

PRAKAB Sustainability Report 2025

PRAKAB Pražská Kabelovna s.r.o.

Reporting period 1 January 2025 - 31 December 2025



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1. Executive Summary and 2025 Highlights

PRAKAB's 2025 Sustainability Report presents a concise but comprehensive overview of the Company's environmental, social and governance performance. The report is prepared on a voluntary basis. Its structure and selected disclosures were informed by the VSME framework, using relevant Basic Module and selected Comprehensive Module datapoints where proportionate and supported by available data. The report is supported by a detailed ESG Data Book. Its purpose is to provide customers, business partners, financial institutions, employees and other stakeholders with clear, evidence-based information on how sustainability is managed in PRAKAB's business.

The 2025 reporting year confirmed that PRAKAB has a strong sustainability management base, including certified management systems, structured energy management, greenhouse gas calculations, sustainable purchasing tools, product-related environmental compliance processes and internal workforce and governance controls. The report highlights progress in energy management, renewable electricity production, circularity, product transparency, responsible purchasing and workforce-related initiatives, while outlining the Company's continued focus on material efficiency, Scope 3 data quality, occupational health and safety, and consistent ESG data management.

1.1. Key figures for 2025

Table 1.a Key 2025 results

Area	2025 result / status
Revenue	CZK 5.726 billion
Balance sheet total	CZK 2.131 billion
Average employee headcount	378.5
Main certifications	ISO 9001, ISO 14001, ISO 45001, ISO 50001
Photovoltaic installed capacity	1,875 kWp
Photovoltaic electricity production	1,773 MWh
Scope 1 + Scope 2 emissions vs 2019	-24.1%
Total waste recovery rate	97.0%
Metal waste ratio	3.62% (improved from 3.94% in 2024)
Supplier ESG questionnaire response rate	88%
Environmental Product Declarations	Started for five aluminium cable families in 2025; completed in 2026
Purchasing spend covered by ESG questionnaire	90%
Employee engagement survey	Spotlight survey completed; score 3.24/4; response rate 52%



2. About this Report

PRAKAB Pražská Kabelovna s.r.o. publishes this Sustainability Report to provide transparent information about its approach to environmental, social and governance topics and their integration into the Company's operations and strategy.

The report covers the period from 1 January 2025 to 31 December 2025. It is a voluntary sustainability report prepared with reference to the VSME Basic Module and selected datapoints from the VSME Comprehensive Module, supplemented by selected ESRS-inspired disclosures where relevant and proportionate. The report applies the VSME structure proportionately, taking into account the Company's size, sector, data availability and stakeholder information needs. The report is accompanied by an ESG Data Book with supporting datapoints, and the VSME Reference Index at the end of the report shows how selected disclosures relate to the VSME Basic Module and selected Comprehensive Module datapoints.

The reporting scope covers PRAKAB's operations under operational control at its production site in Prague, Czech Republic. The report is based on internal management systems, operational records, certified management systems, ESG software outputs and supporting documentation from responsible functions.

PRAKAB aims to base sustainability information on available internal records, management systems and supporting documentation, and continues to improve the quality, completeness and consistency of sustainability data over time.

Greenhouse gas emissions are calculated using a dedicated ESG reporting software tool that supports structured data collection, calculation traceability and reporting outputs. The carbon footprint calculation is prepared in line with the Greenhouse Gas Protocol, the globally recognised standard for measuring and reporting corporate greenhouse gas emissions. The inventory includes Scope 1, Scope 2 and relevant Scope 3 categories. Scope 2 emissions are presented primarily using the location-based method, with market-based values available as supplementary information.

This report has not been prepared to fulfil a mandatory CSRD reporting obligation. Its purpose is to provide a transparent and practical overview of sustainability topics relevant for customers, business partners, financial institutions, employees and other stakeholders.

The report was prepared by the ESG function in cooperation with subject-matter experts and is intended for review and approval by the Managing Directors.

Certain internal management information, including detailed remuneration analyses and sensitive compliance information, is not disclosed in this public report. Where relevant, such information is monitored internally and may be provided to stakeholders under appropriate confidentiality arrangements.



Table 2.a Reporting information

Item	Description
Reporting entity	PRAKAB Pražská Kabelovna s.r.o.
Reporting period	1 January 2025 - 31 December 2025
Reporting framework	With reference to the VSME Basic Module and selected datapoints from the VSME Comprehensive Module
Additional guidance	Selected ESRS-inspired disclosures where relevant and proportionate
Reporting scope	PRAKAB operations under operational control
Production site	Prague, Czech Republic
Report type	Public voluntary sustainability report
Management approval	Managing Directors

3. Company Profile and Business Model

PRAKAB Pražská Kabelovna s.r.o. is a Czech manufacturer of electrical cables with an industrial tradition dating back to 1921. The Company operates one production site in Prague and is part of the privately owned SKB Group.

The Group operates as a holding structure with manufacturing and distribution companies in Central Europe. The parent company of the Group is SKB Industrieholding GmbH, Austria.

PRAKAB's product portfolio includes installation control wires, power cables, railway safety cables, communication cables and wires, and halogen-free energy and safety cables. These products contribute to the safe and reliable transmission of electricity and information and support electrification, renewable energy integration, infrastructure development and the safe operation of buildings and technical systems.

Table 3.a Company at a glance

Indicator	Information
Company	PRAKAB Pražská Kabelovna s.r.o.
Established	1921
Registered office	Ke Kablu 278, Hostivař, 102 00 Prague 10, Czech Republic
Parent company	SKB Industrieholding GmbH
Business activity	Cable manufacturing
Production sites	1
Average employees	378.5
Revenue	CZK 5.726 billion
Main certifications	ISO 9001, ISO 14001, ISO 45001, ISO 50001
Legal form	Limited liability company (s.r.o.)
NACE code	27320
Balance sheet total	CZK 2,130,756,000

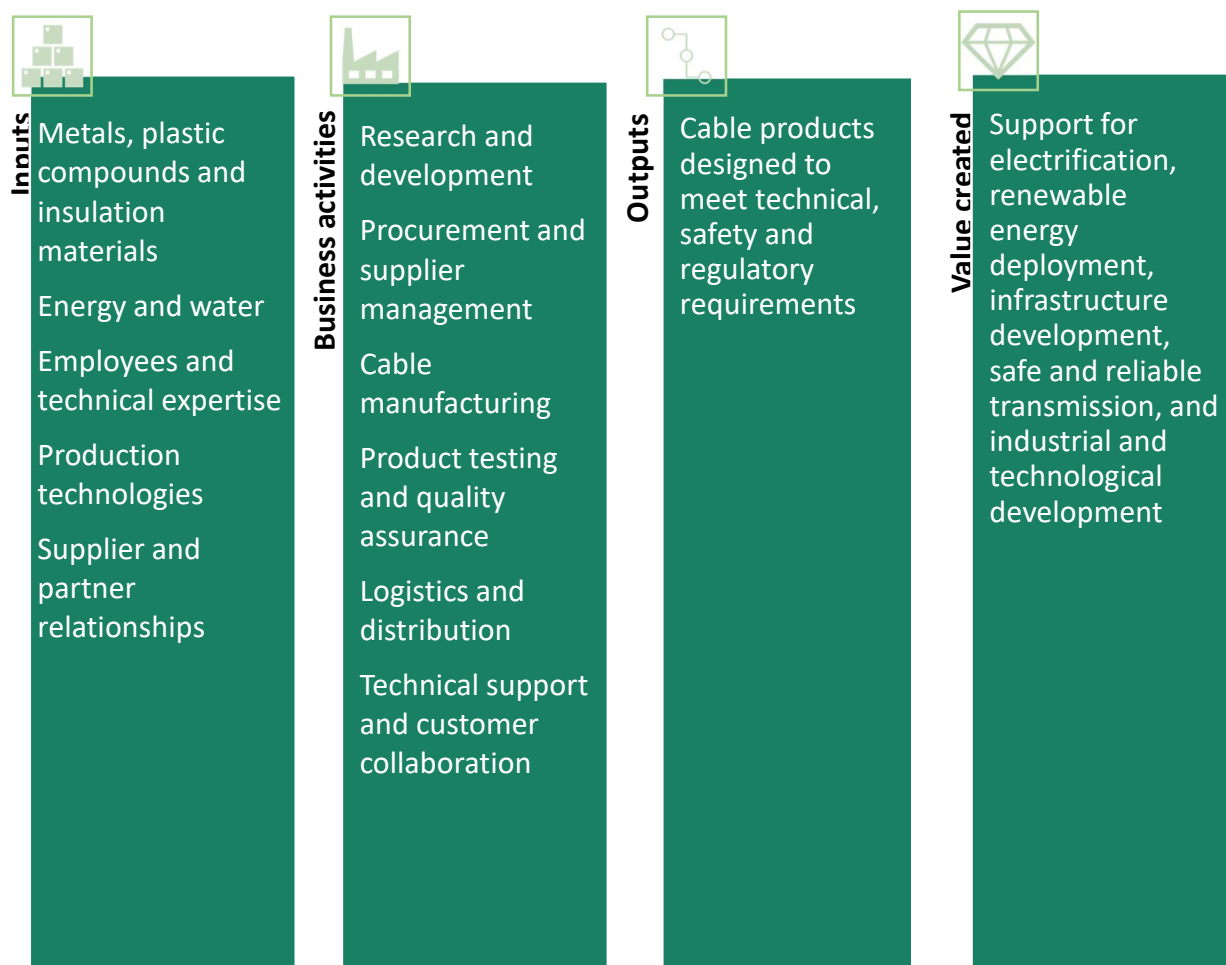


3.1. Business model, value chain and product lifecycle perspective

PRAKAB creates value by combining technical expertise, responsible sourcing, efficient manufacturing and long-term customer collaboration to deliver cable solutions that support critical infrastructure and industrial development.

