ESG REPORT

business corporation

BENEŠ a LÁT a.s.

(Company ID: 257 24 304)

for the period from 1 April 2025 to 31 March 2026

Date of preparation: 24 July 2026
BENEŠ a LÁT a.s. and CIRA Advisory s.r.o.

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1 Report on BENEŠ a LÁT a.s.

BENEŠ a LÁT a.s. is a Czech family-owned engineering company which processes aluminium alloys, zinc alloys, polymer plastics and other materials using a range of technologies at its four manufacturing plants in Poříčany, Mimoň, Slaná and Sutice. More than 400 people are employed by the parent company and the two companies in which it holds equity interests, across the Central Bohemian and Liberec Regions. A significant proportion of employees are people with disabilities. Eight years ago, the wholly owned subsidiary seva-czech s.r.o. was established within the Group specifically to identify employment opportunities for people with disabilities and help them lead fuller lives.

BENEŠ a LÁT a.s. is known in its sector for its extensive use of research and development and the application of state-of-the-art technologies. These enable the Company to increase production flexibility and reduce negative environmental impacts, while above all improving the productivity of production processes and reducing their energy intensity. Alongside traditional technologies such as gravity die casting, low-pressure and high-pressure casting in steel dies, plastic injection moulding and CNC machining, BENEŠ a LÁT also uses advanced manufacturing technologies such as selective laser melting (SLM) metal 3D printing, which makes it possible to print objects from metal powders that could not otherwise be manufactured. Combining this technology with conventional casting and injection-moulding processes opens up entirely new possibilities for production processes and methods.

Cooperation with academic and scientific institutions is essential to the Company's further development in research and development. Joint projects expand our expertise in material processing, algorithms for computer-based management and planning systems, and complex technological processes.

CARDAM s.r.o. was established on 30 September 2016 specifically to strengthen the connection between the scientific and industrial worlds. The joint-stock company has held a 33% equity interest since its establishment. The other shareholders are Česká zbrojovka a.s. and the Institute of Physics of the Czech Academy of Sciences.

In addition to its direct equity interests, the joint-stock company is one of the founding members of the MATCA National Centre of Competence consortium and an active partner of the European Digital Innovation Hub Brain 4 Industry.

An important part of the Company's activities is the production of children's building sets and games, continuing the traditional Czech production of Kovozávody Semily, whose failing plant the Company took over in 2005 and fully integrated in 2008. Two years ago, the legendary polytechnic construction set celebrated 45 years since its launch. This significant anniversary was marked by a milestone in the set's development and modernisation: the introduction of a new character. The iconic character Seváček has been an integral part of the set since the 1990s. Under the guidance of a renowned designer, a new visual concept was created that respects the original character and values of the brand while meeting contemporary aesthetic and functional requirements. The new character is called Spojáček and symbolically connects tradition with the innovation that is typical of our Company.

Obr. 1.: Spojáček – the new face of SEVA building sets

Beyond activities aimed at developing technological expertise, education and the inclusion of disadvantaged people, BENEŠ a LÁT contributes to the development of its surroundings and regions through numerous activities supporting cultural and sporting life in the locations where it operates. It also participates in the activities of the Můžeš podnikat association, which addresses secondary-school students and shows them ways to become active, enterprising and potentially successful.

1.1 Information on the composition of the governing bodies

The Company's statutory body is a three-member Board of Directors,

Jméno	Funkce
Ing. Josef Lát	předseda představenstva
Bc. Jan Lát	místopředseda představenstva
Jakub Beneš	člen představenstva

while the supervisory function is entrusted to a three-member Supervisory Board.

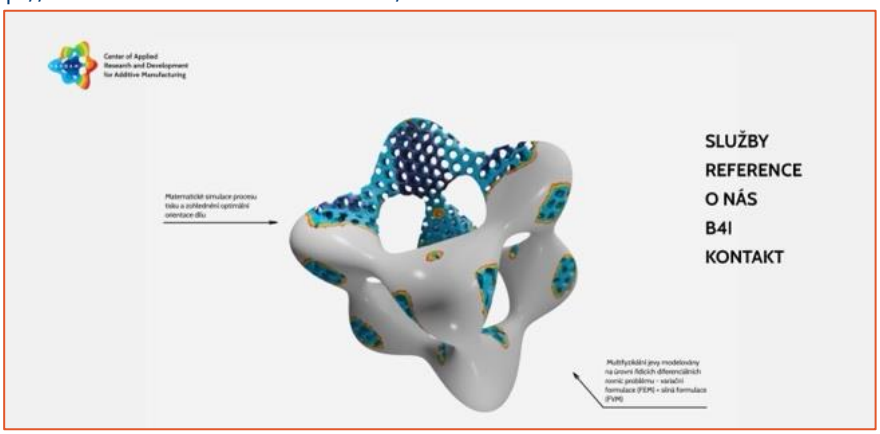
Jméno	Funkce
Ing. Tomáš Faltýnek	předseda
Mgr. Marie Látová	místopředseda
Mgr. Ondřej Mikuláš	člen

There were no changes in the composition of the Board of Directors or the Supervisory Board during the reporting period.

1.2 Subsidiaries, associates and other relationships

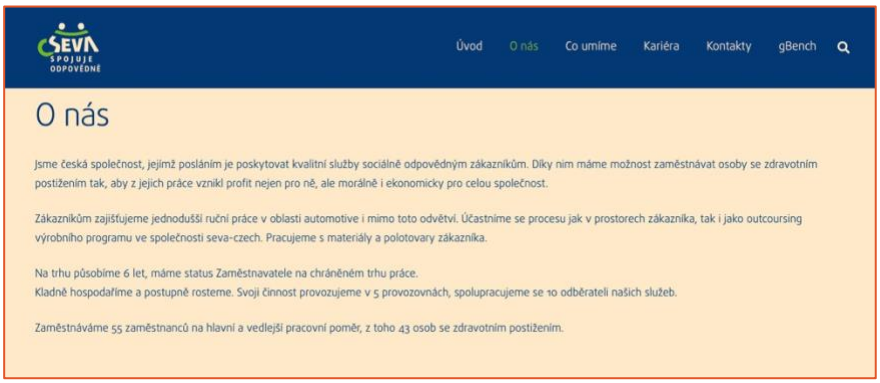
The joint-stock company reports equity interests in other entities. These are interests in the following companies:

- **CARDAM s.r.o.** (33% interest since its establishment on 30 Sept. 2016 - associate). The company is engaged in research and development in additive manufacturing, topological optimisation and related disciplines. http://www.cardam-solution.cz/



Obr. 2.: CARDAM s.r.o. website

- **seva-czech s.r.o.** (100% interest since its establishment on 1 October 2018 - subsidiary). The company was established to offer employment opportunities to disadvantaged people in the labour market. Its principal activities include manual work, reception and cleaning services, and grounds maintenance. http://www.seva-chranena.cz/

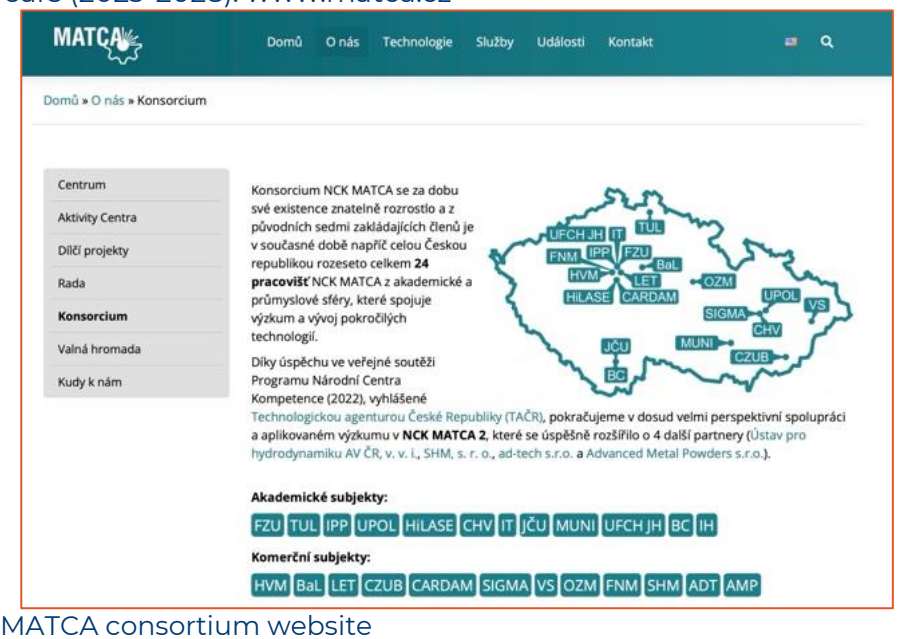


Obr. 3.: seva-czech s.r.o. website

Both companies included in the consolidation developed their activities during the reporting period, further strengthening their positions in the relevant markets. Stabilisation and better integration into additional supply and customer chains also further stabilised their financial position.

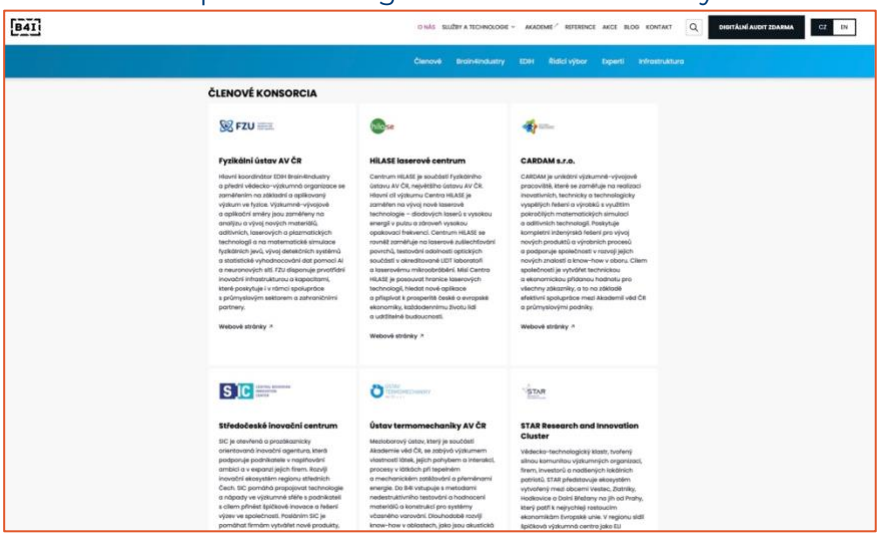
In addition to its direct equity interests, the joint-stock company is

- one of the founding members of the MATCA National Centre of Competence consortium. The Centre focuses on additive manufacturing technologies, surface treatment and twenty-first-century industry. The consortium received support from the Technology Agency of the Czech Republic for a further six years (2023-2028). www.matca.cz



Obr. 4.: MATCA consortium website

- a partner organisation of the Brain 4 Industry digital innovation hub, which focuses on sharing knowledge in data collection, production management and planning, and additive manufacturing technology, including simulation, calculations and product design. www.brain4industry.cz



Obr. 5.: Brain 4 Industry consortium website

1.3 Analysis of the development and performance of the Company's business and its position

The financial year under review, FR25 (1 April 2025 to 31 March 2026), was a period of gradual stabilisation, renewed growth and confirmation of the long-term strategy of diversifying the customer portfolio, technologies and industrial segments served by BENEŠ a LÁT a.s. Following previous years affected by the energy crisis, inflationary pressure, supply-chain volatility and a downturn in certain traditional industrial segments, market conditions developed in a significantly more predictable manner in FR25.

In terms of the Company's performance, FR25 was a year of growth. Revenue from the sale of products and services increased by approximately one tenth, building on the commercial efforts of previous years, during which the Company succeeded in securing new projects despite the challenging European industrial environment. The positive development was also reflected in profit, which improved significantly year on year. The increase in output was accompanied by a better operating profit, confirming the Company's ability to translate higher order volumes into more efficient utilisation of production capacity.

Energy prices remain an important factor in the Company's financial performance. Compared with previous years, the sharp fluctuations characteristic of the energy crisis no longer occurred. Nevertheless, energy costs remain at a level that has a significant impact on the competitiveness of energy-intensive production. The Company therefore continues to manage and optimise energy consumption systematically. In addition to investments in newer, less energy-intensive technologies, it focuses on improved monitoring of energy flows, the use of waste heat and the involvement of autonomous energy teams.

FR25 was also the first full financial year in which the Company used electricity generated by its own photovoltaic installations at the Poříčany and Mimoň sites. This investment confirmed the soundness of the strategic decision to increase energy self-sufficiency, reduce dependence on external energy sources and stabilise part of the cost base over the long term. The Company's own electricity generation also forms part of the broader concept of making foundry production more environmentally sustainable and reducing the Company's environmental footprint.

From a commercial perspective, the long-term diversification strategy proved sound. The continuing downturn in the European automotive industry and its related supply chains did not have a material adverse effect on the Company's overall performance, as declines in some segments were offset by growth in others. Demand developed particularly strongly in energy, electrical engineering and marine applications, and gradually also in white goods and other industrial applications. This helped reduce the historical dependence of certain technologies on the automotive industry.

