

Sustainability Report 2025



Dear Interested Reader of our 2025 Sustainability Report,

For many years now, we have been confronted with profound geopolitical changes and escalating global crises. Numerous smoldering and open conflicts around the world are reshaping our view of the world.

In addition, rising global warming and its increasingly visible consequences—which are visible to us more and more clearly by extreme weather events and environmental disasters such as droughts, water shortages, earthquakes, and storms—make it abundantly clear that there is an urgent need to develop new concepts and take additional measures to protect the environment.

RWS has recognized these challenges and is addressing them through actions based on its values. These values form the moral foundation and serve as a compass for the actions of every single RWS employee—both internally and externally.

RWS GmbH develops and manufactures top-of-the-line ammunition, ammunition components, and pyrotechnic elements for hunting and sports, the military and government agencies, as well as for industrial applications. We are proud of our market position in small-caliber ammunition and pyrotechnic elements and components, as well as our role as an innovation leader in heavy-metal-free ignition elements and specialty applications. Furthermore, we set new standards in the civil, military, and government sectors. We achieve this because safety, precision, and environmental sustainability are top priorities at RWS.

This is what RWS is committed to. The company takes its responsibility as a sustainably managed enterprise very seriously and has ambitious goals to reduce emissions, achieve resource-efficient production systems, and ensure responsible corporate governance.

RWS stands out from the competition through legal reliability, performance, expertise, quality, and innovation. In this report, RWS outlines the goals it has achieved by 2025 and the challenges that still lay ahead. It contains information on measures taken to reduce its environmental footprint, promote social justice, and ensure the company's long-term economic success.

RWS thanks you for reading this report carefully. Your feedback is of great importance to us as we continue to develop and improve our sustainability strategy.

Dirk Prehn
Chairman of the Executive Board

Wolfgang Kudoke
Executive Board

Roy Walsh
Human Rights Officer

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A. Strategy and Governance

1. General Requirements

The responsibilities of companies are becoming increasingly diverse. In addition to the well-known influencing factors—such as changing customer demands or shifts in the markets—other important aspects have increasingly come into focus in recent years.

Issues such as respect for human rights throughout the value chain, the sustainable use of our limited resources, and a focus on climate-neutral business practices are gaining greater importance.

With this report, RWS is publishing its third sustainability report on the company's activities in the areas of the environment, social responsibility, and responsible corporate governance. The report outlines RWS's approach to each of the topics identified as material, explains developments and progress made in 2025, and provides an outlook for the coming year.

The following topics were among the key priorities during the reporting period:

- **Responsible Procurement:** The RWS Procurement Policy was fundamentally revised and supplemented with key aspects of the LkSG.
- **Environment:** In 2025, RWS was certified according to the DIN ISO 50001 energy management standard. Implementation of the updates to DIN ISO 14001 is planned for 2026.
- **Investments:** Criteria leading to savings—such as CO₂ reductions—were incorporated into all investment decisions.
- **Social:** The company's occupational health management program was expanded to a new and broader framework, supplemented by numerous offerings and initiatives, thereby significantly increasing its appeal to employees.

Although these topics have always been an integral part of RWS's values, the related responsibilities are expanding, as evidenced by additional regulatory disclosure requirements in these areas. In addition, there is a growing interest in the company's initiatives regarding these increasingly market-relevant aspects.

For this reporting year, RWS has decided to base the structure of its sustainability report on the framework of the ESRS.

The reporting period corresponds to the calendar year 2025.

2. Business Conduct

RWS is aware of its responsibility in the area of sustainability, which is entrusted to it by its stakeholders, the markets, and society. This has motivated the company to prepare a sustainability report for 2025—in addition to the LkSG and sustainability reports from previous years—to present its activities in the area of sustainability.

RWS GmbH—Ignition Technology since 1886

The company was founded in 1886 as Rheinisch-Westfälische Sprengstoff-Actiengesellschaft (RWS). Today, with approximately 1,500 employees at two locations in Germany, RWS GmbH is a leader in the field of small-caliber ammunition and pyrotechnic elements and components, as well as an innovation leader in heavy-metal-free ignition elements and specialty applications. The ammunition manufacturer holds over 35 patent families.

Thanks to a consistent market focus and targeted investments in facilities and research & development, the company has been on a steady growth trajectory for years.

RWS GmbH is part of the Beretta Group.

Always Close to the Customer

A comprehensive range of small-caliber ammunition and specialty ammunition is available for hunters, sport shooters, government agencies, and the military. Unique to the company is its range of low-pollutant, small-caliber ammunition with NATO certification for security forces. Drawing on its expertise in the ammunition sector and ignition technology, RWS GmbH also develops industrial applications such as propellant cartridges for fastening technology and safety systems in the field of industrial pyrotechnics.

Innovation and Technology

As one of the leading ammunition manufacturers, RWS produces the vast majority of the components for its ammunition products in-house. As a result, the company is also a driver of innovation in the field of ignition technology. The first low-pollutant and heavy-metal-free SINTOX ignition set was developed over 40 years ago. To this day, depending on customer requirements, non-toxic, lead-free, and heavy-metal-free concepts are being advanced and implemented using new energetic components. In production, RWS relies on state-of-the-art processes and techniques. To meet its high quality standards, all products must pass extensive testing. To this end, the company has access to, among other things, modern test benches with highly specialized measuring systems and firing ranges ranging from 10 m to 500 m.

Safety, precision, and environmental sustainability are top priorities at RWS. This commitment applies to both the manufacturing of the products and their use by customers. In recent years, for example, tens of millions of euros have been invested in safety and environmental protection at the Fürth site.

2.1 Oversight of Risk Management and Management Responsibility

The structure of the various responsibilities for monitoring risk management at RWS GmbH for the reporting period from January 1, 2025, to December 31, 2025, was maintained in accordance with the structure established in 2024.

Company-wide risk management is overseen by Managing Director Dirk Prehn and presented in the management report of RWS GmbH.

As part of LkSG risk management, various internal roles were defined to ensure comprehensive implementation.