Company recognizes that long-term business success depends on balancing economic performance with responsible management of environmental, social and governance impacts across its operations and value chain.

Figure 3.i Business model overview



This value-chain perspective explains why PRAKAB's sustainability report combines operational indicators with product and supplier information. For a cable manufacturer, sustainability is not limited to direct emissions or site-level waste. Purchased material emissions, recycled material content, product environmental declarations and restricted-substance documentation are equally important for customers and for long-term competitiveness.

Figure 3.ii Management approach to ESG topics

Value-chain stage	Main ESG relevance for PRAKAB	How PRAKAB manages the topic
Upstream suppliers	Metals, plastics, compounds, supplier ESG practices and product-compliance evidence	Sustainable purchasing framework, Supplier Code of Conduct, ESG questionnaire, supplier risk assessment, REACH/SVHC declarations, CBAM and EPD-related data requests
Own operations	Energy consumption, emissions, production scrap, waste, water, H&S and working conditions	ISO 14001, ISO 45001, ISO 50001, energy performance monitoring, carbon footprint measurement, waste management, water monitoring, HR processes, H&S management, training and development
Products	Technical quality, safety, environmental product information and material innovation	Green Cable, recycled-material development, EPDs, product compliance processes, REACH, RoHS, POPs and PFAS monitoring, product testing and customer-specific documentation
Customers and use phase	Cables support electrification, infrastructure, energy systems and reliable electricity transmission	Technical support, quality management, product documentation and cooperation on customer sustainability requirements
End of life	Recycling potential of metals and selected materials	Design and material-efficiency considerations, customer and market-specific circularity discussions
Business conduct and governance	Ethical conduct, compliance, transparency and trust across business relationships	Code of Conduct, anti-corruption risk assessment, compliance controls, conflict-of-interest follow-up and reporting channels



4. Sustainability Strategy and Governance

4.1. Sustainability Strategy

Sustainability is wired into all aspects of PRAKAB's business.

PRAKAB applies the SKB Group ESG strategy at company level and translates it into practical actions across operations, products, people, supply chain management and governance.

The Group ESG strategy was reviewed in 2024 and is built around five strategic pillars:

Environmental Stewardship

focuses on reducing environmental impacts through energy management, greenhouse gas monitoring, waste reduction, circular economy activities and responsible use of resources.

Product and Customer Engagement

supports the development of products with improved environmental performance, product transparency and cooperation with customers on sustainability-related requirements.

Social Responsibility

covers employee well-being, safe working conditions, development, communication and community engagement.

Operational Excellence

links sustainability with responsible sourcing, process efficiency, digitalisation and continuous improvement.

Governance and Transparency

supports ethical business conduct, compliance, ESG data management and transparent reporting.

This strategy helps PRAKAB integrate sustainability into day-to-day decision-making while keeping the approach practical, measurable and connected to the Company's business priorities.

4.2. Sustainability Governance

Sustainability governance at PRAKAB combines strategic oversight with operational ownership. The overall ESG strategy is coordinated at Group level by the ESG Manager and developed in cooperation with the Company's ownership and Managing Directors.

Long-term sustainability objectives and key performance indicators are agreed by the owner, Managing Directors and the ESG Manager to ensure alignment with the Company's business strategy and operational priorities.

Implementation is embedded in the relevant business functions. Managers responsible for purchasing, production, research and development, energy management, quality, human resources and health and safety propose and implement measures within their areas of responsibility. These measures are reviewed and aligned with the ESG function and Managing Directors.

This governance model ensures that sustainability is not managed as a standalone activity, but is connected to strategic direction, operational decision-making and continuous improvement.



4.3. Management Systems and Certifications

PRAKAB manages key sustainability topics through certified management systems, structured internal processes and functional ownership. These systems support legal compliance, operational control, data collection, continuous improvement and customer confidence.

The Company maintains the following certified management systems:

- ISO 9001 – Quality Management
- ISO 14001 – Environmental Management
- ISO 45001 – Occupational Health and Safety Management
- ISO 50001 – Energy Management

The Company also participates in external sustainability assessments.

- The EcoVadis sustainability badge remains valid until June 2026.
- In the area of product transparency, PRAKAB started the preparation of externally verified Environmental Product Declarations for selected aluminium cable families in 2025. The EPDs were completed in 2026.
- The implementation of ISO 27001 and ISO 19443 is in progress.

Table 4.a ESG system, process and control

ESG area	Main system, process or control	Purpose
Quality and product compliance	ISO 9001, product approvals, internal standards, accredited testing laboratory, customer documentation	Supports product quality, technical reliability, safety and compliance with customer and regulatory requirements.
Environment	ISO 14001, environmental monitoring, waste management, chemical and product-compliance processes	Supports environmental compliance, waste management, resource efficiency and monitoring of relevant environmental impacts.
Energy and emissions	ISO 50001, energy-performance monitoring, carbon-footprint calculation, photovoltaic electricity generation	Supports energy efficiency, emissions management, energy data quality and progress toward Scope 1 and Scope 2 reduction.
Occupational health and safety	ISO 45001, risk assessment, H&S training, incident reporting and corrective actions	Supports safe working conditions, prevention of incidents and structured follow-up of health and safety performance.
Responsible supply chain	Supplier Code of Conduct, supplier ESG questionnaire, supplier risk assessment and documentation review	Supports supplier ESG engagement, product-compliance evidence, responsible sourcing and customer requirements.
Business conduct and governance	Code of Conduct, anti-corruption risk assessment, whistleblowing system, approval controls, conflict-of-interest follow-up and reporting channels	Supports ethical conduct, compliance, transparency and prevention of corruption, bribery and conflicts of interest.
ESG data management	ESG software, internal records, supporting documentation and responsible functions	Supports consistent data collection, reporting outputs and continuous improvement of ESG data quality.



4.4. ESG Goals and Progress

PRAKAB monitors progress against ESG goals derived from the agreed SKB Group ESG strategy and translated into company-level targets and indicators. The table below summarises the 2025 progress against these goals and shows the next focus for continued implementation.

Note: The occupational health and safety KPI was not part of the formal 2025 ESG goals. It is included as a new Group KPI for 2026 onwards, with 2025 used as the baseline for future monitoring.



Table 4.b ESG goals and progress dashboard (1/2)

Target	2025 progress	Status and next focus
CO2 reduction: Reduce Scope 1 and Scope 2 emissions by 50% by 2030 compared with 2019; reduce Scope 3 emissions over time.	Scope 1+2 location-based emissions were 24.1% below the 2019 base year. Scope 3 emissions increased in absolute terms, mainly due to purchased materials, but decreased per tonne of production, indicating improved carbon intensity.	In progress for Scope 1+2; challenging for Scope 3. Continue energy management, PV development, supplier engagement and material-footprint data improvement.
Energy efficiency: Reduce energy consumption through energy-performance monitoring and improvement actions.	Energy consumption per tonne of metal processed improved from 314 to 299 kWh/t metal processed.	Good progress. Continue ISO 50001 energy management, production-machine analysis and monitoring by product mix.
Waste management and circular economy: Reduce waste and improve material efficiency, including metal waste reduction.	Metal waste ratio improved from 3.94% in 2024 to 3.62% in 2025, but remained above the internal 2.55% target. Total recovery rate remained approximately 97.0%.	Target not met for metal waste, but improvement achieved. Continue weekly monitoring, production-efficiency actions and circular-material projects.
Sustainable products and customer engagement: Build a portfolio of sustainable products and cooperate with customers on sustainability-related solutions.	Continued development of circular cable solutions under the Green Cable / circularity programme. The work included recycled-content metals, recycled HDPE sheath material, HFFR sheathing material with higher recycled content, PVC recycling activities and customer-specific circularity planning for selected cable components.	In progress. Continue technical validation, customer discussions and supplier engagement so that recycled and lower-impact material solutions can be used in regular deliveries where technically feasible, compliant with product requirements and approved by customers.
Biodiversity: Implement biodiversity-related initiatives where relevant and proportionate to the Company's operations.	A beehive was installed at PRAKAB's premises as a practical biodiversity and employee-awareness initiative.	Completed for 2025. Continue proportionate site-level biodiversity and awareness activities.
Water: Reduce water use and monitor water-related performance.	Total water consumption increased in 2025, both in absolute terms and slightly per tonne of production. Cooling-related water use increased in absolute terms, while cooling water intensity remained stable.	Improvement area. Continue monitoring total water use and cooling-related water use, and review efficiency opportunities where technically and economically reasonable.