The strongest growth in demand was recorded in aluminium castings. Customer requirements for low-pressure aluminium casting increased sharply, requiring greater use of production capacity. After several years of reduced shift operation, low-pressure casting is gradually returning to a 5x24 operating regime. The Company is progressively introducing a similar model in high-pressure aluminium casting. This development confirms that aluminium technologies represent one of the Company's key growth areas.

The increase in shift operation also highlighted a major constraint on further growth: the availability of qualified workers. Approximately nine months elapsed between the decision to expand the operating regime and its full implementation, mainly because suitable occupations were in short supply on the labour market. The Company therefore continued to develop recruitment activities, strengthen its work with foreign workers and build on its first positive experience with employees from the Philippines. By the end of the reporting period, a stable group of Filipino employees was working at the Company and, thanks to their qualifications, skills and work ethic, had become an important part of the production teams.

In the broader context of European industry, the foundry sector remains under severe pressure. The combination of higher energy prices, regulatory requirements, the decline of certain traditional industries, wage pressure and high capital intensity is leading to the closure of some European foundry capacity. For BENEŠ a LÁT a.s., this development represents a risk for the sector as a whole, but also an opportunity. The reporting period further confirmed that a stable financial position, broad technological capabilities and the ability to respond quickly enable the Company to take over selected projects from customers seeking a reliable long-term manufacturing partner.

Overall, FR25 can be assessed as a period in which the Company renewed growth, significantly improved its net finance result and continued to invest in areas supporting the long-term sustainability of the business. The results confirm that the combination of technological diversification, customer stability, financial prudence and emphasis on energy efficiency is an appropriate response to structural changes in European industry.

1.3.1 Financial position of the Company

We consider the Company's financial position to be very stable. FR25 saw a substantial improvement in profit and a further strengthening of equity. The proportion of equity in the total assets increased year on year, and the Company therefore continues to maintain a sound capital structure despite its ongoing investment activities.

The development of bank debt can also be viewed positively. Although total external financing increased slightly year on year, mainly due to an increase in short-term operating liabilities, total bank financing decreased by approximately one tenth. Long-term bank loans in particular fell significantly and were repaid in accordance with the agreed repayment schedules. The Company is thus creating capacity to finance further development projects planned for FR26 and FR27.

The increase in output was accompanied by a significant improvement in the operating profit. The net finance result also improved year on year, mainly due to lower interest expense and more stable financial market conditions compared with previous periods. Interest rates and exchange rates remain closely monitored factors; however, their impact on the Company's performance was more favourable in FR25 than in the previous financial year, particularly as a result of active foreign exchange hedging.

Profit after tax was also affected, within current tax, by tax matters relating to previous periods. In accordance with tax legislation, the Company carried back the FR24 tax loss against tax liabilities paid in previous years. A tax refund of CZK 2.46 million was recognised in FR25 as a reduction in current tax expense to CZK 2.09 million. This effect contributed to profit after tax; however, it is not an operating factor, but the result of tax settlement based on prior-period results.

Current assets increased, mainly in connection with higher production volumes, inventories and trade receivables. This development corresponds to the increase in output and the gradual expansion of production activity. The Company therefore continues to focus on working-capital management, inventory turnover, collection of receivables and efficient production planning.

The Company's investment activities are directed primarily towards technology, energy, automation, digitalisation and improving operational safety. These investments are assessed not only in terms of short-term return, but also from the perspective of long-term competitiveness, energy efficiency, reliability of supply and the ability to serve technologically demanding customer projects.

The following examples illustrate the direction of the Company's investments:

- Installation of a recycling line for skimmings from the melting of zinc alloys and its integration into the production process;
- Complete refurbishment of a machining centre for the Mimoň toolroom;
- Preparatory construction work to expand production capacity at the Mimoň site;
- Automation of the production process in the plastics injection-moulding plant (as part of research and development projects);
- Completion of the replacement of fire-resistant cladding in production and non-production areas of the Poříčany hall;

- Expansion of finishing operations (shot blasting) with new production equipment at the Mimoň plant;
- Further digitalisation and automation of production at the Sutice injection-moulding plant - expansion of data collection and integration of additional automation elements to reduce the operating demands of production equipment.

1.3.2 Business and customer and supplier relationships

During the reporting period, the Company continued to develop commercial relationships across industrial segments. Overall order volumes were higher than in previous years, and new projects confirmed the expectation of further growth in the Company's output. Projects won between 2023 and 2025 are gradually entering serial production and provide a stable basis for future periods.

Overall utilisation of the Company's production capacity is gradually increasing, as reflected in the expansion of shift operation at both aluminium-alloy foundries. Aluminium castings have recorded the most dynamic growth in recent years. This trend is related both to technological changes in industry and to pressure to reduce product weight, improve energy efficiency and increase material recyclability. Growing customer interest in aluminium components therefore represents an important opportunity for the Company's further development.

We are recording a slight slowdown in demand for zinc processing and plastic injection moulding, primarily in connection with changes in certain industrial segments, particularly automotive. Nevertheless, the first results of expanding the customer portfolio into other segments, including white goods and consumer products, are gradually becoming apparent. The Company's objective is to balance the differing dynamics of its individual technologies and use the breadth of its manufacturing capabilities as a competitive advantage.

Supplier relationships were more stable in FR25 than during the crisis years. There were no major interruptions in the availability of key materials or price jumps of the magnitude seen after the pandemic and the outbreak of the energy crisis. The Company nevertheless continues to monitor the availability of input materials and price developments in alloys, energy and other key inputs, as these factors have a significant impact on competitiveness and margins in energy-intensive production.

At the subsidiary seva-czech s.r.o., the decision to develop activities beyond purely industrial services continues to prove sound. Alongside activities linked to manufacturing companies, the company is expanding its facility-management, cleaning and grounds-maintenance services. This diversification helps stabilise its order book and creates additional employment opportunities for people with disabilities. The results for the reporting period (FR25) were adversely affected by the costs of organisational changes. Targeted expansion of the commercial base therefore represents a stabilising step towards further development and a restoration of profitability.

CARDAM s.r.o. continued to develop activities at the interface between research, development and industrial practice. Its involvement in the Brain 4 Industry ecosystem and other research and innovation activities contributes to technology transfer into the

industrial environment and supports the long-term development of capabilities in additive manufacturing, simulation, calculation, optimisation and advanced engineering.

1.4 Expected future development

Despite market turbulence - or perhaps precisely because of it - we continue to rely on our Company's long-term strategy and values, on which generations have built our future perspective and which are summarised in our mission: “We show the way to build a successful manufacturing company honestly, with a love of precision and imagination.”

When describing the assumptions underlying our short-term strategy, we must consider the continuity of our business. Our business is built on closely interconnected short- and long-term strategies. With a view to the Company's sustainability and development, we work intensively on a business strategy that is reviewed annually. The strategy is based on 19 principal pillars. Key areas of focus include sales, corporate culture, automation, research and development, people, digitalisation and the environment.

Strategic planning is the foundation of our long-term development and the key starting point for preparation of the Company's business plan. Four times a year, management reviews progress against strategic objectives and adopts any measures required to achieve them. Current topics with anticipated future effects on the Company are added to the objectives, because today's dynamic business environment requires a flexible approach and the ability to respond quickly to new challenges and opportunities. The annual review of the business plan therefore incorporates current market developments, technological trends, customer needs and other influences.

Externalities that have unexpectedly and significantly influenced developments in recent years cannot be overlooked: conflicts beginning without prior warning, and increasing “autocratic” behaviour by senior politicians even in regions where this would not have been expected. There have also been “ideological” changes, such as the shift from strict pressure for ESG reporting to the Omnibus package, which relaxes requirements for all but the largest corporations. Paradoxically, those corporations continue to require detailed data and evidence from their entire supply chains.

A fundamental part of our globally oriented strategy is our relationship with the environment. We understand ecology (from the Greek οἶκος, “dwelling”, and λογία, “study”) from the personal level of protecting each individual against adverse effects in the working environment, through the integration of our plants into their surroundings, to a proactive approach to eliminating the negative consequences of energy use, including fossil energy.

Although our Company has never been required under the general criteria to prepare an ESG report, the owners' decision - confirming their earlier environmental activities - was an unequivocal YES. In line with the applicable methodologies and with the support of a specialist consulting firm, an ESG report based on a broad range of information was already prepared for financial year FR23. We continue to build on it, gradually expanding the range of data collected and assessed and making our reporting more precise. The data area in particular is being developed together with our information-system provider, KARAT Software a.s., by extending the Karat system so that the maximum possible volume of data can be processed automatically.

1.5 Description of the principal risks and related uncertainties

By the nature of its activities, a manufacturing company operates within a complex system of interdependent factors and is therefore exposed to a broad range of risks and uncertainties. Global economic developments are a major source of external risks to which the Company must respond, while operational and organisational factors create additional risks within the business. The Company seeks to identify and anticipate these risks wherever possible and to define appropriate preventive and corrective measures. A detailed overview of risks, their classification by time horizon and the related response measures is provided in Section 7.1.

1.6 Corporate governance statement

BENEŠ a LÁT a.s. is managed in accordance with the principles of responsible, transparent and long-term governance appropriate to a family-owned industrial company. The Company's statutory body is a three-member Board of Directors, while the supervisory function is entrusted to a three-member Supervisory Board. There were no changes in the composition of these bodies during the reporting period.

The Company's governance is based on a clear allocation of responsibilities, regular evaluation of financial performance, risk management and long-term strategic work. Management continuously monitors not only financial indicators, but also the development of the order book, capacity utilisation, quality, occupational safety, energy intensity, environmental indicators and workforce stability. This approach makes it possible to link economic management with sustainability objectives.

An important part of the Company's governance is its integrated management system, which covers quality, the environment, occupational health and safety, energy management and other relevant processes. The management system is regularly evaluated and updated to reflect the size of the Company, the technological complexity of production and the requirements of customers and other stakeholders.

The Company places strong emphasis on risk management. Key areas monitored include demand in individual segments, the availability of qualified workers, prices of energy and input materials, supply-chain stability, financial risks, cyber security, regulatory requirements and the environmental impacts of production. Risks are assessed not only in terms of their potential impact on the Company's financial performance, but also their impact on employees, customers, suppliers, the region and the environment.

In financial management, the Company applies a conservative approach based on continuous monitoring of liquidity, debt, working capital, investment needs and the ability to finance further development. The objective is not to maximise short-term profit, but to ensure long-term stability, retain the ability to invest in production modernisation and preserve resilience to market fluctuations.

In its supplier relationships, the Company seeks long-term cooperation based on quality, reliability, responsible conduct and the ability to respond to customer requirements. For strategic suppliers, not only price but also technical competence, continuity of supply, the ability to cooperate on development and compliance with quality and sustainability requirements are important.

The Company's governance also includes mechanisms for whistleblower protection, the prevention of unethical conduct and employee involvement. The Company supports open communication, regular information sharing and a culture in which employees can draw attention to risks, inefficiencies or opportunities for improvement. This approach is important not only from a compliance perspective, but also as a tool for continuous improvement and strengthening trust within the organisation.

We regard corporate governance as one of the fundamental prerequisites for long-term sustainability. A stable ownership structure, continuity of management, financial prudence, emphasis on management quality and the ability to respond to market changes are key factors enabling the Company to develop its business even during a period of major change in European industry.

The following sections of the report therefore describe and analyse in greater detail the material impacts, risks and opportunities associated with topics that we have previously identified and assessed as significant. We identified the greatest impact for E5 Resource use and circular economy, E1 Climate change and E2 Pollution. S1 Own workforce, S4 Consumers and end-users and G1 Business conduct are also material. Topics that were not identified as material and are therefore not reported further are E3 Water and Marine Resources, E4 Biodiversity, S2 Workers in the Value Chain and S3 Affected Communities. Further information on the materiality process is provided in Section 6.1, Materiality Assessment Process.

The sections dealing with material topics include, among other things, summary tables identifying whether the anticipated impacts, risks and opportunities relate to our own operations or occur within the value chain. We also indicate whether our impacts are positive or negative and, for both positive and negative impacts, whether they are actual or potential. The tables contain a brief description of material impacts, risks and opportunities. Further information on how we respond to them is provided in the thematic sections “Environment”, “Social Responsibility” and “Governance”.

This report has been compiled from information contained in our annual report, which is officially published on the Commercial Register portal, www.justice.cz, administered by the Ministry of Justice of the Czech Republic. We will also publish this report as a standalone document in the sustainability section of our website, www.benesalat.cz/udrzitelnost, so that it is accessible to all our stakeholders.

2 Sustainability statement of BENEŠ a LÁT a.s.

2.1 Introductory remarks by the Company's management

"A manufacturing company passed down through generations is in itself evidence of a sustainable approach to business. The development of our own activities, together with greater involvement in the region and in a range of associations whose reach extends throughout the Czech Republic, further underlines this responsible approach.

It is essential to remember that sustainability first requires fulfilment of the Company's primary purpose - in our case, producing high-quality products, meeting customer needs and generating a reasonable profit. Achieving these objectives makes it possible to devote energy and resources to many other activities whose aims are symbiotic, although entirely different. We regard objectives such as developing education, encouraging team spirit among young people and fostering an atmosphere of knowledge sharing - both between industrial companies and between industry and academia - as important, and we intend to continue supporting them."

