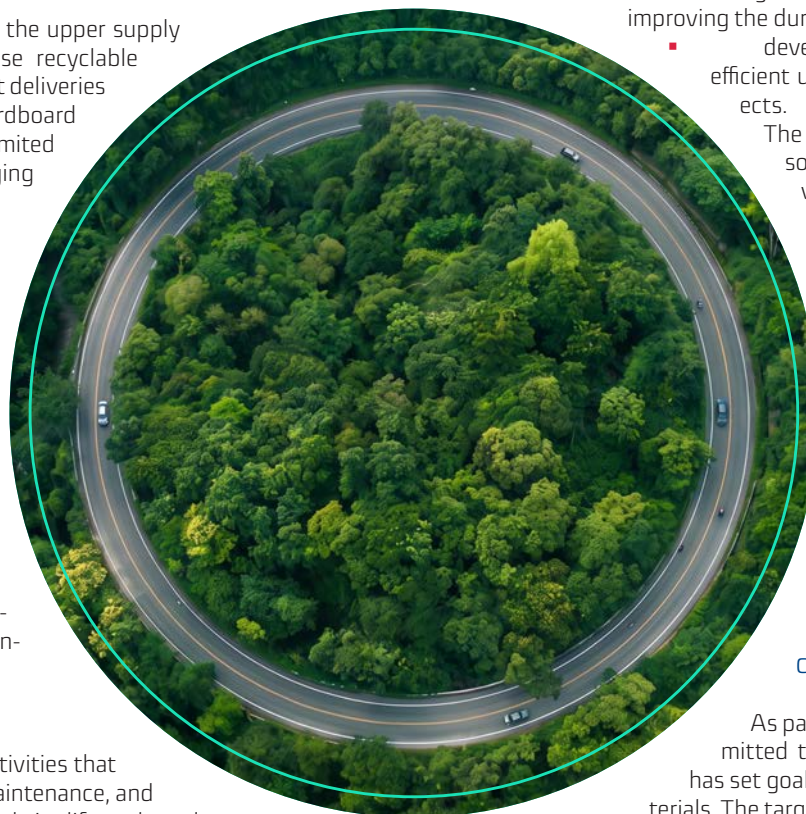
- As part of their operations and reverse logistics in the upper supply chain, manufacturing companies continued to use recyclable packaging (cardboard, wood, plastic) for component deliveries from suppliers. Apator Metrix uses returnable cardboard and plastic packaging owned by the supplier on a limited basis. Apator Powogaz also uses returnable packaging in the form of reusable dividers.

Own operations:

- As a matter of standard practice, all companies operate in accordance with the principles of the circular economy as part of their efforts to optimize material use in equipment and packaging. Material optimizations included reducing the weight and quantity of raw materials, standardizing components, and increasing the proportion of recyclable materials, while maintaining product functionality and packaging safety.
- Activities related to the end of product life cycle (developing environmental assessments of products, taking into account the recyclability of equipment at Apator SA, for new mechanical and electronic device designs).

Downstream in the value chain:

- In the downstream sector, the Group carries out activities that support the circular economy by offering repair, maintenance, and modernization services for equipment, which extends its life cycle and reduces waste generation. Products are designed in accordance with eco-design principles, facilitating their disassembly, recycling and recovery of raw materials at the end of their useful life.



The initiatives outlined in area E5 will be continued and expanded in the coming years, with their scope and intensity adjusted to technological and regulatory conditions, as well as the Group's business needs. Looking ahead, these actions are aimed at:

- gradually reducing the consumption of primary raw materials in operations by optimizing production processes and increasing the share of recycled materials,
- reducing the amount of waste generated and increasing the rate of waste recovery and recycling,
 - extending the life cycle of products through eco-design solutions and by improving the durability and quality of products,
 - developing solutions offered to customers that support the efficient use of resources, implemented through development projects.

The expected outcome of these initiatives is to improve resource efficiency throughout the value chain, reduce the environmental impact associated with the use of raw materials, and strengthen the Group's resilience to risks related to the availability and cost of materials.

During the reporting period, the Group did not incur any significant capital expenditures (CAPEX) or operating expenses (OPEX) dedicated exclusively to activities related to resource utilization and circular economy. This is because the measures identified in this area are operational in nature and are carried out as part of the Group's day-to-day operations, without the need to allocate separate, significant capital budgets.

3.4.4 E5-3 Targets related to resource use and circular economy

As part of its adopted ESG Strategy, the Apator Group has committed to conducting sustainable operations and processes, and has set goals based on metrics that reflect the efficient use of raw materials. The targets under E5 focus on reducing raw material consumption, minimizing raw material and packaging waste, and introducing environmentally friendly product designs. The TARGETS that meet the MDR-T requirements are presented in the table below.

Tab. 21 Targets related to resource use and circular economy

Meter	Baseline indicator 2025	2028 medium-term GOAL	2035 long-term GOAL
Raw material waste intensity (for selected key raw material categories in the Group's largest manufacturing companies) [% of waste, calculated as the ratio of waste generated to raw material consumption].	Apator: Raw copper waste intensity indicator for 2025: 28.5% Apator Powogaz: Plastic waste intensity indicator (non-recyclable fraction) for 2025: 2.27% Apator Metrix: Waste intensity indicator (metals) for 2025 = 9.84%.	Apator: TARGET: to maintain the indicator at 28.5% Apator Powogaz: TARGET: 2028: 2.22% Apator Metrix: TARGET: to reduce the indicator by 0.5 p.p. year on year. 2026 = 9.34%; 2027 = 8.84%; 2028 = 8.34%.	Apator: 28.5% Apator Powogaz: 2.00% Apator Metrix: 4.84%
Weight of new packaging introduced on the market [Mg] / net sales revenue [PLN]	0.97	Maintain the indicator within +/-5% of the baseline value (2025)	Maintain the indicator within +/-5% of the baseline value (2025)
Number of products assessed for eco-design criteria (based on established criteria)	2025: Update of the eco-design assessment criteria 2026: Implementation of the assessment process at the Apator Group (WK/Q/159)	100% of new product designs assessed against eco-design criteria	100% of new product designs assessed against eco-design criteria

The targets were not set based on scientific sources, and no ecological thresholds were used to determine them. Stakeholders were not directly involved in the target-setting process; however, their expectations, including those of customers (e.g., regarding packaging methods or product durability), are taken into account as part of an ongoing cooperation, and were also considered indirectly through the results of the materiality assessment.

3.4.5 E5-4 Resource inflows

The main categories of raw materials used by the Group consist of materials from:

- Nonferrous metals – copper and brass
- Ferrous Metals
- Plastics
- Various types of electronic components
- Water – use in internal processes at selected manufacturing companies (Apator Powogaz, Apator Metrix, Apator Metra)
- Shielding gases for soldering (primarily nitrogen)
- Packaging materials for shipping (secondary and shipping packaging made from cardboard created according to the needs of the manufacturer). The other packaging options are standard and widely available. The largest companies use cardboard packaging with a high recycled content.

The Group uses critical raw materials to a limited extent, particularly in lithium-ion batteries (including lithium, cobalt, and nickel) and rare earth metals in magnetic components (e.g., neodymium).

The raw materials were identified based on the quantities purchased and their importance in essential manufacturing processes (primarily in the soldering process). Most of the weight of the raw materials is incorporated into the products. The figures presented in Table 22 are based on operational data recorded in the companies' ERP systems and include both direct measurements and estimates resulting from the unavailability of precise data.

Tab. 22 Resource inflows*

Category	Quantity 2024 [Mg]	Share 2024 [%]	Quantity 2025 [Mg]	Share 2025 [%]
1. The overall total weight of products and technical and biological materials used during the reporting period	10,528.81		10,867.55	
2. The overall total weight of biological materials (and biofuels used for non-energy purposes) used to manufacture the undertaking's products and services (including packaging) that is sustainably sourced*	239.63	2.3%	584.54	5.4%
2a. The overall total weight of packaging, including sustainably sourced, with the information on the certification scheme used and on the application of the cascading principle	1,385.33		1,164.40	
3. The weight in both absolute value and percentage, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging).	2,174.60	20.6%	2,300.90	21.2%

* Includes FSC-certified packaging

3.4.6 E5-5 Resource outflows

The Group's companies bring key products to market, including meters, in particular, electricity meters, gas meters, water meters, heat meters, switchgear, and telemechanics equipment. This disclosure covers all key resources brought to market by the Group's companies, including packaging. The data are estimates and are based on information provided by waste processors and recipients, as well as on market data, which were used to ensure a reliable assessment of the inflows.

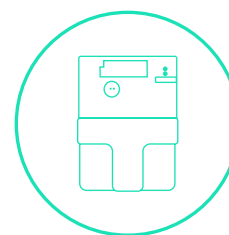
Tab. 23 Resource inflows

Category	Quantity 2024 [Mg]	Share 2024 [%]	Quantity 2025 [Mg]	Share 2025 [%]
1. Weight of secondary raw materials in FINISHED products	1,532.38	70.47%*	6,397.62	83.9%
2. The content of secondary raw materials in product packaging	642.22	29.53%*	893.37	64.8%
3. Total weight of packages leaving the facility with products	1,385.33		1,378.60	

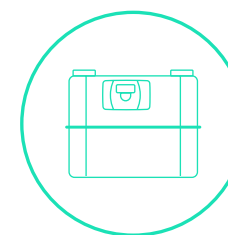
* Change in the methodology for calculating the metrics. In 2025, the methodology for calculating the E5-5 metrics was changed compared to the 2024 report. Metrics on the content of recyclable materials in products and packaging are currently calculated based on the volume of products sold (outflows), rather than, as in the previous period, on data regarding material purchases. At the same time, the approach to data scope has changed: in 2024, the actual recycled content was reported, whereas now the potential content of recyclable materials is taken into account. The change was implemented to better align the methodology with the requirements of ESRS E5-5 and the nature of the disclosure regarding outflows.

The service life of the Group's measuring devices is regulated by Directive 2014/32/EU (Measuring Instruments Directive). The act specifies the periods for the calibration of measuring devices, which are 12 years for electricity meters, 12 years for water meters, and 10 years for gas meters. The service life, as determined by external requirements, is relatively long; furthermore, the possibility of the devices being re-calibrated cannot be ruled out. For energy meters, the company conducts aging tests over extended periods – 14 years for the domestic market and up to 20 years for foreign markets, in accordance with customer requirements.

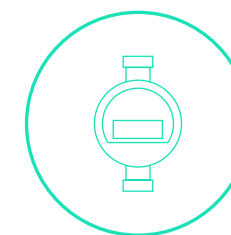
Switchgear that is not subject to the aforementioned regulations is tested for a 10-year service life; however, market experience shows that these products operate on the grid for an average of 20 years.



12_{years}



10_{years}



12_{years}

Tab. 24 Durability of products*

Product group	Product durability required in Poland (years)**	Required product durability on the selected key export market (years)	Maximum specified product durability (years) for the model(s) with the highest sales volume
1 ELECTRICITY METERS	12 years	20 years (Germany)	12 years
2 WATER METERS	>10 years	>12 years (Germany)	>12 years
3 GAS METERS	20 years	20 years (Spain, Germany)	20 years
4 HEAT METERS	>10 years	>6 years (Germany)	>10 years
5.1 MST2 TELEMECHANICS, BELplus	>20 years	>20 years	>20 years
5.2 microBEL TELEMECHANICS	15-20 years	15-20 years	15-20 years
5.3 BRG3/SPV TELEMECHANICS, et al.	10-15 years	10-15 years	10-15 years
6 SWITCHGEAR	no specific requirements	no specific requirements	20 years

* The data in the table pertains to selected product groups from the Apator Group product range that have the highest sales volumes in their respective product categories.

** The data reflects customer expectations

Due to the high proportion by weight of homogeneous materials, such as plastics and metals, the Group's products are relatively easy to recycle. Other components of the devices, such as circuit boards and batteries, are recycled under the extended producer responsibility, and there are facilities that specialize in their recycling. For new products at Apator SA, the percentage of recyclable materials is specified as part of the "Product Sustainability Assessment" documentation, which has been implemented at the other manufacturing companies since 2026.



Tab. 25 Waste

Category		Quantity 2024 [Mg]	Share 2024 [%]	Quantity 2025 [Mg]	Share 2025 [%]
1	Total amount of waste generated	1,253.80		1,242.73	
2	Hazardous waste withdrawn from disposal	2.96		2.31	
3	in connection with preparation for reuse	-		0.21	
4	as a result of recycling	2.96		1.31	
5	as a result of other recovery operations	-		0.80	
6	Non-hazardous waste withdrawn from disposal	1,030.16		748.64	
7	in connection with preparation for reuse	-		-	
8	as a result of recycling	1,029.20		946.31	
9	as a result of other recovery operations	0.96		81.09	
10	Hazardous waste sent for disposal	31.74		41.26	
11	by burning	0.74		11.82	
12	through storage	19.99		20.41	
13	through other disposal processes	11.02		18.96	
14	Non-hazardous waste sent for disposal	188.93		450.52	
15	by burning	-		26.99	
16	through storage	171.25		105.77	
17	through other disposal processes	17.67		39.00	
18	Non-recycled waste	222.51	17.7%	295.11	23.7%
19	Total amount of hazardous waste	34.70		43.57	
20	Total amount of radioactive waste	-		-	

The waste figures are derived from the BDO system, which serves as the primary source of information on the quantities of waste generated by the Apator Group companies. Information on the method of waste management was obtained from their recipients, who indicated the used process. In cases where data was unavailable, landfilling was assumed to be the default disposal method, with the exception of waste for which recycling was certain, such as scrap metal and waste covered by Extended Producer Responsibility (EPR).

The Group's companies generate industrial waste, consisting mainly of waste from the processing of metals and plastics, packaging for components made of paper, wood, and plastics, as well as electronic components and devices. The companies operate in accordance with the Act on Waste of December 14, 2012, and relevant regulations, such as the Regulation of the Minister of Climate of January 2, 2020, on the Waste Catalog.

The method of managing specific types of waste was determined based on statements from individual recipients regarding their processing procedures. Waste for which no information was obtained was classified as being disposed of through landfilling. The share of non-recycled waste was calculated by determining the quantities of waste recorded in the National Database on Products, Packaging, and Waste Management, assigning waste treatment methods to those waste quantities that did not qualify as recycling, and calculating their percentage share relative to the total amount of waste generated.



3.5 Taxonomic disclosures

In accordance with Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, establishing a framework to facilitate sustainable investment (the so-called EU Taxonomy), the Apator Group conducted an analysis to determine the extent to which its operations qualify as environmentally sustainable.

The analysis and presentation of the data were prepared in accordance with Regulation 2020/852 and related delegated acts of the European Commission, in particular those concerning technical eligibility criteria, disclosures under Article 8 of the Taxonomy, and their subsequent updates and amendments. The Group applies the provisions of Commission Delegated Regulation (EU) 2026/73 of 4 July 2025.

3.5.1 Steps in the Taxonomy alignment assessment

The analysis of the Apator Group's compliance with the EU Taxonomy is based on the Group's guidelines entitled "Principles for the Classification and Reporting of Environmentally Sustainable Activities in Accordance with the EU Taxonomy," which apply to all companies within the Apator Group. The purpose of this guideline is to define the proper process for identifying environmentally sustainable activities and to implement a uniform, consistent method for measuring the performance of environmentally sustainable activities for the purpose of calculating key performance indicators related to activities compliant with the EU Taxonomy ("green indicators") to ensure proper compliance with the obligations imposed by the European Commission.

Identification of environmentally sustainable activities at the Apator Group

The identification of environmentally sustainable activities within the Apator Group is conducted based on the Taxonomic Identification Template (appended to the guideline). Definitions and a detailed interpretation of the terms used in the annex (including a detailed description of the environmental objectives and the methodology for calculating performance indicators) are provided in the Taxonomic Glossary (annex to the guideline).

The identification process covers all of the Apator Group's business activities. It is carried out in several consecutive stages (with stages 5–7 being omitted for those activities that are deemed ineligible for the EU Taxonomy at stage 4). The steps of the analysis are as follows:

1. identification of types of business activities, including the identification of product groups and subgroups belonging to a given category of business activity,
2. identification of the environmental objectives on which the activity in question has a material impact, along with a justification for the selection,
3. verification of whether a given type of activity falls under the EU Taxonomy, including identification of the appropriate activity type from the Taxonomy,
4. classification of the activity under review as making a significant contribution/supporting activity/transition activity,

5. verification of compliance with the technical eligibility criteria for a given environmental objective,
6. verification of the non-negative impact of the product group on other environmental objectives (with justification).

Measuring the results of environmentally sustainable activities

Key performance indicators:

- revenue
- capital expenditures (CapEx)
- operating expenses (OpEx)

were calculated and determined based on the guidelines set forth in Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, to the best of our knowledge and with due diligence. The same accounting principles used in the preparation of the Apator Group's consolidated annual financial statements, along with the relevant consolidation exclusions, were applied in the calculation of these indicators. The data used for the calculations were derived from the financial and accounting systems of Apator SA and the financial and accounting systems of the individual companies comprising the Apator Group.

To avoid double counting when allocating revenue, capital expenditures, and operating expenses, appropriate consolidation exclusions were applied in accordance with applicable accounting regulations. Individual accounting entries were assigned only once to specific taxonomic activities and objectives.

Key revenue-related indicators

Key performance indicators related to turnover were calculated as the ratio of total revenue from activities falling under the Taxonomy/activities consistent with the Taxonomy to total revenue disclosed in the Apator Group's consolidated financial statements for 2025 under the line item "Revenue from sales of goods and services" (Section 3.2 of the Apator Group's Consolidated Financial Statements).

Turnover was calculated directly based on available accounting data on sales (source data). Turnover includes revenue recognized in accordance with the International Accounting Standard (IAS). Turnover is understood as net revenue from sales of products or services, including intangible assets, excluding internal turnover (between Apator Group companies). During the reporting period, no green bonds or debt securities were issued to finance specific projects deemed to be in line with the Taxonomy.

A detailed breakdown of Taxonomy-eligible turnover for environmental purposes is shown in Table 28 "Percentage of turnover for products or services related to an economic activity qualifying for Taxonomy or complying with Taxonomy – disclosure pertains to the year (2025) (breakdown by activity)."

Key indicators related to capital expenditures (CapEx)

Key indicators related to capital expenditures were determined by dividing the total capital expenditures eligible for Taxonomy/compliant with the Taxonomy by the total capital expenditures disclosed in the Apator Group's consolidated financial statements for 2025, as presented in Sections 7.4 and 7.6 of the Apator Group's consolidated financial statements.

The indicator was based on the Group's capital expenditures, which included increases in property, plant, and equipment, investment property, and intangible assets during the given financial year, before depreciation, amortization, and any valuation adjustments, including those resulting from revaluation and fair value impairment, as well as increases in property, plant, and equipment and intangible assets resulting from business combinations, i.e., including:

- an increase in property, plant, and equipment in accordance with IAS 16,
- an increase in intangible assets in accordance with IAS 38,
- an increase in the value of investment properties, including fair value measurements in accordance with IAS 40,
- an increase in assets related to rights of use, including leases under IFRS 16.

In cases where the same property, plant, and equipment or intangible assets were used to produce goods or services related to both activities eligible for the Taxonomy and those not eligible, an appropriate disaggregation of these expenditures was performed.

In the case of capital expenditures that cannot be directly attributed to a specific activity (i.e., fixed assets used to manufacture products related to both activities eligible for the Taxonomy and those ineligible for the Taxonomy), these expenditures were allocated in proportion to the revenue (turnover) generated by those activities.

During the reporting period, no capital expenditures were identified that were incurred in connection with a plan aimed at expanding business activities consistent with the Taxonomy or enabling activities that qualify for the Taxonomy or alignment with it, nor were there any expenditures related to the purchase of products from economic activities consistent with the Taxonomy or other activities that would enable the company to become a low-carbon business, with the exception of capital expenditures related to the photovoltaic installation at Apator SA.

A detailed breakdown of Taxonomy-eligible capital expenditures for environmental purposes is shown in Table 29 "Percentage of capital expenditure for products or services related to an economic activity qualifying for Taxonomy or complying with Taxonomy – disclosure pertains to the year (2025) (breakdown by activity)."

Key indicators related to operating expenses (OpEx)

Key indicators related to operating expenses were calculated as the ratio of the total operating expenses eligible under the Taxonomy/compliant with the Taxonomy to the total operating expenses within the scope defined in the Commission (EU) Delegated Regulation.

Operating expenses, in accordance with the provisions of the Regulation, include activities related to short-term leases, maintenance and repairs, as well as all other direct expenses related to the day-to-day management of property, plant, and equipment by the company or by a third party to whom the company has outsourced activities necessary to ensure the continuous and effective operation of those assets. In particular, the costs of inspections, repairs, and overhauls, as well as repair materials, were taken into account. Since these expenses cannot be directly attributed to a specific activity, as is the case with capital expenditures, a method of allocation was applied that corresponds to the proportion of revenue (turnover) from those activities.

A detailed breakdown of Taxonomy-eligible operating expenses for environmental purposes is shown in Table 29 “Percentage of operating expenses for products or services related to an economic activity qualifying for Taxonomy or complying with Taxonomy – disclosure pertains to the year (2025) (breakdown by activity).”

A summary of key performance indicators for activities eligible for or consistent with the Taxonomy is presented in Table 27 “Percentage share of revenue, capital expenditures, and operating expenses attributable to products or services related to business activities eligible for or consistent with the Taxonomy – disclosure pertains to the year (2025) (summary of key performance indicators).”

3.5.2 Analysis of activities aligned with the EU Taxonomy

The Apator Group companies supply the market with measuring devices and systems, as well as solutions that support the operation of power grid, water network, and gas network. Apator SA is classified as an electromechanical sector. The Group focuses its operations on the production and sale of measuring devices (electricity meters, gas meters, water meters, and heat meters), test and measurement equipment, distribution and control equipment, SCADA-class information systems, and related telemechanics, protection, and other network devices for distributed systems that enable remote control and monitoring of the power grid across the full voltage range, as well as devices that read and transmit data. The Apator Group also implements solutions that support the energy transition and the development of renewable energy (including automation equipment, renewable energy monitoring systems, and energy storage facilities).

Based on an analysis of the Group's contribution to the achievement of environmental objectives, it was determined that the Group's activities constitute so-called supporting activities in the areas of:

Tab. 26 Summary of the categories and types of activities of Apator Group in terms of meeting the objectives of the EU Taxonomy

Environmental objective	TX activity category	Business activities of the Apator Group
Objective 1 – climate change mitigation	3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electricity transmission and distribution that results in or enables a substantial contribution to climate change mitigation	- Switchgear (switch disconnectors equipped with an electronic module) - Power supply and power distribution engineering solutions (low-voltage switchgear and power compensation solutions) - Network asset management systems for DSOs - Energy management systems
	3.5 Manufacture of energy efficiency equipment for buildings	Heat metering and billing devices for measuring and allocating heat consumption in residential building heating systems
	4.9 Transmission and distribution of electricity	- Metering equipment, including smart meters, data transmission devices, and integrated balancing systems - Automation solutions (e.g., controllers, communication modules, hubs) - SCADA-class software systems
	4.10 Electricity storage	Energy storage

Environmental objective	TX activity category	Business activities of the Apator Group
Objective 3 – sustainable use and protection of water and marine resources	8.2 Data-driven solutions for GHG emissions reductions	Data-driven services (e.g., street lighting management, energy audits, operational measurements)
	4.1 Electricity generation using solar photovoltaic technology	Own PV installation (for self-consumption)
	1.1 Manufacturing, installation, and related services for leak control technologies designed to reduce and prevent leaks in water supply systems	- Smart water meters for drinking water - Remote communication modules
	4.1 Providing data-driven IT/OT solutions to reduce leaks	Software for monitoring and managing data on drinking water consumption and losses in water supply systems

Contribution to the achievement of many objectives – all activities contribute to one of the environmental objectives.

Among the relevant categories of activities that do not meet the technical criteria are measuring devices without communication functions and switchgear without electronic modules or automation functions; therefore, these activities qualify for the Taxonomy but do not comply with it. Activities outside the scope of the Taxonomy included all activities of the Gas unit and the remaining activities of the Electricity and Water and Heat units.

Compliance of the Apator Group's activities with Taxonomy

The Apator Group's activities, which qualify as environmentally sustainable (in accordance with the Taxonomy), accounted for the following in 2025:

- 57.5% of turnover,
- 38.5% of capital expenditures,
- 36.2% of operating expenses.

The following came from activities that were eligible but did not fit into the Taxonomy:

- 10.0% of turnover,
- 17.3% of capital expenditures,
- 3.7% of the Group's operating expenses.

The remaining portion consisted of activities that were not Taxonomy-eligible. In 2024, environmentally sustainable operations accounted for 58.2% of total turnover, 34.8% of capital expenditures, and 24.4% of the Apator Group's operating expenses. The slight change in the turnover growth rate stems from the Group's comparable year-over-year sales structure, while changes in the OpEx and CapEx indicators reflect not only changes in the actual amounts of expenditures and costs but also certain changes in how they are classified (some system maintenance costs are not capitalized but are recognized as expenses for the period).

Fig. 9 Indicators of the Apator Group's compliance with the Taxonomy



Analysis of the fulfillment of minimum social guarantees

Pursuant to Article 18 of Regulation 2020/852: "The minimum safeguards referred to in point (c) of Article 3 shall be procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights."

The assessment of compliance with the Minimum Safeguards was conducted in accordance with the recommendations set forth in the "Final Report on Minimum Safeguards," published in October 2022 by the Platform on Sustainable Finance.