Table 4.b ESG goals and progress dashboard (2/2)

Target	2025 progress	Status and next focus
Employee well-being: Monitor and improve employee satisfaction, engagement and working conditions.	The Spotlight survey was completed, with an overall score of 3.24/4 and a response rate of 52%. Employee benefits and preventive health activities continued.	Baseline established under the new survey approach. Focus on survey follow-up, communication, development opportunities and practical HR actions.
Social impact and community engagement: Develop and implement community engagement projects.	PRAKAB supported community activities, including participation in Podnikatelský kemp focused on young people from children's homes and foster families.	Implemented in 2025. Continue meaningful community engagement linked to education, practical skills and social impact.
Sustainable material sourcing: Implement sustainable sourcing through supplier engagement and ESG information collection.	PRAKAB launched structured supplier ESG engagement for targeted suppliers. In 2025, 63 suppliers were targeted, 56 responses were received, the response rate reached 88%, and the questionnaire covered 90% of purchasing spend. Supplier Code of Conduct was prepared, rollout started in January 2026.	Good progress. Continue supplier follow-up, increase Supplier Code of Conduct coverage, improve evidence completeness and strengthen risk-based supplier assessment.
Digitalisation: Digitalise operational and supporting processes.	Digitalisation continued through ESG software, HR process digitalisation, Learning Management System implementation and preparation for electronic document management and signing.	In progress. Continue implementation of digital tools that improve process efficiency, traceability and data quality.
Reporting and transparent communication: Prepare regular ESG-related reporting and communicate progress to relevant stakeholders.	PRAKAB prepared a public Sustainability Report supported by an ESG Data Book, used ESG data for customer and supplier communication, and strengthened product-related environmental information by starting EPD preparation for selected aluminium cable families.	Progress achieved. Continue improving reporting consistency, evidence quality and usefulness of ESG information for customers, financial institutions and internal management.
Measurement and management: Implement systems for monitoring defined sustainability metrics.	ESG data collection, carbon-footprint calculation, HR review, sustainable purchasing assessment and anti-corruption risk assessment were implemented or updated.	Largely implemented. Continue improving data completeness, ownership, documentation and consistency across reporting processes.



5. Material Sustainability Topics

PRAKAB's material sustainability topics are based on a structured double materiality assessment performed in 2024 with external advisor support. In 2025, PRAKAB reviewed whether the results remained valid in light of the Company's business model, operations, value chain, stakeholder needs, regulatory developments and internal management priorities.

The 2025 review confirmed that the previously identified topics remain relevant for PRAKAB's sustainability management and reporting. The purpose of this chapter is therefore to summarise which topics are considered material for this report, why they matter for PRAKAB and where they are addressed in the report.

Table 5.a Material sustainability topics

Material topic	Why it is material for PRAKAB	Main report focus
Energy and greenhouse gas emissions	Cable manufacturing is energy-intensive, and GHG data is increasingly requested by customers, banks and other stakeholders.	Energy management, PV electricity, Scope 1, Scope 2 and relevant Scope 3 emissions.
Materials, circular economy and sustainable products	PRAKAB depends mainly on metals, plastics and compounds. Material efficiency, recycled content and innovation support environmental performance, cost control and customer needs.	Waste, metal efficiency, Green Cable, recycled-material development and product environmental information.
Product quality, safety and compliance	Cables are used in infrastructure, energy, industrial, building and railway applications where reliability and compliance are critical.	Testing, approvals, product safety, chemical and material compliance, and customer documentation.
Water and operational environmental management	Water is used in selected production and cooling processes, while environmental performance is managed through site-level controls.	Water monitoring, environmental compliance and operational controls.
Own workforce	Skilled employees and safe working conditions are essential for stable production, quality, innovation and resilience.	Workforce structure, H&S, working conditions, engagement, training, social dialogue and labour safeguards.
Responsible supply chain	Upstream impacts are linked to purchased materials and supplier evidence, including ESG, compliance and carbon-related information.	Supplier ESG questionnaire, Supplier Code of Conduct, risk assessment and follow-up.
Business conduct and governance	Ethical conduct, compliance and transparent governance support trust with business partners and employees.	Code of Conduct, anti-corruption risk assessment, conflict of interest and responsible information management.

The selected topics are closely connected to PRAKAB's value chain. Upstream topics relate mainly to materials, supplier practices and product-compliance evidence. Own operations relate mainly to energy, emissions, waste, water, safety and workforce management. Product



and customer-related topics relate to quality, safety, environmental product information, technical documentation and cooperation on sustainability requirements.

5.1. Stakeholder information needs

PRAKAB's sustainability reporting is designed to respond to the information needs of stakeholders who use ESG information for business, commercial, financial and employment-related decisions. Customers typically require information on product compliance, EPDs, restricted substances, carbon footprint and supplier practices. Financial institutions focus mainly on greenhouse gas emissions, energy management, governance, risk management and data quality. Employees and applicants are interested in safe working conditions, development, benefits, fair treatment and labour relations. Suppliers need clarity on PRAKAB's expectations, including the Supplier Code of Conduct, ESG questionnaire and evidence requirements.

These information needs influenced the structure of the report and the level of detail provided in the thematic chapters.

5.2. Sustainability risks and opportunities considered in management

The report does not present a full ESRS-style financial risk assessment. However, PRAKAB uses the material sustainability topics identified through the double materiality assessment and confirmed in the 2025 review to support management discussions on areas that may affect long-term operational performance, customer relationships, compliance and resilience. These include energy and emissions, material efficiency, product compliance, workforce stability and safety, supplier ESG evidence, and business conduct controls. The related management approaches, actions and improvement priorities are addressed in the thematic chapters and in the ESG goals and progress dashboard.

6. Environmental Responsibility

Environmental responsibility is one of the central elements of PRAKAB's sustainability approach. As a cable manufacturer, the Company's most relevant environmental topics relate to the efficient use of energy and materials, greenhouse gas emissions, resource efficiency, product-related environmental compliance, and circular economy principles.

PRAKAB manages environmental topics through certified management systems, operational monitoring, internal improvement projects and product-development activities. The Company maintains an ISO 14001-certified environmental management system and an ISO 50001-certified energy management system. These systems support structured data collection, monitoring of performance indicators, legal compliance and continuous improvement.

6.1. Resource and Energy Management

Efficient use of energy is important for PRAKAB from both an environmental and operational perspective. Energy management supports cost efficiency, operational stability, greenhouse gas reduction and continuous improvement in production processes.

PRAKAB manages energy performance through an ISO 50001-certified energy management system. The objective of the Company's energy management activities is to promote the



efficient and sustainable use of energy across operations. This includes systematic collection and evaluation of energy data, monitoring of energy performance indicators and implementation of technical and organizational measures aimed at improving energy efficiency and reducing greenhouse gas emissions.

Energy performance is reviewed through a cross-functional energy management process. The Company uses 2021 as the energy reference year for energy performance monitoring under ISO 50001.

Table 6.a Selected energy performance indicators

Indicator	Unit	2024	2025	Change
Total energy consumption	MWh	16,546	18,459	+11.6%
Energy consumption per tonne of metal processed	kWh/t metal processed	314	299	-4.8%
Heat consumption	kWh/m ²	144	131	-9.0%
Photovoltaic electricity production	MWh	984	1,773	+80.2%
Photovoltaic electricity as % of total consumption	%	5.9	9.6	n/a

In 2025, PRAKAB's absolute energy consumption increased by 11.6%. At the same time, the main energy-performance indicator, measured as energy consumption per tonne of metal processed, improved from 314 kWh/t to 299 kWh/t. The result was close to the annual 5% improvement target. The development was influenced by changes in the production portfolio, including a higher share of aluminium.

Own photovoltaic generation is one of the practical measures supporting energy resilience and lower dependence on purchased electricity. The 2025 development is summarized below.

Figure 6.i Photovoltaics in Prakab



Photovoltaics in Prakab

PRAKAB continues to develop own renewable electricity generation at its Prague site. In 2025, photovoltaic electricity production increased to 1,773 MWh, supported by installations with a total capacity of 1,875 kWp. The Company also completed project preparation for an additional installation on the administrative building.

The photovoltaic programme reduces dependence on purchased electricity, supports resilience against energy-price volatility and lowers the carbon intensity of electricity used in production.

6.2. Greenhouse Gas Emissions and Carbon Footprint

Carbon footprint methodology and boundary

PRAKAB calculates its greenhouse gas emissions using dedicated ESG reporting software. The calculation approach is aligned with the GHG Protocol and the software supports structured data collection, consistent calculation logic, traceability of inputs and reporting outputs. Emission factors and related calculation formulas are regularly updated to reflect changes in relevant methodologies, databases and non-financial reporting requirements.

The inventory covers Scope 1, Scope 2 and relevant Scope 3 categories. Scope 2 emissions are presented primarily using the location-based method. Market-based Scope 2 emissions are calculated as supplementary information in the software.

The Company uses 2019 as the base year for its Scope 1 and Scope 2 greenhouse gas reduction target. The long-term target is to reduce Scope 1 and Scope 2 emissions by 50% by 2030 compared with 2019. PRAKAB also monitors Scope 3 emissions, with a focus on purchased materials, and aims to reduce Scope 3 emissions over time through material efficiency, supplier engagement, recycled-material development and improved emission-factor data.

