

SEVERIN

SUSTAINABILITY REPORT 2025/2026



04 STATEMENT

Management Statement	06
Principles for Preparing This Report	07



08 INTRODUCING SEVERIN

Severin History	10
Product Segments	12
Awards	15
Organisational Structure	16



18 OUR SUSTAINABILITY PROCESS

Our Sustainability Process	20
Value Chain	23
PAT Information (Policies, Actions, Targets)	24



26 INTERVIEWS

Sustainability and Innovation in Logistics	28
Developments in Customer Service and Repairs	32
Outlook for Factory Sales and Marketing of B-Grade Goods	36



38 GENERAL INFORMATION

General Information	40
Climate Change	46
Water and Marine Resources	49
Biodiversity	49
Resource Use and Circular Economy	49
Own Workforce	50
Corporate Governance	52

Appendix: Omitted Data Points	53
Report Information / Publication Details	55



STATEMENT

1.0 STATEMENT

DEAR READERS,

For over 130 years, Severin has stood for products that are part of people's everyday lives and offer genuine added value. As a medium-sized company with roots in Sundern in the Sauerland region, we uphold a commitment that goes beyond reliable technology and high quality: to make our products as durable as possible, use resources responsibly and take responsibility for the impact of our business activities. This is also part of what we mean by our commitment to "Premium for everyone".

In view of climate change and its ecological, social and economic consequences, we believe that companies have a responsibility to consistently drive sustainable business practices forward. For us, this means considering sustainability across the entire value chain – from product development and procurement through production and logistics to after-sales service.

A particular focus is on the durability and reparability of our products. High availability of spare parts and the refurbishment of returned products help extend product lifecycles, conserve resources and strengthen the circular economy. At the same time, we are working with our international partners to make our supply chains more transparent, resilient and sustainable.

Achieving this requires clear targets and measurable progress. Our key initiatives include further increasing

the recovery rate of incoming returns, as well as gradually reducing our Scope 1, Scope 2 and Scope 3 emissions by 2030. Cross-departmental working groups, supported by internal and external expertise, help us implement relevant measures, assess their impact and continuously develop our activities further.

With this Sustainability Report, we want to provide a transparent picture of where we stand today, the progress we have already made and the challenges that still lie ahead. The report covers the 2024 and 2025 financial years and is aligned with the VSME Standard. After focusing intensively on double materiality and establishing a data foundation for ESRS reporting in 2025, we decided in early 2026 to report in accordance with the VSME Standard, in light of regulatory developments and our company size.

We see sustainability as an ongoing process and an integral part of Severin's long-term development. Our aim is to combine economic performance, quality and responsible business practices. In doing so, we want to be transparent about both what we have achieved and the challenges that remain, while working step by step to further improve our sustainability performance and create long-term value for our customers, employees, partners and the environment.



Gerhard Sturm
CEO



Can Yildirim
CTO



Luca Kunze
Sustainability Expert

Gerhard Sturm

Can Yildirim

Luca Kunze

PRINCIPLES FOR PREPARING THIS REPORT

This Sustainability Report is aligned with the voluntary VSME Standard (Voluntary Sustainability Reporting Standard for non-listed Micro-, Small- and Medium-sized Undertakings) developed by EFRAG (European Financial Reporting Advisory Group). The VSME Standard was developed to provide a consistent framework for voluntary sustainability reporting, particularly for small and medium-sized enterprises that are not listed on a stock exchange.

The aim of this report is to provide transparent information on Severin's material impacts on the environment and society. At the same time, it considers sustainability matters that may have financial implications for the company. Short-, medium- and long-term time horizons are taken into account. The information and performance indicators presented have been selected and prepared to ensure that they are relevant, reliable, comparable, understandable and verifiable. To provide as comprehensive a picture as possible of Severin's sustainability performance, the report considers relevant industry-specific topics in addition to the requirements of the VSME Standard. It presents both quantitative performance indicators and qualitative information and explanations. The reporting follows the "if applicable" principle set out in the VSME Standard ("where applicable"). This means that only data points that actually apply to Severin or are relevant to the company are reported. Requirements that are not applicable are identified accordingly.

The Sustainability Report is prepared and made publicly available every two years. It is published independently of the annual financial statements and covers both Severin and its consolidated subsidiaries. The reporting periods are aligned with the financial year, thus generally corresponding to the periods used for financial reporting. This is intended to ensure the highest possible level of consistency and coherence between financial and sus-

tainability-related information. Where appropriate, the report refers to documents that have already been published in order to avoid duplication. Certain information may be excluded from disclosure if it is considered confidential or sensitive. Where this option is used, the relevant section of the report clearly indicates this, for example, by referring to B1 of the VSME Basic Module, the general disclosure on the basis for preparing the report.

For ease of reading, the structure of this report does not consistently follow the order of the VSME Standard. Instead, the content is structured around thematic areas. The relevant disclosure requirements and data points of the VSME Standard are indicated in brackets, for example, §24. This approach makes the mapping to the Standard transparent while also allowing for a practical and reader-friendly structure.

Additional information on the use of the published sustainability information by financial market participants, such as banks, investors and large companies subject to reporting requirements, can be found at the end of the report in the chapter "Background Information for Financial Market Participants (VSME Standard – Appendix C)". This section explains which disclosures in the Basic and Comprehensive Modules may be particularly relevant to sustainability-related financing and information requirements. It also outlines the links with other European regulatory frameworks. These include, in particular, the SFDR (Sustainable Finance Disclosure Regulation; EU Disclosure Regulation), the EBA (European Banking Authority) requirements for banks' Pillar 3 disclosures, and the EU Benchmark Regulation (BMR). This makes it clear in which areas the company information published in accordance with the VSME Standard may also be relevant to financial institutions and other market participants.



INTRODUCING SEVERIN

2.1

1892

Anton Severin establishes a craft business in the Sauerland region

1922

Opening of the new factory in Sundern

1961

Opening of an in-house testing department and a telephone customer service

1976

Establishment of an in-house service department with customer support

1991

Start of international expansion with the establishment of the first sales subsidiary in France

Founding of
**A. Severin
& Co. GmbH**

1921

Entry into the electrical household appliances market

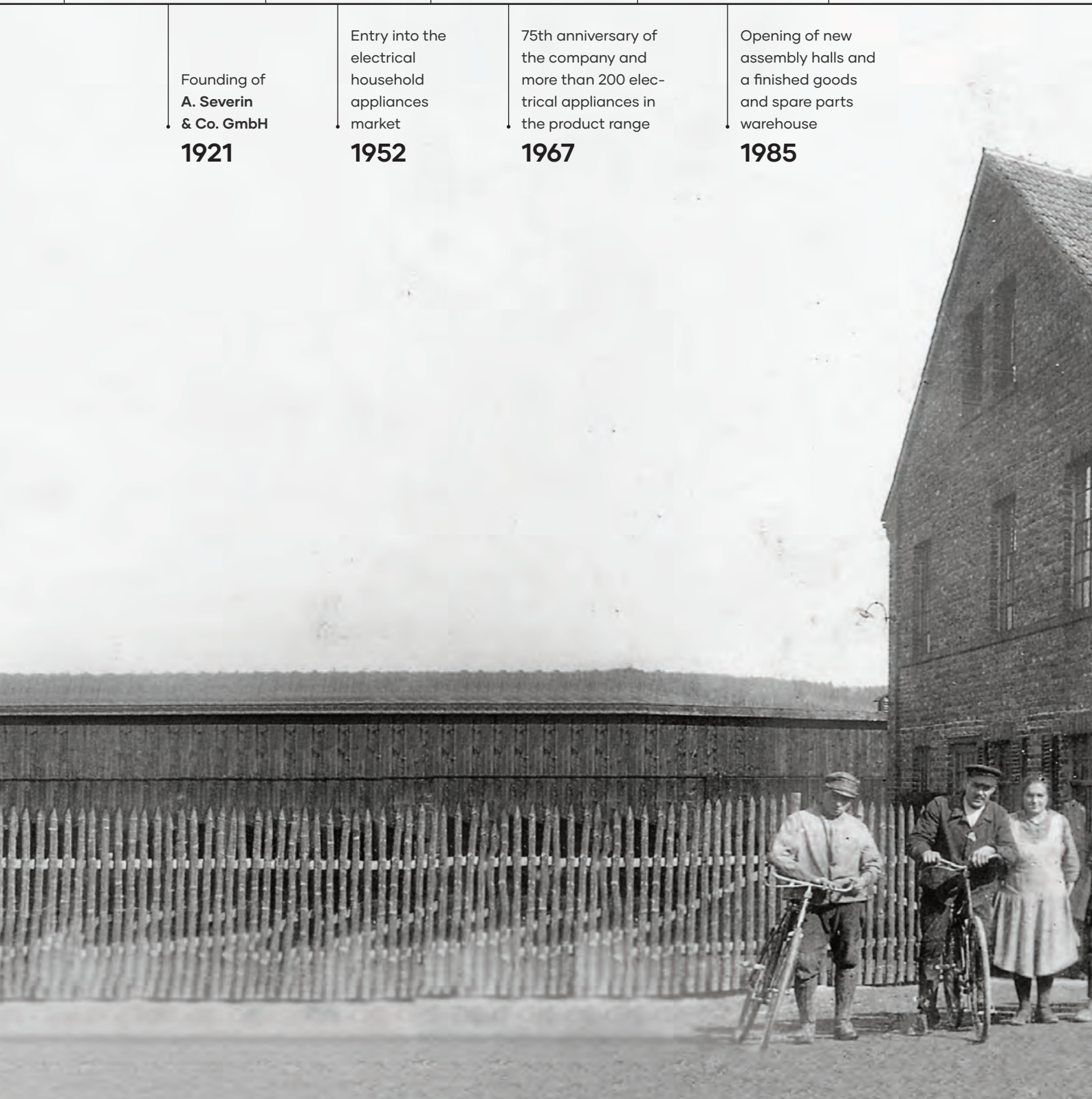
1952

75th anniversary of the company and more than 200 electrical appliances in the product range

1967

Opening of new assembly halls and a finished goods and spare parts warehouse

1985



SEVERIN COMPANY HISTORY

2015

Entry into the company and acquisition by Copper Oak Ventures

2024

Strategic realignment and a new, modern brand identity

Commissioning of the high-bay warehouse in Sundern with a capacity of 36,000 pallet spaces

2005

Expansion of e-commerce and international business

2018

Severin's history began in **1892**, when Anton Severin founded a craft business in the Sauerland region, laying the foundation for the company as it exists today.

In **1921**, he founded A. Severin & Co. GmbH together with his son, Anton Severin Jr. Just one year later, in **1922**, the company opened its new factory in Sundern, providing the basis for further growth.

The start of production of electrical household appliances in **1952** marked a new chapter in the company's history. This was followed in **1961** by the opening of an in-house testing department and the introduction of a telephone customer service – two important milestones in quality and service.

By the company's 75th anniversary in **1967**, its product range already comprised more than 200 different electrical appliances. In **1976**, customer service was further expanded with the establishment of a dedicated service department.

The company's continuous growth was also reflected in further investments. In **1985**, new assembly halls and a finished goods and spare parts warehouse were opened. The establishment of the first sales subsidiary in France in **1991** marked the beginning of the company's international expansion.