According to the recommendations, failure to meet the Minimum Safeguards constitutes one of four grounds:

Inadequate or nonexistent due diligence mechanisms regarding human rights, anti-corruption, prevention of unfair competition, and tax strategy.

The due diligence processes were verified through a self-assessment based on a questionnaire developed in accordance with the methodology proposed by the Platform on Sustainable Finance (World Benchmark Alliance Core UNGP Indicators), as well as through an additional analysis of corporate documents and processes conducted by the Director of Human Resources of the Apator Group and the Director of the Legal and Corporate Governance Office of the Apator Group. The analysis determined that the Apator Group had appropriate due diligence processes in place in 2025.

The Apator Group has implemented mechanisms to prevent human rights violations and anti-corruption procedures. The details of the procedure are set forth in the Apator Group Code of Ethics, the Human Rights Policy and the Anti-Corruption Policy, as well as in other internal procedures (including guidelines on the compliance process, the procedure for internal reporting and follow-up actions, and procedures governing cooperation with suppliers), which apply to all employees of the Apator Group and its governing bodies, and also define the terms of cooperation with the Group's business partners.

The Apator Group views tax compliance and tax management as an essential element of corporate governance and has implemented appropriate strategies and processes for managing tax-related risks. None of the Group's companies were found guilty of violating tax law.

The President of the Office of Competition and Consumer Protection has initiated anti-trust proceedings against Apator Metrix SA, a company belonging to the Apator Group and headquartered in Tczew; Apator SA disclosed this information in Current Report No. 48/2025. The proceedings concern public tenders held between 2014 and 2021 and are therefore of a historical nature. In order to take advantage of the legal remedies provided for under antitrust law, the Management Board of Apator Metrix SA, with the approval of the Supervisory Board of Apator Metrix SA, has implemented the following measures to limit the occurrence of unlawful conduct in the future:

- a strict prohibition on any formal or informal contact with competitors,
- organizational changes within the company involving the termination of employment with individuals whose actions were the subject of the proceedings,
- new rules for submitting bids, requiring a detailed analysis and justification prior to submitting a bid, which must also be submitted to the Supervisory Board of Apator Metrix SA,
- in consultation with Apator SA, a more formalized compliance reporting system, a system for additional reports (separate from whistleblower reports), and guidelines on external audits were implemented to mitigate risks within the Apator Group,

- to mitigate risks within the Apator Group, training sessions on competition and consumer protection are conducted – in 2025, three training sessions were held on competition law, customer relations, and anti-corruption regulations,
- to mitigate risks within the Apator Group, internal audits are conducted on a regular basis – audit reports are submitted to the Audit Committee operating under the Supervisory Board of Apator SA.

The Company is ultimately found liable for, or determined to have violated, labor laws or human rights in certain types of labor law or human rights litigation.

The verification involved reviewing whether any final and legally binding convictions had been issued against Apator Group companies in the areas of human rights, corruption, fair competition, and taxation. As a result of this review, it was determined that there was no information regarding such final and legally binding convictions.

Non-cooperation with the OECD National Contact Point (OECD NCP)

The OECD NCP reporting database was reviewed and no reports were found regarding the Apator Group companies for the period from January 1, 2025, to December 31, 2025. <https://mneguidelines.oecd.org/database/>

The Business and Human Rights Resource Centre (BHRRC) raised allegations against the company, and the company failed to respond to them within three months.

An analysis of the Business and Human Rights Resource Centre (BHRRC) reporting database as of December 31, 2025, revealed that no allegations had been filed against the Apator Group; therefore, there is no basis for the Group's failure to respond within three months to allegations filed during that period.

<https://www.business-humanrights.org/en/companie>



Tab. 27 Percentage share **of turnover, capital expenditures, and operating expenses** attributable to products or services related to business activities that qualify for or comply with the Taxonomy – disclosure pertains to the year 2025 (summary of key performance indicators)

Financial year 2025		Classification by environmental objectives of activities in accordance with the Taxonomy												Financial year 2024	
Key Performance Indicator	Total	Share of Taxonomy-eligible activities	Taxonomy-aligned activities	Share of Taxonomy-aligned activities	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Share of enabling activities	Share of transitional activities	Activities not assessed as they were considered immaterial	Taxonomy-aligned activities in the previous financial year (2024)	Share of Taxonomy-aligned activities in the previous financial year (2024)
	PLN million	%	PLN million	%	%	%	%	%	%	%	%	%	%	PLN million	%
Turnover	1,201.9	67.4%	690.7	57.5%	31.1%	0.0%	26.4%	0.0%	0.0%	0.0%	57.5%	0.0%	0.0%	713.6	58.2%
Capital expenditure	102.8	55.9%	39.6	38.5%	20.9%	0.0%	17.6%	0.0%	0.0%	0.0%	38.5%	0.0%	0.0%	28.9	34.8%
Operating expenses	19.8	39.8%	7.2	36.2%	13.3%	0.0%	22.9%	0.0%	0.0%	0.0%	36.2%	0.0%	0.0%	3.5	24.4%

Tab. 28 Percentage share **of turnover** attributable to products or services related to business activities that qualify for or comply with the Taxonomy – disclosure applies to the year (2025) (breakdown by activity)

Reported Key Performance Indicator – Turnover													
Financial year 2025													
Economic activity	Code	Environmental objectives of Taxonomy-aligned activities											
		Key Performance Indicator for Taxonomy-eligible activities (share of Taxonomy-eligible turnover)	Key Performance Indicator for Taxonomy-aligned activities (turnover value)	Key Performance Indicator for Taxonomy-aligned activities (Taxonomy-aligned turnover share)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Enabling activities	Transition activities	Share of Taxonomy-aligned activities within Taxonomy-eligible activities
		%	PLN million	%	%	%	%	%	%	%	(enabling activities, where appropriate)	(to facilitate the transition, where applicable)	%
3.20. Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electricity transmission and distribution that results in or enables a substantial contribution to climate change mitigation	CCM 3.20	11.6%	55.0	4.6%	4.6%						4.6%		39.4%
3.5 Manufacture of equipment for improving the energy efficiency of buildings	CCM 3.5	3.7%	17.7	1.5%	1.5%						1.5%		39.3%
4.1. Electricity production using photovoltaic technology	CCM 4.1	0.0%	0.0	0.0%	0.0%							0.0%	100.0%
4.9. Transmission and distribution of electricity	CCM 4.9	24.9%	291.0	24.2%	24.2%						24.2%		97.3%
4.10 Electricity storage	CCM 4.10	0.2%	2.7	0.2%	0.2%						0.2%		100.0%
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	0.6%	7.0	0.6%	0.6%						0.6%		100.0%
1.1. Manufacturing, installation, and related services for leak control technologies designed to reduce and prevent leaks in water supply systems	WTR 1.1	26.4%	317.0	26.4%			26.4%				26.4%		100.0%
4.1. Providing data-driven IT/OT solutions to reduce leaks	WTR 4.1	0.0%	0.2	0.0%			0.0%				0.0%		100.0%
Total Taxonomy-aligned activities by environmental objective					31.1%	0.0%	26.4%	0.0%	0.0%	0.0%			
Total KPI (turnover)		67.4%	690.7	57.5%	31.1%	0.0%	26.4%	0.0%	0.0%	0.0%	57.5%	0.0%	85.2%

Tab. 29 Percentage share **of capital expenditures** attributable to products or services related to business activities that qualify for or comply with the Taxonomy – disclosure pertains to the year (2025) (breakdown by activity)

Reported Key Performance Indicator – Capital Expenditures													
Financial year 2025													
Economic activity	Code	Environmental objectives of Taxonomy-aligned activities											
		Key Performance Indicator for Taxonomy-eligible activities (share of Taxonomy-eligible turnover)	Key Performance Indicator for Taxonomy-aligned activities (turnover value)	Key Performance Indicator for Taxonomy-aligned activities (Taxonomy-aligned turnover share)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Enabling activities	Transition activities	Share of Taxonomy-aligned activities within Taxonomy-eligible activities
		%	PLN million	%	%	%	%	%	%	%	(enabling activities, where appropriate)	(to facilitate the transition, where applicable)	%
3.20. Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electricity transmission and distribution that results in or enables a substantial contribution to climate change mitigation	CCM 3.20	18.0%	1.5	1.5%	1.5%						1.5%		8.3%
3.5 Manufacture of equipment for improving the energy efficiency of buildings	CCM 3.5	4.6%	4.3	4.2%	4.2%						4.2%		91.1%
4.1. Electricity production using photovoltaic technology	CCM 4.1	0.0%	0.0	0.0%	0.0%							0.0%	100.0%
4.9. Transmission and distribution of electricity	CCM 4.9	14.7%	14.8	14.3%	14.3%						14.3%		97.3%
4.10 Electricity storage	CCM 4.10	0.2%	0.2	0.2%	0.2%						0.2%		100.0%
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	0.6%	0.7	0.6%	0.6%						0.6%		100.0%
1.1. Manufacturing, installation, and related services for leak control technologies designed to reduce and prevent leaks in water supply systems	WTR 1.1	15.7%	16.2	15.7%			15.7%				15.7%		100.0%
4.1. Providing data-driven IT/OT solutions to reduce leaks	WTR 4.1	1.9%	2.0	1.9%			1.9%				1.9%		100.0%
Total Taxonomy-aligned activities by environmental objective					20.9%	0.0%	17.6%	0.0%	0.0%	0.0%			
Total KPI (capital expenditures)		55.9%	39.6	38.5%	20.9%	0.0%	17.6%	0.0%	0.0%	0.0%	38.5%	0.0%	69.0%

Tab. 30 Percentage share **of operating expenses** attributable to products or services related to business activities that qualify for or comply with the Taxonomy – disclosure pertains to the year (2025) (breakdown by activity)

Reported Key Performance Indicator – Operating Expenses													
Financial year 2025		Classification by environmental objectives of activities in accordance with the Taxonomy											
Economic activity	Code	Key Performance Indicator for Taxonomy-eligible activities (share of Taxonomy-eligible turnover)	Key Performance Indicator for Taxonomy-aligned activities (turnover value)	Key Performance Indicator for Taxonomy-aligned activities (Taxonomy-aligned turnover share)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Enabling activities	Transition activities	Share of Taxonomy-aligned activities within Taxonomy-eligible activities
		%	PLN million	%	%	%	%	%	%	%	(enabling activities, where appropriate)	(to facilitate the transition, where applicable)	%
3.20. Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electricity transmission and distribution that results in or enables a substantial contribution to climate change mitigation	CCM 3.20	4.9%	0.3	1.7%	1.7%						1.7%		34.4%
3.5 Manufacture of equipment for improving the energy efficiency of buildings	CCM 3.5	0.5%	0.1	0.3%	0.3%						0.3%		74.5%
4.1. Electricity production using photovoltaic technology	CCM 4.1	0.0%	0.0	0.0%	0.0%							0.0%	100.0%
4.9. Transmission and distribution of electricity	CCM 4.9	11.5%	2.2	11.2%	11.2%						11.2%		97.3%
4.10 Electricity storage	CCM 4.10	0.1%	0.0	0.1%	0.1%						0.1%		100.0%
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	0.0%	0.0	0.0%	0.0%						0.0%		100.0%
1.1. Manufacturing, installation, and related services for leak control technologies designed to reduce and prevent leaks in water supply systems	WTR 1.1	4.8%	1.0	4.8%			4.8%				4.8%		100.0%
4.1. Providing data-driven IT/OT solutions to reduce data breaches	WTR 4.1	18.0%	3.6	18.0%			18.0%				18.0%		100.0%
Total Taxonomy-aligned activities by environmental objective					13.3%	0.0%	22.9%	0.0%	0.0%	0.0%			
Total KPI (capital expenditures)		39.8%	7.2	36.2%	13.3%	0.0%	22.9%	0.0%	0.0%	0.0%	36.2%	0.0%	90.8%

04



**SOCIAL
MATTERS**

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4.1 ESRS S1 Own workforce

4.1.1 SBM-2 – Interests and views of stakeholders

The Apator Group companies operate in the technology and industrial sectors, where:

employees' specialized knowledge is essential for the effective achievement of business and operational goals.

The Apator Group's business model is based on competing through product innovation; therefore, the Group attracts qualified employees and retains key personnel by providing stable employment conditions, implementing an employee development policy, and offering flexible work hours that enable employees to effectively balance work and personal life.

The vast majority of Apator Group employees are **employed under an employment contract**, which is the primary and preferred form of employment within the Group. A small percentage of the workforce consists of individuals employed under civil law contracts, who accounted for 3.9% of the total workforce as of the reporting date.

Some of the Group's manufacturing companies also employ temporary workers engaged through temporary employment agencies. Their role is supplementary and serves to flexibly adjust staffing levels to fluctuating volumes of customer orders; at selected companies, such as Apator SA and Apator Powogaz, the proportion of temporary workers is 3.6% and 6.2%, respectively, while at Apator Telemetria, this proportion reaches 23.6% of the workforce.

The Apator Group consistently implements **a policy of ensuring job security and stability**, recognizing the employment contract as the fundamental form of cooperation. The exception is when a candidate expresses a preference for self-employment, in which case a service contract is entered into. Detailed data on the employment structure are presented in Section S1-6.

The Apator Group **is improving its standards for employment, professional development, and providing attractive working conditions** in order to retain qualified employees, especially in light of the ongoing automation of processes that require skilled specialists to operate them. In order to attract and retain key talent, the Group provides non-production employees with flexible work hours that allow them to balance work and personal life, and ensures effective dialog between the employer and employees on issues important to the company.

Employee representatives have a real influence on shaping remuneration policies and employee rights, including those related to limiting the number of overtime hours, through negotiations on the provisions of existing collective labor agreements, which has a positive impact on job satisfaction. The Apator Group systematically implements and improves the highest occupational safety and health standards and takes preventive measures to



minimize workplace accidents and eliminate the causes of occupational diseases among its employees. The companies have implemented **Personal Data Protection Policies** to ensure that employees' personal data is processed in accordance with the law, **Information Security Management System**, and ICT security guidelines, which specify the rules and procedures for the protection of employee data and define employees' responsibilities for information and system security (for more information, see Section G1-1, specifically the chapter on Security and Data Protection).

The Group recognizes the need to improve HR processes and tools, including the implementation of a competency assessment model, an employee development plan, and a succession plan for key employees, in order to mitigate risks associated with the loss of employees with critical skills and competencies.

The Apator Group has not identified any risk of child labor or forced labor in its operations. In production processes, there may be situations that require work on days off. These decisions are made in accordance with applicable regulations and while ensuring that employees receive the compensation they are entitled to.

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

Key issues identified by the Group and its stakeholders in this area include:

- **Positive impacts:** stable forms of employment, social dialog, and flexible working time arrangements support job security, employee engagement, and work-life balance.
- **Negative impacts:** the risk of accidents and occupational safety and health incidents, as well as the existence of a pay gap in certain positions, may negatively affect employee satisfaction and well-being.
- **Risks:** inadequate remuneration and the absence of succession planning increase the risk of losing critical skills and competencies and may lead to higher operating costs.
- **Opportunities:** competency development and the implementation of structured models for assessment and development planning contribute to the retention of key employees and the long-term effectiveness of the organization.

In the case of the Apator Group, the negative impacts are incidental rather than systemic. Employees engaged in manufacturing, servicing and technical operations, including activities involving machinery, electrical installations and internal transport, are exposed to an elevated risk of occupational accidents and safety and health incidents. A potential pay gap may affect certain positions or occupational groups – the Group has launched a project to standardize its remuneration policy.

4.1.3 ESRS S1-1 – Policies related to own workforce

The Apator Group has implemented a number of **policies governing key principles regarding employment, ethics, and working conditions for its own workforce**. These policies set forth standards of conduct, the company's obligations, and mechanisms to ensure the protection of employee rights and equal treatment. These include, among others, the Code of Ethics, the Human Rights Policy, the Anti-Corruption Policy, and the Anti-Bullying Policy, which are described in greater detail in Section G1-1. Adherence to the principles and values set forth in the Code of Ethics and the Human Rights Policy helps maintain high standards of work, fosters a safe and inclusive work environment, and strengthens the Group's ability to attract and retain highly qualified employees.

As part of its policies regarding its workforce, the Apator Group **promotes equal treatment, diversity, and social inclusion**, including for individuals belonging to particularly vulnerable groups. These obligations include combating discrimination, workplace bullying, and harassment; ensuring equal opportunities in employment, career development, and remuneration; and creating a safe and inclusive work environment. The implementation of these principles is supported by the provisions of the Code of Ethics, the Human Rights Policy, the Anti-Bullying Policy, and the Human Resources Policy, as well as internal regula-

tions governing work organization, including the option to use flexible work schedules for selected groups of employees.

Work Regulations in effect at individual Apator Group companies describe the rights and obligations of employees and employer, as well as the principles of equal treatment in employment, and regulate issues related to working hours, accident prevention and the provision of personal protective equipment, the protection of women and minors, and disclosure obligations related to employees' right to privacy. In the event of a violation of employee rights, the regulations provide, in accordance with the Labor Code, for the use of appeal procedures. Provisions in the work regulations regarding flexible work hours for non-production employees support work-life balance and facilitate employment opportunities for individuals whose personal circumstances limit their ability to work fixed schedules. The management boards of the individual companies are responsible for implementing and overseeing the work regulations.

In the event of a violation of applicable policies, regulations, or labor laws, the Apator Group provides for **the implementation of appropriate corrective measures**, in accordance with applicable internal regulations and the provisions of the Labor Code. Such measures may include, in particular, fact-finding actions, formal warnings, reprimands or other corrective measures, and, where justified, other disciplinary actions provided for under applicable law.

At the same time, in situations involving potential violations of human rights or principles of equal treatment, measures are taken to remedy the effects of such violations and prevent their recurrence, including organizational measures, training, and adjustments to internal processes.

Remuneration principles for employees and the components of the incentive system are described in the Remuneration Regulations of each company, while for Apator SA, FAP PAFAL, and Apator Powogaz, these matters are addressed in the Company Collective Labor Agreement. It sets forth the rules governing cooperation between employers and labor unions, which translates into a tangible, positive influence by employee representatives on the formulation of employee remuneration policies.



The above documents are in effect at all locations of the Apator Group. The specific provisions set forth in remuneration regulations or company collective labor agreements may vary in terms of how they are implemented, due to the varying scale of operations and different organizational models of individual entities within the Group.

To ensure consistent procedures in this area, the **Apator Group Human Resources Policy** has been implemented. It covers key areas related to human resources management, including:

- rules and processes for implementing and respecting human rights and labor rights within the organization (including: prevention of child labor and forced labor; prohibition of all forms of direct and indirect discrimination; anti-bullying policies; principles of dialog; freedom of association; and the right to collective bargaining),
- strategy for hiring, compensating, developing, and retaining key personnel,
- promoting diversity, inclusivity, and equal opportunity in the workplace; creating an environment where every employee feels respected and accepted regardless of gender, age, background, sexual orientation, or religion,
- ensuring safe working conditions by creating ergonomic workstations, eliminating occupational hazards, and providing occupational safety and health training,
- dialog with employees and labor unions, as well as open and transparent internal communication.



implementing a competency assessment model and – based on that – development plans. It describes the employer's cooperation with labor unions, consultations between the employer and employees on matters of importance to the company, and the actual influence of employee representatives on the formulation of remuneration policies and employee rights.

The Human Resources Policy mitigates the risks associated with the challenges of retaining employees with high technical competence and experience due to wage pressure, while also defining measures aimed at reducing the pay gap. It provides opportunities to retain and attract highly qualified employees by ensuring decent and safe working conditions, high standards, and stable employment conditions, as well as by

In order to ensure pay equity and eliminate pay gap, a project was launched in 2025 for the Apator Group to implement **a standardized remuneration policy** in accordance with the EU Equal Pay Directive. The project includes: creating job descriptions, evaluating job positions, developing a pay scale and salary ranges, and establishing a pay raise policy. The project is scheduled to be completed in June 2026.

Policies regarding the Apator Group's employees are in place in the **areas of information security and personal data protection**, which form part of the Integrated Management System. The policies and procedures in place mitigate the risks associated with unauthorized access, loss, or leakage of employees' personal data (for more information, see Section G).

The individual Apator Group companies are implementing **Work Safety Procedures** and have in place **Occupational Health and Safety Management System compliant with ISO 45001**, the purpose of which is to define processes and principles:

- ensuring working conditions at all workplaces are compliant with applicable legal requirements,
- minimizing the impact of harmful factors in the workplace,
- organizing workstations with regard to workplace ergonomics in accordance with legal requirements,
- conducting periodic training on occupational safety and health and fire safety.

These procedures minimize risk and thus protect against the negative impact of potential individual workplace accidents.

The above documents are made available to employees in hard copy and on the internal portal. The companies Apator, Apator Metrix, Apator Powogaz, FAP PAFAL, and Apator Telemetria have implemented an Occupational Health and Safety Management System compliant with the ISO 45001 standard. The remaining companies, despite lacking formal certification, operate based on equivalent standards and procedures regarding occupational safety and health, ensuring a level of OHS management on par with certified entities and consistently striving to maintain the highest safety standards.

Companies monitor compliance with the aforementioned policies and procedures by implementing a whistleblowing system and conducting periodic employee satisfaction and engagement surveys.

The Apator Group has not yet implemented any policy to mitigate the risk associated with the lack of succession plans for key employees. Developing a succession and talent management policy has been set as a goal to be achieved.

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

The Apator Group has adopted **procedures for cooperation with employees and their representatives** on matters related to the impacts, risks, and opportunities concerning employment. This process is based on social dialog at the company level, regular consultations and meetings, and mechanisms for gathering employee opinions and feedback.

Apator Group employees are represented by:

- Labor unions operating within the Group's companies,
- Employee representatives elected at certain companies, such as Apator Rector and Apator Telemetria,
- The Social Labor Inspection (SIP) [*Spółeczna Inspekcja Pracy*], which operates in accordance with applicable laws and supports the oversight of working conditions and compliance with occupational safety and health regulations and standards.

Management boards meet regularly with employee representatives to discuss key issues such as:

- work organization,
- terms of employment and remuneration,
- company's financial situation,
- changes to regulations and internal policies.

During these meetings, solutions to problems and corrective action plans are developed.

Once a year, discussions are held regarding the pay raise policy for the coming year. Both parties – employee representatives and Management board – are presenting proposals for amendments to the Work Regulations and the Company Collective Labor Agreement (ZUZP). The negotiated solutions are formalized in a protocol, which is then made available to employees via the HR platform and in the form of updated regulatory documents.

Some proposed changes are discussed directly with employees through anonymous surveys. This applies, among other things, to:

- the sale of assets (e.g., vacation resorts),
- organizing corporate and team-building events (e.g., employee picnics).

All information regarding the implementation of new projects, personnel changes, or the company's strategy is communicated

to employees on an ongoing basis through the communication channels in place at the respective company or via company newsletters.

As part of a **transparent information policy**, the following events are organized:

- twice a year – meetings of the Management Board with all employees,
- once a quarter – meetings of the Management Board with the company officers,
- once a week – meetings of the Management Board with directors of divisions.

Supervisors and team leaders are required to communicate information obtained during meetings with management to employees. In cases where supervisors need support with communication, the HR department plays a supporting role. This applies, among other things, to: changes to the remuneration system, changes to work schedules, and communication with people with special needs (e.g., those with speech impairments).

The employer identifies potential problems and conflict situations based on information provided by labor unions, employee representatives, and HR staff. Each issue raised is discussed by the companies' management boards with trade union representatives, and the solutions proposed by the parties are the subject of a dialog aimed at reaching agreements. During the reporting period, the Apator Group companies did not engage in or were not involved in any collective labor disputes.

The Apator Group assesses the effectiveness of employee engagement and dialog with employee representatives on an ongoing basis and from a qualitative perspective, based on the course of consultations and feedback received from labor unions, employee representatives, and the post-inspection reports of the Social Labor Inspection. In particular, the analysis examines whether the issues raised are reflected in the decisions made by the companies' management boards, updates to internal regulations, and organizational measures. The findings from the social dialog are used to improve the principles of cooperation with employees and to plan further actions in the area of human resources management.

The Apator Group does not conduct separate, dedicated initiatives or formal consultations aimed exclusively at gathering the opinions of individuals belonging to groups that are particularly vulnerable or potentially marginalized, such as women, migrants, or people with disabilities. At the same time, through existing mechanisms for social dialog, open internal communication, and ongoing contact with supervisors, HR departments, employee representatives, and labor unions, all employees – regardless of their personal circumstances – have the opportunity to voice their opinions, needs, and potential concerns. The issues raised are analyzed and taken into account in organizational measures and updates to internal regulations, to the extent appropriate to the needs identified.

The Apator Group has not entered into any global agreements with employee representatives regarding respect for human rights.



4.1.5 S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

The Apator Group has implemented **mechanisms for reporting concerns, needs, and complaints**, providing employees with a variety of communication channels and procedures to protect whistleblowers.

Employees may report their concerns, needs, and complaints to:

- immediate supervisor or a higher-level supervisor, including the president,
- HR Department
- trade union representatives.

In addition, formal channels for reporting violations are available:

- reports under the Whistleblower Protection Act – the form and detailed procedure are available on the website www.apator.com and on the internal portal,
- e-mail reports – reports can be sent to compliance@apator.com.
- paper reports – in accordance with the Anti-Bullying Policy, requests are submitted to the HR Department.