Emissions profile

Table 6.b Greenhouse gas emissions

Indicator (in tCO ₂ e)	2019 base year	2024	2025	2025 vs 2024	2025 vs 2019
Scope 1	255	182	152	-16.7%	-40.5%
Scope 2 (location-based)	12,188	8,736	9,288	+6.3%	-23.8%
Scope 1 + Scope 2 (location-based)	12,443	8,918	9,440	+5.8%	-24.1%
Scope 3 (location-based)	170,790	184,254	200,615	+8.9%	+17.5%
of which: purchased materials and goods	165,853	173,274	188,361	+8.7%	+13.6%
Total GHG emissions (location-based)	183,233	193,172	210,054	+8.7%	+14.6%

Table 6.c VSME-style greenhouse gas intensity indicators

Indicator	Unit	2025
Net turnover	CZK million	5,726
Balance sheet total	CZK million	2,131
Approximate turnover used for intensity calculation	EUR million	229
Scope 1 + Scope 2 location-based intensity	tCO ₂ e / EUR million turnover	41.2
Total location-based GHG intensity	tCO ₂ e / EUR million turnover	917.1

Total location-based greenhouse gas emissions increased by 8.7% compared with 2024 and by 14.6% compared with the 2019 base year. The increase was mainly driven by Scope 3 emissions, particularly purchased materials and goods, which represent the largest part of the Company's carbon footprint.

Scope 1 and Scope 2 emissions remain below the 2019 base year. However, Scope 2 emissions increased year-on-year in 2025 due to higher purchased electricity consumption.



This confirms the importance of both operational energy management and supplier- and material-related initiatives for the Company's long-term emissions performance.

Scope 3 and purchased materials

For PRAKAB, the carbon footprint is structurally driven by purchased materials. Metals, plastics and compounds represent essential inputs for cable manufacturing and also account for the largest part of upstream greenhouse gas emissions. This means that the Company's carbon footprint cannot be managed only through energy efficiency at the production site; supplier engagement, material choices and product development are also important.

In 2025, purchased materials and goods represented approximately 94% of Scope 3 emissions. This confirms the importance of sustainable purchasing, supplier CO₂ data, recycled-content information, Environmental Product Declarations, Green Cable activities and CBAM-related supplier cooperation for aluminium.

Table 6.d Scope 3 emissions profile

Scope 3 category	2025 emissions	Share of Scope 3	Comment
Purchased materials and goods	188,361 tCO ₂ e	93.9%	Main upstream emissions driver
Other Scope 3 categories	12,253 tCO ₂ e	6.1%	Includes other relevant upstream and value-chain categories
Total Scope 3 emissions	200,615 tCO₂e	100.0%	Location-based inventory

Managing emissions across the value chain

PRAKAB addresses greenhouse gas emissions through a combination of operational energy management, renewable electricity generation, material-efficiency measures and supplier engagement.

The Company's ability to influence emissions differs by scope: direct and purchased-energy emissions can be managed mainly through site-level actions, while Scope 3 emissions require cooperation with suppliers and product-related initiatives.

Table 6.e Carbon footprint management approach

Emissions area	Main driver	Management approach
Scope 1	Direct fuel use and company operations	Monitoring of fuel use and gradual electrification where technically and economically feasible
Scope 2	Purchased electricity and heat	ISO 50001 energy management, energy-efficiency projects, photovoltaic generation and electricity data monitoring
Scope 3 - purchased materials	Copper, aluminium, plastics, compounds and other material inputs	Supplier ESG assessment, recycled-content information, supplier CO ₂ data, EPDs, Green Cable activities and CBAM-related cooperation
Data quality	Consistency and completeness of activity data and emission factors	ESG software, supplier documentation, annual carbon-footprint calculation and methodology improvements



The Company will continue to improve the quality and usability of carbon-footprint information, especially for purchased materials and product-level environmental information. This is important both for internal management and for responding to customer requests for verified environmental data.

6.3. Circular Economy and Sustainable Products

Resource efficiency and circular economy are highly relevant for PRAKAB because cable production depends on significant volumes of metals, polymers and other input materials. Efficient material use supports environmental performance, cost control and operational excellence.

PRAKAB systematically sorts production and municipal waste and transfers materials for recycling and further use. Internal production waste is returned to the material cycle where technically possible. Waste that cannot be materially recycled is primarily directed to energy recovery where possible.

Table 6.f Waste indicators

Indicator	Unit	2024	2025	Change
Total waste generated	tonnes	3,399	3,386	-0.4%
Non-hazardous waste	tonnes	3,328	3,315	-0.4%
Hazardous waste	tonnes	71	72	~0.0%
Waste recycled	tonnes	2,322	2,326	+0.2%
Waste recovered through energy recovery	tonnes	974	958	-1.7%
Other / not recovered waste	tonnes	103	102	-1.1%
Recycling rate	%	68%	69%	+1 p.p.
Total recovery rate	%	97%	97%	stable
Metal waste ratio	%	3.9%	3.6%	-0.3 p.p.

Table 6.g Material-flow indicators

Indicator	Unit	2024	2025	Change
Total relevant materials used	tonnes	46,550	49,267	+5.8%
Metals used / processed	tonnes	25,500	27,502	+7.9%
Plastics / compounds used	tonnes	13,500	13,796	+2.2%
Other relevant materials	tonnes	7,550	7,969	+5.5%

Material-flow data is included to reflect the relevance of raw materials for cable manufacturing. Metals and plastics represent the most significant material groups for PRAKAB's products and environmental footprint.

In 2025, total waste generated remained broadly stable compared with 2024. Most waste was non-hazardous, and the total recovery rate remained high at approximately 97%, including recycling and energy recovery. The recycling rate increased slightly to 69%.

Metal efficiency is particularly important for cable manufacturing because metals represent both a significant environmental footprint and a major material input. PRAKAB monitors metal waste as a key resource-efficiency indicator. The Company has set an ambitious



internal target of maximum 2.55%. This target reflects a high level of ambition and is used primarily as a management and motivation tool to support operational focus, production discipline and continuous improvement.

In 2025, the target was not met, with the annual metal waste ratio reaching 3.6%. However, the result improved compared with 2024, when the metal waste ratio was 3.9%. The indicator remains an important management tool for reducing material losses and improving production efficiency.

Recycled and lower-impact material development

Product innovation is a key part of PRAKAB's circular economy approach. Through the Green Cable / circularity programme, the Company develops cable solutions with higher recycled or lower-impact material content while maintaining technical, safety and performance requirements.

In 2025, PRAKAB completed feasibility studies focused on the processing of regranulates from PVC, HDPE, HFFR and silicones. Functional samples were produced using recycled-content levels ranging from 10% to 90%, and the processing properties and product parameters of the prototypes were monitored and verified. This work helps assess where recycled materials can be used in cable production without compromising product quality, safety, technical performance or compliance requirements.

The Company also continued customer discussions to define specific requirements for recycled-material use in regular deliveries. Ongoing activities focus on improving recycled-material logistics, increasing the collection of internal production waste for reuse and modifying granulate dosing technology to enable continuous parallel dosing of recycle together with virgin material.

Next development steps include a feasibility study on post-consumer recycled plastics in cable production.

These activities support PRAKAB's long-term objective to increase material circularity where technically feasible, commercially available and customer-approved.

6.4. Product Quality, Material Safety and Compliance

Product quality, safety and compliance are material topics for PRAKAB because the Company's cables are used in infrastructure, energy, industrial, building and railway applications where reliability and safety are critical. Product compliance is therefore managed as part of the Company's quality management system, technical documentation, customer requirements and applicable legal and technical standards.

PRAKAB operates product testing and approval processes to verify that products meet required technical, electrical, mechanical and fire-safety parameters. The Company maintains product approvals and certifications relevant to its portfolio and customer requirements, including third-party testing and certification where required. PRAKAB also operates an accredited testing laboratory with long-term expertise in cable and conductor testing.

Material safety and chemical compliance are managed as part of product development, purchasing, quality and customer documentation processes. This includes monitoring and documentation related to REACH, RoHS, POPs and PFAS-related requirements where relevant for the Company's products and materials. Supplier declarations and material information



are collected to support compliance assessment, customer documentation and product-related evidence.

In 2025, PRAKAB continued to strengthen product-related environmental information and material transparency. This included work on Environmental Product Declarations for selected cable families, customer-specific documentation and the development of circular cable solutions under the Green Cable / circularity programme. These activities support customer requirements, product innovation and the gradual integration of recycled and lower-impact materials where technically feasible and compliant with product requirements.

PRAKAB's approach is to ensure that sustainability-related product innovation does not compromise product quality, safety or compliance. Recycled and alternative materials are therefore assessed through technical validation, supplier documentation, customer discussions and internal testing before regular use in product deliveries.

6.5. Water

Water use at PRAKAB is linked mainly to selected production processes and cooling systems. The Company monitors water withdrawal, discharge and consumption as part of its environmental management and uses water intensity indicators to better understand performance in relation to production volumes.

In 2025, total water consumption increased in absolute terms and slightly also in relation to production volume. Cooling-related water use increased in absolute terms, while cooling water intensity remained stable.

Table 6.h Water indicators

Indicator	Unit	2024	2025
Total water consumption	m3	15,984	18,835
Total water consumption intensity	m3/t production	0.35	0.37
Water used for cooling	m3	9,676	10,728
Cooling water intensity	m3/t production	0.21	0.21

PRAKAB will continue to monitor water use, with a focus on production-related water consumption and cooling systems. Further efficiency opportunities will be reviewed where technically and economically reasonable.

