



ANDA Present Group
ESG report
2023 - 2024

CONTENTS

| | | | | | |
|---|----|---|----|--|----|
| ABOUT US | 1 | Sustainable packaging | 24 | Onboarding | 38 |
| Introduction | 1 | Waste management | 25 | Employee wellbeing | 39 |
| Mission | 2 | Strategic steps | 26 | Occupational health and safety | 40 |
| Vision | 2 | Efficient energy management | 27 | Employee education and training | 41 |
| Values | 3 | Energy consumption | 27 | ESG awareness raising | 42 |
| History | 4 | Energy efficiency developments | 28 | Employee satisfaction | 42 |
| Tenders | 5 | Transport and logistics optimisation | 29 | Community events | 43 |
| Organisational memberships | 6 | Fleet overview | 30 | Partner relations | 44 |
| Our ESG approach | 8 | Use of renewable energy sources | 31 | Supporting local communities | 45 |
| Sustainability-related activities (2023–2024) | 10 | Digitalisation | 32 | GOVERNANCE | 46 |
| Sustainability strategy | 11 | Logistics developments and preparations | 32 | Responsible governance | 46 |
| Sustainability commitments | 12 | SOCIAL | 33 | Governing bodies | 47 |
| ENVIRONMENTAL | 15 | Employment | 33 | Ethical conduct | 48 |
| Sustainable products | 15 | Breakdown of employees by age | 34 | Compliance with legislation | 49 |
| GO GREEN product line | 16 | | | Responsible sourcing | 50 |
| BE CREATIVE product line | 18 | | | | |
| Printing technologies | 19 | | | | |

Dear Reader,

You are about to explore the first comprehensive ESG report of ANDA Present Group.

Over the past thirty years, our group has continuously grown and evolved. As a result, the complexity of our operations and our impact on the environment and society have become increasingly significant. We operate complex transportation, logistics, and production systems across multiple sites, and our services rely heavily on long-distance export and import. Additionally, our corporate operations are greatly influenced by factors such as the current energy situation, the challenges of climate change, and the rapid evolution of social and industry expectations.

These circumstances have prompted us to more seriously examine the impacts of ANDA Present Group's activities. What we have learned over the decades is that our ability to operate with such complexity and long-term vision depends on dedicating special attention to areas such as minimising environmental impacts, improving our corporate governance practices, and ensuring the lasting wellbeing of our employees.

This report was created in that spirit: a comprehensive, structured, and transparent account of our ESG efforts – one that we are pleased to share with you. We would like to emphasise, however, that this is merely the beginning of a sustainability-driven strategy, which we expect to influence not only our internal operations but also our business and social relationships.

This ESG report provides a comprehensive overview of ANDA Present Group's environmental, social, and governance initiatives for the 2023–2024 period. It presents the activities of our group's central company, ANDA Present Kft., along with those member companies closely integrated into our operations.

Our analysis and reporting are grounded in the group's sustainability strategy, with a focus on key topics that support our long-term commitment to responsible operations. By providing detailed data and outlining our initiatives, we aim to offer a transparent view of our activities, while continuously monitoring changes in the regulatory environment and emerging expectations within the ESG field.

In line with our sustainability values, this report is published exclusively in digital format. For further questions, please feel free to contact our ESG representative at esg@andapresent.hu.

ABOUT US



Introduction

The central company of the ANDA Present Group is one of Europe's key players in the production, import, and printing of promotional gifts. With over 600 employees, we work every day to support our reseller partners with high-quality products and services. Our head office is located in Budapest, while our printing and logistics operations are carried out at our two facilities in Budapest and Kalocsa.

Through the continuous development of our product range and printing technologies, we ensure that our partners and their end users have access to the most modern and innovative solutions. Built on mutual trust, innovation, and sustainability, we are committed to offering promotional gifts that help drive the marketing success of our partners and their customers –

| | | |
|---|---|-------------------------------|
| One of the most extensive product ranges on the European market | | 600+ employees |
| 3000+ products | 30 years of experience in the promotional gift industry | |
| 2 facilities in Hungary | Majority Hungarian ownership | Nearly 1000 business partners |
| 20+ printing technology | 25.000 m ² Production and warehouse area | |

all while taking environmental considerations into account.

Our company not only focuses on meeting market demands but also takes proactive steps towards sustainability, aiming for environmental, social, and governance goals that are vital both for present and future generations.

Mission

At ANDA Present Group, our mission is to offer our distributor partners a uniquely broad, constantly renewing collection of promotional gifts, as well as to offer outstanding printing options for these products.

Our primary goal is to provide first-class service as a reliable business partner, to keep quality and sustainability in mind, and to provide our colleagues with an efficient, modern and inspiring work environment.



Vision

We see our future in the form of business success to such an extent that the name ANDA Present Group becomes inseparable from the concept of promotional gifts. In the image of a future in which we don't just follow the trends but dictate them ourselves; in which our own European-made products are able to satisfy any imaginable needs of our partners; and in which everyone is happy to enter a business relationship with us, because they know that ANDA's products can guarantee the success of their company's marketing activities.



Values



Mutual trust

The driving force behind our work is cooperation and the nurturing of our business relationships – both are based on mutual trust and respect.



Flexibility, customer focus

We work so that our partners can offer their customers the best possible products and services, so we take every opportunity to adapt to the needs that arise.



Continuous development

We never stand still, we expand and grow unstoppably. We strive to increase the number of satisfied customers and employees every year.



Innovative solutions

We are constantly looking for creative, useful, and profitable innovations both in our business and in our services. Our commitment to environmental awareness and sustainability is reflected both in our company's operations and in our product collection.

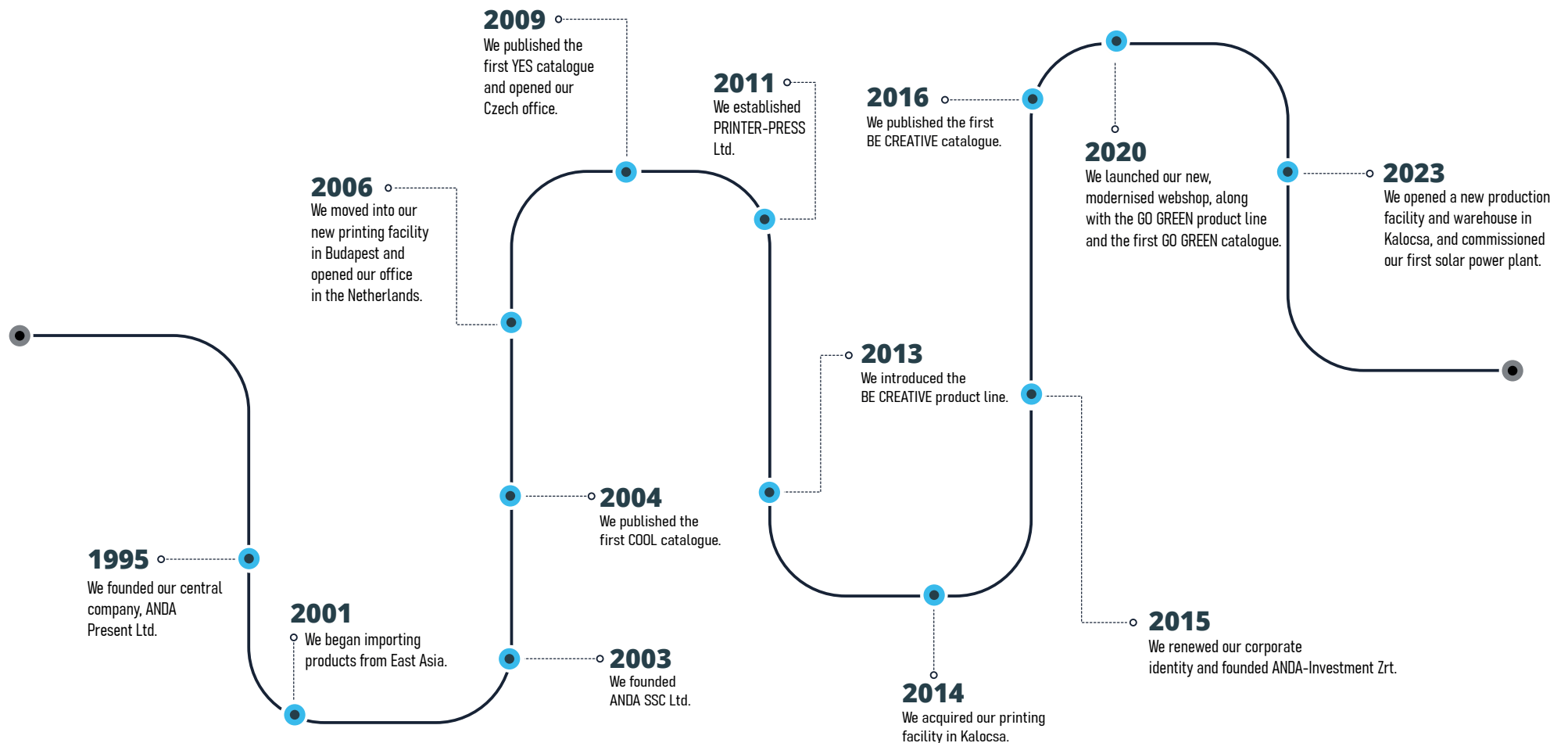


Together, for each other

Our colleagues provide each other with their experience, skills, and ideas to face every challenge as a cohesive team.

