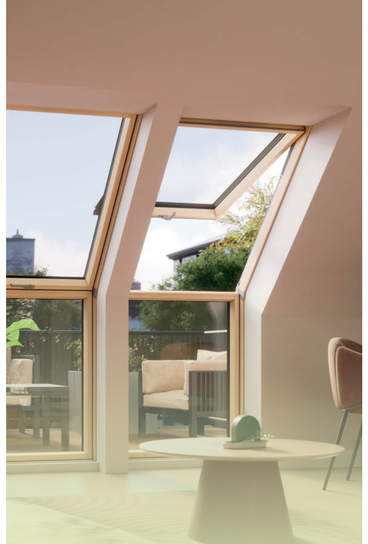
FAKRO®

2024

SUSTAINABILITY REPORT

TOGETHER INTO THE GREEN FUTURE 3.0













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Foreword

Dear Readers,

We are pleased to present you our latest FAKRO Sustainability Report – a document that summarizes our actions, initiatives, and commitment to building a better and more sustainable future.

The last few months have been a time of intense work, reflection and conscious decision-making – all with the aim of not only minimising our impact on the environment, but also strengthening our social responsibility and ethical approach to business. I believe that in today's rapidly changing world, every step towards sustainable development has real meaning.

Our report contains specific actions and measurable indicators that show how we are achieving our goals. We strive to operate transparently, responsibly and with a long-term perspective, keeping in mind both the well-being of our planet and the well-being of the people we work with.

We find sustainable development not only as an obligation, but above all as an opportunity – for innovation, development and a better tomorrow. Together with our employees, customers, suppliers and business partners, we create solutions that bring value to all stakeholders. It is thanks to this cooperation that we can effectively implement our GO GREEN philosophy, guiding us in our daily operations.

I would like to thank everyone who has contributed to this report and to everyone who is working with us to build a responsible and sustainable future.

With kind regards,,

Ryszard Florek

President of FAKRO Management Board



> By building social capital, making responsible decisions and implementing sustainable development initiatives, we can achieve economic, business and social success.
>
> **Ryszard Florek**
>
> *President of the FAKRO Management Board*

01

About us

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FAKRO is a Polish brand and one of the leading innovators in the construction industry. We specialize in roof windows, attic ladders, and other products that ensure comfortable living around the world.

FAKRO was founded in 1991 as a private company, based entirely on Polish capital.

The co-founder and President of FAKRO is Ryszard Florek.

In our operations, we place particular emphasis on development, product quality and safety, as well as on increasing customer trust and satisfaction. We also care deeply about continuously improving the qualifications of our employees and fostering the growth of our organization.

We have our own state-of-the-art research and development centre. Around **200 engineers** are dedicated to product innovation, and we have filed nearly **250 patent applications**. We export not only products, but also the solutions and creative ideas and of Polish engineers to many countries around the world.

Thanks to FAKRO, Poland is now setting new directions for the development of the global roof window industry.

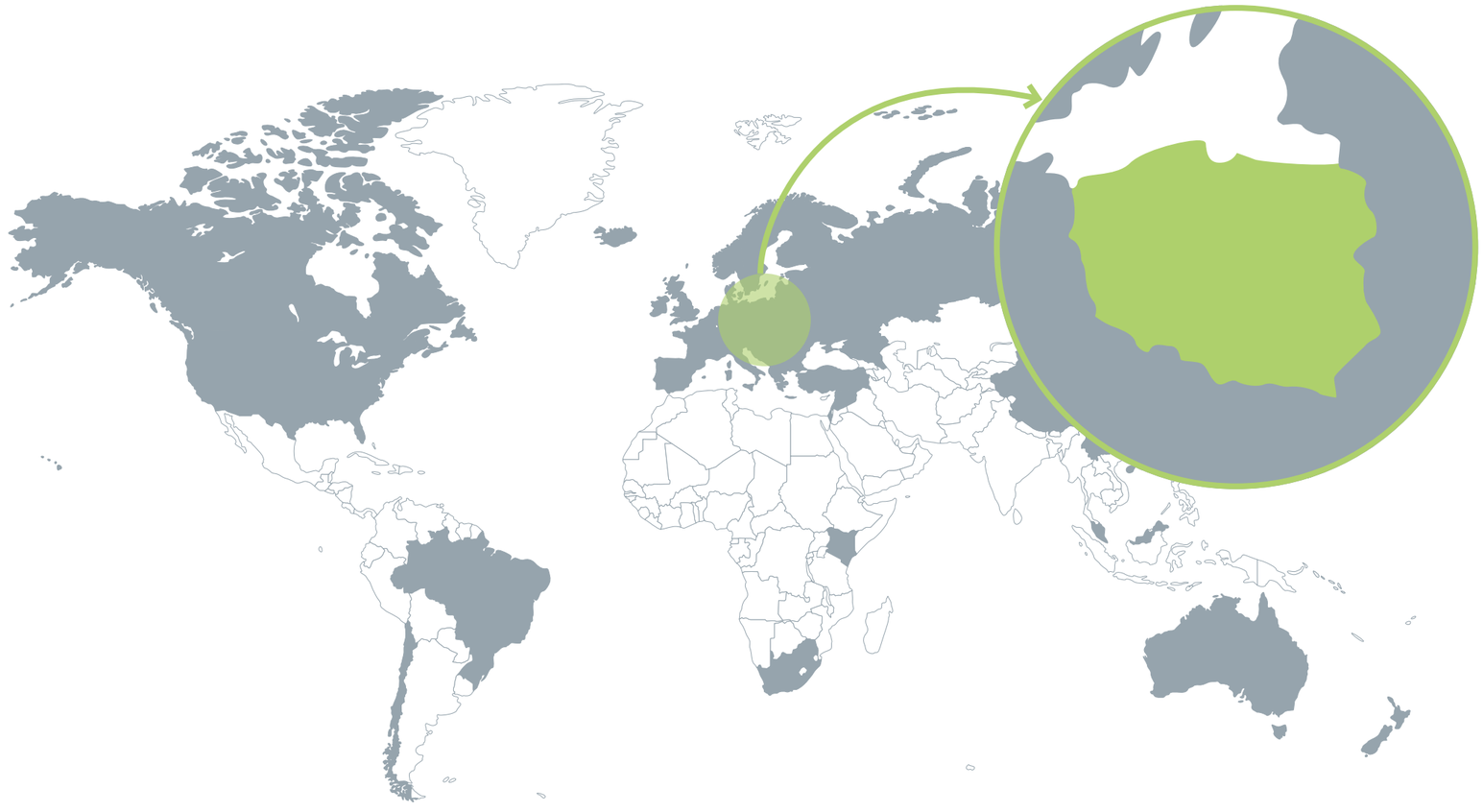


SBM-1

The FAKRO Group, employing around 4,000 people, comprises 11 manufacturing companies and 17 distribution companies.

FAKRO's product range includes roof windows, loft ladders, external and internal window accessories and **INNOVIEW** vertical joinery. Thanks to our many years of experience, we ensure the high quality and innovation of our products, meeting the needs of customers from different market segments.
An example of this is the **GREENVIEW** range of new-generation roof windows which incorporates state-of-the-art technological solutions, offering improved thermal and acoustic insulation. Our latest product is also the **GREENSTEP** line of loft ladders, which perfectly combines comfort, aesthetics and environmental care.

For more information about the GREENVIEW and GREENSTEP series, please visit our website: https://www.fakro.com/greenview/ and https://www.fakro.com/loft-ladders/types/.



FAKRO products can be found **in over 60 countries around the orld** – wherever there is a demand for this type of solution **Export sales account for 70% of our total sales.**

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

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

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



GOV-1

FAKRO was founded 34 years ago by natural persons:

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

ROLE OF THE MANAGEMENT BOARD

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

The members of the Management Board are responsible for various areas of the company's business in Poland and abroad. The most important decisions are made through joint discussions and consultations. The Management Board is involved in key operational decisions concerning the day to-day business of the company. This includes decisions on finance, production, sales, supplies, investments and human resources management.

MANAGEMENT BOARD STRUCTURE

When making decisions, the Members of the Management Board take into account a variety of factors such as risk, profitability, operational efficiency, and long-term strategy. The Board is involved in developing, approving, and updating the organization's goals, including those related to the company's impact on the economy, the environment, and society.

All activities of related entities are coordinated by the members of the Management Board of leading companies – their responsibilities are presented in the chart below.



DIVISION OF COMPETENCES OF THE MEMBERS OF THE MANAGEMENT BOARD



Ryszard Florek

President of the Management Board



Paweł Dziekoński

Vice President of the Management Board

Area of Responsibility

Responsible for setting and overseeing the implementation of the FAKRO Group strategy.
Supervision of the operations of distribution companies – FAKRO USA and FAKRO DE.

Supervision of the operation of all areas of the company that are not within the exclusive remit of the President of the Management Board and direct management of units supporting the company's organisation. Business process management.

Supervision of Divisions/Departments

- Renovation and investment department
- Asset management and property insurance

- Human Resources Management
- Organizational and Administrative Division
- Legal Office



Piotr Bieniek

Board Member for Sales

Area of Responsibility

Responsible for the development of FAKRO's sales and supervision of the activities of distribution companies.



Wojciech Klimek

Board Member for Production

Management and development of production at FAKRO and supervision of production companies at FAKRO.



Janusz Komurkiewicz

Board Member for Marketing

Evelopment and implementation of a marketing strategy at FAKRO



Agnieszka Kronenberger

Board Member for Finance

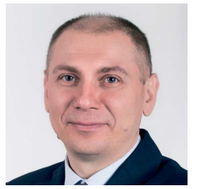
Supervision of company finances at FAKRO.



Krzysztof Krzysztoń

Board Member for IT and Logistics

- IT Management
- Management of merchandise logistics within the FAKRO Group
- Personal data protection



Sebastian Talarczyk

Board Member for Development and Product Management

Management of the FAKRO Group's product portfolio, supervision of the product life cycle, quality control, and after-sales service.

KEY ROLES OF THE MANAGEMENT BOARD

President and Vice-President of the Management Board – The Presidents are the most important members of the Management Board. They are responsible for the overall direction of the company's activity.

- They manage day-to-day operations, make strategic decisions and represent the company externally.
- Liaise with other board members and company bodies.

Members of the Management Board – Other Board Members:

- Each Board Member is assigned a specific role, e.g. Board Member for Finance, Operations etc.
- Together they make decisions on the day-to-day operations of the company.

The Management Board is responsible for overseeing the company, looking after its interests and compliance with the law.

Monitors financial performance, development strategy, and risks. Prepares reports for shareholders and supervisory authorities. The Management Board represents the company in interactions with clients, suppliers, investors, and government agencies. It signs contracts and takes actions on behalf of the company.

FAKRO's management structure consists of Directors and senior-level Managers (department heads), each of whom is responsible for specific thematic areas of the company's operations.

GOV-2

The Sustainable Development Team deals with sustainable development issues. It was established in response to the need to prepare for new EU requirements related to non-financial ESG reporting.

We have been preparing for the new non-financial reporting obligations since 2021. Already then we have implemented the FAKRO **Green Transformation project,** giving it a strategic status, which underlines how important this topic is for us.

The ESG team was established at the launch of the **FAKRO Green Transformation project**. Since then, we have all been following one **GO GREEN** philosophy in all our day-to-day activities.



In 2024, ESG remained one of the key areas under constant attention and supervision of the Management Board. Reports on activities undertaken in this area were discussed with the members of the Management Board. In addition, a comprehensive review of activities was presented to the Management Board in person on a quarterly basis.
ESG issues were an integral part of the onboarding process for new employees, emphasising their importance in the company's organisational culture.

All departments and divisions of the company are constantly involved in activities promoting sustainable development. Working groups consisting of representatives from each area have been established to ensure the reliable flow of information. This allowed our ESG team to stay up to date with all initiatives, while suggesting changes and optimisations to individual processes. This is an opportunity to systematically work on improving and implementing new sustainable development principles at FAKRO.



GOV-3

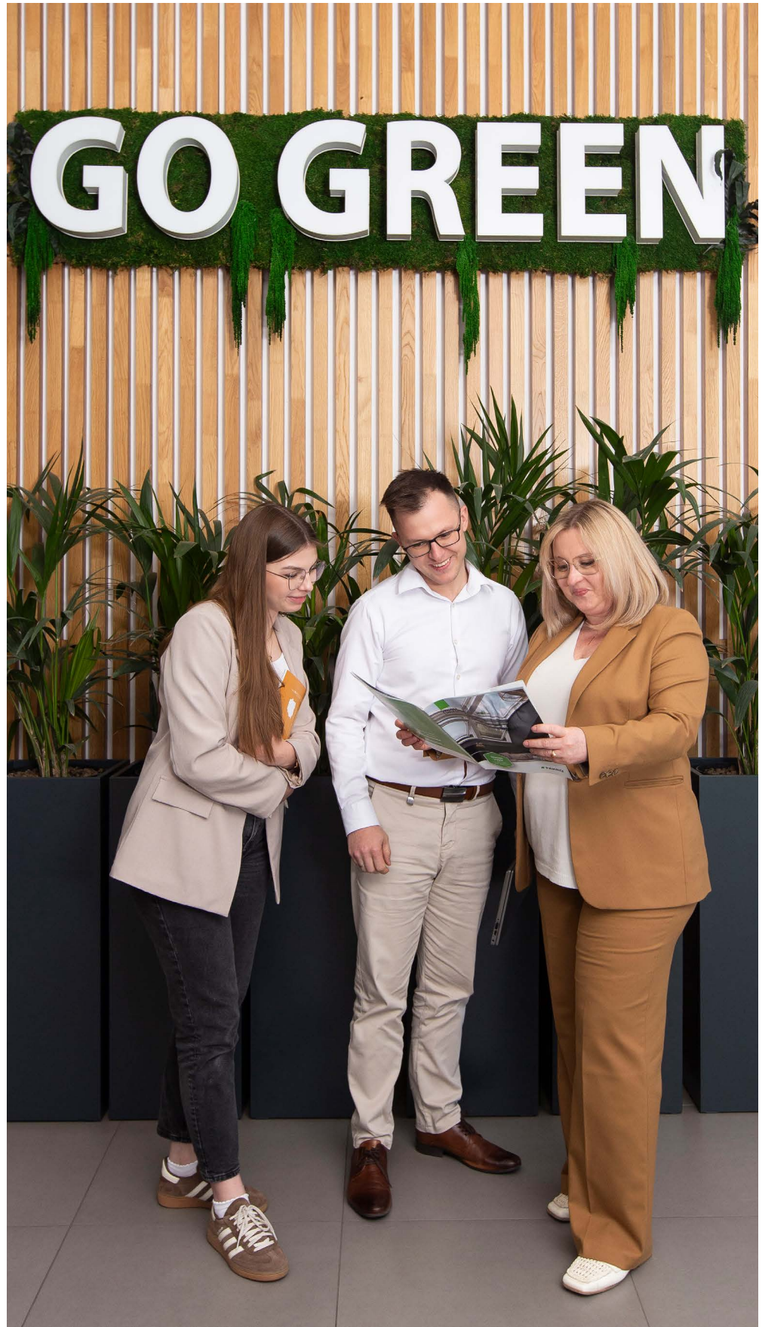
The first step towards systematising ESG work within the company was to establish a Sustainable Development Team, which serves as a basis for further development and implementation of relevant measures. Responsibility for related issues has been assigned to the FAKRO Green Transformation Project Manager.

Environmental, social and corporate governance issues were implemented in our business areas well in advance of the EU regulations requiring us to do so. The first sustainability report was published in 2022. The “Together into the Green Future 2.0” is its follow-up, describing operations held in 2023.

Reporting on ESG activities is becoming part of our company's day-to-day operations, as evidenced by the following publication. All documents are based on ESRS reporting guidelines, which, together with the EU CSRD directive, will come into force not earlier than in 2028.

GOV-4

We are in the process of implementing due diligence procedures related to sustainable development. We are working on making progress in this area, which will be reflected in the publication of relevant policies and the implementation of procedures in accordance with the Corporate Sustainability Due Diligence Directive (CSDDD) adopted in March 2024.



IRO-1

We are committed to improving the quality of our processes, aligning our activities with the expectations of our stakeholders, as well as providing fair and transparent disclosure of sustainability- related information.
With the new responsibilities coming from the law, including the CSRD directive and the upcoming CSDDD, we are getting ready to fully integrate due diligence into our business.

In the current reporting period, we have not yet conducted a full double materiality analysis that would enable us to identify key impacts, risks and opportunities. For this reason, this report does not include the materiality matrix or the results of a formal assessment of the impact of individual issues on the organisation and its environment. In the next report, we plan to present detailed data in compliance with the ESRS requirements, after conducting a proper process of identification and assessment of material topics.

At the same time, we are already taking specific preparatory steps to systematically implement sustainable development principles in the areas of management, strategy and business model. In particular:

» We are improving our management structure, including the responsibilities of teams for environmental and social issues, including human rights;

» We are reviewing processes and procedures to ensure compliance with legal regulations and industry standards;

» We are organising training on business ethics and anti-corruption practices;

» We are monitoring market and regulatory trends to better align our strategic objectives with changing external conditions.

We are in constant dialogue with the various stakeholder groups, such as employees, suppliers, customers, the local community, NGOs, government institutions, to whom we target our activities. We are open to relationship-based collaboration and meet the expectations of our stakeholders.

GOV-5

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

SBM-3

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

The company plans to conduct a structured analysis of ESG impacts in subsequent reporting periods, taking into account materiality principles and stakeholder expectations.

The company's intention is to ensure compliance with future reporting requirements under the CSRD and ESRS standards, while adapting the pace and scope of its activities to the scale and nature of its operations.

IRO-2

The ESRS disclosure requirements included in the sustainability statements of the company are presented in Chapter **6.3 Reporting Indicators** (page 92).



1.1 GO GREEN Philosophy

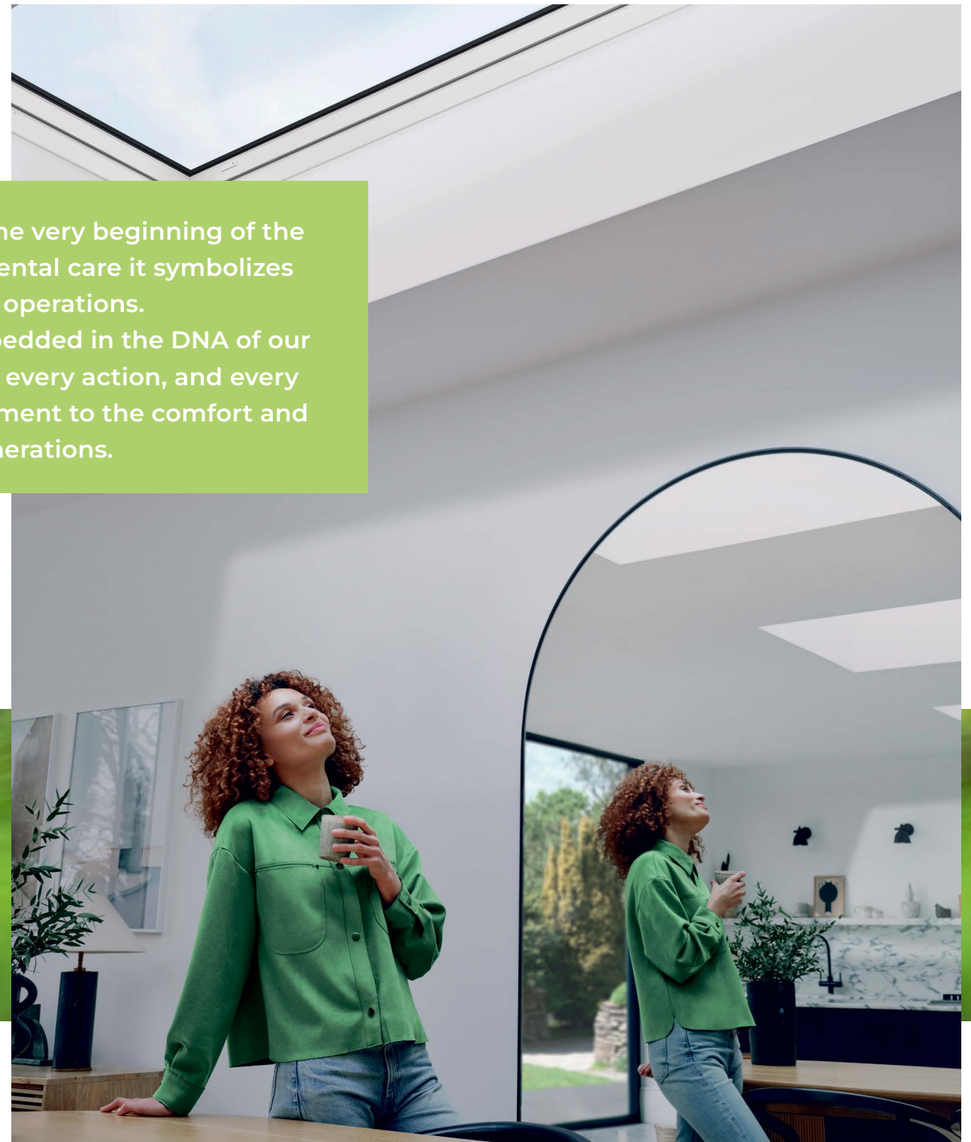
Everything we do at FAKRO revolves around the needs of our customers and their families.