Mr. Roy Walsh, Compliance Officer and Human Rights Officer at RWS GmbH, is responsible for the comprehensive oversight of LkSG risk management.

In addition, the Executive Board has established a reporting process that, in accordance with Section 4(3) of the LkSG, ensures that it is regularly—at least once a year—informed about the work of the individuals responsible for overseeing risk management during the monthly management meeting.

The Human Rights Officer is responsible for this reporting, with support as needed from other relevant departments such as Compliance, ESG Management, Supply Chain Management, or HR. In the event of ad hoc risks, the Human Rights Officer immediately informs the Executive Board.

2.2 Policy Statement on Human Rights Strategy

Respect for human rights is a fundamental component of RWS GmbH's value system, and the company is fully aware of its responsibility in this regard. To communicate this transparently and clearly both internally and externally, a policy statement based on the risk analysis conducted was drafted and has been published on the company website since January 1, 2024.

In addition, the policy statement was communicated via the intranet to all employees of RWS GmbH as well as the works council on January 1, 2024.

The policy statement is available in German and English on the RWS website and is therefore accessible both internally and to the public. It can be found at the following link:

https://www.rws-technology.com/resources/public/user_upload/Downloads/231202_Declaration_RWS_Human_Rights_engl.pdf



The policy statement addresses the following aspects:

- Establishment of a risk management system
- Annual risk analysis
- Anchoring of preventive measures in our own business area, with direct suppliers and, if applicable, indirect suppliers, and their effectiveness review
- Remedial measures in our own business area, at direct suppliers and, if applicable, indirect suppliers, and their effectiveness review
- Provision of a complaints procedure within our own business area, at suppliers, and review of its effectiveness
- Documentation and reporting obligations
- Description of the identified priority risks
- Description of human rights and environmental expectations of own employees and suppliers

The risk landscape (production, supply chain) remained unchanged in the 2025 reporting year compared to the previous year, 2024. As a result, no changes to the policy statement were necessary, and none were made.

2.3 Embedding the Human Rights Strategy Within the Company

To ensure the implementation of the human rights strategy, it was embedded in all relevant areas of the organization.

The following areas were identified as affected:

- Supply Chain Management / Procurement
- HR
- Compliance
- Quality Management
- Sustainability / ESG
- Executive Management

To implement these requirements into business operations, all LkSG-relevant operational procedures were integrated into existing processes. In some cases, existing processes were supplemented with LkSG-relevant aspects and criteria or replaced by new processes.

To this end, responsibilities were defined for each department and documented in a RACI matrix (Responsible, Accountable, Consulted, Informed). This ensured that the relevant tasks were both defined and accepted by those responsible.

All process development and adjustments were carried out in collaboration with the LkSG core team and selected representatives from the respective functional departments to ensure LkSG compliance.

An internal project team consisting of experts from the relevant departments was established to oversee implementation. The team was also supported by external consulting services. Throughout the implementation process, RWS GmbH consistently followed the guidelines provided by the BAFA.

Finally, the modified processes were communicated to all affected parties.

2.4 Communication of the Results

The results of the risk analysis(es) for the reporting period were communicated internally to the members of the management team (Board of Management).

This group includes the executive management as well as the heads of SCM/Purchasing, Sales, HR, and Operations.

2.5 Changes to the Risk Policy

For the first time, RWS GmbH conducted a review of the due diligence obligations under the LkSG, as well as the associated risk analysis regarding potential human rights violations and potential environmental impacts, for the 2023 reporting year. The subsequent risk assessments for the 2024 and 2025 reporting years revealed no changes regarding priority risks compared to previous years.



B. Complaint Procedures

1. Establishment of or Participation in a Complaint Procedure

RWS GmbH offered a complaints procedure in the form of its own internal process for the reporting period. Complaints and reports can be submitted at any time via the secure, electronic whistleblower system Integrityline. These are processed immediately.



The system is available in German and English and ensures that reports are handled confidentially. The reporting office accepts reports and complaints from both employees and external parties, such as customers, suppliers, or other third parties.

In addition to the electronic whistleblowing system, complaints may also be submitted by mail.

As soon as a complaint or report is received, the whistleblower will receive confirmation of receipt within 7 days at the latest.

Throughout the entire process, RWS remains in contact with the reporter, provided this is desired and a means of contact is available. Complaints or reports received are first subject to a preliminary review to determine whether the reported matter constitutes a human rights or environmental risk or a violation of human rights or environmental obligations.

If there is an initial suspicion of relevant misconduct, an internal investigation is conducted to clarify the report. The goal is to review, understand, and objectively confirm or refute the facts as effectively and efficiently as possible.

An internal investigation is conducted directly by RWS Compliance or coordinated by RWS Compliance with the relevant departments and, if necessary, management. As part of a scheduled internal investigation, RWS Compliance may also seek to engage in dialogue with the whistleblower to clarify any questions. The results of the internal investigation are documented in a written report, and appropriate measures—including the responsible parties and a timeline—are recommended based on these findings.

Measures may be of a preventive nature, as well as corrective actions or sanctions. The whistleblower is generally informed accordingly within three months of receipt of the acknowledgment of receipt (provided the whistleblower's contact information is available). Feedback is provided only to the extent that it does not interfere with internal investigations and does not infringe upon the rights of the individuals concerned.

Potentially affected parties have access to the complaint procedure:

- Own Employees
- Community near our own locations
- Employees at suppliers
- External stakeholders such as NGOs, labor unions, etc.
- Others

Access to the grievance procedure for the various groups of potentially affected parties is ensured by:

- Publicly available written rules of procedure
- Contact information
- Information on jurisdiction
- Information on the process
- All information is clear and understandable.
- All information is publicly accessible.

The Rules of Procedure for the reporting period were uploaded to the RWS GmbH website and are therefore publicly available.