Another important step in logistics was taken in **2005** with the commissioning of the high-bay warehouse in Sundern, which has a capacity of 36,000 pallet spaces.

In **2015**, the Dortmund-based family office Copper Oak Ventures invested in Severin, ultimately acquiring the company in **2018**. In the following years, the company focused in particular on strengthening e-commerce and consistently driving its international expansion forward.

In **2024**, Severin entered a new corporate phase with a modern brand identity, a strategic realignment and a clear focus on high-growth segments.



2.2

PRODUCT SEGMENTS

Severin is an international household appliance company headquartered in Sundern in the Sauerland region of Germany. For more than 130 years, Severin has been developing innovative and reliable household appliances designed to make everyday life easier, more comfortable and more enjoyable.

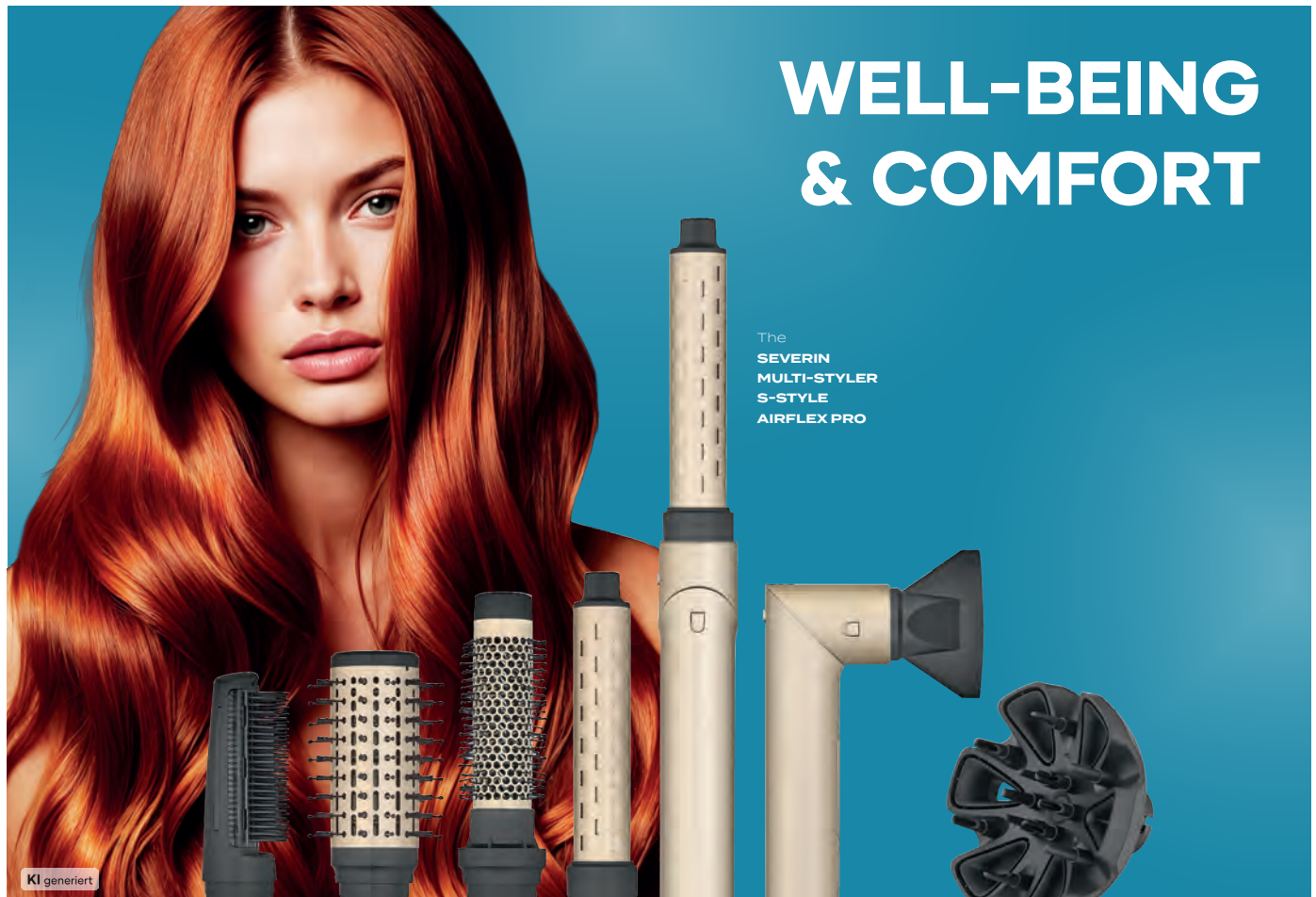
Product development, product management and quality and safety testing are carried out at the company's headquarters in Germany. The products are manufactured in close cooperation with selected, long-standing production partners in Asia and Europe, as well as other qualified suppliers.

With a clear focus on quality, user-friendliness and contemporary design, we develop products that meet the needs of modern households. Innovation,

along with high standards of product safety and service, is at the heart of our business activities.

Products are marketed through various sales channels. In addition to direct sales to end customers, Severin supplies specialist retailers and wholesalers, as well as international trading partners. The company is also active in the OEM business, developing and manufacturing products for well-known retail and brand partners worldwide.

The product portfolio comprises a variety of electrical household appliances for a wide range of applications, covering both everyday needs and special moments of enjoyment and lifestyle. The Severin product range comprises four core categories.



**WELL-BEING
& COMFORT**

The
**SEVERIN
MULTI-STYLER
S-STYLE
AIRFLEX PRO**

KI generiert

The advertisement features a woman with long, wavy, reddish-brown hair against a solid blue background. In the foreground, several Severin hair styling tools are displayed, including a multi-styler with a black barrel, a round brush, a flat iron, and a hair dryer with a black diffuser. The text 'WELL-BEING & COMFORT' is prominently displayed in white, bold, sans-serif font. Below it, the product name 'The SEVERIN MULTI-STYLER S-STYLE AIRFLEX PRO' is written in a smaller, white, sans-serif font. In the bottom left corner, the text 'KI generiert' is visible in a small, white, sans-serif font.

CLEANING & TIDYING



The
SEVERIN
HANDHELD
CLEANER
S-POWER
OLYMP PRO

NUTRITION & PREPARATION



The
SEVERIN
INDUCTION
MILK FROTHER
SPUMA GLASS



BARBECUE & CONVIVIALITY

The
SEVERIN
RACLETTE
GRILL
SEVENTO

KI generiert



2.3

AWARDS

We develop products with a clear value proposition. We understand what our customers need in their everyday lives and develop innovations that are not simply good by chance, but deliberately designed to get things right. Because they meet real needs and enrich people's lives in tangible ways.

The numerous awards we have received demonstrate that this approach works:

- Top 100 Innovator 2023: For outstanding innovative strength among SMEs (www.top100.de, published on 12 March 2023)
- German Innovation Award Gold 2022: For user-centred product development (www.wettbewerbe-aktuell.de, published on 19 November 2021)
- Kitchen Innovation Award 2024: For outstanding functionality, innovation, design and sustainability (www.kitcheninnovationaward.de, published in February 2025)
- Innovation Award 2025 – Severito



Our designs emerge at the intersection of customer needs, functional requirements and technical possibilities. For us, usability is just as much a part of design as aesthetics. Severin products are intuitive to use – and continue to impress over the long term. Our awards, including the Red Dot Award (<https://www.red-dot.org/search?winners=all>, published in April 2026) and the iF Design Award 2026 (<https://ifdesign.com/de/winner-ranking/project/severin-s-power-olymp-pro/755176>, published in March 2026), also demonstrate that we meet this standard. Severin makes it possible – with design that is about more than just form.