We are the manufacturer of a generation of roof windows that combines the highest functional and aesthetic standards, with adaptation to a changing climate, high energy efficiency and solutions to ensure safety in the face of violent weather events. We believe that our actions today have an impact on many aspects important for a better future for our children.

At FAKRO, we design, plan and manufacture with care for the environment, and in line with one guiding idea – the GO GREEN philosophy.

More information available on FAKRO's website: GO GREEN

The color green has been with us since the very beginning of the company's existence, and the environmental care it symbolizes permeates every area of our operations.
Offering energy-efficient products is embedded in the DNA of our company. We ensure that every process, every action, and every decision we make is guided by a commitment to the comfort and healthy lives of future generations.





1.2 What makes us different

SBM-1

WE HAVE A MISSION

Our mission is not only to provide top-quality products, but at the same time to care for the environment.

For more than 30 years, we have been producing innovative joinery with respect for the environment, creating unique solutions for the home, constantly staying true to our mission.

The realisation of this mission is supported by our actions based on a strong foundation of company values. These values define our relationship with customers, contractors and employees, as well as our approach to work, the environment and interpersonal relations.



WE HAVE VALUES

Our business is guided by key values that shape our company and determine our actions. **Development, innovation, responsibility and reliability** are the foundation of our strategy and everyday decisions.
We continually strive to improve our products and processes, introducing modern solutions that benefit both our customers and the environment. Every aspect of our business reflects our commitment to the highest standards of quality, sustainability and transparency. With these values, we build trust and lasting relationships with our partners and customers.



SBM-1

COMPANY VALUES

DEVELOPMENT

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

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

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

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

INNOVATION

We are one of the most innovative companies in Poland.

Products: We have authored nearly 250 patents and patent applications, and our products go to more than 60 countries. In this way, the company has set new directions for the roof window industry in the world.

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

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

RESPONSIBILITY

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

Products: Our products are safe, environmentally friendly, energy-efficient and guarantee living comfort.

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

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

RELIABILITY

We are a reliable company that meets its obligations.

Products: The high quality of our products is confirmed by numerous national and international certificates, which builds the prestige of the Polish brand worldwide.

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

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

DEVELOPMENT
INNOVATION
RESPONSIBILITY
RELIABILITY



FAKRO ESG-RELATED AWARDS

- FAKRO – Winner of the Kotler Awards Poland 2024 in the Impact Brand category
- Ryszard Florek – Recipient of the Wilczek Award 2024
- Construction Brand of the Year 2024 – two 1st places:
  Gold Construction Brand of the Year 2024 and Golden Champion of the Year 2024
- FAKRO on the podium in the Top Marka 2024 Ranking
- Ryszard Florek – Manager of the Year in Rzeczpospolita's List 2000
- FPP-X preSelect P50 Greenview window awarded in the Innovation category at Dach Forum 2024
- Ryszard Florek – Laureate of the 35th Anniversary Award for Economic Freedom
- FAKRO – Winner of the "Responsible Employer. HR Leader 2024" award
- FAKRO among the winners of the "Investor Without Borders" award







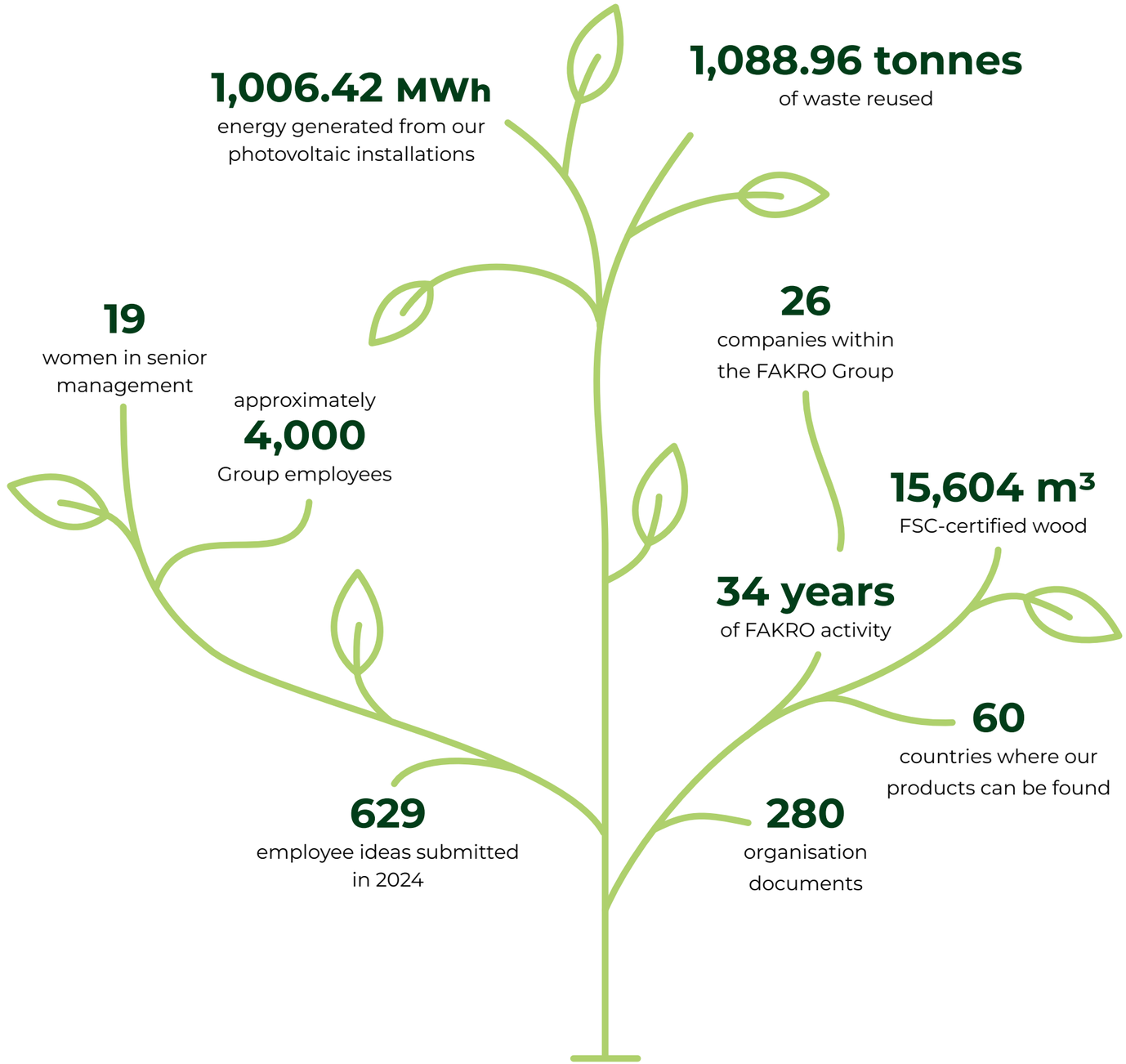
1.3 FAKRO in figures

Thanks to its teamwork and consistency in Sustainability, FAKRO continues to grow in these three key areas for responsible business conduct:

E – Environmental

S – Social

G – Governance



1.4 FAKRO's history

For us, FAKRO products are not just windows, but a vision open to a green future, and we are keen to share with you our progress on the road to sustainable development.





EPD
Environmental Product Declaration



Carbon Footprint Foundation

2007

Obtaining the first **FSC certification** – we source **raw materials from sustainably grown crops.**

2012

Expansion of the product range to include smart solar awnings.
Thanks to intelligent solar panels that function as sunlight sensors, the awnings automatically cover the window, protecting the interior from overheating.

2015

Establishment of an energy willow plantation – **our first step towards renewable energy.**

2018

Development of the first **EPD declaration** for our **wooden windows** – marking the beginning of our **journey toward a sustainable product.**

2021

Installation of the first **photovoltaic system – we are starting FAKRO's energy transformation in cooperation with Columbus Energy.**

Introduction of the FAKRO Smart Home solution to our product range.
A project that allows the intelligent management of the home, which significantly contributes to energy savings.

2022

Implementation of an Environmental Management System in accordance with EN ISO 14001.
Calculating **the carbon footprint of our business.**

Establishment of partnerships: establishment of cooperation with **Columbus Energy and Carbon Footprint Foundation**, membership of **UN GLOBAL COMPACT.**

Our vision for the future is built on continuous improvement. We strive to create innovative and functional solutions that contribute to a better quality of life and a healthier environment.

We want to continue this journey with you.















2023

Introduction of the **GREENVIEW** line to the product offer – energy-efficient solutions designed with respect for the environment (including new P50 triple-glazed unit, air inlet and topSafe system). These windows have been very successful both in Poland and abroad, winning numerous awards and distinctions.

August

ESG Report 2022 – Together into the green future is our next step in achieving higher standards of social and environmental responsibility. The report has gained recognition from our stakeholders, winning a special award given by internet users in the Best ESG Report competition organised by the Responsible Business Forum.

Read the report here: https://www.fakro.com/information-about-the-company/esg-report/

October

ESG LEADER". FAKRO – the "ESG Leader" in the "Trustworthy Employer" competition. We were recognised for our activities and projects in the areas of sustainability strategy implementation programmes and corporate culture change.

See the article here: https://www.fakro.pl/biuro-prasowe/informacje-prasowe/fakro-jedynym-w-polsce-liderem-esg-w-konkursie-pracodawca-godny-zaufania/

November

GOZ – Award for the best circular economy solution in the Polish Agency for Enterprise Development competition.

We were among the awardees in the "Implemented circular economy model" category. We won with the "Utilising 100% of waste of PVC profiles in the recycling process and reusing them" project.

See here: https://www.fakro.pl/biuro-prasowe/informacje-prasowe/polska-agencja-rozwoju-przedsiebiorczosci/.

2024

Introduction to the GREENSTEP product line offer.

The new generation of loft ladders offers an excellent combination of convenience and aesthetics. Drawing on nearly 20 years of experience in manufacturing loft ladders, we have created a unique product that meets the highest quality standards and aligns with our GO GREEN philosophy.

FAKRO – Winner of the Kotler Awards Poland 2024 in the Impact Brand Category

The Prof. Kotler Award, known as one of the most important distinctions in the world of marketing, has a broader significance as it symbolises innovation, social responsibility, effective management and building relationships with partners around the world.

See here: https://www.fakro.pl/biuro-prasowe/informacje-prasowe/fakro-zdobywa-miedzynarodowa-nagrode-im.-prof.-philipa-kotlera-w-kategorii-impact-brand/.

Publication of the Report "Together Into a Green Future 2.0"

The report is a continuation of the overview of actions undertaken by FAKRO in the areas of E (Environmental), S (Social), and G (Governance). It is the company's second non-financial report, following the one published in 2022.

See here: https://www.fakro.pl/informacje-o-firmie/zrownowazony-rozwoj/raport-esg/.

02

Product

2.1 From modern design to sustainable products 21

2.2 Product safety and quality 24

2.3 Respect for customer rights 26

2.4 Responsible marketing communication 29

Aware that our current actions have a real impact on the future of the planet, we strive to conduct our business responsibly. That is why when we create our products, we make every effort to ensure that they serve our customers for many years while minimising negative environmental impact. **This is confirmed by the environmental declarations obtained for our products.**

A Type III Environmental Product Declaration (EPD) is a document determining the degree of environmental impact of a product during its entire life cycle, from the sourcing of raw materials, through production, transport, assembly, use, to disposal and recycling.

For most of its products, FAKRO has developed Environmental Product Declarations (EPDs) in accordance with ISO 14025 and EN 15804+A2 standards.

These declarations have allowed us to identify the environmental impact of each product, including its carbon footprint.

The EPDs have been prepared for wooden and PVC roof windows, flat roof windows, access roof lights, and attic ladders.

See more here:
https://www.fakro.com/information-about-the-company/epd-declarations/



Choosing products with EPD environmental declarations allows investors and developers to gain additional points when applying for sustainable building certification, such as BREEAM, LEED or DGNB, and allows investors and developers to make informed consumer decisions leading to reducing the environmental impact of the entire building.

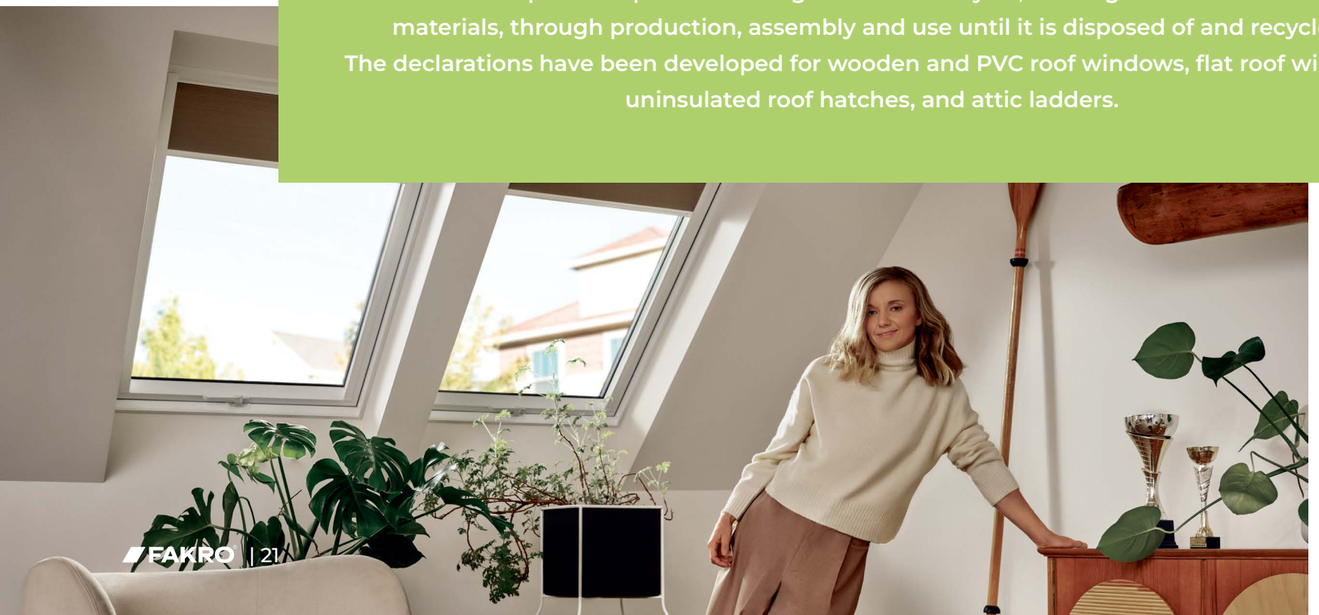
2.1 From design to product

Issues of social and environmental responsibility, as well as modern design are playing an increasingly important role these days.

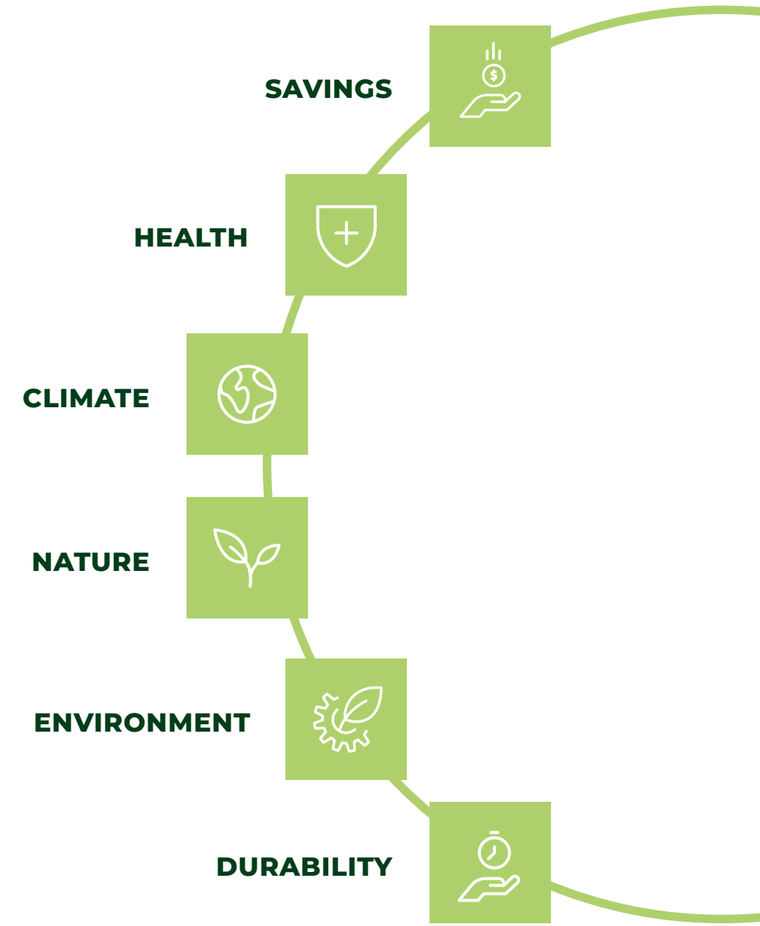
Customers are increasingly paying attention not only to the aesthetics of products, but also to the way they are produced and their impact on the environment.

In response to these expectations, we set ourselves the goal of creating sustainable products that combine modern design with minimal impact on the planet.

The majority of FAKRO products have a Type III Environmental Product Declaration in accordance with ISO 14025 and PN-EN 15804+A2. Declarations are testimony to the environmental impact of a product during its entire life cycle, starting with the extraction of raw materials, through production, assembly and use until it is disposed of and recycled. The declarations have been developed for wooden and PVC roof windows, flat roof windows, uninsulated roof hatches, and attic ladders.



FAKRO WINDOWS ARE MADE WITH THE ... IN MIND



GREENVIEW windows created with the... in mind



...savings

The innovative design, energy-efficient glazing units, and thermoPro technology help reduce heat loss and lower energy consumption.

The **P50** glazing unit, with an impressive thickness of 44 mm, can be embedded deeper into the sash structure, which enhances the thermal insulation of the entire window.

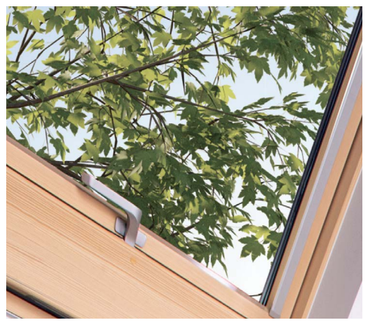


... health

We produce roof windows that provide vital light for our overall well-being.

The new ventilator constantly supplies the room with the optimum amount of fresh air, which has a positive effect on our health and mood. In the course of production, we use water-based varnishes.

We care about your health and the health of your family.



... climate

Our windows are created with the climate in mind, as evidenced by the environmental declarations and certificates we hold, which are recognised internationally.

Our windows represent high standard of safety with a lifetime guarantee against hailstorms.



... nature

Our wooden windows are manufactured from FSC-certified pine wood. This means sustainable harvesting of forest resources, without exceeding a level that will permanently prevent their regeneration.

We take care of nature by countering deforestation.



... environment

In the course of production, we use recycled raw materials, which retain the same properties and strength parameters as primary raw materials.

GREENVIEW product packaging is recycled and 100% recyclable

We operate according to the principle of a circular economy.



... durability

We extend the life cycle of our products by providing maintenance services and repair capabilities.

We prevent consumerism and reduce the amount of waste created.

We choose raw materials from sustainably grown crops. Our wooden windows are manufactured from **FSC-certified** pine wood. FSC-certified pine wood. This means sustainable harvesting of forest resources, without exceeding a level that will permanently prevent their regeneration. **Logistics processes and the raw material supply chain are verified by us to meet ESG criteria.**

In the production process, we use sustainable raw materials and energy from renewable sources. **Our photovoltaic installation is one of the larger rooftop installations in Poland. Our product packaging** is mainly recycled cardboard, **which is 100% recyclable**. **We ensure that our products are durable, repairable and, once disassembled, recyclable**. All this contributes to reducing the environmental impact and carbon footprint of the product.

250 patent applications

26 product certifications

12 948 products covered by environmental declarations

100% of GREENVIEW window packaging is recyclable



2.2 Product safety and quality

S4-4

QUALITY OF FAKRO PRODUCTS

Our overriding aim is to achieve and maintain a high level of quality of the products offered. The quality management system we have implemented focuses on integrating all production processes to ensure the highest quality products in line with our customers' expectations, the requirements of the relevant harmonised standards and with the requirements of ISO 9001. The use of state-of-the-art technology, efficient production management methods, uniform procedures, continuous improvement and employee training provide a solid basis for maintaining the high quality of the products offered.