Bc. Jan Lát, Vice-Chairman of the Board of Directors and CFO

"I would like to emphasise that ESG principles and the related methodology do not merely represent a formal framework for our Company, but a genuine tool for long-term sustainable and responsible development. I can confirm that we view these values as meaningful and beneficial not only at organisational level, but also personally.

It is true that parts of the business community perceive ESG rules as a burden, a constraint or another obligation. We see them differently - as an opportunity to improve efficiency, transparency and responsibility towards employees, customers and society at large.

We are convinced that consistent application of ESG principles can make a significant contribution to strengthening the competitiveness of European companies. We regard a responsible approach to business, an emphasis on sustainability and the systematic management of impacts on the environment and society as key factors that can give Europe a stronger position in global competition, particularly against Asia and the United States.

I believe that responsible business is not an obstacle, but rather a prerequisite for long-term success."

Svatopluk Runčík, MBA, CEO

"The very existence of a human community is connected with the sustainability of its essential and, in particular, forward-looking components. The sustainability of a company, with all its internal and external relationships, can be viewed as one of these 'microscopic' building blocks. This calls not only for a local perspective focused on the interests of a narrow group, but also for a global perspective and a global degree of responsibility in our thinking."

Obr. 6.: Management of BENEŠ a LÁT a.s.

At BENEŠ a LÁT, we believe that honesty and precision are also reflected in how openly we communicate about our impact on the world. Although the mandatory European reporting framework is currently becoming more stringent and the reporting obligation for companies of our size has been postponed, we continue to report voluntarily. Sustainability is a natural part of our DNA, not an imposed obligation.

This year's report has been prepared with regard to the latest ESRS standards. We have made strategic use of the legislative relief available during the transitional period in order to provide you - our partners - with data that are genuinely relevant to you. We want to show that even in challenging times, value can be created in a way that respects both the environment and the people in our value chain. In our understanding, precision also means precision in responsibility.

For us, business is not only about the financial benefit of shareholders and Company management. We manage the Company so that, over the long term, it creates conditions and an environment in which employees feel safe, wish to develop their skills and receive appropriate care. It is equally natural for us to use all resources as efficiently as possible while minimising any negative impacts on nature and the environment.

We want to serve as an example to other companies and demonstrate that even a medium-sized manufacturing company can meet ambitious sustainability objectives and the strict criteria of internationally recognised standards.

We maintain a high proportion of renewable sources in our overall energy mix over the long term; electricity has been sourced 100% from renewables for three consecutive years, and we have installed our own photovoltaic installations. We naturally strive to minimise waste and use a high proportion - almost 95% - of secondary raw materials in our principal production materials. In the area of pollution, measured values are consistently well below the limits laid down by legislation and the relevant standards.

For several years, we have been developing our internal Master BaL academy and thereby investing in employee training and development. Employees may organise in trade unions, which also provide oversight of matters such as compliance with the Code of Ethics. We care for the communities around us by supporting various interest and sports associations. Through employment opportunities in our subsidiary, we also provide opportunities to disadvantaged groups.

We always treat our business partners fairly and have strict mechanisms in place, for example to ensure payment discipline. We also expect fairness and responsibility from our partners and therefore require them to have procedures in place to maintain and improve environmental protection.

The following sections of the report present our activities in greater detail.

3 General information on the sustainability report

In preparing this sustainability statement, we drew on the methodological framework of Directive 2013/34/EU of the European Parliament and of the Council and on the European Sustainability Reporting Standards (ESRS), a key pillar of the CSRD. Although BENEŠ a LÁT a.s. is not yet legally required to comply with these standards, we regard them as a roadmap towards greater transparency for our partners. Our data and procedures therefore reflect the structure of the ESRS standards applicable at the beginning of the reporting period, i.e. on 1 April 2025. Although our sustainability statement is prepared voluntarily and is not currently subject to mandatory assurance by an external auditor, it has been prepared with the utmost care as regards the accuracy and verifiability of the data presented.

To provide you - our stakeholders - with data of the highest informative value, this year we used the phasing-in provisions defined in Commission Delegated Regulation (EU) 2025/1416. This enabled us to defer reporting certain complex indicators, particularly social impacts at deeper levels of the value chain, and to focus our attention on the most material areas: material safety, supply-chain ethics and the environmental footprint of our products.

This sustainability report builds directly on our previous reports for FR23 and FR24 and is consistent with our annual report. Its scope covers the principal manufacturing and commercial activities of BENEŠ a LÁT a.s. We deliberately excluded CARDAM s.r.o. and seva-czech s.r.o. from the consolidation of non-financial data because, from an analytical perspective, these related companies do not account for a material share of the Group's impacts. Their inclusion would not change the overall picture of our sustainability performance. Excluding immaterial information allows us to present a clear, factual report focused on our core activities.

We continue to use 2020 as the reference year for non-financial reporting. Since then, we have systematically collected and compared data over time across all relevant areas in order to monitor the Company's development and trends. Our short-term (one year), medium-term (three years) and long-term (five years and more) objectives, which apply throughout BENEŠ a LÁT, are integrated into our internal digital IMS together with identified risks and opportunities, including those relating to ESG.

Since 2008, our Company has undergone a significant transformation towards becoming a digital enterprise. Production planning was introduced in our ERP system at that time, including bottleneck analysis and linked operations, taking account of material, machinery and human resources. Since 2010, we have actively monitored production efficiency at all our manufacturing plants. This development continued in 2015 with the launch of our proprietary S-Data MES for collecting data from production equipment. In 2017, the system was further developed into an APS solution that also manages complex links between individual plants, their production plans and material flows. This system enables us to manage production efficiently, identify risks proactively and accelerate their elimination.

Digitalisation has not been limited to operational management. Since 2017, our model of strategic management meetings for defining risks and opportunities and subsequently generating strategies and tactics for the Company's development has been managed by our ICT team through a single platform. The same system is used to manage ESG-related topics within the Company.

Further information on data governance and the system itself is provided in the section The Company's Risk and Objective Management System.

4 Long-term approach to sustainability

We do not see business as a tool for the “rapid accumulation of profit”, but as a matter of maintaining and developing value across generations. Just as the Company's long-term management through our families guarantees the vision and stability of our business, the BENEŠ a LÁT family tradition also guarantees a long-term approach to sustainability. We make decisions with regard to long-term environmental, social and economic sustainability and to minimising negative impacts on the environment in which we live and in which future generations will live. This perspective permeates decisions on investments, suitable locations for building production capacity, the machinery and equipment selected, and the materials and substances used in production.

4.1 Our historical footprint

The Company's history itself demonstrates a consistent approach to sustainability. Although the Company has experienced many upheavals, including nationalisation, we have always approached it as an organism that must function over the long term because it is a source of livelihood, a firm foundation and perhaps even a home for many people. Although the Company was not owned by the family for 44 years - from nationalisation in May 1948 until privatisation and partial restitution in 1992 - it continued to be managed by the original owners with the same sensitivity and care as if it were their own company. The fact that we are celebrating 92 years of existence this year demonstrates that the approach adopted by successive generations has been

sustainable: we are still here, still operating and, without undue modesty, we can say that we are successful.

Obr. 7.: Timeline of the history of BENEŠ a LÁT a.s. - 92 years in 25 milestones

Let us now look at recent decades - say, the past 20 years - and highlight the events that have had the greatest impact on the environmental aspects of our business. In many cases, this is not merely our internal view, but one validated by a number of external assessors, including Deloitte, Czech Top 100, the Quality Council of the Czech Republic and others.

Obr. 8.: Timeline of ESG-related activities over the past 20 years

4.2 We are here together

Throughout our existence, we have supported activities in our surroundings that contribute to education, active engagement and the development of team spirit and cooperation. We believe that teamwork, diversity, skills development and a sense of

responsibility are the foundations on which all successful entities are built, whether sports clubs, successful companies or entire countries. We have therefore long supported activities that develop precisely these qualities and skills.

In addition to financial donations that help create conditions for sports clubs and similar institutions, we actively cooperate in implementing interesting projects. One example is our long-standing cooperation with Poříčany Primary School and Kindergarten in teaching practical technical subjects. We helped to re-establish workshops on the school premises for technical education, and the lessons are provided by our employees.

We launched a similar model in cooperation with Slaná Primary School. As the school did not have its own workshop facilities, we established school workshops directly on our production premises for the 2024/2025 school year. Here too, lessons are organised and led by one of our employees.

We believe this type of cooperation helps children develop practical skills and an interest in technology from an early age.

Our colleagues are also involved in teaching at various levels of education - from practical technical lessons at primary schools, through lectures within the Můžeš podnikat motivational programme at secondary schools, to specialist lectures at universities such as the Technical University of Liberec and the Czech Technical University in Prague. We regard the organisation of excursions and support for bachelor's, master's and doctoral theses as a matter of course. During the 2025/2026 school year, we cooperated for the first time with the Liberec Region Development Agency through the TechStarter programme, helping secondary-school students connect theory with manufacturing practice. Three student teams were given the opportunity to address real practical challenges at the Sutice and Mimoň manufacturing plants. The excellent cooperation and interesting, immediately applicable ideas were refreshing for our internal teams as well.

Obr. 9.: TechStarter Partner Award for involving three student teams in practical projects at the Sutice and Mimoň plants.

In supporting sporting and artistic activities, we focus particularly on team activities. Examples include football clubs, floorball, cycling, firefighting competitions and strength sports, as well as clubs developing the dancing and singing skills of young people. For many years, we have also supported dozens of school-leaving and municipal balls, regularly donating SEVA products as attractive raffle prizes. In this way, we seek to be part of important moments in young people's lives and in the life of our municipalities.

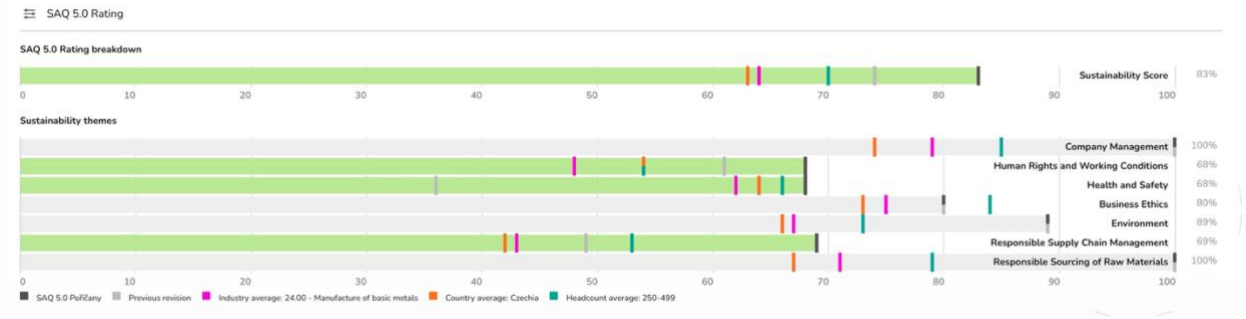
Support for cultural activities must not be overlooked either: we repeatedly act as a partner to music festivals and other social events.

Because we believe that everyone can be of benefit to their surroundings, we look for ways to cultivate the communities around us. In addition to the support described above, we contribute a significant amount each year to the development of those communities. Donations aimed at improving our surroundings and supporting the active development and education of young people have repeatedly exceeded CZK 200,000 per year over the past ten years.

The Company as a whole is not the only participant in charitable activities through decisions made by management or the owners. Our employees also embrace responsibility and wish to help those in need.

One of the main pillars of this support is the internal programme “Coffee for a Good Cause”, based on the simple principle of “one koruna from every coffee for a good cause”. Together with the supplier of beverage and snack vending machines, we operate a model in which the price of each coffee and other products is increased by one koruna. The amount collected is donated in full each quarter to a specific family nominated and jointly selected by employees.

We focus this support primarily on families caring for children with disabilities. We see the programme not only as a form of financial assistance, but also as a way to strengthen solidarity, social responsibility and philanthropy throughout the Company and to broaden the horizons of those who have not yet become involved.



Obr. 10.: SAQ 5.0 rating

An important confirmation of our preparedness for sustainability is our performance on the global SAQ platform (NQC, Supplier Assurance), which provides a comprehensive review of our Company's status quo. During the reporting period we achieved an excellent score of 83 points and an overall B rating, placing us significantly above the Czech market average. This comprehensive assessment covers the decisive areas of our operations: from the basic Company profile and management system, through human rights, working conditions and occupational safety, to business ethics, the environment, responsible supply-chain management and sustainable sourcing of raw materials.

Customers with access to the BENEŠ a LÁT Company profile thus receive an independently verified non-financial picture that provides clear and well-supported evidence of our suitability as a stable partner.

Obr. 11.: Awards received during the past year:
- CZECH TOP 100 - **Best Annual Reports 2024** - 2nd place in the digital category;
- Quality Council of the Czech Republic under the Ministry of Industry and Trade - **Czech National Award for Quality in Family Business 2025**;
- Deloitte Private - **Czechia Best Managed Companies 2026** - ranked among the best-managed companies in the Czech Republic for the third time

4.3 Certifications and ISO standards related to sustainability

At BENEŠ a LÁT, we comply with several recognised standards and certifications issued by independent third parties. They express our approach to the quality of manufactured products and to society and the environment. At the same time, the ISO standards and certifications that we maintain and renew over the long term help us preserve high quality standards and manage potential risks. The importance of selected certifications is described below. Certification services are provided by DNV Business Assurance B.V. A complete overview of independent certifications and awards in sustainability and social responsibility is available on our website.