6.6. Biodiversity and Local Environmental Initiatives

Biodiversity is not among PRAKAB's most significant operational impact areas, but it remains part of the Company's long-term ESG goals. PRAKAB therefore supports practical site-level initiatives that contribute to the local environment and environmental awareness.

In 2025, PRAKAB installed a beehive at its premises as a practical biodiversity initiative supporting pollinators and employee awareness. The activity reflects the Company's broader ESG objective of implementing biodiversity-related initiatives where relevant and proportionate to its operations.



7. Own Workforce

PRAKAB's people are central to the Company's ability to manufacture reliable cable solutions, maintain product quality and respond to changing customer and technical requirements. As a production company, PRAKAB depends on a combination of skilled blue-collar workers, technical specialists, quality and maintenance teams, logistics, sales and administrative functions.

Workforce management at PRAKAB is built around practical priorities: keeping people safe, maintaining stable working conditions, developing skills for a technically demanding production environment, supporting communication across employee groups, and safeguarding fair treatment. These priorities are supported by HR processes, the collective agreement, occupational health and safety management, training systems, employee communication channels and cooperation with employee representatives.

In 2025, PRAKAB prepared an internal HR and Labour & Human Rights review to strengthen management oversight of people-related topics. The review confirmed that the Company has a solid workforce-management base, while also identifying improvement priorities in accident severity, training-data consistency, agency-worker documentation, HR digitalisation and follow-up from the employee survey.

7.1. Workforce management approach

PRAKAB's workforce management approach reflects the needs of a production company with technical, operational and administrative roles. The Company combines formal systems, statutory requirements, collective bargaining and practical internal monitoring.

The aim is to support safe working conditions, stable labour relations, accessible communication and continuous development of employee skills. Workforce topics are managed by HR and relevant line functions, with health and safety, training, working conditions, employee communication and labour safeguards monitored as part of regular management processes.

7.2. Workforce Structure

In 2025, PRAKAB's average employee headcount remained broadly stable. The Company had an average of 378.5 direct employees and an average total workforce of 408.0 people, including other workers.

Table 7.a Workforce overview

Indicator	Unit	2024	2025	Change
Average headcount - employees	headcount	382.5	378.5	-1.0%
Average FTE - employees	FTE	360.0	354.8	-1.5%
Average headcount - other workers	headcount	27.5	29.5	+7.3%
Average FTE - other workers	FTE	27.5	27.5	0.0%
Average headcount - all workers	headcount	410.0	408.0	-0.5%
Average FTE - all workers	FTE	387.5	382.3	-1.4%



The workforce is predominantly production-based. This is important for interpreting health and safety indicators, employee communication, training accessibility, agency-worker safeguards and diversity metrics.

Table 7.b Selected diversity indicators

Indicator	Unit	2025
Women - employee FTE	FTE	55.3
Men - employee FTE	FTE	299.5
Share of women - employee FTE	%	15.57%
Share of men - employee FTE	%	84.43%
Women in management roles	%	10%
Women in senior management	%	33%
Workers with disability - average FTE	FTE	6.3

The workforce remains predominantly male, which is typical for production-heavy cable manufacturing. Diversity will continue to be monitored in recruitment, development and management positions.

Employee turnover improved compared with 2024, but remains a management topic. The turnover rate of all workers decreased from 50.7% in 2024 to 39.7% in 2025.

7.3. Occupational Health, Safety and Preventive Care

Occupational health and safety is a priority for PRAKAB. The Company maintains an ISO 45001-certified occupational health and safety management system covering direct employees and agency / other workers working on site.

The H&S approach includes risk assessment, occupational healthcare, work categorisation, personal protective equipment, H&S training, site rules for external workers, emergency preparedness, accident reporting and corrective actions. Performance is monitored through ESG software and regular internal management reporting.

Table 7.c Health and safety indicators

Indicator	Unit	2024	2025	Change
Hours worked - all workers	Hours	731,055	604,855	-17%
Recordable incidents	Number	8	5	-38%
Total ESG-classified incidents	Number	22	11	-50%
Recordable incident rate	Per 1,000,000 hours	11	8	-24%
Lost days	Days	185	233	+26%
Fatal work-related accidents	Number	0	0	stable
Recognised occupational diseases / work-related ill-health cases	Number	0	0	stable

In 2025, the number of recordable incidents decreased and the recordable incident rate improved. At the same time, lost days increased, indicating that accident severity remains an important management focus. No fatal work-related accidents and no recognised occupational diseases or work-related ill-health cases were reported.

PRAKAB's follow-up focus is therefore not only on reducing the number of incidents, but also on understanding root causes, preventing higher-severity risks, strengthening supervision of



safe behaviour, communicating lessons learned and consistently following up corrective actions.

Preventive health care

In addition to standard occupational healthcare, PRAKAB places strong emphasis on preventive health care and accessibility of medical services for employees. Each year, the Company organises on-site Health Days, enabling employees to undergo selected medical examinations directly at the workplace.

In 2025, Health Days focused on cancer prevention, including screening and consultations related to prostate cancer, breast cancer and skin cancer. PRAKAB also provides access to a broad range of vaccination programmes. Up to 30 types of vaccines are available, covering occupational and general health risks, including hepatitis and tick-borne encephalitis.

These activities are designed to increase accessibility of preventive care, support early detection of health risks and reduce barriers for employees who may otherwise have limited access to medical services. The level of health-related support provided by PRAKAB goes beyond basic legal requirements.

7.4. Working Conditions, Employee Engagement and Communication

Working conditions are managed through internal working rules, the collective agreement, payroll rules, HR communication, management monitoring and employee support processes. The collective agreement is the key framework for wages, benefits, working time, leave and other employment conditions.

Employee benefits and support include five weeks of vacation, meal support, occupational healthcare and required health checks, employee assistance support, selected flexible work arrangements where the nature of work allows it, selected benefit programmes and transport, housing, pension and seniority-related benefits where eligibility conditions are met.

The Company also monitors sickness rate and working time as part of regular HR management. In 2025, the average sickness rate based on weekly internal monitoring was 4.8%.

Employee engagement and follow-up

Employee satisfaction was assessed through the Spotlight survey, which established a 2025 baseline for employee perception across key areas such as remuneration, development opportunities, recognition and communication. The overall score was 3.24 out of 4 and the response rate was 52%.

The survey gives PRAKAB a structured basis for discussing employee experience and prioritising practical follow-up. Priority themes include clarity and transparency of information about changes, perceived development opportunities, recognition and feedback, and understanding of remuneration principles. HR will focus on translating the survey outcomes into a limited number of clearly communicated and measurable actions.

Internal communication platform - Cable Life

In 2025, PRAKAB introduced Cable Life, a new internal communication platform operating across the Group and connecting subsidiaries within the holding structure. The platform



enables employees to share information, contribute content and communicate across the organisation in a more open and accessible way.

Cable Life is designed to reach all employee groups, including those who do not use company email accounts as part of their daily work. This represents a significant step forward in internal communication, particularly in integrating blue-collar employees into company-wide information flows. The next focus is to increase active usage, support content ownership across functions and ensure that key HR and organisational messages are communicated consistently through the platform.

Table 7.d Selected employee-support and engagement indicators

Indicator	2025 result / status
Average sickness rate	4.8%
Spotlight survey score	3.24 / 4
Spotlight survey response rate	52%
Health Days	Implemented; 2025 focus on cancer prevention
Vaccination programme	Up to 30 vaccine types available
Cable Life platform	Implemented as Group-wide communication platform
Internal adequate-remuneration and pay-transparency screening	Performed as internal management review; detailed results not disclosed publicly

In 2025, PRAKAB also performed an internal adequate-remuneration and pay-transparency screening. The detailed results are treated as internal management information, but the review confirmed the need to further improve remuneration data completeness and pay-transparency preparation.

7.5. Social Dialogue

Social dialogue is managed mainly through the collective agreement and cooperation with employee representatives / union. It covers key employment topics such as wages, working time, benefits, occupational health and safety, training and working conditions.

In 2025, collective bargaining coverage remained at 100%. No strikes, collective labour disputes or major labour-relations conflicts were reported.

For the 2026-2027 collective agreement period, PRAKAB negotiated further employee-support measures, including wage adjustments, seniority-related benefits, meal-support improvements, selected health-related benefits, higher selected pension-related contributions, transport allowance changes, practical employee-support measures and a dedicated training budget.

7.6. Learning, Development and HR Process Digitalisation

Training and development are important for maintaining technical competence, safe work practices and operational quality. PRAKAB's training activities cover a combination of mandatory, technical and development-oriented programmes, including health and safety training, role-specific technical training, onboarding, product and compliance training, manager training and online learning modules.

Total recorded employee training hours reached 3,101 in 2025 and remained broadly stable compared with 2024. Training evidence is maintained through LMS records, participant lists



and attendance records. The HR review also confirmed the need to improve consistency between training evidence, LMS records and ESG reporting outputs.

PRAKAB is implementing a new Learning Management System to improve training assignment, completion tracking, onboarding consistency and evidence quality. Through integration with the HR system, training data should be automatically recorded and maintained in an up-to-date and consistent manner. The system is intended to provide access to all employee groups, including blue-collar workers, through production-line terminals, mobile devices or computers where appropriate.

