



SUSTAINABILITY REPORT ***2024***

Non-financial statement of Einhell Germany AG in accordance with section 289c HGB

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1. General information on the non-financial statement of Einhell Germany AG

a. Foreword by the Executive Board

Dear reader,

We are pleased to present our non-financial report for the year 2024. This report has been prepared based on the new ESRS standards and the CSRD to underpin our commitment to transparency and sustainability.

In the 2024 reporting year, we not only successfully realised our economic goals - including once again exceeding the one-billion-euro sales mark - but also made significant progress in the areas of environmental, social and corporate governance. We are aware of our responsibility along the entire value chain and are continuously working to fulfil it.

A key example of our commitment is the Power X-Change battery system, which significantly reduces resource consumption and helps to minimise emissions by using one battery system for over 350 devices. We have also further developed our climate protection strategy and formulated measures to protect resources and promote renewable energies. In the social sphere, our Code of Conduct for Suppliers demonstrates our commitment to fair working conditions and human rights along the supply chain.

This report gives you a comprehensive insight into our achievements and strategies around sustainability. We would like to thank all our employees, whose commitment and hard work have made these successes possible. Together with you, our partners and stakeholders, we want to continue our chosen path. We hope that you read this report with interest and look forward to your feedback and continued successful collaboration.

Yours sincerely,

The Executive Board

The Executive Board of Einhell Germany AG is an experienced and competent team that steers the fortunes of the company and is responsible for implementing the corporate strategy. The Executive Board team is made up of various personalities with different competences and experience in order to cover a broad spectrum of expertise and skills:



(from left to right: Dr. Christoph Urban (Chief IT and Digitalisation Officer since 2019), Dr. Markus Thannhuber (Chief Technology Officer since 2007), Andreas Kroiss (Chief Executive Officer since 2003), Jan Teichert (Chief Financial Officer since 2003))

b. Foreword by the Supervisory Board

Dear shareholders, ladies and gentlemen,

On behalf of the newly constituted Supervisory Board, I am pleased to present to you our non-financial report 2024 of Einhell Germany AG. As the new Chairman of the Supervisory Board, I would first like to thank my predecessor, Prof. Dr.-Ing. Dieter Spath, who played a key role in shaping the fortunes of our Board with his expertise and commitment over many years. We are deeply indebted to him and wish him all the best for the future.

2024 was a year of challenges and progress for Einhell Germany AG. The increasing requirements for sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) placed high demands on our organisation and processes. Einhell Germany AG has made intensive preparations to prepare the sustainability report in accordance with these requirements.

However, as the CSRD has yet to be transposed into German law, the report for the reporting year is based on the applicable provisions of the CSR Directive Implementation Act (CSR-RUG). This report illustrates how we are tackling this regulatory challenge and at the same time fulfilling our responsibility to the environment, society and corporate sustainability.

A key element of our commitment is the consistent further development of our sustainability strategy. Our innovative Power X-Change battery platform makes a significant contribution here. With "one battery for over 350 applications", Power X-Change not only helps to conserve resources, but the end customer can also contribute to reducing CO₂e emissions during the utilisation phase when charging with renewable electricity.

We have also further expanded our measures in the areas of climate protection, the circular economy and social responsibility in the supply chain. The promotion of renewable energies in production and the development of durable, repair-friendly products are further steps towards minimising the company's ecological footprint.

Our goal remains to establish Einhell as a pioneer for sustainable business practices. We see the challenges we face - such as complex global supply chains, regulatory requirements and the transition to a low-carbon economy - as opportunities to future-proof our company.

On behalf of the entire Supervisory Board, I would like to thank the Executive Board, the employees and our partners and stakeholders for their commitment and support. Their commitment is the basis for the successful further development of Einhell Germany AG and the realisation of our sustainability goals. Together, we will continue to master the challenges of the future and strengthen Einhell Germany AG as a sustainable, responsible company.

Yours sincerely,

Prof. Dr. Manfred Schwaiger

Chairman of the Supervisory Board



(from left to right: Prof. Dr. Manfred Schwaiger (Chairman of the Supervisory Board), Maximilian Fritz (employee representative), Philipp Thannhuber)

c. Business model and group structure

Einhell Germany AG, based in Landau an der Isar, is one of the leading international suppliers of tools and garden equipment. The company's product range is aimed specifically at DIY enthusiasts and hobby gardeners and is increasingly tapping into the professional tradesman segment.

The basis of the business model is the development, marketing and distribution of innovative solutions for home, garden and leisure applications. The broad product range includes hand-held power tools, stationary machines and garden maintenance and water technology equipment.

A particular focus is on the **Power X-Change battery platform**, a modular technology that currently enables the wireless operation of over 350 devices. This platform is characterised by its resource efficiency and user-friendliness and is set to be expanded to more than 450 products by 2027. Einhell is thus focussing on technological innovations that not only increase convenience for users but also help to conserve resources.

Einhell continues to pursue a consistent **internationalisation strategy** and ensures a strong global presence with almost 50 subsidiaries in Europe, Asia, Australia and North and South America.

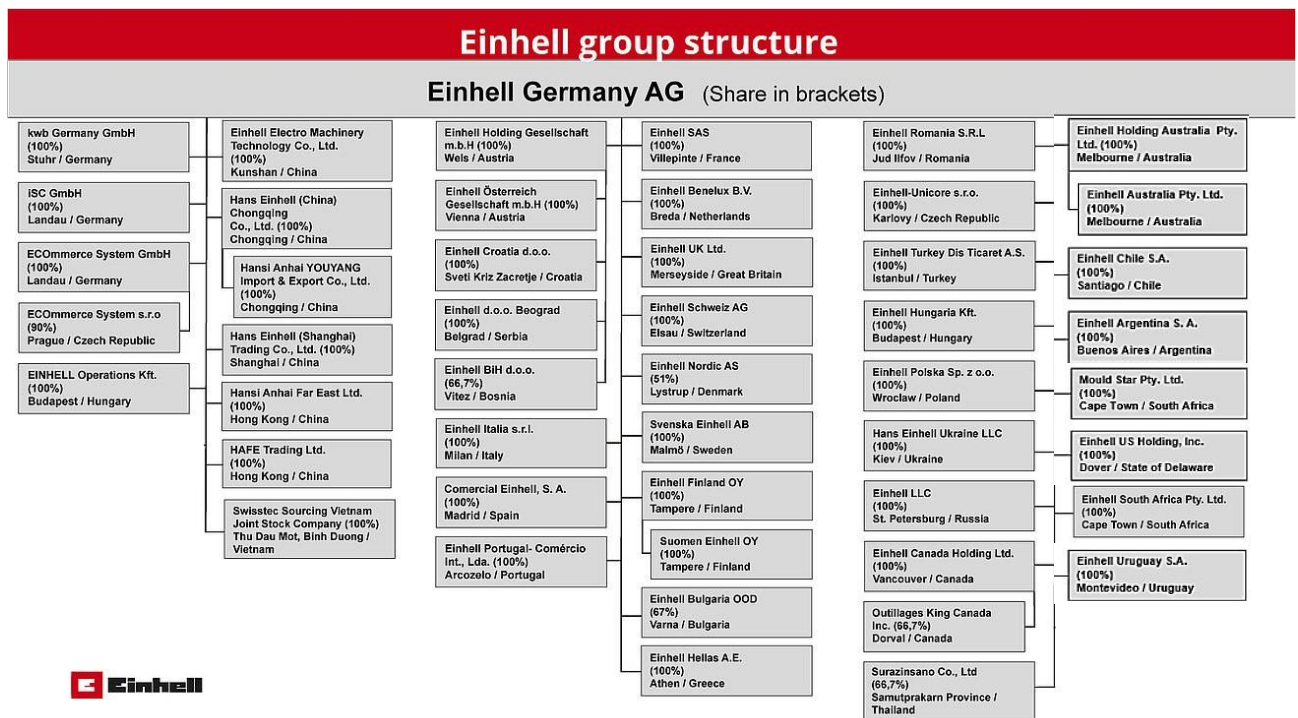


Figure 1: Entities of Einhell Germany AG

As the parent company, Einhell Germany AG manages the group's international activities. The group comprises a large number of subsidiaries, which are categorised into different types:

- **Group headquarter:** Einhell Germany AG in Landau an der Isar coordinates central functions such as strategy, group management, sustainability management, product development, IT and accounting.
- **Sales companies:** These subsidiaries operate locally to manage sales in their respective markets and remain connected to the global supply chain.
- **Sourcing companies:** These companies, mainly in Asia, are responsible for managing and supporting suppliers. Their focus is on ensuring quality and implementing sustainability standards.
- **Semi-autonomous companies:** Companies such as Ozito (Australia) and kwb Germany GmbH are characterised by independent product portfolios and a different organisational structure. They combine several functional areas and have extended responsibilities around sustainability.
- **Assembling companies:** In addition, the Einhell group now has two assembly sites, which primarily assemble batteries and chargers. These are located in Kunshan/China and near Budapest/Hungary. These sites are an integral part of the value chain and help to increase the flexibility and efficiency of production processes.

This diversified structure enables Einhell to respond flexibly and efficiently to global market requirements while pursuing both economic and sustainable goals.

Another focus is on the design of upstream and sustainable value chains.

The **upstream value chain** of Einhell Germany AG begins with the manufacture of products by third-party manufacturers, mainly in Asia. Our suppliers' production plants are responsible for procuring the necessary raw materials and components such as metal, plastic and electronics. The two sites in **Kunshan/China** and **Budapest/Hungary** have the highest vertical integration in the Einhell group due to the assembly of batteries and chargers and represent a speciality. These sites support the flexibility and efficiency of the production processes.

Another focus in upstream value creation is the sustainable organisation of the supply chain. By diversifying its production sites, Einhell is reducing dependencies and strengthening regional economic cycles. The expansion of production capacities in battery manufacturing in Europe also reduces transport emissions and thus the ecological footprint.

In the **downstream value chain**, the products are delivered after production to modern logistics centres, including the automated high-bay warehouse at the headquarter in Landau an der Isar, or to the individual sales locations. From there, onward distribution to

our B2B customers takes place via various channels using freight forwarders and parcel services.

Einhell's products are available in over 100 countries, which emphasises the company's international reach and global success. The sales structure is based on a multi-channel strategy that combines DIY stores, specialised dealers, wholesalers and e-commerce platforms in the B2B sector. In addition, the company's own online shop enables it to address end customers directly. This broad focus allows Einhell to respond flexibly to regional market needs and serve a diverse target group. In addition, Einhell offers comprehensive services such as repairs, spare parts provision and recycling solutions as part of its downstream processes to further strengthen customer service and sustainability.

Einhell's innovative strength is not only evident in its product development, but also in its successful brand positioning. Through co-operation with renowned partners such as **FC Bayern Munich** and the **Mercedes-AMG PETRONAS F1 Team**, Einhell increases its international visibility and strengthens its image as a future-oriented supplier.

The business model of Einhell Germany AG is based on clear values that are firmly anchored in the corporate culture. Sustainability, innovation and quality characterise the strategic direction and form the basis for the goal of combining economic growth with ecological and social responsibility. In this way, Einhell is laying the foundations for a long-term successful and sustainable future.

d. Selected reporting framework

Einhell Germany AG has made intensive preparations to prepare the Sustainability Report 2024 in accordance with the requirements of the CSRD and the European Sustainability Reporting Standards (ESRS) in a legally compliant manner. Since the CSRD Directive was not transposed into German law by the legislator in time, the applicable provisions of the CSR Directive Implementation Act (CSR-RUG) continue to apply to this Sustainability Report 2024.

The ESRS serves as the framework for this sustainability report. Reporting is based on this standard. This framework ensures transparent and standardised reporting on sustainability performance and fulfils the legal requirements of the CSR-RUG.

e. Double materiality

Materiality analysis process at Einhell Germany AG

Based on ESRS, Einhell Germany AG utilises the clearly structured and methodical approach of the double materiality analysis. The double materiality analysis ensures that the identification of material topics is carried out comprehensively along the upstream and

downstream value chain and fulfils the requirements of the ESRS, here based on the ESRS. This process enables a well-founded analysis and prioritisation of relevant sustainability topics for Einhell Germany AG and serves as a solid basis for transparent and targeted reporting.

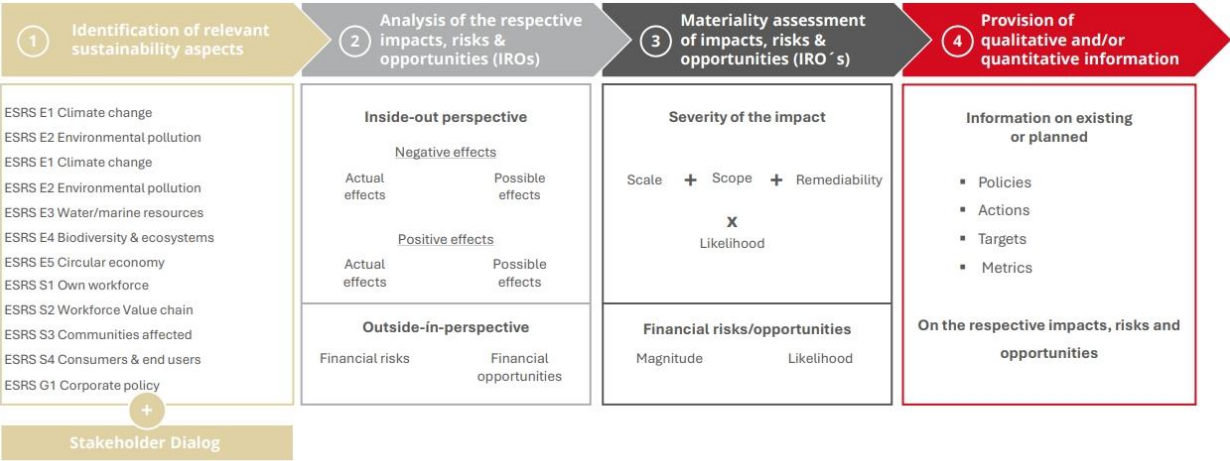


Figure 2: Process for identifying material topics

Definition of the scopes

Einhell Germany AG first defined the scopes of the materiality analysis to consider all relevant sustainability aspects in accordance with the requirements of the ESRS. Both the direct effects of business activities and indirect influences along the entire value chain were analysed.