- **ISO 45001** defines our standards for occupational safety and the protection of employee health. Its purpose is to prevent accidents and anticipate potential risks. At the same time, we set new and ambitious objectives that move us forward. In this way, we continuously improve the working environment and ensure a higher level of protection and safety for all employees.

During FR25, we successfully completed a thorough surveillance audit, confirming the certification renewed in the previous year and valid until 4 January 2028. Thanks to our systematic approach to ISO 45001 and our overall emphasis on occupational safety, we have achieved very good occupational safety performance over the long term. Compared with a benchmark of similar operations based on statistics from the State Labour Inspection Office, our performance is well above average.

- From a trend perspective, the number of recorded occupational accidents in the Company has also been declining over the long term. This positive development is the result of systematic prevention, increased employee awareness and consistent compliance with established safety standards.

- **IATF 16949** is a global standard for quality management systems in the automotive industry, integrating the requirements of ISO 9001 with additional sector-specific automotive requirements. It focuses on continual improvement, defect prevention and reducing variability and losses in the supply chain. Certification to this standard is essential for suppliers of automotive components wishing to meet the stringent requirements of vehicle manufacturers. Application of IATF 16949 supports continual improvement and defect prevention. It leads to waste reduction and more efficient use of resources, contributing to more sustainable production processes. Its supply-chain management requirements can support responsible sourcing and sustainable practices among suppliers. The emphasis on product quality and reliability is also important to us, as it leads to a longer service life for parts and reduces the need for frequent replacement, thereby contributing to an overall reduction in environmental impact. We have held the original certification continuously since 2013. It was most recently renewed at the beginning of 2024 and is valid until 2027. The excellent result of this year's surveillance audit confirmed the validity of the site certificates through 2027.

- **ISO 9001** defines our quality management systems and supports organisational efficiency and process improvement. By emphasising systematic process management, error reduction and quality improvement, it helps organisations optimise the use of resources and minimise waste. It also supports the establishment of policies and objectives that may include environmental aspects and sustainable practices, thereby contributing to long-term sustainability. We have complied with this ISO standard since the 1990s. The certificate is renewed together with verification of conformity with IATF 16949.

- **Approvals for marine applications** confirm the suitability of selected Company production processes and products for use in demanding marine-industry conditions. In connection with the development of commercial opportunities in this segment, the Company maintains the relevant approvals and certifications issued by the independent authorities ABS, Rotterdam; DNV, Hamburg; and Lloyd's Register EMEA, London.

- **We monitor the carbon footprint of individual sites.** We have evaluated trends and progress in this area since 2020 and are working to integrate carbon-footprint calculations into our ERP system. This step has given us a clear overview of our carbon footprint and enables us to monitor its development throughout

the year. During 2024, we expanded the calculation functionality with additional attributes required for further Scope 3 components and product carbon-footprint calculations. This includes linking supplier questionnaires sent through our CRM system with their evaluation in our ERP. We will therefore be able to monitor not only our own emissions, but also the impacts of our supply chain and contribute to the overall sustainability of our business. Our calculations take account of the capabilities and possibilities of subcontractors, so that we do not impose disproportionate requirements beyond the information that can objectively be expected from them. Further information on the Company's carbon footprint and its development over time is provided in the E1 Climate change section.

- **ISO 14001** provides a framework and guidance for effectively managing our environmental aspects, reducing environmental impacts and ensuring compliance with legal and regulatory requirements. We regularly evaluate annual objectives and establish new ones, continuously moving us forward. This cycle of review and adjustment enables us to achieve better environmental-management and sustainability results and to continue improving in accordance with ISO 14001. During the reporting year (FR25), we successfully completed a thorough audit, confirming the certification renewed in the previous year and valid until 24 January 2028.

We comply with all rules and directives governing the handling of chemical substances and mixtures, particularly REACH and RoHS. Finally, we should also mention that we fulfil the principles of corporate social responsibility (CSR) in a number of key segments.

5 Value chain and the position of partners

At BENEŠ a LÁT, we view our value chain as an interconnected ecosystem integrating four manufacturing plants - Poříčany, Mimoň, Slaná and Sutice - into a coherent flow of materials, energy and information. Our responsibility for sustainability does not end at the gates of our plants; it permeates every stage of the product journey, from raw-material extraction through our own processing to final recycling. The mapping of this chain was updated for 2025 to reflect not only physical flows of raw materials, but also intangible aspects of research, development and social inclusion.

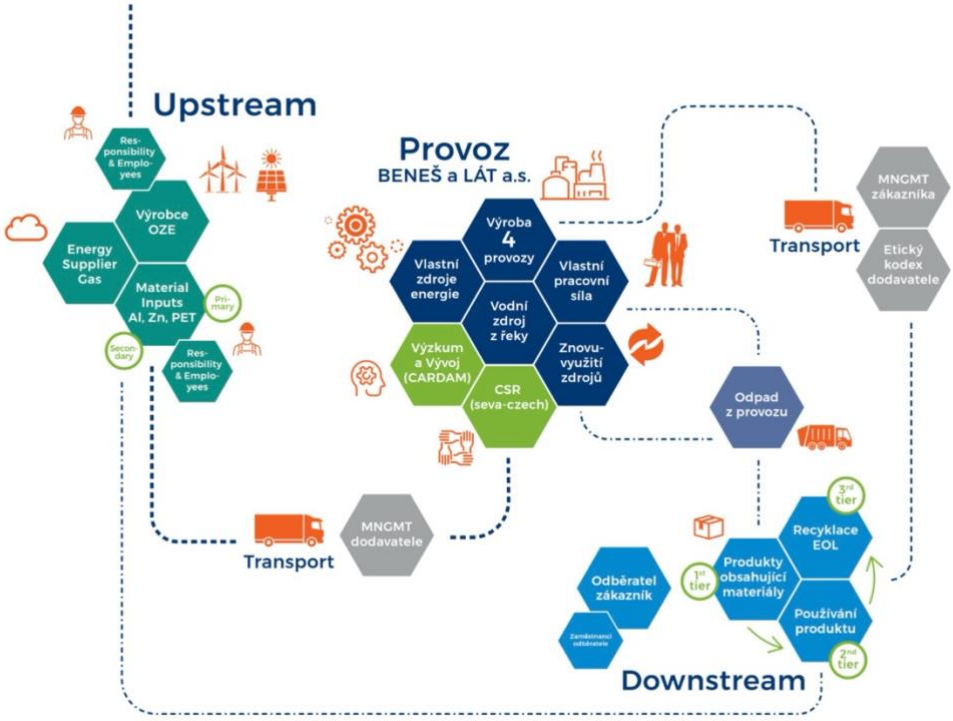
Strategic dialogue and the development of materiality

Stakeholders play an important role in our sustainability management, as they enable us to identify key impacts, risks and opportunities (IROs). Our previous sustainability reports for FR23 and FR24 describe in detail the process for identifying and prioritising stakeholders and approaching them through online questionnaires. These outputs formed the basis for defining our material topics in accordance with the ESRS. In financial year FR25, we made a strategic change to our partner-engagement methodology. As our underlying materiality matrix remains stable, we moved away from broad quantitative research and focused on qualitative data collection among our key customers. This quality-over-quantity approach allows us to reflect specific market needs more effectively and integrate them into other sections of this report. Three principal topics emerged from these dialogues and technical analyses and are reflected in the report's individual sections:

- **Material safety,** including active monitoring of chemical compliance (**REACH, RoHS, SVHC, PFAS, Proposition 65** and other geographically and structurally relevant systems).
- **Responsible sourcing** focused on verifying the origin of metals from the perspective of human rights and conflict-affected areas **(RMI CMRT/EMRT).**
- **Circularity** based on precise quality management while increasing the proportion of recycled content in our alloys.

These topics are not based solely on internal data. They draw on extensive stakeholder dialogues conducted in the past and on direct feedback from key partners including Siemens, Magna, Festool and many others. These discussions have given us deeper insight into their expectations and enabled us jointly to identify risks relating, for example, to geopolitical stability and the availability of critical raw materials. The resulting value-chain map therefore reflects a combination of our technical expertise and actual market needs.

In the coming period, we will focus on further digitalisation and improving the accuracy of the information obtained. Instead of relying on estimates and averages, we are implementing a supplier-assessment system based on primary data. Our objective is to know the exact carbon footprint and environmental profile of every input. This approach not only reflects the spirit of future legislation, but above all gives our customers confidence that BENEŠ a LÁT products are made with maximum precision - from the first link in the chain to the final casting.



Obr. 12.: Value chain

5.1 Key information and outputs of our value chain

5.1.1 Upstream: suppliers and the carbon footprint of input materials

In the upstream part of our value chain, we focus on critical material inputs: primary and secondary aluminium and zinc alloys, together with thermoplastics. A newly implemented supplier-assessment system in the Karat portal enables detailed monitoring of our partners' environmental responsibility, including their carbon footprints. This initiative is an essential step for 2026, when calculation of Scope 3 emissions becomes a priority on our path towards full alignment with ESRS.

At this stage, the energy input is defined by our successful transition to 100% renewable electricity in financial year FR24. While renewable sources represented only 20% in 2020, we now cover our entire electricity consumption from wind and hydropower, supplemented by our own solar generation. This shift has a fundamental impact on reducing the carbon footprint of the final products supplied to our partners.

5.1.2 Own operations: technological development and digitalisation

The core of our value chain lies in a unique combination of traditional foundry technologies with advanced SLM metal 3D printing and CNC machining. In this respect, CARDAM s.r.o., in which we hold a 33% interest, plays a key role in transferring scientific knowledge into industrial practice. Topological optimisation of casting designs, based on a combination of advanced simulation of molten-metal behaviour and strength

calculations during the pre-production stage, delivers significant material savings, which we regard as a fundamental principle of our circular economy.

The subsidiary seva-czech s.r.o. (100% interest) brings an important social dimension to the Group's structure. As a registered employer in the protected labour market, it provides full inclusion for people with disabilities, who participate within our broader operating framework in manual work, cleaning services and grounds maintenance.

Across both direct and indirect operations, we consistently focus on minimising resource consumption and reducing environmental impacts. We are systematically developing our current energy-monitoring system towards advanced energy management using elements of artificial intelligence. We have prepared an application for public funding to implement this complex project.

Two Company-owned photovoltaic installations are a key element of our corporate energy mix. We view them not only as stable physical sources of clean energy, but, in future combination with planned energy storage, are preparing them for active energy sharing and occasional transactions on the electricity spot market.

We apply a parallel approach to material consumption. While maximising recycling flows is standard practice for metal alloys, thermoplastic processing requires a specific technological approach, as recycling is less straightforward than for metals. We are therefore introducing stricter controls and records in plastics processing. This system serves not only the economic management of production, but also as a comprehensive monitoring tool designed to prevent microplastic leakage into the environment.

5.1.3 Downstream: customer integration and end of life

In the downstream part of the value chain, we serve a diversified portfolio of customers in automotive, energy, electronics, marine applications and hand tools, including partners such as Siemens, Magna and Festool. We use our CRM system to monitor their requirements in detail, enabling us to respond efficiently to growing demand for product carbon-footprint data and material passports. At the final stage, circularity is supported by the high recyclability of aluminium and zinc products, which become valuable raw material for further foundry cycles at the end of their useful lives.

Customers across our broad portfolio share a common concern for carbon footprints. That, however, is where standardisation ends. Reporting systems and platforms vary considerably. The most important include SAQ 5.1 (Supplier Assurance), IntegrityNext, Assent, supplier+s and Carbmee. In addition, we receive entirely bespoke, one-sided spreadsheets requesting decarbonisation-related data. We address all these requirements with great care and responsibility, demonstrating the Company's commitment to full - and in many cases proactive - participation in the decarbonisation process within the broader sustainability agenda.

6 The Company's main topics and commitments and their management

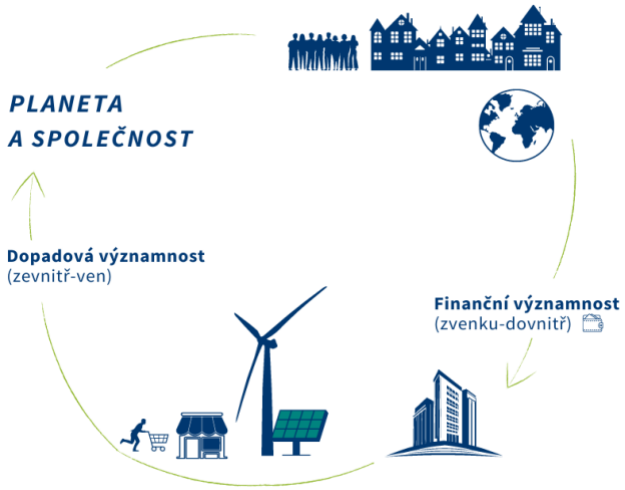
In the current financial year, we continue seamlessly with the strategy defined in previous years. Our objective is not to change direction, but to refine our objectives and commitments so that they reflect the reality of our business as accurately as possible. For FR25, we confirmed the continued relevance of our existing material topics, which were identified when the ESRS were introduced in 2023 and refined in 2024. Retaining the existing materiality matrix enables us to monitor progress over time and analyse topics in greater detail through the lens of direct requirements from customers and partners.