Severito



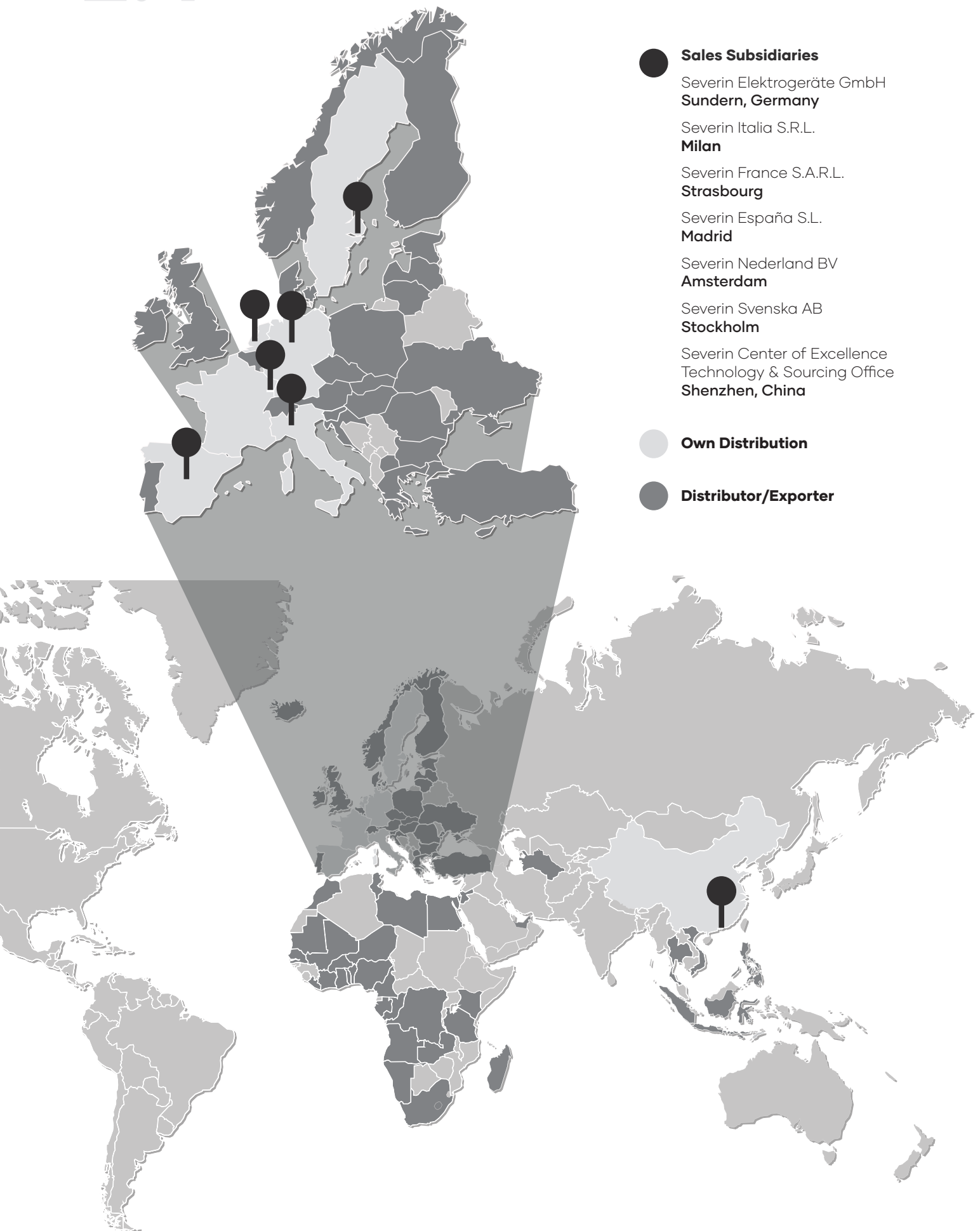
S-Power OLYMP PRO



red dot winner 2026



S-Style SPEED PRO



Sales Subsidiaries

Severin Elektrogeräte GmbH
Sundern, Germany

Severin Italia S.R.L.
Milan

Severin France S.A.R.L.
Strasbourg

Severin España S.L.
Madrid

Severin Nederland BV
Amsterdam

Severin Svenska AB
Stockholm

Severin Center of Excellence
Technology & Sourcing Office
Shenzhen, China



Own Distribution

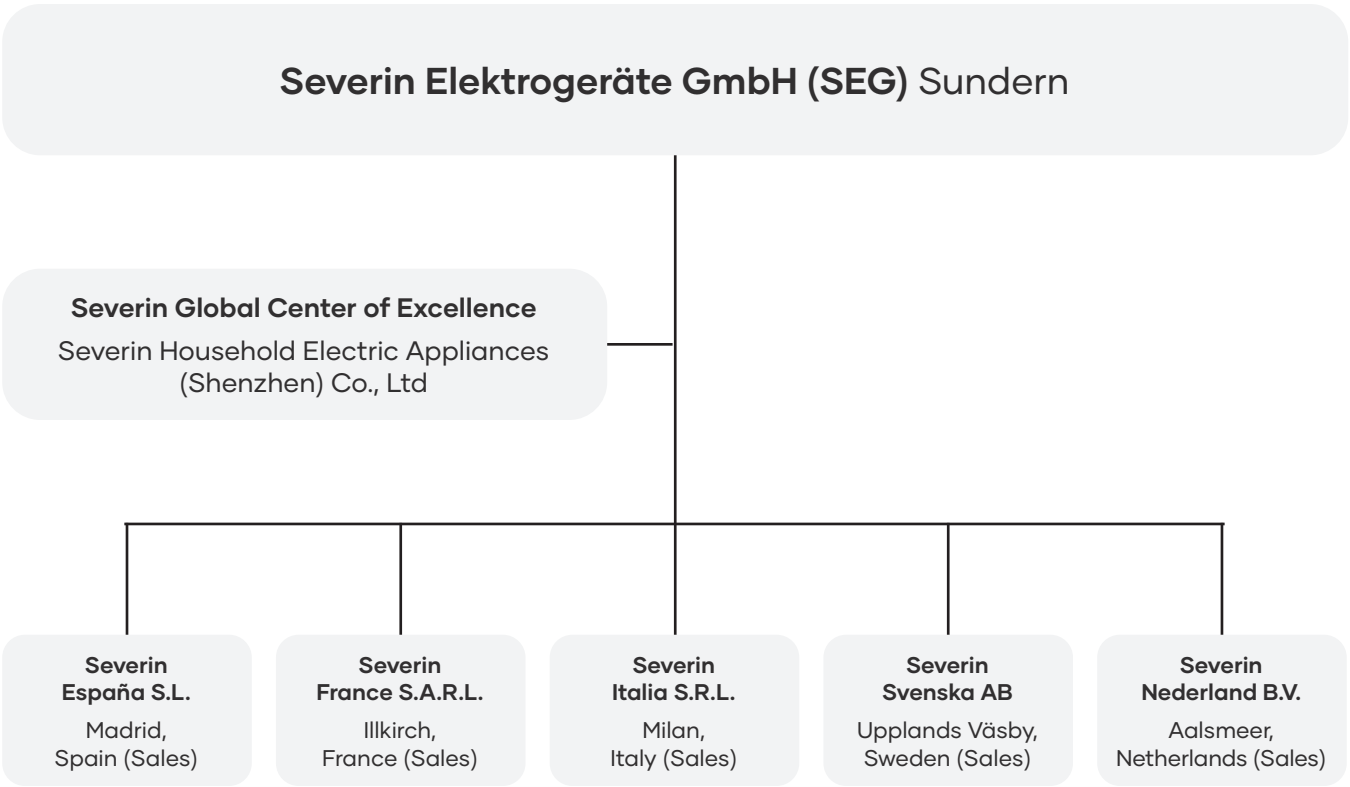


Distributor/Exporter

SEVERIN ORGANISATIONAL STRUCTURE

Our headquarters in Sundern in the Sauerland region serves as Severin's central management hub and centre of expertise. From here, the Customer Service, Logistics, Product Management, Innovation, Marketing, Quality Management and Product Safety departments drive the company's strategic development. At the same time, the site is responsible for continuously refining the product portfolio and coordinating international market and sales activities.

Together with the sales team for the German market and employees at five other European sales subsidiaries, we coordinate the distribution of Severin products across international markets.





OUR SUSTAINABILITY PROCESS

OUR SUSTAINABILITY PROCESS

From Analysis to Strategy

Our commitment to sustainability is based on a structured and integrated process aimed at systematically identifying, assessing and addressing the environmental, social and economic impacts of our business activities. Through a thorough analysis of our business environment and the active involvement of relevant stakeholders, we have developed a sustainability strategy focused on the company's long-term resilience and the creation of shared value. The following sections describe the individual phases of this process, which led step by step to the identification of our material topics.

System Analysis

As a first step, we conducted a comprehensive analysis of our business system and mapped the entire value chain, from raw material extraction and component procurement through production in Asia and logistics to the use, repair and disposal of our products. This analysis enabled us to systematically identify the material sustainability impacts across our operations and business relationships, including associated risks, opportunities for improvement and specific areas for action.

Context Analysis and Double Materiality

The next step was to analyse our business context. This involved comparing our company with relevant competitors based on various criteria, as well as examining current societal developments and industry-specific trends. The insights gained from this analysis provided the basis for the subsequent assessment of material impacts according to the principle of double materiality, which combines two complementary perspectives:

Impact materiality (inside-out)

Impact materiality considers how Severin's business activities affect the environment and society, for example, through greenhouse gas emissions along

the supply chain, the use of resources and packaging materials, or working conditions throughout the value chain.

Financial materiality (outside-in)

Financial materiality considers how environmental, social and governance (ESG) factors may affect Severin's financial and operational stability, for example, through regulatory requirements, the availability of raw materials or reputational risks.

Considering both dimensions enables us not only to minimise risks but also to implement specific measures to reduce negative impacts and create positive value for society and the environment.

Stakeholder Engagement

Following the materiality analysis, we identified the key stakeholder groups and actively involved them in the assessment process. The aim was to gain as complete and representative a picture as possible of the expectations and priorities of all relevant stakeholder groups.

The stakeholder engagement process comprised:

- identifying and classifying the key stakeholder groups: employees, customers, suppliers and internal subject-matter experts;
- analysing their expectations and priorities in relation to sustainability;
- incorporating their feedback into the prioritisation of material topics.

Engagement took place through structured workshops and targeted one-to-one discussions with internal subject-matter experts from the Procurement, Logistics, Marketing, HR and Customer Service departments. The results were evaluated and directly incorporated into the finalisation of the material topics.

Material Sustainability Topics

Our material sustainability topics emerged from the double materiality analysis and dialogue with our stakeholders. These topics form the strategic basis of this report and comprise:

ENVIRONMENT



- Energy consumption and greenhouse gas emissions (B3): climate change adaptation and climate change mitigation through the reduction of direct and indirect greenhouse gas emissions.
- Pollution of air, water and soil (B4): pollution of air, water and soil throughout the value chain.
- Water (B6): water consumption and the release of microplastics into soil and water bodies.
- Biodiversity (B5): land sealing and the impairment of habitats through raw material extraction.
- Resource use, circular economy and waste management (B7): the circularity of products and packaging, as well as waste management.

SOCIAL



- Own workforce, health and safety (B9) / remuneration, collective bargaining and training (B10): occupational health and safety, as well as equal treatment and equal opportunities.
- Workers in the value chain: working conditions, adequate remuneration, occupational health and safety and human rights at suppliers.
- Affected communities: protection of local communities from negative impacts arising from raw material extraction and logistics.

GOVERNANCE



- Corporate governance (B11): whistleblower protection, supplier relationship management and the prevention of corruption and bribery.

These topics were selected in accordance with the EFRAG VSME Standard and reflect the sustainability matters that are material to Severin. They do not cover all possible sustainability topics, but only those identified as material through the double materiality analysis and stakeholder engagement.

With this approach, we commit to concrete, measurable and forward-looking measures. The following pages address each topic individually, outlining what we are already doing, our targets and the relevant concepts and measures in accordance with the VSME Standard.

Strategy

As a final step, we identified the material sustainability topics for which Severin will initially develop specific strategies, targets and measures. The following topics were selected:

- Energy consumption and greenhouse gas emissions (B3): climate change mitigation through the reduction of greenhouse gas emissions, energy supply and mobility.
- Resource use, circular economy and waste management (B7): waste management, circularity and the use of recycled materials.
- Own workforce, health and safety (B9) / remuneration, collective bargaining and training (B10): health protection, occupational health and safety, equal treatment and equal opportunities.
- Workers in the value chain: working conditions, human rights and supply chain transparency.
- Corporate governance (B11): compliance, code of conduct, whistleblowing and supplier management.

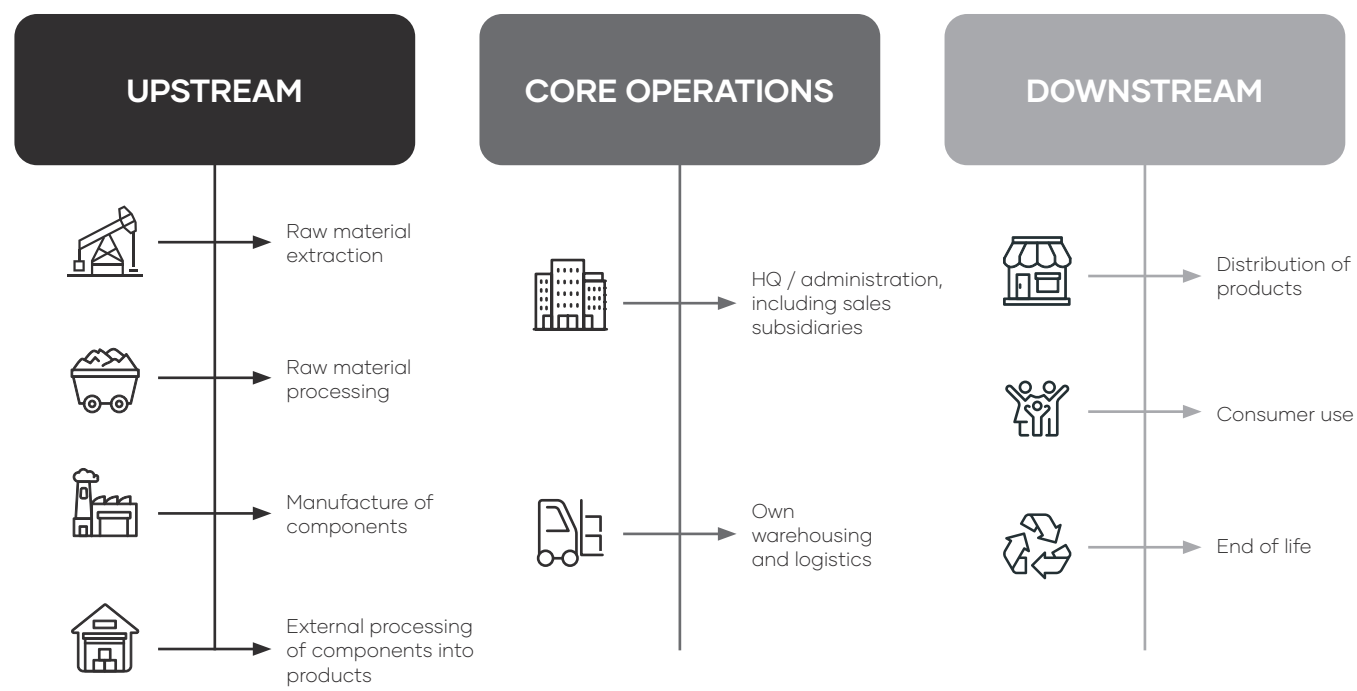
"Sustainability at Severin is more than just a project – it forms the basis of our long-term resilience."