It can be accessed via the following link:

https://www.rws-technology.com/resources/public/user_upload/Downloads/231202_Rules_of_procedure_for_the_complaints_procedure_8LKSG_engl_pdf.pdf



2. Requirements for the Complaint Procedure

An internal investigation is conducted directly by RWS Compliance or is coordinated by RWS Compliance with the relevant departments and, if necessary, management.

RWS Compliance can be reached at:

Compliance Officer
Kronacher Straße 63
90765 Fürth, Germany
Email: compliance@RWS.com

RWS GmbH guarantees that the criteria for responsible persons set forth in Section 8(3) of the LkSG are met, i.e., that these persons ensure impartial conduct, are independent and not bound by instructions, and are bound by a duty of confidentiality.

Furthermore, it is confirmed that, for the reporting period, measures were taken to protect potentially involved parties from discrimination or punishment as a result of a complaint.

This is achieved by ensuring that all reporting channels handle reports confidentially. The electronic whistleblower system allows the creation of a mailbox through which the whistleblower can communicate with the Compliance Department while maintaining the confidentiality of their identity.

In addition, measures have been taken to protect whistleblowers through further safeguards.

Provided the whistleblower acts in good faith—that is, has a reasonable suspicion—reporting violations or suspected violations must not result in any adverse treatment for the whistleblower, even if the suspicion proves to be unfounded. Direct or indirect retaliatory measures in response

to a (suspected) report will not be tolerated and constitute a violation that can be reported. This also applies to threats of or attempts at retaliation.

It is also a violation if a person obstructs the submission of a report or hinders or prevents the investigation of a report.

All information—such as personal data and other details that could reveal the identity of the person making the report—will be treated confidentially.

This applies even after the proceedings have been concluded.

3. Implementation of the Complaint Procedure

The complaint procedure was available for the entire period of the 2025 reporting year.

No relevant reports were received during this reporting period.



RWS

C. Review of Risk Management

Risk management is regularly reviewed as part of the risk analysis to ensure its adequacy and effectiveness.

This review is carried out in particular in the following areas of risk management:

- Preventive measures
- Remedial measures
- Complaint procedures

1. Human Rights and Environmental Stewardship

Appropriateness and Effectiveness

The conduct of audits for each area and the resulting findings—particularly with regard to prioritized risks—lead to appropriate measures and actions:

Preventive and Corrective Measures

The appropriateness and implementation of the measures are reviewed during regular meetings (exchange of information and updates regarding LkSG efforts among suppliers with all strategic buyers). Where necessary, corresponding audits are conducted, and their effectiveness is documented.

Complaint Procedures

RWS strives for continuous improvement of procedures for whistleblower reports and internal investigations. To this end, usage data, experiences, and constructive feedback from the whistleblower process are utilized at least annually, and as needed on an ad hoc basis.

This iterative process leads to the ongoing optimization of risk analysis and continuous improvement of results.

The existing processes and measures ensure that, in the establishment and implementation of risk management, the interests of RWS employees, employees within the supply chains, and those who may otherwise be directly affected—and who hold a protected legal status—by the business activities of RWS GmbH or by the business activities of a company in the RWS GmbH supply chain are appropriately taken into account.

The processes and measures designed to take into account the interests of potentially affected parties are reflected in particular in the publicly accessible and anonymous complaint procedure, which is integrated into the risk management system.

The RWS complaint procedure is an anonymous, confidential channel offered to all RWS employees as well as external parties as an additional means of communication. This allows concerns or reports of potential violations of human rights and environmental due diligence obligations to be raised anonymously, thereby ensuring that relevant interests are taken into account.

We investigate all submissions in accordance with binding internal regulations. Reports on all submissions and the respective investigations are regularly submitted to management in accordance with a defined procedure. RWS does not tolerate any discrimination against individuals who contact us via the RWS Integrityline or other communication channels.



2. Cybersecurity

During the reporting period, company-wide awareness training in accordance with ISO/IEC 27001 was successfully conducted. Over 95 % of employees registered, more than 93 % began the training, and approximately 75 % completed it in full.

The overall score achieved was 96 points. The average user rating was 4.1 out of 5 stars, confirming the positive reception of the program.

This ensured that employees received comprehensive training on information security and relevant policies. Continuous evaluations via SoSafe enable the program to be monitored and optimized.

Overall, there is a high level of employee participation, as well as an effective and sustainable integration of information security within the company.

D. People

Our Employees as the Foundation of Sustainable Corporate Success

Our employees are the foundation for innovation, quality, and the long-term success of RWS. As a technology-oriented company, we view the recruitment, development, and retention of qualified professionals as an essential component of our sustainable corporate strategy.

A corporate culture characterized by appreciation, trust, and a sense of responsibility creates the conditions for sustainable growth and long-term competitiveness. We focus on attractive working conditions, the continuous development of our employees' skills, and the promotion of health, safety, and diversity.

Through targeted investments in the training, well-being, and personal development of our employees, we make a significant contribution to the future viability of our company.