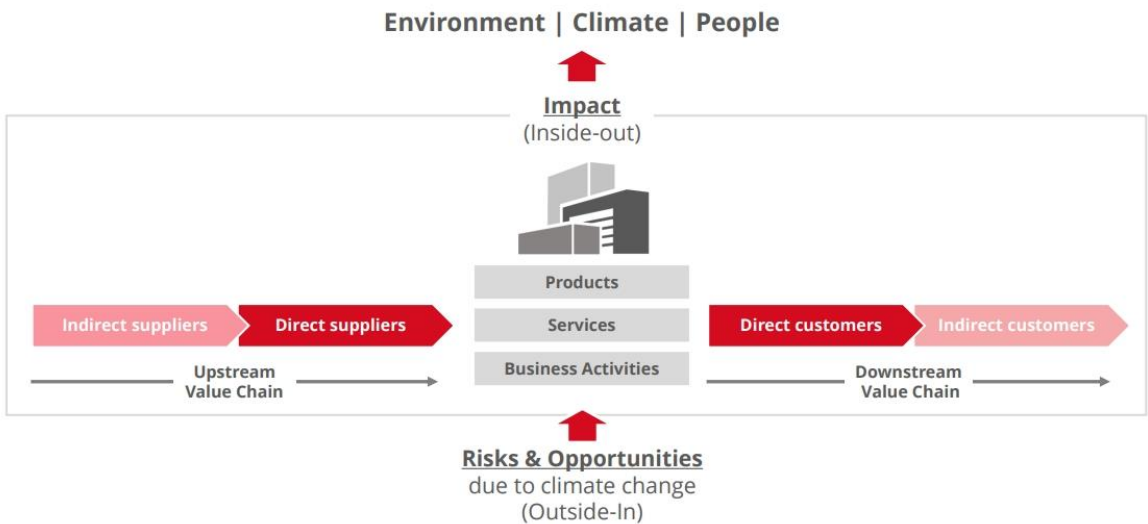


Figure 3: Upstream and downstream value chain

The focus was on an inside-out and outside-in perspective to analyse the company's impact on the environment and society as well as the financial risks and opportunities.

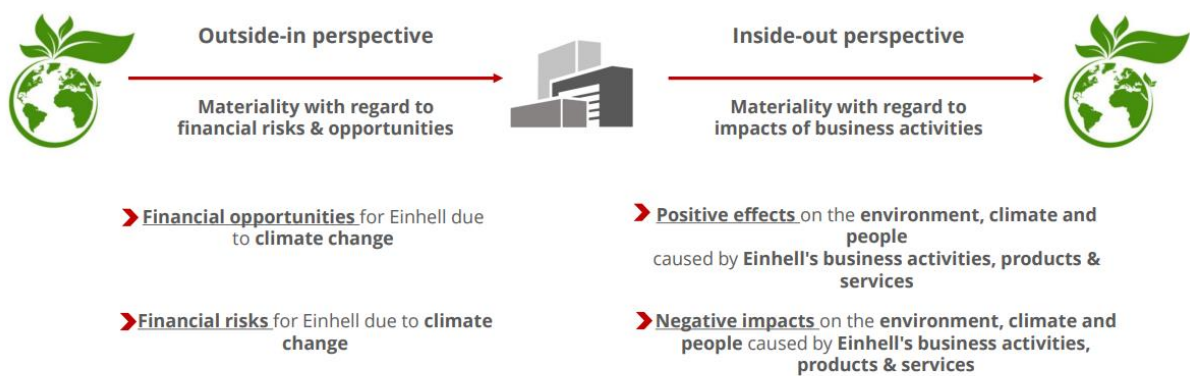


Figure 4: Outside-in and inside-out perspective

Creation of the longlist (see point 1, Fig. 2)

A comprehensive longlist of potential topics was created by combining internal and external data. Internal sources such as annual reports, strategic plans and operational data were systematically analysed. External sources such as regulatory requirements, industry studies and scientific reports supplemented this analysis. Relevant stakeholders were identified and actively involved in the creation of the longlist through surveys.

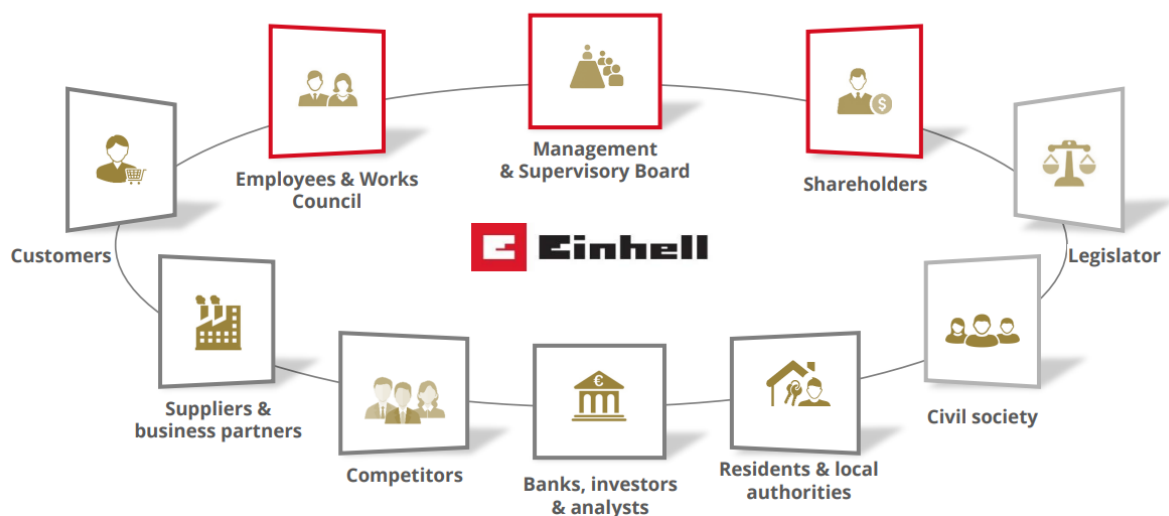


Figure 5: Identified stakeholders of Einhell Germany AG

The topic-related sustainability aspects in accordance with ESRS 1, Appendix A, served as the basis for the selection of topics.

Identification of impacts, risks and opportunities (IROs) (see point 2, Fig. 2)

In workshops with internal experts from the areas of sustainability, finance, supply chain management, compliance and legal, as well as other specialist departments, the potential impacts, risks and opportunities of each identified topic were analysed in detail and documented in an IRO library. The following aspects were analysed:

- Negative and positive effects on the environment and society
- Financial risks and opportunities triggered by climate change
- Short, medium and long-term periods of impact
- Localisation of impacts, risks and opportunities along the entire value chain

Materiality assessment (see point 3, Fig. 2)

The topics were evaluated along two dimensions:

- **Impact materiality (inside-out perspective):** Analysing the relevance of an issue for the environment and society based on criteria such as severity, scope, irreversibility and probability of impact. Negative impacts on human rights were prioritised and given special weighting.

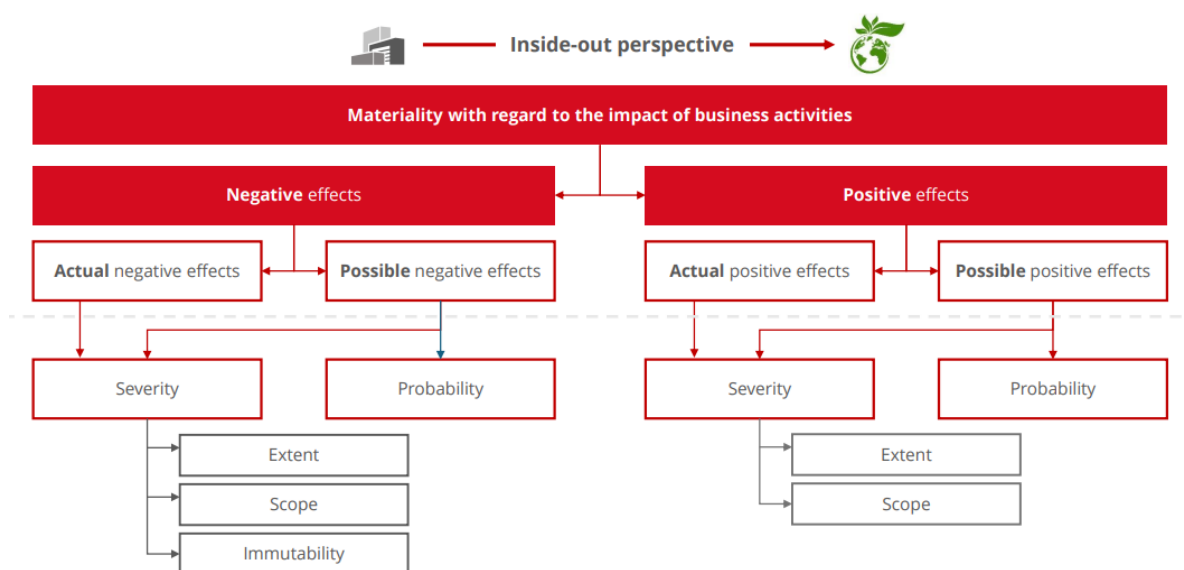


Figure 6: Impact assessment

- **Financial materiality (outside-in perspective):** Assessment of financial relevance by analysing market and regulatory risks and opportunities. The assessment was carried out by the system in accordance with quantitative and qualitative thresholds.

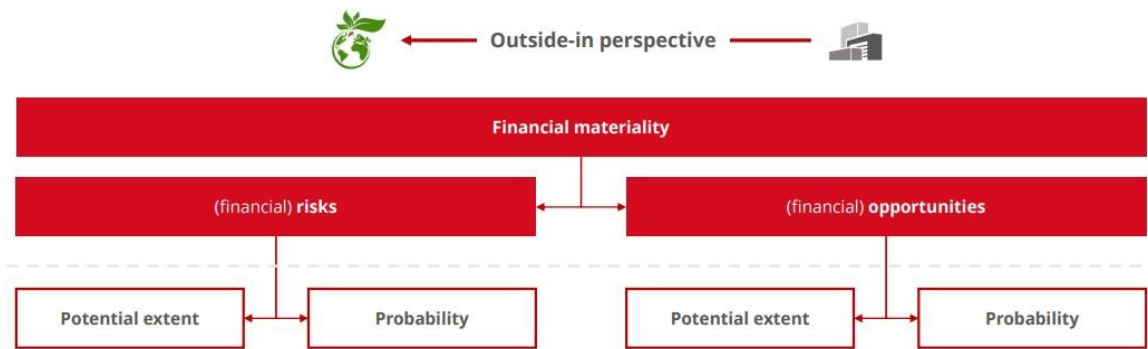


Figure 7: Assessment of risks and opportunities

Compilation of key topics

The material topics were summarised in a materiality matrix. This visualises the dual materiality through the axes "materiality of the impact" and "financial materiality". Issues with high relevance in both dimensions were classified as critical and prioritised. The matrix serves as the basis for integrating the results into the strategic planning and sustainability reporting of Einhell Germany AG.