– Gerhard Sturm, CEO –



3.2

VALUE CHAIN



The Severin value chain illustrates where sustainability plays a role throughout the product life cycle. It is divided into three areas:

Upstream processes: These include raw material extraction and processing, component manufacturing and the production of products by external partners. The focus is on responsible sourcing, compliance with environmental and social standards and collaboration with suppliers.

Core operations: These comprise the company's own activities, from product development and quality management through administration and sales to warehousing and logistics. The focus is on long product lifetimes, product safety and the efficient use of energy and resources.

Downstream processes: These include the distribution and use of products, as well as their repair, reuse and end-of-life management. Key sustainability aspects include extending product lifetimes through reparability and promoting a future-proof circular economy.

3.3

PAT INFORMATION (POLICIES, ACTIONS, TARGETS)

Title	Entry
Climate change mitigation – energy supply – renewable electricity	[Target] 100% renewable electricity at all sites by 2030.
Climate change mitigation – energy supply – renewable energy	[Measure] A feasibility analysis for a PV installation at the main site in Germany will be carried out by the end of 2026.
Climate change mitigation – decarbonisation – overall strategy	[Concept] A decarbonisation strategy has been in place since the end of 2025.
Climate change mitigation – decarbonisation – Scope 1 and Scope 2 emissions reduction	[Target] Severin aims to reduce Scope 1 and Scope 2 greenhouse gas emissions by 50% by 2030 compared with the 2022 baseline year.
Climate change mitigation – decarbonisation – Scope 3 emissions reduction	[Target] Severin aims to reduce Scope 3 emissions by 45% by 2030 compared with the 2022 baseline year, relative to production volume (t CO2e per unit of output).
Climate change mitigation – mobility – internal electric mobility	[Target] 80% of vehicles will be converted to electric drive by 2030.
Climate change mitigation – mobility – external electric mobility	[Target] By 2030, the share of transport kilometres provided by service providers using electric trucks for upstream and downstream road transport will be increased.
Climate change mitigation – procurement – sustainability assessment of suppliers	[Target] By the end of 2027 at the latest, at least 95% of Tier 1 suppliers will have been assessed against ESG criteria.
Resource use and circular economy – waste – waste management concept	[Negative statement, measure] By the end of 2026, a revised waste management concept will be in place.
Resource use and circular economy – waste – waste separation and prevention	[Measure] Further potential to reduce waste volumes will be identified by the end of 2027.
Resource use and circular economy – circularity – employee training	[Measure] New employees and trainees receive training on environmentally responsible waste separation.
Resource use and circular economy – circularity – supplier analysis	[Target] By the end of 2026, material flow and circularity analyses will be available for 90% of the procurement volume.
Resource use and circular economy – circularity – conflict minerals	[Measure] Systematic tracking of all critical product categories will be continued, while hazardous substances remain excluded.
Resource use and circular economy – circularity – product BOM analysis	[Measure] From 2026 onwards, the systematic analysis of bills of materials (BOM) in the SAP system will be supplemented with weight and material information.
Resource use and circular economy – circularity – material assessment system	[Negative statement, measure] An assessment procedure for product circularity will be introduced by the end of 2027.
Resource use and circular economy – circularity – material analysis	[Concept] By the end of 2027, the service-life assessment matrix will be supplemented with an assessment of material substitutability.
Health protection and occupational safety – ergonomic workplace design	[Action] In early 2027, 100% of office workstations will undergo an ergonomic assessment.
Health protection and occupational safety – cooperation with health insurance funds / health days	[Negative statement, measure] By the end of 2026, cooperation with at least one health insurance fund per site will be established and at least two programmes will be implemented each year.

Health protection and occupational safety – safety inspections	[Measure] From 2026 onwards, a safety inspection followed by a report will be carried out each quarter.
Health protection and occupational safety – safety training	[Measure] 100% of employees receive documented safety training each year.
Health protection and occupational safety – prevention campaigns	[Measure] From 2025 onwards, at least two health campaigns focused on prevention will be carried out each year.
Equal treatment and equal opportunities – development plans for high potentials	[Target] By the end of 2026, 80% of female high potentials will have individual development plans and participate in at least one development programme.
Equal treatment and equal opportunities – diversity and bias training	[Target] From 2027 onwards, 100% of managers will have participated in diversity and bias training at least once every three years.
Equal treatment and equal opportunities – diversity monitoring	[Measure] From 2027 onwards, diversity data will be collected and reported annually at management level.
Code of Conduct	[Measure] By the end of 2026, supplier contracts will be supplemented with ESG criteria and sent to all suppliers together with the revised Supplier Code of Conduct. All suppliers will have signed the supplier contracts by the end of 2027.
Supply chain transparency	[Measure] By the end of 2026, we will have completed a risk analysis for 100% of high-risk Tier 1 suppliers.
Stakeholder dialogue with suppliers	[Measure] By the end of 2027, assessments of working conditions and human rights will be documented for 60% of prioritised suppliers in high-risk countries and sectors.
Compliance – training	[Measure & Target] The internal Code of Conduct is available on the company's internal wiki. From 2026 onwards, all employees will receive annual training on our Code of Conduct.
Compliance officer	[Measure] We will continue to employ a compliance officer.
Whistleblowing	[Measure] The online whistleblowing tool will remain in use. Reports will be monitored annually.
Anti-corruption	[Measure] The existing anti-corruption policy will remain in effect.
Supplier management	[Concept] The existing purchasing guidelines will remain in use and will be adjusted as required.
Cybersecurity	[Measure] From Q1 2026 onwards, vulnerability screening will be carried out for 100% of all new hires with an elevated security risk.
Cybersecurity	[Target] From 2025 onwards, an annual awareness training completion rate of 100% will be achieved among all employees.
Cybersecurity	[Measure] 100% of all measures identified in audits will be implemented within 12 months of the audit report.



INTERVIEWS

INTERVIEW

SUSTAINABILITY AND INNOVATION IN LOGISTICS

Interview with Fuat Cakar – Global Supply Chain Director

Sustainability is playing an increasingly central role in logistics. Fuat Cakar points out, however, that the scope of such measures also depends on their economic feasibility. From the company's perspective, sustainability must always be economically viable in order to be successfully integrated into the business over the long term. The fundamental approach is not to dispose of products and materials prematurely, but to use existing resources as efficiently as possible and integrate sustainable solutions into established processes.

Various measures are already being implemented to reduce the environmental footprint of logistics. One example is the import of products from China. Once the products arrive at the Port of Hamburg, they are transported onwards to Warstein by rail on a CO₂-neutral basis. Looking ahead, the aim is also to switch this transport leg entirely to electric lorries as soon as this becomes economically viable.

Changes during the period 2024–2025

A significant step forward was the optimisation of warehousing and order-picking processes. Previously, both individual parcels and complete pallets were handled through the same processes in the high-bay warehouse, with no distinction between B2B and B2C orders. As a result, the warehouse facilities were not always used efficiently. For example, individual cartons could occupy entire pallet locations, unnecessarily increasing both the storage capacity required and the energy consumption of the automated system.

As part of a comprehensive process optimisation, the two areas were separated. Orders containing fewer than seven cartons are now picked directly for dispatch to end customers, while only fully loaded pallets pass through the high-bay warehouse. This change has significantly reduced the workload on the warehouse facilities, enabled more efficient order picking and increased process speed. At the

same time, it has improved utilisation of the system and reduced energy consumption.

Measures to reduce CO₂ emissions

Between 2024 and 2025, various measures were implemented to make transport processes more sustainable. One key focus was on optimising packaging and batch sizes. By adapting cartons more closely to the actual size of the products, the amount of air inside the packaging was significantly reduced. This allows transport vehicles to be utilised more efficiently while reducing both material consumption and CO₂ emissions.

The storage structure for spare parts was also comprehensively optimised. Frequently required spare parts, which were previously stored together with all other items in a single hall, are now consolidated in two central warehouse aisles. Less frequently required items have been moved to other storage areas. At the same time, a dedicated area for transport was created. This new structure shortens routes, reduces the time spent searching for items and contributes to more efficient order picking.

Challenges in using low-emission transport

The use of low-emission vehicles is currently a challenge, particularly from an economic perspective. The acquisition costs of alternative drive technologies, such as electric lorries, are still comparatively high. "We are therefore pursuing a strategy of introducing new technologies gradually as soon as they become economically viable and offer sustainable value," says Fuat Cakar.





Importance of rail and inland waterway transport

The company already uses the so-called Warsteiner train as an alternative to road transport. However, expanding rail transport is proving difficult. In particular, the impact of the Russia-Ukraine war has significantly affected international rail logistics, making it more difficult to shift a greater share of transport to rail. Nevertheless, rail transport will continue to be regarded as an important component of sustainable logistics in the long term.

Digitalisation of administrative processes

In recent years, digitalisation has made a significant contribution to more sustainable logistics. The introduction of the SAP S/4HANA system has fully digitalised numerous paper-based processes. Freight documents, order confirmations and other documents are now processed predominantly electronically. Whereas extensive paper documentation used to be prepared for almost every order, documentation is now almost entirely digital. This has significantly reduced paper consumption, printing costs and the need for physical archiving. The introduction of SAP S/4HANA represents the

most significant step towards digitalisation in recent years. The new ERP system provides the basis for more efficient warehousing, dispatch and administrative processes and enables significantly better integration across the company's individual areas.

The prospects offered by AI, IoT and data analytics

Artificial intelligence, robotics and data-driven optimisation are regarded as important technologies shaping the future of logistics. "We are monitoring these developments closely and regularly use trade fairs to learn about new technologies and approaches." However, high investment costs can still make short-term implementation difficult.

As the logistics sector continues to evolve, it is expected to increasingly move from traditional "Logistics 4.0" towards "Logistics 5.0". "I expect artificial intelligence not to replace people, but to support them in making complex decisions and carrying out repetitive tasks." Robotic solutions are also likely to become increasingly important, particularly in pallet logistics and the automation of logistics processes.