History

ANDA Present Ltd was established in 1995 within the walls of a 30 m2 office. Over the past 25 years we have worked hard, constantly developed and thrived through innovation to become one of the leading players in the European promotional industry.



Tenders

In recent years, our company has won numerous tenders that have contributed to achieving our sustainability and competitiveness goals. Below, we present the two most significant projects through which we have made important progress in both environmental and economic development.



HIPA/GYAR-2022-0313 – Investment in Renewable Energy Production

In 2023, we were awarded tender HIPA/GYAR-2022-0313, aimed at implementing investments in renewable energy production. As part of the project, we installed a solar panel system that reduces our company's carbon emissions and energy dependence. This supports the achievement of our sustainability goals while also delivering long-term cost savings.



RF-REP-10.10.1-24-2024-00555 – Fleet Expansion and Development of an Electric Charging Network

In 2024, we were awarded a tender supporting the development of electromobility. As part of this project, we acquired five electric vehicles and installed four charging stations. This development contributes to reducing our company's carbon footprint and promotes sustainable transportation.

Organisational memberships

ANDA Present Group is committed to active participation in professional communities, and as such, is a member of numerous Hungarian and international organisations. These memberships provide us with the opportunity to keep up with the latest industry trends, build professional relationships, and share best practices. Our international memberships offer access to new technologies, helping our company remain innovative and competitive in the global market. They also enable us to participate in industry exhibitions, further increasing our market visibility and strengthening our business network.

The Hungarian Chamber of Commerce and Industry (MKIK)

A representative organisation of Hungarian enterprises that supports the development of the business environment and the strengthening of economic relations.



Hungarian Chamber of Commerce and Industry

A platform in Hungary that promotes awareness of green financial opportunities, encourages knowledge sharing, and fosters professional networking in the field of ESG.



Amfori (BSCI)

An international initiative promoting sustainable and ethical supply chains. Although we are not formally audited, our company adheres to its core principles.



PSI

A leading global network connecting manufacturers and distributors in the promotional products sector, supporting industry development and the enforcement of ethical business standards.



GWW – The German Promotional Products Association

A professional association bringing together manufacturers, distributors, importers, and other stakeholders in the German promotional products market.

**Assoprom (Associazione Italiana Produttori e Distributori di Articoli Pubblicitari e Promozionali)**

An industry association representing Italian companies in the production and distribution of promotional and advertising items.

**BAPP (Belgian Association of Promotional Products)**

The professional organisation of the Belgian promotional product sector, working to promote industry professionalism, defend sector interests, and raise awareness of promotional items.



Our ESG approach

The aim of our ESG report is to transparently present our environmental, social, and governance efforts, along with the outcomes of these initiatives.

Interested parties

In preparing this report, we identified our interested parties and collaborated with them to assess the relevance and significance of sustainability-related topics. Our interested parties include our employees, owners, suppliers, subcontractors, customers, clients, banking partners, consultants, and the municipalities with which we maintain direct relations.



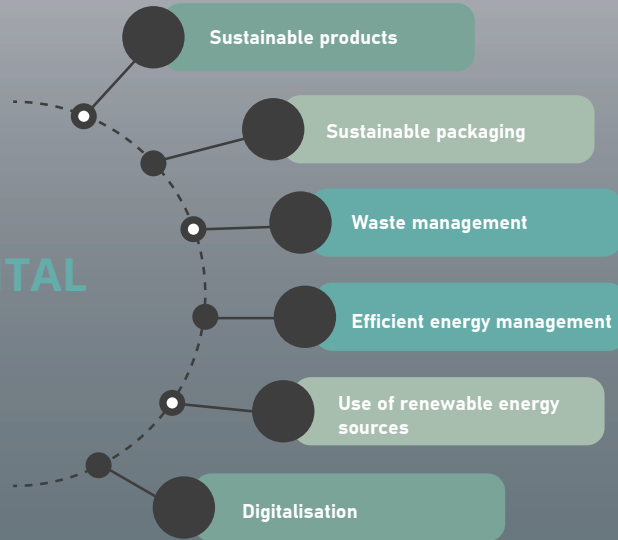
Relevance assessment

As part of our relevance assessment, we gathered the opinions of our interested parties to help identify the most important ESG-related topics. Nearly 70 respondents participated in the survey, helping us define the key themes that are most relevant to our company's operations and market role – and which form the focus of this report.



Relevant topics

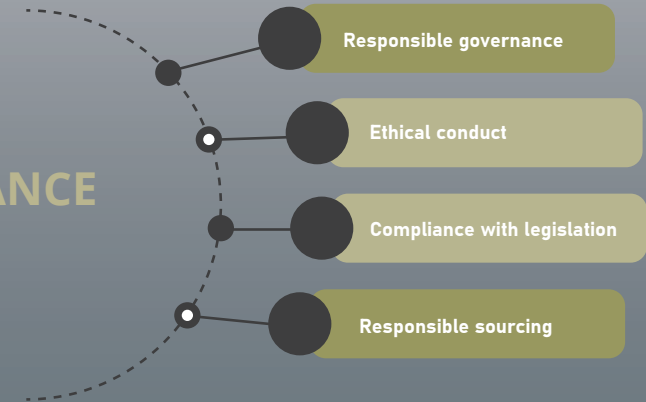
ENVIRONMENTAL



SOCIAL



GOVERNANCE



Sustainability-related activities (2023–2024)

In pursuit of our sustainability goals, our company has launched several initiatives in recent years. These have aimed to increase energy efficiency, reduce environmental impact, and improve employee wellbeing and the effectiveness of corporate governance.

| Period | SUSTAINABILITY AREA | Activity |
|-----------|----------------------------------|---|
| 2024 | Energy Efficiency | We installed a 300 kW solar park at our Kalocsa site, which now provides 20% of the local energy supply. |
| 2023 | Waste Management | We have expanded our fleet of digital printing machines, which has significantly reduced the use of solvent-based inks classified as hazardous materials. |
| 2023 | Waste Management | We implemented a selective waste collection system at all our workshops and production lines, separating paper, plastic, and municipal waste. |
| 2023 | Energy Efficiency | We installed heating and cooling heat pump systems in our Kalocsa warehouse halls. |
| 2023–2024 | Energy Efficiency | We purchased more modern, energy-efficient machinery to support our logistics processes – including electric forklifts and rapid chargers – to reduce energy consumption. |
| 2023–2024 | Sustainable Packaging | We began reducing the proportion of non-recycled plastics in our packaging and introduced the use of recycled plastic bags. As of the end of 2024, our packaging materials consist of approximately 70% paper-based, 20% recycled plastic, and 10% plastic materials. |
| 2024 | Sustainable Product Portfolio | More than 70% of our newly introduced products are made from recycled or renewable raw materials. |
| 2023 | Employee Wellbeing | We installed air conditioning and modern ventilation systems in our Kalocsa workshops and purchased anti-fatigue mats to enhance employee safety and comfort. |
| 2024 | Employee Wellbeing | We expanded our benefits package with the introduction of Life1 Fitness memberships. |
| 2024 | Support for Local Communities | We supplemented our donation activities with volunteer programmes, allowing our employees to actively contribute to community support alongside financial donations. |
| 2023 | Responsible Corporate Governance | To enhance the efficiency and transparency of corporate governance, we established various expert and decision-making Boards that meet regularly to coordinate strategic, operational, commercial, and production decisions. |
| 2023 | Digitalisation | We automated our business and HR processes by implementing the HubSpot CRM system, a new fleet management system, the HR-Master career portal (a comprehensive HR candidate management software), and an electronic signature system. |
| 2024 | Digitalisation | We digitalised our whistleblowing system, ensuring full legal compliance and transparent operations. |



Sustainability strategy

In our first ESG report, we present our sustainability strategy, which encompasses employee wellbeing, training and education, energy and waste management, sustainable packaging, responsible corporate governance, and responsible procurement. We have aligned our commitments with the United Nations Sustainable Development Goals, and our objective is to deeply integrate ESG principles into the structure and policies of our company to ensure the long-term achievement of our sustainability goals.