Confirmation of the quality of our products is the possession of over 20 product certificates, under which periodic external audits are carried out.

CERTIFICATION



SAFETY

We verify the chemical substances used in the production process, such as paints or varnishes, for compliance with the **REACH** regulation. The substances used are tested by accredited testing laboratories. Ultimately, the most hazardous substances are replaced by safer alternatives. All finished products produced, together with their packaging, comply with the standards of the relevant sales market.



IN ORDER TO CONTINUOUSLY IMPROVE OUR PRODUCTS, WE ARE TAKING THE FOLLOWING MEASURES:

Innovation and research: We invest in research and development to create innovative products. This measure includes the development of new technologies that reduce the environmental impact of our products.

Product Life Cycle Assessment (LCA): We carry out a life cycle analysis of our products to study their environmental impact from the acquisition of raw materials, through production and use to recycling or disposal.

Optimisation of production processes: We are continuously improving our production processes to be more energy efficient, generate less waste and minimise emissions of harmful substances.

Sustainable sources of raw materials: We aim to use raw materials from sustainable sources and seek to minimise the use of non-renewable materials.

Cooperation with the supplier: We survey and audit our suppliers to ensure that they also adhere to sustainability principles.

Education and training: We provide regular training for our employees on sustainability to raise awareness and commitment to this work.

Monitoring and reporting: We monitor and report on our sustainability progress so that we can continuously improve.



2.3 Respect for customer rights

RESPECT FOR HUMAN RIGHTS IN CUSTOMER RELATIONS

We apply the highest standards of respect for human rights in our dealings with customers, with a particular emphasis on ensuring privacy. We build relationships with our customers on the basis of equal treatment, and the products and services we offer are non-discriminatory. We consider the regulations on respect for human rights and human dignity to be a fundamental value of modern society.

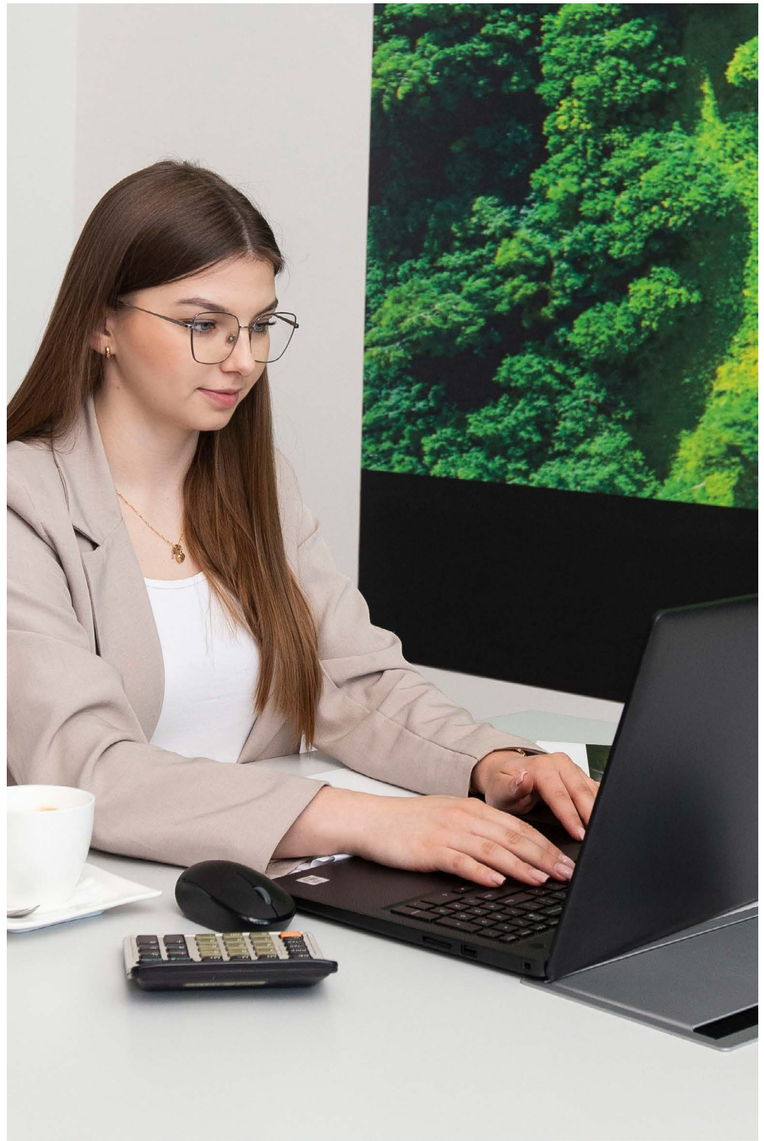
At FAKRO, we actively gather the opinions, interests and expectations of our customers and other stakeholders to better tailor our products and services to their needs. We carry out regular customer satisfaction surveys and the information received is analysed by a dedicated customer service team. The results are used to make specific improvements, such as enhancements to product design and improvements to after-sales services. We have described the principles of contact and service in the company's official documents, setting out the principles of full and professional service from FAKRO.

SBM-2

EXTERNAL STAKEHOLDER SERVICE RULES

We find it important that all our employees know how to behave in telephone or e-mail contact with a person or organisation from outside our company's environment. To this end, we have developed a document entitled **External Stakeholder Service Rules**, defining the groups of external stakeholders and describing the rules for handling them.

There is no doubt that the final quality of stakeholder service is highly influenced by all employees of the company. Therefore, every employee is obliged to perform their assigned tasks to the best of their ability, prepare and communicate accurate information on their activities and build positive relations with other employees of the company.



CUSTOMER SERVICE RULES

The main role in building a positive image of our company and the FAKRO brand and creating lasting, positive relationships with customers is played by employees who have direct contact with them. **The Customer Service Rules** document describes the ways in which all available forms of customer contact can be undertaken and carried out by frontline staff, as well as staff who maintain ongoing contact with customers.

The quality of customer service is the responsibility of all FAKRO Group employees – both those in direct contact with the customer and the rest of the employees who provide the service teams with all kinds of support, e.g.: technical, production, logistics, information, marketing, etc.

Particular customer service responsibilities are incumbent on employees involved in direct contact with customers who represent our company, not just their department. Their attitude and actions influence the image of our company outside and build the prestige of the FAKRO brand.

From front-line employees, our customers receive immediate advice and assistance, as well as information on possible ways to resolve their matters.

CUSTOMER SERVICE STANDARDS

Our company's core customer service standards include:

» **Speed of service** – we provide service in real time, i.e. "here and now", when the customer really needs it

» **We adapt to the individual needs of the customer** both in terms of the products and the way we communicate

» **We ensure that the customer feels connected to the company** – it means both taking an individual approach to the customer and their problem and ensuring that the customer's preferred channel of contact is available.

Customer service at our company is performed in accordance with the established and affirmed standards described in the **Company's Customer Service Standards** document..

In practice, this means for us

» **Ethical and truthful advertising** of our products and company.

» **Efficient and cultured customer service** via telephone and the Internet, attentive to the customer's needs and providing top-quality service.



S4-1 S4-2

WE CARE ABOUT OUR CUSTOMERS

Customer care is our priority, which is why we respond to every reported issue and analyse it thoroughly. We treat the complaint conclusions and customer suggestions as an important source of information that helps us improve our products and services.

We have put in place clear and transparent policies for consumers and end-users, which include, among other things, a privacy policy, an advertising policy and a responsible marketing policy. These policies are regularly updated to comply with the latest legislation and industry standards.

S4-3

We have also implemented comprehensive procedures for managing negative impacts and channels for reporting problems. Customers can report problems via a helpline, online forms, dedicated e-mail addresses and through our customer service offices. We have also set up an internal request monitoring system that allows us to track and analyse customer requests in real time.

S4-4

In 2024, no human rights violations were reported in the context of consumers and end-users.

RESPECT FOR PRIVACY AND DATA PROTECTION

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

We have created and implemented comprehensive solutions and documentation to ensure maximum data security for our employees and customers. We regularly update and monitor our procedures to meet the highest safety standards. We have put in place a number of documents and policies that govern how we handle personal data.
These include:
» Data Security Policy, which sets out the general principles of data protection in our company
» Data breach reporting procedures to ensure a quick response to any security incident



» Image security policies that protect the privacy of our employees and customers
» Monitoring regulations and rules for the release of monitoring recordings, which ensure that all monitoring activities are consistent with the law and respect the privacy of those being monitored.

We are committed to ensuring that our data protection practices are transparent and effective, nurturing the trust of our employees, customers and stakeholders.

No customer privacy breaches were identified during the reporting period (2024).

2.4 Responsible marketing communication

At FAKRO, respecting customers' rights means not only the quality of the products and services offered, but also a responsible approach to marketing communication. We place particular emphasis to ensure that our activities are ethical, transparent, and compliant with applicable regulations. We make sure that our products are available to a wide range of customers and that all information about them is presented in a reliable, understandable and truthful manner.



As part of our responsible marketing communication practices:

We ensure the transparency of information.

» Our marketing materials, such as brochures, websites and advertisements, contain accurate information about the products, their properties and their benefits for users and the environment. We regularly update our marketing content to ensure it complies with the latest standards and regulations.

We promote sustainable solutions

» We emphasise the ecological aspects of our products, such as energy efficiency, the use of renewable materials and innovative environmentally friendly technologies. We organise information campaigns on the benefits of choosing our sustainable solutions.

We support education and customer dialogue

» We organize workshops and educational programs that raise awareness of responsible consumption and sustainable development. We engage customers in dialogue, sharing knowledge and collaborating on the joint achievement of environmental and social goals.

Responsible Advertising Campaigns

» At FAKRO, our marketing activities go beyond simply promoting products — they also convey values rooted in ethics, social responsibility, and environmental stewardship. We are committed to ensuring that our communications reflect transparency and integrity.

» We firmly avoid aggressive sales techniques that could mislead customers or place undue pressure on them. By prioritizing honesty and respect in all promotional activities, we aim to build long-term trust and foster positive relationships with our customers and stakeholders.



We believe that a responsible approach to the environment and society not only minimises our impact on the planet, but also builds a strong brand based on values that our customers and partners trust. That is why we emphasise transparency, education and the promotion of innovative solutions in our marketing activities. This allows us not only to meet the growing expectations of the market, but also to set new standards in the industry.

Sławomir Gawlik
Marketing Director, FAKRO Group

RESPONSIBLE CLIMATE COMMUNICATION IS A REAL ACTION FOR US

At FAKRO, we ensure that our communications comply with the requirements of the **Green Claims Directive**. Environmental messages are clear, reliably justified and based on the company's actual actions.

At FAKRO, we are committed to avoiding greenwashing by:

Reliability of information

- We carefully verify all information on the environmental aspects of our products before making them public.
- Our sustainability claims are based on solid data and certifications that support our actions.

Transparency of actions

- We provide detailed reports and analyses on the environmental impact of our products.
- We inform customers about our production processes and natural resource management practices. We produce an annual report on these activities (ESG Report).

Certification and standards

- We use recognised environmental certifications such as Carbon Footprint Approved to confirm our commitment to environmental issues. The Carbon Footprint Approved certificate has been given to our GREENVIEW windows by the Carbon Footprint Foundation, which is awarded to products manufactured in an environmentally and socially responsible manner. To obtain this certificate, our product was assessed across five areas: energy, transport, waste management, sustainability and social responsibility. Detailed requirements for obtaining this certification can be found here.

Consumer education

- We carry out educational initiatives that enable customers to identify authentic product information.
- We organize information campaigns that support consumers in making informed and responsible purchasing decisions.





Modern marketing is not just about sales and promotion – it is about building values based on trust, authenticity and responsibility. At FAKRO, we strive to ensure that our marketing strategy supports sustainable development, creating benefits for both our customers and future generations.

Janusz Komurkiewicz

Management Board Member for Marketing



03

Environment

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3.1 We tackle climate change

E1-1 E1-2

Continuous climate changes are currently one of the biggest challenges we face. They require immediate action and a concerted effort to counteract the negative effects they may have on our environment and the future of the planet. Introducing sustainable practices and promoting development in the environmental field are becoming essential for maintaining climate stability and preventing environmental disasters. That is the reason why we are at FAKRO actively involved in mitigating climate change and reducing the negative impact of our operations on the environment. As part of these measures, we have adopted the **Environmental Policy** and developed the **Climate Policy** in line with the Paris Agreement.

At FAKRO, we operate according to the Environmental Management System in compliance with the EN ISO 14001 standard. The main objective of implementing this document was to monitor the impact of our operations on the climate and the environment, while fulfilling our regulatory obligations.

CLIMATE POLICY

The purpose of the internally developed Climate Policy is to improve the process of managing climate risks and opportunities and adapting to climate change, aimed primarily at introducing solutions to reduce the risk of adverse climate impacts.

As part of our adopted climate policy, we commit to:

Analysing the emissions at FAKRO,

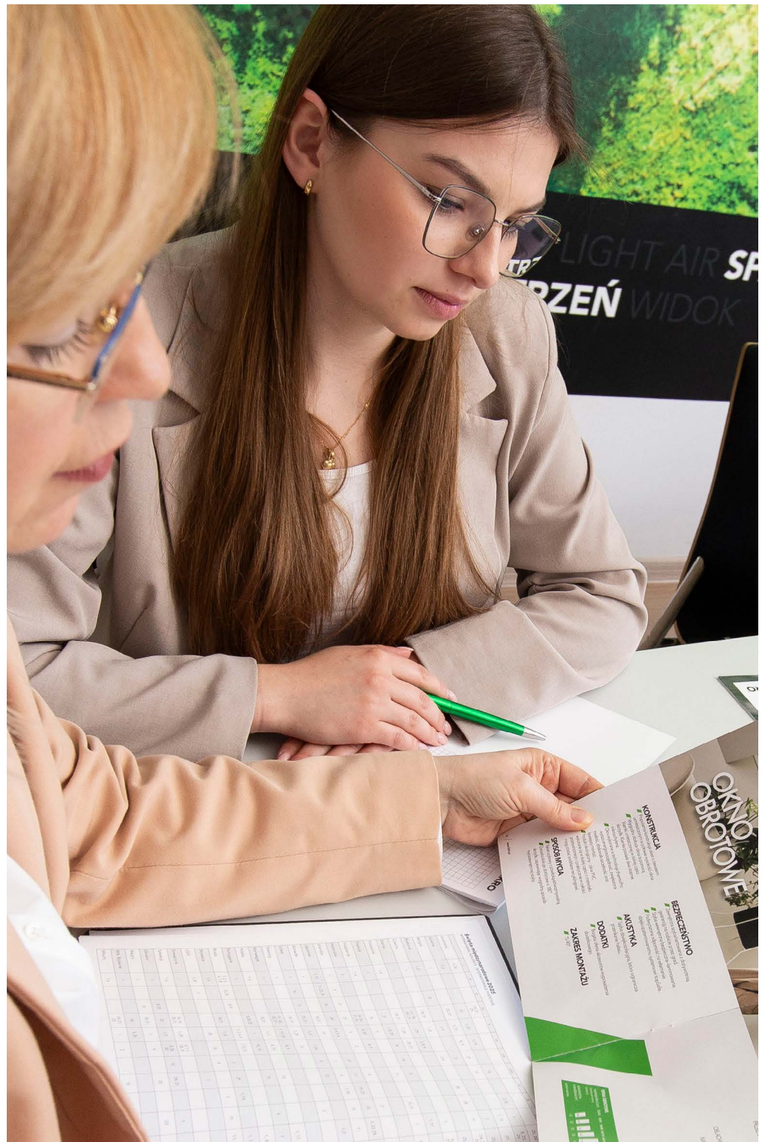
Preparing the decarbonisation plan,

Implementing the measures leading to a reduction in negative climate impacts through:

- increase in energy efficiency
- use of raw materials and resources sourced from verified suppliers
- developing climate-neutral mobility
- climate education
- working with partners to protect the climate and the environment
- monitoring and reporting of environmental indicators

Continuous improvement.

Learn more about this document on our website.



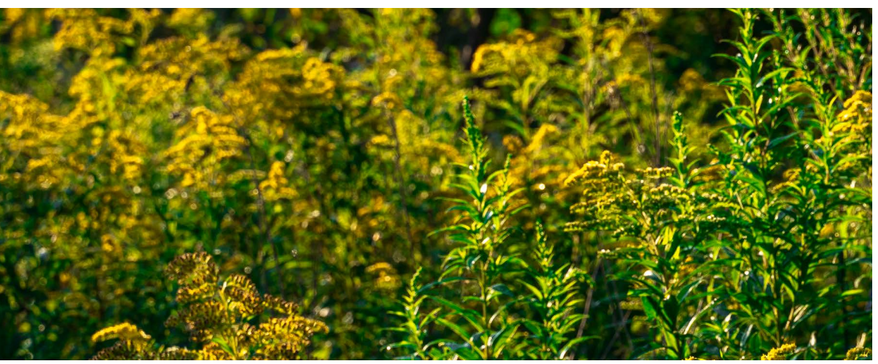
ENVIRONMENTAL POLICY

Being aware of the impact of our activities on the environment, we take measures to prevent negative effects on the surroundings.

E1-4

Our commitments set out in the Environmental Policy include:

- reduction of waste generation and water and energy consumption
- reduction of pollutant emissions to air and water from technological processes and transport
- compliance with environmental and other company regulations and requirements
- carrying out ongoing activities resulting from identified environmental aspects



- promoting environmental awareness among employees
- continuous improvement

FAKRO's Environmental Policy is available to all stakeholders on our website https://www.fakro.com/information-about-the-company/corporate-governance/

Taking into account the relevant environmental and climate aspects, we have also developed the Environmental Programme. It will include tasks and indicators that aim to seek to reduce environmental impacts and mitigate climate change by:

- reduction of waste
- reduction of water consumption
- reduction of exhaust emissions
- reduction of emissions of harmful substances and dust into the air
- reduction of VOC emissions
- reduction of the negative impact on the ozone layer
- reduction of energy consumption from non-renewable sources
- reduction of CO_2 emissions

Improving our environmental performance is our main goal in tackling climate change. Modernising production facilities, installing photovoltaic systems or acquiring energy from renewable resources are just a few examples of solutions to reduce greenhouse gas emissions.

We constantly monitor our energy and water consumption and calculate our Scope 1 and 2 carbon footprint.



E1-5

ENERGY CONSUMPTION

Energy is the foundation of business operations and without it, it is impossible to do anything. Energy consumption plays a key role in terms of both CO_2 emissions and operating costs

In 2024, we used 39,719.137 MWh of energy including electricity, heat and fuel consumption of which 13 870,65 MWh came from renewable sources, i.e.

30.91%



ENERGY CONSUMPTION AND MIX	UNIT	AMOUNT
Consumption of fuel from coal and coal products	MWh	905.97
Consumption of fuel from crude oil and petroleum products	MWh	16,584.39
Natural gas fuel consumption	MWh	135.13
Other fossil sources fuel consumption	MWh	0
Consumption of purchased or procured electricity, heat, steam and cooling from fossil sources	MWh	13,375.42
Total fossil energy consumption	MWh	31,000.91
Share of fossil sources in total energy consumption	%	69
Nuclear source energy consumption	MWh	0
Share of energy from nuclear sources in total energy consumption	%	0
Consumption of fuel from renewable sources, including biomass (also including industrial and municipal bio-waste, biogas, renewable hydrogen, etc.)	MWh	8,760.54
Consumption of purchased or procured electricity, heat, steam and cooling from renewable sources	MWh	4,611.39
Consumption of renewable energy produced without fuel	MWh	498.72
Total renewable energy consumption	MWh	13,870.65
Share of renewable sources in total energy consumption	%	31
Total energy consumption	MWh	44,871.56

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

Energy intensity per net revenue MWh/PLN 1 million

34.20

We implement numerous measures aimed at optimising energy consumption through regular monitoring in production processes and daily operations. In addition, we take steps such as:

- replacement of light sources with less energy-intensive LED-type lighting – to date, we have replaced approximately 4,500 units
- thermo modernisation of buildings – over the last few years, we have thermally modernised more than 33,000 m² of roofs
- modernisation of machinery and equipment
- implementation of a monitoring system for open doors to halls during the heating season
- switching to low-temperature hall heating - using infrared heaters
- monitoring heating temperatures in office buildings and production halls
- use of heat recovery from compressors
- recuperation in wood dryers
- training on the rational use of electricity and the use of air conditioning.