1. Social Responsibility

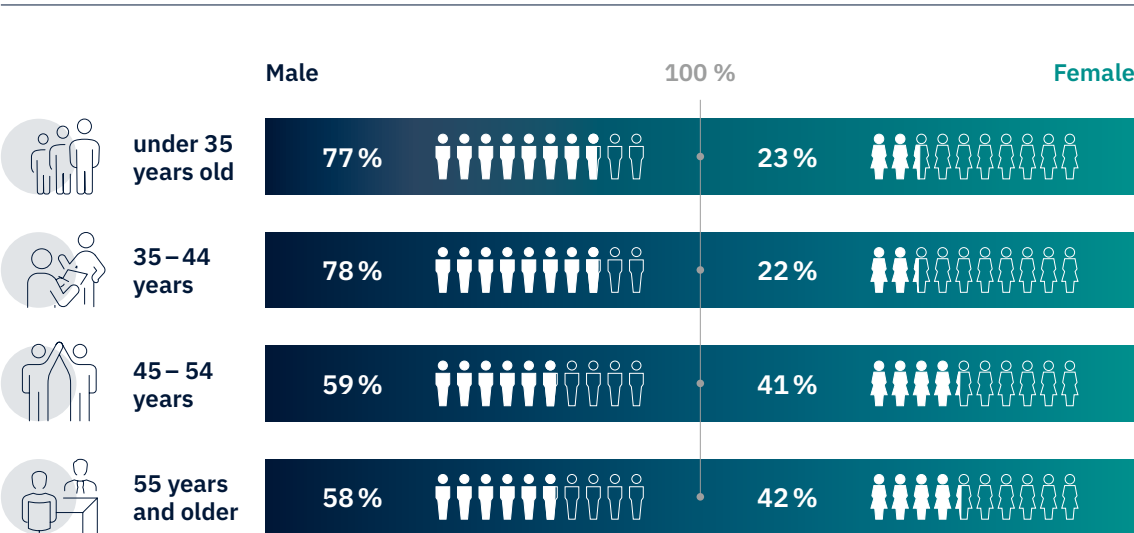
1.1 Employees

RWS GmbH operates production facilities in Fürth and Sulzbach-Rosenberg. As of December 31, 2025, the company employed approximately 1,500 employees from nearly 40 countries.

The diversity of experiences and cultural backgrounds represents a key factor in the company’s innovation and performance. The proportion of female employees rose to over 32 % during the reporting year. Among senior management, women accounted for 7 %, while women already make up one-third of the executive board.

RWS aims to continue increasing the proportion of female specialists and managers over the long term, thereby further strengthening diversity within the company.

The age structure of the workforce shows a balanced distribution across the various age groups and forms a solid foundation for knowledge transfer and long-term workforce development.



Corporate Culture and Employee Satisfaction

RWS’s corporate culture is characterized by mutual respect, open communication, and trust-based collaboration. The continuous development of this culture is an essential component of strategic human resources development.

To assess satisfaction levels and identify areas for improvement, RWS conducted a comprehensive employee survey in 2024. With a participation rate of over 79%, the survey received a strong response and provides a solid foundation for the further development of the corporate culture.

The results were analyzed and translated into concrete measures. Among the key initiatives is the “Strengthening Leadership Culture” project, launched in 2025. The goal is to further develop leadership guidelines and promote respectful, transparent, and trusting collaboration at all levels.

Another employee survey is planned for 2027. Building on the results of the 2024 survey, RWS aims to increase employee satisfaction by at least five percentage points by the time of the next survey. Through the continuous development of the leadership culture and the implementation of targeted improvement measures, RWS aims to sustainably strengthen its appeal as an employer.

Training, Talent Management, and Development

The continuous development of our employees’ skills is an essential component of RWS’s strategic human resources development. Against the background of technological advancements and increasing digitalization, the company makes targeted investments in imparting future-oriented skills and creates attractive development opportunities across all career stages.

RWS takes a holistic approach that ranges from recruiting young talent through training and qualification to the individual development of specialists and leaders.

A key component of this is the company’s own training center. Here, RWS offers seven different apprenticeship programs as well as dual degree programs and also supports retraining, internships, and career exploration days to spark early interest in technical careers and attract qualified young talent to the company. In addition, RWS participates in career fairs and career-oriented events at schools and colleges and takes part in initiatives such as Girls’ Day.

This support does not end with the successful completion of training. Through individual development plans, coaching opportunities, and targeted programs for technical and leadership development, RWS supports the professional and personal growth of its employees and creates long-term career prospects within the company. In doing so, RWS aims to foster talent sustainably, retain qualified professionals in the long term, and secure the necessary skills to meet future challenges.

Another key component of human resources development is a transparent performance and development process. At the start of the evaluation period, expectations and goals are defined jointly. Regular feedback meetings provide transparency regarding individual performance levels and support employees’ personal and professional development. Performance evaluations serve not only to guide and support employees but also form the basis for individual development opportunities and the recognition of exceptional achievements.

Another focus is on imparting competencies in key sustainability and compliance topics. Through mandatory training programs, RWS ensures that all employees share a common understanding of the relevant requirements and corporate principles.

Key training areas include integrity, diversity and inclusion, occupational safety and health, IT security, and human rights and environmental due diligence obligations. Through these standardized training measures, RWS strengthens a responsible corporate culture and supports compliance with legal and internal requirements.

In the 2025 reporting year, more than 4,000 training sessions were conducted. In total, the training amounted to nearly 32,000 hours. A major contributor to this was the successful implementation of SAP S/4HANA, which was accompanied by extensive training initiatives.

Regular feedback processes and effectiveness analyses support the continuous improvement of the training and professional development offerings.

Onboarding and Work-Life Balance

A structured onboarding process supports new employees from the moment they sign their contract and lays the groundwork for successful professional and social integration into the company.

During Onboarding Days, new employees receive comprehensive information about the company's locations, key business units, and important processes and contacts. In addition, individual onboarding plans are created to ensure a systematic and needs-based introduction to their respective areas of responsibility.

An established mentoring system further supports the transition into the various departments. Experienced employees guide new colleagues during the onboarding phase, provide important information, and facilitate cross-departmental networking. At the same time, they make a valuable contribution to rapid integration into the work environment and to fostering an open and appreciative corporate culture.

RWS also supports its employees in balancing work and personal life through flexible work schedules and modern work arrangements. The standard weekly workweek is 35 hours. Flexible work hours, remote work, and various part-time options significantly contribute to the company's appeal as an employer and to the long-term retention of qualified professionals.

In addition, through its "active retirement" program, RWS offers employees the opportunity to continue working at the company even beyond the standard retirement age. This preserves valuable experience and expertise while also accommodating individual needs for a flexible transition into retirement.

Annual, Individual Development Reviews

As part of an open corporate and communication culture, individual development reviews take place every year between supervisors and their employees. During these reviews, the expectations of the employee and the supervisor are aligned, and the employee's individual opportunities for further development are identified. Based on this, individual training and development initiatives are launched.

Health and Well-Being

The health and well-being of our employees are a top priority for RWS and are an integral part of our sustainable corporate management.