During the 2025–2026 period, our strategic focus will primarily be on social and governance areas, with particular attention to employee wellbeing, ethical standards, and the development of governance structures. Following this phase, our emphasis will shift towards achieving environmental objectives by 2030.



Sustainability commitments

| Sustainable Development Goals | Commitment | Year of Implementation |
|---|--|------------------------|
|  <p>3 GOOD HEALTH AND WELL-BEING</p> | <p>We will introduce a system of internal satisfaction surveys. Based on the results, we will provide a more modern and safer working environment in our warehouses and printing facilities, with the aim of improving employee well-being and satisfaction.</p> | 2026 |
|  <p>4 QUALITY EDUCATION</p> | <p>We will develop and implement our new HR strategy, with a strong focus on knowledge management and the training and development system.</p> <p>We will integrate ESG-related knowledge into our training programme to provide our employees with a comprehensive understanding of sustainability aspects.</p> | 2025 |
| | | 2025 |

Sustainable
Development Goals

Commitment

Year of
Implementation

We will further increase the use of printing technologies that do not require ink or solvents, with the goal of having them account for 70% of our total production.

2030

We will optimise our product packaging by maximising space utilisation and making full use of available volume. This will reduce transport volume and help lower the CO₂ emissions of our shipping processes.

Ongoing

We will replace the void-fill packaging materials used for shipping with recycled, biodegradable, or paper-based alternatives instead of plastic.

2027

We will update our supplier qualification system, which will also cover sustainability and ethical requirements.

2026

We will launch ESG awareness campaigns for our reseller partners, informing them about the importance of sustainability goals.

2025

We will have our company audited to obtain the amfori BSCI (Business Social Compliance Initiative) and EcoVadis certifications.

2027

Products made from renewable materials will account for 30% of our annual product collection, while products made from recycled materials will make up 40%. As a result, our GO GREEN products will represent 70% of the entire collection.

2027

Sustainable
Development Goals

Commitment

Year of
Implementation

We will complete our first Scope 1 and Scope 2 carbon footprint calculation for the year 2025, providing a foundation for our long-term strategy to reduce environmental impact.

2026

We will carry out a carbon footprint analysis of our products.

2027

We will develop a strategic plan for calculating our Scope 3 emissions, defining the related actions and ensuring their implementation.

2027



We will update our Code of Ethics, which applies to all employees.

2025

We will create a unified, centralised, and digitalised policy system that ensures all regulations and guidelines are available on a single, easily accessible, up-to-date, and transparent platform – supporting the efficient operation of our company.

2026



We will appoint an ESG officer and establish an ESG committee to ensure the integration of sustainability aspects at the organisational level.

2025

We will organise charitable team-building programmes every year, through which we strengthen our social responsibility by engaging in volunteer work.

Ongoing

ENVIRONMENTAL

Sustainable products

ANDA Present Group is committed to offering its partners the widest and most innovative range of promotional gift solutions. Our product portfolio includes tried-and-tested promotional items, the latest trend-driven innovations, and a broad selection of customisable and sustainable product ranges.





GO GREEN product line

As part of our commitment to environmental awareness, we created the GO GREEN collection, which has for years been offering promotional gifts made from eco-friendly materials. These natural, sustainable, or environmentally conscious products provide an opportunity to reduce environmental impact and serve as cost-effective green alternatives to conventional items.

The materials used in GO GREEN promotional products are carefully selected based on their positive influence on both production processes and consumer habits. The use of recycled materials significantly reduces the harmful effects of manufacturing, supports resource conservation, energy efficiency, and waste reduction.

In addition, the use of natural materials results in more durable products that customers can use for a longer period. These sustainable components help reduce the carbon footprint and often possess renewable or biodegradable properties.

GO GREEN products meet the highest quality and regulatory standards, and the quality of our products made from recycled materials is certified by the GRS (Global Recycled Standard).

By 2027, products made from renewable materials will account for 30% of our annual product collection, while products made from recycled materials will make up 40%. As a result, our GO GREEN products will represent 70% of the entire collection.

GO GREEN materials

Wood

Bamboo

Recycled stainless steel

Hemp

Recycled PET

Recycled ABS

Cork

Bamboo fibre plastic

Recycled paper

Wheat straw plastic

Recycled PP

PLA

Jute

Recycled aluminium

Recycled cotton

Recycled glass

Seed paper

Recycled polystyrene

Organic cotton

EcoAllene®

Recycled milk carton





BE CREATIVE product line

The BE CREATIVE collection offers the opportunity to create fully customised promotional gifts tailored to a company's visual identity. The entire surface of the products can be personalised with vibrant, full-colour prints, ensuring they align perfectly with the corporate image.

It's not just about placing a logo – the entire product surface can be creatively designed with vivid, colourful graphics. Production and assembly take place in Hungary, ensuring reliable quality and fast delivery. The flexible manufacturing process allows for smaller order quantities, helping to reduce excess stock and minimise waste.

Since 2023, we have placed special emphasis on expanding the BE CREATIVE collection primarily with products made from environmentally friendly materials. We are increasingly using recycled and natural materials to reduce the environmental impact of production.

These sustainable raw materials not only help lower the ecological footprint but also result in more durable, longer-lasting products. Every eco-friendly BE CREATIVE product also receives GO GREEN certification, offering both a high level of customisability and a strong commitment to sustainability.

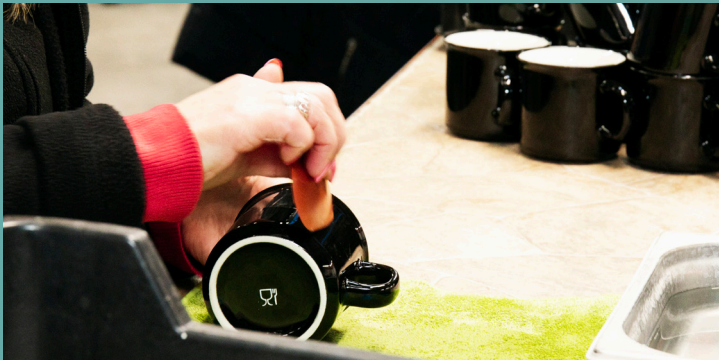


In 2027, we will carry out a carbon footprint analysis of our products.

Printing technologies

We offer a wide range of printing technologies for customising promotional products, from traditional methods to the most advanced digital solutions. When developing our machinery, we prioritise increasing capacity, improving print quality, and reducing environmental impact.

Printing is one of the most labour- and energy-intensive areas of our company, which makes it especially important for us to operate in a sustainable and safe manner. To this end, we continuously optimise our energy consumption, minimise waste generation, and place strong emphasis on the health of our employees and the safety of their working environment.



During the reporting period, we use 21 different printing technologies. Their presentation from an ESG perspective is provided in the table on the following page. The summary covers each method's energy efficiency, environmental impact, and factors affecting employee safety and ergonomics.