The procedures for processing reports include handling:

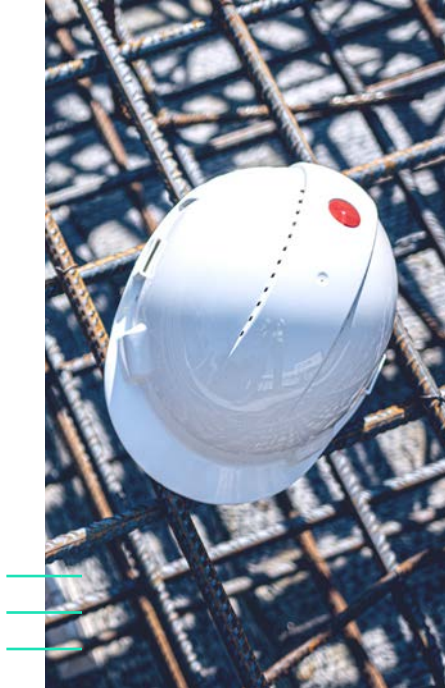
- complaints filed by name, which are officially recorded and processed in accordance with the procedures in effect at the Apator Group,
- anonymous reports that are not formally covered by the standard procedure; nevertheless, the employer takes steps to verify the validity of the report and, if necessary, implement appropriate corrective measures.

The Apator Group companies have implemented policies to protect whistleblowers and others who report violations – including employee representatives – from retaliation. The procedure for handling reports of violations submitted through formal channels is described in Section G1-1.

In the event of a reported violation of the Anti-Bullying and Anti-Discrimination Policy, the employer establishes a committee composed of representatives of trade unions / employees, an HR representative and a member of the compliance team. The committee is required to hear witnesses, issue an opinion and recommendations, and present them to the employer, as well as inform the parties concerned of the outcome of the proceedings and any further actions.

Employees are made aware of the existence of channels for reporting violations during onboarding and periodic compliance training sessions. The company does not monitor employee awareness regarding the existence of these channels.

In the area of **occupational safety and health** the Apator Group, operating in accordance



with the principles of the ISO 45001 standard, systematically monitors and evaluates the effectiveness of the procedures implemented to prevent accidents and near-misses. The analysis includes, among other things, an assessment of the recurrence of incidents, the identification of root causes, and the implementation of corrective and preventive actions.

The Group conducts regular training sessions and information campaigns aimed at raising employee awareness of the causes of accidents, hazard identification, and responsibility for their own safety and that of their coworkers. The initiatives undertaken support the development of a safety culture based on prevention, open communication, and continuous improvement of the occupational safety and health management system.

As part of the liquidation proceedings of FAP PAFAL, the company terminated the employment relationships with its employees by giving notice of termination of their employment contracts in connection with the liquidation of the facility. The decision to reduce the workforce was preceded by an analysis of the potential impact on employees and consultations with employee representatives. As part of the dialog with employee representatives, discussions focused on both the scope of the planned measures and possible measures to mitigate their impact, including the amount of benefits for employees leaving the organization.

The notice period was reduced from three months to two months, and employees received compensation for the shortened notice period equal to one month's remuneration.

Although the provisions of the Act on Special Rules for Terminating Employment Relationships with Employees for Reasons Not Attributable to the Employees (the so-called "Collective Redundancies Act") did not apply, since the company employed fewer than 20 people on the date the notices of termination were served, the employer, in consultation with the employee representatives, paid each employee additional compensation pay in the amount of four months' remuneration. In addition, employees were offered support in preparing to re-enter the job market and in finding employment through a specialized employment agency.

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

The Apator Group companies are aware of their impact on employees and the associated risks and opportunities arising, among other things, from demographic trends, wage pressures, talent shortages, and the risk of losing key personnel. In response to these significant impacts, risks, and opportunities related to its workforce, the Group has taken a number of measures aimed at:

- minimizing risks, including breaches of employee privacy and security,
- reducing the risk of losing key employees due to inadequate remuneration and a lack of succession plans,
- taking advantage of the opportunities offered by flexible working arrangement and the development of employee skills.

In order to **close the gender pay gap** between women and men and ensure equal pay for equal work, work began in 2025 on implementing **a common remuneration policy for the Apator Group**, which includes:

- standardizing terminology and developing job descriptions,
- conducting a job evaluation that will cover 100% of the positions,
- developing a pay scale with clearly defined pay ranges,
- reviewing and revising the bonus policy to increase the transparency of the performance-based remuneration rules,
- developing competency and skill matrices to better align remuneration with qualifications,
- developing an employee evaluation system that includes an assessment of competency levels and task performance,
- implementation of a pay raise system based on employee evaluations and pay ranges (the so-called "pay raise matrix"), which will enable fairer and more predictable mechanisms for remuneration increases.

Minimizing privacy risks

As part of the ISO 27001 system, the following measures were implemented in 2025: a classification system for HR documents, the establishment of guidelines for the retention of employee data in accordance with legal requirements, and social engineering tests to raise awareness of cybersecurity threats.

Remuneration, benefits, and employee integration initiatives

The Group's largest companies have implemented measures to address the risks associated with inadequate remuneration and to retain valuable employees:

- Apator SA: basic-pay raises, increased contributions to the Company Social Benefits Fund (ZFŚS) and the Integration Fund, modernization of the cafeteria, and expansion of private health care;

- Apator Powogaz: pay raises, a procedure for verifying sick leave, updates to the Company Social Benefits Fund Regulations, and the KPI reward system;
- Apator Metrix: pay raises, team-building and Christmas Eve events, and a supplementary holiday bonus;
- Apator Powogaz Czechia: pay raises, a Christmas Eve party, and a staff picnic;
- Apator Telemetria: pay raises, preventive health initiatives, creative workshops for employees' children, cafeteria renovations, and an expanded health insurance package;
- Apator Rector: pay raises in accordance with the pay scale, updates to the Work Regulations and the Company Social Benefits Fund Regulations, new regulations on social benefits, supplemental health insurance, guidelines for mobile employees and business travel, and updates to the employee remuneration and incentive system.

Competence development and retention of key employees

In 2025, the Group continued its efforts to support the development of employee competencies, including an employee evaluation system, training, and opportunities to participate in development projects. In 2026, the company plans to implement a succession plan for key employees, which will include training and the development of the skills necessary to perform their duties and retain valuable staff. In addition, the development of employees' competencies is continued by building a system of employee evaluation, including a review of the level of competence and the implementation of tasks.

Flexible working arrangements and employee engagement

To reinforce the positive impacts of flexible working arrangements, the Group maintained flexible work hours and remote work arrangements for non-manual employees. Companies systematically monitor HR metrics such as turnover, absenteeism, and employee satisfaction, and the results of surveys and ongoing feedback are used to plan further actions and improve policies for working with employees.



Measures to improve safety and working conditions in the context of material impacts, risks, and opportunities

In response to the identified **negative impacts** (risk of accidents and occupational safety and health incidents) and **opportunities** (improving workplace safety and quality), Apator Group companies implemented measures in 2025 aimed at improving working conditions, reducing occupational risks, and raising employee awareness of health and safety issues. The scope and nature of the initiatives were tailored to each company's business profile, the specific characteristics of its production processes, and the identified operational risks.



Measures to minimize risks related to accidents and occupational hazards included:

- implementing preventive measures and technical and organizational safeguards aimed at eliminating or mitigating identified risks,
- the organization of regular occupational safety and health training in accordance with ISO 45001, tailored to the specific nature of each position,
- fostering a culture of safety through information campaigns, workshops, and initiatives that promote employee responsibility and awareness,
- ensuring quick access to first aid (including first-aid rooms, AEDs),
- the use of collective protection measures, such as protective barriers, ventilation systems, and other technical safeguards.

Improving risk assessment and accident reporting systems

- updating occupational risk assessments and job-specific instructions, including standardizing the methodology by adopting the Risk Score method,
- standardization of reporting requirements for accidents, near misses, and other incidents,
- implementing uniform rules for reporting, recording, and analyzing incidents across the entire Group, which enables more effective identification of root causes and planning of corrective actions.

Advances in ergonomics and infrastructure

- purchasing height-adjustable desks and customizing workstations to meet employees' individual needs,
- implementing technical solutions that enhance infrastructure security (e.g., installing panoramic mirrors in warehouses),
- updating evacuation plans for office buildings.

Specialized training programs to improve skills and workplace safety

- improving forklift driving techniques,
- training on machine safety in accordance with the new Machinery Directive,
- regular first-aid and evacuation training and drills.

These measures are part of a systematic effort to improve the occupational safety and health management system and foster a safety culture based on prevention, transparent reporting, and employee engagement. **The assessment of the effectiveness of measures** is based on monitoring the accident and occupational safety and health incident rates described in Section S1-14, which allows for the ongoing adaptation of measures to identified risks and employee needs. The measures taken were based on training sessions conducted by the Occupational Safety and Health Service, the managers of individual units, and certified external entities, in accordance with the annual HR budgets.

Activities related to the management of impacts, risks, and opportunities in Area S1 do not involve separate, significant financial expenditures and are carried out within the framework of annual budgets by the relevant organizational units, in particular HR.

4.1.7 S1-5 Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

Within Area S1, the Apator Group has established measurable goals regarding the Gender Pay Gap, voluntary turnover, and the number of serious and fatal accidents, covering both the medium- and long-term perspectives. These targets are consistent with the ESRS MDR-T requirements, as they take into account key impacts on employees, are measurable, and are linked to specific time frames, which allows for monitoring progress in social risk management.



COMMITMENT:

Responsible employer

TARGETS:

- Gender Pay Gap [%] – the pay gap in individual pay grades, as defined by the Directive, i.e., <5% by 2028 and 2035.
- Employee turnover – this is a medium-term target (voluntary turnover of no more than 8% by 2028; in 2025, the rate was 8.76%).
- Number of fatal and serious accidents – in the medium-term (2028) and long-term (2035), the target is to completely eliminate fatal and serious accidents.

In addition, starting in 2026, the company plans to implement periodic employee satisfaction surveys, job evaluations, and a pay scale. In 2027, the plan calls for calculating the adjusted pay gap and developing a succession plan.

The commitments and targets adopted as part of the ESG Strategy 2025–28 are described in Section SBM-1 under General Disclosures.

4.1.8 S1-6 – Characteristics of undertaking's employees

Tab. 31 Number of Apator Group employees by gender

Employment at the Apator Group by gender	2024	2025	Change y/y [%]
Total number of employees as of the end of the year [headcount]			
1. Women [headcount]	1,048	1,073	2.4%
2. Men [headcount]	1,252	1,277	2.0%
TOTAL [1+2]	2,300	2,350	2.2%

Information on employment is also included in Section 7.34 of the Apator Group's consolidated financial statements for 2025.

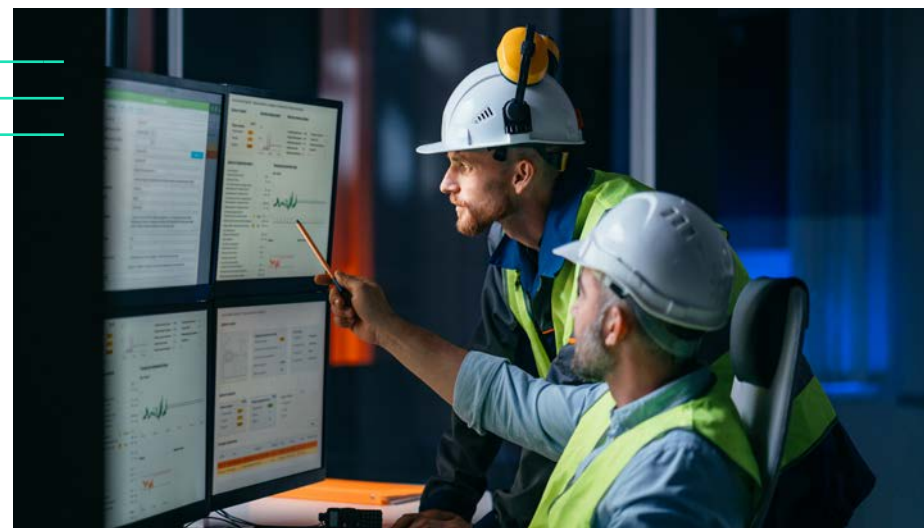
The Apator Group employs staff in Poland, the Czech Republic, Denmark, Germany, and Italy. In 2025, employment in any country other than Poland did not account for at least 10% of the Group's total workforce. The largest foreign company is the Czech company Metra, which employed 138 people as at the end of 2025, accounting for just under 6% of the total number of employees in the Apator Group.

Tab. 32 Number of Apator Group employees by type of contract, broken down by gender

Employment at the Apator Group by gender	2024	2025	Change y/y [%]
1. indefinite-term contracts [headcount], including:	1,958	1,936	-1.1%
Women [headcount]	874	874	0.0%
Men [headcount]	1,084	1,062	-2.0%
2. fixed-term contracts [headcount], including:	326	354	8.6%
Women [headcount]	170	171	0.6%
Men [headcount]	156	183	17.3%
3. probationary contracts [headcount], including:	15	60	300.0%
Women [headcount]	4	28	600.0%
Men [headcount]	11	32	190.9%
4. workers who are not guaranteed fixed working hours*	1	0	-100.0%
Women [headcount]	0	0	-
Men [headcount]	1	0	-100.0%
Total [1+2+3+4]	2,300	2,350	2.2%

* Employees who are not guaranteed working hours are employed by the entity without a guarantee of a minimum or fixed number of working hours. An employee may be required to work as needed, but the entity is not contractually obligated to offer the employee a minimum or fixed number of working hours per day, week, or month. This category includes casual workers, workers employed under zero-hour contracts, and on-call workers.

The definitions of full-time and part-time employees do not differ across countries of employment. For the other employee groups, the table below compares the definitions used.



Tab. 33: Definitions of employment

Employment category	Poland	Czech Republic	Germany	Denmark
Temporary workers	Temporary workers are employed by a temporary employment agency, which directs them to perform work at the user employer. Temporary work is seasonal, periodic, ad hoc, or involves replacing absent workers. Temporary employment is governed by the Act on the Employment of Temporary Workers.	Temporary workers are employed by a temporary employment agency, which directs them to perform work at the user employer. Temporary work in Czech Republic is seasonal, periodic, ad hoc, or involves replacing absent workers. The maximum period of employment for a temporary worker with a single user employer is 18 months within a 36-month period.	Temporary workers are employed by a temporary employment agency, which directs them to perform work at the user employer. Temporary work in Germany is seasonal, periodic, ad hoc, or involves replacing absent workers. The maximum period of employment for a temporary worker with a single user employer is 18 months.	A temporary worker is a person employed by a temporary employment agency and assigned to work at a user company for a specified period of time. Temporary workers must be employed under the same conditions as the permanent workers of the company where they are performing temporary work. This means that they are entitled to the same working conditions, pay, breaks, rest periods, and other benefits. ▪ Temporary work can be seasonal, periodic, or ad hoc. ▪ Temporary work may be performed when it would not be possible for workers hired by the user employer to complete the work on time. ▪ Temporary work may be performed when the work in question is part of the duties of an absent worker hired by the user employer.
Full-time employees	Full-time employees work in accordance with standard working time arrangements, which provide for 8 hours of work per day and an average of 40 hours per week over the adopted reference period.	Full-time employees in the Czech Republic work in accordance with standard working time arrangements, which provide for 8 hours of work per day and an average of 40 hours per week over the adopted reference period.	Full-time employees in Germany work in accordance with working time standards, which average 39 hours per week.	Full-time employment consists of 37–37.5 hours per week, Monday through Friday.

Tab. 34 Number of Apator Group employees by working hours

Employment at the Apator Group by working time arrangement	2024	2025	Change y/y [%]
Total number of employees as of the end of the year [headcount]			
1. full-time positions [headcount], including:	2,270	2,318	2.1%
Women [headcount]	1,032	1,058	2.5%
Men [headcount]	1,238	1,260	1.8%
2. part-time positions [headcount], including:	30	32	5.0%
Women [headcount]	16	15	-9.4%
Men [headcount]	14	17	21.4%
TOTAL [1+2]	2,300	2,350	2.2%

Tab. 35 Changes in employment, turnover rate at the Apator Group

Changes in employment	2024	2025	Change y/y [%]
Number of departures from work [headcount]	360	323	-10.3%
Employment turnover*	17.43	15.47	-11.3%

* Turnover indicator calculated according to the following formula: (Number of employees who left the company during the year [headcount] / Average number of employees during the year [headcount]) × 100.

4.1.9 S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

The primary form of employment at the Apator Group is an employment contract. Self-employed individuals (B2B contracts) account for a very small percentage of the total workforce. As of the end of 2025, the number of self-employed individuals in the Apator Group was 92 (11 women and 81 men), an increase of 15 people compared to the end of 2024 (77 people, including 9 women and 68 men).

4.1.10 S1-8 – Collective bargaining coverage and social dialog

The collective labor agreements in the Apator Group apply to the EU and are in effect at four companies in Poland: Apator SA, FAP PAFAL, Apator Metra, and Apator Powogaz. No European Works Council has been established within the Apator Group.

Because none of the foreign companies that are part of the Apator Group meets all of the following conditions:

- employment accounting for more than 10% of total employment at the Apator Group,
- companies with more than 50 employees; therefore, the data is presented without distinguishing between foreign and Polish companies.

Tab. 36 Scope of collective bargaining coverage and level of union membership

	Percentage of employees covered by a collective labor agreement*	Percentage of employees who are members of labor unions**
[%]	COMPANIES WITHIN THE EEA	COMPANIES OUTSIDE THE EEA
0–19%	Apator Rector, Apator Metrix, Apator Telemetria, Apator Miitors	Apator Rector, Apator Miitors, Apator Telemetria, Apator Metrix
20–39%		Apator SA, FAP Pafal
40–59%		Apator Powogaz, Apator Powogaz Czechia
60–79%		
80–100%	Apator SA, FAP Pafal, Apator Powogaz, Apator Powogaz Czechia	

*Indicator calculated according to the following formula: (Number of employees covered by collective labor agreements as of December 31, 2025 / number of employees as of December 31, 2025) * 100.

** Indicator calculated according to the following formula: (Number of employees who are union members as of December 31, 2025 / number of employees as of December 31, 2025) * 100.

The Apator Group does not have a European Works Council, a works council for a European public limited company, or a works council for a European cooperative society. Consequently, the Company has not entered into any agreements with its employees regarding representation by such bodies.

4.1.11 S1-10 – Adequate wages

Companies will comply with applicable regulations regarding the minimum wage. Only employees who are in the training period to learn how to work independently in production positions receive the minimum wage.

Tab. 37 Adequate wages at the Apator Group

Adequate wages	2024	2025
Percentage of employees receiving wages below the established level of adequate compensation	0%	0%

4.1.12 S1-11 – Social protection

In 2025, all employees of the Apator Group (those employed under an employment contract) were covered by social protection under public social security systems, which included, in particular, benefits in the event of illness, unemployment, workplace accidents, and parental leave.

4.1.13 S1-13 – Training and skills development metrics

Tab. 38 Training and skills development metrics

Reviews of performance and career development	2024	2025	Change y/y [p.p.]
Percentage of own employees who participated in regular reviews of performance and career development*			
Women [headcount]	17.1%	18.3%	1.2 p.p.
Men [headcount]	23.6%	26.7%	3.2 p.p.
Total	20.6%	22.9%	2.3 p.p.
Average number of training hours per employee**			
Women [headcount]	8.0	7.7	-3.4%
Men [headcount]	12.6	12.6	0.0%
Total	10.5	10.4	-1.2%

*Indicator calculated according to the following formula: (Number of employees who participated in regular performance and career development reviews [headcount] / Year-end headcount [headcount]) * 100

** Indicator calculated according to the following formula: (Total number of training hours completed [hours] / Number of employees at the end of the year [headcount])

The data used to calculate the metrics was provided from the internal training systems/ records of the individual companies.

4.1.14 S1-14 – Health and safety metrics

At the Apator Group, 100% of employees are covered by health insurance in the event of a workplace accident.

Tab. 39 Accidents/Injuries at the Apator Group

Accidents/Injuries	2024	2025	y/y [%]
Number of workplace accidents¹, including:			
1. minor accidents	23	11	-52.2%
2. serious accidents	0	0	-
3. fatal accidents	0	0	-
Total	23	11	-52.2%
Number of group accidents	0	0	-
Total number of people injured in group accidents	0	0	-
Number of accidents on the way to or from work	15	13	-13.3%
Number of people with a confirmed occupational disease	0	2	-
Number of deaths caused by poor health ²	0	0	-
Number of near-miss incidents ³	9	183	1,933.3%*
Number of reportable cases of work-related health problems ⁴	0	0	-
Number of days lost due to:			-
1. accidents at work	1,162	206	-82.3%
2. accidents on the way to or from work	197	251	27.4%
3. work-related health problems	0	0	
Total number of hours worked by the company's own employees	3,741,578	3,739,444	-0.1%
Accident Rate Index⁵	6.15	2.94	-52.1%
Accident Severity Index⁶	50.52	18.73	-62.9%

Accidents/Injuries	2024	2025	y/y [%]
Number of people employed in hazardous conditions ⁷	95	78	-17.9%
Number of jobs classified as "hazardous" ⁸	9	9	0.0%
Index of workers employed in hazardous conditions per 1,000 employees ⁹	41.30	33.19	-19.6%
Occupational Safety and Health system			
Number of people covered by the occupational safety and health management system	2,300	2,350	2.2%
Number of people covered by a certified and audited occupational safety and health system	1,990	1,988	-0.1%
Occupational Safety and Health Training¹⁰			
Number of trained employees [headcount]	544	410	-24.6%
Number of training hours ¹¹	2,261	1,464	-35.2%

1. No accidents on the way to or from work

2. In the case of occupational diseases and deaths caused by poor health, only employees and contractors who were employed during the reporting period are taken into account

3. Only valid reports are considered

4. Work-related health problems may include acute, recurrent, and chronic health issues caused or exacerbated by working conditions or work-related practices. These include musculoskeletal disorders, skin and respiratory diseases, malignant tumors, diseases caused by physical factors (e.g., noise-induced hearing loss, diseases caused by mechanical vibrations), and mental disorders (e.g., anxiety, post-traumatic stress disorder). For the purposes of required disclosures, an entity shall include in its disclosures at least the cases listed in the ILO list of occupational diseases

5. Indicator calculated according to the following formula: (Number of accidents reported in a given year / total number of hours worked by own workforce during the year) * 1,000,000

6. Indicator calculated according to the following formula: (Total number of days of incapacity for work due to accidents at work/number of accidents at work)

7. As of the end of the year, in terms of the number of people

8. As of year-end

9. Indicator calculated according to the following formula: (Number of employees working in hazardous conditions / number of employees as of December 31, 2025) * 1,000

10. Only additional (non-mandatory) training courses are taken into account

11. The number of training hours calculated as the product of the number of employees trained and the number of training hours per employee

* The increase in near-miss incidents is primarily due to changes in the approach to reporting near-miss incidents and the gradual expansion of the scope of reporting within the Group. In 2024, not all Group companies reported near-miss incidents, and at Apator SA, the requirement to report them

was not introduced until mid-year. Effective January 2025, a uniform, group-wide requirement to report all near-miss incidents has been implemented across all companies. In addition, Apator SA has implemented a requirement to report a minimum number of such incidents at the department level, with the aim of raising employee awareness and identifying even minor irregularities that could lead to workplace accidents. These measures will result in more complete and accurate data starting in 2025; however, they also limit direct comparability with data reported for 2024 and earlier.

4.1.15 S1-15 – Work-life balance metrics

Tab. 40 Leave entitlements

Leave entitlement	2024	2025
Number of persons entitled to qualified leave* – balance at year end [headcount]		
1. Women [headcount]	1,048	1,073
2. Men [headcount]	1,252	1,277
Total [1+2]	2,300	2,350
Number of authorized individuals who took qualified leave [headcount]		
1. Women [headcount]	267	222
2. Men [headcount]	194	158
Total [1+2]	461	380

* Qualifying leave includes maternity, paternity, parental, family, and carers' leave.

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

The total remuneration ratio for the Apator Group for 2025 was –10.17 (total remuneration of the highest-earning person / median total remuneration of employees, excluding the highest-earning person). In 2024, this ratio was at a comparable level of 10.41.

The pay gap for the Apator Group in 2025 was 28.56%, while in 2024 it was 33.52% (the pay gap was calculated based on the average total remuneration for all men and women, including base pay, bonuses, awards, and additional benefits, i.e., funding and subsidies for life insurance, health insurance, sports cards, company cars for private use, commuting expenses, meals, etc.).

The wide pay gap within the Apator Group stems from the specific characteristics of the individual companies within the Apator Group and the nature of the technical industry in which the Apator Group operates. The impact of a company's technical profile on the pay gap stems primarily from the following factors:

Segmentation of positions by gender

In technology-focused companies, such as those in the Apator Group (electronics manufacturing, automation, and software development), there is often a high concentration of men in specialist, engineering, and managerial positions, which are better paid. Women, on the other hand, are more often employed in production, support, or administrative positions due to their manual skills, attention to detail, or educational background, which tend to be lower-paying.

Lack of women in high-paying technical specialties

The absence of women (due to a lack of technical education) in high-paying technical fields (e.g., process engineer, technical project manager, design engineers, software developers, process engineers, etc.) significantly contributes to the widening of the pay gap.

Given the above, calculating the unadjusted pay gap for the Apator Group, due to its technical nature, is not an appropriate way to illustrate the actual pay gap. For this reason, the Apator Group is implementing a project aimed at standardizing job titles, conducting a job evaluation, and developing a pay scale for the entire Group. This will enable the Apator Group to calculate the adjusted pay gap and take steps to close the gap at various employment levels (pay grades).