Performance reviews and development outputs

Performance reviews are conducted for office / white-collar employees and serve as a management tool for performance evaluation, development planning and workforce management. In 2025, performance reviews were used to identify individual development needs, support internal mobility and role changes where relevant, provide structured feedback between employees and managers and create a basis for training and development planning.

HR process digitalisation and data quality

HR digitalisation is intended to improve efficiency, accessibility and traceability of HR documentation and management information. In 2025, key focus areas included improving consistency between ESG software outputs and internal HR data sources, strengthening documentation and evidence for training, H&S and HR processes, and developing digital tools for tracking HR and H&S action plans.

As part of the HR digitalisation roadmap, PRAKAB has defined a transition toward electronic document management and signing. The objective is to gradually replace paper-based processes with digital workflows, including electronic signatures for employment-related documents.

Table 7.e Training and HR digitalisation indicators

Indicator	2024	2025	Comment
Total recorded employee trainings	3,198 hours	3,101 hours	Training volume remained broadly stable year-on-year
Learning Management System	Under development	Implementation ongoing	Supports assignment, completion tracking, certificates and evidence quality
Performance reviews	Implemented for office employees	Implemented for office employees	Used for feedback and development planning
Electronic document management and signing	Preparation / roadmap	Defined as transition area	Implementation and process changes to continue in 2026



7.7. Labour and Human Rights Controls

PRAKAB manages labour and human rights topics through HR procedures, onboarding controls, internal rules, the Code of Conduct, H&S induction, agency-worker safeguards and reporting channels.

Age verification is performed during onboarding. In 2025, the Company had one 16-year-old temporary worker for school practice, and applicable legal requirements for young workers were followed. No child labour, forced labour, human trafficking, discrimination or harassment cases were reported in 2025.

Agency workers and practical safeguards

Agency workers represent a meaningful part of the operational workforce, particularly in blue-collar roles. In addition to formal H&S coverage and site rules, HR focuses on ensuring that key information is clearly communicated and understood by this group.

Given the high proportion of foreign-national agency workers, particular emphasis is placed on multilingual onboarding materials, understandable health and safety instructions, access to reporting channels and clear definition of roles and responsibilities on site. PRAKAB plans to further formalise no-recruitment-fee wording and agency recruitment-practice checks.

Table 7.f Labour and human rights safeguards

Area	2025 status	2026 focus
Age verification	Performed during onboarding; one 16-year-old school-practice worker with legal restrictions followed	Maintain documentation of young-worker controls
Child labour, forced labour and human trafficking	No cases reported	Continue annual monitoring and case classification
Discrimination and harassment	No cases reported	Continue prevention through Code of Conduct, work rules, training and reporting channels
Agency-worker H&S coverage	Agency workers receive site H&S induction and are covered by site rules	Continue full coverage and maintain evidence
Multilingual onboarding	Materials available in Czech, Ukrainian, English and German	Keep materials up to date and check additional language needs
Recruitment-fee safeguards	No recruitment-fee concerns reported	Formalise no-recruitment-fee wording and agency recruitment-practice checks



8. Responsible Supply Chain

PRAKAB's sustainability impacts extend beyond its own operations. As a cable manufacturer, the Company depends on a supply chain that includes metals, plastics, compounds, packaging, logistics and other production-related inputs. Purchased materials represent the largest part of the Company's greenhouse gas emissions and are therefore highly relevant for environmental performance, product footprint, customer requirements and long-term competitiveness.

Responsible supply chain management is also important from a compliance, quality and business-continuity perspective. PRAKAB expects suppliers to comply with applicable laws and to manage their environmental, social and ethical impacts responsibly. In 2025, the Company strengthened its sustainable purchasing approach by finalising supplier requirements, implementing the supplier ESG questionnaire and establishing a baseline for supplier sustainability follow-up. The Supplier Code of Conduct was prepared in 2025 and its rollout started in January 2026.

8.1. Sustainable purchasing framework and 2025 baseline

PRAKAB's sustainable purchasing approach is integrated into the existing supplier evaluation process for production materials. It is not treated as a separate standalone activity, but as part of supplier qualification, supplier communication, documentation review and supplier follow-up.

The process is managed mainly by Strategic Purchasing, with support from ESG, Quality, Technology / Production Technology and management where relevant. Purchasing is responsible for supplier communication, ESG questionnaire administration, supplier documentation and follow-up. Quality and Technology functions support supplier quality, input control, complaints, corrective actions and material suitability. ESG supports methodology, KPI monitoring, management reporting and external ESG requirements.

The framework is built around four main elements:

Table 8.a Sustainable purchasing framework

Element	Purpose	2025 status
Supplier evaluation process	Integrates sustainability into supplier assessment for production materials.	Implemented
Supplier ESG questionnaire	Collects ESG, compliance, carbon-footprint, recycled-content and supporting evidence from suppliers.	Implemented
Supplier Code of Conduct	Defines supplier expectations on legal compliance, ethics, human rights, labour, H&S, environment, GHG emissions, REACH/SVHC and conflict minerals where relevant.	Prepared in 2025; rollout started in January 2026
Supplier documentation review	Supports product compliance, customer documentation and supplier evidence quality.	Implemented / ongoing

The 2025 work established a structured baseline: PRAKAB defined supplier expectations, collected supplier information, assessed supplier responses and identified areas for follow-up.



The next step is to strengthen evidence completeness, Supplier Code of Conduct coverage and integration of ESG requirements into supplier onboarding and contractual documentation.

8.2. Supplier sustainability risk assessment

PRAKAB assesses supplier sustainability risks by considering the supplied material or service, relevance to the Company's material and product footprint, environmental and chemical compliance exposure, human rights and labour risks, purchasing importance and supplier ESG assessment results.

The highest sustainability relevance is linked to suppliers of metals, plastics, compounds and other production materials. These suppliers influence Scope 3 emissions, product compliance, recycled-content information, chemical documentation and customer evidence requirements.

Table 8.b Supplier sustainability risk assessment

Supplier / commodity group	Main ESG relevance	Risk relevance	Main controls
Copper and aluminium suppliers	CO ₂ intensity, energy source, recycled content, traceability, responsible sourcing and CBAM-related data.	High	ESG questionnaire, supplier declarations, CO ₂ / recycled-content data, CBAM-related communication and SCoC rollout.
Plastics, compounds, insulation and sheath materials	REACH/SVHC, hazardous substances, chemical safety, fossil-based material dependency, recycled or lower-impact content and CO ₂ footprint.	High	REACH/SVHC declarations, ESG questionnaire, environmental certification check, material information and SCoC rollout.
Packaging, drums and pallets	Waste, reuse, recyclability and material origin.	Medium	Supplier screening, declarations and reuse / recycling initiatives.
Logistics providers	Transport emissions, fuel use, labour and H&S practices.	Medium	Logistics data, ESG screening and supplier communication.
Other lower-volume suppliers	General legal, environmental and social compliance.	Low / Medium	Basic screening, questionnaire or SCoC where relevant.

8.3. Supplier engagement and assessment results

In 2025, PRAKAB carried out an ESG questionnaire assessment of selected production material suppliers. The purpose was to collect supplier sustainability information, identify documentation gaps and establish a baseline for future supplier follow-up.

The questionnaire assessment covered 63 targeted suppliers, of which 56 responded, resulting in an 88% response rate. The assessment covered approximately 90% of purchasing spend. Supplier responses were assessed using an internal 1–5 scoring scale, where higher scores indicate stronger sustainability management, better availability of supporting evidence and/or relevant certifications. Lower scores indicate missing information, limited evidence or areas requiring clarification or follow-up.



Table 8.c Supplier ESG engagement results

Indicator	2025 result
Targeted suppliers	63
Responding suppliers	56
ESG questionnaire response rate	88%
Purchasing spend covered by ESG questionnaire	90%
Suppliers with high / very high ESG assessment score	33 suppliers / 59% of respondents
Suppliers with low / very low ESG assessment score	12 suppliers / 21% of respondents
Supplier Code of Conduct	Prepared in 2025; rollout started in January 2026
Dedicated ESG supplier audits	0

The response rate provides a strong supplier engagement baseline. Most responding suppliers achieved medium to high scores, while suppliers with low scores, incomplete responses or missing documentation will be prioritised for follow-up. As post-reporting-period information, the Supplier Code of Conduct rollout started in January 2026. As of April 2026, 25 suppliers had signed the Supplier Code of Conduct, corresponding to approximately 40% of targeted suppliers and 55% of purchasing volume.

8.4. Product compliance and material information in the supply chain

Supplier information is particularly important for product-related compliance, environmental product information and customer documentation. PRAKAB collects supplier information related to chemical compliance, including REACH/SVHC declarations, and conflict minerals where relevant.

The ESG questionnaire asks suppliers to confirm REACH/SVHC compliance and provide relevant declarations. It also asks whether supplied materials contain conflict minerals and how the supplier manages related risks. The Supplier Code of Conduct prepared in 2025 further formalises these expectations for supplier relationships from 2026 onwards.

PRAKAB does not knowingly purchase materials containing conflict minerals. Conflict minerals are therefore treated as a confirmation and screening topic rather than a key purchasing risk.