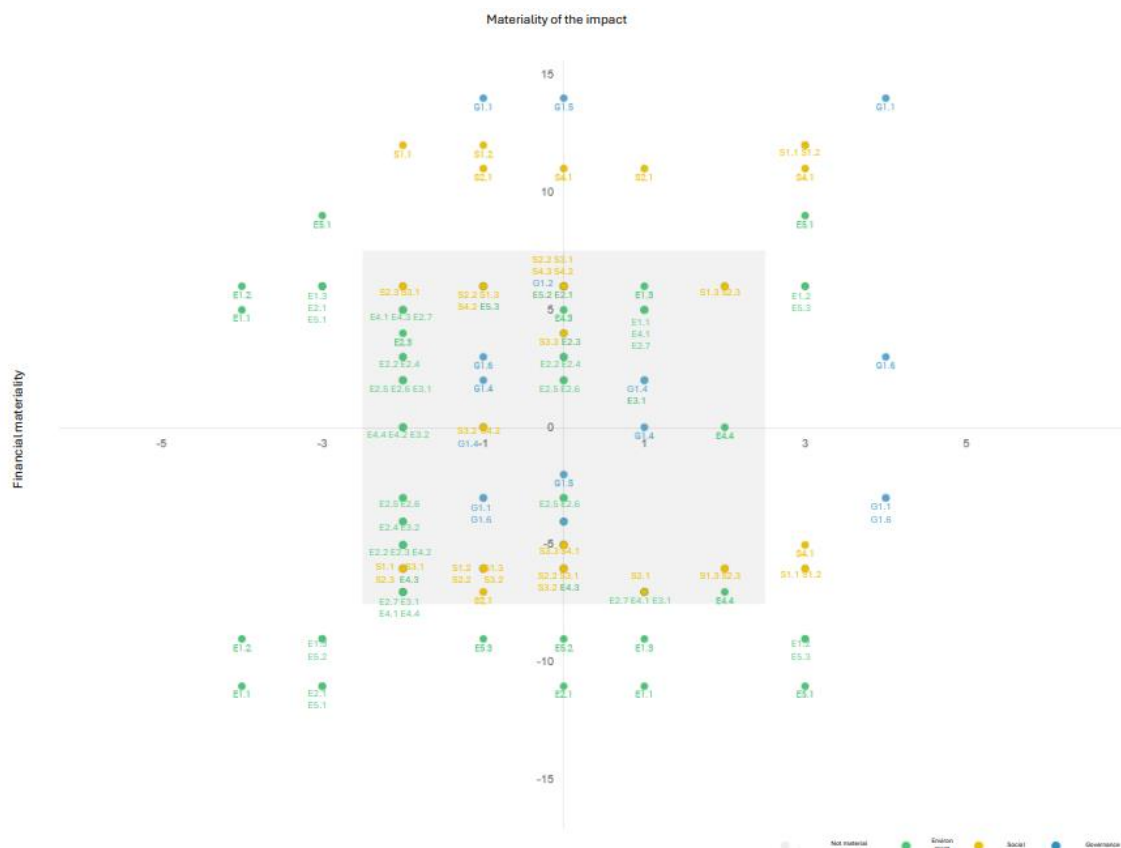


Figure 8: Materiality matrix of Einhell Germany AG

Integration of key IROs in strategy (see point 4, Fig. 2)

Corresponding strategies with targets and measures were developed for the impacts, financial risks and opportunities identified as significant. These have been and are gradually being integrated into the company's target hierarchy and decision-making processes.

Topic			Subtopic	IRO´s			
				Impacts		Risks	Chances
				Negative	Positive		
Environment	E1 – Climate change	E1.1 Adaptation to climate change	1	-	2	-	
		E1.2 Climate protection	1	-	1	1	
		E1.3 Energy	1	-	1	-	
	E2 – Environmental pollution	E2.1 Air pollution	1	-	1	-	
		E5.1 Resource inflows, including resource utilization	1	1	2	1	
	E5 – Circular economy	E5.2 Resource outflows in connection with products & services	1	-	1	-	
E5.3 Waste		1	-	-	1		
Social	S1 – Own workforce	S1.1 Working conditions	-	2	-	2	
		S1.2 Equal treatment and equal opportunities for all	-	2	-	1	
	S2 – Workforce Value Chain	S2.1 Working conditions	-	1	-	-	
	S4 – Consumers & end users	S4.1 Information-related effects for consumers/end users	-	1	-	2	
Governance	G1 – Corporate policy	G1.1 Corporate culture	-	1	-	1	
		G1.3 Management of supplier relationships, incl. payment modalities	-	1	-	-	
		G1.6 Corruption and bribery	-	-	-	1	
		Sum	7	9	8	10	

Figure 9: Key topics and sub-topics with underlying negative and positive effects as well as financial risks and opportunities

2. Non-financial reporting on material topics

Einhell Germany AG regards non-financial reporting as a key instrument for creating transparency about its social and environmental responsibility and meeting the expectations of stakeholders. The sustainability report is prepared in accordance with the requirements of the CSR Directive Implementation Act and based on the ESRS. The aim of non-financial reporting is to transparently present the impact of business activities on the environment, society and governance. Einhell uses the report as a strategic tool to promote the integration of sustainability in all business areas, from product development and distribution through to day-to-day operations.

The reporting pursues several key objectives

Fulfilment of legal requirements: Einhell is obliged to disclose non-financial information in accordance with the CSR-RUG. To fulfil the legal requirements, the non-financial statement is prepared in accordance with the ESRS.

Communication of the sustainability strategy: Einhell uses non-financial reporting to transparently present its sustainability strategies and their implementation. This report provides insights into the company's strategy and actual impact on the environment, climate and society. It shows how Einhell is taking responsibility and gradually integrating sustainability into all areas of its business operations.

Building trust: By disclosing non-financial information, Einhell strengthens the trust of our investors, customers and other stakeholders by demonstrating our responsibility in areas such as environmental protection and social justice. The report also serves as a tool for communicating and improving sustainability performance.

Promoting innovation and efficiency: Dealing with sustainability issues encourages Einhell to develop innovative solutions and organise processes more efficiently.

Scope of application of the sustainability strategy

The scope of the strategy covers the entire value chain, including upstream production processes at third-party manufacturers, global logistics and downstream product utilisation by customers. Geographically, the focus is on production regions in Asia and our sales markets in Europe, Australia, North and South America, Asia and southern Africa. Key stakeholder groups included in the strategy are suppliers, customers, investors, employees and regulatory authorities.

Responsibilities

Responsibility for implementing the strategy lies at Management Board level. The conceptual development, legal implementation and operational realisation are managed centrally by the Global Sustainability Management department. This department is supported by a cross-divisional and cross-subsidiary sustainability team. Together, they coordinate measures, monitor progress and ensure that the strategy is integrated effectively and legally compliant in all relevant business areas.

a. Connection of key topics according to CSR-RUG and ESRS

As already mentioned, this report on non-financial information generally complies with the requirements of the CSR-RUG, as this law continues to be the applicable legal basis. In addition, we focus our reporting on the material impacts, opportunities and risks that we have identified as part of the double materiality analysis in accordance with ESRS. The topics or sub-topics that have become material as a result of the identified impacts, risks and opportunities in accordance with ESRS1 appendix A can also be assigned to the five central topics of the CSR-RUG:

- Environmental concerns
- Employee interests
- Social issues
- Respect for human rights
- Combating corruption and bribery

Topic		Subtopic	Key topics according to CSR-RUG
Environment	E1 – Climate change	E1.1 Adaptation to climate change	Environmental concerns
		E1.2 Climate protection	
		E1.3 Energy	
	E2 – Environmental pollution	E2.1 Air pollution	
		E5.1 Resource inflows, including resource utilization	
	E5 – Circular economy	E5.2 Resource outflows in connection with products & services	
E5.3 Waste			
Social	S1 – Own workforce	S1.1 Working conditions	<ul style="list-style-type: none">• Employee interests• Social issues• Respect for human rights
		S1.2 Equal treatment and equal opportunities for all	
	S2 – Workforce Value Chain	S2.1 Working conditions	<ul style="list-style-type: none">• Social issues• Respect for human rights
	S4 – Consumers & end users	S4.1 Information-related effects for consumers/end users	<ul style="list-style-type: none">• Social issues
Governance	G1 – Corporate policy	G1.1 Corporate culture	<ul style="list-style-type: none">• Social issues
		G1.3 Management of supplier relationships, incl. payment modalities	<ul style="list-style-type: none">• Social issues• Respect for human rights
		G1.6 Corruption and bribery	Combating corruption & bribery

Figure 10: Linking of central topics and material topics, subtopics

The following presentation summarises all significant effects, risks and opportunities identified by the dual materiality analysis and assessment for Einhell Germany AG.

	Topic	Subtopic	Type	Title essential IRO
Environment	E1 Climate change	E1.1 Adaptation to climate change	Financial risk	Transition risks, e.g. regulatory risks, market risks, technological risks, etc.
	E1 Climate change	E1.1 Adaptation to climate change	Financial risk	Physical climate risks, e.g. extreme weather events, sea level rise, temperature extremes, etc.
	E1 Climate change	E1.1 Adaptation to climate change	Negative effects	The company's products and services make no contribution to mitigating climate change
	E1 Climate change	E1.2 Climate protection	Financial risk	Costs for greenhouse gas reduction measures and risk of lost investments
	E1 Climate change	E1.2 Climate protection	Financial opportunity	Reputational opportunities, development of new market segments and increased demand for products and services with a lower GHG footprint
	E1 Climate change	E1.2 Climate protection	Negative impacts	Greenhouse gas reductions not in line with the 1.5 degree target
	E1 Climate change	E1.3 Energy	Financial risk	Availability of and dependence on fossil fuels
	E1 Climate change	E1.3 Energy	Negative impacts	High energy consumption from non-renewable resources
	E2 Environmental pollution	E2.1 Air pollution	Financial risk	Sanctions and stricter regulations for air pollution
	E2 Environmental pollution	E2.1 Air pollution	Negative impacts	Causing air pollution/air pollutants
	E5 Circular economy	E5.1 Resource inflows, incl. resource utilization	Financial risk	Insufficient availability of resources
	E5 Circular economy	E5.1 Resource inflows, incl. resource utilization	Financial risk	Stricter regulations for the use of non-renewable resources
	E5 Circular economy	E5.1 Resource inflows, incl. resource utilization	Financial opportunity	Cost benefits through resource efficiency
	E5 Circular economy	E5.1 Resource inflows, incl. resource utilization	Negative impacts	High consumption of resources
	E5 Circular economy	E5.1 Resource inflows, incl. resource utilization	Positive impacts	Conservation of resources
	E5 Circular economy	E5.2 Resource outflows in connection with products and services	Financial risk	Higher costs due to alignment of the product portfolio with the circular economy
	E5 Circular economy	E5.2 Resource outflows in connection with products and services	Negative impacts	Product portfolio not geared towards the circular economy
	E5 Circular economy	E5.3 Waste	Financial opportunity	Lower waste disposal costs
	E5 Circular economy	E5.3 Waste	Negative impacts	High proportion of non-recyclable waste
Social	S1 Own workforce	S1.1 Working conditions	Financial opportunity	High employee satisfaction and low fluctuation lead to high productivity in the company
	S1 Own workforce	S1.1 Working conditions	Financial opportunity	Lower sickness rate
	S1 Own workforce	S1.1 Working conditions	Positive impacts	Granting of more days off than those prescribed by national law
	S1 Own workforce	S1.1 Working conditions	Positive impacts	Payment of a fair wage without a gender gap
	S1 Own workforce	S1.2 Equal treatment and equal opportunities for all	Financial opportunity	Securing know-how through continuous development of own personnel
	S1 Own workforce	S1.2 Equal treatment and equal opportunities for all	Positive impacts	Monetary support for training and development programs
	S1 Own workforce	S1.2 Equal treatment and equal opportunities for all	Positive impacts	No incidents of violence and harassment
	S2 Workforce in the value chain	S2.1 Working conditions	Positive impacts	Secure employment of workers in the value chain
	S4 Consumers and end users	S4.1 Information-related effects for consumers and/or end users	Financial opportunity	Customers/end users are more likely to buy products because they have a comprehensive knowledge of the product/service
	S4 Consumers and end users	S4.1 Information-related effects for consumers and/or end users	Financial opportunity	Product/service improvements or innovations based on feedback from customers/end users
	S4 Consumers and end users	S4.1 Information-related effects for consumers and/or end users	Positive impacts	Bidirectional communication through information and feedback channels that every customer/end user can access
	S4 Consumers and end users	S4.1 Information-related effects for consumers and/or end users	Positive impacts	
Governance	G1 Corporate policy	G1.1 Corporate culture	Financial opportunity	Reputation opportunities and increased employee productivity through a robust corporate culture
	G1 Corporate policy	G1.1 Corporate culture	Positive impacts	Promotion of a corporate culture focused on ethics and compliance
	G1 Corporate policy	G1.3 Management of relationships with suppliers, including payment arrangements	Positive impacts	Existence of a code of conduct for suppliers
	G1 Corporate policy	G1.6 Corruption and bribery	Financial opportunity	Cost avoidance through an effective risk management and compliance culture

Figure 11: Material impacts, risks and opportunities according to dual materiality

The following reporting follows the sub-topics of the ESRS that are reportable due to the impacts, risks and opportunities identified as material.

b. Environment

Einhell Germany AG has set itself the task of firmly anchoring ecological responsibility in its entire corporate strategy. In view of climate change and the environmental impact caused primarily by the global supply chain and transport processes, Einhell strives both to reduce its ecological footprint and to utilise economic opportunities through sustainable solutions.

E1 - 1. Adaptation to climate change

Adapting to climate change is of central importance to the Einhell group, as climate change not only poses physical risks such as extreme weather events, but also geopolitical and regulatory challenges. Global supply chains, production and transport are particularly affected, which can have a significant negative impact on the company's competitiveness and stability in the event of disruptions. Einhell will take measures to become more resilient to climate-related disruptions and to integrate the circular economy as a key strategy for conserving resources.

Measures to adapt to climate change:

Strengthening resilience in the supply chain: Einhell will make its global supply chains more resilient by establishing redundant structures and digital monitoring systems. Einhell will invest more in alternative transport routes and contingency plans to minimise dependence on disruption-prone supply routes.

Integration of climatic risks into risk management: Climatic risks are integrated into the existing risk management system to recognise potential physical and resulting regulatory threats at an early stage and to be able to take countermeasures quickly.

Closing energy cycles: Einhell strives to optimise energy efficiency throughout the entire value chain. Einhell therefore works closely with its suppliers to reduce energy consumption in production through more energy-efficient processes and the increased use of secondary raw materials. Einhell favours the promotion of material cycles among its partners, which can reduce energy-intensive processes in the processing of primary materials. Closing material and energy cycles strengthens Einhell's resilience to price fluctuations and potential shortages of raw materials and energy.

E1 - 2. Climate protection

The Einhell group must take stronger measures to protect the climate in order to fulfil the requirements of the Paris Agreement and achieve the 1.5-degree target. The majority of CO₂e emissions are generated in the upstream value chain, particularly by third-party

manufacturers in the Far East, who continue to rely heavily on fossil fuels. Effective reduction measures, particularly the increased use of renewable energies along the entire value chain, should significantly reduce CO₂e emissions.