We are planning the following measures to reduce energy consumption in the coming years:

- purchase of energy storage
- conclusion of an energy supply contract taking into account
- the lowest emission factor
- use of dust extraction filters within the production facility
- increasing the share of biomass in heat production
- reducing the share of hard coal in thermal energy production

Areas insulated in 2024

6,100 m²



E1-6

FAKRO'S CARBON FOOTPRINT

At FAKRO, we have been monitoring greenhouse gas emissions since 2022. By regularly calculating our carbon footprint, we are able to monitor our progress in reducing emissions and take effective measures to further decrease them.

We calculated the carbon footprint on the basis of methodologies and calculation tools approved by the Greenhouse Gas Protocol.

SCOPE 1 – We calculated Scope 1 emissions from the company's own sources, or those directly controlled by the company, by using emission intensity indicators for individual fuels from the DEFRA (2024) database. In our case, these include fuels used to generate thermal energy for the plant, fuels burned by the fleet and unintentional releases of refrigerants.

SCOPE 2 – We calculated the Scope 2 indirect emissions associated with the consumption of purchased electricity and heat using two market-based and location-based methods. The market-based method is more detailed. This method is based on market data obtained from energy distributors. We calculated Scope 2 emissions using emission intensity indicators obtained from our energy suppliers (fuel structure). The generalised (location-based) method is based on average data using country-specific emission intensity indicators for electricity generation. To calculate the Scope 2 carbon footprint for FAKRO PP and FAKRO Sp. z o.o. companies, we used an indicator provided by the National Balancing and Emissions Management Centre (KOBIZE).

SCOPE 3 – These are all indirect emissions throughout the supply chain. Among them, fifteen categories were distinguished, which were divided into supplier-related (upstream) and recipient/customer-related (downstream) emissions. The comprehensive nature of activities related to calculating the carbon footprint in Scope 3 requires us to be thoroughly prepared and continuously improve our processes. We are constantly working to provide accurate data in this area.

GREENHOUSE GAS PROTOCOL

GREENHOUSE GAS EMISSIONS

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

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

GREENHOUSE GAS EMISSION INTENSITY INDICATORS

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

E1-3

DECARBONISATION

Decarbonisation is the process of reducing carbon dioxide (CO_2) emissions by gradually reducing dependence on fossil fuels and replacing them with cleaner energy sources. It is a key element in tackling climate change, aiming to transition to a low-carbon or carbon-neutral economy. At FAKRO, we are working on a detailed plan to reduce greenhouse gas emissions. This plan includes specific steps, deadlines and persons responsible for their implementation.

E1-3

ELECTRICITY – PHOTOVOLTAICS

In previous years, in cooperation with our partner company **Columbus Energy**, we completed an investment, in which we extended 3 and installed 5 new photovoltaic installations with a total capacity of 2,105 kWp. They are installed on the roofs of production facilities, so we can develop our green areas in a different way.



Electricity generated by photovoltaics in 2024

1,006.42 MWh

Share of energy from renewable sources in total energy consumption in 2024

31%

THERMAL ENERGY – ENERGY WILLOW

We have been using biomass in the form of energy willow to heat our buildings for years now. In 2015, we established a willow plantation close to the company's headquarters in Nowy Sącz, which today occupies **more than 35 ha**. The fast growth of this biofuel and its ability to regrow make it easy to grow, making it an excellent source of energy for us

Amount of energy willow used in 2024

212 Mg



TRANSPORT

In 2024, we continued our efforts to reduce the environmental impact of our logistics operations while striving to improve operational efficiency. Our activities focused primarily on reducing fuel consumption, effective use of planning tools, vehicle fleet modernisation and improving team competence..

With improved route planning and vehicle use, fuel consumption was reduced by 3.56% compared to the previous year. This translated into a real reduction in CO_2 emissions and operating costs. The key factors were reducing the number of empty runs and more precisely matching the means of transport to the type and volume of freight transported.

The TMS system we use on a daily basis has enabled more effective transport planning and monitoring of its implementation. This tool has contributed to better load planning, shorter lead times and fewer unnecessary rides. The TMS system also supports the analysis of operational data, which allows us to respond better to changing needs and implement improvements in our daily work.

Last year, we continued the process of replacing our fleet of heavy goods vehicles with Euro VI-compliant ones. Modern vehicles significantly reduce emissions of nitrogen oxides (NOx) by up to 85% and particulate matter (PM) by over 95% compared to older models. This not only benefits the environment, but also improves safety and comfort at work, especially in urban areas.



At the same time, we developed a training programme for drivers, focusing on driving techniques and eco-driving principles. Such measures not only support fuel consumption reduction, but also have a positive impact on the technical condition of the fleet and road safety. The training courses are conducted periodically and are an integral part of our quality policy. In the area of short-distance transport, the solutions we choose allow us to reduce noise and exhaust emissions, which is particularly important in enclosed spaces and in the vicinity of employees. The modernisation is being implemented in stages.

In addition, an analysis of the use of internal transport vehicles was conducted, which allowed for a reduction in their number and more efficient resource management. The implementation of task planning support systems has resulted in smoother traffic organisation and reduced energy consumption.

Through conscious management, a responsible approach and the use of available technologies, we are reducing the negative impact of transport on the environment while increasing the transparency and efficiency of our operational processes.

3.2 We reduce pollution

E2-1 E2-2 E2-3

Air, water and soil pollution is one of the most serious challenges. Increased disease rate, ecosystem degradation and climate change are just some of the many examples of the negative effects that harmful substances emitted into the environment can have. Minimising these emissions is one of the most important goals that FAKRO strives to achieve in its production processes. Pollutants in the form of nitrogen oxides, sulphur oxides, dust, VOCs and other pollutants are emitted in processes related to the company's operations. We regularly monitor the levels of these emissions by cooperating with accredited laboratories, and the results reported so far, each time confirm compliance with environmental standards and limits set by administrative decisions.

We comply with the Environmental Management System and the Climate and Environmental Policies (pp. 33, 34) which include guidelines related to pollution reduction. On the basis of these documents, we are committed to reducing pollutant emissions to air and water from technological processes and transport. We also operate in accordance with a **Chemical Substance Management** procedure, which we developed in 2023. In this procedure, we focus on the safe use, storage, warehousing and transport of chemical substances.

We require both ourselves and our business partners to reduce pollution. We have published our expectations of suppliers in the area of minimising their environmental impact in the **Supplier Code of Conduct**. https://www.fakro.com/information-about-the-company/corporate-governance/

Following the documents implemented internally and the applicable legal requirements, we monitor all processes and activities that produce harmful emissions for pollution.

These are:

- gaseous and particulate emissions from combustion of raw materials for energy purposes
- emissions from the combustion of fuels by cars, machinery and equipment
- emissions of gaseous and particulate pollutants from our production processes
- refrigerant emissions



Our installations do not require an integrated permit, as we do not exceed the limit amounts of pollutants emitted into the air.

The facilities we own also do not require the application of Best Available Techniques (BAT) requirements, but we nevertheless try to reduce the pollution we generate from the facilities as much as possible.

Although there are no specific pollution targets, we minimisethe amount of pollution we generate by:

- use of highly efficient filters
- maintenance of equipment and fleet
- upgrading the machines and equipment
- constantly looking for technology that is less carbon intensive

FAKRO's environmental protection employees participate in training courses on environmental protection and sustainable development and benefit from collections of up-to-date information on environmental law. By improving our competence and systematically keeping up to date with changes in legislation, we keep abreast of legal requirements relating to environmental protection.



FAKRO operates a comprehensive window replacement programme. This initiative is aimed at people who want to replace their old roof windows with new, more energy-efficient and functional ones. Our company supports and recommends a project of replacing old roof windows, vertical windows, garage doors and entrance doors that do not meet contemporary standards with modern and energy-efficient products. Replacement can take place as part of a comprehensive thermal modernisation of the building or can only be part of the replacement of the joinery.

E2-4

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

» stationary combustion

» mobile combustion

» technological processes.

The location of our plants means that we do not emit pollutants into the water or soil. Therefore, we did not analyse water emissions in the context of areas at risk of water pollution, high water tension and high water stress.



EMISSIONS OF POLLUTANTS FROM STATIONARY COMBUSTION

TYPE OF POLLUTION	UNIT.	Amount of emissions to AIR	Amount of emissions to WATER	Amount of emissions to SOIL
CO	kg	35,225.09	–	–
NO_2	kg	3,824.96	–	–
SO_2	kg	1,351.22	–	–
totdal dust	kg	928.44	–	–
Bap	kg	0.46	–	–

EMISSIONS OF POLLUTANTS FROM MOBILE COMBUSTION

TYPE OF POLLUTION	UNIT	Amount of emissions to AIR	Amount of emissions to WATER	Amount of emissions to SOIL
VOC	kg	27,359.46	–	–
Dust	kg	1,043.56	–	–

At FAKRO, we calculate air emissions based on the amount of fuel consumed and substances used during production. Commonly available indicators such as studies made available by KOBIZE and specifications from available safety data sheets for the substances used are used to calculate emissions.

We operate in accordance with generally applicable regulations regarding chemical substances. In the course of production, we use chemicals which we check for compliance with the REACH regulation. We maintain a chemical database with up-to-date Material Safety Data Sheets for chemicals and mixtures at all Polish FAKRO branches. With environmental concerns in mind, we actively seek and implement safer alternatives to chemical substances. The purchase of each new substance is consulted with regard to the safety of its use and its impact on environmental footprint in accordance with an internal document – **Chemical Substance Management.**

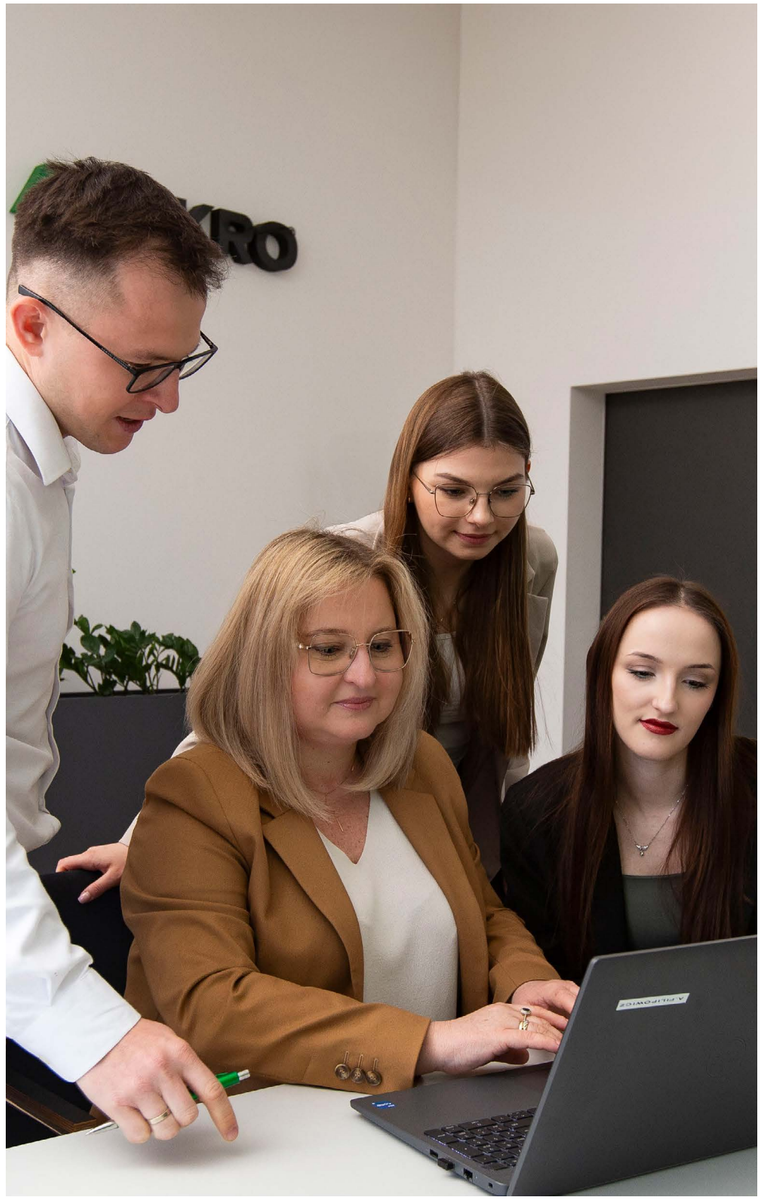
We have not recorded any chemical spills into the environment in 2024 or any previous year. Spill prevention is an important part of responsible business management

E2-5

All goods supplied to FAKRO, including raw materials for production and packaging, comply with European and national laws, regulations, directives and guidelines in force at the time of delivery. Consequently, we do not emit or introduce additional significant pollutants into the environment.

At FAKRO, due to the nature of our business, microplastics are not produced and therefore we do not monitor their emissions.





3.3 We reduce water consumption

As a company that operates with respect for the environment, we attach great importance to the effective management of water resources. Aware of its limited resources and the impact of climate change on its availability, we take thoughtful measures to protect and use this resource in a rational manner.

E3-2

To reduce water consumption, we have implemented measures such as:

- water consumption monitoring system, providing the possibility for ongoing analysis and rapid intervention in the event of faults
- detected immediate elimination of faulty equipment.

E3-4

WATER CONSUMPTION

In 2024, we used 17,747 m³ of water. Water consumption data was read from electronic water meters and calculated from water consumption invoice data. We draw our water mainly from municipal companies, which does not cause significant interference with water resources. We use water for social and domestic purposes. Compared to the previous year, water consumption increased by 3%.



WATER CONSUMPTION AT FAKRO

		UNIT.	AMOUNT 2024
Water consumption	Total water consumption	m³	17,747
	Total water consumption in areas exposed to water-related risks, including areas with significant water scarcity	m³	0
	Total amount of water recycled and reused	m³	0
	Total amount of stored water	m³	0
	Total water consumption per 1 million revenue	m³/1 mln PLN	13.53
Water consumption intensity	Total water intake	m³	17,747

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

E3-3

We have set an overall goal of aiming to reduce water consumption. As water resources are an important topic, we monitor water consumption and analyse the results. We are implementing solutions to reduce its consumption. We plan to implement rainwater recovery systems.





3.4 We study our impact on biodiversity and ecosystems



E4-1

Biodiversity plays a key role in maintaining the balance of ecosystems. With production based on wood processing, we know that it is the harvesting of this raw material that has a huge impact on biodiversity. Our products are made of pine, which has been known for generations for its value as an ecological and health-safe building material. We source this raw material from regions where the forest is managed responsibly and these areas are not threatened by deforestation. The wood from these sources is FSC-certified for origin control along the timber supply chain.

E4-5

WITH RESPONSIBLE FOREST MANAGEMENT, WE EFFECTIVELY COUNTER DEFORESTATION

Deforestation contributes negatively to climate change. It prevents air purification, CO_2 reduction, but also adversely affects the entire ecosystem and biodiversity by degrading the quality of habitats for various animal species.



E4-3

We comply with regulatory requirements in all aspects including impact on biodiversity. We are also committed to carrying out regular reviews and analyses to make sure that our activities do not threaten local species and habitats. We strive for harmony between our production activities and the surrounding environment.

We ensure that our products are created in line with the principles of sustainable development and strive to reduce our impact on ecosystems. We know that by taking conscious action to protect biodiversity, we can take care of the common good that is the environment

In 2024, an unusual object appeared on the company's premises – an insect hotel. It symbolises FAKRO's commitment to biodiversity and environmental responsibility. The hotel was made from waste materials and is one of many specially marked ESG points where guests visiting our company can stop and rest.





3.5 We operate in line with a circular economy

A circular economy is a system aimed at reducing resource waste, minimizing the harmful impact of human activities on the environment, and creating new opportunities for economic growth and innovation.

By operating according to this concept, raw materials are used, recycled and then reused, thus reducing the consumption of raw materials from primary sources and significantly reducing the waste generated.

At FAKRO, waste management procedures have been defined, which include:

- reduction of the amount of waste generated
- maximum use of recovered raw materials
- proper management of hazardous waste
- employee environmental education and awareness

The rules specify how waste is to be handled, where it is to be stored, and the methods to be used during transport and transfer to recovery/disposal processes.

When dealing with waste, we first try to look for circular solutions, i.e. solutions within the scope of circular economy (CE), and if this is not possible, where legally permissible, to resell it or hand it over to employees in order to extend its life cycle. Only as a last resort, when waste is not suitable for reprocessing or use, is the waste destined for disposal.



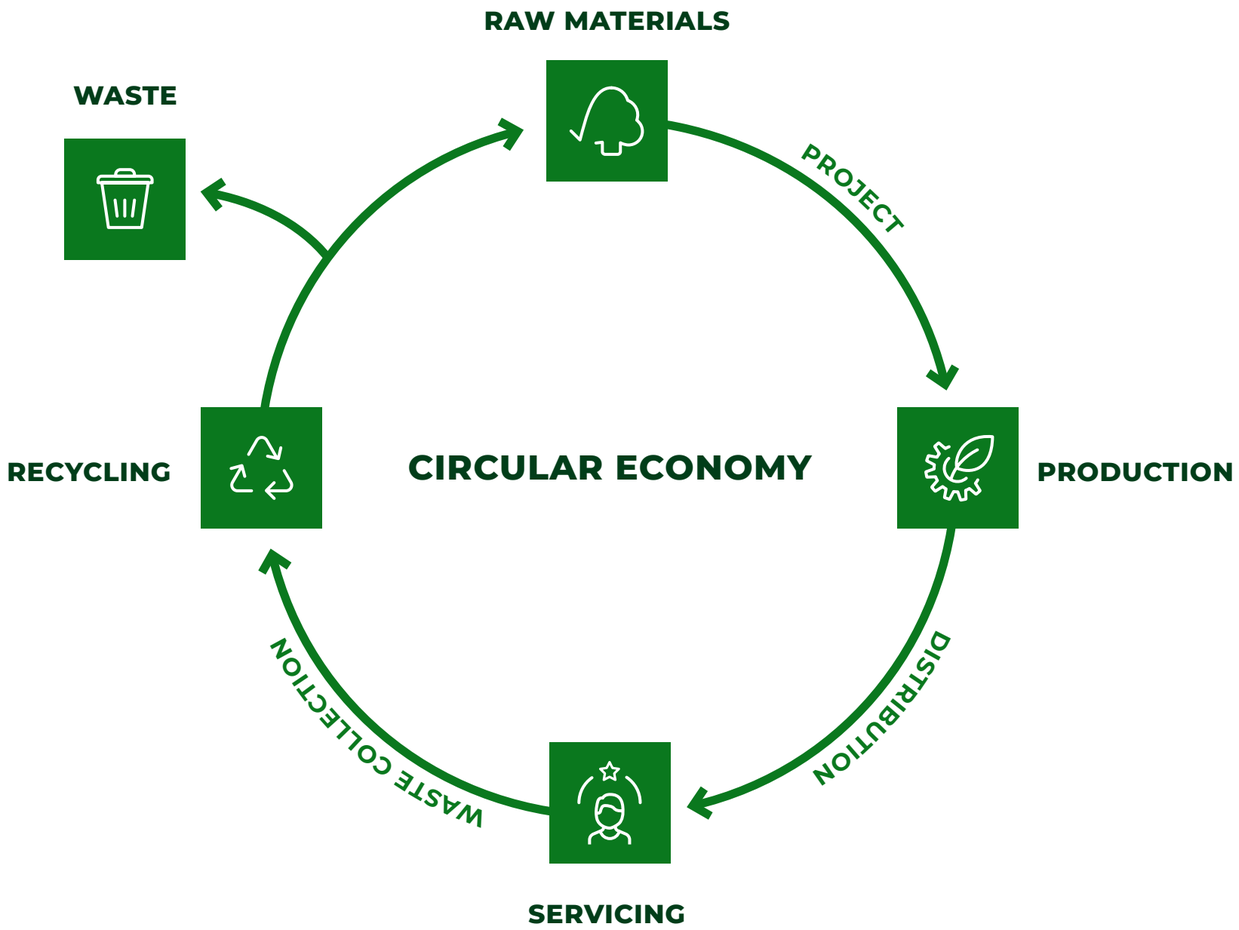


> With care for the planet's future, we focus on designing products that minimize the use of natural resources, are manufactured with respect for the environment, and, once they reach the end of their useful life, can be easily recycled or reused

Iwona Majoch

Head of the Administrative Department, FAKRO

CIRCULARITY OF FAKRO PRODUCTS



E5-1

We do not have a separate circularity policy. Circular economy (CE) issues are included in the FAKRO Group's Environmental and Climate Policy and in the internal document **Waste management in the FAKRO Group**. We plan to develop our circular economy activities.



CE AT FAKRO

For us, a circular economy is not only about minimizing waste generated in production processes, but above all about smart operations, saving energy and raw materials, and extending the product life cycle.