Our printing technologies

| Technology | Safety considerations | Energy consumption | Raw materials used | Efficiency | Waste generated | Air pollution | Water usage |
|-------------------------|--|--|---|---|---|--|-------------|
| Digital printing | No toxic substances are produced. Its use does not pose any risk to the worker. | The energy consumption of digital printers is generally low, limited mainly to the electricity used in the printing process. The average large format digital printer consumes 2-3 kWh, which is significantly less than conventional printing processes - especially when no post-print heat treatment is required. | Ink and paper, mainly of recycled origin to support sustainability. | Digital printing consumes little energy while using materials efficiently, with minimal ink waste and often recycled paper. This technology is the right choice when reducing environmental impact and saving materials are important considerations. | Unused ink and surplus material left over from the print substrate. | — | — |
| Digital transfer | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. The equipment used for heat treatment is a medium hazard and is handled using protective equipment. | Digital transfer technology is energy-intensive, as it involves a heat press or heat treatment after printing. Heat treatment can be a significant energy consumption, up to 3-5 kWh, especially for higher volume production. | Ink, adhesive powder and the film used for the transfer. | The energy demand of the heat treatment process is high, but at the same time the use of raw materials can be optimised. Efficiency is medium due to the waste of transfer film and ink. Good quality can be achieved with higher energy consumption, but special attention must be paid to waste management. | Unused ink and surplus material left over from the print substrate. | Moderate air pollution occurs during the heat treatment. | — |
| Epoxy doming | Unused epoxy resin is hazardous waste and is disposed of in accordance with the law by a licensed waste disposal service. | In the production of epoxy doming, the energy requirements of the machines are low, as electricity is mainly needed for mixing and dispensing, and heat treatment is generally not significant. On average, 0.5-1 kWh. | Ink, epoxy resin and self-adhesive film. | The production of epoxy doming is low energy intensive, but the hazardous waste generated by the use of the raw materials means that the efficiency is medium. The process is energy efficient, but proper waste management is important from an environmental point of view. | Unused ink and surplus material left over from the print substrate. | A highly volatile chemical that is extracted from the work area and exits the building through an activated carbon filter. | — |
| Engraving | The technology requires special eye protection, which is mandatory. No toxic substances are used in the process. | Engraving machines (e.g. laser engravers) have low energy consumption, typically 0.5-2 kWh, depending on the power of the machine and the size of the surface to be engraved. | — | Engraving consumes little energy and minimal raw materials, making the technology highly efficient. The process generates virtually no waste and therefore offers excellent performance. | — | Minimal. | — |
| Rotary engraving | The technology requires special eye protection, which is mandatory. No toxic substances are used in the process. | As with general engraving, the energy consumption is low, 0.5-2 kWh, depending on the type of machine and the intensity of the engraving. | — | Rotary engraving is also a low-energy and material-saving technology that ensures high efficiency, as there is almost no loss of raw material during production. | — | Minimal. | — |

| Technology | Safety considerations | Energy consumption | Raw materials used | Efficiency | Waste generated | Air pollution | Water usage |
|-------------------------------|---|---|-------------------------------------|---|----------------------|---------------|---|
| Rotary screen printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. Its use does not pose any risk to workers. | The energy consumption of screen printing machines is low, mainly for the motors and control electronics, typically 1-2 kWh. | Ink. | With low energy consumption, ink consumption is accurate, so the technology is efficient - only some ink waste is produced. Water consumption is moderate, but material losses can be kept low. | Small amount of ink. | Minimal. | A moderate amount of water is consumed to clean the device used for printing. |
| Rotary UV LED printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. Its use does not pose any risk to workers. | UV LED printers are energy intensive, as LED UV light sources require a significant amount of electricity to dry the inks immediately. Their consumption can be 2-4 kWh, but LED technology is more efficient than conventional UV lamps. | Ink. | Rotary UV LED printing is energy-intensive, but the optimised energy consumption of modern machines and precise ink metering make the technology medium-efficient. The amount of waste is minimal, which improves sustainability. | Unused ink. | Minimal. | — |
| Embroidery | No toxic substances are produced. Its use does not pose any risk to the worker. | Embroidery machines consume more energy because the motors run continuously, especially at higher speeds. On average 2-3 kWh, depending on the size of the machine and the embroidery speed. | Insertable thread. | The energy demand of embroidery is high, but the use of raw materials is targeted, making the technology moderately efficient. The process does not generate hazardous waste. | — | — | — |
| Ceramic printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. The use of protective equipment (gloves) is obligatory when applying the emblem. | In ceramic printing making, the heat treatment (firing) consumes a significant amount of energy, up to 4-6 kWh, as the kilns operate at high temperatures. | Ceramic WPC ink and transfer paper. | Ceramic printing is energy-intensive, mainly due to the heat treatment, while the use of raw materials is less efficient, making the technology overall inefficient. The amount of waste is low but the energy demand is significant. | Small amount of ink. | Minimal. | A moderate amount of water is consumed to clean the device used for printing. |
| Ceramic white printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. The use of protective equipment (gloves) is obligatory when applying the emblem. | Similar to ceramic printing, the energy demand of the heat treatment process is high, 4-6 kWh. | Ceramic WPC ink and transfer paper. | This technology is also energy intensive and the use of raw materials is less optimised, so efficiency is low. The amount of waste generated in the process is low. | Small amount of ink. | Minimal. | A moderate amount of water is consumed to clean the device used for printing. |
| Rainbow engraving | The technology requires special eye protection, which is mandatory. No toxic substances are used in the process. | The energy consumption of rainbow engraving is low, mainly limited to the electrical demand of the engraving machine: 1-2 kWh. | — | Rainbow engraving is low energy and efficient in the use of raw materials, making it an environmentally friendly technology. Waste is minimal and the process is well optimised. | — | Minimal. | — |

| Technology | Safety considerations | Energy consumption | Raw materials used | Efficiency | Waste generated | Air pollution | Water usage |
|---------------------|--|--|--|--|--|--|---|
| Screen printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. Its use does not pose any risk to workers. | The energy consumption of screen printing machines is generally low, 1-2 kWh. It is mainly used to power the motors and dryers. | Ink. | The screen printing is low energy and the ink application is precise, so the technology is highly efficient. The loss of raw materials is low and the water consumption is moderate. | Small amount of ink. | Minimal. | A moderate amount of water is consumed to clean the device used for printing. |
| Sublimation | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. The equipment used for heat treatment is a medium hazard and is handled using protective equipment. | Sublimation printing has a high energy demand, as the heat press or heat treatment equipment also consumes a significant amount of electricity: 3-5 kWh. | Ink and transfer paper. | Sublimation is energy-intensive and less efficient in terms of raw material use, as it can generate significant amounts of waste. The technology has the advantage of producing high quality prints. | Unused ink and surplus material left over from the print substrate. | Moderate air pollution occurs during the heat treatment. | — |
| Pad printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. Its use does not pose any risk to workers. | Pad printing machines have low energy consumption. Typically 0.5-1.5 kWh, as the process does not require significant heat treatment or powerful motors. | Ink. | Pad printing is a low-energy and material-saving technology that ensures high efficiency. The amount of ink waste is minimal, making it environmentally friendly. | Small amount of ink. | — | — |
| Inkjet overprinting | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. Its use does not pose any risk to workers. | The power consumption of industrial inkjet printers is low, averaging 1-2 kWh, depending on the size of the machine and the printing speed. | Ink. | Inkjet overprinting is low energy intensive and ink consumption is accurate, so the technology is moderately efficient. Waste is minimal and the process is well controlled. | Unused ink. | — | — |
| Transfer printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. The equipment used for heat treatment is a medium hazard and is handled using protective equipment. | The energy demand for transfer printing is high, as the heat treatment equipment consumes a significant amount of electricity: 3-5 kWh. | Ink, adhesive powder and the film used for the transfer. | Transfer printing has a high energy demand and medium material consumption, as the transfer film forms waste. The efficiency of the technology can be improved through waste management and energy optimisation. | Unused ink and surplus material left over from the printing substrate. | Moderate air pollution occurs during the heat treatment. | A moderate amount of water is consumed to clean the device used for printing. |

| Technology | Safety considerations | Energy consumption | Raw materials used | Efficiency | Waste generated | Air pollution | Water usage |
|-----------------------------|---|---|--------------------------|---|---|---------------|-------------|
| UV LED printing | Unused ink is hazardous waste, which we have legally disposed of by a licensed service provider. Its use does not pose any risk to workers. | The energy consumption of UV LED printers is high as LED UV light sources require a significant amount of electricity, 2-4 kWh. However, LED technology is more efficient than conventional UV lamps. | Ink. | UV LED technology has higher energy requirements, but the ink consumption is optimised, so the technology is medium efficient. Waste is minimal, the process is advanced and more sustainable than conventional UV processes. | Unused ink. | Minimal. | — |
| Debossing | No toxic substances are produced. Its use does not pose any risk to the worker. | The energy consumption of debossing is minimal, as it works mainly by mechanical force, and its electrical consumption is negligible, 0.1-0.5 kWh. | — | Debossing requires minimal energy and is highly efficient in its use of raw materials, making it one of the most energy- and material-efficient technologies. The process generates virtually no waste. | — | — | — |
| Vinyl sticker | No toxic substances are produced. Its use does not pose any risk to the worker. | The energy consumption of cutting machines and printers in vinyl sticker production is low, 1-2 kWh. | Ink, self-adhesive film. | Vinyl sticker production is low energy and the use of raw materials is well controlled, making the technology medium efficient. The amount of waste is low. | Unused ink and surplus material left over from the print carrier. | — | — |
| Vision film printing | No toxic substances are produced. Its use does not pose any risk to the worker. | Similar to vinyl stickers, the energy consumption of the machines is low, 1-2 kWh. | Ink, self-adhesive film. | Vision film printing has low energy requirements and well-controlled raw material consumption, making the technology moderately efficient. Waste is minimal and the process is energy and material efficient. | Unused ink and surplus material left over from the print carrier. | — | — |

Sustainable packaging

In recent years, we have taken significant steps towards making our packaging more sustainable, with a particular focus on reducing plastic use and introducing recycled materials. For new products, we now exclusively use paper based packaging. In case the use of polybags is inevitable, we use polybags made from recycled plastic. We are gradually extending this solution to our existing product lines as well.