Measures for climate protection

Promotion of renewable energies in production: Einhell will work more closely with third-party manufacturers to promote the use of renewable energies in production and gradually reduce fossil fuel energy consumption. The implementation of low-emission technologies in production will also be actively promoted to successively reduce the CO₂e emissions of external suppliers.

In-house PV production: By consistently expanding our PV systems on warehouses and office buildings, we generate renewable electricity. In 2024, we were able to feed 1.676.790 kWh into the grid via our seven systems. According to calculations by our energy supplier, this saved around 1,164 tonnes of CO₂e (CO₂e₂ factor used: 700g/kWh). A smart energy management system is currently being set up at the Landau site to utilise more of the self-produced PV electricity in day-to-day operations.

Vehicle fleet renewal: We are systematically converting our vehicle fleet to electric and hybrid vehicles and are continuously expanding our e-charging stations at the Landau site to cover charging requirements, ideally with self-produced PV electricity.

New building standards: Our new office building in Landau is being constructed in accordance with the standards of the German Sustainable Building Council (DGNB silver standard). The use of recycled concrete, for example, has significantly reduced CO₂e emissions.

Extended utilisation phases reduce resource consumption & emissions: During product development, we make sure that our products are more durable, repairable and recyclable to reduce the use of materials and promote the reuse of resources. This not only reduces CO₂e emissions but also helps to conserve natural resources.

Further development of the Power X-Change system: We are consistently focussing on the further development and expansion of our Power X-Change system and on making our products even more energy-efficient. This is because the use of a battery system for over 350 devices already significantly reduces resource consumption (one battery and one charger is sufficient). The use of high-quality components, such as high-performance Li-ion cells and brushless motors, increases the efficiency and longevity of the appliances. The perfect interaction between the battery and efficient motor technology means that energy consumption can be reduced during use.

Einhell also offers warranty extensions, for example up to 10 years for brushless motors and 3 years for rechargeable batteries when registered, which extends the service life of the products and conserves resources.

Emission-free application: The use of battery-powered devices reduces the dependency on petrol-powered machines, resulting in no direct emissions during use. This contributes to improved air quality and a lower CO₂e footprint.

CO₂e footprint recording: Since 2021, Einhell has been recording CO₂e emissions at various locations and developing measures to reduce and offset them. In 2024, we created the basis for a comprehensive, group-wide CO₂e survey. Of the 41 entities subject to CCF, three are not included in the overall result as of February 18th 2025 for organisational reasons. The accounting is largely based on the Greenhouse Gas Protocol and is updated annually. Figure 12 shows the greenhouse gas emissions of the recognised entities according to Scope 1, 2 and 3 with the respective categories shown for each scope.

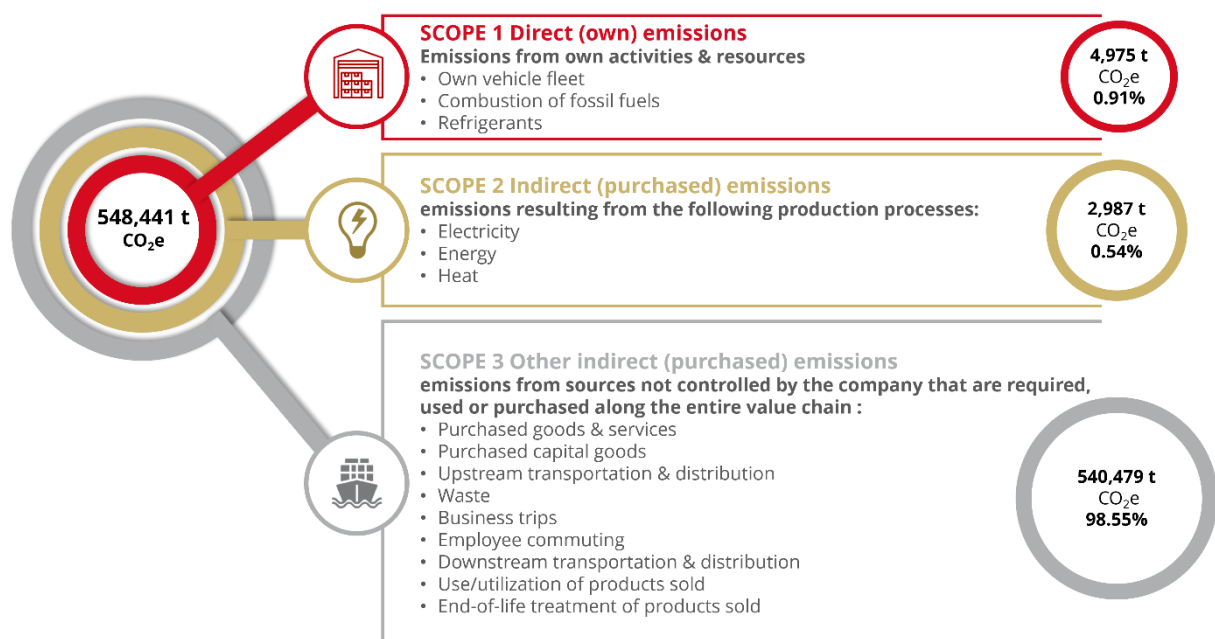


Figure 12: Corporate Carbon Footprint Einhell 2024

Based on this, CO₂e emissions are analysed along the entire value chain and targeted reduction measures are developed.

Current focus topics are: Optimising our transport routes, using low emission means of transport, reducing empty volumes in shipments and the use of secondary raw materials and renewable energy in product manufacturing.

E2 - 3. Environmental pollution (here: air pollution)

Air pollution, which is primarily generated in the Einhell group's upstream value chain, particularly through production at third-party manufacturers and global transport, poses an environmental challenge. In addition to carbon dioxide (CO₂e), pollutants such as nitrogen oxides (NO_x), sulphur oxides (SO_x) and particulate matter, which are released by fossil fuels, are a burden on both the environment and human health. This pollution is mainly caused by shipping and production at third-party manufacturers that rely heavily on fossil fuels. Compliance with strict environmental regulations, especially in the EU, is unquestionable, but poses a potential risk of rising costs and regulatory sanctions. The aim is to minimise air pollution through innovative and sustainable measures in logistics and production without jeopardising Einhell's competitiveness.

Measures against environmental pollution (here: air pollution)

Optimisation of logistics and sustainable transport solutions: Einhell will increase efficiency in global logistics by prioritising lower-emission transport methods. This includes the increased use of rail, gigaliners and e-trucks for onward carriage to reduce air pollutant emissions.

Einhell will also reduce empty volumes in shipments by promoting the consolidation of goods and the increased use of 40-foot-high cube containers. These measures will sustainably reduce CO₂e emissions and air pollution per transport unit.

Our own assembly site in Europe: This gives us the opportunity to promote the circular economy by closing material and energy cycles and to shorten transport routes in both procurement and distribution through local component production.

Collaboration with third-party manufacturers to reduce emissions: Einhell will continue to work closely with its third-party manufacturers to convert their production processes to lower-emission technologies. The focus here is on the reduction of pollutant emissions through the increased use of renewable energies and the introduction of more energy-efficient and environmentally friendly production methods. The aim is to reduce air pollution in the upstream value chain and actively promote the transition to cleaner technologies among production partners.

Strict environmental regulations and risk management: Einhell will increasingly monitor compliance with stricter environmental regulations in the EU and other regions to prevent potential sanctions and additional costs due to pollutant emissions. The company has expanded its risk management regarding environmental risks and will continuously optimise it to adapt to global requirements for environmentally friendly production and transport.

E5 – 4. Circular economy

For Einhell Germany AG, the introduction of circular economy principles is a key component in reducing resource consumption, minimising environmental impact and taking advantage of long-term financial opportunities. The transition from a linear economic model based on the consumption of raw materials and the disposal of products to a closed-loop system is not only an ecological necessity but also offers economic benefits. This makes it possible to develop new business models and reduce dependence on primary raw materials.

The circular economy at Einhell aims to optimise the use of materials, create closed material and energy cycles and design products in such a way that they are more durable, repairable and recyclable. This reduces dependence on primary raw materials and their consumption. As a result, both primary energy requirements and waste can be significantly reduced. This helps to reduce the company's ecological footprint.

Measures to promote circular economy

Product design and durability: Einhell will continue to develop its products in such a way that they follow the principles of the circular economy. Einhell relies on modular design and durable materials to maximise the useful life of its products and extend repair options. This means that the focus is on durability, reparability and reusability. The development of modular systems extends the useful life of the products and promotes the possibility of easy refurbishment and repair.

Secondary raw materials: When developing new products, the use of recycled materials and their subsequent recyclability is increasingly being examined and utilised accordingly.

Establishing a suitable infrastructure for repair and reconditioning: Einhell is continuously expanding its repair infrastructure to offer customers worldwide a first-class repair service to promote the longevity of the products and extend their service life. Specialist personnel are regularly trained to ensure repairs are carried out to the highest standard. New locations and companies are equipped with standardised repair processes to ensure a uniform infrastructure throughout the company. This repair infrastructure is also increasingly being utilised for the refurbishment of returned products. Returned devices are tested, repaired and refurbished in a standardised refurbishment process so that they can be offered as environmentally friendly and cost-effective "second choice" products. Strict quality controls ensure that the refurbished products meet Einhell's high standards and are a reliable alternative to new products. At the same time, Einhell is strengthening communication about repair options and the benefits of refurbished products to further promote customer awareness of sustainability.

Spare parts availability: We keep spare parts for our products in stock for at least 10 years after the end of series production.

Waste management: Einhell pursues a comprehensive waste management policy that aims to minimise waste and reintroduce valuable resources into the production cycle. For this, all returns that are currently treated as waste and cannot be repaired or reprocessed are to be analysed in detail and categorised according to their recycling options (upcycling, downcycling, closed-loop/open-loop recycling) or other forms of recycling. In this way, targeted activities for reuse and waste avoidance can be derived.

Through the targeted categorisation and recycling of these returns, waste can be converted into secondary raw materials, among other things, and fed back into the material cycle. This closes material cycles and reduces the consumption of energy and resources. At the same time, employees are trained in the principles of the circular economy to integrate the importance of waste management and resource conservation into daily work processes.

Further legal requirements - EU Taxonomy

The EU Taxonomy is a framework developed by the European Union to help companies and investors channel their investments into sustainable activities. It defines criteria and requirements for economic activities that are considered "environmentally sustainable", creating a common language and standards for sustainable investment in Europe. It was developed to ensure that investments in sustainable economic activities are in line with the EU's environmental objectives.

The taxonomy contains six environmental goals that have been identified as key areas for achieving a climate-neutral and sustainable economy. Only economic activities that positively influence or can influence one of these goals are considered further. For this purpose, a distinction is made between taxonomy-capable and taxonomy-compliant. In the first step, the taxonomy capability is reviewed.

Taxonomy-capable means that an activity, product or investment can meet the criteria and requirements of the EU Taxonomy by taking steps to improve its sustainability. If this condition is met, taxonomy compliance is checked further.

Taxonomy-compliant means that an activity, product or investment fulfils the criteria and requirements of the EU Taxonomy. This means that it makes a significant contribution to achieving one of the six environmental objectives and has no negative impact on other objectives. An activity that is categorised as "taxonomy-compliant" is considered sustainable.

Since January 2022, companies subject to reporting requirements must disclose the taxonomy-capable and taxonomy-compliant share of revenue, investment and operating expenses for environmental objectives 1 (climate change mitigation) and 2 (climate change adaptation).

In the first step, taxonomy-capable activities were analysed using the EU's technical assessment criteria (Annex I of Delegated Regulation (EU) 2021/2139). In the area of revenue, Einhell only considers manufacturing activities if they are associated with a significant transformation process. According to our interpretation, other activities do not qualify as taxonomy-capable within the meaning of the EU Taxonomy Regulation. From this perspective, it has become apparent that no technical assessment criteria of the EU are available for our core activity - the development and trade of products manufactured on our behalf.

For investments and operating expenses, economic activities that are only carried out for internal company purposes and do not generate external revenue are also recognised as taxonomy capable. In the case of Einhell, this includes the following items:

- 4.1 Power generation using photovoltaic technology
- 6.5 Transport with motorbikes, passenger cars and light commercial vehicles
- 7.7 Acquisition and ownership of buildings

The low rate of taxonomy-capable revenue, investments and operating expenses in connection with the environmental objective of climate protection is mainly due to the very limited conformity of Einhell's business activities with the economic activities listed in the EU Taxonomy Regulation.

No additional taxonomy-capable revenue, investments or operating expenses were identified for the environmental objective "adaptation to climate change".