To this end, RWS has established a comprehensive and sustainable workplace health management program that integrates various areas of focus and goes well beyond legal requirements. The goal is to promote the long-term health, productivity, and well-being of employees.

The focus is on health promotion, prevention, mental health, and addiction counseling.

In the 2025 reporting year, the Workplace Health Management program was consistently further developed and established as an integral part of the corporate culture. A total of six comprehensive health initiatives were carried out. In doing so, RWS regularly collaborates with external partners and subject matter experts.

In addition, RWS promotes physical activity and a health-conscious lifestyle. This includes, among other things, a partnership with the Urban Sports Club, various exercise and cycling campaigns, measures to promote a healthy musculoskeletal system, and support for company bicycle leasing.

In addition to physical health, mental health is also a top priority. With the “psyBel” team, RWS has an established support program for the early detection and management of mental health challenges.

Another component of the company’s health management program is addiction prevention. Through counseling services and various awareness-raising initiatives, RWS promotes responsible use of addictive substances and strengthens health awareness among its workforce.



1.2 Occupational Safety and Safety Culture

Employee safety is a top priority. At RWS, occupational safety is not viewed merely as compliance with legal requirements, but as a shared responsibility of all employees. The goal is to establish a safety culture in which employees feel well cared for and protected at their workplace and are informed about all the ways RWS supports this.

RWS addresses health and safety risks as part of its central occupational safety concept, which takes industry-specific hazards into account. Site-specific risk assessments are conducted by site management based on operational conditions.

A strong safety culture is reinforced through regular training, awareness-raising measures, and the consistent promotion of safe behavior. Particular emphasis is placed on mutual vigilance, treating one another responsibly, and a shared understanding of the importance of actively contributing to the safety of colleagues.

In this context, the “Guardian Angel Initiative” was also established during the reporting year, through which safety-oriented behavior for the benefit of colleagues is promoted, highlighted, and communicated company-wide.

In addition to accident prevention, the 2025 priorities included ergonomic risks, order and cleanliness, the handling of hazardous substances, the proper use of personal protective equipment, and mental health issues, which were addressed in collaboration with the Human Resources department.

To protect the health and safety of its employees, RWS implemented targeted technical, organizational, and behavioral measures during the reporting year. These include the further standardization of accident investigations with root cause analyses and preventive follow-up measures, as well as targeted safety training for relevant employee groups and managers. Key insights are shared company-wide through “Lessons Learned” sessions and regular occupational safety bulletins, which support continuous improvement.

To monitor the effectiveness of health and safety measures, RWS uses a combination of quantitative and qualitative indicators, including accident statistics, figures on accidents resulting in lost time, and the results of internal audits.

Accidents at work	2025	2024
Coverage rate of occupational health and safety management systems	100 %	100 %
Accident rate (reportable accidents per 1,000,000 working hours)	7.12	4.30
Reportable accidents per 1,000 employees	14.52	8.78
Accidents subject to reporting requirements	20	12
Days of absence	441	260
Fatal accidents	0	0

A comparison between 2024 and 2025 revealed an increase in lost-time accidents as well as in the total number of lost workdays. The decline observed from 2023 to 2024 has not yet stabilized. This provides valuable insights into which areas require further improvement in safety conditions and where safety-oriented behavior needs to be supported even more intensively.

All reported incidents undergo a structured root cause analysis. The results are summarized centrally, communicated through regular reports and meetings, and integrated into recurring occupational safety topics, lessons learned, and recommendations for best practices to promote continuous improvement and a consistent safety culture across all sites.

1.3 Diversity and Equal Opportunity

Respect for human rights and the promotion of diversity, equal opportunity, and inclusion are firmly anchored in RWS's corporate culture. A respectful, appreciative, and non-discriminatory work environment forms the foundation for successful and trusting collaboration.

RWS expressly rejects all forms of child labor, forced labor, modern slavery, and human trafficking, and does not tolerate any discrimination based on gender, age, ethnic origin, nationality, religion or belief, sexual orientation, social background, disability, marital status, or other personal characteristics.

All employees shall be afforded equal opportunities in hiring, compensation, training, and career development, regardless of their individual characteristics. Human resources decisions are made exclusively on the basis of qualifications, performance, and suitability.

Freedom of association and cooperation with employee representatives are respected and actively supported. RWS promotes open dialogue, a culture of mutual respect, and the opportunity to voice concerns or provide feedback without fear of retaliation.

Furthermore, RWS is committed to an inclusive work environment in which diverse perspectives, experiences, and backgrounds are viewed as an asset. Diversity is recognized as a key factor in innovation, creativity, and sustainable business success.

Fair Working Conditions and Compensation

RWS offers its employees fair working conditions and competitive compensation. The compensation structures are based on the collective bargaining agreements of the Bavarian metal and electrical industry and exceed these standards in certain areas. Vacation pay, a Christmas bonus, capital-forming benefits, and 30 days of vacation complete the compensation package.

To ensure competitiveness, RWS regularly reviews its compensation structures by participating in independent compensation studies.

The CEO pay ratio was 12 in the reporting year. The unadjusted gender pay gap was reduced from 16 % to 14 % compared to the previous year.

International Cooperation and Cultural Exchange

RWS's international orientation is also reflected in various programs designed to promote intercultural exchange.

As part of the Erasmus program, twenty students from Italy visited the Fürth location in 2025 and gained insights into various business units and processes. In addition, apprentices were given the opportunity to spend time in Ireland and Malta. Furthermore, the annual trip to Beretta's headquarters in Italy promotes international exchange and collaboration within the corporate group.

1.4 Outlook

RWS will continue to focus on recruiting, developing, and retaining qualified employees. Key priorities include further developing the leadership culture, promoting diversity and equal opportunity, continuously enhancing the occupational health management system, and imparting future-oriented skills in the context of digital transformation.

In doing so, RWS aims to sustainably strengthen its appeal as an employer, secure the company's capacity for innovation in the long term, and make a significant contribution to the company's sustainable success.