PRAKAB also maintains communication with aluminium suppliers in relation to CBAM reporting and requests CO₂-related data and supporting documentation where required. In addition, PRAKAB requests Environmental Product Declarations or equivalent product environmental data for selected key materials, especially metals and plastics. This supports product carbon-footprint information, supplier data quality and customer requirements for environmental product information.

8.5. Supplier follow-up and 2026 focus

Supplier follow-up is based on questionnaire results, missing documentation, low ESG scores and the overall relevance of the supplier for PRAKAB. Follow-up may include clarification requests, additional documentation, corrective actions, supplier support or escalation under the supplier evaluation process.



No dedicated ESG supplier audits were performed in 2025. PRAKAB currently relies mainly on supplier declarations, ESG questionnaire responses, certifications and supporting documentation. Supplier verification will be developed gradually on a risk basis, with priority given to suppliers with high purchasing importance, low ESG scores, missing documentation, higher sustainability risk exposure, regulatory reporting relevance or relevance for product environmental data.

In 2026, PRAKAB will focus on implementing the Supplier Code of Conduct rollout started in January 2026, following up with suppliers with missing or incomplete ESG evidence, improving tracking of REACH/SVHC and conflict-minerals documentation, and gradually integrating ESG requirements into supplier onboarding, purchasing terms and contract renewals.

9. Business Conduct and Governance

Responsible business conduct supports the trust on which PRAKAB's business depends: trust from customers that products and information are reliable, from suppliers that purchasing decisions are fair, from employees that concerns can be raised, and from business partners that the Company acts transparently and responsibly.

PRAKAB's governance approach combines clear ethical expectations with practical controls in areas where business conduct risks may arise. These include decision-making and approvals, supplier relationships, gifts and invitations, donations and sponsorships, conflicts of interest, reporting channels and regular review of corruption and bribery risks.

9.1. Business conduct control framework

Business conduct is managed through a combination of preventive rules, approval controls, management oversight and periodic risk review. PRAKAB's governance approach is proportionate to its size and business model, with stronger controls in areas involving significant commercial value, supplier selection or external representation of the Company.

Table 9.a Business conduct control framework

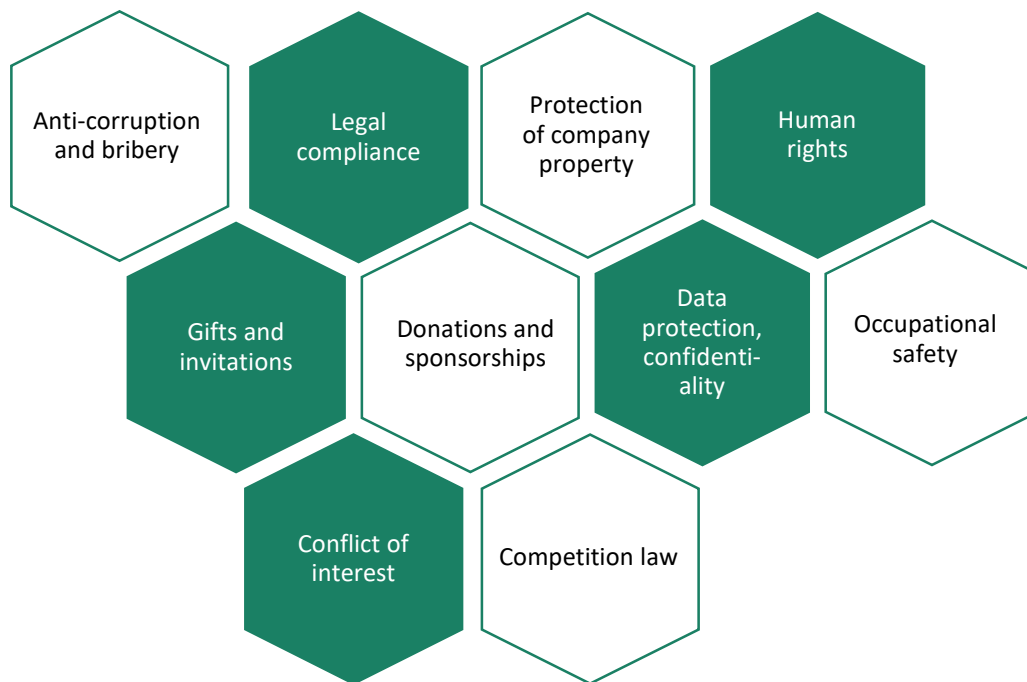
Control area	Main control	Purpose
Code of Conduct	Common rules for employees and relevant stakeholders	Define expected behaviour and ethical principles
Gifts and invitations	Rules and approval expectations	Reduce bribery and undue influence risk
Donations and sponsorships	Approval and documentation rules	Ensure transparency and legitimate purpose
Supplier due diligence	Supplier assessment and purchasing controls	Support responsible supplier selection
Payments and approvals	Approval workflow and segregation of responsibilities	Reduce fraud and misuse risk
Conflict of interest	Planned declarations for sensitive functions	Strengthen preventive documentation
Risk assessment	Annual corruption and bribery risk review	Identify control gaps and improvement actions



9.2. Code of Conduct and Ethical Principles

PRAKAB follows the SKB Group Code of Conduct, which sets out expectations for ethical and responsible behaviour. The Code of Conduct applies to employees and is also relevant for business partners and other stakeholders.

Figure 9.i Ethical principles of PRAKAB



The purpose of the Code of Conduct is to provide a common ethical basis for everyday decision-making. Employees are expected to act honestly, avoid improper advantage, protect company and third-party information, and raise concerns where conduct may be inconsistent with PRAKAB's rules or values.

9.3. Anti-corruption and Bribery Prevention

PRAKAB applies a zero-tolerance approach to corruption and bribery. Business decisions are expected to be based on objective criteria such as quality, service, price, reliability, sustainability and long-term business value.

Anti-corruption controls include rules for gifts and invitations, transparent approval of donations and sponsorships, due diligence of business partners, payment and approval controls, supplier assessment processes and management oversight.

In 2025, PRAKAB performed a formal anti-corruption and bribery risk assessment to strengthen management oversight of business conduct risks. The assessment covered practical risk areas such as supplier relationships, gifts and invitations, donations and sponsorships, payments and approvals, conflicts of interest and reporting channels. The results are used internally to confirm existing controls, identify improvement areas and support periodic management review of corruption and bribery risks.

The assessment did not identify any unacceptable or high residual corruption risks. The detailed risk register, scoring and internal follow-up measures are maintained as internal management documentation.

In 2025, PRAKAB had no confirmed internal corruption or bribery cases, no convictions for violation of anti-corruption or anti-bribery laws, and no related fines.

9.4. Conflict of Interest

Conflict of interest is managed as part of broader business conduct framework. Employees are expected to make decisions in the best interest of the Company and to avoid situations where personal interests could influence, or appear to influence, business decisions.

Conflict-of-interest risk is particularly relevant in areas such as purchasing, sales, finance, management decisions, supplier selection and approval of business transactions. The 2025 anti-corruption and bribery risk assessment confirmed conflict of interest as an area where preventive documentation should be strengthened.

PRAKAB will continue to strengthen conflict-of-interest controls through clearer documentation and periodic review for selected sensitive functions.

9.5. Responsible Information Management

Responsible information management is relevant for customer trust, confidentiality, data protection and business continuity. PRAKAB manages information through internal procedures, confidentiality requirements, access controls, data-protection measures and information-security activities.

PRAKAB is also implementing ISO 27001 to strengthen information security through clearer responsibilities, risk-based controls, protection of confidential information and continuous improvement of information-security management.

In 2026, PRAKAB will continue strengthening information-management documentation and evidence, including information-security risk review, access-control documentation, incident-response readiness and requirements for relevant third parties.

9.6. Governance Datapoints and 2026 Priorities

PRAKAB discloses selected governance and sector-exposure datapoints to support transparency and alignment with selected VSME Comprehensive Module datapoints.

Table 9.b Governance datapoints

Indicator	2025
Revenue from controversial weapons	CZK 0
Revenue from tobacco production or wholesale	CZK 0
Revenue from fossil-fuel-related activities	CZK 0
Revenue from pesticides / agrochemicals	CZK 0
Women in governance body	3
Men in governance body	8
Share of women in governance body	27.3%
Women-to-men ratio in governance body	37.5%

10. Community Engagement and Local Impact

PRAKAB has been part of Prague's industrial landscape for more than a century. Its local impact is therefore not created only through products, but also through employment, technical know-how, cooperation with schools and selected activities that support people around the Company.

Community engagement at PRAKAB is practical rather than symbolic. The Company focuses on activities that are close to its business, its employees and its local context: developing technical skills, supporting education, sharing professional knowledge and contributing to selected community initiatives where the Company can provide meaningful support.

10.1. Education and Technical Knowledge

Technical knowledge is one of PRAKAB's long-term strengths. Cable manufacturing depends on people who understand materials, production technology, testing, quality and customer requirements. Supporting technical education is therefore both a community activity and an investment in the future resilience of the sector.

PRAKAB supports the development of technical skills through cooperation with educational institutions, including the Czech Technical University, and through industry-related education and training activities. These activities help employees deepen their professional expertise, create links between practice and education, and support the availability of qualified specialists for technically demanding manufacturing.