KPI in accordance with EU-Taxonomy - CapEx 2024			Substantial contribution criteria		DNSH- criteria ("Do No Significant Harm")										
	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaption	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx	Category (enabling activity)	Category (transitiona l activity)	
Economic activities	TEUR	in %	in %	in %	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	in %	Yes/No	Yes/No	
A.Taxonomy-Eligible activities															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0%	0%	0%											
A.2. Taxonomy-eligible but not enviromentally sustainable activities (not Taxonomy-aligned activities)															
7.7 Acquisition and ownership of buildings	1,087.49														
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	1,087.49	58.78%													
Total A.1. + A.2.	1,087.49	58.78%													
B. Not Taxonomy-Eligible activities															
CapEx not taxonomy-eligible activities (B)	762.76	41.22%													
Total A+B	1,850.25	100%													

KPI in accordance with EU-Taxonomy - OpEx 2024														
			Substantial contribution criteria		DNSH- criteria ("Do No Significant Harm")									
	Absolute	Proportion	Climate	Climate	Climate	Climate	Water and	Circular		Biodiversity	Minimum	Taxonomy-	Category	Category
	OpEx	of OpEx	change	change	change	change	marine	economy	Pollution	and	safeguards	aligned	(enabling	(transitiona
Economic activities	tEUR	in %	mitigation	adaption	mitigation	adaption	resources			ecosystems		proportion	activity)	l activity)
		in %	in %	in %	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	of OpEx	in %	Yes/No
A.Taxonomy-Eligible activities														
A.1. Environmentally sustainable activities (Taxonomy-aligned)														
OpEx of environmentally susainable activities (Taxonomy-aligned) (A.1)	0	0.00%												
A.2. Taxonomy-eligible but not enviromentally sustainable activities (not Taxonomy-aligned activities)														
4.1 Electricity generations using solar photovoltaic technology	453.56	0.11%												
6.5 Transport by motorbikes, passenger cars and commercial vehicles	650.59	0.16%												
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	1,104.16	0%												
Total A.1. + A.2.	1,104.16	0.00%												
B. Not Taxonomy-Eligible activities														
OpEx not taxonomy-eligible activities (B)	401,327.11	100.00%												
Total A+B	402,431.27	100%												

c. Social

The Einhell group recognises the central importance of its employees for the long-term success of the company. For us, the basis for this is the positive identification of each individual with our company.

We are aware that the personal commitment of every member of our workforce is the essential basis of our value creation.

We believe that targeted investments in the workforce are the basis for the long-term, sustainable future of the Einhell group, as they generate competitive advantages, increases productivity in terms of quality and quantity and reduces staff turnover.

General information - Employee structure at Einhell

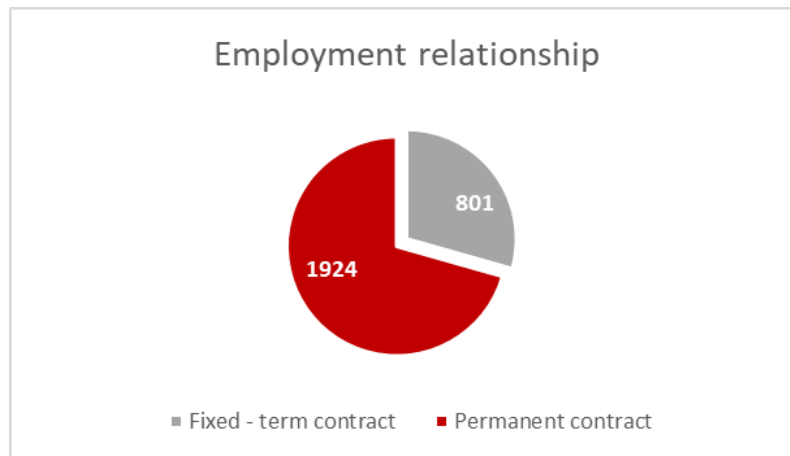
Einhell is a globally active group with a current total of 2,725 employees. These are distributed in the different regions as follows:

Region	Number of employees
D/A/CH region	935
Western Europe	257
Eastern Europe	292
Overseas	800
Others	441
Total	2,725

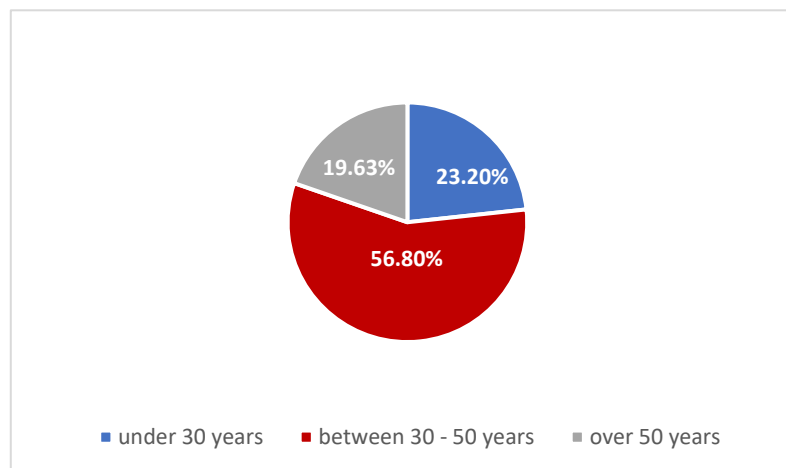
The gender distribution across the Einhell group is as follows:

Region	Number of employees	Male	Female	Non-binary
D/A/CH region	935	490	437	10
Western Europe	257	152	102	3
Eastern Europe	292	217	75	-
Overseas	800	477	321	-
Others	441	245	196	-
Total	2,725	1,581	1,131	13

The employment contracts of all group employees can be divided into fixed-term (29.4%) and permanent (70.6%) contracts.



The distribution of employees in the Einhell group can be broken down into the following three age groups (under 30 years, between 30 and 50 years, over 50 years). The distribution in the respective age groups differs considerably in some cases in the various subsidiaries:



S1 – 1. Working conditions

Respectful contact: For us, every person has the same high value, regardless of other categorisations. This requires us to treat each other with respect.

The following behaviours are not tolerated:

- Any discrimination on racist or sexist grounds, on grounds of faith, sexual orientation, age or physical disability of an employee
- Sexual harassment, moral offences
- Infliction of bodily harm
- Insults to another person (verbally or in written form)
- Intimidation and/or threats
- Sabotage of the activities of others
- Bullying

In 2024, the group did not receive any internal or external compliance reports on violations of discrimination offences in accordance with the standard of the OECD contact point for multinational enterprises. In 2024, no payments were made due to sanctions, fines, penalties and compensation payments for such violations in 2024.

Secure jobs: We are aware that in many cases there is a certain relationship of dependency between employees and us as an employer. In our view, this gives rise to a responsibility on the part of the employer.

For this reason, we want to act as a reliable partner for our core workforce. This also means that recruitment is always planned based on sustainable, sufficiently probable positive business development.

Opportunities and risks are analysed objectively as part of a comprehensive risk management system. The preservation of jobs is a key criterion in the assessment.

As a matter of principle, we try to compensate for economic fluctuations by utilising flexible personnel policy measures to be able to offer the core workforce sustainable job security, because the very special Einhell know-how of our employees in the various functions represents a very special asset for us. The sustainable growth strategy of the Einhell group is built on this asset and must therefore be preserved.

Appropriate remuneration: Because we regard our employees as an essential asset in the creation of value, it is a matter of course for us that we remunerate the associated commitment appropriately. Qualifications are a key criterion for us when determining individual remuneration. In doing so, we are guided by the standard market structures and levels in relation to the local labour market. We constantly benchmark local legal requirements for minimum remuneration. We always offer remuneration above the minimum rates.

Fair pay not only has a direct positive impact on employee satisfaction but also promotes loyalty to the company. Employees who feel that they are treated fairly by the salary they receive are more willing to commit to the company in the long term, which leads to a lower staff turnover rate. This reduces the cost of recruiting and training new employees and enables the company to retain the skills and expertise of its workforce.

Occupational safety: The regional and supra-regional regulations on occupational health and safety are immovable pillars of our work organisation. Organisational measures are therefore implemented in all areas of the Einhell group to minimise the risk to life and limb of employees and third parties.

We, as well as our business partners, regard the respective national occupational safety and hygiene standards as minimum standards and increase the protection of our workforce through regular risk assessments and analyses.

Freedom of association: We regard dialogue with our employees as a valuable regulatory factor in our economic world. We therefore guarantee the fundamental right of employees to organise themselves in trade unions or employee representative bodies. Membership of trade unions is granted within the framework of legal provisions in accordance with ILO Convention No. 98. Employee representation must not constitute a reason for unjustified discrimination. Cooperation with employee representatives at Einhell is characterised by trust and is goal oriented.

Fair labour conditions: We are committed to enforcing the right to fair labour conditions in accordance with applicable ILO conventions. This includes fair wages and social benefits and the legal standards prescribed by national or regional authorities. The statutory provisions on the minimum wage in the respective countries must be observed, as must the applicable regulations on working hours, breaks and holiday entitlements.

Measures against violence and harassment in the workplace: Einhell is committed to a working environment based on safety, respect and well-being. The company has a zero-tolerance policy towards violence, harassment and any form of discrimination in the workplace. These principles are firmly anchored in Einhell's compliance and behavioural guidelines and form the basis for a positive and supportive working environment. A safe working environment is not only an essential factor for the well-being of employees, but also for the long-term productivity and stability of the company.

Einhell has implemented clear policies and processes to ensure that incidents of violence and harassment in the workplace are dealt with quickly and effectively. Through training, employees are made aware of the issue and taught how to recognise and report problematic behaviour. Einhell has also created special contact points where employees can report such incidents confidentially. This promotes a climate of trust and transparency in which employees feel safe and valued.

Freedom to complain and report: We believe that all actions by employees of our group, regardless of their hierarchical position, must be measured against all regulatory requirements (statutory or internal) without restriction. This means that pointing out any deviating behaviour should not represent a personal risk for anyone but should be seen as an opportunity to improve ourselves. In accordance with the provisions of the German Whistleblower Protection Act (HinSchG), but also as part of our compliance reporting structures, we ensure that all internal and external people can report deviant behaviour anonymously. The data protection regulations stipulated in this regard are complied with in full.

We ensure that reported deviations are addressed with the necessary objectivity to recognise potential for improvement.

Flexible working hours: We offer employees the opportunity to organise their working hours flexibly within the limits of their respective functions to better reconcile their work with their personal commitments and life circumstances. This should lead to greater satisfaction and motivation, which has a positive impact on productivity. It also promotes work-life balance, which supports the health and well-being of the workforce in the long term.

Holiday leave: The company fully complies with the applicable local rules and regulations on working hours and regular paid holiday leave.

In our view, these above-average working conditions have proven to be an effective tool for retaining employees in the long term. Satisfied and motivated employees are less likely to leave the company, which leads to a lower staff turnover rate. This not only saves costs for recruiting and training new employees but also contributes to stability and continuity in the teams, which ultimately increases the company's productivity. This leads to a better working atmosphere and increases general satisfaction within the company. Employees who feel valued and whose private needs are considered are more willing to make a long-term commitment to the success of the company.

S1 – 2. Equal treatment and equal opportunities

Remuneration policy: Employee remuneration is based on qualifications, performance and experience and excludes gender-specific or other discriminatory factors. Non-discriminatory pay structures ensure equal pay for equal work, regardless of gender, origin or other personal characteristics.

This policy not only promotes equality in the workplace but also strengthens the motivation and satisfaction of the workforce. At the same time, it improves Einhell's image as an employer and increases the company's attractiveness for qualified specialists, which creates a competitive advantage on the labour market.

Equal opportunities and personal development: Einhell recognises the central importance of equal opportunities and continuous training for the success of the company. To meet the dynamic requirements of the market, technological advances, the challenges posed by environmental and climate change and changing customer needs, Einhell makes targeted investments in the development of its employees.

The focus is on fair and non-discriminatory cooperation, which ensures that all employees - regardless of gender, origin or other personal characteristics - are offered the same opportunities for personal development. Decisions on further training measures are based exclusively on the requirements of the respective task, personal commitment, individual development potential and objectively defined framework conditions for personnel development.

Training and skills development: Einhell has established a culture of lifelong learning that goes beyond the standard requirements. This investment in the education of the workforce ensures that employees are always up to date with the latest professional developments and at the same time acquire new skills that are crucial for innovation and growth.

The further training opportunities include both internal training courses and external, certified programmes. Employees can expand their specialist skills and apply them in new areas of responsibility, which not only improves their career opportunities within the company but also increases their motivation and satisfaction.

Another advantage of intensive personnel development is the safeguarding and further development of company-specific expertise. Well-trained employees make a decisive contribution to the company's innovative strength by finding creative solutions and working more efficiently. This ability to react flexibly and competently to complex challenges is a key competitive advantage for Einhell.

At the same time, personnel development supports employee retention. Employees who have the opportunity to develop professionally and advance their careers remain loyal to the company in the long term.

This loyalty is further strengthened as Einhell place great importance on creating an environment that promotes personal and professional development.

Equal opportunities are also a key principle in the selection and promotion of managers. Einhell is convinced that gender has no influence on a person's performance, integration or development potential. These values are firmly anchored in the corporate culture and promote a diverse, high-performing workforce.

S1 – 3. Employee satisfaction and productivity

We see a high level of employee identification and employee satisfaction as a key factor for the long-term success of the Einhell group. This is because satisfied employees are more motivated and therefore more committed, which directly contributes to the realisation of our strategic goals.

In addition, emotional loyalty to the company is higher and these employees remain loyal to the company for longer. This long-term loyalty has considerable financial benefits: The cost of recruiting and training new employees is reduced as staff turnover remains low. The stability in the teams also creates a strong sense of togetherness and more efficient collaboration, which leads to consistently high productivity and a better quality of work. As part of the formulation of the 2027/29 strategy, "Best employer in DIY" was defined as one of the strategic pillars.

The implementation of this strategy is based on the Executive Board's value statement and the corporate guidelines and management principles derived from it.

Einhell Value Statement



This value statement is initially directed outwards, as we are firmly convinced that the satisfaction of our B2B and B2C customers is the basis for sustainable business success. Based on this, we are of the opinion that this basic objective can only be achieved in the long term if all stakeholders are involved in the same way and their individual objectives are also taken into account.