4.1.17 S1-17 – Incidents, complaints and severe human rights impacts

In 2025, no incidents involving human rights violations were reported; that is, no lawsuits alleging human rights violations were filed against any of the Group's companies, no formal complaints were received through internal reporting channels or from third parties, and no penalties, fines, or damages were imposed.

Tab. 41 Employee complaints at the Apator Group

Employee complaints	2024	2025
Number of discrimination cases	0	0
Number of complaints submitted through channels to the company's own employees to express concerns	0	0
Number of complaints filed with the OECD National Contact Points for Multinational Enterprises	0	0
The amount of fines, penalties, and compensation for damages resulting from violations related to social factors and human rights	0	0
Number of serious human rights issues and incidents involving the company's own workforce	0	0
The number of serious human rights incidents involving the company's own workforce that constitute violations of the UN Guidelines and the OECD Guidelines for Multinational Enterprises	0	0
The amount of significant fines, penalties, and compensation payments related to serious human rights issues and incidents involving the company's own workforce	0	0

The data in the table above comes from the Apator Group's Compliance Team.

4.2 ESRS S2 – Workers in the value chain

4.2.1 Characteristics of workers in the value chain

The Apator Group specializes in the manufacture of a wide range of products and solutions for the metering of electricity, gas, heat and water, as well as safety systems and equipment for power, water, and gas networks. In the manufacturing process for these products, which require off-the-shelf components as well as, to a large extent, components customized to specific requirements, the companies of the Apator Group cooperate with a wide range of suppliers and subcontractors operating in Poland, Europe, as well as in Asia and North America (for more information on cooperation with suppliers, see Section G1-2 –Supplier Relationship Management).

People working in the supply chain are **supplier employees**, who are divided into:

- suppliers of production materials (BOM – Bill of Materials),
- service and maintenance providers (e.g., cleaning, security, and installation companies).

The Apator Group may have a direct impact on individuals working on its behalf outside the Group in the case of employees who perform services and maintenance work on the premises of Apator Group facilities. Before beginning work, these individuals are informed of the rules in effect on the premises, including the occupational safety and health requirements set forth in the occupational safety and health training manual for employees performing work on the premises.

The Apator Group's value chain also includes **customer employees**, with whom Apator Group companies cooperate during the product development, distribution, and operation phases (e.g., technical support and maintenance services). The vast majority of them are customers or direct end-users. Customers operate mainly in Europe, a smaller part outside Europe. Chapter ESRS S2 focuses primarily on employees of suppliers and partners in the value chain. Information regarding customers' employees and end-users of the products is discussed in Chapter ESRS S4.

4.2.2 SBM-2 – Interests and views of stakeholders

In accordance with the Group's adopted ESG Strategy for 2025–2028, the Group is consistently expanding its activities in the area of responsible value chain management. One of the key objectives of the Strategy is a systematic evaluation of suppliers based on ESG criteria, including issues related to the rights and interests of employees in the value chain.

As part of its activities, the Group systematically evaluates suppliers in terms of ESG criteria, conducts dialog with suppliers as part of ongoing cooperation, and engages them in the process of double materiality assessment. At the same time, it monitors audit results and supports efforts to raise standards of social and environmental responsibility among its business partners, setting ethical requirements for them as outlined in the Code of Ethics and the Human Rights Policy.

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

Key issues identified by the Group and its stakeholders in this area include negative impacts related to:

- **a threat to the health and safety of workers**, particularly in jobs involving difficult and hazardous conditions (including machine operation, electrical work, transportation, and mining).
- **human rights violations in the supply chain**, including the risk of child labor and forced labor, particularly in regions with lower labor standards and among tier 2+ suppliers.



The identified negative impacts are of an **incidental** nature; they pertain to isolated cases and are not considered systemic or widespread phenomena.

The Apator Group's business model influences how we work with customers, suppliers, and business partners, which may also have an indirect impact on employees of our business partners.

- The Apator Group companies cooperate with **customer employees** to identify requirements, fulfill orders, and exchange information and knowledge about the solutions and technologies the Group provides to customers (for more information, see Section S4).
- With regard to **supplier employees**, the companies maintain relationships with supplier representatives who are directly responsible for working with the Group.

The Apator Group's strategy and business model (providing specialized technical solutions) require that the employees of its customers, business partners, and suppliers possess the necessary skills, knowledge, and tools provided by their employers. By setting high technical, quality, and ethical standards for its suppliers and business partners, the Apator Group indirectly influences its partners, requiring them to provide their employees with the necessary working conditions and opportunities for professional development.

Operating on a large scale and cooperating with contractors on different continents, the Group identifies the risk of human and labor rights violations in its supply chain, especially in terms of working conditions at suppliers and subcontractors. Given the extensive scope of the supply chain, there is a risk of human rights violations related to forced labor, child labor, and privacy among suppliers and subcontractors, particularly in the case of raw material mines and rare earth metal mining. Although the company has not yet identified any cases of forced labor or illegal employment, in high-risk regions such as Asia and South America, the possibility of such violations is more difficult to verify.

Apator works with business partners (suppliers and customers) located in Asia (China, Taiwan, South Korea, Japan), South America (Brazil), North America (the U.S.), and Europe. Risks related to human rights and natural disasters (floods, typhoons, earthquakes) occur primarily in Asian countries. Environmental disasters (floods, fires, etc.) also affect other regions where the Apator Group's customers and suppliers operate. The geographic distribution of business partners increases the risk of natural disasters having a negative impact on their operations, as well as on employee safety.

The Apator Group does not have full control over all risks (especially those arising from unforeseen events); however, as part of its ESG Strategy, it implements procedures for managing supplier relationships that mitigate some of these risks. Companies conduct audits of selected suppliers and verify, to a certain extent, whether they meet the ESG criteria. Audits are conducted based on annual audit plans. When developing the supplier audit program, the following factors are taken into account: the suppliers' strategic importance to the organization, the occurrence of quality issues and complaints, the results of previous audits, and the results of periodic supplier evaluations. The audits primarily focus on monitoring working conditions and compliance with occupational safety and health regulations and, to a lesser extent, on evaluating hiring practices. In 2025, the planned supplier audits were conducted in cooperation with the auditing firm VTrust, which enabled a more detailed identification and assessment of risks related to employee rights and occupational safety and health. In addition, in 2025, the company began working with the auditing firm BIG Project.

With regard to the downstream segment of the value chain, the products offered by the Apator Group are used by professionals and comply with all technical and industry standards as well as legal requirements, which minimizes their potential negative impact on employees customers, and end-users (for more information, see Section S4).

The Apator Group actively involves selected suppliers in the product design and development process, which helps both to increase their manufacturing capacity and to improve their production processes. Close relationships and clear rules of cooperation foster the exchange of knowledge and experience, which leads to the optimization of technology and increased economic and environmental efficiency.

In projects related to new product development and process innovation, representatives from strategic suppliers are included in the project teams. They are directly involved in the work or in consultations, and they also participate in the evaluation of new products. The goal of these efforts is to work with suppliers to verify whether the proposed technological and process solutions are optimal in terms of both economic efficiency and eco-efficiency.



The significant impacts identified on workers in the value chain do not result from the transition to operations that are more environmentally and climate-neutral.

4.2.4 S2-1 – Policies related to value chain workers

The Apator Group's procurement policy is based on the principle of long-term, stable cooperation with suppliers. The Apator Group companies build long-term relationships, particularly with a group of key partners, so-called strategic suppliers, who play the most significant role in the value chain. Apator expects all of its partners to adhere to the highest ethical standards (for more information on working with suppliers, see Section G1-2 – Supplier Relationship Management; a description of business conduct policies is provided in Section G1-1).

The primary document setting forth the Apator Group's requirements regarding compliance with ethical principles, including human rights, labor rights, the prevention of human trafficking, forced or compulsory labor, and child labor, as well as principles concerning employee safety is **the Apator Group Code of Ethics** and **the Human Rights Policy** (for more information, see Section G1-1).

In accordance with the provisions of **the Code of Ethics**, the Apator Group entities comply with Polish and international law, including a commitment to respect human rights in accordance with the guidelines of the International Labor Organization, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. The Apator Group upholds the freedom of association, the right to collective bargaining, and the right to be free from forced labor, child labor, and discrimination in employment and occupation.

In accordance with **the Human Rights Policy** of the Apator Group, the companies undertake the following commitments toward suppliers and other business partners:

- to promote respect for human rights throughout the supply chain,
- to promote respect for human rights in cooperation with other business partners,
- to implement a policy for selecting suppliers or other business partners that includes environmental, social, and ethical criteria,
- to promote cooperation with those suppliers or business partners who respect human rights,
- to impose legally prescribed sanctions on those suppliers or other business partners who commit human rights violations, including by terminating cooperation with them.

In accordance with the Management Policy based on the **ISO 45001** (Occupational Health and Safety Management System), Apator Group companies are committed to ensuring safe and appropriate working conditions for employees and partners performing work on the Group's premises.

In December 2025, a new **Group Guideline entitled "Implementation of Cooperation Between Apator Group Companies and Business Partners and Suppliers in the Area of Strategic Procurement"**, which replaced the Group's previously applicable framework policy. This guideline is intended for all manufacturing companies within the Apator Group that are registered and operate in Poland: Apator SA, Apator Metrix, Apator Powogaz, and Apator Telemetria. The purpose of implementing the guideline was to ensure a consistent approach to procurement across the Group's manufacturing companies, to leverage synergies, to improve the quality of purchased materials, and to ensure the security and continuity of supplies. The document has been approved by the Director of Procurement; and the heads of the organizational units responsible for purchasing or supplier relations are responsible for its implementation in the individual companies.

The guideline describes the supplier selection process, one of the stages of which involves obtaining a signed ESG declaration from the supplier, confirming that the supplier has reviewed the principles set forth in the Apator Group Code of Ethics and is committed to adhering to them.

Issues related to employee interests in the value chain are most comprehensively regulated by the **"Supplier Guide – Main Terms and Conditions of Cooperation with Apator Metrix SA,"** which is attached as an appendix to agreements with suppliers and is based

on the Apator Group Code of Ethics. This guide stipulates, among other things, a prohibition on child labor and forced labor, the obligation to respect workers' rights, equal treatment, and the provision of safe and lawful working conditions. The other companies in the Group have not developed separate codes or guidelines specifically for suppliers; instead, they address these issues through the general principles set forth in the Apator Group Code of Ethics and the provisions of their agreements with suppliers.

Companies seek to regulate cooperation on the basis **of agreements that contain appropriate ethical clauses**. Suppliers agree to comply with the law, in particular occupational safety and health regulations; to act in accordance with the law; to provide a safe workplace; to prohibit minors from working; and to respect the environment, business ethics, and fair competition practices. During an audit at a supplier's facility, one of the areas assessed is compliance with requirements regarding working conditions (particularly occupational safety and health issues). Audit results serve as the basis for corrective actions and supplier monitoring.

Under the applicable policies, individual companies have measures in place to take corrective action if human rights violations are identified in the value chain, including the ability to report violations (as described in G1-1), engage in dialog with suppliers, implement corrective actions, and, where justified, limit or terminate the business relationship.

With regard to other suppliers, from whom we purchase "catalog" products, our cooperation is based primarily on ongoing orders, which do not include provisions requiring the supplier to adhere to ethical standards. Therefore, in 2025, **declarations for suppliers** fulfilling individual orders were implemented, requiring them to respect workers' rights and ensure decent working conditions for those performing work on their behalf.

No significant negative impacts were identified with respect to workers in the downstream segment of the value chain; therefore, the Group has not implemented any separate policies directed at customers, other than the principles set forth in the Apator Group Code of Ethics, which apply to all business partners.

As of the date of this report, the Apator Group has not identified any instances of non-compliance with the UN Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at



Work, or the OECD Guidelines for Multinational Enterprises with respect to workers in the value chain, whether downstream or upstream.

The company has not received any formal reports, complaints, or indications suggesting the existence of systemic or recurring negative impacts in this area. In light of the above, the Group assumes that any potential negative impacts, if they were to occur, would be incidental and limited in nature, and would be identified through existing value chain oversight mechanisms.

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

The Apator Group cooperates with external entities in the value chain at various levels; however, these relationships are conducted exclusively at the organizational level, with designated representatives of suppliers and subcontractors. The Group companies' procurement departments do not maintain direct contact with suppliers' employees and do not conduct surveys or consultations directed specifically at this group.

Cooperation with suppliers takes place through ongoing operational interactions, including working meetings and communication regarding order fulfillment, planning, quality, on-time delivery, and compliance with applicable contractual requirements. These contacts take place on a regular basis and are tailored to the scale of cooperation with a given supplier. Information regarding working conditions and compliance with ethical standards is obtained indirectly, through contractual provisions, applicable policies (Code of Ethics, Human Rights Policy), and mechanisms for monitoring cooperation.

The Group's influence over workers of third-party companies providing services to the Group (e.g., cleaning, security, and technical services, as well as temporary agency workers) is limited solely to requirements regarding compliance with the rules in effect on the Group's premises. This includes, among other things, ensuring safe and hygienic working conditions, providing access to the cafeteria, restrooms, and other facilities, and complying with safety and health procedures and internal regulations. However, the Group has no influence over the terms of employment, remuneration, or other aspects of these individuals' employee rights, as it is not their employer. Therefore, there are no direct or indirect processes of cooperation with people working in the value chain or their representatives.

Currently, the Group does not implement measures to understand the perspectives of workers in the value chain, particularly those potentially at risk of marginalization, such as women, migrant workers, and people with disabilities.



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

Apator Group companies follow the guidelines set forth in the document “**Identification of Legal Requirements and Compliance Management**” regarding how to handle violations of labor rights and ethical principles in the value chain.

Stakeholders, including supplier employees, may report **potential violations** via a dedicated e-mail address (compliance@apator.com) or in writing to the company's address in Ostaszewo (Ostaszewo 47c, 87-148 Łysomice). Information about this option is also available on the Apator Group's website. To date, the company has not received any indications that it needs to offer additional communication channels due to the inadequacy of the existing ones. As part of its efforts to ensure minimum social safeguards and compliance with Regulation (EU) 2020/852 of the European Parliament and of the Council, Apator monitors potential violations by verifying reports in the OECD NCP¹ and Business and Human Rights Resource Centre (BHRRC)² databases.

In accordance with the provisions of the Code of Ethics, the Apator Group undertakes to investigate the circumstances surrounding any reported irregularities and, if the report is substantiated, to take corrective action. The Group also commits to addressing the negative impacts on entities, workers, and communities that it has caused or contributed to, and ex-

¹ <https://mneguidelines.oecd.org/database/>

² <https://www.business-humanrights.org/en/companies>

pects its suppliers to make the same commitment. In turn, the Human Rights Policy also includes a commitment by Apator Group companies to **actively respond to any instances of human rights violations** and, where possible and justified, to apply appropriate sanctions or report such violations to the relevant authorities (for more information, see Section G1-1).

The methods and procedures for external stakeholders, including value chain workers, to submit comments, as well as information on the number of complaints and violations, are included in G1-1. The companies ensure the confidentiality of the person making the report.

In practice, enforcing the above-mentioned principles in direct interactions with employees of third-party companies faces procedural and organizational challenges (Apator Group employees are unable to obtain information about working conditions, types of contracts, remuneration, and other matters directly from their suppliers' employees). For this reason, the companies of the Apator Group are required to base their actions on an analysis of suppliers' statements and declarations. **Audits of strategic suppliers** make it possible, to a certain extent, to identify negative impacts and plan corrective actions. However, due to the large number of suppliers, the Apator Group is unable to verify all of its suppliers in this manner; therefore, its ability to effectively mitigate negative impacts is limited. Suppliers' employees may report any potential violations or complaints directly to the company, and the Apator Group is committed to investigating them.

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

In accordance with the Management Policy based on the ISO 45001 standard (Occupational Health and Safety Management System), the Apator Group is committed to ensuring that **the processes outsourced to suppliers do not pose a risk to their employees**, provided that the supplied safety and health rules, technical instructions, and safety data sheets for hazardous substances are followed, as confirmed by a written report.

Contractors must guarantee the appropriate **qualifications of their employees** carrying out work for Apator Group, **confirmed by appropriate certificates**. Furthermore, in accordance with the Apator Group's Code of Ethics, in the case of processes that could have a negative impact on workers, the environment, or the processes themselves, the cooperating parties are required to provide the necessary information and safety procedures before work begins. These standards, which are included in company-specific supplier procedures, manuals and guides, are designed to ensure a high level of health and safety protection throughout the value chain.

Companies ensure appropriate working conditions for security and cleaning staff, who have access to break rooms and receive training in the supervision and operation of fire protection systems, surveillance, and access control, as well as in information security and internal procedures governing facility security. Specialized training and occupational safety and health training are provided by their employers. In addition, all contractors' employees on the premises are briefed on the safety and health instructions in effect at the respective Group facility.



The Procurement Departments are responsible for selecting and cooperating with strategic suppliers, and they take **measures to mitigate risks related to human rights and labor rights violations**. Procurement department employees are responsible for day-to-day communication with suppliers, monitoring the progress of the cooperation, and ensuring compliance with requirements (e.g., audits, surveys, evaluations). The activities are carried out within the current operating costs.

The measures taken by the Apator Group in the area of the value chain are preventive and systemic in nature, and their goal is to **support positive impacts** on people working in the value chain by promoting high standards of workplace safety, professional qualifications, and responsible business practices. The introduction of ESG criteria into the supplier evaluation process and a standardized ESG declaration signed prior to the start of the business relationship helps raise suppliers' awareness of human rights, labor rights, and occupational safety and health.

The type and scope of measures taken in response to actual or potential adverse impacts on individuals working within the value chain are determined based on a risk assessment conducted by the owners of the procurement area at Apator Group companies. When selecting measures, the Group considers the scale and nature of the potential impact, the Group's ability to influence the supplier, and the frequency of the risk. The measures taken are tailored to the specific nature of the cooperation with a given supplier.



The Apator Group companies have not recorded any serious incidents involving violations of human rights or labor rights among their suppliers; therefore, apart from the measures described above, which are aimed at fostering harmonious cooperation with suppliers, no additional measures have been taken to improve working conditions for employees in the value chain.

If any actual significant negative impacts on workers in the value chain are identified, the Apator Group provides for the possibility of **implement remedial measures**, carried out primarily through dialog with the supplier and the implementation of corrective actions. These measures may include requiring the supplier to correct identified irregularities within a specified time frame, implementing additional security procedures, or adjusting the way the process is carried out. In the event of a lack of improvement or repeated violations, the Group reserves the right to limit or terminate the cooperation. As of the date of this report, there was no need to implement formal corrective measures, which is consistent with the absence of any identified material violations of human rights and labor rights in the value chain.

The effectiveness of the measures taken with regard to individuals working in the value chain is monitored indirectly through ongoing cooperation with suppliers, the evaluation of audit results and self-assessments, the analysis of reports, and the observation of recurring incidents or non-compliance. The absence of formal reports, complaints, and serious incidents during the reporting period is one of the Group's key indicators of the effectiveness of its management approaches. If any irregularities were identified, the effectiveness of corrective actions would be assessed based on their timely implementation and the sustainability of the solutions put in place.

In 2025, the planned initiatives related to the growing importance of sustainability in the value chain were implemented:

- ESG criteria were incorporated into the supplier self-assessment process,
- a standardized ESG declaration was developed for all of the Group's manufacturing companies registered and operating in Poland, which suppliers sign before entering into a business relationship,
- partnerships with auditing firms (ESG audits of suppliers from China) were established, including the Polish Big Project company.

The recommended actions, with the exception of cooperation with the auditing firm, did not require any capital expenditures or significant operating costs.

4.2.8 S2-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

As part of the Apator Group's ESG Strategy, the Group has committed to building responsible partnerships within the value chain that take employee concerns into account, with the aim of minimizing the negative impact of the Group's operations on employees throughout the value chain and promoting high ethical standards in its relationships with suppliers.

The number of strategic suppliers assessed for ESG criteria was adopted as a key performance indicator (KPI). The evaluation criteria include, among other things, issues related to working conditions, safety, and employment standards for employees.



COMMITMENT:

Responsible partnership in the value chain

TARGET:

By 2028, 100% of strategic suppliers will be evaluated as part of periodic reviews and/or audits.

The group established a schedule for achieving the KPIs:

- in 2025 (in accordance with the adopted target: (30% of the suppliers evaluated) 30% of the suppliers in this group were evaluated,
- in 2026, the rate is expected to reach 50%.

In setting the above-mentioned targets, the entity did not cooperate with individuals performing work within the value chain.

4.3 ESRS S4 – Consumers and end-users

4.3.1 SBM-2 – Interests and views of stakeholders

Given the Group's business profile and the specific nature of the sector, the Apator Group distinguishes between **customers** and **end-users** of its products, including **direct** and **indirect** users. This distinction forms the basis for identifying and assessing material impacts, risks, and opportunities, in accordance with the requirements of the ESRS standards.

A customer of the Apator Group is a business or institutional entity that purchases the Group's products or services as part of a commercial relationship. These include, in particular, entities operating in the field of utility distribution networks, such as electricity and gas distribution system operators, heating and water supply companies, as well as wholesalers

and housing cooperatives. A customer of the Apator Group does not necessarily have to be an end-user of its products.

The vast majority of Apator Group's devices and solutions are intended for B2B customers, while their **direct end-users** are primarily the customers' qualified employees, who possess the appropriate technical qualifications and certifications. These include, in particular, individuals who operate, install, or service the Group's equipment, such as system operators, installers, and service technicians.

The indirect end-users of Apator Group products are, however, consumers of electricity, water, or gas who use the technical infrastructure in which the Group's devices and solutions are installed. Both user groups were included in the analysis of impacts, risks, and opportunities in accordance with the ESRS, taking into account their role in the value chain and the stage of product use.

Apator Group's solutions are used in specialized utility sectors, including gas, electricity, and water distribution, as well as municipal services, industry, and the rapidly growing renewable energy sector. In these areas, it is crucial to properly identify the needs of customers and end-users and then translate those needs into design, development, and engineering changes. The Group's product offering is based on an analysis of the current needs of customers and end-users, while development and design work is carried out through ongoing consultations and technical discussions led by staff dedicated to contact key customers.

Apator Group products come with operating and installation manuals (DTR) as well as markings on the housings and nameplates containing information on proper and safe installation and operation. Technical documentation, including DTR, data sheets, EU declarations of conformity, and EU type-examination certificates, is also available on the website www.apator.com



Description of the users of the main product groups

The vast majority of Apator Group's devices and solutions are intended for B2B customers, and their direct users are primarily qualified employees who possess the appropriate technical qualifications and professional certifications.

Tab. 42 Users of Apator Group products and solutions

Main product groups	Users
Measuring devices for water, gas, heat, and electricity	The direct users of these devices are professionals with appropriate qualifications and professional certifications, particularly installers and fitters. Indirect end-users are people who are present in the rooms and buildings where Apator Group devices and solutions are installed.
Switchgear	The direct end-users of these devices are professionals with appropriate qualifications and professional certifications, particularly installers, fitters, and service technicians.
Automation and ICT solutions	The direct users of these solutions are qualified employees of distribution system operators (DSOs) or transmission system operators (TSOs), as well as workers of contractors responsible for the installation and commissioning of devices, who possess the necessary qualifications and professional certifications.
IT and ICT solutions	The software users include workers of distribution system operators, street lighting management companies, and local government entities, including administrative staff, dispatchers, administrators, and maintenance teams, as well as subcontractors of operators who perform work on the network and provide device installation and meter reading services. The solutions are also used by technical staff at housing cooperatives, energy clusters and cooperatives, and industrial facilities who handle utility billing and monitor the consumption of electricity, water, heat, and gas.

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

Key issues identified by the Group and its stakeholders regarding the impact on consumers and end-users include:

- Adverse effects related to information security and the protection of user privacy, particularly in the event of cybersecurity incidents; the safety of end-users; and the proper functioning of devices, in the event of potential device malfunctions or manufacturing defects. Negative impacts in this area take the form of potential isolated incidents, rather than widespread or systemic ones.
- The positive impact resulting from the production of high-quality measuring devices that ensure safe use and measurement accuracy, as well as the use of voluntary certifications that confirm compliance with high product quality and safety standards.
- The positive impact of customer communication efforts, including transparent technical information, outreach, and training.

The Apator Group influences the direct end-users of its equipment by setting and applying high technical standards in the industry, ensuring high product quality, and through communication efforts, including the provision of reliable, transparent, accessible, and understandable technical documentation. The Group's companies also provide expert support to customers and end-users by organizing training sessions and presentations and providing after-sales technical support.

Indirect end-users who may be potentially exposed to the effects of the Apator Group's products or services during their use also include end-users of energy, water, or gas who utilize the technical infrastructure in which the Group's equipment is installed, particularly in the context of safety, health, privacy, and service accessibility.

The Apator Group's activities in the area of developing and implementing digital solutions for energy and resource management have a significant impact on consumers and end-users. In particular, the collection, processing, and transmission of measurement data in digital devices and systems may affect the level of user privacy protection and information security, especially in the event of cybersecurity incidents or technological vulnerabilities.

The digitization of products and their widespread use by power grid operators and end customers may also affect the security and continuity of access to services, including energy, in the event of disruptions to information systems or technical infrastructure. Furthermore, the long service life of measuring devices expected by customers entails implications related to responsibility for the safe use of products and their compliance with current technological and communication standards, particularly in the context of technological progress and the aging of digital solutions.