At FAKRO, the implementation of the development of a circular economy is carried out through the following activities:

» use of secondary raw materials in production

» implementation of the principles for designing products so that they are repairable

» providing customers with the option of repairing FAKRO products to extend their life cycle

» ensuring access to suitable spare parts

» carrying out maintenance services (FAKRO service)

» use of packaging manufactured from recycled raw materials and being recyclable.



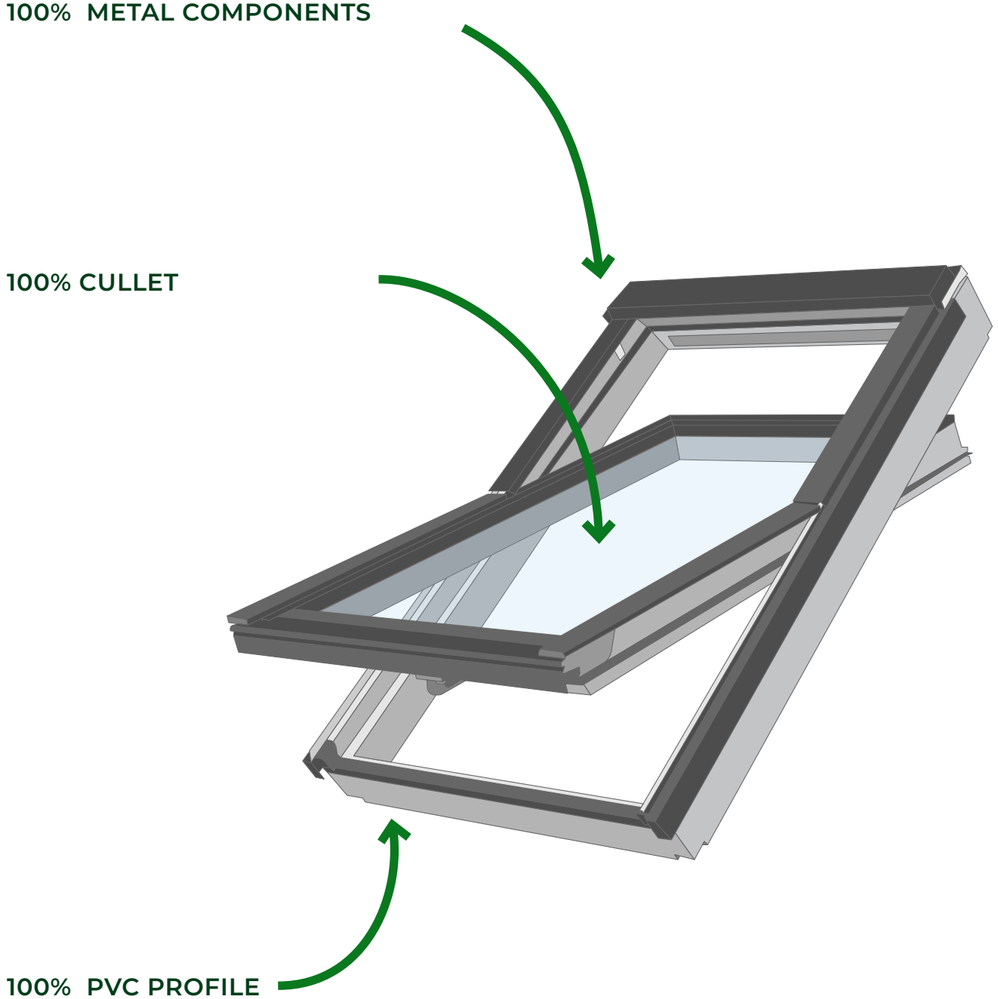
IMPLEMENTATION OF CIRCULAR SOLUTIONS

In implementing circular economy solutions, the key is to reduce waste generation and rational use of resources, not least by treating the waste generated as future secondary raw materials. In line with this principle, we have already successively implemented at least a few circular solutions.

One of these is the CE model of selling the waste generated during the production process of plastic windows in the form of PVC profiles to a company that manufactures plastic profiles. FAKRO waste becomes a high-quality raw material for our partner, which is then recycled. The final product is a recycled PVC profile, which we buy back and use to manufacture the window frame.

We have also closed the internal circulation of undersized pallets.

PRODUCTION WASTE RECYCLED





E5-4

RESOURCES INTRODUCED AT FAKRO

In 2024, we introduced at FAKRO products as well as technical and biological materials used for production processes, support of other processes and needed for the proper operation of the company. These products include, among others, furniture, machinery and equipment, as well as IT equipment. Technical and biological materials include raw materials for production such as wood, aluminium, steel, cardboard, foil, as well as building materials, office equipment and other materials necessary for the proper operation of the company.



E5-5

RESOURCE OUTFLOWS AT FAKRO NATURAL ENVIRONMENT WASTE GENERATED AT FAKRO

At FAKRO, resource outflows in 2024 include sold finished products such as roof windows, vertical joinery products, windows for flat roofs, flashings, roof hatches, tubular skylights, window accessories, loft ladders, as well as packaging.

Below, we will present the packaging weights, which have been calculated on the basis of the data needed to calculate the product fee.

RESOURCE INFLOWS	UNIT	2024
Total weight of products	Mg	1,987.34
Total recyclable content of product	Mg	1,987.34
Index of recyclable content of packaging	%	100

WASTE GENERATED AT FAKRO

At FAKRO, we continually strive to optimise our production processes in order to minimise waste generation.

We work according to the waste hierarchy, where we prevent and reduce waste first and then look for new CE solutions.

When selecting a specific waste recipient, we follow the principle of proximity – we cooperate with companies located as close as possible to our plants, which helps reduce long-distance transport. We also optimize waste transport to make maximum use of the loading space, while respecting the relevant transport and environmental regulations. As a result, we reduce greenhouse gas emissions and other negative environmental impacts.

E5-2

We also aim to reduce production waste as much as possible and to reuse it by:

- meticulous analysis of raw materials
- designing with circularity in mind
- reducing waste at source
- aiming to increase the proportion of recycled raw materials used in production
- introduction of 100% recyclable single-material packaging for all our products,
- extending the life cycle of our products.

We aim to minimize waste from our production processes as much as possible through recycling and by using it as a source of energy.

E5-3

Our goal in relation to resource use and the circular economy is to:

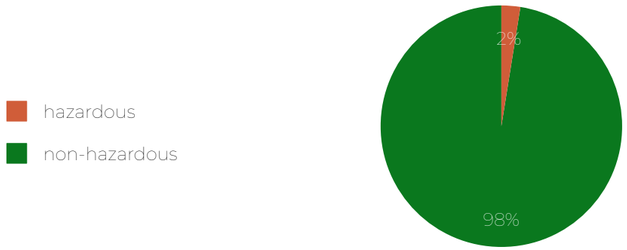
- annually increase the percentage of waste destined for re-use or recycling
- continuously search for opportunities to close the cycle of waste generated during production
- increase the proportion of recycled raw materials in the production of our products.



The waste we generate comes mainly from production, investment and renovation processes. Typical waste generated in the course of our operations is wood, cardboard packaging and plastic waste.

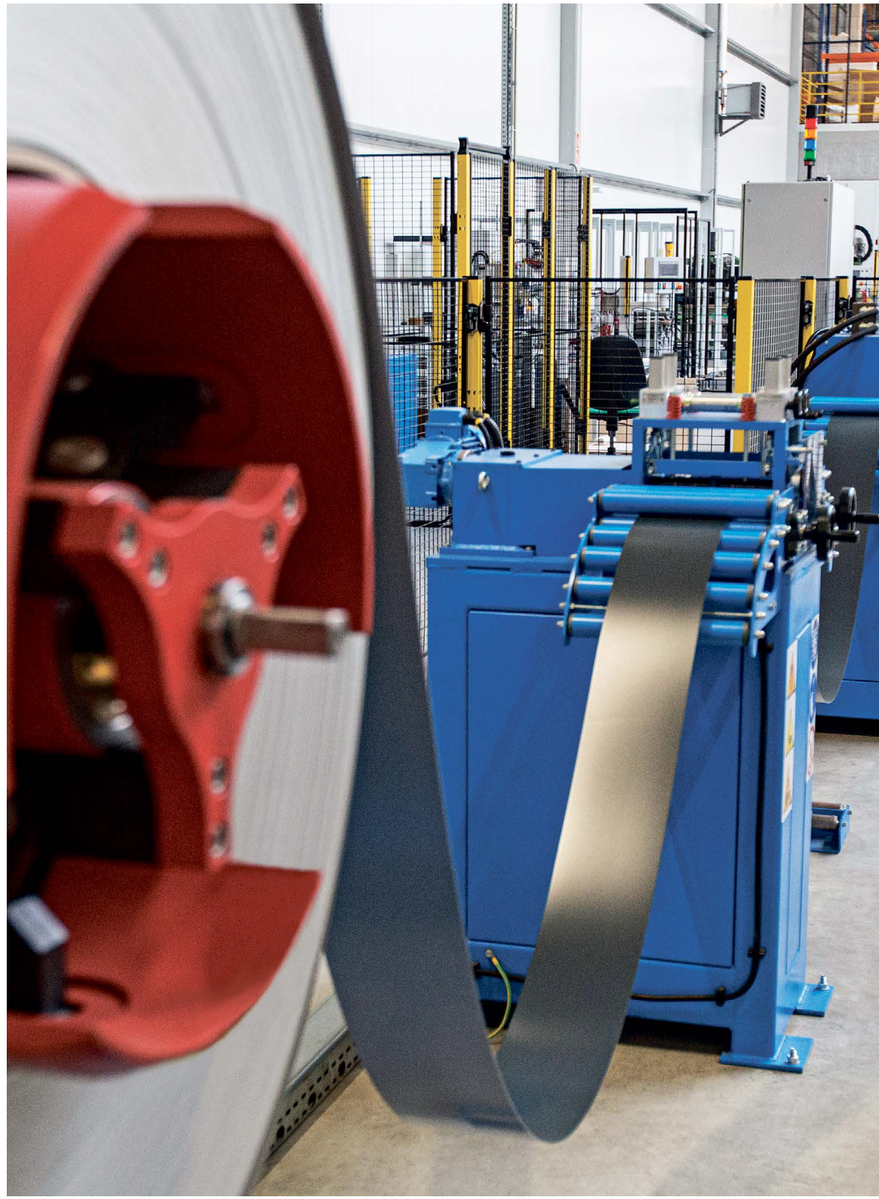
Hazardous and non-hazardous waste at FAKRO by management methods:

RESOURCES LEAVING THE ORGANIZATION	UNIT	2024
HAZARDOUS WASTE		
Amount of hazardous waste generated	Mg	39.75
waste recycled	Mg	25.91
waste recovered	Mg	13.84



RESOURCES LEAVING THE ORGANIZATION	UNIT	2024
NON-HAZARDOUS WASTE		
Amount of non-hazardous waste generated	Mg	1,895.51
Waste recycled	Mg	1,453.63
Waste sent for energy recovery	Mg	99. 75
Waste recovered	Mg	258.22
Waste incinerated	Mg	49.91
Waste subjected to chemical treatment	Mg	33.91

The figures in the tables above come from BDO records (National Waste Database). Information on recovery processes was provided by waste collectors. Continuous monitoring of the amount of waste generated is the basis for analysing how it can be reduced. We also strive to take measures to reduce the frequency of collection of particular types of waste. Waste that cannot be prevented and cannot be reused is collected separately and then handed over to companies that are authorised to manage a particular type of waste in accordance with the proximity principle.





04

People

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RESPONSIBILITY IS ONE OF OUR CORPORATE VALUES.

We provide safe, healthy and comfortable working conditions. Regular health and safety audits, training and investment in modern technology to ensure safety are standard with us. We care about the working atmosphere and organise regular staff meetings to integrate and build team spirit.

We invest in professional development through a variety of training programmes, workshops and further education opportunities. This allows employees to develop their skills and advance within the company, or even retrain for another position within the organisation.

We care for the well-being of employees by popularising health-oriented campaigns promoting a healthy lifestyle and active recreation.

RESPECT FOR HUMAN RIGHTS IS IMPORTANT TO US

We strongly oppose any form of unethical behavior or violation of human dignity. We ensure decent working conditions for our employees and do not tolerate discrimination, mobbing, or infringement of personal rights..

S1-1

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

- **Work Regulations**
- **Procedure of hiring and dismissing employees**
- **Principles of renumeration and bonuses**



- **Anti-mobbing policy in the FAKRO Group**
- **FAKRO Employee Guidepost**
- **Code of Conduct**

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

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

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

At FAKRO, we believe that true company growth is based not only on financial results, but above all on people. Our ESG activities are based on a responsible approach to our employees, customers, business partners and local communities. Through a range of initiatives, we support their development, safety and well-being, creating an environment conducive to long-term cooperation. Our employees are the heart of our organisation – it is their skills, commitment and daily work that build our brand and relationships with our environment, directly influencing FAKRO's success.

WE LISTEN TO ACT EFFECTIVELY

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

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

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



We believe that a friendly and safe working environment is the foundation of an effective and committed team.

Bożena Damasiewicz

Director of Organisational and Administrative Affairs



4.1 We act ethically

Each employee's presence in the company is a combination of their unique personality, skills, and the rules in force within the organization. There are policies and procedures implemented to ensure effective team management – they include, among others, recruitment processes, competence development, ensuring equal opportunities, and care for health, safety, and working conditions.

Transparency, the opportunity to express their own opinions and a real impact on everyday working life are of paramount importance for our employees. We focus on open communication, using modern and accessible tools such as Intranet, Facebook group – "FAKROteam", news services "FAKRO news" and information corners in the production halls.

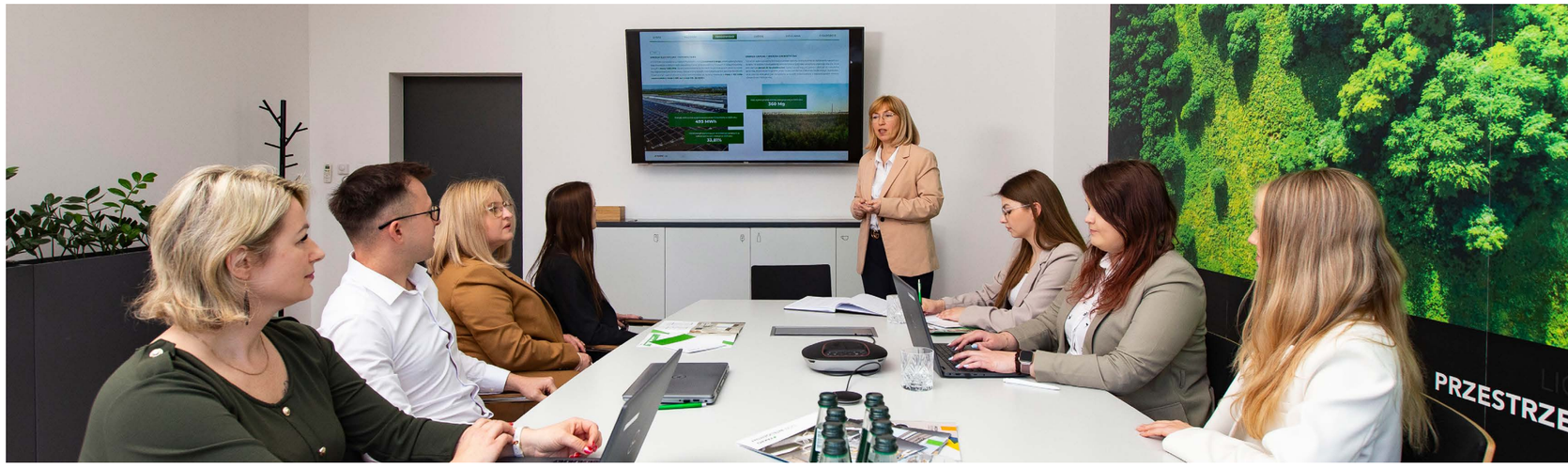
The project-based form of cooperation promotes knowledge sharing, mutual learning and building strong, trust-based relationships. We hold regular meetings of the Management Board and Executive Management; we organise regular meetings of the F1 group – a team for committed co-management, whose aim is to jointly shape the direction of the company's development.

Employee Opinion Surveys are also systematically carried out. Employees can share their insights, including comments and complaints through several communication channels such as boxes to the Management Board, official letters addressed to the Management Board or meetings with the Executive Management. FAKRO's Management Board openly cooperates with the team, taking into account their needs and suggestions.

S1-3

We have an internal whistleblowing system to report all types of irregularities, including those related to bullying, discrimination, abuse of power. Reports can be made at face-to-face meetings, by telephone or by email. All reports are considered in a fair manner based on transparent rules.

Employees are obliged to report any practice or activity that does not comply with the rules adopted in internal documents or the applicable law



All reports are considered by the Ethics Committee. There are 3 preferred channels for submitting comments:

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

At FAKRO, detailed rules for the prevention of abuse are included in an internal **Fraud Prevention Policy** document. Rules related to the anti-mobbing and the reporting of any abuse in this area are described in the Anti-Mobbing Policy at FAKRO.

Reports of bullying should be made directly to the **Ethics Committee**. When a report cannot be considered by the Ethics Committee, it will be considered by a committee appointed by the President of the Management Board.

S1-4

We invest in development programmes, supporting the improvement of professional skills by co-funding studies or language courses.

Documents describing the policies and development programmes we have adopted:

- **Organisation of language courses at FAKRO**

We provide training and workshops to foster attitudes in line with the accepted principles. Training is aimed at all employees including managers.

WE DEFINE THE OBJECTIVES

At FAKRO, we set specific, measurable targets for improving working conditions, health and safety, professional development, etc. This allows us to update our strategy and action plans on an ongoing basis and to monitor progress and report results internally as well as externally, including in the ESG reports we prepare.

Our objectives in this regard include:

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

S1-5

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

Priority areas include:

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

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



4.2 We employ inclusively

For us, inclusivity is the practice of creating a working environment where everyone regardless of age, gender or background is accepted and valued. Our goal is to eliminate barriers and discrimination and to promote equality, diversity and inclusion at every stage of the company's operations.

WE RELY ON A DIVERSE TEAM

We currently employ almost 4,000 employees across the FAKRO Group. And each of us makes a unique contribution to a positive company. Diversity of experience and perspectives is a resource that enriches our organisation, making us more creative, flexible and open to change

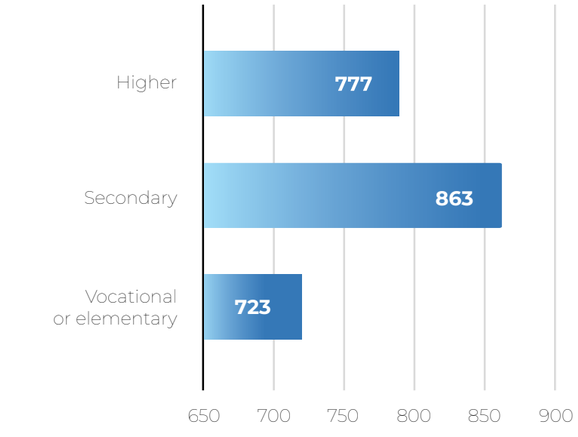
S1-6

In 2024, our team structure at FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o., would be as follows:

Number of employees by gender in 2024

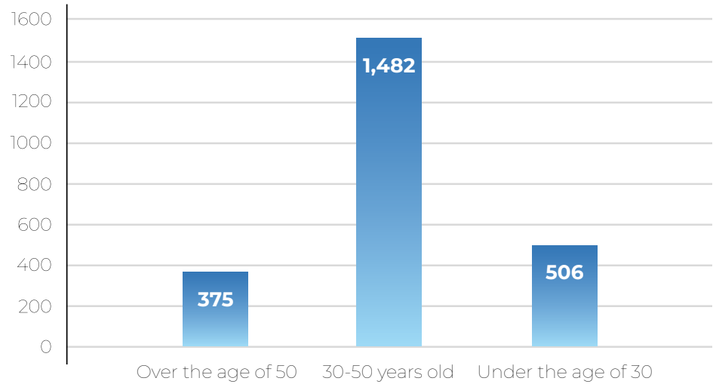
GENDER	NUMBER OF EMPLOYEES
Women	676
Men	1,688
Other	0
Not disclosed	0
Total employees	2,363

Number of employees by level of education in 2024:



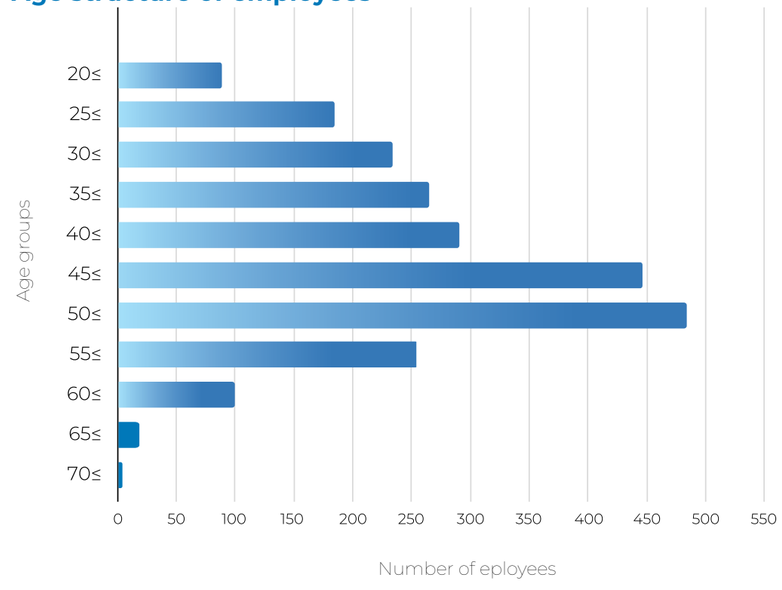
S1-9

Number of employees by age in 2024:

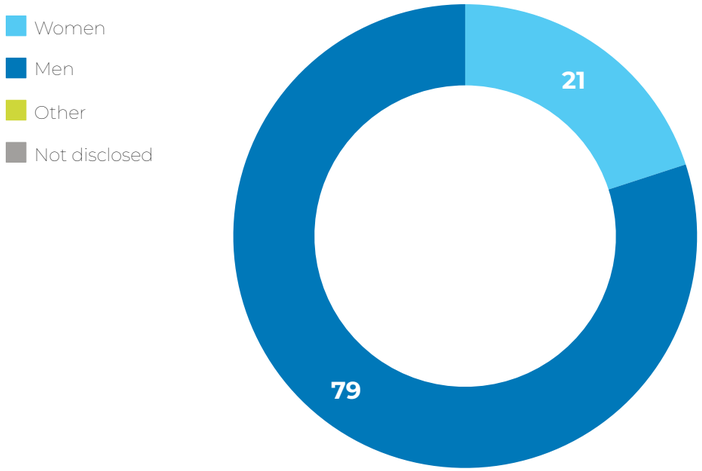


*Values for FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o. combined.