We have therefore developed the following guidelines on corporate culture in a bottom-up approach and derived and formulated corresponding management principles from them in a second cooperative step.

1. FOREWORD BY THE BOARD OF DIRECTORS

Dear colleagues,

As the enabler and strong brand in DIY, we have achieved a great deal and are positive about the challenges ahead. To this end, a value statement has been drawn up in the ongoing strategy development process, which is presented in this brochure on page 5. These fundamental statements provide the framework within which we intend to develop and to which all our strategic approaches are to be aligned. Overall, we have set ourselves ambitious goals! However, we are convinced that we can achieve them together.

This "together" includes, not least, that we can discuss openly, appreciatively and sustainably all issues that arise and solve problems that occurs. As we all know, this is sometimes not so easy in day-to-day business. Different perspectives and priorities as well as diverse experiences make us flexible and secure our decisions. However, there is of course also fuel for conflict. We have to deal with this just as openly and appreciatively as we do with all the technical issues, we encounter every day.

To give us all guidance here, "Guidelines on Corporate Culture" were drawn up by delegations at employee level on the one hand, and "Leadership Principles" based on them were drawn up by managers on the other. These are published in this brochure.

However, the creation of our guidelines is only the first step, as everyone involved agrees!

Now we should also live by them. For this reason, the Executive Board has declared the guidelines and the management principles to be binding for itself, for all managers and employees. It is therefore the task of each individual to work constructively towards compliance with these guidelines.

We look forward to a continued positive development of our cooperation as a facilitator for our customers and a strong brand in DIY.

Best regards

The Executive Board

Andreas Kroiss; Jan Teichert; Dr. Markus Thannhuber; Dr. Christoph Urban

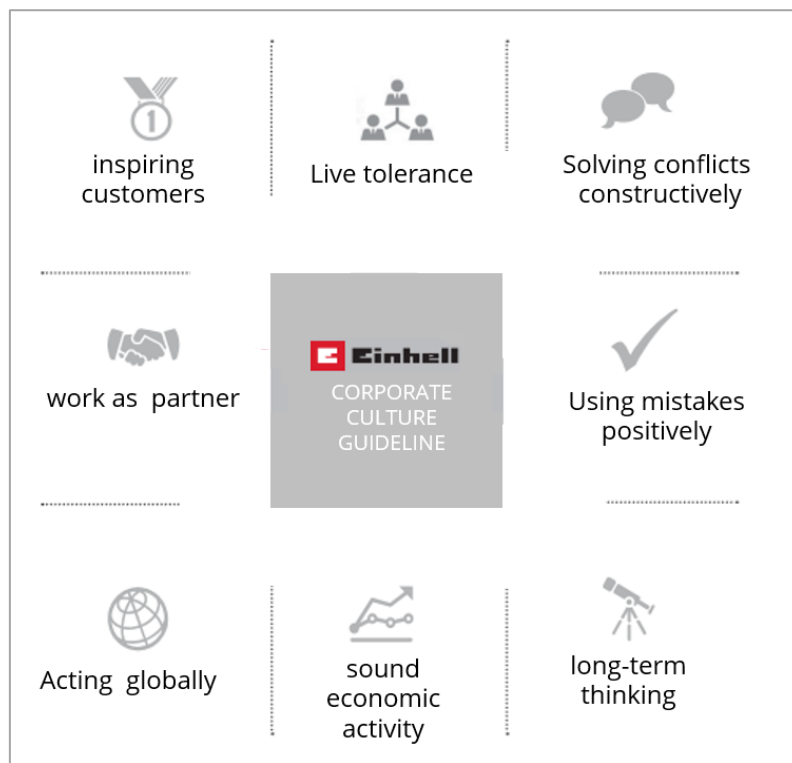
The corporate culture guidelines drawn up by the employees are the touchstone of our actions. The role of manager is not always an easy one, as on the one hand it is a role in which the inevitable conflicts of objectives between the company and its employees manifest themselves and on the other hand the relationship between the manager and his or her employees is seen directly as an indicator of the perceived corporate culture.

Therefore, building on the corporate culture guidelines, their content was reviewed regarding specific management aspects and recommendations for action were formulated in the new management principles.

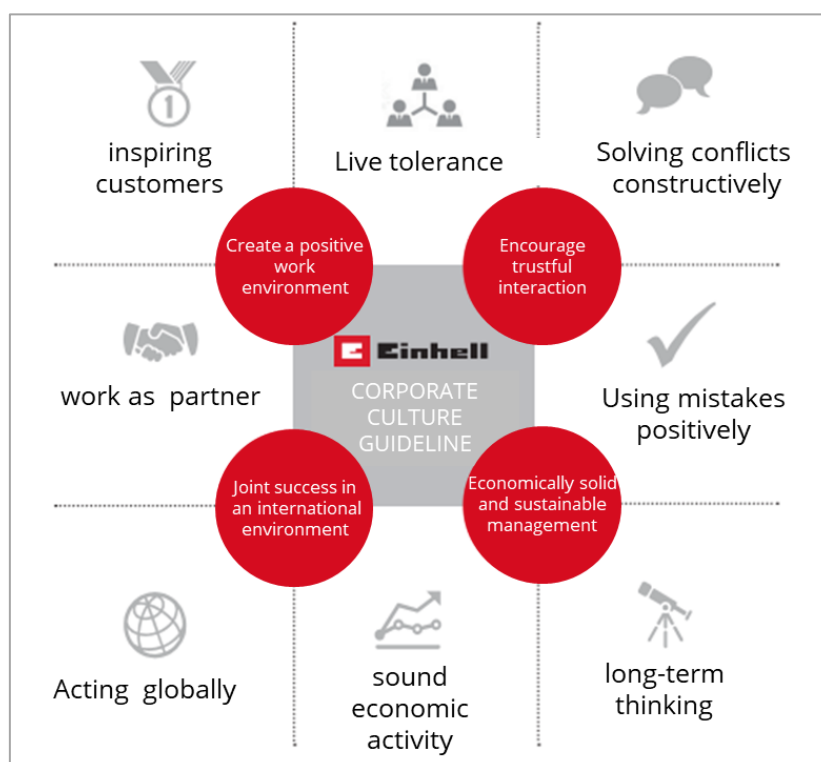
Together with the Executive Board's value statement, this results in a framework called "Our Guidelines", which is intended to help all employees, regardless of their respective function, to find the right framework for working together in all situations that arise.

The following are abstracts from "Our guidelines"

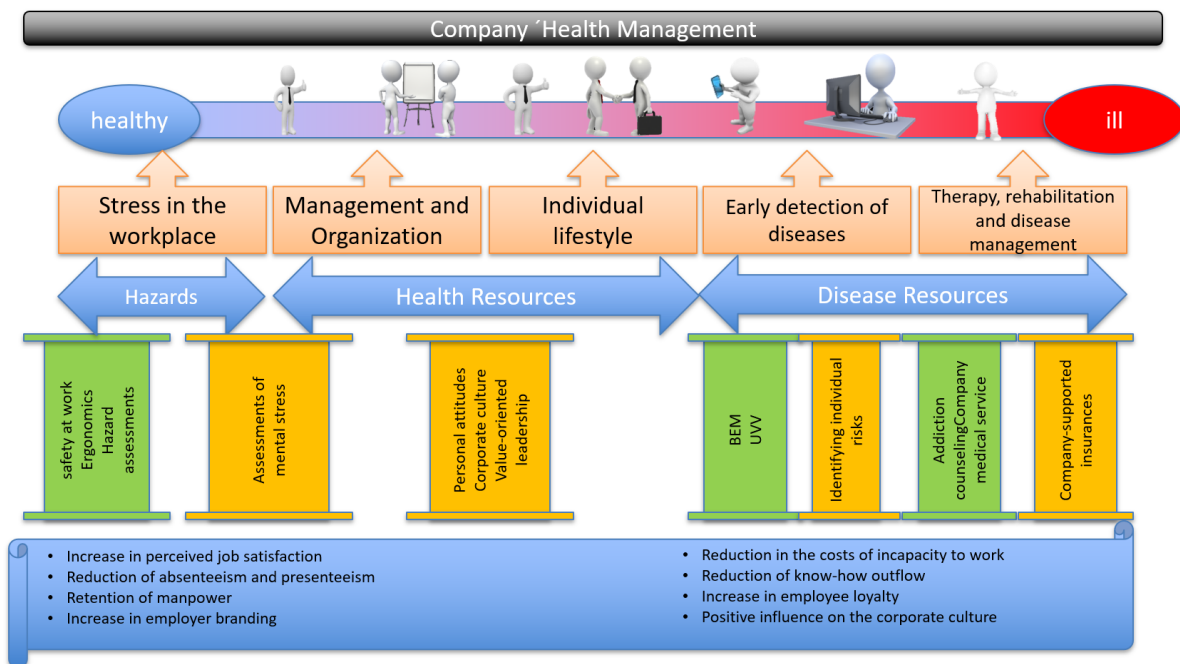
4. Corporate culture guidelines



5. Leadership principles in the context of the corporate culture guidelines



The health of every one of our employees is important to us. For this reason, we established a comprehensive company health management programme at our headquarter in Landau years ago.



The characteristics and requirements are very different in the individual companies. However, we try to anchor the basic idea of our occupational health management in the local structures of the Einhell companies and are in dialogue with those responsible locally.

Health and safety:

In principle, there are legal requirements in all our companies' countries to ensure the health of employees and to avoid risks to life and limb (occupational health and safety). All companies comply with these statutory requirements. Nine companies have a health management system that goes beyond this. There were no fatal accidents at work in the group in 2024.

No reportable illnesses are known. In 2024, 69 accidents at work were registered across the group.

S1 – 4. Other labour-related rights

Human rights: We regard the human rights defined by the UN as the immovable pillars of all economic activity. We base our actions on these criteria worldwide. We therefore expect our entire workforce, as well as our business partners, to consistently respect and actively protect internationally recognised human rights. The United Nations Guiding Principles on Business and Human Rights form the basis for this. These include the protection of local communities, indigenous peoples and human rights defenders.

Child labour: It is a matter of course for Einhell that we fully recognise the increased need to protect children and therefore reject child labour as a matter of principle. We commit ourselves and our business partners to only employ persons who have reached the legal minimum age for work in the country of employment and not to tolerate any form of child labour. ILO Convention No. 138 on the minimum age for employment and No. 182 on the elimination of the worst forms of child labour must be observed. Furthermore, our business partners undertake to honour and respect the dignity and rights of children.

Forced labour: We expect our employees, but also all business partners, to strictly reject any form of forced labour, including, but not limited to, human trafficking, torture and slavery or forced labour of any kind. The principle of freely chosen employment must be respected and observed.

S2 – 1. Compliance with international labour standards

Einhell is committed to ensuring compliance with internationally recognised labour standards throughout its supply chain. The Code of Conduct for Business Partners obliges suppliers to take measures against forced labour, child labour and discrimination and to ensure fair and safe working conditions. To monitor compliance with these standards, Einhell relies on regular audits, across the board via the amfori BSCI audit, supplemented by ICS audits on a case-by-case basis. These audits enable Einhell to ensure that suppliers not only comply with the Code of Conduct but also minimise social and environmental risks. The audits strengthen trust in the entire value chain. In this way, Einhell reduces the risk of reputational damage and legal problems and promotes better working conditions for all employees involved.

Measures for compliance with international labour standards

Commitment and monitoring of suppliers: All suppliers are required to comply with the Einhell Code of Conduct, which ensures internationally recognised labour standards and human rights. Einhell will carry out regular audits and inspections to check compliance and initiate corrective measures in the event of non-compliance. A digital monitoring system will be implemented to increase transparency in the supply chain.

Training and development programmes for suppliers: Einhell will provide training and support to strategic suppliers to help them improve their social and environmental standards and fulfil the requirements of the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). This includes targeted training to improve working conditions and prevent human rights violations.

Risk management and sustainable supply relationships: Einhell has had a risk management system in place since 2024 to identify and minimise social and environmental risks in the supply chain at an early stage in accordance with the LkSG. Special remedial measures are developed with high-risk suppliers to minimise or eliminate the identified risks or undesirable developments.

Excursus: The Act on Corporate Due Diligence Obligations in Supply Chains

The implementation of the LkSG at Einhell Germany AG in 2024 is based on a comprehensive system that ensures that all legal requirements of the LkSG are met. The approach combines legal requirements with internal guidelines and best practice approaches to identify, assess and minimise human rights and environmental risks in the supply chain. The company's own **Code of Conduct for Sustainable Supply Chains** is an important instrument that supports compliance with the legal positions of the LkSG and is an important tool for implementing the law.

Scope of application and obligation

The LkSG obliges Einhell Germany AG to implement human rights and environmental due diligence obligations along its entire supply chain. To this end, a customised risk management system has been developed that is tailored to the specific requirements of the law. This system enables the early identification and assessment of risks and their minimisation. The Code of Conduct serves as a contractual basis for regulating cooperation with suppliers. It defines ethical and environmental standards that help to counteract violations of the legal positions defined in the LkSG. Einhell obliges all suppliers to comply with these standards to ensure that the legal requirements are observed along the entire value chain.

Implementation of the due diligence obligations

The central due diligence obligations of the LkSG are firmly integrated into the operational processes of Einhell Germany AG. The risk management system serves as the main tool for identifying and minimising human rights and environmental risks. This is supported by regular risk analyses that are based on internal and external data and prioritise targeted measures. Based on these analyses, specific preventive measures are taken to avoid potential risks.