We continue to apply the concept of double materiality consistently. This approach enables us to consider sustainability from two key perspectives:

1. **Impact materiality (inside-out):** we assess how the activities of BENEŠ a LÁT affect people and the environment. In line with ESRS terminology, we focus on the specific impacts left by our production and products.
2. **Financial materiality (outside-in):** we identify risks and opportunities arising externally - from legislative changes to technological developments in automotive - that may affect the Company's financial health and stability.

This year, instead of broad discussions with all stakeholder groups, we chose targeted dialogue with our customers; see the section Value Chain and Partners. The result is more precise insight into the topics that are genuinely critical to the future of our Company and our partners.

The relationship between impact and financial materiality remains a fundamental element of our management and is illustrated graphically in the following matrix:



Obr. 13.: Illustration of the double-materiality approach

6.1 Materiality assessment process

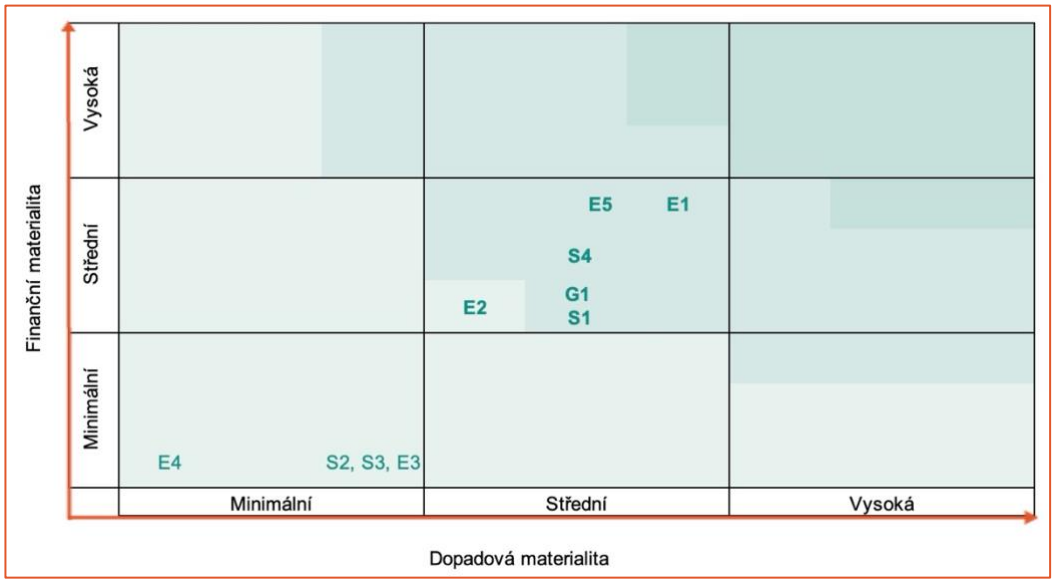
For us, materiality assessment is a continuous process that may be further refined in future years in accordance with new guidance from the European Commission and EFRAG. The complete process used to identify material topics in previous years is illustrated below:

Obr. 14.: Visualisation of the process leading to the assessment of material topics

6.2 Visualisation of material topics for BENEŠ a LÁT a.s.

The materiality matrix clearly presents the results of our previous sustainability analyses. Further information on the process used to define material topics, detailed analytical outputs and other significant disclosures required in this area under the ESRS is provided in our previous reports for FR23 and FR24. The visualisation below shows the materiality of individual topics from both an impact and a financial perspective. The topics shown fully correspond to the international ESRS standards. In FR25, we continue to build on the previously defined matrix and topics, whose relevance has also been confirmed through in-depth dialogue with our key customers. This stable structure of material topics enables us to devote this report to a deeper analysis of the specific data and objectives that are genuinely important to our Company and our partners.

Regular communication and continuous education on ESG - both internally towards senior management and other managers, and externally towards business partners and employees - progressively improve the way material topics are understood and addressed. This process enables us to communicate the positions of BENEŠ a LÁT clearly and to ensure that our reporting accurately reflects the reality of our business.



Obr. 15.: Materiality assessment matrix

The visualised aggregated materiality matrix shows the assessment of the individual topics. The key - and most important - material topics for BENEŠ a LÁT are E5 Resource use and circular economy, E1 Climate change and S4 Consumers and end-users. S1 Own workforce, G1 Business conduct and E2 Pollution are also classified as material.

Topics that were not assessed as material and are therefore not reported further are E3 Water and Marine Resources, E4 Biodiversity, S2 Workers in the Value Chain and S3 Affected Communities.

6.3 Planned investments relevant to ESG / sustainability objectives

In its investment activities, the Company emphasises technologies and procedures with the potential to reduce the impacts of its own activities on the surrounding environment and thereby improve the overall sustainability of the business. Examples of ESG-related investments planned for the immediate future, with a combined budget exceeding CZK 10 million, include the following:

SAVING WATER AND ENERGY

Sutice Z03: introduction of monitoring for efficient compressed-air production and consumption, enabling us to track its use accurately in real time. These measures will reduce electricity consumption and optimise compressor operation. They will also minimise wear and extend the equipment's service life.

Sutice Z03: installation of a chiller for efficient cooling of industrial water, closing the internal circuit and reducing surface-water consumption. The equipment will include free cooling, an energy-efficient cooling method that uses low outdoor temperatures to cool the circuit.

Mimoň Z08: installation of a new cooling tank with an independent cooling system for machine BU 53, significantly reducing the need to top up water and therefore total water consumption.

Mimoň Z08: a project to recover waste heat from the ZPF furnace is a step towards the energy self-sufficiency of our administration building.

SAVING RAW MATERIALS AND REDUCING WASTE GENERATION

Slaná Z10: installation of Pyrotek equipment for recovering zinc from waste skimmings.

Mimoň Z08: construction of our own wastewater treatment plant is essential to improving environmental performance and meeting our environmental objectives.

Poříčany Z02: introduction of an environmentally friendly binder for the production of sand cores to reduce the environmental burden and improve the sustainability of the production process, or identification of another solution enabling the waste to be reprocessed.

Poříčany Z02: integration of ESG principles – environmental, social and governance responsibility – into logistics processes to improve sustainability, efficiency and transparency throughout the supply chain.

Mimoň Z08: implementation of drainage for waste spray from the IDRA press into the central oily-water collection pit.

Slaná Z10: installation and regular operation of a grease trap for the plant canteen to reduce fats in wastewater and lower the Company's environmental burden.

6.4 FR25 investments implemented in support of ESG / sustainability objectives

As noted in the previous section, the Company has long considered the sustainability dimension when evaluating investments. In practice, nearly all investments implemented may therefore be considered ESG-related. The following examples, with a combined value exceeding CZK 8 million, are among the investments implemented during the period with the greatest positive sustainability impact.

Demolition of the old boiler house at the Z08 Mimoň production site: during the reporting period, the original boiler-house building, which had been unused for many years, was demolished at the Z08 Mimoň production site. The project also included preparation of design documentation for a new production hall. The principal objective is to reduce the building's energy intensity, particularly for heating. The proposed solution envisages effective use of waste heat from compressors, reducing primary energy consumption and the associated emissions.

Drying equipment with gravimetric colourant dosing at Z03 Sutice: as part of the modernisation of production technologies, new equipment was acquired for drying plastic granulate, incorporating gravimetric colourant dosing. It replaces the original, less energy-efficient hot-air technology. The new solution offers significant potential to reduce the energy intensity of drying while improving control of the input material's

moisture content. More stable material quality reduces non-conforming production and therefore material losses and waste.

Circular solution for the material flow of zinc alloys - Plant Z10 Slaná: the solution is based on acquiring technology that recycles oxide residues inevitably generated during the production and handling of molten zinc. The technology itself consumes energy - natural gas in its basic version, while other projects are investigating whether an electricity-powered version is possible. Its recycling benefit nevertheless substantially exceeds this consumption through the return of material to the production flow, energy savings in subsequent process stages and its overall contribution to the Company's sustainability. The solution will be accompanied by suitable upgrades to casting machines, with the aim of reducing scrap and the energy intensity of production.

Overhead shot-blasting machine at Z08 Mimoň: a new overhead shot-blasting machine was acquired for the Mimoň manufacturing plant as part of production-process optimisation. The technology reduces the need for external subcontracting and therefore shortens the logistics routes associated with transporting semi-finished products. Reduced transport has a positive environmental impact, particularly through lower transport-related GHG emissions. At the same time, production efficiency increases and dependence on external suppliers decreases.

Acquisition of a six-axis robot for an injection-moulding machine at Z03 Sutice: a new six-axis robot was acquired for an injection-moulding machine at the Sutice operation as part of production automation. Robotisation significantly shortened the production cycle, directly reducing electricity consumption per unit of output. It also increases process stability and enables more precise handling of components, positively affecting production quality. Stabilising the production cycle helps reduce non-conforming production and material losses.

Overhaul of the Z02 compressor at Poříčany: the existing compressor at the Z02 Poříčany plant underwent a complete overhaul as part of efforts to increase the energy efficiency of production operations. The purpose was to restore the equipment's technical condition and ensure operation at maximum performance parameters. Optimised compressor functionality reduces electricity consumption and extends the equipment's service life, limiting both energy waste and the need for premature replacement with new equipment.

6.5 PUBLIC SUPPORT, RESEARCH AND DEVELOPMENT

BENEŠ a LÁT makes limited use of public support in connection with its operating, investment and development activities. This primarily relates to projects focused on research and development, energy efficiency, the greening of production, electromobility, digitalisation and the introduction of modern manufacturing technologies.

The Company's long-term participation in the MATCA National Centre of Competence consortium, within which it cooperates on development projects supported by the Technology Agency of the Czech Republic, is a typical example of involvement in publicly supported activities. Public support is also used as a supplementary source of financing; decisions to implement projects are based primarily on their technological, economic and environmental benefits.

Further information on projects supported from public funds is available in the Support section of the Company's website: https://www.benesalat.cz/podpora/

In research, development and innovation, the Company has long implemented projects in technological fields connected with production at its own plants. All topics currently being addressed, including the more significant projects summarised in the table below, are intended to support efficient production and its management. They therefore generally have a direct effect in reducing the consumption of energy and other resources with their own carbon footprints. Every topic is selected because it contributes to the Company's long-term sustainability. Many also include a social dimension through improved working conditions for employees. For research and development projects meeting the statutory conditions, the Company claims the research and development tax allowance. Project documentation and records of related expenditure are maintained in accordance with the applicable tax legislation.

Selection of significant R&D projects addressed during the reporting period:

Project name	**New / Ongoing**	**Notification date**	**Project start date**
Development of a predictive maintenance system (TPM) linked to Industry 4.0	Ongoing	19 May 2023	1 January 2023
Automation of loading and unloading using machine vision	Ongoing	19 October 2023	1 November 2023
Reading machine data via USB OTG and integration into S-Data	Ongoing	19 May 2023	1 January 2024
Development of multi-stage control for gas heating of the intermediate component on LPDC machines	New	30 October 2025	3 November 2025

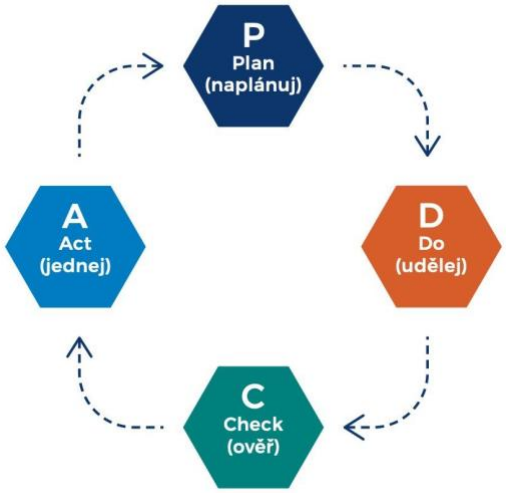
7 The Company's risk and objective management system

For many years, we have used our internally developed integrated management system (IMS) to identify risks, manage them systematically and prevent their occurrence, in accordance with the technical requirements of IATF 16949, ISO 45001 for occupational health and safety, and ISO 14001 for environmental management. Areas related to ESG topics have also been incorporated into this risk-management system.

Each year, our internal IMS evaluates defined principal topics such as customers, suppliers of raw materials, technologies and legislation. We determine whether each matter is internal or external, its impact on the IMS information system and its effects on the relevant stakeholders. Based on this identification, we define requirements for minimising risks. All aspects and topics are recorded and tagged; for each topic, the related risk or risks and the department concerned - for example production or commercial-relationship management - are identified.

As part of the risk analysis, we also define severity, materiality - low, medium or high - and likelihood. Specific risk-management measures and any required changes to risk management are also described.

The individual risks identified and the process used to manage them are described in the relevant sections of this report.