2. S1—Own Workforce

2.1 Risk Analysis

To identify, assess, and prioritize human rights and environmental risks, a risk analysis was conducted during the reporting period, as in previous years.

This risk analysis was conducted for both direct suppliers and the company's own business unit.

For this report, it was conducted for the period January 1, 2025 – December 31, 2025.

This risk analysis will continue to be conducted at least annually in the future to update and monitor risks in the supply chain.

As a first step, all suppliers as well as our own business unit were examined for human rights and environmental issues in an abstract risk analysis. For this purpose, selected, internationally used indices were applied, and both country-specific and product-group-specific risks were considered. Based on the resulting findings, suppliers are categorized into “low,” “medium,” or “high” potential risk.

This evaluation was also conducted for the company's own business unit as part of the risk analysis. No risks were identified for the company's own business unit.

Suppliers with a resulting “medium” or “high” overall risk are included in the specific risk analysis. The specific risk is determined based on self-reported information from the LkSG supplier questionnaire, evidence of compliance with audit-based standards, as well as certificates and insights from the supplier relationship, and taking into account their weighting and prioritization. Based on the resulting specific risk, additional individual measures can then be implemented.

For direct suppliers, potential risks were identified as part of the risk analyses. These relate to violations of occupational safety and health hazards arising from work, as well as the destruction of natural resources due to environmental pollution. Accordingly, specific measures were implemented in collaboration with the suppliers.

No risks were identified for indirect suppliers as part of the risk analysis.

No event-driven risk analyses were conducted during the reporting period, as there was no information available regarding potential violations within our own business operations or in the supply chain during this time. Furthermore, the risk landscape (production, supply chain) has not changed.

The risks identified during the reporting period were weighted and, where applicable, prioritized based on specific appropriateness criteria.

The following were defined as appropriateness criteria within our own business unit: the nature and scope of our own business activities, our own capacity to influence, the expected severity

of the violation in terms of degree, the number of people affected, and the irreversibility of the violation, as well as the probability of its occurrence.

The same appropriateness criteria were used as the basis for weighting and, where applicable, prioritizing the risks associated with suppliers.

There, too, the risks were prioritized based on the following criteria: the typically expected severity of the violation, the irreversibility of the violation, the likelihood of the violation occurring, the nature of RWS GmbH's contribution to the violation, the nature of the supplier's business activities, the scope of the supplier's business activities, and RWS GmbH's influence over the direct perpetrator of the violation or risk.

Violations of the prohibition against child labor, torture, forced labor, and slavery are considered particularly serious and irreversible violations. Such violations are treated as high priority where applicable.

Subsequently, the focus is primarily on those risks that consistently affect a large number of people, such as violations of occupational safety regulations, wage discrimination, and the occurrence of harmful soil, air, and water pollution.

Suppliers from high-risk countries are given priority in the prioritization process.

Within our own business unit, no risks were prioritized during the reporting period, as there were no indications of violations of the aforementioned prohibitions.

2.2 Conflict Minerals

Within procurement and during risk analysis, special attention is paid to the sourcing of conflict minerals.

This begins with special checks during supplier selection and qualification and is regularly reviewed separately as part of the risk analysis. Suppliers of conflict minerals are not approved until they have demonstrated the conflict-free sourcing of these minerals.

As part of the risk analysis process, suppliers of conflict minerals are evaluated separately. To demonstrate conflict-free sourcing, these suppliers must provide CMRTs for the conflict minerals they procure. In addition, suppliers of conflict minerals also disclose their smelters, as transparency regarding conflict minerals is a top priority for them as well.

These measures ensure that RWS procures only conflict minerals that have been extracted without human rights violations or environmental pollution.

2.3 Preventive Measures Within Our Own Business Unit

As a key preventive measure to avert and minimize priority risks within its own business operations, the implementation of training programs in relevant business areas was evaluated and initiated during the reporting period.

As part of this measure, all RWS employees were trained during the 2025 fiscal year via a web-based learning platform on the human rights and environmental obligations under the LkSG.

Managers from HR, QM, and Compliance were also trained on LkSG-relevant processes in their respective departments and informed about the specific implications of the LkSG for their roles.

Employees in Strategic Procurement are also being trained on LkSG processes relevant to them and on how to handle, for example, the LkSG supplier questionnaire.

The training sessions are appropriate and effective, as they are made accessible to all employees and can be completed within a reasonable amount of time.

2.4 Identification of Violations and Corrective Actions Within Our Own Business Unit

No violations were identified within our own business unit during the reporting period.

Violations within our own business area can be identified through various procedures.

These are found in particular in the complaint procedure. In addition, both regular and ad hoc risk analyses are conducted. Furthermore, indications can also be found in communications within the framework of the risk management system.



3. S2—Workers in the Value Chain

3.1 Preventive Measures at Direct Suppliers

As preventive measures for the reporting period to prevent and minimize priority risks at direct suppliers, the development and implementation of appropriate procurement strategies and purchasing practices were defined and carried out.

To this end, following a gap analysis, all processes related to supplier management were supplemented with criteria relevant to the LkSG. A process for reviewing suppliers' abstract and, where applicable, concrete risk scores was added. Delivery times, purchase prices, or the duration of contractual relationships were not affected by these implemented measures.

The processes for procurement strategy and purchasing practices are intended to avoid business relationships with high-risk suppliers or to minimize or eliminate risks in collaboration with the supplier. To ensure this, the following measures were implemented:

- Incorporating Expectations into Supplier Selection
- Obtaining contractual assurances regarding compliance with and implementation of expectations throughout the supply chain
- Agreeing on and implementing risk-based control measures

To minimize the identified risks of “non-compliance with occupational safety and work-related health hazards” and “destruction of natural resources through environmental pollution” among direct suppliers, the above-mentioned preventive measures were implemented. The expectations for direct suppliers are set forth in the “Code of Conduct for Business Partners” and the supplier qualification form. The assurance of compliance with these requirements is an integral part of the qualification process for strategic suppliers.