Age structure of employees



Gender distribution by number and percentage in senior management in relation to staff in 2024:



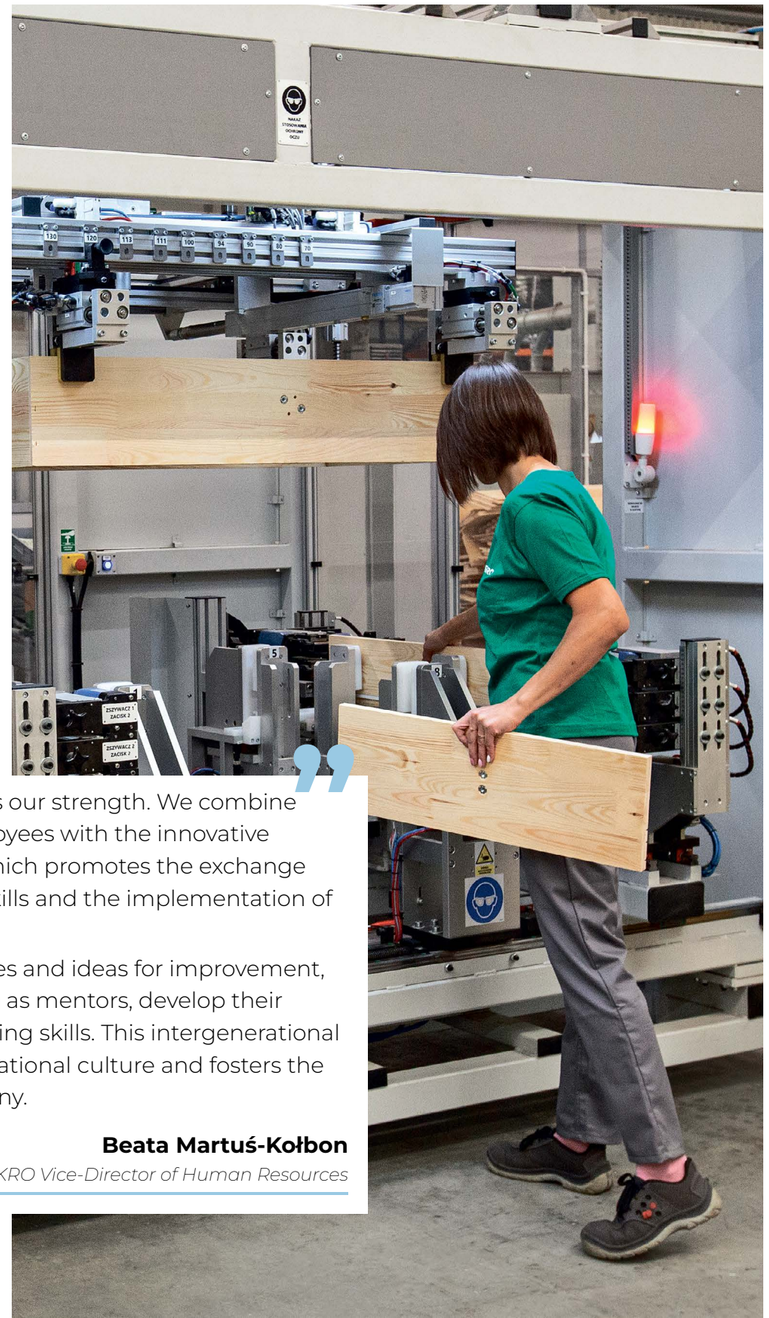
Number of employees who left during the reporting period and the employee turnover rate in 2024:

Number of employees who left the organisation during the reporting period	265
Turnover rate	11.30%

Average length of service in our organisation is

13 years

which is indicative of employment stability and employee satisfaction.



S1-12

Percentage of employees with disabilities among all employees in 2024:

Percentage of employees with disabilities	1.23%

Our openness to diversity makes us feel respected and valued and, as a result, we are more committed and loyal to our employer.



At FAKRO, the diversity of our team is our strength. We combine the experience of long-serving employees with the innovative approach of younger generations, which promotes the exchange of knowledge, the development of skills and the implementation of innovative solutions.

Young people bring fresh perspectives and ideas for improvement, while experienced employees, acting as mentors, develop their management and relationship-building skills. This intergenerational cooperation strengthens our organisational culture and fosters the dynamic development of the company.

Beata Martuś-Kołbon

FAKRO Vice-Director of Human Resources



An open, flexible working environment better adapts to changes and challenges, such as those resulting from generational change.

S1-7

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

Number of employees by contract type, working hours and gender in 2024

Gender	Women	Men	Other	Not disclosed	Total
Number of employees (total number)	675	1,688	0	0	2,363
Number of employees employed foran unspecified term (total number)	437	1,472	0	0	1,909
Number of employees employed for a fixed term (total number)	97	216	0	0	313
Number of employees who are not guaranteed working hours (total number)	0	0	0	0	0
Number of full-time employees (total number)	–	–	–	–	2,287
Number of part-time employees (total number)	–	–	–	–	76

We are not afraid to employ older people, and we also give opportunities to those just entering the labour market.

INTERNSHIPS AND APPRENTICESHIPS AT FAKRO

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





Supporting the younger generation is a key element of sustainable development for FAKRO. Internships and apprenticeships give young people the opportunity to gain experience, while providing us with a fresh perspective, energy and innovative ideas.

Agnieszka Ślęzak-Śmietana
Recruitment Specialist

S1-2 S1-8

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

Effective communication and dialogue is the basis for cooperation and building internal trust. In our organisation, we communicate with each other through various channels. On the one hand, there are the official meetings of the Management Board and the Executive Management, on the other hand, the communicators facilitating quick access to information for every employee.

» **Management Board and Executive Board meetings** – Periodic meetings of the Management Team are held, covering important issues concerning the company's current operations and strategic plans.

» **F1 Group** – Regular meetings of the F1 group are one of the ideas to support communication with the Management Board. The overarching aim of this team is to build shared responsibility for the management of the organisation. At the same time, direct communication between employees and the Management Board influences many aspects, such as access to information, credibility, the possibility of constructive discussion. Employees have the opportunity to take part in the decision-making process, develop teamwork skills and feel a genuine impact on the company's operations.

» **The “FAKRO Brand Ambassador – Employee”** is one of the key employee programmes. Its aim is to recognise and appreciate valuable employee attitudes. The ambassadors, a total group of more than 50 people, meet periodically during workshops and training sessions. In this way, they gain up-to-date knowledge of the company and ongoing projects and strengthen relationships, which translates into effective cooperation.

» **Open Door Policy** – As part of promoting accessibility and transparency, any member of staff, after prior notification of the topic of discussion, may arrange a meeting with a Board representative This is a space for sharing ideas, suggestions and needs.

» **Management Enquiry Boxes** – Special boxes are located at selected locations within the company where employees can anonymously submit questions, comments and suggestions. This is an alternative to face-to-face meetings, allowing everyone to have their say.

» **Internal communication** –To ensure that every employee has access to up-to-date information, we use various communication tools, such as Intranet, FAKROteam, information corners in the production halls and FAKROnews services.

Our organisation is committed to promoting inclusivity and diversity, recognising them as key elements of social responsibility and sustainability. We create a working environment where everyone can fulfil their professional ambitions and feel appreciated. This atmosphere not only promotes individual development, but also results in better performance, engagement and innovation of the entire company.



4.3 We care about employees and support their development

We are one of the leading manufacturers of roof windows and loft accessories. At the same time, we offer a comprehensive range of joinery. However, the company's true strength lies not only in its innovative products, but above all in the people who make it what it is. The team of around 4,000 employees is the heart of the organisation – qualified, competent, full of passion and enthusiasm for action. From the outset, FAKRO has focused on building a cohesive team united by common goals and values. This commonality of goals and values is evident in all departments of the company, from management to production and customer service. The company fosters an atmosphere of openness, where everyone can express their ideas, develop and gain support from colleagues and superiors.

At FAKRO, the organisational culture is based on four fundamental values: development, innovation, responsibility, and credibility. People are at the heart of our philosophy – their development, commitment and potential. At FAKRO, we believe that the strength of our company lies in people who are open to challenges and eager to continuously improve. Therefore, we systematically invest in developing our employees' skills, providing them with a range of training courses, workshops and educational programmes to help them develop in both their professional and personal lives.

Each new employee starting work at FAKRO takes part in introductory training developed based on the competencies needed for the position. They then have the opportunity to continue their development through specialist courses, higher education and foreign language learning via the eTutor platform.

We create a work environment where initiative and cooperation are valued. Committed employees build a culture based on mutual support, openness and idea-sharing. Inspiring team meetings and our proprietary Idea Submission Programme provide a space where everyone can contribute and develop innovative solutions. At FAKRO, development is not just a slogan – it is everyday reality that shapes our future.

S1-13

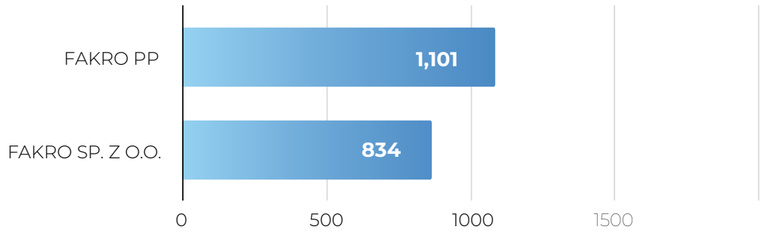
In 2024, the training courses were attended by

1,935 employees

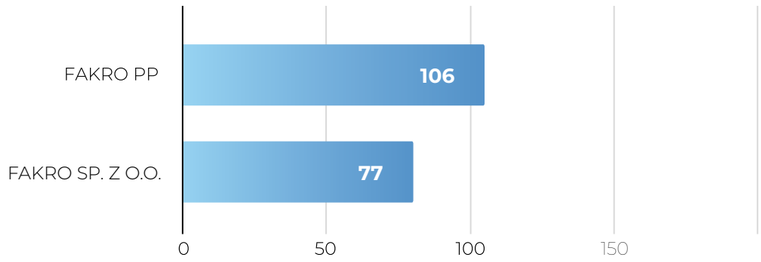
7,453

training hours

Employees, participating in training courses in 2024:



Number of staff training courses delivered (training, conferences, courses, studies) in 2024:



Number of introductory training courses delivered

FAKRO PP Sp. z o.o	FAKRO Sp. z o.o
35	50



Selected training activities implemented in 2024:

FAKRO PP SP. Z O.O

Training on economic benefits – new employees

Driving licence course cat. D and an accelerated initial qualification course in the programme block cat. D1

Periodic occupational health and safety training for employers and other persons in charge of employees

Occupational health and safety training

Training – Basics of industrial pneumatics

Training – Safety systems and devices in industrial automation

Training – qualification certificate for the operation/supervision of electrical power equipment

ESG School

Glass Horizons – Standards, scientific research, trends, perspectives

First aid course

Supply chain management

Workshops on antenna and product measurements

POWER BI Conference

IT Development Program

Training – Electronics and control cabinet equipment

Measurements of electrical infrastructure and equipment

Training and examination in the operation of electrical equipment, installations and networks

Basic course in SIMENS SIMATIC logic controller programming

Basic management training

Training – Stationary tower crane operator

Training – Lift truck operator

Training – Single bucket excavator operator cl.1

Lift truck operator training course excluding specialised

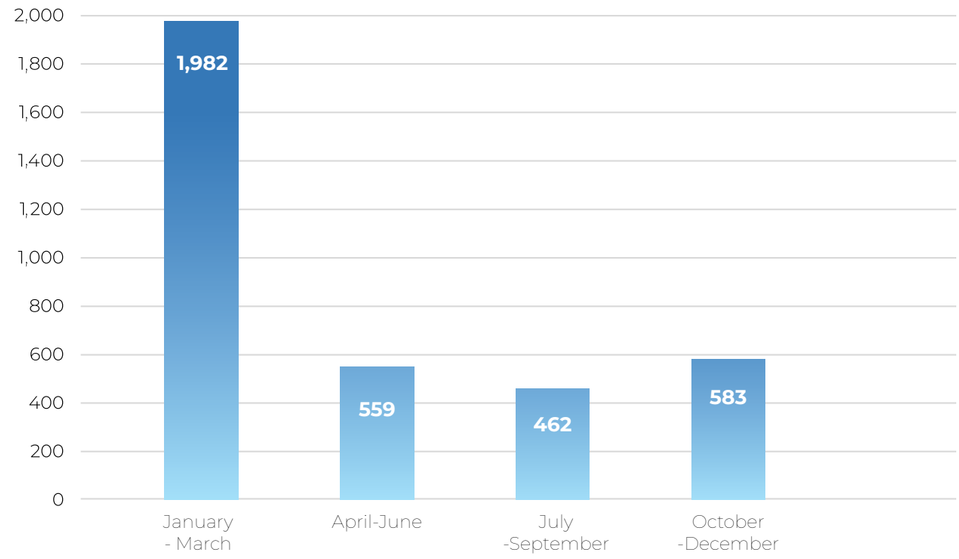
Value Added Tax – Changes in 2023 and 2024

Periodic training in occupational health and safety for blue-collar workers

Our employees enjoy learning languages via the eTutor platform:

Number of employees
367

Study time in 2024




FAKRO


FAKRO
FAKRO
NOWA LINIA OKIEN DACHOWYCH GREENVIEW
38


FAKRO
CENTRUM SZKOLEŃ
i Współpracy z Wykonawcami
KN 95406

At FAKRO, we place great emphasis on health and safety training, treating it as the foundation of a healthy and safe working environment. We believe that providing our employees with adequate health and safety training is not only our duty, but above all a matter of concern for their lives, health and comfort at work.

Our goal is to build a strong safety culture where every team member feels responsible not only for themselves but also cares for the safety of their colleagues. Awareness of hazards and the ability to prevent accidents are key to a safe workplace – and this is what we develop through our comprehensive training system.

New employees undergo a detailed induction programme covering health and safety. This training includes procedures and company policies, identifying hazards specific to the workplace and using appropriate personal protective equipment.

For employees performing more advanced tasks, such as the operation of machinery, handling hazardous substances or other high-risk tasks, we provide specialised training. We also provide periodic training to ensure that our employees are up to date with the latest changes in legislation, new technologies and identifiable hazards.

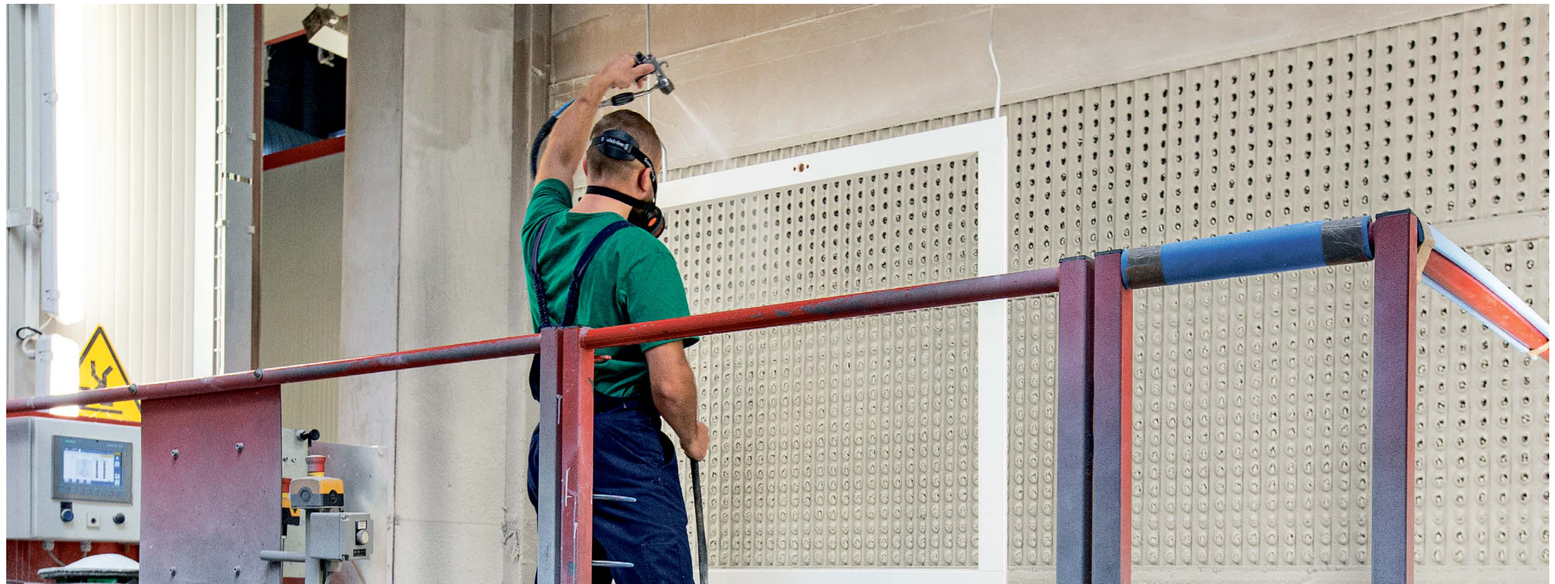
This ensures that every FAKRO employee knows how to take care of their own safety and that of others, enabling us to jointly build a work environment founded on responsibility and mutual trust.

HEALTH AND SAFETY FIRST

We strive to create a safe and comfortable work environment while providing support for physical and mental health. We offer our employees extensive healthcare and actively promote a healthy lifestyle.

We are aware of the importance of staying physically and mentally fit, so we aim to provide comprehensive support in this respect. Our complementary healthcare includes access to an extensive network of medical specialists who can help diagnose, treat and monitor various conditions. We work with reputable medical facilities to ensure that our employees have quick and professional access to high-quality medical services.

In addition, we organise a variety of health-oriented events which are aimed at promoting a healthy lifestyle and prevention. In 2024, these included campaigns with free diagnostic tests, free preventive examinations as part of the National Health Service's "Prevention 40+" programme, and tests to find out your body composition through the use of Tanita scales. On the basis of the examination, the staff measured body fat, muscle mass and determined the percentage of water in the body, which makes it possible to diagnose the body's condition and select an individual diet.



There are few workstations within the plant where noise levels slightly exceed permissible standards. Thanks to the use of a number of preventive measures in 2024 and earlier years, there were no reports of suspected occupational diseases or cases of their occurrence.

Strict compliance with health and safety regulations is a priority in our daily operations. Every member of the FAKRO team is responsible for respecting these regulations, which requires systematic monitoring, enforcement of rules and raising employee awareness of their rights and obligations. We therefore carry out departmental and job sites audits to verify compliance with relevant safety standards, regulations and procedures.