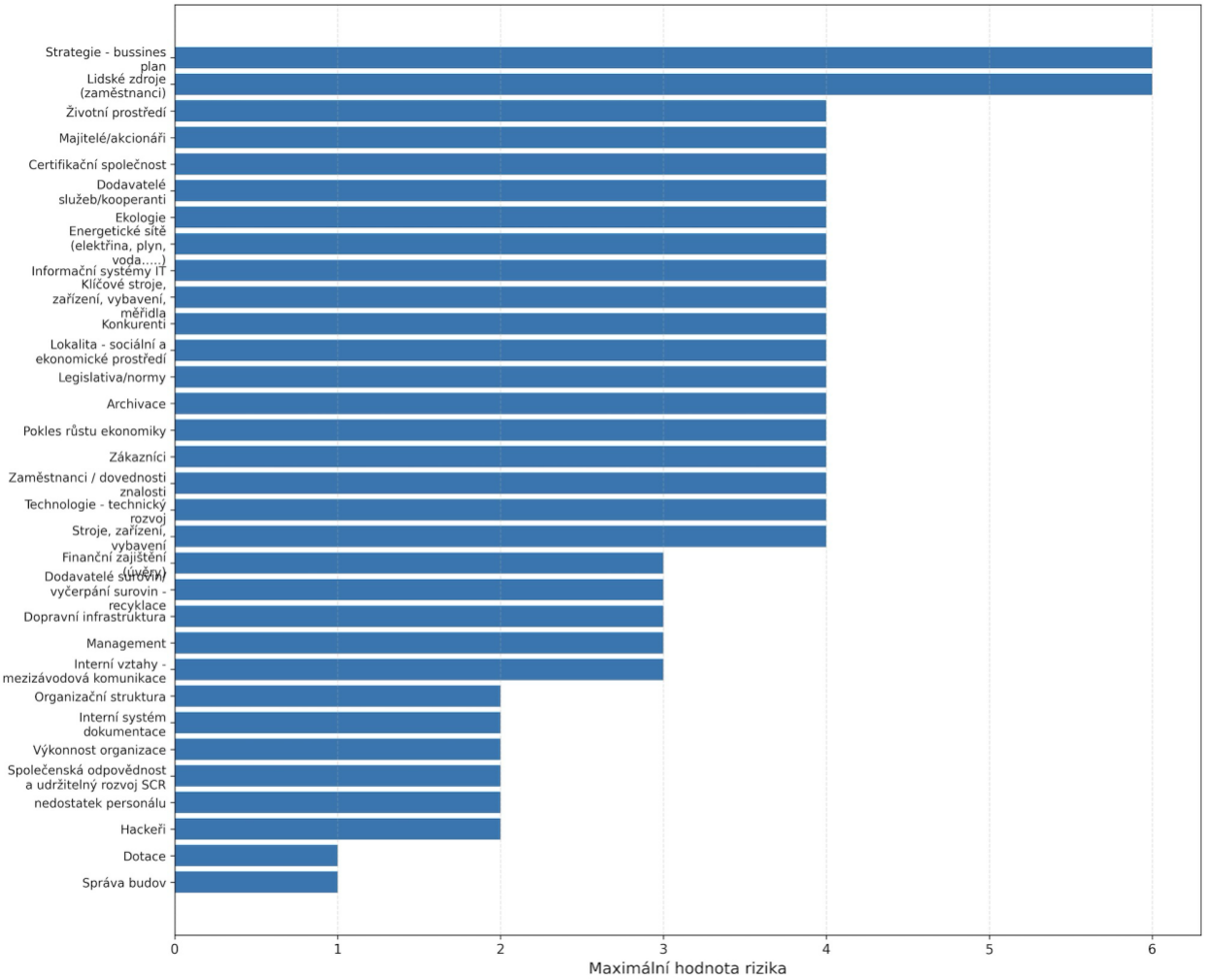
Obr. 16.: IMS principle

7.1 Organisational context - risk management

We regard the overview and management of risks within the organisational context as a single integrated whole. Risk management is further linked to the Attis digital software tool, which connects risks to individual processes. Risks are reviewed and updated at least annually as part of management review; however, any employee may initiate an update or review during the year.

A complete overview and assessment of risks within the Company is systematically documented in the Organisational Context document, which forms an integral part of

our quality management system under IATF 16949. This document enables us to identify, assess and effectively manage external and internal risks that may affect the achievement of strategic objectives and the stability of key processes.



Obr. 17.: Organisational context (part of the IATF 16949 management system)

7.1.1 Risk management by time horizon - frequency

Daily risks

Operations in every area of a manufacturing company necessarily involve risks that cannot be eliminated entirely. Careful preparation combined with continuous feedback can, however, reduce their level effectively. The most important aspect is the organisation's readiness for actual non-conforming or anomalous events. The most common anomalies include sudden employee absences, failures of production and support equipment, force-majeure events such as power outages and, above all, occupational accidents. The management - or, more accurately, handling - of daily risks is reactive. At BENEŠ a LÁT, this reactive basis rests on three pillars. The first is the level of training and individual capability of employees, across all levels from operators to top management. The second consists of codified Company procedures and rules describing how individual events are to be prevented and subsequently resolved; these

manuals are also used for employee training. The third pillar is the consistent use of feedback - the ability to learn - through corrective actions. Immediate management is supported by regular morning online meetings of top management, which review the events collected from the previous day and establish the necessary measures. Response times range from immediate action to several hours.

Weekly risks

These risks cover a longer period than daily risks and therefore contain a smaller random component, making their management inherently easier. Typical examples include events in logistics and production, such as unfilled shifts, changes in customer requirements, the availability of services including transport, exhausted time reserves and safety stocks. The principal management tool is the regular Monday meeting of senior management, which evaluates the previous week and sets current responses and tasks, generally with a one-week horizon. This initial meeting is followed by weekly management meetings at each plant. The personal and qualification requirements described above continue to apply, although decision-making shifts more towards senior management. Response times are measured in shifts or days.

Monthly risks

The characteristics described for weekly risks apply even more strongly because of the longer period considered. The main instrument for a collective response is the Company's management meeting, held each month at one of the BENEŠ a LÁT plants. In addition to the areas most frequently affected - production, planning and logistics - finance and sales are also involved. Typical risks and events include payment dates, changes in call-offs or orders, closing deadlines, inventories, tax deadlines, project stages and notice periods. Management therefore takes place at the highest level, with the owners, directors and relevant specialists participating. Response times range from days to weeks.

7.1.2 Risk management by urgency of resolution

Operational risks

The risks described above are primarily operational. The transition towards planned matters begins only at the monthly level. Risk management and event resolution depend heavily on the personal and professional abilities of the employees facing these situations. BENEŠ a LÁT therefore pays close attention to the relevant qualification levels of its employees; see the Social section. Compliance with deadlines for training and examinations required by law or internal rules is absolute.

Planned risks

The apparent contradiction in this term points directly to the solution. Knowledge gained from all the risk and event categories described above is combined into a plan for anticipating them. Measures with varying degrees of urgency are established across the entire organisational structure - from the HR department, responsible for recruiting suitable employees and, above all, organising training from mandatory to strategic, through to the plants' investment “wish list”. Planning aimed at correction and prevention is guided not only by obvious operational elements, but especially by

conclusions from the Company's MARS sessions. MARS is the Czech acronym for Management Analytical and Recreational Session. Each quarter, Company management and invited specialists discuss predefined current topics outside the workplace with sufficient time allocated to them. The conclusions are formally recorded and frequently translated into specific tasks and measures aimed at eliminating the risks identified.

Strategic risks

The Company's direction is defined by its business plan and corporate strategy. These documents list the risks that can be expected based on the best available knowledge and estimates of developments in the business environment and within the Company itself. They naturally include an outlook on the global situation, not only because of its influence on local conditions but especially because of the export orientation of BENEŠ a LÁT. The basis is a critical assessment of the past year at both plant and central-department level, led by finance. This is followed by short-, medium- and long-term plans and visions. The material is prepared by plant directors and heads of central departments and edited principally by the CEO and the strategy officer. Its importance is emphasised by the accelerating pace of global events and the expansion of the Green Deal into every area of life and business. New strategic risks are therefore emerging that relate more closely to the long-term existence of the business. Response times - in the sense of how long measures remain in force - are measured in months and years.

The following principles are common to the phenomena and activities described above at BENEŠ a LÁT:

- Complete openness and care towards employees - employees are directly encouraged to participate in managing, anticipating and eliminating risks. This also includes the internal continuous-improvement movement, including lean initiatives and a scale of rewards for active involvement.
- A clear focus on the wider social and environmental-responsibility context of the Company's business activities.
- Scope for the duty of due managerial care in every area of the Company's operations, supported by all employees having unrestricted access to up-to-date information on the Company's condition, including its financial position.
- An egalitarian approach that does not permit discrimination of any kind.

The CEO is responsible for collecting suggestions, data and risks related to the ESG agenda. These data are regularly presented at quarterly meetings of the Board of Directors and Company management. Following presentation, the inputs are recorded in the MARS digital strategic-management system. Where a risk is assessed as material, it is incorporated into the business plan, which is updated annually.

It is important to emphasise that the business plan is updated annually and its individual pillars and milestones are carefully designed to be aligned with ESG standards.

7.2 Objectives of IMS components

Objectives are issued once a year for the calendar year and for each specific manufacturing plant. Longer-term objectives are also established for selected areas. Objectives may be changed during the year in response to changes in corporate strategy, customer requirements or the implementation of crisis management. In order

to achieve the objectives, management undertakes to apply the principles and tools of continual improvement.

The objectives of IMS components are published on plant noticeboards and in internal documentation. A complete overview of objectives and their fulfilment forms part of the report “Management Review of the Management System”.

7.3 Documentation of IMS components

Communication through documentation takes place at several levels and is described in Directive QMS-H02.02-01, Document Control.

The documentation levels are:

- Policy,
- Objectives,
- Document control,
- Functional abbreviations,

7.4 Scope of the system by plant

The system has been established and is maintained for the following manufacturing plants:

Plant	Location	Description
Z02 - Poříčany	Tovární 463, 289 14 Poříčany	Production of aluminium-alloy products using gravity and low-pressure casting technologies
Z03 - Sutice	Slaná - Sutice No. 2, 512 01 Semily	Production of plastic products
Z08 - Mimoň	Křížová 660, 471 24 Mimoň I	Production of aluminium-alloy products using high-pressure casting technology
Z10 - Slaná	Slaná 78, 512 01 Semily	Production of zinc-alloy products using high-pressure casting technology

7.5 Persons involved in the risk management system

7.5.1 Board of Directors

The Board of Directors of BENEŠ a LÁT defines the vision of the Company as a whole. Management at each plant specifies strategies aimed at achieving the common vision. IMS objectives, strategic objectives and targets for parameters characterising customer satisfaction are issued annually, and the principal objectives are developed for individual business areas. The CEO, acting under the authority of the Board of Directors, is responsible for establishing and fulfilling the Company's vision and objectives.

Heads of individual departments are responsible for fulfilling the partial objectives that contribute to the overall vision. Department heads also present the objectives to employees during internal training.

7.5.2 Chief Executive Officer

The CEO appoints and manages the Quality Manager, the EMS Representative and the Occupational Health and Safety Representative. These roles report to the CEO and present the results of their activities at management meetings. The CEO is also responsible for collecting suggestions, data and risks related to the ESG agenda. These are presented quarterly to the Board of Directors and Company management and subsequently recorded in the MARS digital strategic-management system. If a risk is assessed as significant and requiring investment expenditure or Company development, it is incorporated into the business plan, which is updated annually.

7.5.3 Company Quality Manager

On the recommendation of BENEŠ a LÁT management, the CEO appoints a member of management who, irrespective of other functional responsibilities, has defined authority over the quality management system. This person is responsible for establishing, implementing, maintaining, improving and developing the quality system in accordance with the requirements of the applicable standards. Once a year, during management review, the Company Quality Manager must review the “Sanctioned Interpretations” and “Frequently Asked Questions” published at www.iatfglobaloversight.org.

7.5.4 Plant managers

The Plant Quality Manager is appointed by the Plant Director and has defined authority over the quality management system. The manager is responsible for operating, maintaining, improving and developing the quality system in accordance with the requirements of the applicable standards and for reporting any “Special Status” or other significant organisational changes to Company management.

7.5.5 EMS Representative

The EMS Representative is appointed by the CEO. The representative prepares or participates in preparing EMS documentation, performs internal EMS audits and prepares the EMS component of the Management System Review.

7.5.6 Occupational Health and Safety Representative

The representative is appointed by the CEO and, together with the professionally qualified risk-prevention specialist, prepares or participates in preparing occupational health and safety documentation, provides employee OHS training, performs internal OHS audits and prepares the OHS component of the Management System Review.

7.5.7 Professionally qualified risk-prevention specialist

The specialist categorises risks, provides employee training in occupational health and safety and cooperates with the OHS Representative. Relevant inputs are also incorporated into the ESG agenda.

7.5.8 Customer Representative

In accordance with IATF 16949, BENEŠ a LÁT management appoints Customer Representatives to ensure that all customer requirements are taken into account. The representatives are appointed by the head of sales and are recorded in the Karat information system as the dealer responsible for each customer.

7.5.9 Compliance Manager - CEO, HR

The Compliance Manager is responsible for compliance with the Company's Code of Ethics and for ensuring that it is regularly updated in accordance with legal requirements, internal standards and developments in societal expectations. The manager also oversees employee training in ethics and compliance. These activities contribute to developing and maintaining a corporate culture consistent with the established ethical and value standards. Compliance is not limited to the Company's internal rules; it also includes respecting and accepting the ethical rules of business partners and acting responsibly towards wider society.