No risks were prioritized among direct suppliers for the reporting period.

This is based on the assessment that, during the reporting period, there were no indications of violations of the aforementioned prohibitions among direct suppliers.

3.2 Preventive Measures for Indirect Suppliers

As preventive measures for the reporting period to prevent and minimize priority risks among indirect suppliers, the development and implementation of appropriate procurement strategies and purchasing practices were defined and carried out.

The “Code of Conduct for Business Partners” and the supplier qualification process require compliance with the human rights and environmental protection standards specified in the LkSG. This includes the obligation of indirect suppliers to ensure compliance within their own supply chains as well.

No risks were prioritized among indirect suppliers during the reporting period.

This is based on the assessment that there was no substantiated knowledge of risks among indirect suppliers during the reporting period.

The measures taken are appropriate, as there is no direct means of influencing indirect suppliers.

3.3 Identification of Violations and Remedial Measures at Direct Suppliers

Violations at direct suppliers can be identified through various procedures.

These are identified in particular through the complaint procedure. In addition, both regular and ad hoc risk analyses are conducted. Furthermore, indications are identified through communication within the framework of the risk management system.

No violations were identified among direct suppliers during the reporting period.

3.4 Identification of Violations and Corrective Actions at Indirect Suppliers

Violations at indirect suppliers can be identified in particular through the complaint procedure. There were no reports regarding indirect suppliers during the reporting period.

Based on these points, the evaluation concludes that there was no substantiated knowledge of violations among indirect suppliers during the reporting period.

4. (S3—Affected Communities)

The dual materiality analysis has shown that RWS GmbH did not engage in any activities that adversely affected or endangered affected communities. Consequently, there is no materiality in this area.

5. (S4—Consumers and End Users)

RWS GmbH did not engage in any activities that adversely affected or endangered consumers or end users; therefore, this area is not material.

All necessary information for consumers or end users is available via safety data sheets, catalogs, online, and on product packaging (BtC).

In addition, consumers or end users can contact RWS GmbH online at any time via the website with their questions.



E. Environment

In 2023, RWS GmbH began collecting existing data on the environmental impacts of the company in a sustainability report:

In doing so, we followed the ESRS framework (European Sustainability Reporting Standards), which is based on the CSRD (Corporate Sustainability Reporting Directive).

1. E1—Climate Change

RWS is committed to effectively protecting the environment as part of its environmental management. Clear objectives ensure a sustainable improvement in environmental performance. RWS is dedicated to preserving the integrity of nature and our environment. In doing so, RWS recognizes that its actions must be both economically and socially responsible, with an eye toward future generations. Therefore, RWS prioritizes human health and safety, the efficient use of resources, and environmental cleanliness. As part of its environmental management system, RWS collects data on energy consumption, emissions, resource use, wastewater, and waste.

The resulting overview of all processes at the company’s two locations forms the basis for research and development of new production methods and products that make the best possible use of resources through environmentally friendly technologies.

When planning investments, RWS prioritizes projects that make sense from an environmental, energy, and climate perspective. This enables the ongoing optimization of energy-intensive processes and promotes environmentally friendly waste and water management.

GHG Emissions (Greenhouse Gas):

GHG	2025	2024	Change
Scope 1	5,646.38 GJ	4,667.46 GJ	21.0 %
Scope 2	7,261.14 GJ	6,669.76 GJ	8.9 %
Scope 3	n/a	n/a	n/a

The figures are based on data from the two plants in Fürth and Sulzbach-Rosenberg. The increase in Scope 1 GHG emissions compared to the previous year is attributable, on the one hand, to weather-related effects and, on the other hand, to a sharp rise in production volumes. These factors also impacted Scope 2 emissions, thereby accounting for the increase in this area. The collection of data on Scope 3 GHG emissions is still being established.

2. E2—Environmental Pollution

Air emissions by pollutant have been calculated internally to date and have now also been included in the sustainability report for the reporting year.

RWS GmbH generated the following air pollutant emissions during the reporting year:

Emissions into the air	2025	2024	Change
Particulate matter	66.0 kg	66.0 kg	0.0 %
Lead	4.1 kg	4.1 kg	0.0 %

Compared to the previous year, these emissions remained at a constant level.

Additional air emissions are determined in accordance with the Technical Instructions on Air Quality Control (TA Luft), to which RWS is subject, and are regularly reported to the regulatory authorities. During the reporting period, these emissions were well below the reportable thresholds.

Emissions into Water by Pollutant

Thanks to the company's own wastewater treatment plant and other appropriate measures, emissions into water were treated to such an extent that all emissions during the reporting period were well below the reportable limits.

Emissions into the soil by pollutant

Through appropriate measures, emissions of pollutants into the soil were prevented.

To prevent potential environmental damage, RWS GmbH has implemented processes that ensure substances of concern are handled and used only under controlled conditions and in compliance with all safety measures.

The following total quantities of substances of concern generated, used, or procured during production—broken down by the main hazard classes of substances of concern—were utilized:

Material of concern	Consumption 2025	Receipt/Production 2025	Consumption 2024	Receipt/Production 2024
Anthracene	34.0 kg	0.0 kg (E)	43.4 kg	100.0 kg (E)
Lead	2,207.3 t	2,043.0 t (E)	1,782.0 t	1,773.0 t (E)
Lead nitrate	12.6 t	16.3 t (E)	14.1 t	13.5 t (E)
Lead styphnat	15.4 t	15.4 t (H)	15.6 t	15.6 t (H)
Boric acid	50.0 kg	100.0 kg (E)	25.0 kg	0.0 kg (E)

Compared to the previous year, the quantities of these substances were largely reduced to below the previous year's level. The increases in consumption are attributable to higher production volumes.



3. (E3—Water and Marine Resources)

RWS GmbH routinely records all water inflows and outflows at its facilities.

Water	2025	2024	Change
Consumption p.a.	119,901 m³	137,939 m³	-13.1 %

The significant reduction in water consumption compared to the previous year is due to the modernization of irrigation systems. Consumption is expected to remain at the previous year’s level next year.