Indicators for health and safety data from the reporting year at FAKRO PP Sp. z o.o. and FAKRO SP. Z O.O. were as follows:

There are 6 occupational accidents per 1 milion man-hours

S1-14

Employee accident frequency rates:

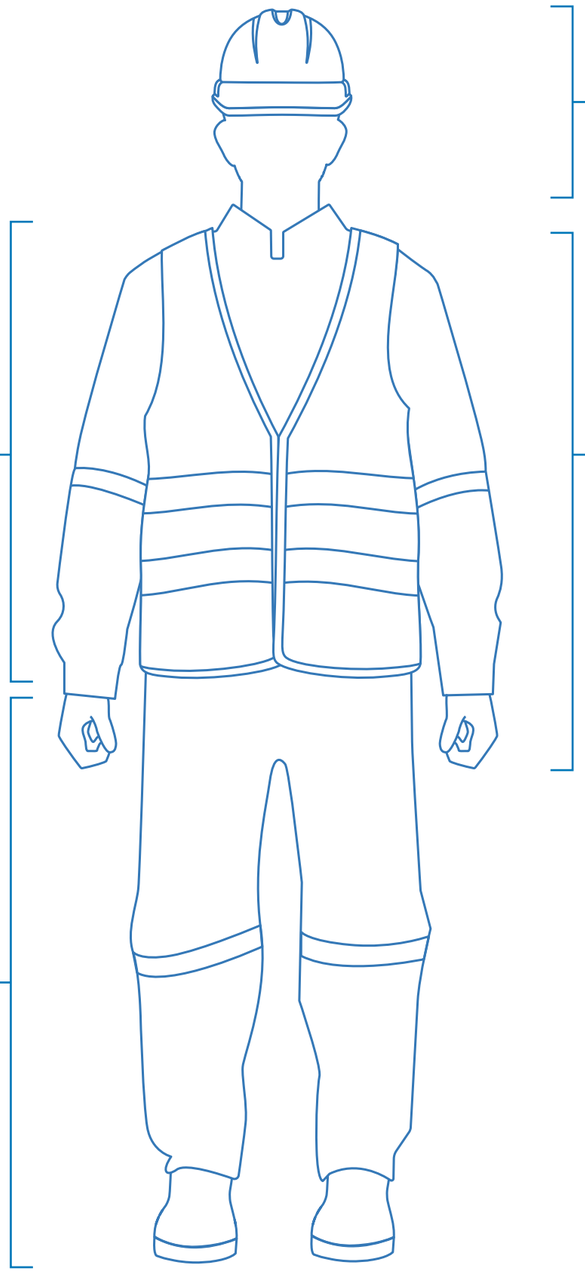
PERIOD	2024
Accident frequency rate (number of people injured per 1,000 employees)	11.49
Occupational accident severity rate (number of days of incapacity per injured person in an occupational accident)	39.33
Overall work accident severity rate (number of days of temporary incapacity per all employees)	0.45

S1-14

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

PERIOD	2023	2024	CHANGE Y/Y
Accidents among employees			
Minor accidents	29	27	6.89 %
Major accidents	0	0	0
Fatal accidents	0	0	0
Mass accidents	0	1	100%
Total number of accidents	29	27	6.89 %
Non-employee accidents			
Minor accidents	0	0	0
Major accidents	0	0	0
Fatal accidents	0	0	0
Mass accidents	0	0	0
Total number of accidents	0	0	0
Accidents among employees of subcontractors working on site			
Minor accidents	0	0	0
Major accidents	0	0	0
Fatal accidents	0	0	0
Mass accidents	0	0	0
Total number of accidents	0	0	0

INJURY LOCATION



HEAD

14.8%
of occupational accidents

TRUNK

14.8%
of occupational accidents

UPPER LIMBS

59.3%
of occupational accidents

LOWER LIMBS

11.1%
of occupational accidents

S1-14

Other health and safety data for employees and non-employees for 2024:

Employees	
Number of cases of recorded occupational diseases	0
Number of days of incapacity due to work injury/ill health due to work	1,062
Occupational accident rate*	5.72
Non-Employees	
Number of cases of recorded occupational diseases	0
Number of days of incapacity due to work injury/ill health due to work	0
Occupational accident rate	0

*The occupational accident rate for employees was calculated according to ESRS S1-14 standard: Number of accidents divided by number of hours worked by employees multiplied by 1,000,000. The number of hours worked among employees was determined based on the assumption that 1 employee worked 40 h per week.

SALARIES

At FAKRO, we are for transparency in every aspect, including salaries. The disclosure of remuneration metrics demonstrates the company's commitment to accountability to employees and stakeholders, as well as enabling the monitoring of progress on pay equity and fairness within the organisation.

Employees are remunerated on a fixed basis as stipulated in their employment contract, and receive monthly statutory bonuses. In addition, performance-related variable remuneration applies: annual, incentive and project bonuses. The remuneration system was drawn up based on a job valuation process. It was carried out with the involvement of an external company and an elected Valuation Commission. The Commission included representatives from all divisions.

Based on the results, the so-called job map was constructed, where each position was assigned to a tariff level. In addition, a detailed remuneration matrix was created for employees in the production departments, including a breakdown of competences within the level of the tariff

Salaries are reviewed once a year. Ongoing changes are implemented in situations of economic change, changes of remuneration policy, the need to adjust wages to the wage market. All work is supervised by the Human Resources Department and the results are presented to the Management Board.

The remuneration matrix for employees in the production departments is consulted with staff representatives. Any changes to the matrix are presented at meetings with staff in individual departments.

The expectations of administrative staff related to, among other things, professional development are communicated by managers to the HR division for further consideration.

We plan to continue to review salaries on a regular basis to ensure they remain adequate and competitive. We also aim to further increase employee satisfaction with salaries by introducing additional benefits.

Clear and transparent reporting on our remuneration policy supports the company's image as a trustworthy and attractive employer for current and future employees. Competitive salaries and a wide range of benefits are also an important part of our employer branding strategy.

Our approach to remuneration covers all forms of benefits – basic salary, bonuses, allowances and other benefits.

S1-10

All FAKRO employees receive remuneration that corresponds to their competencies and position, in accordance with the reference indicators defined in the European Sustainability Reporting Standards (ESRS).



SOCIAL SUPPORT AND BENEFITS – COMPREHENSIVE CARE

Employees are offered support on multiple levels through an extensive system of social benefits. The priority is to provide assistance that goes beyond the statutory minimum and addresses the needs of both professional and private life. Efforts are focused on creating a friendly work environment that promotes health, safety, and the overall well-being of employees and their families.

S1-11

FAKRO employees are covered by extensive social security both through public schemes offered by the state and numerous forms of internal support. Public benefits are supplemented by material assistance from the **Company Social Benefits Fund,** directed to employees who are in a difficult life, family or material situation. |
The organisation also has a Savings and Loan Fund offering financial assistance in the form of loans and grants.
We offer various types of **financial support**, such as **co-funding for kindergartens** and **nurseries, school textbooks, holidays** including family holidays in the Activa Hotel.

We also organise family and integration events, such as a **Children's Day** or **Carnival Ball**.

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

- Stable employment
- Training and personal development
- Attractive employee programme
- Additional social benefits
- Integration events
- Access to modern technology
- Possibility to join a group insurance
- Co-funding for medical care
- Employee discounts on FAKRO products
- Co-funding for sports cards
- Co-funding for holiday
- No dress code
- Language courses
- Flexible working hours
- Car park for employees

WE ORGANISE ACTIONS FOR EMPLOYEES















WE RESPECT EACH OTHER AND OUR TIME

We are committed to ensuring that employees can manage their professional and private responsibilities effectively. That is why we listen to the needs of employees and potential job candidates. Emerging topics such as flexible working hours, the possibility of remote working, leave policies and support for parents are making us think and change. Our goal is to create a work environment that responds to contemporary challenges and supports diverse lifestyles among our employees.

S1-15

Percentage of employees authorised for parental leave and percentage of authorised employees who have taken parental leave in 2024:

Gender	Women	Men	Other	Not disclosed
% of employees entitled to parental leave	100.00%	100.00%	0	0
% of entitled employees who have taken parental leave	8.47%	1.04%	0	0

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

FLEXIBILITY IN WORKING HOURS AND ORGANIZATION

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

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

Plans are in place for further organizational improvements aimed at enhancing the balance between professional and private life. The changes being implemented are designed to increase work comfort and adapt the organizational model to the expectations of modern employees.

S1-17

In accordance with applicable laws, internal documents, including but not limited to the Code of Conduct, we uphold respect for human rights and dignity both in the context of employees as well as business partners, suppliers and other stakeholders. Our approach is based on mutual respect, social responsibility and ethical conduct in professional relationships.

During the reporting period, we did not identify any cases of serious incidents involving respect for human rights (e.g. forced or compulsory labour, human trafficking or child labour) and others that violated the principles set out in the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.

In 2024, the total amount of penalties, fines or compensation for damages resulting from complaints and incidents amounted to PLN 0.



4.4 We are involved in the community

S3-2

At FAKRO, we are fully aware of our responsibility towards local communities. We actively engage in initiatives that support sustainable development and improve the quality of life for both our employees and residents of the region.

Through a variety of projects and activities, we provide targeted support to local communities, particularly in areas facing significant social and economic challenges. Decisions regarding the forms of our involvement are based on a thorough analysis of actual needs and local conditions, ensuring that our actions deliver meaningful and lasting impact.

S3-1

FAKRO does not have a separate policy or dedicated remedial procedures for communities affected by potential negative impacts. In such cases, actions are taken in accordance with applicable laws and decisions issued by state institutions.

Nevertheless, all activities are carried out in line with recognized international standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Declaration on Fundamental Principles and Rights at Work.
No violations of these principles were recorded, either within the company's operations or across its supply chain.

As a socially responsible organization, FAKRO supports both local and nationwide initiatives in the fields of education, industry, sports, culture, and charitable activities.

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

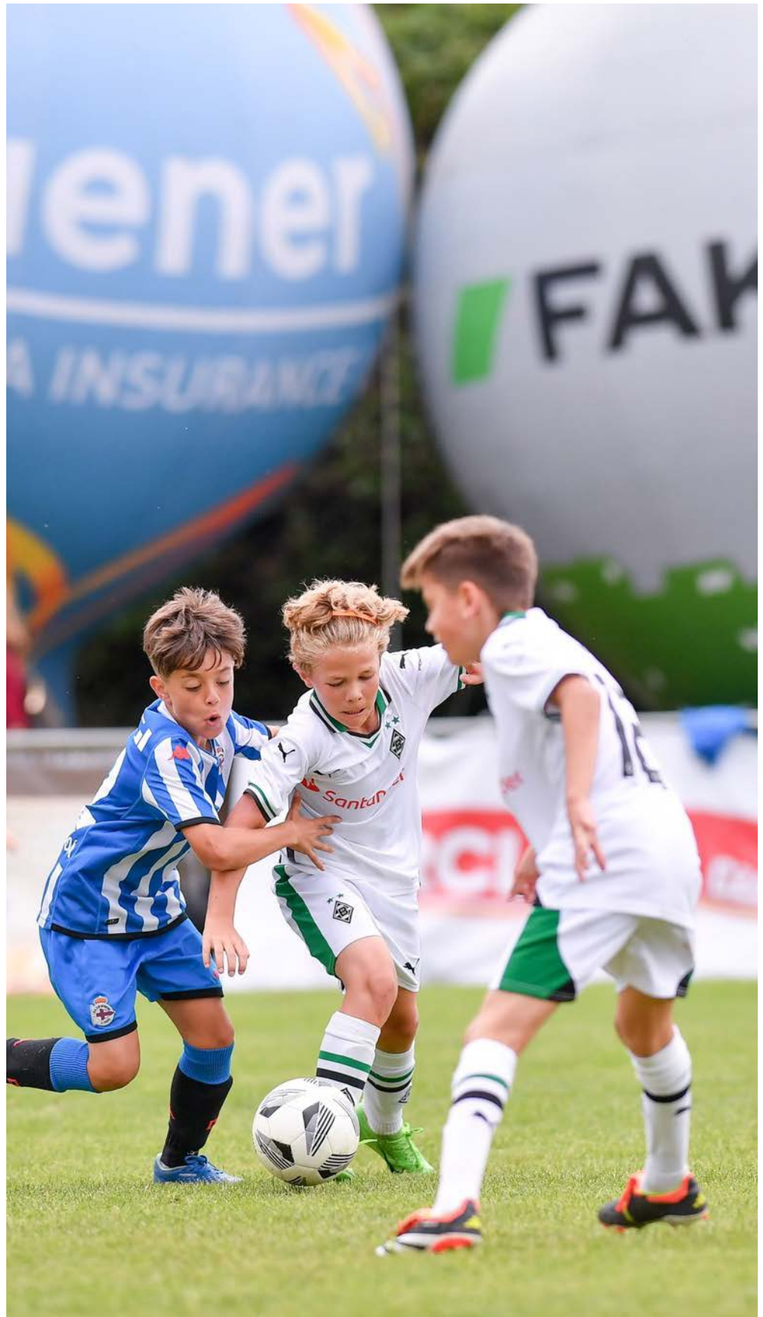
Education:

- Academy of Applied Sciences in Nowy Sącz
- WSB – National Louis University in Nowy Sącz
- Cracow University of Technolog
- Schools of Construction Trades in Nowy Sącz
- "Sądecki Elektryk" Association
- School Complex named after Priest Professor Józef Tischner in Stary Sącz
- Primary School in Kamionka Mała
- School and Kindergarten Complex No. 3 in Nowy Sącz
- Non-public Kindergarten with Integration Departments in Krynica-Zdrój



Sports::

- Tomasz Marczyński – Polish road cyclist, professional cyclist for the Lotto Soudal group. Polish champion in a mass-start race and individual time trial.
- “I Too Have a Dream” Foundation
- “Dunajec” Sącz Volleyball Club
- Table Tennis Club “Sokół – Grybów”
- “Pieniny” Sports Club
- Student Sports Club "Żak" in Nowy Sącz
- District of the Polish Angling Association in Nowy Sącz
- Marek Wiśniewski – Vice-champion of Poland in para-cycling 2023
- Klaudia Michura – Polish snowboarder, bronze medalist at the Polish Championships in alpine snowboarding.
- Global Cheer
- “Płomień” Pupils’ Sports Club in Limanowa
- "Victoria" Sports Club
- GOAL Academy Foundation
- Infinitas Hockey Club KTH



Culture:

- The Ada Sari Centre for Culture and the Arts in Stary Sącz
- “Sokół” Małopolska Culture Centre
- Scherzo Choir
- Ewa Novel – singer, songwriter, winner of the 7th edition of “The Voice of Poland”, face of FAKRO’s marketing campaign “Strength of Passion”



Charitable activities

- » “Theatre for One Smile” PRODUCT
- » “Beskidzkie Więzi” Association
- » “Sursum Corda” Association
- » Run4aSmile
- » People4People Foundation

Other:

- » Green Industry Summit
- » The Power of Women of Nowy Sącz
- » Luminaria
- » Voluntary Fire Service in Tymbark
- » Voluntary Fire Service in Czerniec
- » Voluntary Fire Service in Stary Sącz
- » Piwniczna Development Society
- » Barcice Residents’ Association

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

S3-3

At FAKRO, we do not have a separate system for reporting irregularities and violations, as well as for levelling out negative impacts with regard to possible reports of problems coming from local communities (from outside the organisation). However, we provide a telephone number and email address for contact on a publicly accessible website.

In 2024, the FAKRO Group has not registered any such reports. Negative impact mitigation processes and reporting channels are described under requirements:

- » **ESRS G1-1** – Corporate Culture and Business Policies
- » **ESRS G2** – Supplier Relationship Management







ACTIVITIES OF THE THINK OF THE FUTURE FOUNDATION

In 2010, Ryszard Florek, President and co-owner of FAKRO, set up the **Think of the Future Foundation (Fundacja Pomyśl o Przyszłości)**. The aim of the foundation is to undertake and support all initiatives for the economic development of our country.

One of the foundation's key projects, carried out with the local community in mind, is the **Summer School for Leaders.** The project is aimed at secondary school graduates and students who, during a workshop lasting several days, develop their cognitive and communication skills and acquire knowledge in areas such as personal development, management, economy, law or contemporary e-marketing. The project includes meetings with experts in various fields.
The Summer School for Leaders not only supports the development of young people's individual skills, but also inspires them to actively participate in social life, educate local communities and carry out activities for their development.







> At the Summer School for Leaders, we believe that investing in the development of young people is the key to building a strong and modern Poland. Our mission goes beyond sharing knowledge – we aim to spark passion for action and a sense of responsibility for the future of their communities.

Bożena Damasiewicz

President of the Think of the Future Foundation

POSITIVE IMPACT ON THE LOCAL COMMUNITY

At FAKRO, we consider supporting local communities to be an integral part of our marketing strategy, which we implement every year. Depending on needs and possibilities, our support is financial or in-kind. In terms of in-kind financing, these include company giveaways and our products, such as roof windows and awning blinds.

SHARING KNOWLEDGE AND EXPERIENCE

FAKRO often shares its knowledge and experience at various industry, educational or business meetings and conferences. FAKRO experts work with local universities and schools, mainly vocational schools. We took patronage over the “automation technician” class at the Electrical and Mechanical Schools in Nowy Sącz. As part of the collaboration, we equipped the class with a set of information materials, instructions and, above all, Z-Wave window and accessory displays. During practical exercises, students use technologically advanced innovations that keep up with the times and show the development of the industry.

SUPPORTING THE DEVELOPMENT OF SCIENCE

FAKRO also funded the general refurbishment of the scientific and didactic Laboratory 401 of the Division of Management in Civil Engineering at the Faculty of Civil Engineering of the Cracow University of Technology. Ryszard Florek, President of FAKRO and also a graduate of the Faculty of Civil Engineering of the Cracow University of Technology, was the guest of honour at the opening of the hall.

With such initiatives, we actively contribute to the development of technical education, the promotion of innovation and the strengthening of relationships with local communities and institutions.



Being one of the largest employers in the region is a source of pride for us, but also a huge responsibility. That is why at FAKRO we focus on long-term employment, skills development and creating jobs that matter – for people and for the local economy.

Halina Podgórny
FAKRO HR Director

S3-4

In 2024, no cases of human rights violations resulting from FAKRO’s operations or its impact on local communities were recorded. Risk management in this area is carried out as part of the general risk management processes in place at the company.

Our PR activities and CSR initiatives bring us, obviously, tangible image benefits, but above all they are of value to the local community and help various social groups – from the youngest to the oldest – building lasting relationships and strengthening our social commitment.

S3-5

We are seeking to establish partnerships and further projects, especially those related to education, taking environmental and climate actions. It is a priority for us to involve the entire FAKRO Team in pro-social, educational projects and initiatives that bring real benefits to local communities. We believe that joint activities strengthen our sense of responsibility and influence on the world around us.



05

How we operate

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CORPORATE GOVERNANCE

Respect for human rights is a key and universal principle that is reflected in all areas of our operations. Respect for others and their rights stems directly from the values and standards defined in the Employee Compass. We feel responsible for the way we build relationships with our employees, customers, social and business partners, and suppliers.

We take a holistic view of corporate governance — as an integral element of proper management of the entire enterprise.

We systematically review the organization's internal procedures, policies, and other documents, updating them whenever necessary. By acting in this way, we remain up to date with legislative changes at the EU level. In shaping corporate governance and organizational culture, we rely on the latest guidelines:

- **United Nations Guidelines (UN)**
- **The Universal Declaration of Human Rights**
- **The International Bill of Human Rights**
- **OECD Guidelines for Multinational Enterprises**
- **UN Global Compact Principles**

However, the quality of our company's corporate governance is demonstrated not so much by the implemented procedures as by factors such as a professional Management Team, an appropriate Board structure, and a well-organized management system.



5.1 Our corporate culture and business practices

G1-1

Our corporate culture is based on a coherent set of values, norms, and practices. They shape the way we cooperate with business partners and the social environment, as well as define who we are as a company. Our culture shows:

Diversity – We believe that the strength of our company lies in the diversity of our employees and their skills. We promote a working environment where everyone feels valued and respected, regardless of their background, gender, age or other personal characteristics

Innovation – We constantly strive to innovate, encouraging our employees to be creative and to constantly seek new solutions that can benefit both the company and our customers.

Transparency – Maintaining the trust of our stakeholders is a priority for us. Transparency, integrity and ethical behaviour are integral to our business policy.

WE DO BUSINESS ETHICALLY

Our standards, policies and procedures reflect our commitment to ethical business conduct. These policies include, among others, the **Code of Conduct and Anti-Mobbing Policy.** They are regularly updated, to reflect changing market conditions and industry best practises

REPORTING IRREGULARITIES AND VIOLATIONS

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

Full anonymity and effective protection of the identity of those reporting are ensured. The system allows for reporting any irregularities, such as mobbing, discrimination, or abuse of authority. Our actions effectively safeguard both whistleblowers and witnesses, while minimizing the impact of proceedings on the daily operations of teams.