Resource-efficient packaging concepts

One current project is the introduction of an automated packaging system based on the “Box-First strategy”. When a dispatch order is created, the system automatically calculates the optimal carton size. It then produces packaging precisely tailored to the order, into which the employee can place the picked products directly.

By tailoring the packaging to each order, the amount of packaging material, cushioning material and transport volume can be significantly reduced. At the same time, transport vehicles can be utilised more efficiently, creating further potential for CO₂ savings.

Reusable packaging and recycling concepts

Recycling is also becoming increasingly important. The use of bubble wrap is already being kept to a minimum wherever possible. In future, a packaging system will shred any cardboard waste generated during the packaging process and reuse it directly as a more environmentally friendly cushioning material for new shipments. This creates an internal material cycle that reduces waste while significantly decreasing the need for additional packaging materials.

Outlook to 2030

Several developments are expected to shape logistics in the coming years. One important trend is the complete digitalisation of delivery notes. At present, every customer still receives a printed delivery note. Looking ahead, RFID technologies or digital information systems are intended to replace these documents, allowing customers to access all product information directly in digital form and potentially eliminating the need for paper altogether.

Another emerging trend is the increasing automation of logistics processes. Robotic solutions for pallet handling and order picking are expected to become increasingly important, supporting employees in physically demanding tasks.

At the same time, e-commerce is increasingly moving towards ever-faster delivery. International pilot projects, for example, in the USA, already demonstrate that delivery times of just a few hours are possible. Customer expectations for same-day and next-day delivery are also continuing to rise across Europe. Younger target groups, in particular, are shopping online more frequently, making delivery speed an increasingly decisive competitive factor in logistics.

INTERVIEW

DEVELOPMENTS IN CUSTOMER SERVICE AND REPAIRS

Interview with Patrick Abel – Head of Customer Service

Customer service is constantly evolving. Developments in 2024 and 2025, in particular, showed that customers increasingly expect digital and automated service options. Many consumers want to find information independently and resolve issues without direct contact with customer service wherever possible. In response to these changing expectations, digital self-service offerings are being systematically expanded.

Key measures include expanding the FAQ section and developing short explanatory and instructional videos that provide clear answers to frequently asked questions. These offerings are designed to give customers quick access to relevant information at any time while reducing the number of routine enquiries handled by customer service. "Despite these developments, personal contact remains an essential part of our company's service philosophy," says Patrick Abel.

Most common customer enquiries

Most enquiries received by customer service relate to repairs and technical issues. They can broadly be divided into three areas:

- questions about the operation and use of appliances;
- spare parts enquiries;
- repair requests.

While many customers initially seek information on how to operate their appliances, others contact customer service to order suitable spare parts or request a repair. This clear categorisation enables enquiries to be processed more quickly and forwarded to the relevant specialist departments.

Measures to improve service quality

Between 2024 and 2025, numerous measures were implemented to further improve service quality. The service team was expanded, particularly in telephone-based customer service, to reduce waiting times and ensure greater availability.

At the same time, existing processes were analysed, streamlined and further automated. The introduction of a modern ticketing system now enables all customer enquiries to be processed in a structured manner while allowing individual cases to be tracked transparently. The repair network was also expanded, increasing repair capacity and reducing processing times.

Another milestone was the introduction of SAP S/4HANA and the Customer Experience platform (SAP CX). Together, these systems enable better integration across service processes and provide a consistent data foundation for handling customer enquiries.

The company also invested in modern hardware and software. A new telephone system will provide the technical basis for the future use of AI-supported functions and chatbots. Looking ahead, a key focus will be on analysing the entire service chain in detail, from ordering through to delivery, in order to identify further opportunities for optimisation.





Digitalisation in customer service

Digitalisation is an integral part of the ongoing development of customer service. The introduction of SAP S/4HANA and SAP Customer Experience has provided modern systems that enable customer enquiries to be handled more efficiently.

Digital ticketing systems, online status tracking and self-service offerings also support both employees and customers. These solutions shorten processing times and ensure that information is available more quickly.

The role of AI, chatbots and self-service portals

Customers already have access to live chat as an additional communication channel. The next step is to build on this existing service by introducing an AI-supported chatbot.

This chatbot will automatically answer standard enquiries, provide product recommendations and support customers in resolving issues. At the same time, artificial intelligence is not intended to replace personal customer contact entirely. Rather, it is intended to reduce the workload for employees and free up capacity to deal with more complex customer enquiries.

Most common types of repair

Routine wear-and-tear repairs account for the largest share of all repairs. These mainly involve replacing components that are subject to natural wear through normal use. By carrying out these repairs, the company aims to significantly extend product lifetimes and avoid premature replacement.

Repair process

The repair process is designed to be customer-focused and transparent. Once an appliance has been received, customers receive an acknowledgement of receipt together with an individual case number. They can use this number to check the current status of their repair online at any time.

The repair itself is generally completed within four to five working days of receipt of the appliance. Once the repair has been successfully completed, the appliance is returned to the customer. This transparent status tracking reduces uncertainty and helps to increase customer satisfaction.

Decision between repair and replacement

Whether a product is repaired or replaced is determined using an internal assessment system (grading). The assessment considers both the technical feasibility of the repair and its economic viability.

If a repair is technically feasible and economically viable, the required spare parts are identified and made available at an early stage. A replacement is only considered if a repair would involve disproportionately high costs or is not technically feasible.

Development of repair volumes

The volume of repairs increased noticeably between 2024 and 2025. This was driven, on the one hand, by the addition of further product groups to the repair portfolio and, on the other, by customers' growing willingness to have appliances repaired rather than replaced.

This trend is further supported by consumers' growing awareness of sustainability and by regulatory developments such as the European "Right to Repair".

Contribution to extending product lifetimes

The repair service makes an important contribution to the company's sustainability strategy. Repairs are carried out regardless of where the product was purchased. This helps extend the lifetime of appliances, strengthen customer trust and reduce the amount of electronic waste generated.

Rather than replacing appliances entirely because of minor defects, targeted repairs enable them to remain in use while extending their lifetimes. This conserves valuable resources while supporting the principles of a functioning circular economy.

European Right to Repair

The European "Right to Repair" is aligned with our existing approach to customer service and reinforces our commitment to extending the lifetime of our products through repairs.

We already offer comprehensive spare parts and repair options for numerous product groups. This applies in particular to Floorcare and Major Domestic Appliances (MDA), such as refrigerators. At present, around 210 appliances in our product range can be professionally repaired, allowing them to remain in use for longer.

Measuring customer satisfaction

Customer satisfaction is continuously monitored using a range of metrics and rating systems. Following telephone calls and the handling of email enquiries, customers have the opportunity to rate their experience. In addition, metrics such as the Net Promoter Score (NPS) and ratings on platforms such as Trusted Shops are evaluated.

We currently achieve an average rating of 4.39 out of 5 stars on these platforms. Looking ahead, an analysis tool will be introduced to automatically evaluate customer ratings and identify recurring issues at an early stage. The insights gained will then be analysed together with the relevant specialist departments in order to address issues such as delivery delays and process weaknesses on a lasting basis.

Future developments in customer service

A key future trend is the further development of digital self-service offerings. Customers are expected to increasingly use artificial intelligence to obtain product recommendations and technical support. This also creates the challenge of providing AI systems with high-quality, reliable and up-to-date company information to ensure that the answers they provide are accurate and reliable.

Another emerging trend is the closer integration of supplementary service offerings into the purchasing process. Many retailers, for example, already offer extended warranties or additional insurance directly in the shopping basket. Patrick Abel expects such offerings to become increasingly significant in the future and to contribute to closer integration between customer service and sales.

63.32*
NPS** Score 2026
Excellent recommendation rate

4.58*

Trusted Shops 2026 out
of 5.00 stars

4.39*

Trusted Shops (365-day)
rolling annual average

4.58*

Customer service rating
Direct customer feedback from service interactions

**The Net Promoter Score (NPS) is a metric used to measure customer satisfaction and customers' willingness to recommend a company or product.



Telephone
service level

81.6%*

Calls answered
within **20 seconds**

Email
service level

81.8%*

Emails answered
within **48 seconds**

Overall customer
satisfaction

79.8%*

Overall service
satisfaction index
across all channels

Satisfaction by segment (max. 5.00)

 Satisfaction with delivery **4.68*/5.00**

 Product satisfaction **4.64*/5.00**

 Customer service satisfaction **4.55*/5.00**

High service accessibility: More than 81%* of all calls and emails are handled within the target SLA.

Excellent logistics: High customer satisfaction with deliveries (4.68/5.00)*

High customer loyalty: An NPS of 63.32* reflects a consistently high willingness to recommend.



* As at July 2026

INTERVIEW

OUTLOOK FOR FACTORY SALES AND THE MARKETING OF B-GRADE PRODUCTS

Interview with Daniel Raev – Junior Key Account Manager

In 2026, our trainees organised and successfully ran an extensive factory sale with great dedication. Their achievement deserves special recognition and is therefore mentioned here at the outset.

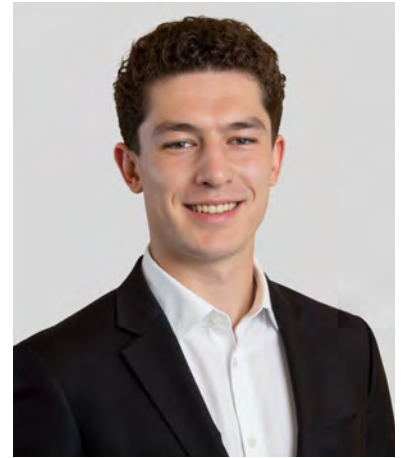
As part of the project, the trainees took full responsibility for running the factory sale for two days. From the preparation stage onwards, they planned and organised all aspects of the event. Each trainee was given their own area of responsibility, such as product presentation, sales, till operations, customer service or organisation. By planning and running the event independently, the trainees gained valuable practical experience, further developed their organisational and communication skills and took on responsibility in their day-to-day work.



The factory sale gave the trainees the opportunity to put their theoretical knowledge into practice while gaining valuable insights into the company's operational processes. "At the same time, teamwork was a key focus, as the sale could only be successfully organised through close collaboration and mutual support," says Daniel Raev. The project was therefore not only a great success in its own right, but also a valuable part of the trainees' training and personal development.

Classification and assessment of B-grade products

Products are classified as B-grade before they are placed in storage. As part of quality assurance (QS), all appliances undergo a thorough inspection for cosmetic or functional defects. Products with damage or minor deviations from the quality standards are classified as B-grade. If no relevant defects are identified, the product is classified as A-grade and released for regular sale. This standardised inspection process ensures that the classification is consistent and transparent, while giving customers clear information about the condition of the products.



Sustainability and resource conservation

The factory sale makes an important contribution to reducing product waste. During the two-day sale, both A-grade and B-grade products were offered. This also helped to reduce stock efficiently in response to high warehouse utilisation. A-grade products were mainly offered in Hall 5, while the B-grade range was located in Hall 6. More than 1,800 B-grade products were sold within 48 hours.