10.2. Community Support

In 2025, PRAKAB supported (for the third time) a community activity linked to Podnikatelský kemp, a programme focused on developing entrepreneurial thinking, confidence and practical life skills among young people from children's homes and foster families.

Figure 10.i Entrepreneurship Camp



Entrepreneurship Camp

Podnikatelský kemp is a practical community initiative that helps young people from children's homes and foster families develop entrepreneurial thinking, confidence and life skills. Participants work on future career or business ideas and present them to an expert committee.

PRAKAB's representative took part in the expert committee, reflecting the Company's preference for community activities with practical social impact and a clear link to personal development, responsibility and employability.

11. Sustainability Data, Reporting and Continuous Improvement

Reliable sustainability data is important for PRAKAB's management decisions, customer communication, external assessments and future reporting. In 2025, the Company continued to strengthen its sustainability data base by combining ESG software outputs with internal records, management systems and supporting evidence from responsible functions.

PRAKAB's approach is practical: the objective is not to increase the volume of reporting, but to make sustainability information more consistent, traceable and useful for decision-making. This is particularly important for areas where data comes from several internal sources, such as greenhouse gas emissions, workforce indicators, training records, supplier information and product-related environmental data.

11.1. ESG Data Management

Sustainability data is collected and reviewed by the functions responsible for the relevant topics, including energy management, environmental management, HR, health and safety, purchasing, quality, technology, finance and ESG. ESG software is used as the main structured tool for sustainability data collection and reporting outputs, while internal operational systems and management records provide additional source evidence where needed.

The ESG Data Book supports this report by presenting detailed datapoints separately from the main narrative. This allows the Sustainability Report to remain readable while keeping supporting information available for customers, financial institutions, management review and external sustainability assessments.

Figure 11.i Sustainability data management overview

Data ownership	Methodology consistency	Evidence traceability	ESG software use	External communication
Sustainability data is provided by responsible functions and consolidated for reporting by the ESG function.	Main indicators are defined and reviewed, with selected reconciliations performed where data comes from multiple internal sources.	Supporting evidence is maintained in ESG software, internal systems, management records and source files.	ESG software supports structured data collection, calculation, consolidation and reporting outputs.	The Sustainability Report and ESG Data Book provide structured information for customers, financial institutions, management review and external assessments.

Note: The report is prepared with reference to the VSME Basic Module and selected datapoints from the VSME Comprehensive Module, applied proportionately to PRAKAB's size, sector, data availability and stakeholder information needs.



11.2. Sustainability Data and Methodology Notes

The table below summarises the main methodological notes and boundaries that should be considered when interpreting the sustainability data presented in this report.

Table 11.a Sustainability data and methodology notes

Methodology area	Approach / limitation
Primary data sources	Structured ESG metrics are based primarily on ESG software outputs. Internal operational systems, HR records, management reports and supporting evidence are used where they provide a more complete or specific management view.
Reporting boundary	The report covers PRAKAB operations under operational control at the Prague production site. Some indicators use employee-only scope, all-worker scope or supplier scope; the boundary is stated with the relevant indicator where material.
Greenhouse gas emissions	GHG emissions are calculated using ESG software and include Scope 1, Scope 2 and relevant Scope 3 categories. Scope 2 is presented primarily using the location-based method; market-based values are treated as supplementary information.
Workforce and H&S data	ESG software is used for formal workforce and H&S metrics. Internal weekly monitoring may use different operational definitions and is used mainly for management follow-up.
Training and HR data	Training data is being improved through LMS implementation and reconciliation of LMS records, attendance documentation and ESG reporting outputs.
Supplier data	Supplier sustainability information is based on questionnaire responses, supplier declarations and supporting documentation. Follow-up and evidence completeness will continue to improve over time.
Sensitive social and compliance information	Detailed remuneration analyses, pay-transparency screening and detailed grievance / whistleblowing information are monitored internally and are not disclosed in detail in this public report.
Data estimates and limitations	Where estimates or management assumptions are used, they are applied consistently and reviewed as data quality improves.

12. Outlook and 2026 Priorities

In 2026, PRAKAB will continue to develop sustainability as a practical part of business management. The focus will remain on areas where sustainability is closely connected to operational performance, customer requirements, risk management and long-term competitiveness.

The 2026 priorities are intentionally focused. PRAKAB aims to strengthen existing systems and follow up on topics already identified in 2025, rather than introduce a broad set of new initiatives. Key areas include energy performance, photovoltaic electricity generation, material efficiency, circular economy activities, product environmental information, occupational health and safety, responsible supply chain follow-up, business conduct controls and ESG data quality.



In practice, this means improving the use of sustainability information in operational decisions, customer communication, supplier cooperation and external assessments. PRAKAB will continue to improve evidence traceability, supplier and product-related documentation, carbon-footprint information, training and H&S data consistency, and follow-up on areas where 2025 results showed room for improvement.

The overall direction is to make sustainability reporting more closely connected to everyday management, so that reported information is reliable, useful and supported by regular business processes.



13. Management Statement

PRAKAB's long-term success depends on reliable products, responsible operations and trusted relationships with customers, employees, suppliers and other business partners. As a cable manufacturer, we recognize that sustainability is closely connected to how we manage energy, materials, product quality, people, supply chain relationships and business conduct.

In 2025, PRAKAB continued to develop its sustainability approach in a practical and evidence-based way. The Company strengthened its work in energy management, greenhouse gas measurement, material efficiency, circular economy, product environmental information, occupational health and safety, supplier sustainability assessment and governance controls.

The results presented in this report show progress as well as areas requiring further management attention. PRAKAB improved selected energy and material-efficiency indicators, increased photovoltaic electricity production, advanced the preparation of Environmental Product Declarations for selected cable families and established a stronger supplier sustainability baseline. At the same time, Scope 3 emissions, accident severity, ESG data consistency and selected internal targets remain important priorities for continued improvement.

This report reflects our commitment to transparent communication, responsible management and continuous improvement. We will continue to strengthen sustainability as part of everyday business decisions, operational management and cooperation with customers, suppliers, employees and other stakeholders — so that sustainability remains wired into how PRAKAB does business.

Approved by the Managing Directors of PRAKAB Pražská Kabelovna s.r.o.



14. Appendix 1. VSME Reference Index

This index shows how the report is linked to the VSME Basic Module and selected datapoints from the VSME Comprehensive Module. The report is prepared with reference to VSME and applies the framework proportionately, taking into account PRAKAB's size, sector, data availability and stakeholder information needs. It is not presented as a full VSME compliance statement or assurance-ready sustainability statement.

Table 14.a VSME Reference Index

VSME area	Where addressed in this report	Comment
Basis for preparation	Chapter 2	Reporting period, scope, framework reference and reporting approach are described.
Practices, policies and future initiatives	Chapters 4, 6-12	Sustainability strategy, governance, management systems, topic chapters and 2026 priorities are described.
Business model and value chain	Chapter 3	Business model, value-chain perspective and product lifecycle relevance are described.
Material sustainability topics	Chapter 5	Material sustainability topics and stakeholder information needs are summarised.
Energy and greenhouse gas emissions	Chapters 6.1 and 6.2; ESG Data Book	Energy performance, photovoltaic electricity generation, Scope 1, Scope 2 and relevant Scope 3 emissions are disclosed.
Pollution-related information	Chapter 6.4; ESG Data Book	Product compliance and selected chemical / material-compliance topics are described. Detailed datapoints are included where available.
Water	Chapter 6.5; ESG Data Book	Water consumption and selected water-intensity indicators are disclosed.
Biodiversity	Chapter 6.6	Site-level biodiversity and local environmental initiatives are described.
Resource use, circular economy and waste	Chapter 6.3; ESG Data Book	Waste, recovery, recycling, material-flow indicators and circular-material activities are disclosed.
Workforce characteristics	Chapter 7.2; ESG Data Book	Workforce structure and selected diversity indicators are disclosed.
Health and safety	Chapter 7.3; ESG Data Book	Health and safety indicators are disclosed, including incident and lost-day information.
Working conditions, collective bargaining and training	Chapters 7.4-7.6; ESG Data Book	Working conditions, employee engagement, social dialogue and training are described. Detailed remuneration information is monitored internally and not disclosed in detail in this public report.
Labour and human rights safeguards	Chapter 7.7	Labour safeguards, agency-worker safeguards, reporting channels and selected human-rights-related controls are described.

VSME area	Where addressed in this report	Comment
Responsible supply chain	Chapter 8	Supplier ESG questionnaire, sustainable purchasing framework, supplier risk assessment, SCoC preparation and 2026 rollout are described.
Business conduct, corruption and bribery	Chapter 9	Code of Conduct, anti-corruption controls, corruption and bribery risk assessment, conflict of interest and legal outcomes are described.
Governance and sector-exposure datapoints	Chapter 9.6	Selected governance-body gender data and zero-revenue exposure to selected controversial sectors are disclosed.
GHG reduction targets and climate-related management	Chapters 4.4 and 6.2	Scope 1 and Scope 2 reduction target, Scope 3 management approach and climate-related emissions management are described. A formal climate transition plan is not presented.
Data limitations and methodology notes	Chapter 11	Main data sources, boundaries, methodology notes and limitations are described.