At the same time, the development of solutions designed with a focus on high standards of information security, product quality, and transparent communication with users can have a positive impact on consumer trust, safety of use, and effective resource management.

Taking into account the impact of end-users

Material impacts related to end-users are taken into account in the Apator Group's processes through:



Impact on product quality and reliability – monitoring critical design and process aspects within an integrated quality and environmental management system to minimize negative impacts on end-users.



Impact on user safety – using methods such as DFMEA (Design Failure Mode and Effects Analysis) to identify potential nonconformities before a product is put into service.



Impact on efficiency and user comfort – developing services based on utility consumption data and telemetry systems, which allow users to better manage energy and other utilities.



Impact on innovation and the availability of solutions – cooperating with customers and technology partners to develop new features and improve products, thereby enhancing the end-user experience.

4.3.3 S4-1 – Policies related to consumers and end-users

To mitigate the risk of breaches of user privacy and information security, the manufacturing companies of the Apator Group, namely, Apator, Apator Metrix, Apator Telemetria, and Apator Powogaz have implemented **Information Security and Cybersecurity Management Policies**, which have been certified as compliant with the ISO 27001 standard. These policies are part of a systematic approach to identifying, preventing, and minimizing potential negative impacts related to the processing and protection of information.

These policies include commitments to customers and end-users, particularly with regard to compliance with applicable legal regulations, taking measures related to cybersecurity, information security, and the protection of personal data, as well as implementing innovative technological solutions that enhance the security of information systems. Their goal is to minimize the risk of unauthorized access to data and to ensure a high level of information security throughout the entire life cycle of products and services. These policies apply both to the direct end-users of the Group's products, that is, professionals who operate and maintain the equipment, and to indirect end-users, who are media consumers using the technical infrastructure in which the Group's equipment is installed. Additional information is provided in Section G1, "Security and Protection of Personal Data."

In order to systematically strengthen cybersecurity and minimize risks related to information security within the Apator Group, the following group guidelines have been adopted:

- Information security and cybersecurity risk analysis,
- Optimization of the cybersecurity area in the Apator Group companies.

Issues related to striving for high-quality products, meeting customer expectations, seeking new solutions, and obtaining customer feedback are addressed in **Quality Management Policy**, which has been implemented in the Group's manufacturing companies and certified as compliant with the ISO 9001 standard. The policy specifies, among other things, the obligation to monitor and analyze the level of product quality achieved at all stages of manufacturing and in supporting operations, as well as to gather feedback from customers on the extent to which their needs and expectations regarding the quality of the products delivered and the quality of the cooperation are met. The companies have also implemented detailed procedures and instructions regarding the quality management process, the execution of operational processes, and internal audits, which are designed to ensure that processes and products comply with quality and regulatory requirements, identify and mitigate risks related to product quality and safety, prevent potential negative impacts on end-users, and continuously improve processes.

The guidelines for relations with customers and end-users are set forth in the **Apator Group Code of Ethics**, which governs, among other things, the quality and timeliness of delivered solutions, ethical marketing practices, and sales and complaint handling. The provisions of the Code apply both to relationships with customers and to the protection of end-users' interests. In January 2025, the Group established the **Human Rights Policy** and **Anti-Corruption Policy**, which form the basis for identifying and mitigating risks in relationships with contractors and business partners, while promoting respect for the rights of consumers and end-users.

The Apator Group's Human Rights Policy is based on international standards, including the International Bill of Human Rights, the conventions of the International Labor Organization, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights, and includes commitments to protect dignity, equal treatment, the right to privacy, and other fundamental rights throughout the value chain.

Anti-Corruption Policy promotes ethical conduct, eliminates bribery and conflicts of interest, and requires transparent and honest relationships with employees, customers, suppliers, and business partners. This document also requires Group companies to review their business partners' practices before entering into a business relationship and to ensure that they adhere to ethical standards.

As part of the mechanisms for monitoring and supervising the implementation of these policies, there is a **compliance** system in place, which includes:

- designating individuals responsible for implementing and monitoring compliance with policies,
- mechanisms for reporting violations and protecting whistleblowers,
- employee training on business ethics, human rights, and anti-corruption,
- periodic reviews of compliance with applicable standards and internal procedures.

Through these oversight tools, the Apator Group ensures that its commitments regarding human rights and ethics are effectively implemented and monitored, which helps protect the rights of consumers and end-users and build trust among stakeholders. More information regarding current policies, including oversight principles and communication mechanisms, is provided in Section G1-1.

Promotional and marketing activities within the Apator Group are conducted in accordance with the applicable **Group guidelines**, which govern the preparation and distribution of marketing materials and communication with the market, including in particular:

- **The Apator Group's visual identity** – ensuring consistency in messaging and unambiguous identification of the entity responsible for communication,
- **Trademark Registration Rules** – supporting the protection of intellectual property rights and the transparency of the product offering,
- **Guidelines for cooperation among Apator Group companies regarding the planning and organization of promotional events** – designed to facilitate access to clear, comparable, and up-to-date information about the company's offerings,
- **Rules for the development of catalogs, folders, and product sheets** – ensuring that the technical, functional, and usage information presented is complete, up-to-date, and in accordance with the facts,
- **The rules of functioning of the Apator Group's Internet portal** – regulating the responsibility for the publication and current update of content.



The adopted guidelines support **the protection of customer interests**, including the right to accurate information about the Apator Group products and services, and mitigate reputational and legal risks associated with inappropriate marketing practices. As such, they are part of the Group's social impact management system in the area of customer and end-user relations.

4.3.4 S4-2 – Processes for engaging with consumers and end-users about impacts

Cooperation with customers and end-users, both direct and indirect, is a key element in ensuring high-quality services and the continuous improvement of products and processes. At the Group level, there are no uniform, common guidelines governing this area; however, each Group company establishes rules for cooperation through internal documents, such as procedures and instructions.

As part of their ongoing cooperation processes, the Apator Group companies take into account the significant impacts of their activities on consumers and end-users, both positive and negative, by:

- **technical support**, through which specialists maintain direct contact with end-users, learn about their experiences with the devices, identify any errors or issues, and provide expert guidance on the installation, use, and operation of the products;
- **device selection**, carried out in cooperation with customers, which allows for the precise identification of needs and expectations, the selection of optimal solutions, and an increase in equipment efficiency while reducing operating costs;
- **collection of technical feedback**, which provides information on how products perform under real-world operating conditions;
- **complaint handling**, which is considered an important source of feedback; analyzing this feedback makes it possible to identify potential problems and implement corrective actions.

Dialog with customers and end-users is conducted, in particular, through:

- ongoing business meetings, phone calls, technical consultations, and training sessions;
- participation in RFI/WKR processes and the fulfillment of contracts for sales awarded through public tenders;
- verification of customer requirements specified in the bidding documents (Terms of Reference (SWZ), Specifications (OPZ)) in terms of feasibility, safety, and economic viability;
- direct contact with end-users in the area of ICT solutions during the sales, implementation, and operation phases of hardware and software.

Key account managers, product managers, and customer service representatives are responsible for communicating with and serving customers and end-users.

Dialog with customers and end-users is conducted through:

- establishment in 2025 of a Customer Experience unit at Apator Powogaz, responsible for coordinating customer service processes and improving customer contact standards;
- implementation of tools for automatically measuring customer satisfaction, analyzing results, and initiating corrective actions;
- fostering dialog with stakeholders by establishing advisory groups involving customers, focused on testing and co-designing solutions;
- expanding training initiatives to include employees of distributors and subcontractors performing installation work in order to standardize service quality throughout the value chain;
- gradual scaling of proven solutions across the Group's other companies.

Additional measures to support **consistency and transparency in communication** include:

- implementation in 2025 of a unified CRM system that will enable more effective customer relationship management, standardize information flow, and facilitate data-driven decision-making;
- work on a new, cohesive, and intuitive website for the Group, designed to improve access to information about its offerings, products, and service processes.



The Group's companies primarily cooperate with entities in the utility distribution sector (electricity, gas, heat, water). As direct users of the Group's products, the employees of these organizations represent the interests of end-users in terms of safety, reliability, and operation. The feedback from these users and the data collected through this dialog are taken into account in the decision-making processes of the organizations, which helps minimize negative impacts and enhance the positive effects of the services and products provided.

Companies monitor the guidelines issued by the relevant market regulators and public institutions (in particular, the Energy Regulatory Office, the Central Office of Measures, Polish Waters, and the Office of Electronic Communications), as well as institutions responsible for consumer protection, such as the Office of Competition and Consumer Protection). In the case of reports concerning the products or services of Group companies, this cooperation may include providing the required information, offering explanations, and taking steps to rectify identified irregularities and mitigate potential negative effects on consumers and end-users.

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



Customers and end-users of Apator Group products, both direct and indirect, have **the option to submit inquiries, concerns, and claims through the customer contact channels established by individual companies**, as well as through the available channels for reporting violations, described in Section G1-1. Reporting channels are available both to business customers who purchase products from the Group companies and to end-users who use those products. Reports may be submitted not only by the direct purchasers of the devices, but also by individuals or entities that have experienced problems or potential irregularities related to the use of the Group products.

The website www.apator.com provides clear contact information for employees in the relevant departments, as well as dedicated forms that allow users to efficiently file a complaint or obtain technical support. Information on how to file a complaint is also included in the warranty card provided along with the purchased device. Information about available reporting channels is communicated to customers and end-users in informational materials and in the documentation provided with the products. The Group's companies monitor the functioning of these channels by, among other things, analyzing the number and nature of inquiries and contacts with customer service departments, which allows them to indirectly assess stakeholders' awareness of the availability of these channels for submitting inquiries.

Each company in the Apator Group maintains its own **channels of communication with customers**. Information on the available contact options regarding the services provided is published on the companies' websites, in the sections dedicated to individual Group entities.

Upon receipt of a report or inquiry, actions are taken in accordance with the internal procedures in effect at the company in question. The purpose of this process is to review the report and, if the issue is confirmed, to take steps to eliminate or mitigate the negative impacts and their consequences for the customer or end-user. It usually involves the following steps:

- **Registration and preliminary analysis:** each report is registered in the system and undergoes a preliminary analysis to determine its nature and scope.
- **Assignment to the appropriate department:** the report is forwarded to the unit responsible for handling it.
- **Investigation of the case:** the relevant department conducts a detailed analysis, gathering the necessary information and evidence.
- **Taking corrective action:** based on the results of the investigation, appropriate measures are implemented to resolve the problem and minimize any negative impact on the customer or end-user. Where justified, these actions may also include the provision of technical support and an analysis of the causes of the event in order to limit its effects and prevent similar situations in the future.
- **Feedback:** the whistleblower receives information about the actions taken and the expected completion date for the case.
- **Evaluation:** once the process is complete, the effectiveness of the actions taken is assessed, and potential areas for improvement are identified.

These processes are carried out in a manner that ensures transparency, accountability, and confidentiality. Every employee involved in the process of handling reports is responsible for the quality and timeliness of the actions taken. The Group's companies have detailed procedures describing the individual stages of the process (e.g., the "Provision of Maintenance, Warranty, and Post-Warranty Services" manual in effect at Apator SA), which ensures transparency and predictability in the process. Customers and end-users are kept informed of the status of their reports and the progress made in addressing them.

As of the date of this report, there is no standardized assessment or verification of the effectiveness of all whistleblowing channels at the Group level. The Apator Group is exploring the possibility of further standardizing its approach to monitoring the effectiveness of whistleblowing channels across the entire Group. In particular, consideration is being given to developing practices related to the collection and analysis of data on reports, the time taken to process them, and identified problem areas, with the aim of supporting the improvement of customer and end-user service processes. At the same time, some companies are expanding the scope of their oversight in this area, including by monitoring telephone call statistics, meticulously recording complaints and requests for technical support, and using written acknowledgments to confirm that cases have been accepted for processing.

In the event of serious **violations of the law or ethical standards**, customers and end-users may file a report via e-mail to compliance@apator.com or in writing to the address of Apator SA facility in Ostaszewo. The procedures to be followed in such cases, including mechanisms for protecting whistleblowers, are set forth in the Group guidelines entitled "Identification of Legal Requirements and Compliance Management" and "Implementation of the Human Rights Policy and the Anti-Corruption Policy." The detailed procedure is described in Section G1-1.

In addition to the Apator Group's internal mechanisms, customers and end-users also have the option of using external channels to report violations, including:

- The Polish Office of Competition and Consumer Protection,
- The Consumer Ombudsman,
- The State Trade Inspection,
- organizations and industry associations.

In 2025, there were no reported incidents involving human rights violations, cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises that affected consumers or end-users. The Group does not currently monitor end-users' awareness of the availability of reporting channels.²

4.3.6 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

The Apator Group implements a range of practices related to **quality management, the sales process, and data utilization**, while taking care to ensure that these activities do not cause or contribute to any significant negative impacts on customers and end-users, whether direct or indirect. The measures taken are primarily aimed at minimizing potential negative impacts on customers and end-users, in particular by ensuring a high level of product safety, quality, and reliability. At the same time, these efforts support the management of significant operational risks and the exploitation of market opportunities arising from the growing demand for high-quality, regulatory-compliant measuring devices.

As part of efforts to mitigate negative impacts and strengthen the positive impact, the Apator Group companies **design equipment in a way that ensures it meets the expectations of customers and end users in terms of functionality, quality, and safety during installation, maintenance, and use**. The products come with comprehensive instructions and technical documentation to support their proper and safe use. The compliance team and the Research and Development Departments of the Group's companies monitor current and planned legal requirements on an ongoing basis. Data on market requirements and any incidents are also analyzed.

In 2025, the Apator Group implemented measures aimed at **enhancing the quality and safety of its products and minimizing potential negative impacts on end-users**. In particular, these included the development of laboratory infrastructure at manufacturing companies, obtaining additional quality certifications, developing quality control methods for manufacturing processes, and monitoring customer complaints and analyzing quality data to identify areas requiring improvement. Detailed information regarding the above activities is provided in the following sections of this chapter.

Involvement in industry organizations and standards committees

The Apator Group's participation in industry organizations and standards committees supports the management of significant impacts identified through the IROs process. Through their active participation in the work of standards committees and industry associations, the Group's companies gain early access to information about upcoming regulatory changes.

This enables:

- early adaptation of products and technical documentation,
- effective communication with customers and end-users,
- maintaining compliance of offered solutions with legal requirements and industry standards,

which, as a result, minimizes negative impacts on end-users and enhances positive impacts by providing safe and compliant products. The effectiveness of these measures is monitored, among other things, by analyzing the results of quality control checks, complaint data, and laboratory test results.

Cooperation with industry organizations is carried out under existing agreements and contracts. Membership in chambers of commerce or other associations is voluntary, and these activities are viewed as part of the Group's systematic approach to monitoring regulatory changes and adapting processes to address the identified impacts of IROs.

In 2025, the companies of the Apator Group were members of organizations such as:

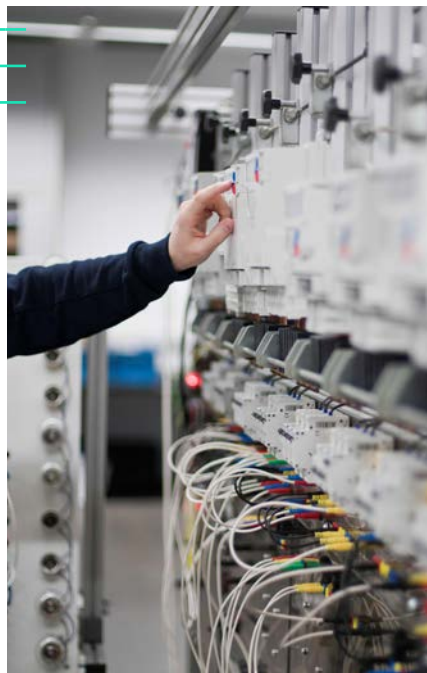
- ESMIG - European Smart Metering Industry Group
- AQUA - Association Européenne des Fabricants de Compteurs d'Eau et d'Energie Thermique
- Prime Alliance
- Standard Transfer Specification Association
- OSGP Alliance
- DLMS User Association
- Lora Alliance
- Polish Committee for Standardization
- National Chamber of Commerce for Electronics and Telecommunications
- Polish Energy Storage Association
- Gas Industry Chamber of Commerce

High standards of product quality and safety

High product quality ensures the safety of end-users; therefore, the Apator Group's manufacturing companies have implemented comprehensive quality standards, which include:

- cooperation with suppliers to ensure component compliance,
- in-process inspection,
- final inspection of finished products,
- ensuring the measurement consistency of control and measuring instruments,
- preventive quality management and monitoring of process variability,
- after-sales support for customers and end-users regarding complaints and service,
- product life cycle management,
- certification and oversight of product compliance with applicable standards and regulations.

An essential element of the quality system is in-process inspection (conducted, among others, by quality inspectors and automated measuring systems), as well as final inspection of the finished product (including conformity assessment, statistical inspection of finished products, and monitoring of quality indicators). The purpose of these measures is to comply with legal requirements, technical specifications, and industry standards so that products placed on the market are safe for end-users (e.g., fitters, installers, and residential users of electricity, gas, water, and heat meters). To maintain high quality, companies implement modern inspection methods, such as optical microscopes with automatic measurement down to 1 µm and leak testers. In the medium and long term, these measures help minimize significant risks associated with device vulnerabilities, while also strengthening market leadership and creating opportunities for sales growth.



Voluntary certifications to ensure quality and safety

In 2025, Apator Metrix received the Q INiG certificate confirming that its gas meters meet high quality and safety standards. These certifications assure end-users of the products' reliability and help reduce the risks associated with their use.

Ensuring the measurement consistency of control and measuring instruments

The Apator Group ensures measurement consistency and the compliance of its products with applicable international standards, harmonized standards, and European Union Directives, including MID, EMC, RED, and LVD. To this end, the companies cooperate with research institutes, laboratories, and notified bodies such as NMI, CSA, PTB, GUM, VDE, SLM, CMI, IMQ, TECNALIA, DNVGL, SMU, KOMAG, UDT, and BBJ-SEP.

The companies also have in-house laboratories equipped with state-of-the-art measuring equipment, used, among other things, for:

- metrological validation (MID),
- electromagnetic compatibility (EMC, RED) testing,
- environmental and aging tests,
- automated and manual software testing,
- mechanical testing,
- tests to verify compliance with hygiene requirements in the water sector.

The laboratories are gradually being equipped with modern measuring equipment, particularly at Apator Powogaz and Apator SA. In 2025, approximately PLN 1.7 million was allocated for this purpose.

In accordance with the requirements of the ISO 9001 standard, all measuring devices used in the manufacturing process must be certified, calibrated, or inspected. This is determined by the instrument's accuracy and class, the availability of equipment and expertise, cost, available time, and the risks associated with using the instrument. When selecting an external laboratory, the following criteria are evaluated: accreditation status, measurement range and measurement uncertainty, experience and expertise, reviews and references, quality of documentation, implementation time, logistics, and cost.

The identification and supervision of test and measuring equipment are carried out using dedicated IT tools that support the management of the measuring infrastructure. In addition, measuring instruments are subject to clear record-keeping. Each measuring device has a unique identifier and markings that allow its status to be monitored. The methodology for managing and monitoring the instrument throughout its entire life cycle is specified in an internal procedure.

At Apator Powogaz, for example, departments known as "Supervisory Units" – the Measurement and Research Laboratory, the Measurement Chamber, and the Maintenance, Investment, and Tool Shop Department – are responsible for ensuring measurement consistency. The instruments were divided into groups, which were then assigned to the selected unit in accordance with internal procedures. The frequency of inspections and calibrations is determined based on a risk analysis, the intensity of use, the instrument's stability, and the manufacturers' recommendations.

Compliance of products with EU regulations

The products offered by the Apator Group bear the CE marking, which confirms their compliance with the harmonized requirements set forth in EU regulations.



The measuring instruments offered by the Apator Group are subject to mandatory certification, which includes:

- MID certifications for all types of electricity meters, heat meters, water meters, and gas meters,
- MessEV certifications for selected types of electricity meters (intended for the German market),
- Hygiene certifications for water meters regarding their approval for contact with drinking water, namely: PZH, ACS, WRAS, KIWA KUKReg 4, NFS NReg4, KTW-BWGL, W270 (intended for the Polish and international markets).

The conformity assessment process for products covered by the MID Directive 2014/32/EU is regulated in detail by internal procedures and instructions.

Devices equipped with radio communication meet the requirements of the RED directive. In addition, certain types of devices (e.g., data hubs) must comply with the standards set forth in the EMC (Electromagnetic Compatibility) Directive. The products introduced to the market by Apator comply with the MID, EMC, and RED requirements, as well as the Low Voltage Directive (LVD) regarding electrical equipment.



Cybersecurity of products

The Group has established a Cyber Resilience Act (CRA) Implementation Team, whose task is to ensure that products containing digital components and software meet cybersecurity requirements. These activities include, among other things, preparing for the mandatory reporting of vulnerabilities and incidents effective September 11, 2026, and ensuring that products comply with CRA requirements before the regulation takes full effect on December 11, 2027.

Risk management for customer and end-user impact

Risk management related to the impact on customers and end-users is carried out as part of an integrated quality management system, which includes identifying key risks, maintaining complaint databases by Group companies, and applying rules for providing warranty and post-warranty service clearly defined in internal procedures.

Before products manufactured by Apator Powogaz SA are placed on the market, a detailed risk analysis is conducted in accordance with the requirements of the GPSR (General Product Safety Regulation). The result of this analysis is a report that identifies potential hazards associated with the use of water meters and outlines measures to mitigate or eliminate those risks. This information is then included in the technical documentation for the products and in the user manuals. On this basis, instructions containing additional information on safe operation are developed and updated.

The conformity assessment process for water meters is supplemented by additional certifications and approvals, such as NSF NReg4 and DVGW W421 (Deutscher Verein des Gas- und Wasserfaches – German Association for Gas and Water). These certifications confirm compliance with enhanced quality and safety requirements, particularly regarding the mechanical strength and reliability of water meters, ensuring their safe and long-term use. NSF NReg 4 is a British technical approval, and DVGW W421 is a German technical approval, both of which confirm that Apator Powogaz water meters meet stringent requirements, including approval for contact with water intended for human consumption.

As part of the complaint resolution process, corrective actions are taken to minimize the negative impact on end-users, including:

- replacement of defective products – in the event of confirmed defects in the devices;
- organizing service campaigns – to correct defects in devices already on the market;
- conducting preventive inspections – to confirm whether a similar problem affects products from other production lots or those in use at other locations.

Meters and monitoring

The Apator Group's manufacturing companies monitor the effectiveness of their operations with respect to customers and end-users within the framework of management systems compliant with ISO standards. Monitoring includes, in particular:

- complaint indicators,
- customer satisfaction levels (including at Apator Metrix and Apator Powogaz),
- product quality indicators.

In addition, Apator Powogaz plans to launch a pilot program to partially automate the process of collecting customer feedback on service quality, with the aim of further strengthening the monitoring of customer satisfaction with service quality and improving the quality of relationships with end-users.

4.3.7 S4-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

The Apator Group has not set any targets that meet the criteria specified in the ESRS MDR-T for this area. As part of its current ESG Strategy, the Apator Group is pursuing quality and technological goals focused on:

1. Development of technologies that support the responsible and sustainable management of energy and water resources

Actions: Investments in the development of solutions for the effective management of energy and water resources.

Meters and monitoring: Achievement of CAPEX targets in line with the targets set out in the business strategy; CAPEX at 5–7% of sales revenue.

Result: Promoting the positive impact of products and services by improving the efficiency, safety, and quality of their use.

2. High standards of quality, safety, and cybersecurity

Actions: Ensuring the personal and digital safety of customers and end-users.

Meters and monitoring: Customer satisfaction index (product quality, safety of use, and digital security); standardization of the NPS survey in 2026; implementation of the solution for the remaining companies in the Group in 2027.

Result: Minimizing the negative impact of products on the health of end-users, ensuring safe, reliable, and durable solutions, and supporting innovation in products and services to meet customer needs.

The targets were defined based on market needs analyses, regulatory requirements, and experience gained through cooperation with customers. Users did not participate directly in the process of establishing these targets, but their needs and feedback are taken into account when defining and updating them.

Actions aimed at achieving the targets

The Apator Group's actions aimed at achieving the above targets include:

- **Safety and reliability** – the use of high-quality materials and components in NPI and PPAP processes, regular testing and quality control during production, optimization of radio module parameters, and the use of materials that are safe for human health and the environment.

- **Efficiency and user comfort** – development of services based on utility consumption data (e.g., trend analysis, detection of anomalies in the SPIDAP or OMNITORUS systems), design of devices with a long service life and precise measurement parameters, which reduces operating costs and the frequency of product replacement.
- **Innovation and accessibility of technological solutions** – cooperation with customers and technology partners to develop new features and improve products, including the development of telemetry solutions and alarm systems that detect leaks or spills.
- **Compliance with regulations and standards** – continuation of product testing and certification, development of research infrastructure, preparation for the requirements of the Drinking Water Directive (DWD), and maintenance of compliance with applicable standards and legal regulations.
- **Aesthetics and design quality** – designing products that harmoniously fit into the environment, e.g. submitting the Ultrimis device to the RED DOT award, design supervision by a specialized design company.