In 2023, several European countries – including France and Italy – introduced stricter regulations to curb plastic packaging. In line with these changes, we began introducing paper-based alternatives, which are gradually replacing traditional plastic packaging. As of the end of 2024, our packaging materials consist of approximately 70% paper-based materials, 20% recycled plastic, and 10% plastic.

We have also achieved significant results in optimising filler materials: we reduced usage by 30% while exclusively using 100% recycled materials, partly sourced from household waste. A similar transformation has been implemented in pallet packaging, where weight reduction has significantly lowered material use and environmental impact.



We continuously optimise our product packaging by maximising space utilisation and making full use of available volume. This will reduce transport volume and help lower the CO₂ emissions of our shipping processes.

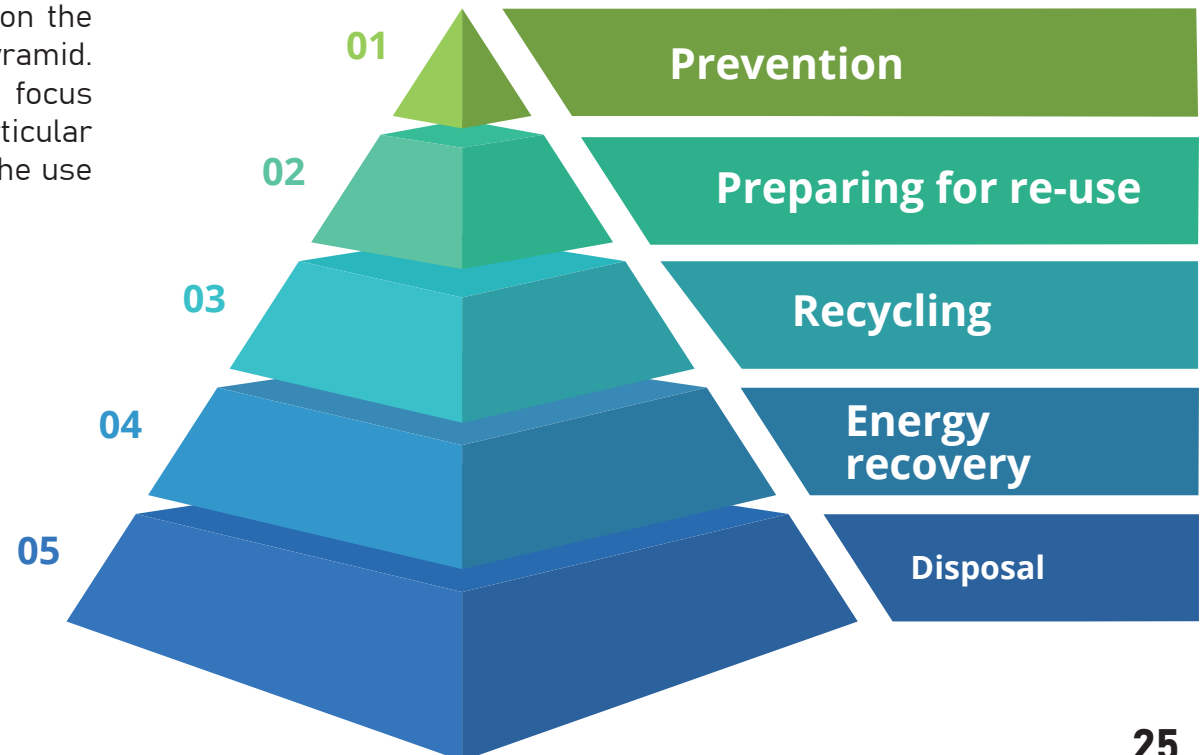
By 2027, we will replace the void-fill packaging materials used for shipping with recycled, biodegradable, or paper-based alternatives instead of plastic.

Waste management

Reducing waste and ensuring the sustainable and efficient handling of generated waste are key priorities for our company. In our operations, we follow the European Union's waste management hierarchy, which prioritises prevention, reuse, and recycling. Our goal is to minimise environmental impact while continuously improving our waste management practices and integrating sustainability considerations into both our manufacturing and office processes.

Our waste management strategy is based on the principles of the EU's five-step waste pyramid. During the reporting period, our activities focus primarily on reuse and recycling, with particular attention to selective waste collection and the use of recycled materials.

In addition, we are already working on further reducing waste generation, while disposal is used strictly as a last resort – minimising the impact on our environment.



Strategic steps

Selective waste collection: At all our sites, we collect paper, plastic, and municipal waste separately. We place special emphasis on the baling and partner-managed processing of the large volumes of plastic film and cardboard waste generated in our logistics warehouses.

Hazardous waste management: Hazardous waste generated from printing and other industrial activities is handled strictly in accordance with regulations, through licensed partners.

Waste reduction: As part of our waste reduction strategy, we previously used baled mixed industrial rags; however, these have been replaced with reusable, washed, and clean rags managed by an external partner. This change has allowed us to switch to the separate handling of used and clean rags, resulting in a more hygienic, organised, and refined solution. Through regular cleaning and reuse, we have significantly reduced the amount of single-use waste, contributing to more sustainable operations.

Waste processing: The waste generated at our sites is collected by several external partner companies. All partners handling recyclable and hazardous waste are contracted partners of MOHU MOL Waste Management Ltd. MOHU's waste management policy aims to establish a circular economy and maintain an environmentally friendly waste management system.

Efficient energy management

Our energy management measures aim to reduce the company's energy consumption while increasing the efficiency and sustainability of our operations. In addition to owning our own offices, production halls, and warehouses, our group also operates in rented properties, such as our central office in Budapest and our warehouse and production facility located in Harbor Park, Budapest. Our main energy sources include electricity, fuel (petrol and diesel), and natural gas. In addition, we are increasingly using renewable energy sources and heat pump technologies to minimise environmental impact.

Our energy consumption is shaped by three main areas of activity:

Production and warehousing – Printing technologies and logistics processes involve significant energy demands.

Office operations – Improving the energy efficiency of our Budapest headquarters and other offices is a key priority.

Transport and logistics – We continuously optimise our transport processes to reduce fuel consumption.

Energy consumption

The table below shows the energy consumption data of the central company of our group, ANDA Present Ltd., as the main consumer. Nearly 80% of our additional electricity consumption in 2024 was covered by our newly installed solar panel park.

| | Unit of measurement | 2023 | 2024 |
|---------------------------------------|----------------------|------------|------------|
| Electricity | kWh/year | 1 273 599 | 1 573 292 |
| Of which renewable electricity | kWh/year | 13 458 | 235 935 |
| Natural gas | m ³ /year | 45 170 | 44 631 |
| Diesel | litre/ year | 70 318 | 72 669 |
| Petrol | litre/ year | 36 804 | 35 154 |
| Total | MJ/ year | 10 115 618 | 11 212 274 |

In 2026, we will complete our first Scope 1 and Scope 2 carbon footprint calculation for the year 2025, providing a foundation for our long-term strategy to reduce environmental impact.

Energy efficiency developments

During the reporting period, we introduced several measures to minimise our energy consumption:

Modernisation of our Kalocsa site: We installed heating and cooling heat pump systems, reducing our reliance on fossil energy sources.

Installation of a solar panel system: In 2024, we commissioned our first solar park, which now supplies part of our annual energy demand from renewable sources.

Optimisation of Energy-Intensive Equipment: High-consumption machinery, such as our heat tunnel, is operated strictly according to operational needs, helping to avoid unnecessary energy use.

Use of Digital Technologies: In our printing processes, we are increasingly replacing traditional solvent-based technologies with digital solutions that significantly reduce energy demand. Our goal is to further reduce the use of solvent-based technologies and promote optimal ink usage through the growing adoption of digital methods.