The returned water volumes were treated and purified in the internal wastewater treatment plant, allowing them to be returned to the natural cycle.

4. (E4—Biodiversity and Ecosystems)

RWS GmbH did not engage in any activities that impacted biodiversity or ecosystems; therefore, this area is not considered material.

5. E5—Resource Use and Circular Economy

RWS GmbH primarily introduced biological and recycled materials into the circular economy.

The total waste generated was categorized into non-hazardous waste, hazardous waste and its disposal, as well as recovery and recycled waste.

RWS GmbH generated the following waste during the reporting year:

Total waste	2025	2024	Change
Non-hazardous waste	5,446.15 t	5,491.94 t	-0.8 %
Hazardous waste	407.89 t	1,799.25 t	-77.3 %
Total	5,854.04 t	7,291.19 t	-19.7 %

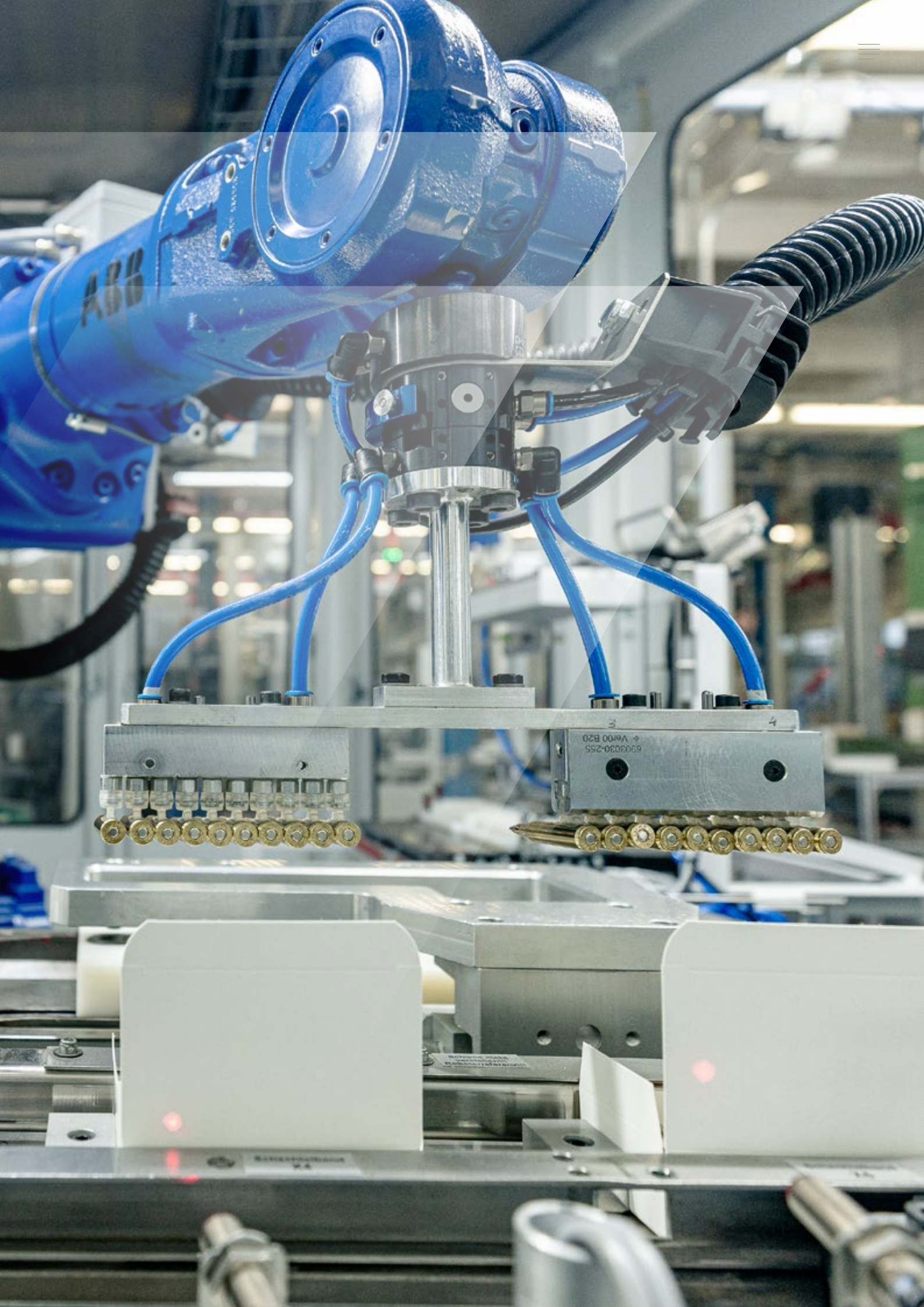
Non-hazardous waste	2025	2024	Change
of which recycled waste	5,446.15 t	5,491.39 t	-0.8 %
Waste disposal	0.0 t	0.55 t	-100.0 %
Total	5,446.15 t	5,491.94 t	-0.8 %

Hazardous Waste	2025	2024	Change
of which recycled waste	397.94 t	754.68 t	-47.3 %
Waste disposal	9.94 t	1,044.57 t	-99.0 %
Total	407.88 t	1,799.25 t	-77.3 %

For non-hazardous waste, waste volumes were kept at a constant level compared to the previous year—despite a significant increase in production volumes. The significant decline in hazardous waste is due to the discontinuation of the one-time cleanup of lead-contaminated sand in 2024 (as reported in the 2024 Sustainability Report).

F. ESG Management Statement

RWS GmbH takes its responsibility towards the environment, its social obligations, and its business activities (ESG: Environment, Social, Governance) very seriously. Business integrity, consideration in dealing with employees and all other affected parties, the careful use of resources, and the development of efficient solutions in harmony with nature and the interests of stakeholders are an important part of RWS's value system. Together with all our employees, we work diligently every day to advance the development of our company in this spirit.



RWS

Ignition Technology since 1886

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