05



BUSINESS CONDUCT

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5.1 GOV-1 – Oversight of corporate governance

Oversight of corporate governance matters within the Apator Group is exercised by the Management Board and the Supervisory Board. The Management Board is responsible for developing, implementing, and enforcing policies and procedures in the areas of ethics, compliance, and anti-corruption, while the Supervisory Board monitors their effectiveness as part of its corporate governance duties. At the operational level, the management boards of Apator Group companies oversee the implementation of and compliance with the Apator Group Code of Ethics, the Human Rights Policy, the Anti-Corruption Policy, the Anti-Bullying Policy, and other internal policies in the form of Group guidelines; they also designate individuals responsible for implementing these documents and monitor and address any potential violations of their provisions.

5.2 IRO-1 – Identification and assessment of impacts, risks, and opportunities in the area of corporate governance

The key factors, risks, and opportunities identified by the Apator Group and its stakeholders in the area of corporate governance include, in particular:

IMPACTS:

- **An organizational culture based on the principles of sustainable development** – a positive impact on the Group's operational effectiveness, employee attitudes, and credibility with stakeholders.

RISKS:

- **Reputational and financial risks associated with cybersecurity breaches**, including information security and IT systems security.
- **Risk of incidents**, particularly breaches of ethical standards, compliance, or internal regulations.
- **Risks related to supplier relationships**, resulting from a complex supply chain and increasing ESG requirements.

OPPORTUNITIES:

- **Cybersecurity and critical infrastructure security** as a means of strengthening organizational resilience and building a competitive advantage.
- **Shaping an organizational culture that supports the Group's operational effectiveness**, employee engagement, and long-term business value.

The process of identifying and assessing material impacts, risks, and opportunities in the area of corporate governance is carried out based on the Apator Group's materiality as-

essment methodology, described in the general disclosures in accordance with ESRS 2. This methodology was updated in 2025 to better align with the requirements of the ESRS standards and incorporates EFRAG implementation guidance. As part of this process, the impacts, risks, and opportunities related to corporate governance issues are also assessed, taking into account both the materiality of the impact and financial materiality.

The results of the materiality assessment, including the identification of material impacts, risks, and opportunities in the area of corporate governance, are then integrated into the Apator Group's overall risk management process. Significant risks identified through the Double Materiality Assessment (DMA) process are reviewed in the existing risk sheets and, as needed, updated by the relevant process owners, taking into account ESG aspects, including impacts, risks, and opportunities related to corporate governance.

5.3 G1-1 – Business conduct policies and corporate culture

The policies in effect at the Apator Group that address issues related to business conduct are:

- Apator Group Code of Ethics
- Anti-Corruption Policy
- Human Rights Policy
- Anti-Bullying Policy
- Integrated Management System Policies
- Compliance Process Guideline
- Guidelines regarding the documents and statements that must be obtained from a new business partner.

The policies were implemented in the form of group guidelines approved by the Management Board of Apator SA. They apply to all companies in the Apator Group. Responsibility for implementing them in the individual companies of the Group rests with the management boards of those companies. Management boards designate individuals responsible for overseeing the implementation process and monitoring any potential violations of the aforementioned policies.

The policies are available at www.apator.com or on the internal employee portal.

Apator Group Code of Ethics

It constitutes a set of overarching principles that establish a framework for conduct in business activities. It contains examples of best practices and guidelines that apply both to business relationships with customers, suppliers, and business partners, as well as to the foundation of cooperation within the Group and in relationships among team members.

The Code defines the roles of employees and managers in implementing and promoting ethical principles. It covers the rules that apply within the organization, including, among others, policies on human resources, safety and health, equal opportunity, and mutual respect. It provides practical advice on how to handle problematic situations (conflicts of interest, accepting gifts, conduct outside of work, etc.).

The Code also contains guidelines regarding the Apator Group's relationships with the business and social environment, including principles for cooperation with customers and suppliers, principles of fair competition, as well as expectations and a framework for conduct with regard to respect for the environment and the protection of natural resources.

The Apator Group Code of Ethics refers to:

- "Best Practices for GPW Listed Companies," which address compliance with corporate governance principles by companies listed on the Warsaw Stock Exchange;
- The core conventions of the International Labor Organization (ILO);
- The UN Guiding Principles on Business and Human Rights;
- The OECD Guidelines for Multinational Enterprises;
- Applicable national and international laws and regulations that influence the development of ethical attitudes and behaviors.

Apator Group Human Rights Policy

It serves as a supplement to the Apator Group Code of Ethics. The purpose of this policy is to promote human rights within the Apator Group, to emphasize their role in social and economic life as well as in business relations, to define the fundamental principles related to respect for human rights, and to establish measures to prevent human rights violations or to address any such violations.

The Human Rights Policy also commits the Apator Group companies to analyze and evaluate the practices of their contractors or other business partners prior to establishing a business relationship with them, as well as to ensure that they respect human rights.

This policy requires the Apator Group companies to actively respond to any instances of human rights violations and, where possible and justified, to impose appropriate sanctions or report such violations to the relevant authorities.

The Human Rights Policy is consistent with international standards and legal norms, including:

- The International Charter of Human Rights;
- The core conventions of the International Labor Organization (ILO);
- The OECD Guidelines for Multinational Enterprises;
- The UN Guiding Principles on Business and Human Rights;

Apator Group Anti-Corruption Policy

This Policy supplements the Apator Group Code of Ethics, and its purpose is to promote ethical conduct within the Apator Group and among entities that cooperate with Apator Group companies, to eliminate bribery and corruption, and to prevent conflicts of interest. It also includes recommendations for expanding knowledge in this area and taking steps to minimize risks associated with the behaviors described.

The Anti-Corruption Policy also requires Apator Group companies to analyze and evaluate the practices of their contractors or other business partners before entering into a business relationship with them, as well as to ensure that they adhere to ethical business principles, including, in particular, those based on objective and independent criteria for selecting employees, associates, and business partners.

This Policy requires Apator Group companies to actively respond to any instances of corruption, bribery, or conflicts of interest and, where possible and justified, to impose appropriate sanctions or report such violations to the relevant authorities. The document is based on applicable national and international legal regulations, and its provisions are consistent with the United Nations Convention against Corruption (UNCAC).

Anti-Bullying Policy

This Policy supplements the Apator Group Code of Ethics and is intended to promote the principle of equal and dignified treatment of all employees, both in their interactions with supervisors and among coworkers, across all Apator Group companies.

The Anti-Bullying Policy sets forth the rights and obligations of employees and the employer regarding the prevention of workplace bullying, and also outlines the potential legal consequences of bullying behavior. Its purpose is to raise awareness among employees and management regarding the identification of behaviors that may constitute workplace bullying, appropriate responses to such situations, and preventive measures. This document is an essential element in shaping an organizational culture based on mutual respect and reflects the employer's responsibility to ensure a safe, dignified, and equal work environment.

Both the Code of Ethics and the policies addressing ethical issues take into account the interests of the company's key stakeholders (employees, technology partners, suppliers, customers, and investors/shareholders). They address issues related to rules of conduct within the organization (the roles of managers in relation to employees and of employees in relation to one another), including employee safety and health, as well as principles of equal opportunity and mutual respect. They also establish principles governing the company's relationships with its business partners, including guidelines for working with customers, expectations regarding suppliers, principles of fair competition, and forms of community engagement and philanthropy. Respect, responsibility, and high ethical standards, which form the foundation of our relationships, are in the best interests of all parties involved in the cooperation.

Integrated Management System Policies

Key processes at the Apator Group's manufacturing companies are managed based on the implemented ISO management systems. They serve as the basis for setting annual operational goals within each process and as a commitment to the continuous improvement of management systems within the Apator Group.

The Apator Group companies conduct their business in accordance with the adopted Integrated Management System, which includes policies covering:

- Quality Management;
- Environmental Management;
- Occupational Safety and Health Management;
- Information Security Management.

Management systems are tailored to the specific nature of each company's operations. In 2025, the Group's domestic companies engaged in manufacturing operated in accordance with the following standards:

Tab. 43 Management systems at the Apator Group companies

Type of standard	Apator	Apator Metrix	Apator Powogaz	FAP Pafal	Apator Rector	Apator Telemetria
PN-EN ISO 9001:2015	x	x	x	x		x
PN-EN ISO 14001:2015	x	x	x	x		x
PN-ISO 45001:2018	x	x	x	x		x
ISO/IEC 27001:2022	x	x	x		x	x
ISO 50001:2018	x					

The implementation of ISO standards at the Apator Group companies is subject to external certification. Management systems are systematically improved and updated. In 2025, the following actions took place:

- Apator SA – ISO 50001:2018 implementation / certification, ISO 27001 update (transition to ISO/IEC 27001:2022);
- Apator Powogaz, Apator Rector – ISO/IEC 27001:2022 implementation / certification;

- Apator Metrix, Apator Telemetry – ISO 27001 update (transition to ISO/IEC 27001:2022);
- FAP Pafal – withdrawal from certification due to a reduction in operations and the decision to liquidate the company.

Compliance Process Guideline

The Apator Group has a compliance process in place that is governed by a group-wide guideline. The objectives of the process include, among others:

- ensuring that the business activities conducted by the Apator Group companies comply with generally applicable laws and ethical principles and procedures set forth in the Apator Group Code of Ethics and other internal documents of the Apator Group,
- raising legal awareness among employees and individuals working with the Apator Group companies, and protecting them from committing prohibited acts or engaging in other unlawful activities,
- protecting Apator Group companies from the risk of legal sanctions resulting from unlawful actions by employees or companies, and from damage to the companies' reputation,
- supporting employees in identifying the laws that affect their work and in incorporating legal obligations into internal procedures,
- establishing procedures for handling violations and rules for protecting those who report violations (whistleblowers).

The Group has established a **Compliance Team** that performs the following tasks:

- assisting employees and managers in identifying proposed or adopted internal regulations that affect the operations of Apator Group companies and disseminating information to the appropriate company or organizational unit (at Apator SA),
- supporting employees and managers in implementing legal requirements into the internal procedures of individual companies or group guidelines,
- supporting auditors in the process of verifying corrective actions (implementation),
- conducting investigations into reported cases of misconduct,
- conducting regular meetings and training sessions to provide up-to-date information on changes in the law.

The Compliance Team consists of representatives from the various domestic companies of the Apator Group, appointed by the companies' management boards, and a lawyer representing Apator SA, who serves as the Team's chairperson.

Company values

The Apator Group's organizational culture is based on four corporate values: Responsibility, Development, Cooperation, and Agility.

Fig. 10 Apator Group values



These values are translated into the behaviors expected of all employees. These behaviors are incorporated into the competency model and form the basis for employee evaluations, while also providing feedback on employees' adherence to company values. In addition, as part of a periodic satisfaction and engagement survey (conducted every two years), employees evaluate the company's organizational culture.

Team-building events (e.g., employee picnics) are an element of the organizational culture supported by a company's management, joint celebrations of special occasions (company anniversaries, company Christmas parties), as well as regular and ongoing communication between managers and employees (meetings, staff gatherings), during which employees can address the management with feedback and expectations. Employees of the Apator Group companies can also use formal channels to report comments and complaints.

Reporting complaints and breaches

Reporting breaches can be as follows:

- **reporting breaches under the Whistleblower Protection Act** – includes both internal reports made by employees of the Apator Group companies and reports of third parties who, in connection with their duties, have obtained information about a potential breach and have decided to forward it.

The procedures for receiving internal reports concerning information on breaches of law, as well as for taking follow-up actions in response to such reports, are set out in the Internal Reporting and Follow-up Procedures implemented across the Group companies. These procedures have been adopted in accordance with the requirements of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and the Polish Whistleblower Protection Act of June 14, 2024, which transposed the Directive into national legislation.

The procedure for handling reports under the Whistleblower Protection Act is described in Section S1-3.

- **reporting other breaches**, i.e., by entities that are not covered by the Whistleblower Protection Act, including contractors, customers, their employees, and representatives.

The procedure for handling such breaches is described in the group guideline "Identification of Legal Requirements and Compliance Management."

Reporting of breaches can be done:

- by sending and e-mail to the address: compliance@apator.com,
- in writing to the address of Apator SA facility in Ostaszewo (Apator Group headquarters).
- **reporting cases of bullying and discrimination** is carried out in accordance with the Anti-Bullying Policy:
 - by sending and e-mail to the address: compliance@apator.com,
 - in writing to the HR department of the company in question.

The procedure for handling reports applies to any violations of the policies adopted by the Apator Group. Reports of occupational safety and health breaches are treated as a priority. The message is transmitted immediately. Anonymous reports are considered provided they concern the Management Board or other individuals specifically named in the reports. Companies ensure the confidentiality of the person making the report – only the Compliance Team has access to their personal information. The Group has and implements a whistleblower protection policy that prohibits any retaliatory actions against individuals who use the available reporting channels. No person may suffer, directly or indirectly, any adverse consequences as a result of making a report. In particular, the filing of a report may not serve as grounds for terminating an employment contract or for changing the terms and conditions of employment or pay to the employee's disadvantage.

Procedure for handling other reports

The following methods are used to investigate breaches within the company:

- interviews with employees (explanations, etc.),
- institutional internal control,
- internal audit.

Reports are reviewed by a three-member Compliance Team, appointed by the team chairperson on a case-by-case basis for each report. If the violation involves a subsidiary of Apator SA, a member of the Compliance Team drafts a letter to the management board of the company in question, which includes:

- a detailed description of the report/case,
- the deadline by which explanations must be provided (a statement regarding the accuracy of the report, a description of the reasons for noncompliance, and proposed actions).

If a reported violation involves the actions of a member of the management board, the Compliance Team forwards the report to the Supervisory Board of the relevant company, which decides on how to proceed with the report. If the nature of the violation indicates that a crime may have been committed, the company's management board shall notify the relevant state authorities – such as the police or the prosecutor's office – as well as the Compliance Team. The Compliance Team maintains a registry of violations reported by entities that do not fall under the Whistleblower Protection Act, including contractors and customers, as well as a registry of whistleblower reports and a registry of reports of workplace bullying.

Providing information to the supervisory authorities

At its meetings, held at least once every six months, the Supervisory Board of Apator SA reviews all reports from the relevant period, along with a description of the verification measures taken and, where warranted, the corrective actions taken.

Training policy on business conduct

The Apator Group has a formalized training policy regarding business conduct, the elements of which are incorporated into its current ethical policies, in particular the Human Rights Policy, the Anti-Bullying Policy, and the Anti-Corruption Policy. These policies require the provision of training and awareness-raising activities for employees regarding ethical and lawful conduct. The groups of employees most at risk of corruption were also identified, in particular employees in the purchasing and sales departments, as well as management, who together account for approximately 13% of the total workforce.

To ensure that employees are familiar with the ethical principles in effect within the Apator Group, these principles have been incorporated into the onboarding materials, which are part of the new employee onboarding process. Every new employee is required to familiarize themselves with the ethical guidelines, and their understanding of these guidelines is assessed through a test.

In 2025, training sessions on preventing workplace bullying and discrimination were organized online for the Group's management and in-person for the management of Apator SA. Training sessions were also conducted for Apator Group employees on the provisions of the Human Rights Policy and the Anti-Corruption Policy, as well as on ethical principles.

Tab. 44 Groups of employees and recommended training frequency at the Apator Group starting from 2025

Type of standard	Positions at risk of corruption (employees in the procurement and sales departments and management)	Management: division directors and department managers	Management Board and Supervisory Board	Other own workforce
	training frequency and delivery method			
Anti-Corruption Policy	1 x on-site training 1 x e-learning	1 x on-site training 1 x e-learning	1 x on-site training	1 x e-learning
Compliance – Compliance with the law		1 x on-line	1 x on-site training	
Ethical principles in the organization / corporate values		1 x on-line 1 x e-learning	1 x on-line	1 x e-learning
Anti-Bullying Policy / preventing harassment and discrimination in the workplace		1 x on-site training / on-line		1 x on-line / e-learning

The anti-corruption policy training sessions conducted in 2025 covered, among other things, the following topics: the concept and significance of anti-corruption policy; the concept and types of corruption; a discussion of examples of situations prone to corruption; a discussion of mechanisms for preventing and combating corruption; the responsibilities of management, the Management Board and the Supervisory Board regarding the prevention and combating of corruption, and the consequences of corrupt actions.

Tab. 45 The scope of anti-corruption policy training for the Apator Group conducted in 2025 for risk-prone functions

Training on Anti-Corruption Policy	Functions exposed to risk
Number of people	306
Number of people trained in Anti-Corruption Policy	123
Percentage of people trained in Anti-Corruption Policy	40.2%

Other training activities:

During the reporting period, the Apator Group also conducted a series of training sessions aimed at fostering a culture of compliance and ethics within the organization, specifically:

- compliance training, covering, among other things, issues related to ensuring that business operations comply with the law, mechanisms for implementing and enforcing compliance, and the consequences of violations,
- training sessions on ethical principles and corporate values, which covered topics such as human rights, the responsibilities of employers and employees, and the importance of ethical standards in the organization's operations,
- training on combating workplace bullying, discrimination, and other forms of harassment, covering the identification of undesirable behaviors, prevention strategies, and the consequences of violations.

The training sessions were aimed at various groups of employees, including management, and were conducted both in person and online.

The training participant groups were determined based on an analysis of roles and responsibilities within the organization. The scope and topics of the training sessions were tailored to the participants' roles and the level of risk.

5.4 ESRS G1-2 – Supplier relationship management

General principles of cooperation with suppliers

Effective cooperation with suppliers is crucial for the Apator Group companies to carry out their manufacturing operations and for the Group to fulfill its obligations to its customers.

Apator cooperates with suppliers in compliance with the principles of commercial ethics and requirements specified by relevant laws and regulations. In business relationships with business partners, including suppliers and contractors, the provisions of **the Apator Group Code of Ethics** shall apply. The main principles of cooperation with suppliers in the Apator Group were defined in **the group guideline "Implementation of cooperation between Apator Group companies and business partners and suppliers in the area of strategic procurement" implemented in 2025**, which replaced the current guideline. This document applies to all manufacturing companies of the Apator Group that are registered and operate in Poland. The guideline is the overarching document, while matters not covered by it are further governed by internal procedures and instructions in effect at individual companies.

The implemented guideline establishes a uniform approach to organizing operational processes related to procurement and collaboration, particularly with regard to the selection, evaluation, and qualification of suppliers. At the same time, it establishes the organizational framework for the other processes, including:

- auditing suppliers and informing them of the audit results,

- identifying and assessing risks associated with suppliers/business partners; the specific manner in which these processes are organized and carried out is set forth in the internal procedures and instructions in effect at the individual companies of the Apator Group.

In 2026, the Group plans to standardize the procedures for conducting supplier audits across all of its companies.

General principles for working with suppliers to support the Group's risk management strategy:

- when working with suppliers and business partners of the Apator Group, they strive to enter into cooperation agreements, adhere to internal procedures, and use appropriate tools for managing and communicating with partners,
- the procurement policy focuses primarily on selecting reliable partners who meet specific quality criteria, while taking price requirements into account,
- the companies of the Apator Group pursue a competitive and open procurement policy, while ensuring compliance with applicable ethical standards,
- particular emphasis is placed on issues related to the respect for intellectual property rights, both with regard to the rights of partners and the rights held by the companies of the Apator Group,
- when entering into agreements with partners, the following clauses are included: anti-corruption, conflict of interest, respect for human rights and labor rights, personal data protection, and the supplier's compliance with the ethical criteria of a socially responsible entity, including allowing audits to be conducted to verify the supplier's compliance with ethical, social, and environmental standards,
- agreements include provisions regarding the occupational safety of suppliers and sub-contractors with respect to employees and the environment,
- as part of their efforts to support the immediate local community, Apator Group companies strive, whenever possible, to seek out and use the services of domestic suppliers and business partners.

In addition, to ensure due diligence in commercial transactions, the Apator Group has developed and implemented an internal guideline governing payment practices (described in Section G1-6).

Supply area management

During the product design phase, companies select materials and components that offer the greatest possible flexibility in terms of availability. This is achieved, among other things, by selecting alternative suppliers (where possible). The process of selecting and onboarding a supplier is based on a structured supplier qualification process. This process is described in the Group Guideline entitled "Implementation of cooperation between Apator Group companies and business partners and suppliers in the area of strategic procurement."



Due to geopolitical considerations, the Apator Group focuses on suppliers located in Poland and Europe when selecting suppliers. If it is not possible to source components or materials in Europe, the search is expanded to include other locations around the world. In the electronics sector, following years of technology transfer and the shift of production from Europe and the U.S. to Asia, the region has become the primary destination for imports of such materials.

through dual sourcing and materials management, such as increased inventory levels and safety stock held by suppliers for critical materials.

Qualification and supervision of suppliers

The evaluation and selection of suppliers is based on the Group guideline entitled “Imple-



The distinction between strategic and other suppliers makes it easier for the Group to focus appropriately on its key suppliers. In accordance with the Group's guidelines, suppliers are classified as strategic based on a review of a list generated by the ERP system, which takes into account financial turnover as well as additional criteria, such as the uniqueness of the materials or services provided and the supplier's impact on the Group's operations and on building its competitive advantage; the final decision is made by the Strategic Procurement Manager. Strategic suppliers are subject to a structured process for monitoring key performance indicators and an audit program based on defined criteria (which vary by company).

Given the nature of its products and the variety of materials it uses, the Apator Group relies, among other things, on suppliers that are vulnerable to significant economic risks (economic conditions), environmental risks (such as suppliers' geographic location in earthquake-prone areas or regions with climatic instability), or social risks (public sentiment, ethnic differences, and the political situation). Risks related to procurement are reviewed annually as part of the Apator Group's risk management process. The Group mitigates risks in this area

mentation of cooperation between Apator Group companies and business partners and suppliers in the area of strategic procurement,” as well as on the collection and verification of the statements and documents required of new contractors pursuant to Group guideline WK/F/160. During the supplier qualification process, information is collected, among other things, on the maturity level of management systems, including quality, environmental protection, and occupational safety and health, as well as on whether companies hold management system certifications (e.g., ISO 9001 / ISO 45001 / ISO 14001 / ISO 27001 / ISO 50001) and/or the implementation of a documented ESG social responsibility strategy or other documents confirming compliance with legal requirements regarding quality, environmental protection, and occupational safety and health, such as:

- documentation confirming compliance with the requirements set forth in the REACH Regulation and the RoHS Directive,
- the calculation of the carbon footprint for the product,
- Material Safety Data Sheets.

Strategic suppliers are subject to review based on criteria such as: the organization's security in terms of quality assurance, on-time and reliable deliveries, the specific nature of the production processes or the products/components supplied, political and economic factors, or other circumstances that may affect the security of supplies to Apator (e.g., changing legal regulations, natural disasters, etc.). Issues related to supplier certification are not critical in all areas and do not determine the choice of supplier.

The Apator Group companies maintain regular contact with their strategic suppliers and define the terms of cooperation and requirements. Supervision and control of the effectiveness of cooperation with suppliers is carried out by an ongoing assessment, carried out once a month (e.g., in the ERP system, delivery on time, quality indicator of delivered materials are monitored), and an audit. Suppliers are informed of the results and the evaluation of their performance. Following the audits, areas for improvement are identified and are then monitored. On average, about 10% of strategic suppliers are audited each year. Audit plans are prepared on an annual basis, but in justified cases, a supplier audit may be conducted outside the plan.

As part of the Apator Group ESG Strategy, the following commitment was adopted regarding supplier relations: responsible partnerships in the value chain, which will be monitored using KPIs; the number of strategic suppliers assessed for ESG criteria (the ESG strategy objectives are presented in the General Information Section, SBM-1 Strategy, Business Model, and Value Chain). In January 2025, new policies on anti-corruption and respect for human rights were also introduced, applicable to all partners in the Apator Group's value chain; these policies were published on the website www.apator.com.

In 2025, the Group introduced a mandatory step in the supplier selection process: the signing of an ESG declaration, in which the supplier confirms that it has reviewed the principles set forth in the Apator Group Code of Ethics and commits to adhering to them.

Qualifications of procurement department employees

The qualifications of the procurement department employees are described in the competency matrix. The development and improvement of the procurement employees is achieved through internal and external training, which is evaluated as part of their day-to-day duties, that is, during audits, negotiation meetings, and direct interactions with suppliers (e.g., at trade shows). Procurement department employees participated in external and internal training sessions related to their areas of responsibility, including negotiation, risk management, contract management, supplier auditing, and Lean Management in procurement. A total of 8 training sessions were held, with 16 participants.

Currently, the Apator Group does not have an incentive system in place for employees responsible for procurement management. Employees in the Procurement Departments, as high-risk groups, are briefed on the principles of the Anti-Corruption Policy and undergo regular training (for more information, see sections G1-1 and G1-3).

Tab. 46 Apator Group suppliers

Total number of suppliers	2024	2025
1. strategic, including:	205	166
domestic	125	94
foreign	80	71
indirect imports	-	1
2. other suppliers	6,337	5,711
domestic	5,729	4,962
foreign	604	745
indirect imports	4	4
Total [1+2]**	6,542	5,877
Procurement		
Share of procurement from domestic suppliers in total procurement [%]	73.1%	72.7%

The year-over-year decline in the number of suppliers is the result of optimization efforts and supply chain consolidation within the Apator Group, aimed at increasing the efficiency of cooperation, including by reducing the number of suppliers in selected categories, such as hotel services.

5.5 ESRS G1-3 – Prevention and detection of corruption and bribery

The ethical principles governing anti-corruption activities are set forth in the **Apator Group Code of Ethics**, while the process for preventing and reporting corruption within the Apator Group is described in the **Apator Group Anti-Corruption Policy**. Any Policy breaches may be reported via email to: compliance@apator.com. Those who report breaches are guaranteed confidentiality regarding their personal information and are protected from any sanctions related to such reports. In accordance with established policy, every report must be investigated, and the process of handling it must be documented in accordance with the established procedure for handling reports as part of the compliance process. Reports are reviewed by a committee appointed by the Compliance Team, which operates independently of the management structures and organizational units covered by the report, and the results of the review are reported to the Supervisory Board.