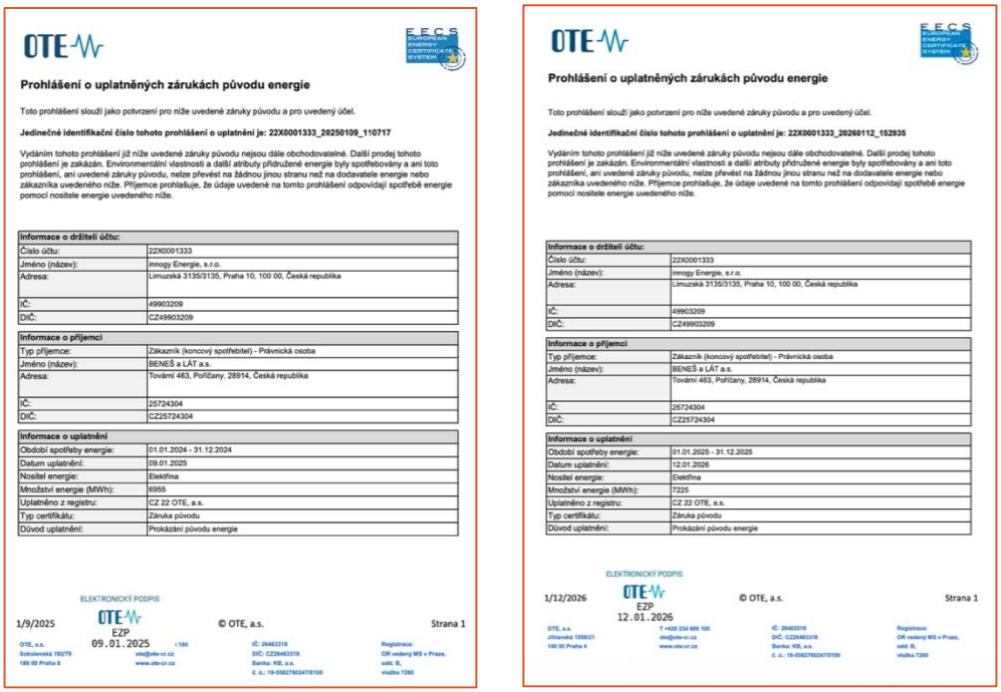
8 Greening the foundry industry is our path (Environment)

At BENEŠ a LÁT, we believe that even energy-intensive engineering operations, such as foundries and plastics injection-moulding plants, can operate in balance with their surroundings. Our environmental strategy is not based on empty slogans, but on technical expertise and the continuous reduction of the impacts of our activities.

Through our double-materiality assessment, we confirmed three key environmental topics that provide the framework for our efforts:

- **Climate change** – energy efficiency and decarbonisation,
- **Pollution** – minimising emissions and protecting air quality,
- **Resource use and the circular economy** – including material integrity and safety.

For the material topics identified, including resource use, the circular economy and climate change, we have set specific objectives and action steps that will help us reduce our own adverse environmental impacts and meet the ambitious requirements of our business partners, including mitigation of identified risks. We already minimise pollution impacts, as confirmed by measurements far below statutory limits. Wherever possible, we use secondary materials in production, particularly aluminium and zinc. As part of developing circularity within the Company, we are also implementing a closed-loop zinc project, using material previously treated as waste directly in the production cycle. Our principal commitments for the immediate future include increasing the proportion of renewable sources in our energy mix, reducing gas consumption and applying the principles of ISO 50001.



OTE

Prohlášení o uplatněných zárukách původu energie

Toto prohlášení slouží jako potvrzení pro níže uvedené záruky původu a pro uvedený účel.

Jedinečné identifikační číslo tohoto prohlášení o uplatnění je: 22X0001333_20250109_110717

Vydáním tohoto prohlášení již níže uvedené záruky původu nejsou dále obchodovatelné. Další prodej tohoto prohlášení je zakázán. Environmentální vlastnosti a další atributy přidružené energie byly spotřebovány a ani toto prohlášení, ani uvedené záruky původu, nelze převést na žádnou jinou stranu než na dodavatele energie nebo zákazníka uvedeného níže. Příjemce prohlašuje, že údaje uvedené na tomto prohlášení odpovídají spotřebě energie pomocí nositele energie uvedeného níže.

Informace o držiteli účtu:	
Číslo účtu:	22X0001333
Jméno (název):	innogy Energie, s.r.o.
Adresa:	Limuzská 3135/3135, Praha 10, 100 00, Česká republika
IČ:	49903209
DIČ:	CZ49903209

Informace o příjemci	
Typ příjemce:	Zákazník (koncový spotřebitel) - Právnická osoba
Jméno (název):	BENEŠ a LÁT a.s.
Adresa:	Tovární 463, Poříčany, 28914, Česká republika
IČ:	25724304
DIČ:	CZ25724304

Informace o uplatnění	
Období spotřeby energie:	01.01.2024 - 31.12.2024
Datum uplatnění:	09.01.2025
Nositel energie:	Elektřina
Množství energie (MWh):	6965
Uplatněno z registru:	CZ 22 OTE, a.s.
Typ certifikátu:	Záruka původu
Důvod uplatnění:	Prokázání původu energie

ELEKTRONICKÝ PODPIS
1/9/2025 OTE EZP 09.01.2025 © OTE, a.s. Strana 1

OTE

Prohlášení o uplatněných zárukách původu energie

Toto prohlášení slouží jako potvrzení pro níže uvedené záruky původu a pro uvedený účel.

Jedinečné identifikační číslo tohoto prohlášení o uplatnění je: 22X0001333_20260112_152935

Vydáním tohoto prohlášení již níže uvedené záruky původu nejsou dále obchodovatelné. Další prodej tohoto prohlášení je zakázán. Environmentální vlastnosti a další atributy přidružené energie byly spotřebovány a ani toto prohlášení, ani uvedené záruky původu, nelze převést na žádnou jinou stranu než na dodavatele energie nebo zákazníka uvedeného níže. Příjemce prohlašuje, že údaje uvedené na tomto prohlášení odpovídají spotřebě energie pomocí nositele energie uvedeného níže.

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Informace o příjemci	
Typ příjemce:	Zákazník (koncový spotřebitel) - Právnická osoba
Jméno (název):	BENEŠ a LÁT a.s.
Adresa:	Tovární 463, Poříčany, 28914, Česká republika
IČ:	25724304
DIČ:	CZ25724304

Informace o uplatnění	
Období spotřeby energie:	01.01.2025 - 31.12.2025
Datum uplatnění:	12.01.2026
Nositel energie:	Elektřina
Množství energie (MWh):	7225
Uplatněno z registru:	CZ 22 OTE, a.s.
Typ certifikátu:	Záruka původu
Důvod uplatnění:	Prokázání původu energie

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1/12/2026 OTE EZP 12.01.2026 © OTE, a.s. Strana 1

Obr. 18.: Guarantees of origin for electricity consumed in 2024 and 2025

Since 2020, we have conserved natural resources through an approach not previously used by the Company: progressively increasing the proportion of electricity generated

from renewable sources. In 2020, we committed to increasing the volume of “green” electricity in our consumption step by step. In every period, we exceeded the planned share of renewable sources. By 2023, all electricity consumed was purchased from producers generating it from hydropower or wind, or produced by our own photovoltaic plants installed during the reporting period, with installed capacity of 0.6 MWp in Poříčany and 0.4 MWp in Mimoň. We confirmed the same position in 2024, when all electricity consumption was again covered by renewable sources. Our long-term objective is for renewable sources to cover at least 85% of electricity consumption.

The commitment adopted in 2020 and actual performance over the past years were as follows:

- 2021: commitment 25%; actual performance 28%
- 2022: commitment 50%; actual performance 73%
- 2023 and subsequent years: commitment 85%; actual performance in 2023, 2024 and 2025 was 100%.

A complete overview of the impact of these changes on our carbon footprint is available in the sustainability section of our website at https://benesalat.cz/udrzitelnost. In addition to calculations of CO2-equivalent emissions, the site contains further information on our broader approach to ESG.

Our path to a circular economy is based on the principle of precise circularity. We prioritise secondary aluminium and zinc and are currently implementing a closed-loop solution for zinc directly within our Company.

Increasing the proportion of recycled material never means compromising safety. For a closed material cycle to be genuinely sustainable, it must be supported by complete knowledge of the relevant circumstances, including in particular:

- Chemical compliance: we guarantee compliance with REACH and RoHS. We actively monitor lists of substances of very high concern (SVHC) to ensure that hazardous constituents do not enter the material cycle.
- Responsible origin: as part of our due diligence, we verify the origin of metals from the perspective of human rights and conflict-affected areas using RMI and EMRT standards. This material integrity gives customers confidence that secondary materials used in BENEŠ a LÁT products are both technically and ethically safe.

Our vehicle fleet includes LPG and electric vehicles. For example, employee shuttle transport is provided exclusively by electric vehicles.

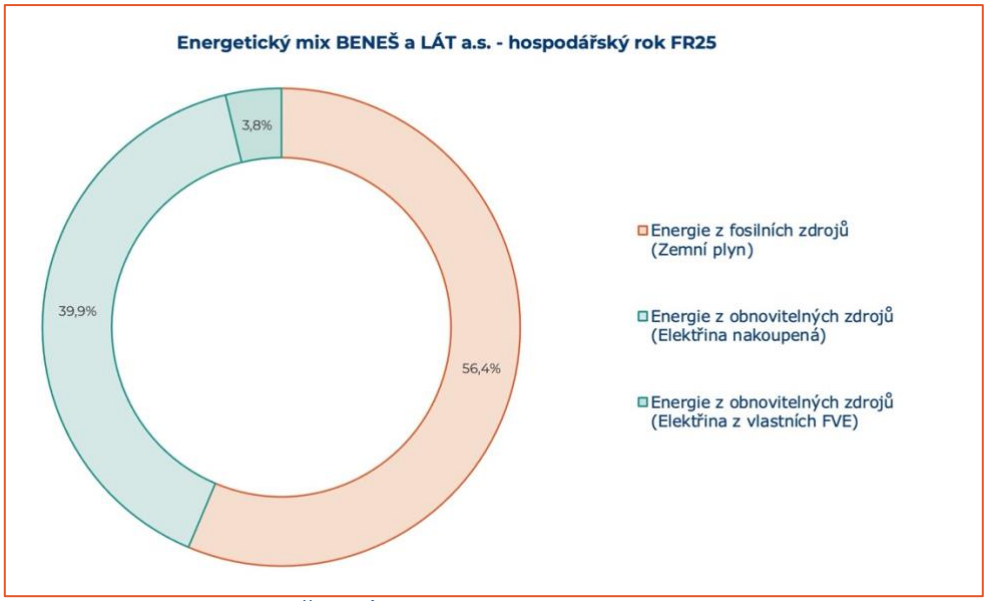
We regard water as a valuable resource. We install automated consumption controls at our operations and, where technologically possible, replace drinking water with surface water. We are currently implementing a closed cooling-circuit project at the plastics injection-moulding plant.

For packaging materials, we are systematically moving from single-use solutions to returnable systems. Our innovation efforts also extend to foundry operations, where we are actively developing fully environmentally friendly binders for sand cores. The objective is to replace chemical components with natural alternatives and thereby enable the subsequent reuse of sand that would otherwise become waste.

8.1 E1 Climate change

At BENEŠ a LÁT, we see our most significant climate-change impacts in energy management and their expression through the Company's overall carbon footprint. We seek to minimise the effects of our activities on climate change and have therefore adopted specific action steps. An essential part of this process is recognising that decarbonisation alone is only one component of sustainability.

In addition to progressively increasing the proportion of purchased electricity from renewable sources over the long term, we have installed two solar-energy sources that cover almost 10% of total electricity consumption. From the perspective of maintaining our business over the long term, we must nevertheless continue to use natural gas to melt materials at all foundry operations. Its proportion in the energy mix even increased year on year in FR25 compared with FR24. This apparent paradox reflects the increase in production volumes, particularly aluminium-alloy casting, which necessarily requires more natural gas. The correct way to balance decarbonisation with business sustainability is to improve the efficiency of natural-gas consumption per unit weight of melt and in subsequent gas-consuming processes. Energy audits prepared for all four Company plants provide the basis for specific action steps aimed at increasing the share of renewable energy over the long term.



Obr. 19.: Energy mix of BENEŠ a LÁT a.s. in FR25

The energy intensity of the manufacturing plants is managed by an energy team that has established an energy policy and objectives for each plant. Total energy consumption in MWh relating to our own operating activities developed as follows. For 2020-2022, values are reported by calendar year. As the ESG report has formed part of the annual report since 2023, the reporting period was aligned with the Company's financial year, from 1 April to 31 March of the following year; FR23 therefore ran from 1 April 2023 to 31 March 2024.