Should violations nevertheless occur, clearly defined remedial measures are put in place with the aim of correcting the situation and preventing future violations. In addition, a transparent and anonymous complaints procedure has been set up that offers all affected people the opportunity to report concerns or violations. Every year, Einhell prepares publicly accessible reports that document compliance with due diligence obligations and fulfil both the requirements of the LkSG and internal guidelines.

Cooperation with suppliers

Close cooperation with suppliers is a central component of implementing the LkSG. The Code of Conduct forms the basis for this by defining clear standards for ethical behaviour and environmental protection. Suppliers are obliged to sign the code and regularly demonstrate that they fulfil the requirements it contains. To promote compliance, Einhell offers suppliers training to help them better understand and implement the legal requirements. In addition, regular audits are carried out to check the implementation of the standards in practice. This partnership approach not only promotes compliance with legal requirements but also helps to share responsibility for a sustainable supply chain.

Consequences and sanctions

If violations of the requirements of the LkSG or the Code of Conduct are identified, Einhell has implemented mechanisms that provide for consistent remedial measures. Suppliers who repeatedly violate the standards must expect sanctions, which can go as far as termination of the cooperation.

Improvements based on best practices

Einhell Germany AG is continuously optimising the implementation of the LkSG by integrating best practice approaches and innovative technologies. The use of AI-driven risk monitoring tools enables early identification of potential violations. At the same time, training programmes for suppliers are being expanded to strengthen their understanding of legal requirements and promote compliance. Modern software solutions for managing complaints and reports also improve the efficiency and accuracy of processes. These continuous improvements ensure that Einhell not only fulfils legal requirements but also takes a leading role in ethical supply chain management.

Declaration of Principles of Einhell Germany AG within the framework of the Act on Corporate Due Diligence Obligations in Supply Chains:

Declaration of Principles of Einhell Germany AG in accordance with § 6 para. 2 Supply Chain Act

Introduction

Einhell Germany AG is committed to its responsibility to comply with human rights and environmental standards along the entire supply chain and to consistently implement the requirements of the Supply Chain Due Diligence Act (LkSG).

This declaration of principles forms the basis for clear internal processes, transparent communication and innovative measures to identify, assess and minimise risks in connection with human rights and environmental protection at an early stage.

Our goal is to support a sustainable and fair value chain and to play a pioneering role in ethical supply chain management through our commitment to sustainability and social responsibility.

1. Scope of application and obligation

The Einhell Germany AG has implemented a comprehensive risk management system that fulfils the requirements of the LkSG.

Our Code of Conduct is an important instrument that defines clear standards for our suppliers and serves as the basis for long-term and sustainable cooperation. This declaration of principles covers all direct and indirect suppliers (in the event of substantiated knowledge of a breach of duty) to ensure that human rights and environmental standards are consistently observed.

2. Implementation of the due diligence obligations

Einhell integrates the central due diligence obligations of the LkSG into all business processes:

- **Risk management:**

A customized software system that has been checked for legal certainty identifies potential human rights and environmental risks along the supply chain and enables them to be actively countered. All 13 legal positions defined in the LkSG are systematically taken into account in the risk analysis in order to ensure a comprehensive assessment of human rights and environmental risks.

- **Regular risk analyse:**

Systematic analyses assess risks on the basis of internal and external data. The Code of Conduct obliges our suppliers to comply with strict standards.

- **Preventive measures and remedies:**

If risks are identified, Einhell takes preventive measures to minimise them. Violations are addressed with clear corrective action.

- **Complaint procedure:**
A transparent process enables all stakeholders to report concerns or violations anonymously and without barriers.
- **Reporting:**
Targeted annual reporting documents compliance with the due diligence and is made publicly available in accordance with legal requirements.

3. Identified human rights and environmental risks with highest priority

Human rights risks

1. **Child labour and forced labour:**
In the manufacture of power tools and their components, especially in countries with weak labour standards, there is a risk of child and forced labour. Einhell demands and regularly checks that such practices do not occur at our suppliers.
2. **Occupational health and safety:**
The production of power tools can be associated with health hazards, for example through the handling of hazardous substances or machines. Einhell demands and regularly checks that our suppliers have implemented appropriate health and safety measures.
3. **Discrimination and fair wages:**
Einhell demands and regularly checks that there is no discrimination in the entire supply chain and that employees receive fair wages that at least correspond to the statutory minimum wage in the respective country.

Environmental risks

1. **Environmental pollution:**
The manufacture of power tools can lead to soil, water and air pollution, for example through the use of chemicals or improper waste disposal. Einhell demands and regularly checks that environmentally friendly production methods are used and that the statutory environmental standards are complied with.
2. **Handling of hazardous substances:**
Some components may contain substances that are subject to international agreements such as the Minamata Convention (mercury) or the Stockholm Convention (persistent organic pollutants). Einhell demands and regularly checks that such substances are not used or that their use complies with international regulations.

4. Stated expectations and possible consequences

The content described in the Code of Conduct addresses all identified human rights and environmental risks through clear guidelines, review mechanisms and sanctions in the event of violations. Einhell emphasizes the regular monitoring and integration of these requirements along the entire supply chain.

Relevant content in the Code of Conduct on human rights risks

1. Child labour and forced labour

- **Forced labour:** Zero-tolerance policy towards forced labour, modern slavery and human trafficking. Labour relationships must be entered into voluntarily and may be terminated at any time (§2.1).
- **Child labour:** Employment of children under the age of 15 is prohibited; special protective measures apply to young people under the age of 18, such as the ban on night work and overtime (§2.2).

2. Occupational health and safety

- Compliance with occupational health and safety standards, especially when handling hazardous substances and machinery.
- Introduction and communication of safety measures for the prevention of occupational accidents and health hazards (§2.3).
- Continuous improvement of working conditions, particularly regarding fire protection and minimizing work-related health risks (§2.3).

3. Discrimination and fair wages

- **Discrimination:** Prohibition of any discrimination based on gender, age, religion, social background, ethnic origin or other characteristics (§2.7).
- **Fair wages:** Wage must at least correspond to the statutory minimum wage; unauthorized salary deductions are prohibited (§2.5).

Relevant content of the Code of Conduct on environmental risks

1. Environmental pollution

- Procedures and standards for resource efficiency and waste management must be complied with (§3).
- Prevention of environmental pollution caused by harmful substances, improper waste disposal or other harmful emissions (§3).
- Promotion of environmental awareness among employees and suppliers (§3).

2. Handling hazardous substances

- Ban on the production and use of mercury products and chemicals that are prohibited by international agreements or national laws (§3).
- Compliance with all legal and international standards for handling hazardous substances (§3).

5. Cooperation with suppliers

Our cooperation is based on a partnership approach characterized by mutual trust. The Code of Conduct is a binding document that all suppliers must sign. It defines ethical and environmental standards that are regularly reviewed and supplemented by training and audits. These measures support transparent communication and sustainable implementation of the requirements of the LkSG.

6. Consequences and sanctions

Violations of the Code of Conduct or the requirements of the LkSG will result in consequences that range from support in solving the problem to termination of the business relationship. Compliance is monitored by our compliance team and external auditors.

Landau an der Isar in December 2024

Signed by Andreas Kroiss, CEO

Einhell Germany AG

Signed by Jan Teichert, CFO

Einhell Germany AG

Signed by Dr. Markus Thannhuber, CTO

Einhell Germany AG

Signed by Dr. Christoph Urban

Chief IT & Digitalization

Einhell Germany AG

S2 – 2. Fair wages and safe working conditions

Einhell Germany AG is committed to promoting fair wages and safe working conditions both for its own employees and along the entire supply chain. Although Einhell has no direct influence on wage setting at third-party manufacturers, the company can contribute to improving working conditions through clear guidelines in the Code of Conduct and through training and development programmes. Einhell pays close attention to ensuring that all direct suppliers offer humane working conditions and comply with the standards of the German LkSG. This not only promotes social justice but also strengthens the company's reputation and resilience.

Measures for fair wages and safe working conditions

Promoting fair working conditions along the supply chain: Einhell sees the Code of Conduct for Business Partners as the basis for cooperation, which demands fair working conditions and compliance with international labour standards. Although Einhell cannot set wages directly for third-party manufacturers, the company will ensure through regular audits that decent working conditions are observed. Einhell prioritises the avoidance of child labour, forced labour and unsafe working conditions.

Training and support programmes for suppliers: Einhell will develop further training programmes for strategic suppliers to support them in implementing social and labour standards. These training programmes will help suppliers to ensure fair working conditions.

S2 – 3. Risk minimisation and improvement of supply chain stability

Ensuring a stable and sustainable supply chain is of central importance to Einhell Germany AG to minimise production losses, delays and legal disputes. Ensuring fair working conditions and compliance with social standards contributes significantly to the long-term stability of the supply chain. By complying with social standards and human rights, Einhell reduces the risk of disruptions caused by labour disputes, strikes or legal disputes. This protects the company from production stoppages and delays that could have a negative impact on its business performance or reputation.

Measures to minimise risk and improve supply chain stability

Risk assessment and monitoring of the supply chain: Einhell has introduced a digital risk management system since 2024 to continuously monitor the supply chain and identify potential risks such as labour disputes or violations of environmental and social standards at an early stage.

Supplier development and cooperation: Einhell will regularly involve strategic suppliers in training and support programmes to improve their compliance with social and environmental standards. The focus here is on the prevention of labour conflicts, compliance with human rights and the promotion of sustainable production methods.

Diversifying and securing the supply chain: To ensure the stability of the supply chain, Einhell will continue to diversify its supplier base and develop alternative supplier structures. This reduces dependence on individual production sites and protects against geopolitical or climate-related disruptions.

S2 – 4. Long-term benefits and sustainability

Einhell Germany AG strives for sustainable business development with long-term benefits based on compliance with safe and fair working conditions throughout the supply chain. By ensuring these standards, Einhell not only strengthens its legal and ethical compliance, but also improves its corporate image and builds trust with customers, investors and business partners. In addition, consistent implementation of these standards leads to a more stable, resilient supply chain that protects the company from disruption and financial risk.

Measures for long-term benefits and sustainability

Promoting responsible supply chain practices: Einhell will work closely with its suppliers to ensure that labour conditions and environmental standards are continuously improved. This includes the implementation of training programmes for suppliers and the introduction of an ongoing monitoring system (primarily through audits) to ensure compliance with international labour and environmental standards.

Strengthening the brand image and customer loyalty: Einhell will strengthen its communication on compliance with fair working conditions and sustainable production processes to promote the trust of customers and investors. Transparent reporting and targeted marketing measures are intended to strengthen the perception of Einhell as a responsible and sustainable player on the market.

Ensuring supply chain resilience: To ensure long-term stability, Einhell will take measures to minimise labour conflicts, unethical practices and potential legal risks in the supply chain. This is supported by regular audits, training and the implementation of emergency plans, especially in critical production and logistics areas.

S4 - Strategy for consumers and end users of Einhell Germany AG

Einhell Germany AG attaches great importance to comprehensive information and continuous dialogue with its customers and end users. Communication with end users is a crucial basis for improving products and services. Einhell ensures that all customers have access to important product information, hazard warnings and instructions in an understandable and barrier-free manner. At the same time, by utilising open feedback channels, customer needs are recorded and specifically integrated into the further development of the product portfolio. This strategy not only promotes customer satisfaction but also creates long-term brand loyalty and enables financial opportunities through increased competitiveness.

Measure

Einhell will continue to invest in the optimisation of information channels and make access to important product data and information even more user-friendly. Increased attention will be paid to processing customer feedback more efficiently and implementing the resulting product improvements in a timely manner. The expansion of barrier-free communication options is also being driven forward to ensure even easier access to information for all end users.

S4 – 2. Comprehensive customer information and increased willingness to buy

Einhell offers its end customers comprehensive product information that is presented clearly and comprehensibly. The flexibility and cost efficiency of the battery platform is emphasised through targeted marketing campaigns that highlight the advantages of the Power X-Change system, for example. Partnerships with well-known brands such as Mercedes AMG-PETRONAS F1 Team and FC Bayern Munich also promote trust in the Einhell brand. Informed customers understand the benefits of the products better, which increases their willingness to buy and leads to greater customer loyalty in the long term. Educating customers therefore contributes directly to increasing competitiveness and demand.

Measures for comprehensive customer information

To further increase the willingness to buy, Einhell will continue to invest in product quality and functionality, expand its marketing strategy and focus more on targeted information campaigns. This includes increasing the company's presence in online channels, providing more explanatory videos and working even more closely with brand ambassadors to increase awareness of and trust in the products.

S4 - 3. Product improvements through customer feedback

The continuous integration of customer feedback into product development is of crucial importance to Einhell. Customers can pass on their experiences and suggestions for improvement via various platforms through online reviews, direct feedback and surveys. This information is systematically analysed and considered when developing new products or improving existing ones. This ensures increased customer satisfaction, as the products increasingly fulfil the specific needs and expectations of end users. The constant optimisation of the product portfolio secures long-term financial benefits for Einhell through greater brand loyalty and increased demand.

Measures for product improvements based on customer feedback

Einhell will continue to optimise the processes for recording and analysing customer feedback to ensure that feedback can be incorporated even more quickly into the evaluation and, if necessary, into product development. At the same time, the company will increasingly focus on customer-oriented innovations to optimally fulfil the formulated benefits of the products.

S4 – 4. Strengthening competitiveness through customer orientation

By focussing on the needs of end users, Einhell not only strengthens customer loyalty, but also its competitive position in the market. Informed and satisfied customers are more likely to buy products again and pass on their positive experiences, which leads to strong brand loyalty. Working closely with end users and regularly adapting the product portfolio to their needs promotes innovation and secures long-term financial benefits for Einhell.