The sale of B-grade products also supports Severin's sustainability strategy. Rather than disposing of products with minor cosmetic defects, they are inspected and returned to the market. This conserves resources, reduces waste and extends product lifetimes. At the same time, customers have the opportunity to purchase high-quality products at a lower price.



Customer behaviour

Demand for B-grade products extends across almost all customer groups. The intended use of the product is often a key consideration in the purchasing decision. For occasional or less demanding applications, many customers are satisfied with a discounted appliance with minor cosmetic defects. Customers with higher expectations regarding features or appearance, on the other hand, are more likely to opt for A-grade products. Price is clearly the main purchasing factor. Many customers value the opportunity to purchase high-quality branded products at significantly lower prices than those available through regular online retail.

Although sustainability considerations also play a role, they are secondary to the financial benefit in most cases. Another important factor is transparency regarding the condition of the products.

At the factory sale, customers can inspect the appliances in person before purchasing them and assess any signs of use or packaging damage for themselves. This is particularly important when purchasing B-grade products, as many buyers are reluctant to purchase products with cosmetic defects without inspecting them beforehand. The opportunity to inspect the products in person therefore helps to build confidence in the purchasing decision.

Economic aspects

Pricing B-grade products presents a particular challenge, as each product must be assessed individually. The price is determined based on the manufacturing cost and the condition of the individual item. Damage, the condition of the packaging and any signs of use are taken into account to establish an appropriate and fair selling price for each product. The aim is to balance the company's economic interests with customers' expectations of an attractive price-to-performance ratio.

Future prospects

The factory sale and the B-grade market are expected to offer further opportunities for development. "Vacuum cleaners and Floorcare products in particular were in high demand and were among the most successful product categories," says Daniel Raev. This suggests that demand for these product categories could continue to increase in the coming years. At the same time, the B-grade market offers potential to reach additional customer groups that place greater emphasis on price-conscious and sustainable consumption.



GENERAL INFORMATION

GENERAL INFORMATION

B1 – Basis for Preparation

Selected Module Option

For the preparation of this Sustainability Report, we selected the following module option in accordance with the VSME Standard:

Option B: Basic Module and Comprehensive Module

Our report therefore includes all disclosures required under the Basic Module, as well as additional disclosures on our sustainability policies, measures and targets.

Omission of Disclosures Due to Sensitive or Confidential Information

Certain disclosures required under the VSME Standard have not been published in this Sustainability Report because they contain sensitive or confidential information. Disclosure of this information could adversely affect our company's financial performance or competitive position. We confirm that the undisclosed content concerns business-critical information whose publication would likely put our company at a disadvantage.

Disclosure of Subsidiaries Included in the Consolidation That Are Exempt from Individual or Consolidated Sustainability Reporting

The subsidiaries listed below are included in the consolidated Sustainability Report and, in accordance with the applicable statutory provisions, are exempt from the obligation to prepare their own individual or consolidated Sustainability Report: Severin France SARL, Severin Italia SRL, Severin España S.L., Severin Nederland B.V., Severin Svenska AB and Severin Household Electric Appliances (Shenzhen) Co., Ltd.

The sustainability reporting of these companies is fully covered by this consolidated Sustainability Report; no separate sustainability report is published for them.

Registered Addresses of the Subsidiaries Included in the Report

The following subsidiaries are included in this consolidated Sustainability Report. Their respective registered addresses are:

Severin France SARL: 4 Rue Denis Papin, 67400 Illkirch-Graffenstaden, France

Severin Italia SRL: Via Domodossola 7, 20145 Milan (Milano MI), Italy

Severin España S.L.: 8 Av. de Castilla 2, Edificio Hungría-planta baja - Colours Coworking, 28830 San Fernando de Henares - Madrid, Spain

Severin Nederland B.V.: Witteweg 60, 1431 GZ Aalsmeer, Netherlands

Severin Svenska AB: Johanneslundsvägen 12, 194 61 Upplands Väsby, Sweden

Severin Household Electric Appliances (Shenzhen) Co., Ltd.: 12/F, Wanfeng Coastal Building, No. 162 Nanhuan Road, Wanfeng, Xinqiao, Baoan District, Shenzhen, China

Legal Forms

The legal forms of the subsidiaries included in this consolidated Sustainability Report are as follows:

Severin France: Société à responsabilité limitée (SARL), France

Severin Italia: Società a responsabilità limitata (SRL), Italy

Severin España: Sociedad Limitada (S.L.), Spain

Severin Nederland: Besloten vennootschap met beperkte aansprakelijkheid (B.V.), Netherlands

Severin Svenska: Aktiebolag (AB), Sweden

Severin Household Electric Appliances (Shenzhen) Co., Ltd.: Limited Company (Ltd.), China

NACE Sector Classification Code(s)

Our company operates in the following economic sector in accordance with the NACE classification: NACE code 46.43 – Wholesale of electrical household appliances.

Designation	2024	2025	Unit
Total assets	83,580,731.35	79,649,960.88	€
Total revenue	114,780,682.48	105,829,563.31	€
Total number of employees	276.00	231.00	qty
Total number of employees (FTEs)	256.89	220.68	FTE

Country of Main Activity and Location of Material Assets

Our company's main activity is carried out in Germany. The material assets, including the registered office and central administration, are located at the following address: Severin Elektrogeräte GmbH, Röhre 27, 59846 Sundern, Germany

Geolocation of Owned, Leased or Managed Sites

Our company's main business activity is carried out in Germany. The material assets, including the registered office and central administration, are located at the following address: Severin Elektrogeräte GmbH, Röhre 27, 59846 Sundern, Germany.

B2 – Practices, Strategies and Future Initiatives for the Transition to a More Sustainable Economy

Disclosure of Specific Measures, Strategies or Future Initiatives for the Transition to a More Sustainable Economy

Sustainability topic	Practices / policies / initiatives in place	Publicly accessible	Specific targets in place
Climate Change	YES	NO	YES
Pollution	NO	NO	NO
Water and marine resources	NO	NO	NO
Biodiversity and ecosystems	NO	NO	NO
Circular economy	YES	NO	YES
Own Workforce	YES	NO	YES

C1 – Strategy: Business Model and Sustainability-Related Initiatives

Description of the Material Product and/or Service Groups Offered

Our company offers the following material product and service groups:

Household appliances: We develop our products at our headquarters in Germany and work with qualified international production partners to manufacture them. We distribute our products worldwide through various sales channels, including direct sales to end consumers, wholesale and the OEM business. Our product range includes a broad range of small household appliances, grilling appliances and refrigeration appliances. After-sales service: With a comprehensive range of repair and spare parts services, we ensure the long-term functionality and reliability of our products and customer satisfaction throughout the entire product life cycle.

Description of the Key Markets in Which the Company Operates (e.g. B2B, Wholesale, Retail, Countries)

Severin distributes its products through various retail and sales channels:

- Food retail: Products are distributed through supermarkets, hypermarkets and other food retailers that also offer non-food products alongside food.
- Specialist retail: Products are distributed through specialised retailers and specialist stores, particularly in the electrical and household appliance sector.
- Furniture retail: Products are distributed through furniture and home-furnishing stores that also offer household and electrical appliances alongside furniture.
- Loyalty: Products are marketed and distributed through customer loyalty and bonus programmes. For example, customers can redeem accumulated points for products or rewards.
- DIY (Do It Yourself): Products are distributed through DIY and home-improvement stores. In addition to traditional DIY products, these retailers often also offer electrical, household and seasonal products.

Description of the Key Business Relationships (e.g. Key Suppliers, Customers, Sales Channels and Consumers)

Severin's key business relationships are with its shareholder, employees, own sales subsidiaries, e-commerce channels, suppliers, the food retail sector (LEH) and banks. These stakeholders are particularly relevant to the company's strategic direction, day-to-day operations, procurement and sales.

Designation	2024	2025	Unit
Estimated number of suppliers	58	66	qty

List of Suppliers and the Sectors and Geographies Associated with Them

As part of Severin Elektrogeräte GmbH's supply chain risk analysis for the Household Appliances product group, relevant suppliers based in China (ISO code: CHN) were assessed. Due to country-specific conditions, the risk associated with the location in China is classified as high. Against this background, all suppliers based in China undergo an in-depth risk analysis. In addition to country-specific risks, supplier-specific factors are also taken into account, including the type of products supplied, procurement volume, the nature of the business relationship, existing certifications, audit results and the implementation of measures to comply with due diligence obligations.

Disclosure of Elements of the Strategy That Relate to or Influence Sustainability Matters

Severin is an established manufacturer of electrical household appliances headquartered in Sundern, with an international sales, procurement and production structure. The company's business model focuses on the development, marketing and support of household appliances for a broad international customer base.

Guided by the vision "Premium for Everyone", the company offers high-quality products that are both affordable and practical for everyday use. Quality, reliability, responsibility and innovative capability are key elements of the company's identity and shape its overall approach. The company's philosophy is based on meeting global safety standards, a strong focus on quality and compliance, and the ongoing qualification of employees. At the same time, the company has formulated a vision for 2030 in which sustainability is understood as an integral part of the further development of the company, its products and its key areas of activity.

The current strategy document shows that this strategic direction is already being translated into specific targets and measures. This applies particularly to climate change mitigation, resource use and the circular economy, the supply chain, the workforce and corporate governance. Examples include the planned decarbonisation strategy, the expansion of ESG-based supplier assessments, the introduction of material flow and circularity analyses, increasing the recycled content of products, and the further development of assessment procedures for circularity and product lifetimes. This demonstrates that Severin is aligning its strategic development across the entire value chain and views sustainability not merely as a guiding principle for corporate communication, but as an operational part of its business model.

Severin's business model is characterised by the development and distribution of high-quality, long-lasting household appliances, an international market presence and comprehensive after-sales service. In addition, sustainability, the circular economy, responsible supply chains and compliance are systematically integrated into business processes and the company's strategic development.

C2 – Description of Practices, Strategies and Future Initiatives for the Transition to a More Sustainable Economy

Brief Description of Practices, Strategies or Future Initiatives for a More Sustainable Economy

Climate Change – Energy Consumption and Greenhouse Gas Emissions (B3)

Measures already implemented:

- Scope 1 and Scope 2 emissions have been fully recorded and accounted for.
- Material Scope 3 emissions have been recorded, particularly from purchased goods and services, upstream and downstream transport, business travel and employee commuting.
- Various measures have been implemented to reduce energy consumption at the Sundern site, including the transition to energy-efficient lighting and the digitalisation of processes to reduce paper consumption.

Targets:

- All sites will be supplied with 100% renewable electricity by 2030.
- 80% of the vehicle fleet will have been converted to electric vehicles by 2030.
- By 2030, the share of transport kilometres in upstream and downstream road transport provided by service providers using electric lorries will have increased.
- At least 95% of Tier 1 suppliers will have been assessed against defined ESG criteria by the end of 2027 at the latest.

Concepts and measures:

- Development of a company-wide decarbonisation strategy by the end of 2026.
- Feasibility analysis for the installation of a photovoltaic system at the main site in Germany by the end of 2026.