To ensure transparency and independence in the management of Apator Group companies, employees are required to disclose family ties and informal relationships among individuals employed by these companies in order to eliminate potential conflicts of interest that could influence the objective evaluation of employees, the exploitation of professional dependencies within the framework of reporting relationships and connections, or the unjustified granting of benefits. Reports should be submitted to the immediate supervisor, who will forward the information to the Compliance Team.

If there are business, family, or similar ties between individuals responsible for selecting a supplier, contractor, or other business partner and those entities, or if such individuals have influence over that selection, it is necessary to notify the Compliance Team of this fact during the bidding process.

Training programs are designed to prevent corruption and bribery by raising employees' awareness of applicable rules and the appropriate response in ethically challenging situations. To address violations of procedures and standards related to corruption and bribery, the aforementioned issues have been incorporated into the onboarding processes at selected companies. Newly hired employees undergo a training program that covers, among other things, the ethical principles applicable within the organization as set forth in the Apator Group Code of Ethics. Starting in 2025, the Group has implemented a system of regular training sessions, which will primarily cover individuals in roles identified as being particularly vulnerable to corruption. The compliance process and the Group's whistleblowing system (described in Section G1-1 and S1-3) also serve a preventive function. The table of training courses on organizational culture, including those on anti-corruption, is included in Section G1-1.

5.6 ESRS G1-4 – Incidents of corruption or bribery

In 2025, the Apator Group did not record any final convictions or monetary penalties related to human rights, corruption, unfair competition, or taxation. The data presented in the table relate exclusively to final and legally binding decisions and do not include cases that remain subject to administrative proceedings (initiation of proceedings by the President of the Office of Competition and Consumer Protection against Apator Metrix SA as part of antitrust proceedings – see the Report of the Management Board, item 9, for more details). As of the date of publication of this report, the proceedings remain ongoing and no final and legally binding decisions have been issued.

Tab. 47 Complaints and court judgments in relation to the companies of the Apator Group

Complaints, court judgments	2024	2025
Number of final and legally binding convictions in cases involving human rights, corruption, unfair competition, and taxation	0	0
Number of convictions for violations of anti-corruption and anti-bribery laws	0	0
The amount of fines for violation of anti-corruption and anti-bribery laws	0	0

5.7 ESRS G1-6 – Payment practices

Obligations related to due diligence in commercial transactions, including obligations resulting from the acts on the elimination of payment backlogs, are regulated in the Apator Group in the form of a group guideline.

The Apator Group's standard payment terms are determined based on applicable regulations regarding the elimination of payment backlogs. According to them:

- the maximum payment term for purchase invoices in transactions with small, medium, and micro-enterprises is 60 days,
- a payment term exceeding 60 days may be applied only to transactions with large enterprises.

For a supplier to be considered a large enterprise, it must meet both of the following conditions:

- number of employees > 250,
- annual turnover > EUR 50 million or annual balance sheet total > EUR 43 million.

These rules apply to domestic suppliers, as well as those from EU and EFTA countries.

In justified cases, payments may be made in the form of prepayments. If the prepayment exceeds PLN 500,000, the supplier is required to provide security for the transaction in the form of a refund guarantee.

Tab. 48 Payment practices at the Apator Group*

Apator Group	Average time to settle an invoice from the date of commencement of calculation of the contractual or statutory payment deadline (number of days)**	Standard payment terms [days] – percentage of suppliers falling within the range						The percentage of the payment in accordance with these standard terms	Number of pending court cases related to late payments
		prepayment	1–14 days	15–30 days	31–60 days	61–90 days	> 90 days		
2025	50.4***	3%	16%	28%	51%	2%	0%	79%	0
2024	39.6	9%	16%	30%	44%	1%	0%	80%	0

* A report on the payment practices used by companies must be submitted electronically to the Ministry of Economic Development and Technology by April 30 of each year for the preceding year. The responsibility for submitting reports on time rests with the companies' management boards. Reports are submitted by Apator Powogaz, Apator Metrix, and Apator SA.

** Data is collected using ERP systems.

*** The increase in the average time taken to settle invoices from the commencement of the contractual or statutory payment period was driven, among other factors, by improved working capital management efficiency and the transition from a prepayment system to deferred payment terms. At the same time, the Apator Group monitors payment deadlines in accordance with applicable laws.

5.8 Security and protection of personal data

Security and data protection policy

The Apator Group has implemented a number of internal regulations setting forth security policies related to:

- information security,
- ICT security,
- personal data protection,
- optimization of the cybersecurity area in the Apator Group companies,
- preparation of Apator Group companies to meet the requirements of the Act on the National Cybersecurity System (implementation of Directive NIS2),
- implementation of the requirements contained in the ISO 27001:2022 standard in the Apator Group companies.

Information security

The Information Security Management System at the Apator Group companies is part of the Integrated Management System and pertains to the establishment, implementation, operation, monitoring, maintenance, and improvement of information security. The Group's companies operate in accordance with the requirements of the PN-ISO/IEC 27001 standard. In 2025, Information Security Management Systems compliant with the ISO 27001:2022 standard were implemented in: Apator SA, Apator Metrix, Apator Powogaz, Apator Telemetria, and Apator Rector. All of the systems listed have successfully passed certification for compliance with the standard.

The system's main guidelines are set forth in the Information Security Process Procedure. The Procedure specifies in detail the rules for information management and the process flow, in particular:

- characteristics of the information processing area,
- classification of information,
- principles of management and inventory of information assets,
- procedures for handling security incidents,
- risk management approach,
- procedures to ensure the continuity of the information security system,
- information security areas,
- methods for monitoring and improving the process.

The adopted policies and safeguards are based on the results and conclusions derived from risk assessment and management processes, as well as from the analysis of legal and contractual requirements regarding information security. The system undergoes periodic certification audits.

Personal data protection

Taking into account the nature, scope, context, and purposes of processing and the risk of violation of the rights or freedoms of natural persons with different probability and severity of threat, in order to ensure the processing of personal data in accordance with the provisions of law, Apator SA (ADO – Personal Data Controller) has introduced instructions for the protection of personal data, which is addressed to all persons employed by Apator SA or authorized to process data on behalf of the Company.

The instructions specify in particular:

- division of responsibilities in the process of personal data protection,
- rules of personal data processing,
- rules for complying with the disclosure obligation,
- rules governing the exercise of data subjects' rights (i.e., requests from data subjects),
- rules governing the entrustment of personal data processing,
- rules governing the acceptance of personal data entrusted for processing,
- rules governing the disclosure of personal data,
- rules governing joint control of personal data,
- rules for conducting risk analysis and impact assessment on the protection of personal data,
- procedures in the event of a personal data breach,
- employee training,
- the role of the Data Protection Officer.

Apator SA, Apator Powogaz SA, Apator Telemetria Sp. z o.o., Apator Metrix SA, Apator Rector Sp. z o.o., and FAP PAFAL SA (in liquidation) have appointed a joint Data Protection Officer, acting in accordance with Articles 37–39 of Regulation (EU) 2016/679 of the European Parliament and of the Council (GDPR).

In 2025, Apator SA adopted an updated Personal Data Protection Policy, which, after being appropriately adapted to the scale and complexity of operations, was also implemented at Apator Powogaz SA and Apator Metrix SA. The Group's other companies have introduced their own regulations/policies regarding personal data protection. In 2026, work will continue to standardize documentation related to personal data protection within the Group.

In 2025, the Data Protection Officer carried out his duties in accordance with Article 39 of the GDPR, particularly with regard to providing information and advice to Data Controllers and employees who process personal data, as well as monitoring compliance with personal data protection laws and internal regulations.

As part of efforts to raise awareness and foster a culture of compliance, training sessions on personal data protection were conducted at selected Group companies, covering, among other topics, the principles of lawful processing, the exercise of data subjects' rights, procedures in the event of data breach, and employee responsibilities in data processing.

The Data Protection Officer regularly provided the Group's companies with announcements, guidelines, and recommendations regarding the protection of personal data, including information on the supervisory authority's positions and decisions, as well as best practices for implementing the GDPR.

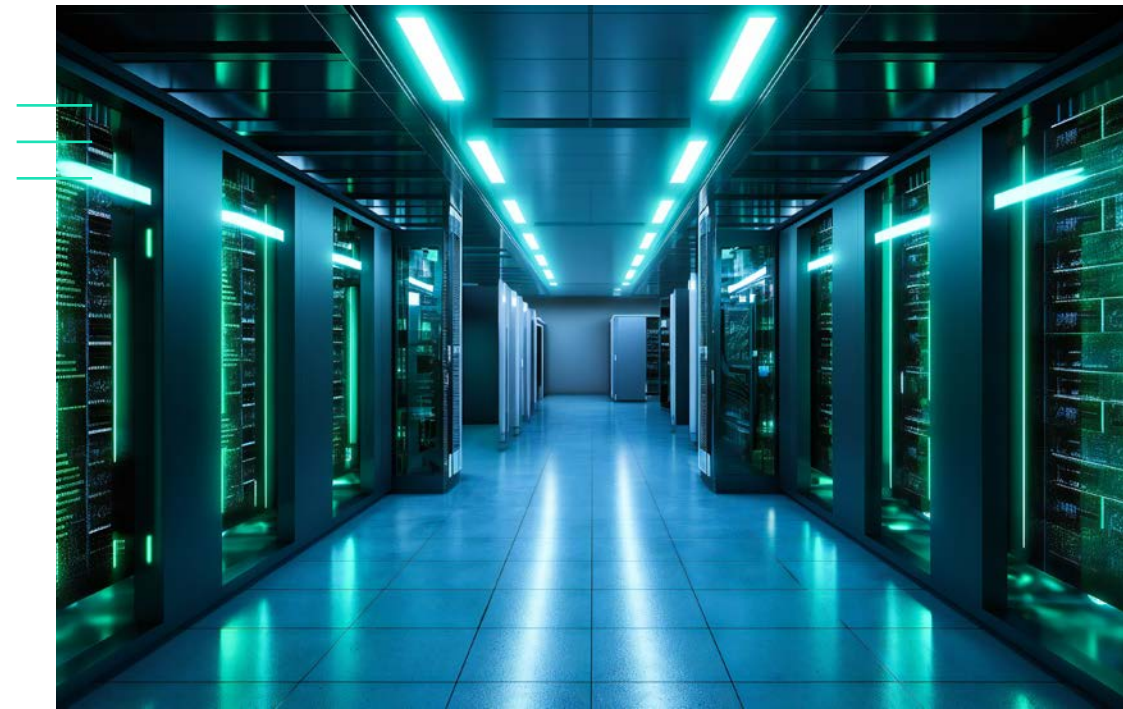
As part of their advisory and supervisory role, the Data Protection Officer reviewed draft contracts and personal data processing agreements, assisting Group companies in ensuring that the agreements they entered into complied with the provisions of the GDPR and

in mitigating legal and reputational risks associated with the processing of personal data. In 2025, the Apator Group did not record any personal data breaches that were required to be reported to the President of the Personal Data Protection Office.

ICT security

The Apator Group companies have implemented system-wide instructions in the field of ICT security. They set forth detailed procedures and practices designed to ensure due diligence in the processing of individuals' personal data in accordance with applicable laws and to strengthen digital security. In particular, they specify:

- rules for managing ICT infrastructure,
- access control, including physical and environmental security, the access rights management process, cryptographic security policies, password policies, and clean desk and clean screen policies,
- software management, including software security, change management, system monitoring and oversight, and IT system audit policies,
- personal safety, including employee accountability and qualifications, employee training,
- business continuity of the ICT environment, including backup procedures (the business continuity plan is specified in a separate, detailed manual),
- IT security exception management,
- risk assessment and mitigation,
- ICT security incident management (additional detailed instructions),
- third party access security (additional detailed instructions).



The pace of technological advancement, the rapid growth in the volume of data generated and processed (which poses a significant challenge for systems, particularly backup systems), and the need to provide direct IT support to many locations within the Apator Group are giving rise to new cybersecurity challenges. The Apator Group has implemented a Group Guideline entitled "Optimization of Cybersecurity in the Apator Group Companies," which aims to define the scope of actions taken by the management boards of Apator Group companies to verify the level of security measures in place for their IT infrastructure. The guideline also introduces a plan of coordinated actions designed to strengthen the Group's cybersecurity.

The guideline specifies the detailed scope of activities in the following areas:

- conducting penetration tests on IT infrastructure,
- conducting a series of training sessions for employees,
- continuous monitoring of the internet traffic input and output,
- verifying e-mail accounts for their minimum functionality,
- verifying and modifying the Active Directory structure,
- establishing partnerships with external entities that provide cybersecurity services,
- expansion of backup systems.

As a result of implementing the provisions of the aforementioned guideline, Apator Powogaz, Apator Metrix, and Apator Rector have joined the group of companies that have entered into agreements with external SOC providers, under which their key IT systems are actively monitored 24/7/365. Apator SA had previously used this service.

In addition, in 2025, Apator SA implemented a number of initiatives aimed at improving digital security. The activities carried out consisted of:

- expanding the scope of cooperation with the SOC provider to include the protection of the identities of users of Microsoft 365 systems,
- further increasing the number of computer systems subject to continuous monitoring,
- incorporating production stations into the automatic backup system in the measurement equipment production area (OT systems),
- implementing the PRA class, a system for recording sessions of remote access to Apator SA computer systems by external consultants,
- expanding the emergency power supply system for the data center at Apator S.A. by replacing UPS units with next-generation devices featuring a modular design that enables operation in a high-availability configuration,
- completing the segmentation of the computer network by separating individual office and production areas into dedicated network segments,
- implementing a system for monitoring network traffic flowing between individual network segments, The monitoring system uses AI-based mechanisms to detect anomalies in network traffic,
- launching, in cooperation with an external cybersecurity specialist, a project aimed at strengthening digital security within the operational technology (OT) environment and the software development domain.

Further expansion of the access control system was also carried out, and the number of locations with restricted access was significantly increased. The Access Control System has been partially extended to remote locations. Restrictions have been imposed on access to rooms where information of particular importance is processed. A secure office was set up to serve as a data-processing facility with enhanced security and confidentiality requirements.

Efforts also continued to assess employees' resilience to digital threats they may encounter in their daily work. Employee behavior was assessed through smishing campaigns (sending text messages containing a link to a spoofed website) and phishing campaigns. The results of these efforts highlight the need to continuously monitor employees' knowledge and to carry out ongoing educational initiatives. An analysis of trends in cyberattacks identifies human resources as the weakest and most commonly exploited link enabling unauthorized access to information systems. As a result of these efforts, it was recommended that the Management Board implement more restrictive methods for accessing systems, and MFA mechanisms were widely implemented to protect user identities.

Given the nature of their business, their size, and the markets in which the Apator Group companies operate, they will be subject to the requirements of the Act on the National Cybersecurity System and will be granted "Critical" [*Ważny*] enterprise status as defined by that Act. Accordingly, preparatory steps have been taken to meet the requirements imposed on selected entities by the Act on the National Cybersecurity System.

Tab. 49 Safety indicators for selected companies of the Apator Group in 2025

Type of standard	Apator SA	Apator Powogaz	Apator Metra**	Apator Telemetry	Apator Metrix
SLA (Resolving IT incidents within specified SLA limits)	93.59%	N/A	N/A	N/A	N/A
Availability of critical IT systems*	99.96%	100%	100%	99.80%	99.96%

* Companies identify key local IT systems and measure their availability. Reports are submitted to the Apator Group's IT Director.

**Measurements have been conducted since October 2025.

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6.1 List of material disclosure requirements (IRO-2)

Tab. 50 List of disclosure requirements in ESRS covered by the undertaking's sustainability statement

The disclosure requirement in ESRS 2	Section of the report
General	
1. BP-1 – Basis for preparation of sustainability statement	15.1.1
2. BP-2 – Disclosures in relation to specific circumstances	15.1.2
3. GOV-1 – The role of the administrative, management and supervisory bodies	15.1.3
4. GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	15.1.4
5. GOV-3 – Integration of sustainability-related performance in incentive schemes	15.1.5
6. GOV-4 – Statement on due diligence	15.1.6
7. GOV-5 – Risk management and internal controls over sustainability reporting	15.1.7
8. SBM-1 – Strategy, business model and value chain	15.1.8
9. SBM-2 – Interests and views of stakeholders	15.1.9
10. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	15.1.10
11. IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	15.1.11
E1	
12. GOV-3 – Integration of sustainability-related performance in incentive schemes	15.2.1.1.
13. E1-1 – Transition plan for climate change mitigation	15.2.1.2.
14. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	15.2.1.3.
15. IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to climate	15.2.1.4.
16. E1-2 – Policies related to climate change mitigation and adaptation	15.2.1.5.
17. E1-3 – Actions and resources in relation to climate change policies	15.2.1.6.
18. E1-4 – Targets related to climate change mitigation and adaptation	15.2.1.7.
19. E1-5 – Energy consumption and mix	15.2.1.8.
20. E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	15.2.1.9.

The disclosure requirement in ESRS 2	Section of the report
21. E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	15.2.1.10.
22. E1-8 – Internal carbon pricing	15.2.1.11.
E2	
23. IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to pollution	15.2.2.1.
24. E2-1 – Policies related to pollution	15.2.2.2.
25. E2-2 – Actions and resources related to pollution	15.2.2.3.
26. E2-3 – Targets related to pollution	15.2.2.4.
27. E2-4 – Pollution of air, water and soil	15.2.2.5.
28. E2-5 – Substances of concern and substances of very high concern	15.2.2.6.
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29. E3-1 – Policies related to water and marine resources	15.2.3.1.
30. IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to water and marine resources	15.2.3.2.
31. E3-2 – Actions and resources related to water and marine resources policies	15.2.3.3.
32. E3-3 – Targets related to water and marine resources	15.2.3.4.
33. E3-4 – Water consumption	15.2.3.5.
E5	
34. IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	15.2.4.1.
35. E5-1 – Policies related to resource use and circular economy	15.2.4.2.
36. E5-2 – Actions and resources related to resource use and circular economy	15.2.4.3.
37. E5-3 – Targets related to resource use and circular economy	15.2.4.4.
38. E5-4 – Resource inflows	15.2.4.5.
39. E5-5 – Resource outflows	15.2.4.6.
Taxonomic disclosures	
40. Steps in the Taxonomy alignment assessment	15.2.5.1.
41. Analysis of activities aligned with the EU Taxonomy	15.2.5.2.

The disclosure requirement in ESRS 2	Section of the report
S1	
42. SBM-2 – Interests and views of stakeholders	15.3.1.1.
43. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	15.3.1.2.
44. ESRS S1-1 – Policies related to own workforce	15.3.1.3.
45. S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts	15.3.1.4.
46. S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	15.3.1.5.
47. S1-4 – Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches	15.3.1.6.
48. S1-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities	15.3.1.7.
49. S1-6 – Characteristics of undertaking’s employees	15.3.1.8.
50. S1-7 – Characteristics of non-employee workers in the undertaking’s own workforce	15.3.1.9.
51. S1-8 – Collective bargaining coverage and social dialog	15.3.1.10.
52. S1-10 – Adequate wages	15.3.1.11.
53. S1-11 – Social protection	15.3.1.12.
54. S1-13 – Training and skills development metrics	15.3.1.13.
55. S1-14 – Health and safety metrics	15.3.1.14.
56. S1-15 – Work-life balance metrics	15.3.1.15.
57. S1-16 – Remuneration metrics (pay gap and total remuneration)	15.3.1.16.
58. S1-17 – Incidents, complaints and severe human rights impacts	15.3.1.17.
S2	
59. Characteristics of workers in the value chain	15.3.2.1.
60. SBM-2 – Interests and views of stakeholders	15.3.2.2.
61. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	15.3.2.3.
62. ESRS S2-1 – Policies related to value chain workers	15.3.2.4.
63. ESRS S2-2 – Processes for engaging with value chain workers about impacts	15.3.2.5.

The disclosure requirement in ESRS 2	Section of the report
64. ESRS S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	15.3.2.6.
65. 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 workers, and effectiveness of those actions	15.3.2.7.
66. ESRS S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	15.3.2.8.
S4	
67. SBM-2 – Interests and views of stakeholders	15.3.3.1.
68. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	15.3.3.2.
69. S4-1 – Policies related to consumers and end-users	15.3.3.3.
70. S4-2 – Processes for engaging with consumers and end-users about impacts	15.3.3.4.
71. S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	15.3.3.5.
72. 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	15.3.3.6.
73. S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	15.3.3.7.
G1	
74. GOV-1 – Oversight of corporate governance	15.4.1.
75. IRO-1 – Identification and assessment of impacts, risks, and opportunities in the area of corporate governance	15.4.2.
76. ESRS G1-1 – Business conduct policies and corporate culture	15.4.3.
77. ESRS G1-2 – Management of relationships with suppliers	15.4.4.
78. ESRS G1-3 – Prevention and detection of corruption and bribery	15.4.5.
79. ESRS G1-4 – Incidents of corruption or bribery	15.4.6.
80. ESRS G1-6 – Payment practices	15.4.7.
81. Security and protection of personal data	15.4.8.
82. IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	15.5.

6.2 Disclosure requirements under other EU regulations

Tab. 51 Disclosure requirements and related data points

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
1. ESRS 2 GOV-1 Gender diversity of board members par. 21(d)	Indicator 13 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		15.1.3
2. ESRS 2 GOV-1 – Percentage of independent board members par. 21(e)			Annex II to Delegated Regulation (EU) 2020/1816		15.1.3
3. ESRS 2 GOV-4 – Statement on due diligence par. 30	Indicator 10 in Table 3 of Annex I				15.1.6
4. ESRS 2 SBM-1 – Involvement in activities related to fossil fuels par. 40(d)(i)	Indicator 4 in Table 1 of Annex I	Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Annex II to Delegated Regulation (EU) 2020/1816		N/A
5. ESRS 2 SBM-1 – Involvement in activities related to chemicals production par. 40(d)(ii)	Indicator 9 in Table 2 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		N/A
6. ESRS 2 SBM-1 – Involvement in activities related to controversial weapons par. 40(d)(iii)	Indicator 14 in Table 1 of Annex I		Article 12(1) of Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816		N/A
7. ESRS 2 SBM-1 – Involvement in activities related to the cultivation and production of tobacco par. 40(d)(iv)			Article 12(1) of Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816		N/A
8. ESRS E1-1 – Transition plan to reach climate neutrality by 2050 par. 14				Article 2(1) of Regulation (EU) 2021/1119	15.2.1.2

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
9. ESRS E1-1 – Undertakings excluded from Paris-aligned Benchmarks par. 16(g)		Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12(1)(d)-(g) and Article 12(2) of Delegated Regulation (EU) 2020/1818		15.2.1.2
10. ESRS E1-4 – GHG emission reduction targets par. 34	Indicator 4 in Table 2 of Annex I	Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818		15.2.1.7
11. ESRS E1-5 – Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) par. 38	Indicator 5 in Table 1 and Indicator 5 in Table 2 of Annex I				15.2.1.8
12. ESRS E1-5 – Energy consumption and mix par. 37	Indicator 5 in Table 1 of Annex I				15.2.1.8
13. ESRS E1-5 – Energy intensity associated with activities in high climate impact sectors par. 40–43	Indicator 6 in Table 1 of Annex I				15.2.1.8
14. ESRS E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions par. 44	Indicators 1 and 2 in Table 1 of Annex I	Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 5(1), Article 6 and Article 8(1) of Delegated Regulation (EU) 2020/1818		15.2.1.9

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
15. ESRS E1-6 – Gross GHG emissions intensity par. 53–55	Indicator 3 in Table 1 of Annex I	Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	Article 8(1) of Delegated Regulation (EU) 2020/1818		15.2.1.9
16. ESRS E1-7 – GHG removals and carbon credits par. 56				Article 2(1) of Regulation (EU) 2021/1119	15.2.1.10
17. ESRS E1-9 – Exposure of the benchmark portfolio to climate-related physical risks par. 66			Annex II to Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816		Omitted pursuant to ESRS 1, Appendix C
18. ESRS E1-9 – Disaggregation of monetary amounts by acute and long-term physical risks, par. 66(a) ESRS E1-9 – Location of significant assets subject to material physical risks, par. 66(c)		Article 449a of Regulation (EU) 575/2013; par. 46 and par. 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk			Omitted pursuant to ESRS 1, Appendix C
19. ESRS E1-9 – Breakdown of the carrying value of the undertaking's real estate assets by energy-efficiency classes par. 67(c)		Article 449a of Regulation (EU) 575/2013; par. 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book – Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Omitted pursuant to ESRS 1, Appendix C
20. ESRS E1-9 – Degree of exposure of the portfolio to climate-related opportunities par. 69			Annex II to Delegated Regulation (EU) 2020/1818		Omitted pursuant to ESRS 1, Appendix C