Measures to strengthen competitiveness through customer orientation

Einhell will continuously expand its dialogue with end customers by creating additional feedback opportunities and increasingly responding to individual needs. The customer-orientated innovations will help to increase competitiveness and establish the company as the market leader in certain product categories.

d. Governance

The corporate policy of Einhell Germany AG forms the foundation for the sustainable success and reputation of the company. The promotion of a strong ethics and compliance culture, which is reflected in clear guidelines such as the Code of Conduct, the Value Statement, the guidelines on corporate culture or the management principles, ensures compliance with social responsibility, human rights and fair working conditions.

The company policy ensures that legal requirements and ethical standards are adhered to in all business processes, thereby strengthening trust and integrity. In addition, a strong corporate policy offers financial opportunities through cost savings and building customer trust, which has a positive impact on the company's competitiveness and sustainable growth.

Independence of the committees

Einhell Germany AG follows the dual management system of German stock corporation law, which provides for a clear separation between the Executive Board as the management body and the Supervisory Board as the controlling body. The Executive Board consisting of four members, is responsible for the strategic and operational management of the company with the aim of sustainable value creation. Each member of the Executive Board is responsible for managing their respective area within the framework of Executive Board resolutions. The Executive Board works closely with the Supervisory Board, particularly regarding the exchange of information and strategic advice. However, the Supervisory Board does not exert any direct influence on operational decisions to maintain the independence of both boards.

The Supervisory Board of Einhell Germany AG consists of three members and has the task of monitoring and advising the Executive Board. Mr. Philipp Thannhuber is a close relative of Management Board member Dr. Markus Thannhuber. The Annual General Meeting unanimously elected the Supervisory Board. This reflects the wish of the ordinary shareholders for a representative on the Supervisory Board. With the composition of the Supervisory Board consisting of three members including an employee representative, the recommended majority of members independent of the shareholders cannot be achieved. Prof. Dr. Dieter Spath was a member of the Supervisory Board of Einhell Germany AG from 2006 until his departure on 28 June 2024 and was considered to be particularly independent in his opinion-forming and decision-making due to his many years of activity in the industrial, university and scientific environment. With the new appointment of Prof. Dr. Manfred Schwaiger, independence will continue to be maintained - formally also because his term of office has so far been less than 12 years.

G1 - 1. Promotion of a culture of ethics and compliance

Einhell promotes a corporate culture that emphasises ethics, integrity and compliance. The policies and guidelines for employees and business partners are key tools for ensuring that all employees and suppliers respect and comply with the company's social, ethical and environmental standards. This culture of responsibility not only contributes to the protection of human rights and the promotion of fair working conditions but also strengthens internal integrity and trust in the Einhell brand.

Measures to promote a culture of ethics and compliance

Einhell will conduct regular ethics and compliance training to ensure that all employees are aware of and implement the relevant standards. Clear communication channels have been established and are being expanded to ensure that potential violations or ethical issues can be reported and dealt with quickly and transparently. In addition, the policies and guidelines are regularly updated to comply with the changing legal framework and international standards.

Social commitment: Einhell is actively involved in charitable causes and supports both the Austrian aid campaign "Licht ins Dunkel" and the German "RTL-Spendenmarathon" as well as other regional organisations in the social sector.

G1 – 2. Reputation opportunities and employee productivity through a robust corporate culture

A strong ethics and compliance culture not only has a positive impact on internal integrity, but also on Einhell's reputation. A company that pursues clear ethical standards and demonstrates responsibility is perceived as trustworthy by customers, investors and partners. These reputational opportunities lead to greater customer loyalty and increased employee satisfaction in the long term. A positive corporate culture promotes productivity, reduces staff turnover and contributes to cost efficiency.

Measures to increase reputation opportunities and employee productivity

Einhell will continue to increase its focus on internal communication to make the company's ethical principles visible and promote employee awareness of the importance of ethics and integrity. This includes training, internal campaigns and open dialogue between managers and employees. In addition, Einhell will continue to expand its external communication strategies to emphasise the company's ethical principles and successes and further strengthen the brand.

G1 – 3. Management of relationships with suppliers

Einhell pursues a responsible and sustainable supply chain by expecting all business partners and suppliers to comply with the social, ethical and environmental standards set out in the Code of Conduct. These requirements include respecting human rights, ensuring fair working conditions and adhering to environmentally friendly production practices.

Measures to improve relationships with suppliers

Einhell will continue to conduct regular audits of suppliers to verify compliance with the standards. In addition, training and support programmes are offered and implemented as part of the due diligence obligations under the LkSG to support suppliers in continuously improving their social and environmental practices. This not only helps to ensure a responsible supply chain but also strengthens the sustainability and reliability of relationships with suppliers.

G1 – 4. Anti-corruption and risk management

A robust risk management and compliance system offers Einhell significant financial opportunities by avoiding legal sanctions and operational disruption. By identifying, assessing and managing potential risks at an early stage, Einhell minimises the risk of corruption and bribery, which in turn avoids fines and reputational damage. The establishment of a clear compliance system not only contributes to the stability of the company, but also strengthens the trust of investors, partners and customers.

Anti-corruption measures and risk management

Einhell will continue to expand its risk management system and implement compliance guidelines to minimise corruption risks. This includes the regular training of employees regarding risk management and the establishment of monitoring systems that identify and mitigate potential risks at an early stage.

Thanks to the functioning risk management and compliance system, no corruption or bribery offences occurred in 2024.

e. Risk management

All risks identified as part of the dual materiality analysis have also been fully incorporated into the operational risk management system of Einhell Germany AG and are subject to regular review. This includes a systematic process for identifying, assessing, managing and monitoring non-financial risks and complies with the requirements of the Act on Corporate Due Diligence Obligations in Supply Chains, the European Sustainability Reporting Standards and the internal company guidelines.

The risk management process at Einhell Germany AG is divided into four core phases:

- **Identification of risks:** Risks along the value chain are recorded both centrally and decentrally. In addition to a centralised risk list, the subsidiaries can identify specific risks independently.
- **Assessment of risks:** Risks are assessed based on the probability of occurrence and the potential damage. A standardised scale is used to quantify the overall risk.
- **Management of risks:** Strategies such as avoidance, minimisation, transfer or acceptance are used to manage identified risks.
- **Communication and monitoring:** The identified risks are communicated regularly and, if necessary, on an ad hoc basis to group management and documented in a systematic tool to ensure transparency and traceability.

Particular attention is paid to non-financial risks, especially those in the environmental and social areas. These include transition risks due to regulatory requirements, physical climate risks such as extreme weather events, dependencies on resources and adapting to the principles of the circular economy. These risks are prioritised according to the severity of their impact and probability of occurrence to initiate targeted mitigation measures.

These risks are managed through regular audits of suppliers and production sites, training to sensitise employees and suppliers to sustainability and compliance risks and the involvement of internal and external stakeholders in the process.

The continuous review and improvement of the effectiveness of risk management ensures that new risks are recognised at an early stage and appropriate measures are introduced. This iterative approach is supplemented by regular feedback and adjustments.

By integrating this structured approach into its corporate strategy, Einhell Germany AG consistently pursues its sustainability goals while minimising potential risks to people and the environment.

Risk reporting			Q4/2024		Group Sustainability		Likelihood		Impact		Likelihood		Risk exposure		
Risk category			Org		Risk owner		No.		Risk name		Risk description		Risk exposure		
Sustainability	EAG	GSM	SU1	Transition risks (e.g. regulatory risks, market risks, technological risks, etc.)	ESG requirements cause administrative costs and can lead to higher production and product costs due to necessary product adaptations. In addition, ESG regulations potentially create barriers to market entry, which can have a negative on import capability, the market launch of new products and entry into new markets. This creates risks for profitability, profit margins, competitiveness and sales development.								3	5	15
Sustainability	EAG	GSM	SU2	Physical climate risks (e.g. extreme weather events, sea level rise, temperature extremes, etc.)	Physical climate risks such as extreme weather events, rising sea levels and extreme temperatures pose significant financial risks for Enihell. Production downtime, supply chain disruptions and higher logistics costs due to flooding or storms could increase operating costs. In addition, affected infrastructures such as ports could lead to delays. Investments in adaptation measures would be necessary to mitigate the risks, which would increase the competitiveness in the long term.								4	4	16
Sustainability	EAG	GSM	SU3	Costs for greenhouse gas reduction measures and risk of lost investments	The rising costs of greenhouse gas reductions may affect profitability, require increased investment and change the cost structure for our products. This may affect competitiveness and market opportunities. This gives rise to risks for profitability, profit margins, competitiveness and sales development.								3	5	15
Sustainability	EAG	GSM	SU4	Sanctions and stricter regulations for air pollution	Increasing regulations against air pollution can make our import processes more difficult and more expensive (e.g. higher import fees, emissions trading, shipping, etc.). This can increase the procurement costs of our products, which can have a negative impact on profitability, profit margins, competitiveness and sales development.								2	5	10
Sustainability	EAG	GSM	SU5	Insufficient availability of resources	Insufficient availability of raw materials and other key resources poses a significant financial risk. This shortage can lead to production bottlenecks, delays in the supply chain and higher procurement costs, which can have a negative impact on profitability, profit margins, competitiveness and sales development.								4	4	16
Sustainability	EAG	GSM	SU6	Stricter regulations for the use of non-renewable resources	The stricter regulations for the use of non-renewable resources can make our production processes more difficult and more expensive (e.g. through stricter quotas, higher taxes or restrictions on the procurement of fossil raw materials). This can increase the cost of manufacturing our products, which has a negative impact on profitability, profit margins, competitiveness and sales development.								3	4	12
Sustainability	EAG	GSM	SU7	Higher costs due to alignment of the product portfolio with the circular economy	The reorientation of products towards the circular economy requires additional investment in research and development, production and the adaptation of the supply chain and internal processes. This change in cost structure can affect competitiveness and market opportunities, which in turn can have a negative impact on profitability, profit margins, competitiveness and sales development.								2	4	8
Sustainability	EAG	GSM	SU8	Availability and dependence on fossil fuels	The limited availability of and dependence on fossil fuels can make our production processes more difficult and more expensive (e.g. due to price fluctuations, supply bottlenecks, political instability, taxation, etc.). This can increase the overall cost of manufacturing our products, which can have a negative impact on profitability, profit margins, competitiveness and sales development.								3	4	12

Figure 13: Integration of ESG risks into operational risk management

3. Our influence on the SDGs

With its strategic measures and innovations, Einhell is actively contributing to the achievement of the United Nations Sustainable Development Goals (SDGs), among other things. It should be noted that this content has not been explicitly approved by the United Nations and therefore does not reflect the views of the United Nations, its officials or member states.



Figure 14: Sustainable Development Goals of the UN (<https://www.un.org/sustainabledevelopment/>)

With a clear focus on resource conservation, climate protection and social responsibility along the entire value chain, Einhell is helping to promote a sustainable and future-proof economy.

Power X-Change battery system

This innovative system reduces the consumption of resources by using one battery for more than 350 devices. It contributes to the conservation of resources (SDG 12) and the reduction of CO₂e emissions during the utilisation phase, thereby promoting climate protection (SDG 13).



Climate protection strategy:

The strategy aims to reduce CO₂e emissions along the entire value chain, through the transition to renewable energies and energy-efficient processes at third-party manufacturers. This directly supports SDG 13.



Circular economy:

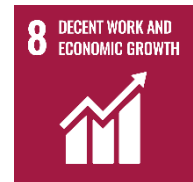
Einhell integrates principles of the circular economy through durable product design, repairability and recycling.

These measures promote sustainable production patterns (SDG 12) and strengthen innovation in resource-efficient processes (SDG 9).



Fair working conditions

Einhell promotes fair wages, secure jobs and equal opportunities in its own workforce and the upstream value chain to ensure decent work and economic growth. These measures are directly linked to SDG 8.



Conservation of resources:

By using sustainable materials, promoting recycling and reducing waste, Einhell contributes to the sustainable use of natural resources (SDG 12).



4. Outlook

Einhell Germany AG expects to prepare the sustainability report in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) from the 2025 reporting year. It is assumed that the corresponding legal basis will have been created by then through the national implementation law for the CSRD.

Einhell already prepared intensively for the extended reporting obligations in the 2024 reporting year and created the basis for comprehensive and detailed reporting in accordance with ESRS. For the 2025 reporting year, Einhell will also fulfil the increased requirements for transparency and depth of detail in accordance with the legal requirements by systematically and comprehensibly presenting key topics and developments along the entire value chain.

This report strengthens Einhell Germany AG's position as a responsible and future-orientated player. The company shows that it not only fulfils the legal requirements, but also actively meets the expectations of its stakeholders regarding environmental and social issues. This underlines Einhell's commitment to sustainable corporate governance and its willingness to meet the requirements of an increasingly transparency-orientated and sustainability-conscious economy.

5. Confirmation of the audit

In accordance with the legal requirements of the CSR Directive Implementation Act, the Supervisory Board is obliged to review the company's non-financial statement. This is based on Section 171 (1) sentence 4 AktG, which stipulates that the Supervisory Board must also review the content of the separate non-financial report.

The Executive Board of Einhell Germany AG prepares the non-financial statement and submits it to the Supervisory Board for review. Through this internal review, Einhell Germany AG ensures that its reporting complies with legal requirements and that the relevant non-financial information is presented correctly and appropriately.

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