Resource Use, Circular Economy and Waste Management (B7)

Measures already implemented:

- B-grade products have been sold through the factory outlet, while damaged appliances have been taken back for refurbishment.
- A gradual transition to partially plastic-free packaging has been underway since 2023, using environmentally friendly alternatives made from cardboard and recycled bubble wrap.
- A new packaging line has been commissioned at the Sundern site using sustainable cushioning and packaging materials.
- Customer ratings relating to complaints and returns have been systematically analysed to identify potential for improvement.
- Recycled materials have been used, for example, in the form of recycled plastic components, and circular economy principles have been integrated into product development guidelines.

Targets:

- Material flow and circularity analyses will have been carried out for 90% of the procurement volume by the end of 2026.
- The recycled content of purchased products will have increased by 2030, excluding applications subject to food safety requirements.

Concepts and measures:

- Revision of the waste management concept by the end of Q1 2027.
- Documentation of recovery rates in cooperation with waste disposal partners from Q4 2026 onwards.
- Identification of further potential to reduce waste volumes by the end of 2027.
- Training for new employees and trainees on proper waste separation.
- Continuation of the systematic tracking of critical product categories, while hazardous substances remain excluded.
- Continuation of existing waste prevention measures through reuse, particularly through the refurbishment of B-grade products.
- Addition of weight and material information to SAP bills of materials from 2026 onwards.
- Introduction of an assessment procedure for determining product circularity by the end of 2027.
- Expansion of the product lifetime assessment matrix to include the substitutability of materials by the end of 2027.

Own Workforce – Health, Safety, Remuneration and Training (B9/B10)

Measures already implemented:

- A structured leadership programme and individual coaching opportunities for managers have been established.
- Flexible working models have been introduced to improve work-life balance.
- Regular employee meetings and all-hands meetings have been held to ensure transparent communication of the company's objectives.
- The Wellpass fitness programme has been introduced to promote the health and well-being of employees.
- Additional employee benefits have been introduced, including an employee questionnaire and an occupational pension scheme.

Targets:

- 100% of employees will receive documented safety training each year.
- By the end of 2026, 80% of female high potentials will have individual development plans and participate in at least one development programme.
- From 2027 onwards, all managers will have participated in diversity and bias training at least once every three years.

Concepts and measures:

- Ergonomic assessment and, where necessary, adjustment of all office and production workstations by early 2027.
- Establishment of cooperation with at least one health insurance fund per site and implementation of at least two health programmes per year.
- Quarterly safety inspections, including documentation, from 2026 onwards.
- Implementation of at least two workplace-based prevention and health campaigns per year from 2025 onwards.
- Annual collection and reporting of diversity metrics at management level from 2027 onwards.

Workers in the Value Chain (S2)

Measures already implemented:

- The company has joined amfori.
- Existing purchasing guidelines have been applied when selecting and evaluating suppliers.

Targets:

- No separate targets have currently been defined for the S2 topic; all measures are classified as operational measures.

Concepts and measures:

- Addition of ESG requirements to all supplier contracts and distribution of the revised Supplier Code of Conduct to all suppliers by the end of 2026, with all supplier contracts to be fully signed by the end of 2027.
- Risk analysis of all Tier 1 suppliers with an elevated risk by the end of 2026.
- Documentation of amfori assessments of working conditions and human rights for 60% of prioritised suppliers in high-risk countries and sectors by the end of 2027.

Corporate Governance (B11)

Measures already implemented:

- Regular training on antitrust law, anti-corruption and human rights has been provided, particularly for employees in sales and procurement.
- Comprehensive measures to prevent cybercrime have been implemented, including regular IT security training.
- Compliance topics have been integrated into the onboarding process for new employees.

Targets:

- 100% of strategically relevant high-risk suppliers will have been assessed by the end of 2026.

Concepts and measures:

- The internal Code of Conduct is published on the company wiki, with annual training for all employees from 2026 onwards.
- Continuation of the Compliance Officer role.
- Continued operation of the digital whistleblowing system, including annual evaluation of incoming reports.
- Continuation of the existing anti-corruption policy.
- Continuation and updating of the purchasing guidelines as required.
- Communication of the Code of Conduct to all relevant managers and integration into all material business processes by Q2 2026.

Description of the Highest Level in the Organisation Responsible for Implementing the Concepts

Overall responsibility for the sustainability strategy and its implementation lies with the Managing Director (CEO) and Chief Technology Officer (CTO). They are responsible for integrating sustainability aspects into the company's strategy and for achieving the defined sustainability targets. The Managing Director and Chief Technology Officer are supported by the Sustainability Expert, who oversees the operational implementation of sustainability measures, coordinates sustainability management and supports the fulfilment of reporting and documentation requirements. Implementation takes place in close cooperation with the relevant specialist departments, which are responsible for the measures and metrics assigned to them.

CLIMATE CHANGE

B3 – Energy and Greenhouse Gas Emissions

Designation	2024	2025	Unit
Total energy consumption in own operations	2,077.57	4,940.35	MWh
Electricity from renewable energy sources	702.10	649.31	MWh
Consumption from renewable fuels	0	0	MWh
Total energy consumption from renewable sources	702.10	649.31	MWh
Electricity from fossil energy sources	936.10	76.00	MWh
Fuels from fossil energy sources	4,398.42	4,215.04	MWh
Total energy consumption from fossil sources	5,334.52	4,291.04	MWh
Total electricity	1,638.20	725.31	MWh
Total fuels	4,398.42	4,215.04	MWh
Total GHG emissions (location-based)	61,583.50	63,998.00	t CO ₂ e
Scope 1 GHG emissions	224.03	156.19	t CO ₂ e
Scope 2 GHG emissions (location-based)	805.85	1,125.68	t CO ₂ e

C3 – Greenhouse Gas Reduction Targets and Climate Change

Designation	2024	2025	Unit
Total energy consumption in own operations	2,077.57	4,940.35	MWh
Absolute reduction in greenhouse gas emissions (Scope 1)	15.17	83.01	t CO ₂ e
Percentage reduction in greenhouse gas emissions (Scope 1)	6.34	34.7	%
Absolute reduction in location-based Scope 2 greenhouse gas emissions	102.26	+217.57	t CO ₂ e
Percentage reduction in location-based Scope 2 greenhouse gas emissions (relative to base-year emissions)	6.34	+23.96	%
Absolute reduction in Scope 3 greenhouse gas emissions	30,306.33	28,143.87	t CO ₂ e
Percentage reduction in Scope 3 greenhouse gas emissions (relative to base-year emissions)	33.35	30.97	%

Target Year

The year 2030 is the central time horizon for achieving our key sustainability targets. By then, we aim, among other things, to reduce our total greenhouse gas emissions by 45% compared with the 2022 baseline year. Some measures are scheduled to be implemented significantly earlier. These include, for example, the complete transition of all sites to electricity from 100% renewable energy sources.

Baseline Value

The baseline value for our key sustainability targets is 2022. For example, our target of reducing Scope 1 and Scope 2 greenhouse gas emissions by 50% by 2030 is based on total emissions of 1,147 tCO₂e in 2022. All progress is assessed against this baseline value.

Baseline Year

The baseline year for our key sustainability targets is 2022. Accordingly, all progress towards achieving these targets, including reductions in greenhouse gas emissions, is measured against this year.

Units for Targets

Our sustainability targets are expressed in different units depending on the target. Greenhouse gas emissions are measured in metric tonnes of CO₂ equivalent (tCO₂e), while the share of renewable energy, waste reduction and recycled content in products are expressed as percentages. Employee training participation is also measured as a percentage of employees.

Description of the Transition Plan for Climate Change Mitigation if Operating in Sectors with High Climate Impacts

As a company, we have a responsibility to reduce our climate- and energy-related impacts and have therefore developed a transition plan to support the gradual decarbonisation of our business activities. The aim is to continuously reduce our emissions and align our business model with the long-term requirements of climate change mitigation.

A key objective of our transition plan is to reduce Scope 1 and Scope 2 greenhouse gas emissions by 30% by 2030 compared with the 2022 baseline year. To achieve this objective, we are focusing, among other things, on the use of renewable energy, the electrification of our vehicle fleet and measures to improve energy and logistics efficiency.

Climate-related targets and measures are integrated into our company's strategy and taken into account in significant investment decisions. In addition, we work with our suppliers to improve environmental performance throughout the value chain and are increasingly assessing them against ESG criteria.

The implementation of these measures is regularly monitored using defined metrics, and the transition plan is further developed as necessary to take new regulatory requirements, technological developments and insights into account. Our transition plan covers our own sites and, where possible, the upstream and downstream value chain, thereby supporting the long-term competitiveness of our company.

Contribution of the Transition Plan to Greenhouse Gas Emissions Reduction

Our transition plan is a key component of our climate strategy and contributes to the gradual reduction of greenhouse gas emissions from our own operations and throughout the value chain. To achieve our climate targets, we are focusing in particular on expanding the use of renewable energy, improving energy efficiency, electrifying our vehicle fleet and continuously improving environmental performance across the supply chain. Our aim is to reduce Scope 1 and Scope 2 greenhouse gas emissions by 30% by 2030 compared with the 2022 baseline year. The implementation of these measures is regularly monitored using defined metrics and adjusted as necessary to reflect new insights and changing conditions. In addition, we work with our suppliers to reduce emissions throughout the value chain and gradually strengthen our sustainability requirements. The transition plan therefore supports the long-term development of our business towards more climate-friendly and resource-efficient operations.

Disclosure of the Planned Adoption of a Transition Plan for Climate Change Mitigation in Sectors with High Climate Impacts

We recognise the importance of climate change mitigation and have developed a company-wide decarbonisation strategy. Building on this strategy, we continuously develop specific measures and targets to reduce greenhouse gas emissions. The decarbonisation strategy includes, among other things, reduction targets for material greenhouse gas emissions, measures to improve energy efficiency and the gradual integration of the value chain into our climate-related activities. In addition, progress achieved is regularly monitored using defined metrics. The strategy was developed in collaboration with the relevant specialist departments and is intended to be implemented throughout the company. It is reviewed regularly and adjusted as necessary to reflect new regulatory, technological and business developments.

C4 – Climate Risk

Description of Climate-Related Hazards and Climate-Related Transition Events

As part of our risk management, we regularly assess climate-related risks and opportunities that may affect our business activities and value chain.

Physical climate risks include, in particular, increasingly frequent extreme weather events such as heatwaves, heavy rainfall, flooding, storms and lightning strikes. These may disrupt sites, supply chains and logistics processes and result in operational interruptions. We also monitor climate-related transition risks. These include, in particular, regulatory developments, such as stricter emissions requirements and increasing requirements for sustainability reporting, as well as changes in market and customer expectations regarding climate-friendly products. Such developments may require investment in new technologies, adjustments to our product portfolio and changes to how we work with suppliers. The identified climate-related risks are regularly assessed and incorporated into our strategic business planning and risk management so that appropriate measures can be identified at an early stage.

Disclosure of Time Horizons for Climate-Related Hazards

When assessing climate-related risks, we consider three time horizons:

Short term (1 year): Acute risks arising from heavy rainfall, storms and heatwaves.

Medium term (2–5 years): Increasing extreme weather events and rising temperatures, with potential impacts on sites and supply chains.