Transport and logistics optimisation

To increase the efficiency of our transport and logistics processes, we have implemented several measures aimed at reducing fuel consumption and lowering environmental impact:

Fleet modernisation: We replaced our diesel-powered van with an electric vehicle, reducing the amount of fossil energy needed to run it.

Optimisation of inter-site transport: We have redesigned internal logistics to ensure goods move more efficiently between sites with lower fuel consumption.

Consolidated deliveries: All products from our sites are delivered to the central warehouse of our logistics partner, where the goods are consolidated. This ensures that orders from multiple sites are delivered in a single shipment, reducing the number of deliveries and unnecessary fuel use.

Building on the developments of recent years, we continue to implement efficient logistics solutions to reduce fuel consumption and, in turn, lower our carbon emissions.



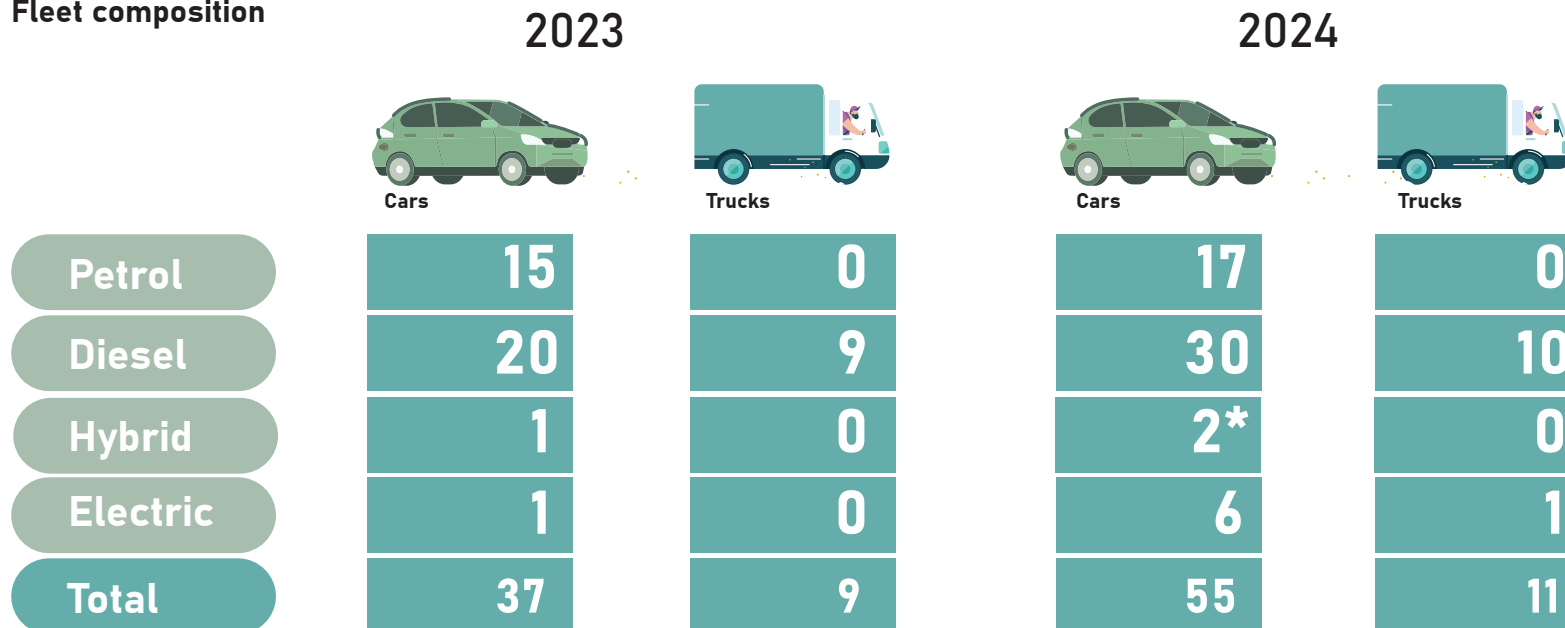
Fleet overview

Our vehicle fleet consists of passenger cars and trucks, and we pay close attention to energy efficiency and minimising environmental impact in their operation. Most passenger vehicles are owned, with only three under lease. All of our trucks are owned outright. When selecting vehicles, we prioritise those best suited to the tasks at hand and the most economical to operate.

Employees who regularly travel long distances use reliable, fuel-efficient diesel vehicles.

While diesel-powered vehicles still dominate our fuel usage, we have taken concrete steps toward more sustainable transport solutions. As a result of a successful tender, in 2024 we added five fully electric cars to our fleet and installed four electric car chargers at our sites.

Fleet composition



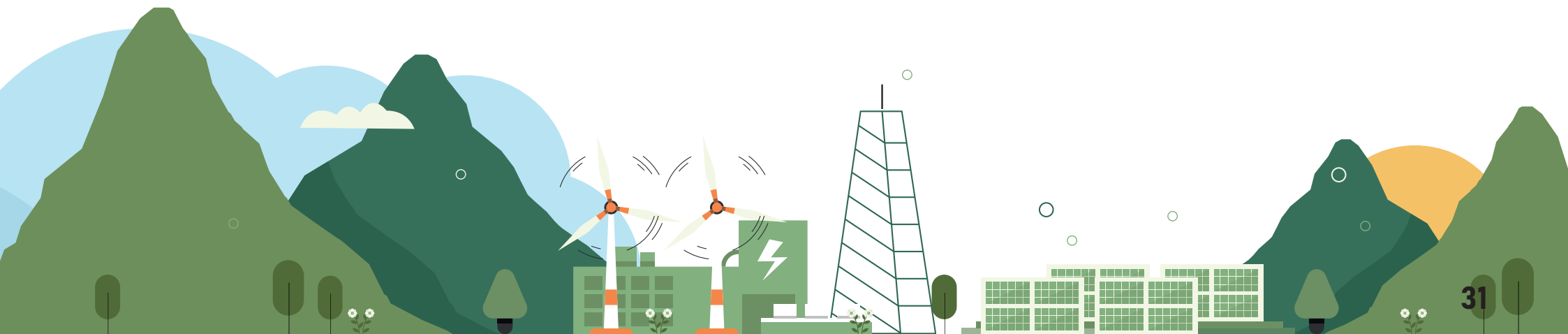
* 1 of our vehicles is Plug-in Hybrid

Use of renewable energy sources

Step by step, our company is transforming its operations with a focus on environmental awareness, and a key part of this effort is the gradual adoption of renewable energy sources. Solar energy, for instance, helps reduce air pollution caused by fossil fuels, thereby contributing to improved air quality. Additionally, due to their low water requirements, renewable energy sources help minimise the environmental impact of industrial water usage.

In the reporting year, we reached a significant milestone with the commissioning of our solar park in Kalocsa, which operates with a capacity of 300 kW. The aim of this investment was to reduce our dependence on conventional energy sources and improve our energy efficiency. All the electricity generated by the system is fully utilised; no surplus was fed back into the grid during the reporting period.

In 2024, 20% of our Kalocsa site's annual energy needs were already covered by renewable energy sources.



Digitalisation

During the reporting period, digitalisation and automation played a key role in the development of our operations. The introduction of new technological solutions has increased our efficiency and contributed to a more sustainable use of resources. Although several related projects were completed in 2024, this marks only the beginning of our transition toward a more modern way of operating:

Fleet management system implementation: Enables more accurate data handling and simpler administration.

Implementation of the HubSpot CRM system: Took customer relationship management to a new level and streamlined our data management and business processes.

Support for paperless documentation: Through the introduction of electronic signatures and a modern document management system, we have reduced paper usage.

In addition, the ATS (candidate management system) has made our recruitment process simpler and more transparent.

AI-based automation: We have improved administrative processes across various departments using artificial intelligence solutions. A newly established development Board actively seeks the latest technological opportunities, and we provide regular AI training for employees to support practical adoption.

Customer satisfaction measurement: In 2024, we collected customer satisfaction feedback through digital questionnaires. The insights gained help us respond flexibly to our partners' needs, improve the quality of our services, and support sustainable growth

Logistics developments and preparations

Following an expert audit in 2023, we began preparations for implementing a specialised warehouse management system (WMS). The system is scheduled to become operational by 2026, with the aim of aligning our warehouse operations with modern logistics standards and effectively supporting our company's ability to adapt to a rapidly changing business environment.



SOCIAL

Employment

Our company operates with a flexible employment model that allows for full-time and part-time work, as well as both on-site and remote (home office) working arrangements. Since 2024, remote work has been regulated by a clear and transparent policy. We support the employment of people with reduced work capacity and, where necessary, also apply other atypical forms of employment. During the reporting period, we do not have a written HR strategy, but we consistently and effectively address HR issues in our daily operations.



