

Sustainability by Design Policy

1. Purpose and Scope

This policy defines the principles by which the company integrates sustainability into the design and development. The objective is to ensure that products are designed with consideration for their entire lifecycle, minimizing environmental impacts while creating long-term value for customers and society.

2. Strategic Commitments

The company commits to the following principles:

- Decarbonization from the design phase: integration of low-carbon materials (e.g., recycled aluminum, green steel).
- Circular economy: designing for recyclability, disassembly
- Safety and durability: meeting all safety and quality requirements while reducing environmental footprint
- Compliance with regulatory requirements

3. Design Principles

- Material optimization: preference for lightweight structures and high recyclability
- Energy efficiency in production: design parts with consideration for processes requiring less energy
- Long product life and reliability: reduce the need for frequent repairs and replacements
- Standardization: use of unified components where possible to enable easier maintenance and recycling

4. Implementation Process

- Supplier collaboration: engagement of suppliers in material and process selection
- Innovation and R&D: support for the development of low-carbon materials and technologies

5. Roles and Responsibilities

- Design teams: integrate sustainability principles into designs and technical specifications
- Procurement: ensure access to low-carbon materials and supplier compliance

6. Review and Updates

This policy will be reviewed and updated regularly in line with technological innovations, and legal requirements.

Portfolio Director in collaboration with the entire management team, including the ESG team are responsible for policy implementation.

This policy is approved by senior management and aligned with THK Group's sustainability strategy and material topics.

Approved by:

Hauke Baumann - EU Portfolio Director

Date:

August 2025