Long term (> 5 years): Chronic climate changes such as rising average temperatures, sea-level rise and drought, with potential impacts on sites and the business model.

WATER AND MARINE RESOURCES

B6 – Water

Designation	2024	2025	Unit
Total water consumption	1,764	1,429	m ³

BIODIVERSITY

B5 – Biodiversity

Designation	2024	2025	Unit
Number of sites located in or near protected areas or areas of significant biodiversity that are negatively affected by the company	0	0	qty
Area of sites located in or near protected areas or areas of significant biodiversity that are negatively affected by the company	0	0	ha

RESOURCE USE AND CIRCULAR ECONOMY

B7 – Resource Use, Circular Economy and Waste Management

Description of the Application of Circular Economy Practices

Severin already applies circular economy principles across various areas of the business. A key focus is on extending product lifetimes through repairs, spare parts and the refurbishment of appliances. Appliances with cosmetic defects are also classified as B-grade products and marketed accordingly. In addition, Severin focuses on developing repairable and durable products and continues to provide spare parts, service information and repair options even after the warranty period has expired. Corresponding requirements are also embedded in the supply chain. The Supplier Code of Conduct requires suppliers to handle waste, hazardous substances, natural resources and energy responsibly. Critical product groups are systematically recorded, while hazardous substances are excluded.

Description of the Contribution to the Circular Economy

Severin has defined specific targets and milestones for resource use, the circular economy and waste management. By the end of Q4 2026, a revised waste management concept will be in place. In addition, the recovery rate will be systematically documented in cooperation with the appointed waste recovery companies. By the end of 2027, further potential for reducing waste volumes will have been identified. Severin has also defined clear objectives for product and material transparency. By the end of 2026, material flow and circularity analyses will be available for 90% of the procurement volume. From 2027 onwards, the bills of materials in the SAP system will be gradually supplemented with weight and material information. By the end of 2027, a method for assessing product circularity will also have been introduced. At the same time, the existing assessment matrix for product lifetimes will be expanded to include material substitutability. As a

further long-term target, Severin states on its corporate website that it intends to convert its entire product range to packaging made from recycled materials. To achieve these targets, Severin is implementing several concepts and measures in parallel. In waste management, the focus is particularly on further developing the existing waste management concept, digitalising data collection and documenting the recovery rate. In addition, new employees and trainees receive training on environmentally responsible waste separation.

In the area of product and material management, systematic material flow and circularity analyses are being established. At the same time, the SAP bills of materials are being expanded to include relevant weight and material data, while a structured method for assessing product circularity is being developed. The existing assessment matrix for product lifetimes is also being expanded to include the substitutability of the materials used. This creates the conditions for Severin to assess circularity in the future not only qualitatively, but increasingly on the basis of reliable data. To prevent waste and promote reuse, Severin is also continuing its existing concept for refurbishing B-grade products. In addition, take-back and repair services are to be further expanded.

Designation	2024	2025	Unit
Total annual waste generated, broken down by type (hazardous)	0	0	t
Waste destined for disposal (hazardous)	0	0	t
Waste diverted from disposal for recycling or reuse (hazardous)	0	0	t
Total annual waste generated, broken down by type (non-hazardous)	474.85	567.97	t
Total amount of radioactive waste	0	0	t

The annual generation of non-hazardous waste, transport packaging and packaging subject to mandatory participation in a packaging system was taken into account.

OWN WORKFORCE

B8 – Own Workforce – General Characteristics

Designation	2024	2025	Unit
Total number of employees	276	231	qty
Employees on permanent contracts	246	218	FTE
Employees on fixed-term contracts	30	13	FTE
Employees, of whom women	138	109	qty
Employees, of whom men	138	122	qty
Employees, of whom diverse	0	0	qty
Employee turnover rate	18.84	46.32	%

Country of Employment Contract

As at 31 December 2025, our employees were employed in the following countries:

Germany: 231 employees

France: 10 employees

Italy: 4 employees

Spain: 6 employees

Netherlands: 4 employees

Sweden: 4 employees

China: 47 employees

All employment contracts comply with the applicable national labour law requirements.

B9 – Own Workforce – Health and Safety

Designation	2024	2025	Unit
Number of reportable occupational accidents – employees	3	3	qty
Rate of reportable occupational accidents	3	3	Number of accidents per 200,000 hours worked
Number of fatalities resulting from work-related injuries – employees	0	0	qty

B10 – Own Workforce – Remuneration, Collective Bargaining and Training

All Workers Receive an Appropriate Wage That Corresponds to the Applicable Benchmarks

Severin's remuneration structure is based on market benchmarks for comparable positions in medium-sized companies, as well as on relevant collective bargaining frameworks. At the same time, the specific requirements and conditions of each position are taken into account, ensuring that remuneration is determined on an individual basis. Variable remuneration components are aligned with the company's strategy and the objectives of the management. Their design is based in particular on the company's financial objectives, especially revenue and EBIT.

Remuneration is reviewed annually together with the heads of the relevant divisions. It is then approved by the management and shareholders as part of the annual budgeting process.

Designation	2024	2025	Unit
Percentage of employees covered by collective bargaining agreements	0	0	%
Average number of training hours for female employees	400	200	h
Average number of training hours for male employees	700	350	h

C6 – Additional Information About the Own Workforce – Human Rights Policies and Processes

Disclosure of whether the company has a Code of Conduct or a human rights policy for its own workforce?
YES

Does the Code of Conduct/human rights policy cover child labour? YES

Does the Code of Conduct/human rights policy cover forced labour? YES

Does the Code of Conduct/human rights policy cover human trafficking? YES

Does the Code of Conduct/human rights policy cover discrimination? YES

Does the Code of Conduct/human rights policy cover accident prevention? YES

Does the Code of Conduct/human rights policy cover other matters? YES, ethical conduct, data protection

Disclosure of whether the company has a mechanism for handling complaints from its own workforce?
YES – Severin has implemented a whistleblowing system that enables employees to report violations of the law and unethical conduct anonymously.

C7 – Serious Negative Incidents in the Area of Human Rights

Confirmed incidents in the own workforce relating to child labour? NO

Confirmed incidents in the own workforce relating to forced labour? NO

Confirmed incidents in the own workforce relating to human trafficking? NO

Confirmed incidents in the own workforce relating to discrimination? NO

Confirmed incidents in the own workforce relating to other matters? NO

C8 – Company Excluded from the EU Paris-Aligned Benchmarks

During the reporting period, our company was not eligible for inclusion in EU Paris-aligned benchmarks. This was due to business activities in the fossil fuel sector that do not meet the requirements for inclusion set out in Article 12(1) of Regulation (EU) 2020/1818.

CORPORATE GOVERNANCE

B11 – Convictions and Fines for Corruption and Bribery

Designation	2024	2025	Unit
Convictions for anti-competitive behaviour, cartel and monopoly formation (ESRS G1-4)	0	0	qty
Amount of fines for violations of anti-corruption and anti-bribery laws	0	0	€

APPENDIX

ID	Designation	Justification
B2 – Practices, Strategies and Future Initiatives for the Transition Towards a More Sustainable Economy		
B2_02	Practices to promote sustainability	Disclosure requirement is not material
B2_03	Sustainability-related strategies	Disclosure requirement is not material
B2_04	Implemented future initiatives and plans relating to sustainability topics	Disclosure requirement is not material
B2_05	Targets for monitoring the implementation of the strategies	Disclosure requirement is not material
B2_06	Targets for monitoring the progress achieved through the strategies	Disclosure requirement is not material
B2_07	These practices, strategies and future initiatives include measures taken by the company to reduce its negative impacts and enhance its positive impacts on people and the environment, thereby contributing to a more sustainable economy	Data point is voluntary
B2_08	Practices to reduce negative impacts on people and the environment, thereby contributing to a more sustainable economy	Disclosure requirement is not material
B2_09	Strategies to reduce negative impacts on people and the environment, thereby contributing to a more sustainable economy	Disclosure requirement is not material
B2_10	Future initiatives to reduce negative impacts on people and the environment, thereby contributing to a more sustainable economy	Disclosure requirement is not material
B2_11	Practices to enhance positive impacts on people and the environment, thereby contributing to a more sustainable economy	Disclosure requirement is not material
B2_12	Strategies to enhance positive impacts on people and the environment, thereby contributing to a more sustainable economy	Disclosure requirement is not material
B2_13	Future initiatives to enhance positive impacts on people and the environment, thereby contributing to a more sustainable economy	Disclosure requirement is not material
B2_15	Effective participation of workers, users or other interested parties or communities in governance	Data point is voluntary
B2_16	Financial investment in the capital or assets of social economy entities	Data point is voluntary
B2_17	Are there restrictions on profit distributions due to the organisation's public-benefit orientation or SGEI activities?	Data point is voluntary

C3 – Greenhouse Gas Reduction Targets and Climate Change		
C3_17	Disclosure of EMAS targets for reducing greenhouse gas emissions, where such targets have been set	Data point is voluntary
C4 – Climate Risk		
C4_05	Disclosure of potential negative impacts of climate risk on financial performance or business operations over different time horizons	Data point is voluntary
B6 – Water		
B6_04	Additional explanatory information on the context of water withdrawal or consumption	Data point is voluntary
B5 – Biodiversity		
B5_03	Total land area used	Data point is voluntary
B5_04	Total sealed area	Data point is voluntary
B5_05	Near-natural area on the site	Data point is voluntary
B5_06	Near-natural area outside the site	Data point is voluntary
B7 – Resource Use, Circular Economy and Waste Management		
B7_08	Waste diverted from disposal (non-hazardous waste)	Data point is voluntary
C5 – Additional (General) Characteristics of the Workforce		
C5_01	Ratio of women to men at management level	Data point is voluntary
C5_02	Number of external workers/agency workers – self-employed persons	Data point is voluntary
C5_03	Number of external workers/agency workers provided by undertakings whose main activity is the provision of employment services	Data point is voluntary
C7 – Serious Negative Incidents in the Area of Human Rights		
C7_06	Description of measures taken to remedy the incidents	Data point is voluntary
C8 – Revenue from Certain Sectors and Exclusion from the EU Paris-Aligned Benchmarks		
C8_01	Revenue from controversial weapons	Not relevant to the business model
C8_02	Revenue from the cultivation and production of tobacco	Not relevant to the business model
C8_03	Revenue from the fossil fuel sector (coal, oil and gas)	Not relevant to the business model
C8_04	Revenue from the production of chemicals	Not relevant to the business model

REPORT INFORMATION / PUBLICATION DETAILS

Reporting Year

2025

Publication Details

Company name: Severin Elektrogeräte GmbH,
Address: Röhre, 59846 Sundern

Contact Person

Luca Kunze
Sustainability Expert
luca.kunze@Severin.com
+49 2933 982 1231

Disclaimer

All information contained in the Sustainability Report has been collected and processed with the utmost care. Nevertheless, errors cannot be completely ruled out. All forward-looking statements are based on the assumptions and assessments prevailing at the time of publication.

Image Credits

Severin Elektrogeräte GmbH holds all image rights, with the exception of the AI-generated content on page 12 and the AI-modified portraits on pages 6, 26, 30 and 34.