Breakdown of the total number of employees of ANDA Present Group (persons)

| | 2023 | 2024 |
|----------------------------|------|------|
| Total number of employees | 601 | 715 |
| Women | 399 | 482 |
| Men | 202 | 232 |
| Number of active workers | 554 | 669 |
| Women | 378 | 445 |
| Men | 176 | 224 |
| Number of inactive workers | 47 | 33 |
| Women | 40 | 32 |
| Men | 7 | 1 |

The following types of employment are available for our staff:

- Part-time work
- Full-time work
- Employment of people with reduced working capacity
- Remote work
- Continued employment of retirement-age individuals
- Employment under a simplified legal arrangement
- Student employment
- Temporary agency work

All our employees are on permanent contracts, which shows our long-term commitment to our employees. Our company relies heavily on a female workforce - women make up a significant proportion of our active workforce, accounting for more than two-thirds of the total active workforce. The number of inactive workers was 47 in 2023 (7.8% of the total workforce) and 33 in 2024 (4.6% of the total workforce).

In 2025, we will develop and implement our new HR strategy, with a strong focus on knowledge management and the training and development system.

Number of employees by type of employment (persons)

Full-time employment is 527 in 2023 and 676 in 2024, representing the vast majority of the workforce. Female workers constitute a significant majority. The share of part-time employees is low.

| | 2023 | 2024 |
|---------------------|------|------|
| Full-time employees | 527 | 676 |
| Women | 359 | 453 |
| Men | 168 | 223 |
| Part-time employees | 33 | 39 |
| Women | 18 | 29 |
| Men | 15 | 10 |

Number of people with reduced working capacity (persons)

| | 2023 | 2024 |
|-------|------|------|
| All | 31 | 34 |
| Women | 22 | 25 |
| Men | 9 | 9 |

In 2023 and 2024, we also employed disabled workers. They represent around 5% of our total workforce, the majority of whom are women. This will not only help to integrate our workforce but also strengthen social inclusion.

Number of people on maternity leave (persons)

| | 2023 | 2024 |
|-------|------|------|
| All | 28 | 33 |
| Women | 6 | 5 |
| Men | 0 | 0 |

As the number of employees in a company increases, the number of employees taking maternity leave also increases slightly each year.

Number of non-employees (persons)

| | 2023 | 2024 |
|-------|------|------|
| All | 104 | 66 |
| Women | 67 | 47 |
| Men | 37 | 19 |

Our operations are characterised by seasonality, which periodically increases labour demand. In order to manage peak periods, we use temporary agency staff to avoid overloading our permanent staff. More than two thirds of temporary, agency and contractor staff will be women. Temporary staff are not only a solution to peak workloads, but also part of our recruitment strategy. In the long term, we integrate high performers into our own workforce, strengthening the professional base and workforce structure of our organisation.

Gender breakdown of managers (persons)

| | 2023 | | 2024 | |
|------------------------|---------------------|----------------|---------------------|----------------|
| | Headcount (persons) | Percentage (%) | Headcount (persons) | Percentage (%) |
| Top managers | | | | |
| Women | 6 | 43% | 6 | 40% |
| Men | 8 | 57% | 9 | 60% |
| Middle managers | | | | |
| Women | 3 | 37,5% | 6 | 46% |
| Men | 5 | 62,5% | 7 | 47% |

Our commitment to diversity and equal opportunities is also reflected in the gender distribution of our management structure. At senior management level, 6 out of 15 managers are women, a 40% share. Among our middle managers, 6 out of 13 will be women in 2024, representing 46%. Compared to the national average, these proportions are significant results in themselves. However, we remain committed to making even more room for women's career progression and leadership in the future.



Breakdown of employees by age

Employees under 30

| | Female | Male | |
|-------------|------------|-----------|------------|
| 2023 | 77 | 56 | 133 |
| 2024 | 100 | 75 | 175 |

In 2024, the number of employees under 30 was 175, representing 24.5% of the total workforce. The increase in this age group is an example of the success of our efforts to attract and retain young talent.

Employees aged 30-50

| | Female | Male | |
|-------------|------------|------------|------------|
| 2023 | 207 | 87 | 294 |
| 2024 | 249 | 110 | 359 |

At 359 in 2024, the 30-50 age group is the largest group, accounting for 50% of the total workforce. This proportion shows that the experienced but still active age group is a dominant force in the workplace.

Employees over 50

| | Female | Male | |
|-------------|------------|------------|------------|
| 2023 | 129 | 36 | 165 |
| 2024 | 43 | 138 | 181 |

In 2024, the number of workers aged over 50 was 181, representing 25% of the total workforce. The gender ratio in this age group fluctuates strongly from year to year.

Rate of fluctuation

| | |
|-------------|--------------|
| 2023 | 32,9% |
| 2024 | 27% |

The employee turnover rate was 32.9% in 2023 and decreased to 27% in 2024. Our aim is to further reduce the number of employees leaving the company in the coming period.

Onboarding

Our recruitment process consists of several steps and aims to align company strategy with labour market needs, while ensuring ethical, non-discriminatory selection, fair working conditions and respect for workers' rights. Once staffing needs have been approved, we seek candidates through various channels - career sites, social media, job portals and referrals - and assess them on the basis of their competencies and fit with the company culture during interviews and test days.

The integration of new staff is carried out through a practical orientation, involving experienced colleagues and mentors. The introduction to the workplace culture and daily tasks is accompanied by personalised support. During the probationary period of new employees, we hold monthly „stay interviews“, where HR assesses their experience and collects feedback to improve the integration process.

The employee referral system we have introduced in recent years further strengthens the commitment of our colleagues, while contributing to reducing staff turnover and to the continuous development of the company.



Employee wellbeing

We are committed to continuously improving employee wellbeing, which is why we offer different benefits packages for each site and job role. Below are the main benefits available at our head office in Budapest and at our sites.

Salary and fringe benefits.

Travel allowances: full reimbursement for public transport, mileage allowance for private cars.

Home office possibility: 1-2 days per week, depending on the job.

Cafeteria and health insurance: SZÉP card, Allianz health insurance.

Health programmes: weekly yoga, massage and fruit days.

Other benefits: free coffee, tea, private computer and mobile phone, discounted shopping, school start-up allowance, Life1 Fitness pass (from 2024).

The private use of equipment and travel allowances help mobility, while the back-to-school allowance for workers with children eases the burden on families.

We also provide complex benefits packages for employees working in Budapest Harbor Park and Kalocsa, tailored to the specificities of the positions and job functions.

Our benefits system is constantly reviewed to ensure that employees receive the most appropriate elements. As planned, we have extended the benefits package to include the Life1 Fitness Pass in 2024.

In 2026, we will introduce a system of internal satisfaction surveys. Based on the results, we will provide a more modern and safer working environment in our warehouses and printing facilities, with the aim of improving employee well-being and satisfaction.

Occupational health and safety

Protecting the health and safety of our employees is a core value of our company. It is not only a responsible legal obligation, but also part of our approach as employers. Our aim is to create a safe, supportive working environment that contributes to long-term employee retention and satisfaction.

Health and safety training and protocols:

Training: All new entrants receive theoretical and practical occupational safety and health training. Annual refresher training and introductions to new technologies are organised with the involvement of external experts as required.

Safety standards: We continuously incorporate the latest standards into our health and safety systems, ensuring compliance through regular inspections and training.

Health promotion measures:

Health insurance: Doctor24 carries out medical fitness tests every year, which all our employees attend.

Occupational health: Allianz offers a wide range of health insurance for our eligible employees.

Eye protection: Office workers are provided with annual eye examinations and spectacle prescriptions. We reduce eye and mental strain by providing hourly breaks for screen-based jobs.

Work environment improvements:

Investments: at our Kalocsa plant, we have air-conditioned workshops and installed modern extraction systems to reduce physical and health stress.

Wellbeing elements: in 2024, we developed a bicycle-friendly parking lot in Kalocsa and introduced free breaks for multi-shift workers at all our sites.

Employee education and training

It is important for us to provide our employees with opportunities for professional and personal development. We tailor our training programmes to professional needs and management expectations.

In 2023 and 2024, in addition to mandatory training, we organised a number of internal and external training sessions to develop workplace skills and support effective performance.

From 2025, we will focus on knowledge management and improving our training system. We will continue to support the development of leadership skills through the ANDA Academy program.