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
21. ESRS E2-4 – Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, par. 28	Indicator 8 in Table 1 of Annex I, Indicator 2 in Table 2 of Annex I, Indicator 1 in Table 2 of Annex I, and Indicator 3 in Table 2 of Annex I				15.2.2.5
22. ESRS E3-1 – Water and marine resources par. 9	Indicator 7 in Table 2 of Annex I				15.2.3.1
23. ESRS E3-1 – Entity-specific policy par. 13	Indicator 8 in Table 2 of Annex I				15.2.3.1
24. ESRS E3-1 – Sustainable oceans and seas par. 14	Indicator 12 in Table 2 of Annex I				15.2.3.1
25. ESRS E3-4 – Total water recycled and reused par. 28(c)	Indicator 6.2 in Table 2 of Annex I				15.2.3.5
26. ESRS E3-4 – Total water consumption in m3 per net revenue from own operations par. 29	Indicator 6.1 in Table 2 of Annex I				15.2.3.5
27. ESRS 2 SBM 3-E4 par. 16(a)(i)	Indicator 7 in Table 1 of Annex I				not material
28. ESRS 2 SBM 3-E4 par. 16(b)	Indicator 10 in Table 2 of Annex I				not material
29. ESRS 2 SBM 3-E4 par. 16(c)	Indicator 14 in Table 2 of Annex I				not material
30. ESRS E4-2 – Sustainable land / agriculture practices or policies par. 24(b)	Indicator 11 in Table 2 of Annex I				not material
31. ESRS E4-2 – Sustainable oceans / seas practices or policies par. 24(c)	Indicator 12 in Table 2 of Annex I				not material
32. ESRS E4-2 – Policies to address deforestation par. 24(d)	Indicator 15 in Table 2 of Annex I				not material
33. ESRS E5-5 – Non-recycled waste par. 37(d)	Indicator 13 in Table 2 of Annex I				15.2.4.6
34. ESRS E5-5 – Hazardous waste and radioactive waste par. 39	Indicator 9 in Table 1 of Annex I				15.2.4.6

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
35. ESR5 2 SBM-3-S1 – Risk of incidents of forced labour par. 14(f)	Indicator 13 in Table 3 of Annex I				15.3.1.2
36. ESR5 2 SBM-3-S1 – Risk of incidents of child labour par. 14(g)	Indicator 12 in Table 3 of Annex I				15.3.1.2
37. ESR5 S1-1 – Human rights policy commitments par. 20	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				15.3.1.3
38. ESR5 S1-1 – Due diligence strategies on issues addressed by the fundamental ILO Conventions 1 to 8, par. 21			Annex II to Delegated Regulation (EU) 2020/1816		15.3.1.3
39. ESR5 S1-1 – Processes and measures for preventing trafficking in human beings par. 22	Indicator 11 in Table 3 of Annex I				15.3.1.3
40. ESR5 S1-1 – Workplace accident prevention policy or management system par. 23	Indicator 1 in Table 3 of Annex I				15.3.1.3
41. ESR5 S1-3 – Grievance/complaints handling mechanisms par. 32(c)	Indicator 5 in Table 3 of Annex I				15.3.1.5
42. ESR5 S1-14 – Number of fatalities and number and rate of work-related accidents par. 88(b) and (c)	Indicator 2 in Table 3 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		15.3.1.14
43. ESR5 S1-14 – Number of days lost to injuries, accidents, fatalities, or ill health par. 88(e)	Indicator 3 in Table 3 of Annex I				15.3.1.14
44. ESR5 S1-16 – Unadjusted gender pay gap par. 97(a)	Indicator 12 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		15.3.1.16
45. ESR5 S1-16 – Excessive CEO compensation par. 97(b)	Indicator 8 in Table 3 of Annex I				15.3.1.16
46. ESR5 S1-17 – Incidents of discrimination par. 103(a)	Indicator 7 in Table 3 of Annex I				15.3.1.17

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
47. ESRS S1-17 – Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines par. 104(a)	Indicator 10 in Table 1 and Indicator 14 in Table 3 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) to Delegated Regulation (EU) 2020/1818		15.3.1.17
48. ESRS 2 SBM-3-S2 – Significant risk of child labour or forced labour in the value chain par. 11(b)	Indicators 12 and 13 in Table 3 of Annex I				15.3.2.3
49. ESRS S2-1 – Human rights policy commitments par. 17	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				15.3.2.4
50. ESRS S2-1 – Policies related to value chain workers par. 18	Indicators 11 and 4 in Table 3 of Annex I				15.3.2.4
51. ESRS S2-1 – Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines par. 19	Indicator 10 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) to Delegated Regulation (EU) 2020/1818		15.3.2.4
52. ESRS S2-1 – Due diligence strategies on issues addressed by the fundamental ILO Conventions 1 to 8, par. 19			Annex II to Delegated Regulation (EU) 2020/1816		15.3.2.4
53. ESRS S2-40 – Human rights issues and incidents connected to its upstream and downstream value chain par. 36	Indicator 14 in Table 3 of Annex I				15.3.2.7
54. ESRS S3-1 – Human rights policy commitments par. 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				not material
55. ESRS S3-1 – Non-compliance with the UN Guiding Principles on Business and Human Rights, ILO principles, and the OECD Guidelines par. 17	Indicator 10 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) to Delegated Regulation (EU) 2020/1818		not material
56. ESRS S3-4 – Human rights issues and incidents par. 36	Indicator 14 in Table 3 of Annex I				not material
57. ESRS S4-1 – Policies related to consumers and end-users par. 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				15.3.3.2

Disclosure requirement and related data point	Reference to the Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to Pillar 3	Reference to the Benchmarks Regulation	Reference to the European Climate Law	Section of the report
58. ESRS S4-1 – Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines par. 17	Indicator 10 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) to Delegated Regulation (EU) 2020/1818		15.3.3.3
59. ESRS S4-4 – Human rights issues and incidents par. 35	Indicator 14 in Table 3 of Annex I				15.3.3.6
60. ESRS G1-1 – United Nations Convention against Corruption par. 10(b)	Indicator 15 in Table 3 of Annex I				15.4.3
61. ESRS G1-1 – Protection of whistle-blowers par. 10(d)	Indicator 6 in Table 3 of Annex I				15.4.3
62. ESRS G1-4 – Fines for violation of anti-corruption and anti-bribery laws par. 24(a)	Indicator 17 in Table 3 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		15.4.6
63. ESRS G1-4 – Standards of anti-corruption and anti-bribery par. 24(b)	Indicator 16 in Table 3 of Annex I				15.4.6

6.3 Glossary of abbreviations

Abbreviation	Full name
NMI	National Measurement Institute
CSA	Canadian Standards Association (electrical safety)
PTB	Physikalisch-Technische Bundesanstalt
GUM	Central Office of Measures
VDE	Verband der Elektrotechnik Elektronik Informationstechnik
SLM	Slovenská legálna metrológia
CMI	Czech Metrology Institute
IMQ	Instituto Italiano del Marchio di Qualità
DNVGL	Det Norske Veritas Germanischer Lloyd
BBJ-SEP	Quality Research Office of the Association of Polish Electrical Engineers
MID	Measuring Instruments Directive – 2014/32/EU
EMC	Electromagnetic Compatibility Directive – 2014/30/EU
RED	Radio Equipment Directive – 2014/53/EU
LVD	Low Voltage Directive – 2014/35/EU
PED	Pressure Equipment Directive – 2014/68/EU
MIR	Measuring Instrument Regulation (the UK equivalent of the Measuring Instruments Directive (MID))
PZH	The National Institute of Hygiene, which is responsible, among other things, for issuing Hygiene Certificates and Health Quality Certificates from the National Institute of Public Health
ACS	Attestation de Conformité Sanitaire – applies to the market authorization of products that come into contact with drinking water in France and are accepted in France's former colonies
WRAS	Water Regulations Advisory Scheme: the name of both the organization and the standard/scheme governing water regulations in the United Kingdom, ensuring that products comply with water quality standards (related to "Regulation 4 of the Water Supply (Water Fittings) Regulations 1999").
KIWA	A certification body that ensures products and services comply with quality and safety standards, particularly in the water industry.
NSF	National Sanitation Foundation (regarding approvals for products that come into contact with drinking water).
KTW-BWGL	Kunststoff-Trinkwasser-Bewertungsgrundlage: guidelines for the hygienic evaluation of, among other things, plastics.

Abbreviation	Full name
W270	DVGW W270 — a standard regarding the growth of microorganisms on organic materials in contact with drinking water, used in Germany.
OECD	Organisation for Economic Cooperation and Development
DTR	Technical and Operating Documentation
SWZ	Terms of Reference (TOR)
OPZ	Statement of Work (SOW)
MessEV	Mess- und Eichverordnung
PRIME	PRIME ALLIANCE – an organization focused on the development of an open, public protocol that supports not only smart metering capabilities but also advancements in Smart Power Grids.
RED DOT	The Red Dot Design Award – one of the world's most prestigious awards in the field of industrial design.
NIS2	Network and Information Systems Directive
CRA	Cyber Resilience Act
UNCAC	United Nations Convention Against Corruption
REACH	EU Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals
RoHS	EU Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment
OSGP Alliance	OSGP Alliance – a global nonprofit organization whose mission is to promote the use of the Open Smart Grid Protocol (OSGP) and infrastructure for smart power grid applications in order to create modern smart power grids that are ready for the challenges of the future.
DLMS User Association	Device Language Message Specification User Association
LoRa Alliance	A global organization that supports the development and promotion of LoRa (Long Range) technology, which is used for long-range data transmission with low power consumption.
SOC	Security Operations Center
ASM	Attack Surface Management

This document does not constitute a binding version of the Apator Group's annual financial statements. The official version of the Apator Group's Annual Financial Statements, which includes the annual consolidated financial statements and the auditor's report supplementing them, is included in the reporting package available on the company's website in the section: Investor relations. In the event of any discrepancy between this version and the reporting package, the reporting package shall prevail.

6.4 Independent auditor's assurance report

The following is the text of the Independent auditor's assurance report providing limited assurance

Opinion

We conducted an assurance engagement for sustainability reporting, providing limited assurance in the reporting of sustainable development of the Apator Group, in which the Parent Company is APATOR Spółka Akcyjna (hereinafter referred to as the Group) with its registered office in Toruń at ul. Gdańska 4A/C4, prepared as at December 31, 2025 and for the period from 1 January 2025 to 31 December 2025, the financial year (hereinafter referred to as the Sustainability Reporting).

Sustainability Reporting is a separate part of the Report of the Management Board on the activity of the Apator Group in 2025 contained in par. 15 and includes pages from number 94 to number 247 of the Report of the Management Board on the activity.

Based on the assurance procedures we performed and the evidence we obtained, nothing came to our attention that would lead us to believe that:

- the attached Sustainability Reporting does not comply, in all material respects, with the requirements of Chapter 6c of the Accounting Act of September 29, 1994 (consolidated text: Journal of Laws of 2023, item 120, as amended) ("Accounting Act"), including the European Sustainability Reporting Standards ("ESRS"),
- the materiality assessment process conducted by the Group to identify the information included in the Sustainability Reporting ("Materiality Assessment Process") is not consistent, in all material respects, with the ESRS,
- the attached Sustainability Reporting does not comply, in all material respects, with the reporting requirements set forth in Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ EU L 198, 22.6.2020, p. 13, as amended).

Basis for the opinion

We conducted the assurance engagement for Sustainability Reporting, providing limited assurance, in accordance with the National Assurance Standard for Sustainability Reporting 3002PL – "Limited Assurance Engagement on Sustainability Reporting" established by the Polish Chamber of Statutory Auditors by Resolution No. 854/20a/2025 dated January 23, 2025 ("KSUA 3002PL") and, respectively, the National Standard on Assurance Engagement Other Than Audits or Reviews 3000 (Z), as set forth in International Standard on Assurance Engagements 3000 (revised) – "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" established by the Polish Chamber of Statu-

tory Auditors by Resolution No. 3436/52e/2019 dated April 8, 2019, as amended, ("KSUA 3000 (Z)").

The level of assurance obtained in a limited assurance engagement is significantly lower than that obtained in a reasonable assurance engagement, because the procedures performed by the independent auditor of sustainability reporting as part of a limited-assurance engagement differ in nature and timing and have a narrower scope than in the case of a reasonable-assurance engagement.

Our responsibilities under these standards are described in greater detail in the section entitled "Responsibilities of the independent auditor's assurance engagement for sustainability reporting."

Independence and quality management

We are independent of the Group in accordance with the ethical principles set forth in the Handbook of the International Code of Ethics for Professional Accountants (including the International Independence Standards), hereinafter referred to as the "IESBA Code," adopted by the Polish Chamber of Statutory Auditors, relating to assurance engagement, and the requirements set forth in the Act of May 11, 2017 on Statutory Auditors, Audit Firms, and Public Oversight, hereinafter referred to as the "Statutory Auditors Act", applicable to the assurance of sustainability reporting prepared for periods ending December 31, 2025, and EU Regulation 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (OJ EU L 158, 27.5.2014, p. 77, as amended), which are relevant to the assurance engagement for sustainability reporting, and we have complied with other ethical responsibilities in accordance with those requirements and the IESBA Code.

PKF Consult spółka z ograniczoną odpowiedzialnością Sp. k. applies National Standard on Quality Management 1, which is consistent with the International Standard on Quality Management (PL) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, introduced by Resolution No. 38/1/2022 of the Council of the Polish Audit Oversight Agency dated November 15, 2022, and the provisions of the Statutory Auditors Act.

National Standard on Quality Management 1 requires us to design, implement and operate a quality management system, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion resulting from the limited assurance engagement we performed.

Responsibility for sustainability reporting

The Management Board of the Parent Company is responsible for:

- preparation of Sustainability Reporting in accordance with Chapter 6c of the Accounting Act, including the ESRS,
- conducting the Materiality Assessment Process in accordance with ESRS,
- preparing sustainability reporting in accordance with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ EU L 198, of 22.6.2020, p. 13, as amended),
- designing, implementing, and maintaining such internal controls as the Management Board deems necessary to prepare the Sustainability Reporting in accordance with Chapter 6c of the Accounting Act, including the ESRS, and Article 8 of Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ EU L 198, 22.6.2020, p. 13, as amended), which does not contain material misstatements, regardless of whether they were caused by fraud or error,

In this regard, the Parent Company's Management Board is responsible for developing and implementing the Materiality Assessment Process and for presenting this process in the Sustainability Reporting. This responsibility includes, among other things:

- an understanding of the context in which the Group conducts its operations and business relationships, as well as an understanding of the stakeholders over whom the Group has an influence,
- identification of the actual and potential impacts (both negative and positive) related to sustainability issues, as well as the risks and opportunities which affect or can reasonably be expected to affect the Group's financial position, financial results, cash flows, access to financing, or cost of capital in the short-, medium-, or long-term,
- materiality assessment of the identified impacts, risks, and opportunities related to sustainability issues through the selection and application of appropriate thresholds, and
- adoption of assumptions that are reasonable under the circumstances.

The Management Board of the Parent Company is also responsible for selecting and applying appropriate methods for reporting on sustainability issues, as well as for determining estimates or preparing information regarding individual disclosures in the Sustainability Reporting, which are reasonable under the circumstances.

The Supervisory Board of the Parent Company is responsible for overseeing the Group's sustainability reporting process.

Inherent limitations in the preparation of Sustainability Reporting and in the measurement and assessment of related issues

There are inherent limitations in the measurement or assessment of Sustainability Reporting subject to an assurance engagement providing limited assurance, which are outlined below:

- When reporting forward-looking information in accordance with ESRS, the Management Board of the Parent Company is required to prepare forward-looking information based on disclosed assumptions regarding events that may occur in the future and the Group's possible future actions. The actual result may differ, since anticipated events often do not unfold as expected.
- When determining disclosures in the Sustainability Reporting, the Company's management board interprets undefined legal and other terms. Undefined legal terms and other terms may be interpreted in various ways, including with regard to whether their interpretations are consistent with the law, and are therefore subject to uncertainty.
- Where applicable, as indicated in the Group's disclosures regarding information related to the specific circumstances of ESRS 2 BP-2, ESRS E1 "Climate Change" E1-6, some of the quantitative information, including that relating to greenhouse gas emissions and selected resource flows into and out of the organization, is based on emission factors and/or estimation assumptions, which results in inherent limitations in the measurement of this information.

Responsibilities of the independent auditor's assurance engagement for sustainability reporting

Our objectives are to plan and perform the sustainability reporting assurance engagement in such a way as to obtain limited assurance that the Sustainability Reporting is free from material misstatements, whether caused by fraud or error, and to issue a sustainability reporting assurance report providing limited assurance, which contains our opinion. Misstatements may result from fraud or error and are considered material if it can reasonably be expected that, individually or collectively, they could influence the decisions of users made on the basis of this Sustainability Reporting.

As part of our limited-assurance sustainability reporting attestation engagement conducted in accordance with KSUA 3002PL, we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities regarding sustainability reporting in connection with the Materiality Assessment Process include:

- obtaining an understanding of the Materiality Assessment Process solely for the purpose of assessing its compliance with the ESRS, and not for the purpose of expressing an opinion on the effectiveness of that process, including its outcome,
- designing and implementing procedures to assess whether the Materiality Assessment Process complies with the description of the Materiality Assessment Process presented in the Sustainability Reporting.

Our other responsibilities regarding Sustainability Reporting include:

- obtaining an understanding of the Group's control environment, processes, and information systems relevant to the preparation of the Sustainability Reporting, but do not include an assessment of the design of individual controls, nor do they involve obtaining evidence of their implementation or testing their effectiveness,
- identifying disclosures in which material misstatements may occur, regardless of whether they were caused by fraud or error,
- designing and implementing procedures related to disclosures in Sustainability Reporting that may be subject to material misstatements. The risk of failing to detect a material misstatement resulting from fraud is higher than in the case of a misstatement resulting from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentation, or circumvention of internal controls.

We complied with the independence requirements and other ethical requirements set forth in the IESBA Code.

We have also fulfilled our other ethical responsibilities required by the Statutory Auditors Act and IESBA Code.

Summary of the work performed

A limited assurance engagement on sustainability reporting consists of performing procedures to obtain evidence regarding the Sustainability Reporting. The nature, timing, and scope of the selected procedures depend on professional judgment, including the identification of disclosures in the Sustainability Reporting that may be subject to material misstatements, regardless of whether they were caused by fraud or error.

We planned and conducted our work in such a way as to obtain all the information and explanations we considered necessary to gain limited assurance regarding the matter under review.

The procedures performed during a limited assurance engagement differ in type and timing and are less extensive than those performed during a reasonable assurance engagement. The level of assurance resulting from the foregoing, obtained during an assurance engagement providing limited assurance, is significantly lower than the assurance that would have been obtained had an engagement providing reasonable assurance been performed.

The procedures we performed in connection with our limited assurance engagement on the Sustainability Reporting included, among others:

1. Obtaining an understanding of the Group's operations and the environment in which it operates.
2. Obtaining an understanding of the Group's internal procedures and policies relating to sustainability reporting.
3. Obtaining an understanding of the Materiality Assessment Process performed by the

Group for the purpose of identifying the information included in the Sustainability Reporting, by:

- asking questions to understand the sources of information used by the Parent Company's Management Board (stakeholders, the Group's value chain, business plans, and other relevant strategic documents),
 - reviewing the Group's documentation regarding the Materiality Assessment Process.
4. Assessing whether the evidence obtained from the procedures performed as part of the Materiality Assessment Process was consistent with the description of the Materiality Assessment Process presented in Section 15.1.11 "IRO-1 – Description of processes to identify and assess material impacts, material risks and opportunities" in Sustainability Reporting.
 5. Obtaining an understanding of the Group's control environment, processes, and information system that are relevant to the preparation of the Sustainability Reporting, but not for the purpose of expressing an opinion on the effectiveness of internal control.
 6. Performing substantive procedures on selected information included in the Group's Sustainability Reporting.
 7. Reviewing and evaluating the methodology, assumptions, and data used to calculate and present significant estimates.
 8. Reviewing and evaluating the assumptions, data, and estimates regarding the future.
 9. Reviewing and evaluating the methodology and assumptions used in the greenhouse gas emissions calculation model, analyzing their validity, and verifying the selected source data and the mathematical correctness of the calculations.
 10. Verifying the completeness of disclosures in accordance with ESRS 2.
 11. Verifying the completeness of ESRS disclosures relating to the environment, social issues, and business conduct, including corporate governance.
 12. Verifying disclosures related to the Taxonomy, including reviewing and analyzing compliance with the minimum safeguards.
 13. Where applicable, verifying and confirming the consistency of the data contained in the Sustainability Reporting with the information contained in the Consolidated Financial Statements and the Report of the Management Board on the activity of the Group.

The procedures were performed based on inquiries directed to the management of the Parent Company and other individuals within the Parent Company and/or the Group, interviews, surveys, analyses, and documents deemed sufficient and appropriate by the independent auditor.

Other matters

The assurance of the APATOR Group's sustainability reporting for the previous period ended December 31, 2024 was conducted by a sustainability reporting assurance lead independent auditor acting on behalf of another audit firm, who issued an unqualified opinion on this sustainability reporting on April 25, 2025.

Anna Stokowska

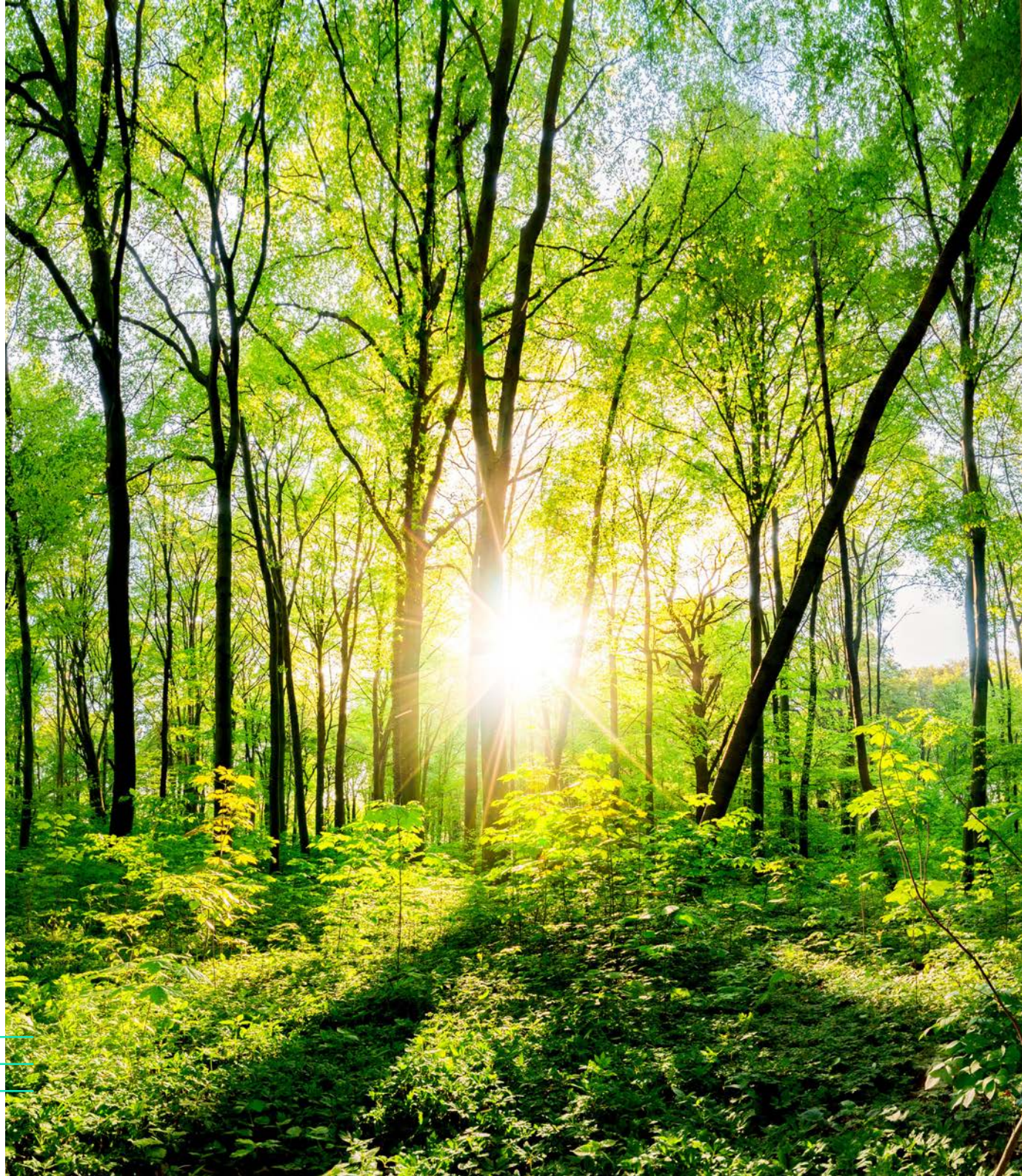
Sustainability Reporting Assurance Lead Independent Auditor No. 11732

providing an assurance engagement
on behalf of PKF Consult Spółka z ograniczoną
odpowiedzialnością Sp. k.
the audit firm No. 477

ul. Orzycka 6/1B
02-695 Warsaw

Warsaw, April 28, 2026

The original Independent Auditor's Report on a limited assurance engagement is available at [www.apator.com: https://www.apator.com/sites/default/files/documents/apt-aszr-sbr-2025-12-31-1-pl.xhtml](https://www.apator.com/sites/default/files/documents/apt-aszr-sbr-2025-12-31-1-pl.xhtml)



6.5 Let's talk about ESG

For us, the ESG report is not only a summary of our activities and results, but also an invitation to dialog. We welcome any questions, comments, and suggestions regarding the information presented in this report and our sustainability-related activities.

If you would like to share your feedback or discuss any of the topics addressed in this report, please feel free to contact me:

Monika Pietkiewicz, PhD

Press Officer, Apator Group ESG Manager

rzecznik.prasowy@apator.com



WE MEASURE
WHAT MATTERS