FAKRO's internal procedures strictly prohibit any form of retaliation against individuals who submit reports. The detailed rules for the functioning of the FAKRO Fair Play system are set out in the internal document "**Principles of Reporting Violations**".

More information on reporting channels is provided under indicator S1-17 – Incidents, complaints, and significant impacts on the respect for human rights, in section 4.3 – We care for our employees and support their development (p. 63).

Animal welfare is not considered a key issue in our operations, as we do not engage in activities related to industries or services involving the use of animals. Therefore, we do not have a separate, formalized policy in this area.



We are building a company founded on values, where honesty, cooperation, and responsibility are present in everyday decisions.

A strong organizational culture is not just a slogan – it is the foundation on which we base our relationships, growth, and the way we conduct business.

Paweł Dziekoński

Vice President of the Management Board

5.2 Counteracting corruption and bribery

IDENTIFYING CORRUPTION RISK BEHAVIORS

The responsibility for identifying risks related to corrupt practices lies with directors and managers of individual business areas. They are obliged to monitor the situation and take action whenever signals indicating potential corrupt activities arise. Particular emphasis is also placed on educating employees about anti-corruption measures, ensuring their awareness and fostering appropriate attitudes.

At FAKRO, we conduct our operations in line with the highest ethical standards, in accordance with applicable laws and regulations. The documents that govern the acceptance and offering of material benefits include:

- FAKRO Code of Conduct
- Principles of Reporting Violations in the FAKRO Group
- Rules for Preventing Abuses in the FAKRO Group

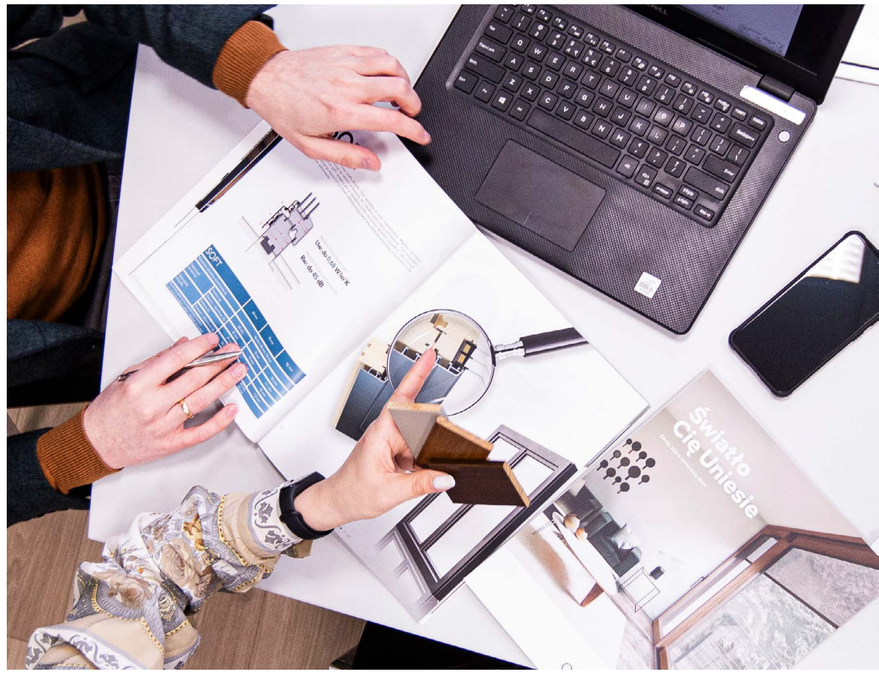
G1-3

Purchasing is the most vulnerable area in the FAKRO Group in terms of corruption and bribery. Every employee involved in the procurement process is required to familiarise themselves with the applicable anti-corruption rules. Each employee is also obliged to participate in anti-corruption training.

G1-4

In the 2024 reporting year, FAKRO recorded no convictions or financial penalties related to violations of anti-corruption or anti-bribery regulations.

No confirmed incidents of a corrupt nature were reported either. This demonstrates the effectiveness of the implemented policies and procedures, as well as the high level of commitment of our employees to upholding the principles of ethics and integrity.





5.3 We build lasting relationships with suppliers

The sourcing of raw materials and components is a key part of the supply chain. Our priority in this aspect is to establish partnerships with partners that not only provide products of optimal quality and price, but also meet high ethical and environmental standards. Cooperation with suppliers is undertaken after verifying their reliability in economic, qualitative, social and environmental terms

Currently, we work with more than a thousand companies located around the world. Our obligations to suppliers are paid on time, so we are seen as a responsible and reliable partner

G1-6

The FAKRO Group has internal regulations governing the purchasing process, as set out in the document **Purchasing Management in the FAKRO Group**. Issues related to social and environmental responsibility in the supply chain are regulated by the **FAKRO Group Supplier Code of Conduct.**

In addition, we have implemented internal procedures:

» Accounting Policy – Payment Execution, which prevents delays in payments,

» Cost Processing Procedure, which regulates the circulation and approval of cost documents.

In our activities, we promote the idea of corporate social responsibility among our suppliers. We cooperate with partners who:

» operate in compliance with the law,

» respect human rights,

» ensure safe and ethical working conditions,

» engage in activities aimed at environmental protection.

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

S2-4

At the same time, we support our suppliers in building ESG awareness and promote best practices in responsible business. We expect our partners to implement similar principles in their own supply chains and to verify their subcontractors with due diligence.



OUR COMMITMENTS

At FAKRO, we place great importance on the timely fulfillment of our obligations to suppliers. We apply clearly defined payment practices aimed at ensuring the financial liquidity of our partners and the stability of the entire supply chain. Adhering to agreed deadlines helps reduce the risk of operational disruptions and builds trust in business relationships

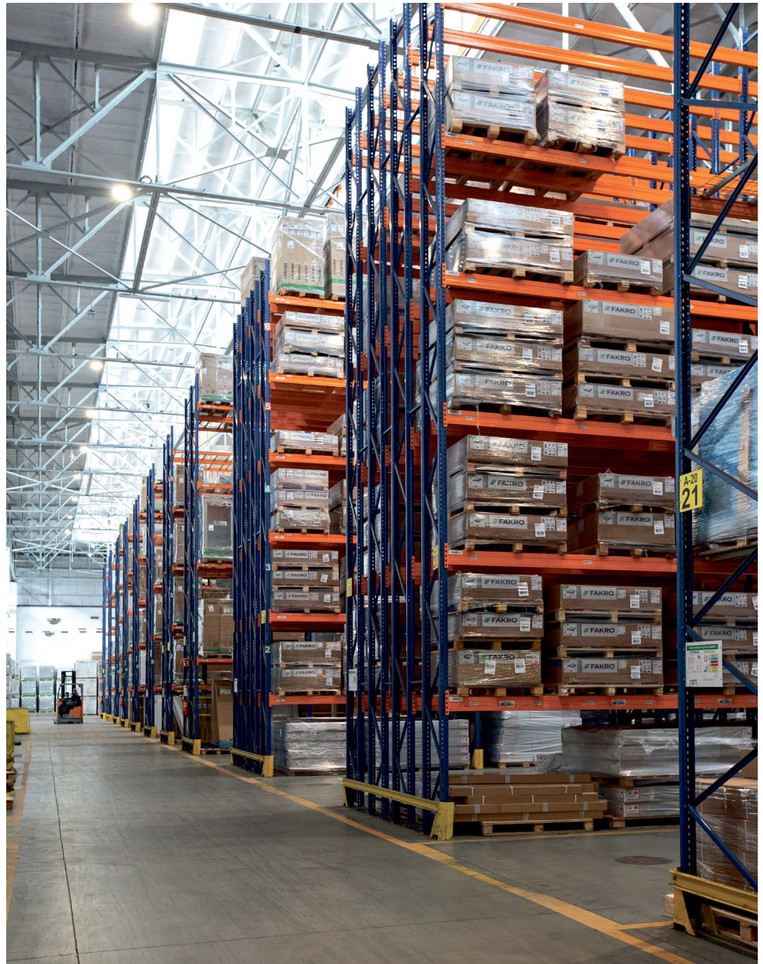
S2-3

To ensure transparency and enable quick responses to potential issues, we have implemented mechanisms allowing employees and partners to report irregularities. Dedicated communication channels are in place, such as email inboxes, telephone lines, and the possibility of direct contact with representatives of the relevant departments. Periodic surveys addressed to our distributors and partners are also a valuable source of information. The collected data is analyzed, and the actions taken are aimed at effectively and transparently resolving reported issues.

S2-5

THE SUPPLIER SELECTION

The supplier selection process at FAKRO is carried out in a transparent manner and in accordance with applicable internal procedures. New contractors undergo a qualification process based on a special questionnaire in which they declare compliance with labor law and environmental protection regulations. Key suppliers are assessed in detail in terms of delivery quality, timeliness of execution, occupational health and safety conditions, environmental aspects, and respect for human rights, including labor rights. The results of these assessments are archived in an internal database and form the basis for purchasing decisions.



In working with suppliers, we strive to build lasting relationships based on responsibility and trust. We are committed to ensuring that people working throughout the value chain are treated with dignity, in accordance with international ethical standards, human rights, and labor laws. We engage in joint activities aimed at creating effective cooperation mechanisms and promoting ESG principles. We also expect our partners to verify their subcontractors with the same diligence and to operate in alignment with our values.

S2-2

Environmental aspects are an important part of supply chain management. We assess suppliers for compliance with environmental requirements before engaging with them, ensuring that their operations comply with our standards

S2-1

Our supplier cooperation policy includes the obligation to systematically conduct audits and to continuously monitor compliance with labor law and applicable ethical standards. The aim of these activities is to ensure that all entities in our supply chain operate responsibly and in accordance with the principles of fair employment.

One of the fundamental requirements we set for our partners is the absolute adherence to the principle of zero tolerance for any form of discrimination, child labor, or forced labor. Cooperation with suppliers is possible only in cases of full compliance with these principles.

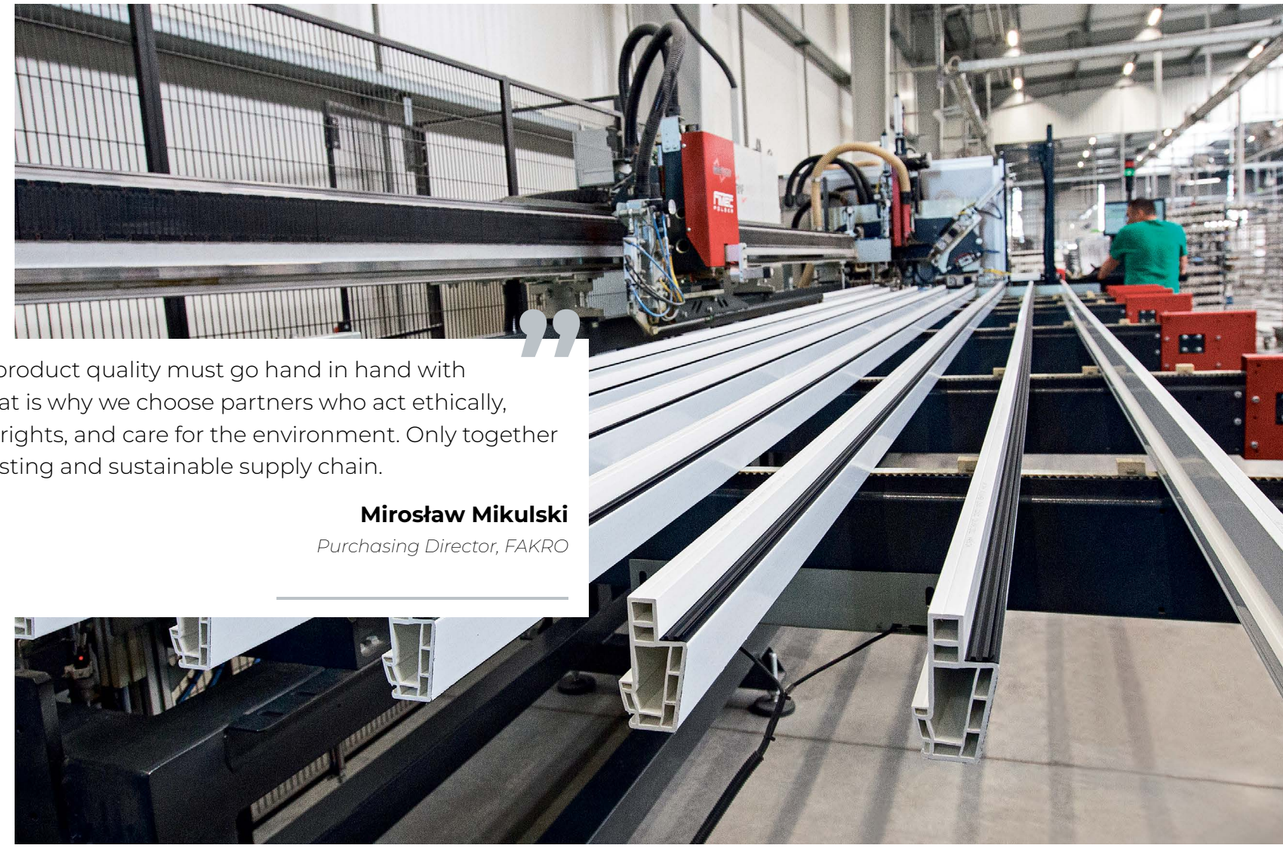
To ensure objective evaluation, we have implemented an internal supplier scoring system. Based on the established scoring, we categorize business partners, taking into account their approach to ethical and environmental issues. Receiving a clearly negative rating in these areas results in the exclusion of the possibility of cooperation with the given company.

G1-2

COOPERATION VERIFICATION

In line with our adopted strategy, we audit our suppliers based on the Purchasing Management in the FAKRO Group standard, assessing their actions in the areas of human rights, working conditions, and environmental impact. The applicable Supplier Code sets out the minimum ESG requirements across the entire supply chain.

In pursuing the principles of sustainability, we use, among others, verification of the country of origin of products, detailed assessment of deliveries from high-risk countries, analysis of chemical safety data sheets, and optimisation of procurement to reduce CO_2 emissions. We prefer suppliers located close to our headquarters in order to reduce delivery times and greenhouse gas emissions. We inform suppliers of our environmental requirements and regularly assess their compliance with our standards through regular surveys and audits.





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

5.4 We engage in political actions and lobbying



G1-5

The activities undertaken by FAKRO in relations with national and European government institutions, local authorities, and public entities have always been characterized by transparency, legal compliance, and high ethical standards. We support initiatives that are consistent with our mission, values, and organizational culture.

We actively engage in dialogue with key stakeholders, such as non-governmental organizations, local communities, and public institutions, to better understand their needs and jointly address social, environmental, and industry-specific challenges.

In 2024, the FAKRO Group did not engage in lobbying activities and did not make any political donations or contributions, whether financial or in-kind. During the reporting period, no member of the company's management held a position in public administration or regulatory institutions. None of the FAKRO Group companies were listed in the transparency register maintained by the European Union or in equivalent registers of member states.

List of sample associations and lobbying activities in which we were a member in 2024:

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



06

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6.1 About the report

Report 3.0 summarizes our key activities and achievements in the areas of environmental stewardship, social responsibility, and corporate governance. We view sustainable development as an integral part of our business strategy, enabling us to create long-term value for the company, people, and the environment.

In the past year, we continued our efforts to protect the climate, promoted diversity and employee well-being, and strengthened standards of transparency and responsible management. This report confirms that responsibility and growth can go hand in hand – in a way that is coherent, ambitious, and measurable.

BP-1

The report is a non-financial statement of the FAKRO Group covering the period from January 1 to December 31, 2024, and concerns the companies FAKRO Sp. z o.o. and FAKRO PP.



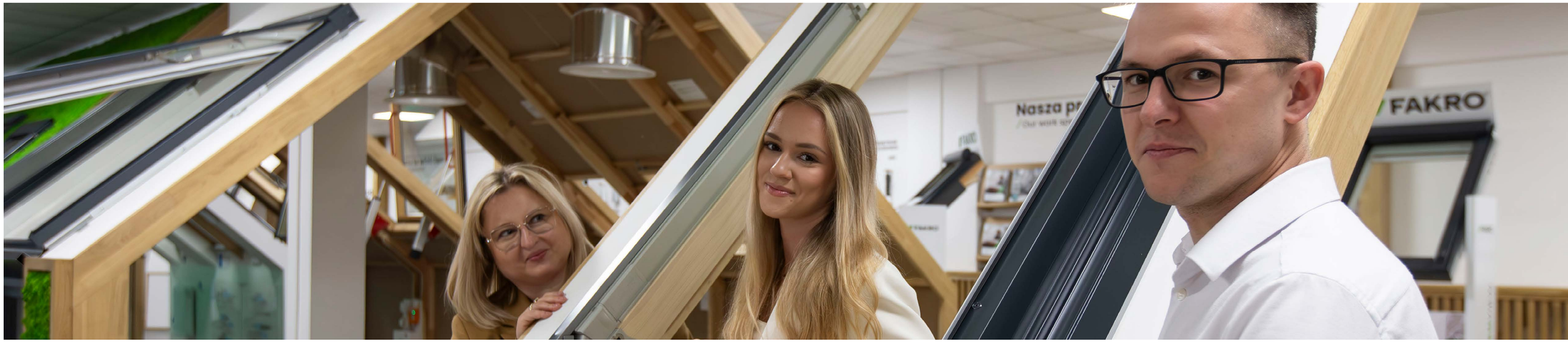
In report, we show how we implement our **GO GREEN** philosophy in the daily operations of the FAKRO Group. We present our approach to social and employee-related issues, emphasizing the importance of organizational governance and transparency arising from our internal regulations. Particular attention has been devoted to issues related to managing environmental impact.
The FAKRO Group reports non-financial data on an annual basis – the current publication is already the third ESG report, covering data for 2024.

In 2024, there was a change in the scope of entities covered in greenhouse gas emissions reporting. While in the previous reporting period (2023) data was collected from the following companies: FAKRO PP Sp. z o.o., FAKRO Sp. z o.o., FAKRO GP, FAKRO WDF, Stolart, Florad, Kronmat Sp. z o.o., and Przedsiębiorstwo Energetyczne – in the current period (2024) only data from the two main companies, FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o., has been included.

As a result, the presented indicators may not be comparable with data from previous years. This change is due to the adaptation to a new reporting methodology and the need to standardize the data source throughout the report.

The purpose of this report is to summarize the non-financial activities of the FAKRO Group in the following areas, as well as to define the implementation of sustainable development objectives.

E – environmental **S – social** **G – governance**



The data categories that were considered during the analyses are in line with widely accepted standards and frameworks for non-financial ESG (Environmental, Social and Governance) reporting. In the report we used the ESRS[European Sustainability Reporting Standards] indicators.

We also used the guidelines for ESG reporting – "Guide for companies published by the Warsaw Stock Exchange [WSE]" and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

We have also assigned the indicators selected for the report to the respective "UN Sustainable Development Goals", the implementation of which, through its activities and initiatives, is supported by the FAKRO Group.

Thank you for taking the time to read our ESG report.
For us, this document is not only an opportunity to present our actions and achievements in the area of sustainable development, but also a tool for identifying the key areas of impact of our organization, streamlining internal processes, and reviewing our goals and results. We look to the future with enthusiasm and look forward to the next steps on our shared journey.



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6.2 Project team

This publication was prepared in collaboration with the **ESG team #FAKROteam.**

Our team is a group of committed people responsible for specific business areas. Preparing the content of the report motivates us to develop and continuously improve. It makes us realise the scale of our pro-social and pro-environmental activities. It builds a relationship with Partners based on transparent and open communication.

The Management Board and Executive Management, actively participated in the preparation of the report at every stage, engaging in the development of strategies and actions to improve the company's social, environmental and ethical performance.

The involvement of the Management Board in the preparation of the report contributes to improving corporate responsibility.

Thank you for your commitment and support.





We are proud to present our progress in the area of ESG. We are confident that our initiatives in these key domains will contribute to the achievement of long-term success and to the development of valuable, transparent, and fair business relationships.

Iwona Majoch

Head of FAKRO Administration Department

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6.3 Reporting indicators

IRO-2

Disclosure requirements in ESRS covered by the entity's sustainability statement.

Disclosure no.	Name of disclosure	Place in the Report
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GOV-1	Roles and responsibilities of the administrative, management and supervisory bodies	p. 7
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	p. 9
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 10
GOV-4	Statement on due diligence	p. 10
GOV-5	Risk management and internal controls over sustainability reporting	p. 11
SBM-1	Market position, strategy, business model and value chain	p. 6, 13, 14
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ESRS E2 Pollution		
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S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 57

Disclosure no.	Name of disclosure	Place in the Report
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Disclosure no.	Name of disclosure	Place in the Report
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