Internal training:

Occupational safety and fire training: we have provided all employees with occupational safety and fire training.

Business Central and Finance training: training on the use of business management systems and accounting processes.

Marketing and webshop management training: training on the use of online sales activities and tools.

Special training: Training for group operators on the use of autonomous order picking forklift trucks.

External training:

Negotiation and labour law training: improving communication and the practical application of labour law rules.

HR and soft skills training: Developing recruitment, retention and leadership skills.

Training is delivered in face-to-face, online and hybrid formats, with flexible participation options.



ESG awareness raising

On two occasions during our supplier days, we have already provided our partners with the opportunity to deepen their understanding of the basic concepts of sustainability and ESG in a workshop. In the session „Aligning in the world of sustainability”, participants learned about the role of sustainability in business and the domestic regulatory environment, supporting suppliers and partners in preparing for sustainable operations.

Employee satisfaction

In 2023, we carried out an organisational diagnostic with external consultants, achieving a response rate of almost 80%. Based on the results, we have identified improvement directions and are working with management to plan the necessary actions, taking into account employee priorities. Our priority is to integrate feedback into our processes and to regularly inform our employees about the results and improvements. We will continue to organise similar surveys to monitor the views and needs of our employees.



In 2025, we will integrate ESG-related knowledge into our training programme to provide our employees with a comprehensive understanding of sustainability aspects.

Community events

Community events play a key role in company culture and employee satisfaction. These programmes strengthen workplace relationships, promote employee recognition and contribute to long-term loyalty to the company.

Featured events and programmes:

Spring events: Every year, we organise outdoor picnics and cook-offs in Budapest and Kalocsa, which are attended by employees from the sites and head office.

End-of-year celebrations: Christmas parties are held at all sites, with toasts from the management, the presentation of gift packages and recognition of employees who have celebrated their jubilee.

Other occasions: Santa gifts for staff with young children, women's day and birthday surprises, refreshment days and surprise lunches.

Recognition and loyalty awards:

We recognise the loyalty of our employees with anniversary awards after 10, 15, 20 and 25 years of service. 16 of our colleagues received long-service recognition in 2023, and 17 in 2024.

Back-to-school grants and reduced-price meals contribute to the financial security and well-being of our employees.

Regular community events and employee recognition initiatives help to create a positive workplace atmosphere, fostering commitment to the company and team cohesion.



Partner relations

In our daily operations, we place great emphasis on maintaining strong relationships with our partners. More than 20 regional representatives actively support our reseller partners across Europe throughout the year. With the support of other departments, we provide all our partners with up-to-date information, online tools and marketing materials.

The trade fair season, held each year in early spring and autumn, plays a key role in strengthening these relationships. During this time, we participate in industry trade shows, roadshows, and other events. In addition, we regularly organise our own events and facility tours, giving partners the opportunity to learn about our production processes, visit our manufacturing halls, and explore our product collections and printing technologies.



In 2025, we will launch ESG awareness campaigns for our reseller partners, informing them about the importance of sustainability goals.

Supporting local communities

Social responsibility is a core value, which is why supporting local communities is a priority for us. To this end, we actively support the communities around us through various forms and platforms.

Donate

In 2023 and 2024, our donations supported the work of several local and national non-profit organisations, contributing to the enrichment of cultural and social life. Among those we have supported are child and animal welfare organisations such as the Menedék Vár Foundation, the Family Support and Child Welfare Centre, the MikulásGyár initiative, and the Foundation for People and Animals. In addition, through our cultural sponsorships, we have supported institutions including the Kék Madár Foundation, the Kalocsa for the Future Association, and the Kalocsa Innovation Centre.

Every year, we organise charitable team-building programmes, through which we strengthen our social responsibility by engaging in volunteer work.

Tax donations

Through our corporate tax donations, we have actively contributed to the development of sports infrastructure, with a particular focus on youth training and the maintenance of sports facilities. The support provided during the reporting period enabled long-term investments, expanding sporting opportunities for the local community. Our key beneficiaries include ANDA Kalocsa FC, the local football team competing in the Bács-Kiskun County First Division, which also bears our company's name, and the Hungarian Canadian Hockey Club Sports Association, whose goal is to become Hungary's leading youth ice hockey training centre.

Voluntary work

During the reporting period, we launched volunteer programmes, with our staff carrying out charitable activities in nurseries, retirement homes, and children's and animal shelters.

In 2024, we expanded our giving activities to include volunteer programmes, providing financial support for community development and our staff were actively involved in community building. This further strengthened our active role in society, combining financial support and direct community involvement.

GOVERNANCE

Responsible governance

Our corporate governance system is designed to integrate strategic, operational and commercial decisions quickly and efficiently into day-to-day operations. The strategic and governance structure is headed by an executive Board, supported by individual Boards of directors.



Governing Boards:

Strategic Board

Executive Board

Operational Board

Production Technology Board

Trade Board

Development Board

The Boards play a decision-making, development, and strategic role based on the analysis of reports prepared by middle managers and directors. This system, which operates through the involvement of multiple departments, enables transparent operations, encourages broad discussion of ideas, and supports fast and well-informed decision-making.

In designing the management structure, our aim was to create alignment between strategic objectives and operational activities in response to market and internal changes. Information flows between the Boards and the Directors, and then to the Area Managers. Production, sales, support units, finance, HR, IT and legal areas are coordinated under the supervision of the Boards of Directors. We also draw on the support of external experts to ensure legal compliance.

In 2025, we will appoint an ESG officer and establish an ESG committee to ensure the integration of sustainability aspects at the organisational level.



Ethical conduct

We are committed to complying with applicable laws and business ethics. We aim to provide a transparent and fair working environment for all our employees. Our Leadership and Communication Code serves as a compass for leadership practices, defining the behavioural expectations and communication standards that leaders are expected to uphold in all situations.

The core values of the Code are respect, professionalism, awareness, commitment, development and a safe working environment. The Code is designed to support managers in ethical workplace practices, encouraging teamwork, recognising performance and valuing employees. The principles contribute to maintaining a corporate culture and strengthening ethical business relationships.



In 2025, we will update our Code of Ethics, which applies to all employees.

Compliance with legislation

Compliance with applicable laws and contractual obligations is a fundamental condition for the operation of our company. We continuously secure the necessary certifications (e.g. Conformité Européenne, Global Recycled Standard) and regularly audit our suppliers, reducing operational risks.



The principle of compliance is also applied in the development of our policies, in particular in the area of data management. Our practices are fully aligned with the GDPR, ensuring the lawful processing, protection and confidentiality of personal data. During the reporting period, no complaints of data protection breaches were received.

Our data protection system also covers contractual relations, customer service, complaints handling and whistleblowing. In 2024, we digitised our whistleblowing system so that it remains compliant with legal requirements, while becoming more transparent and efficient. As part of our data security measures, our servers are protected by state-of-the-art technology solutions such as SSL-based

access and firewalls. Internal policies are in place to deal with any data breaches. These measures not only support our internal operations but also strengthen the transparency and reliability of our external business relationships.

In 2027, we will have our company audited to obtain the amfori BSCI (Business Social Compliance Initiative) and EcoVadis certifications.

In 2026, we will create a unified, centralised, and digitalised policy system that ensures all regulations and guidelines are available on a single, easily accessible, up-to-date, and transparent platform – supporting the efficient operation of our company.

Responsible sourcing

We subject our suppliers to a pre-qualification and evaluation process that we are constantly improving. Although the Supplier Code is still under development, during the reporting period, supplier evaluation is carried out based on a set of regulations and a questionnaire. Our aim is to further tighten the criteria and add sustainability aspects - for example, by testing the materials used.

The most important criteria in our procurement are:

Quality

Reliability

Price and cost-effectiveness

Environmental awareness

As part of our procurement strategy, we focus on meeting quality and regulatory requirements, which is backed up by testing during the manufacturing process. We require GRS certification for recycled materials and CE marking for EU legal compliance. Our sourcing activities are guided by the standards set by the amfori BSCI Code of Conduct.

In 2024, we introduced digital solutions that automate supplier qualification and inventory tracking. This has not only made processes more efficient and transparent but also helps ensure sustainable and ethical operations.

In line with the growing ESG expectations of European markets, we are improving our internal processes to respond quickly and efficiently to customer needs - for example, to ensure compliance documentation. We seek long-term cooperation with our suppliers, but we are also open to new partnerships, which we build by participating in international exhibitions and actively looking for market opportunities.



In 2026, we will update our supplier qualification system, which will also cover sustainability and ethical requirements.