Energy consumption [MWh]	2020	FR24	FR25
Total electricity and natural-gas consumption	18,518	16,587	18,602
- **Of which electricity**	9,123	7,431	7,992
- **Of which natural gas**	9,395	9,156	10,610

Gross GHG emissions in metric tonnes of CO2 equivalent, consolidated for all plants:

Indicator / Period	2020	FR24	FR25
Scope 1 - total	1,916.2	1,989.7	2,235.0
Scope 1 - percentage of GHG emissions from regulated emissions-trading schemes	0%	0%	0%
Scope 2 - total	2,662.6	0	0
Scope 2 - market-based method	2,662.6	0	0
Scope 3	We currently emphasise product-level carbon-footprint calculations. In the next phase, we will define the Scope 3 boundary and prepare the calculation, taking account of the specific characteristics of material-related aspects.		
Total GHG emissions (Scope 1 and 2)	**4,578.8**	**1,989.7**	**2,235.0**

Our calculation methodology, key assumptions and emission factors used to calculate GHG emissions are available on our website. Carbon-footprint calculations for individual components and plants under the previously presented methodology are currently being replaced by a comprehensive calculation based on data and reports from the Karat information system. This approach opens the way to much more detailed data according to the relative contribution of each element and supports high-quality preparation for Scope 3 calculations. In our sector, GHG emissions intensity is expressed

as total GHG emissions divided by net output. Our Scope 1 and 2 GHG emissions intensity fell from 6.8 tonnes CO2e per CZK million of output in 2020 to 2.77 tonnes CO2e per CZK million of output in FR25.

This result reflects both initiative and systematic work. Six years ago, the Company made the pioneering decision to move progressively towards purchasing electricity from renewable sources, even though the higher cost placed an additional burden on its financial performance. The systematic work consists of a multi-faceted approach to decarbonisation. Its foundation is the rational use of energy in general. It covers activities ranging from establishing analytical and responsible teams, improving production planning and advancing technology through investments in more efficient equipment, to educating all employees. The process continues, for example, towards building an energy-management system using AI tools to improve energy efficiency further, including adjusting production plans according to energy availability and the energy intensity of individual products.

In relation to activities that absorb or store greenhouse gases, we plant one tree near our plants for every tonne of material processed in production. We do not, however, use carbon offsets as a form of compensation.

As part of preparing the ESG report, we identified risks and opportunities associated with climate change. The analysis highlighted specific areas that may affect our business model in future. We have identified transition events that may influence our activities, including changes in customer behaviour and increased stakeholder interest. Additional risks are described in the tables below.

The identified impacts and risks in areas related to climate change are described in greater detail below:

- Energy
- Climate-change mitigation
- Climate-change adaptation

We have also defined principal objectives in these areas aimed at reducing the identified impacts and risks:

FR26 objectives

- Heating energy efficiency: gradual replacement of gas heating with heat pumps. Deadline: 2030

- Energy efficiency: use of energy-efficient furnaces and recovery of waste heat to reduce total energy consumption. Deadline: 2029

- Renewable-energy sustainability: renewable sources to represent at least 85% of electricity consumption. Deadline: 2027

- Transport and logistics: active cooperation with suppliers to optimise transport and logistics in ways that reduce emissions, for example through alternative fuels and route optimisation.
  Deadline: 2027
- Efficient cooling of the plastics injection-moulding plant: a fully closed cooling circuit, with circulation controlled by sensors and frequency converters, and use of recovered heat to heat the administration building. This will reduce heating energy consumption and substantially lower water abstraction.
  Deadline: 2026
- Compressed air: introduction of monitoring for efficient compressed-air production and consumption, enabling us to track its use accurately in real time. These measures will reduce electricity consumption and optimise compressor operation. They will also minimise wear and extend equipment life.
  Deadline: 2026

The Company began reducing CO2 emissions in 2020 and reduced CO2e emissions per kilogram of products manufactured by 60% over the following three years. The impact would be even more significant if measured against 2019, when the Company used virtually no renewable energy. However, sufficiently reliable data are not available for 2019, and 2020 is therefore used as the baseline year; in that year, 20% of electricity was purchased from renewable sources. Throughout the period from 2020 to FR25, externally sourced renewable electricity came exclusively from wind and hydropower. Since 2024, the energy mix has also included electricity generated by the Company's own photovoltaic installations at the Mimoň and Poříčany sites.

To understand changes in the energy sources used more clearly, impacts must be analysed by individual production technology. The reduction in tonnes of CO2e per tonne of product developed as follows by production type:

	CO2e emissions per unit of output		
	2020 [t CO2e / t of products]	**FR25 [t CO2e / t of products]**	**Reduction compared with 2020**
Aluminium alloys	2.220	1.08	-51%
Zinc alloys	1.054	0.19	-82%
Plastics	1.216	0.44	-64%

The Company's long-term objective is to maintain this exceptionally low footprint per unit of output and thereby contribute to reducing the carbon footprint throughout its customer chain. A further positive effect in future years will come from reducing natural-gas consumption through more efficient use and from partially replacing gas melting with electric melting at Z02.

Životní prostředí (Environment)

E1 Změna klimatu

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Zmírňování změny klimatu		**Aktuální**	**Potenciální**
Pozitivní dopady	• Efektivita ve výrobě • **Hliník**	• Obnova ISO 14001 a v rámci přípravy se snižuje energie z výroby, omezují se rizika havárie aj. již od r. 2019 • Již dnes se využívá odpadní teplo na ohřev vody aj. a hledají se další možnosti na využívání odpadního tepla z pecí. • **Zpracování hliníku v EU je v současnosti významně nižší oproti celosvětovému trendu.**	• **Maximalizace využití odpadního tepla z pecí.**
Negativní dopady	• GHG emise z provozu	• **Nejvíce CO_2 produkujeme v sektoru energetiky (95–99 %), následně v dopravě.**	
Zmírňování změny klimatu		**Fyzická rizika**	**Tranzitní rizika**
Příležitosti	• **Aktivity na snižování dopadu na klima**	• **Máme aktivity na snižování dopadu na klima, a tím se stáváme atraktivnější pro zákazníka.** • **Maximalizace využití odpadního tepla z pecí.**	
Energie		**Aktuální**	**Potenciální**
Pozitivní dopady	• Obnovitelné zdroje energie	• Využívání OZE, energetický management a pravidelné energetické audity, aktivity podporující snižování CO2.	• Pozitivní přístup k alternativám plynu. Tvorba studií, které potvrzují plyn jako správné medium pro výrobu. • Nahrazení stávajících plynových spotřebičů (tav. pece) za spotřebiče s vyšší účinností.
Negativní dopady	• Plyn	• Spalování fosilních paliv v provozu - plyn. • **Vysoké ceny plynu v EU snižují konkurenceschopnost vůči mimoevropským firmám (např. z USA).**	• **Nemáme dostatečně prozkoumané možné dopady související s přechodem na alternativní média např. vodík a emise vodní páry do ovzduší.**
Energie		**Fyzická rizika**	**Tranzitní rizika**

Rizika	• Plyn
	• **Hliník**
			• **Zvyšující se ceny energií potřebných pro provoz:**
			  ◦ **a) závislost na plynu,**
			  ◦ **b) zvýšená cena energie a plynu,**
			  ◦ **c) riziko zvyšující se cena OZE.**
			• **Kvůli vyhrocené geopolitické situaci hrozí výpadek v dodávkách plynu (nedostatek plynu pro provoz nebo zvýšená cena).**
			• **Zvýšení dovozu hliníku z oblastí mimo EU a s tím související zvýšení uhlíkové stopy dovozu.**

Příležitosti	• Obnovitelné zdroje energie • **Hliník** • **Zinek**	• **Můžeme dále pokračovat s vyhledáváním vhodných zdrojů OZE s ohledem na ekonomiku provozu a zajistit si soulad s EU Taxonomií za udržitelných finančních nákladů.** • **Lze dosáhnout významných finančních a energetických úspor díky opakované recyklaci hliníku.** • **Investice do technologií v elektroenergetice pro snížení emisí při zpracování zinku.**	
Adaptace na změnu klimatu		**Fyzická rizika**	**Tranzitní rizika**
Rizika	• Extrémní počasí	• **Riziko záplav: kolísání hladiny řek může negativně ovlivnit výrobu (závod Z03 je na břehu potoka).** • **Změna klimatu zvyšuje četnost i intenzitu extrémních srážek, což do budoucna povede k častějším záplavám a rostoucím finančním i společenským dopadům.** • **Evidujeme vysoké teplotní poměry, které komplikují provoz firmy a zvyšují náklady při výrobě.**	

Obr. 20.: E1 impacts and risks

8.2 E2 Pollution

Pollution is not classified as a highly material topic, mainly because the related risks and impacts are limited. Nevertheless, in view of stakeholder interest, we continue to report on it.

We take action to reduce pollution, particularly of water resources, and have established internal policies based primarily on applicable Czech legislation and ISO 14001.

Our Poříčany plant falls within the integrated pollution prevention system under Act No. 76/2002 Coll. and European Directive 2010/75/EU on industrial emissions. The principal objective of integrated prevention is to protect the environment from industrial pollution by regulating selected installations as a whole. Issuing an integrated permit replaces the individual administrative decisions required under the relevant legislation with a single decision. The integrated permit for the plant was issued in 2011. At the end of FR25, at the request of the Central Bohemian Regional Authority, we prepared extensive documentation on the use of BAT - Best Available Techniques - under the individual chapters of the integrated permit.

We work to minimise water and air pollution, as confirmed by our measurements. Emissions are measured annually at all three foundry plants to verify compliance with the emission limits established in the relevant air-pollution source operating permits. We monitor concentrations of particulate matter, oxides of nitrogen, sulphur and carbon, and selected metals in the discharged air. We also monitor pollution parameters in wastewater discharged from treatment facilities at plants that are not connected to public sewerage. Measurement results show that pollution caused by our activities is far below statutory limits. Pollution is measured regularly over time. Our indicators and objectives in this category are determined primarily by applicable legislation.

The following table presents emissions measurements for the Z02 foundry. All relevant BENEŠ a LÁT workplaces are measured in an analogous manner.

Z02 gas-fired melting furnaces	**2020**	**FR24**	**FR25**
Aluminium processed [t]	1,017	1,345	1,707
Particulate matter [t/year]	0.092	0.034	0.016
NOx [t/year]	0.115	0.75	0.489
CO [t/year]	11.488	0.009	0.077

The results of wastewater analyses for 2023-FR25 are shown below:

Z02 -ČOV Poříčany	Hospodářský rok		FR23				FR24				FR25			
	Kalendářní rok		2023			2024				2025				2026
parametr	jednotka	limit (p/m)	2	3	4	1	2	3	4	1	2	3	4	1
BSK_5	mg/l	40/80	3,5	2,0	5,4	5,8	5,3	4,5	10,0	12,0	20,0	69,0	10,0	13,0
$CHSK_{Cr}$	mg/l	150/220	41,0	27,0	53,0	38,0	34,0	28,0	41,0	33,0	66,0	2,2	77,0	49,0
nerozp. látky	mg/l	40/80	4,0	2,0	4,0	3,0	2,0	7,0	12,0	2,0	18,0	18,0	17,0	5,0
$N\text{-}NH_4$	mg/l	nestanoven	0,23	0,32	0,9	0,75	0,23	0,51	4,6	4,30	5,50	2,9	4,6	7,00
P-celkový	mg/l	nestanoven	3,2	3	2,8	3,1	5,0	10,4	4,5	4,7	5,0	4,7	6,2	4,9
Z03- Sutice	Hospodářský rok		FR23				FR24				FR25			
	Kalendářní rok		2023			2024				2025				2026
parametr	jednotka	limit	2	3	4	1	2	3	4	1	2	3	4	1
BSK_5	mg/l	30/60	6,0	5,0	11,0	9,0	21,0	15,0	13,0	1,3	1,5	1,4	2,0	2,0
$CHSK_{Cr}$	mg/l	60/120	18,0	17,0	40,0	26,0	54,0	35,0	44,0	13,0	10,0	11,0	15,0	17,0
nerozp. látky	mg/l	35/70	10,0	9,0	17,0	6,0	16,0	16,0	8,0	2,0	2,0	2,0	2,0	2,0
Z10-BS Slaná	Hospodářský rok		FR23				FR24				FR25			
	Kalendářní rok		2023			2024				2025				2026
parametr	jednotka	od 15.7.2015	2	3	4	1	2	3	4	1	2	3	4	1
BSK_5	mg/l	40/80	20,0	5,0	12,0	22,0	40,0	10,0	14,0	1,0	4,1	14,3	1,0	1,8
$CHSK_{Cr}$	mg/l	150/220	64,0	17,0	42,0	59,0	114,0	29,0	46,0	10,0	22,0	106,0	15,0	39,0
nerozp. látky	mg/l	50/80	28,0	8,0	14,0	18,0	24,0	9,0	9,0	2,0	5,0	2,0	2,0	2,0

All operations where hazardous chemical substances and mixtures are used are equipped with resources for containing and neutralising any accidental release. Loose sorbents are available for capturing petroleum substances, as are textile sorbents for petroleum substances and corrosives. Plants located near watercourses are also equipped with floating sorbent booms that could, in the event of an accident, be deployed from bank to bank to capture floating contamination.

The identified impacts and risks associated with the topic of Pollution are described in greater detail below:

- Air and water pollution

In these areas, we have also defined key objectives aimed at reducing the identified impacts and risks:

- Accurate and compliant record-keeping; zero tolerance for environmental penalties = CZK 0

Životní prostředí (Environment)

E 2
Znečištění

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Znečištění ovzduší, půdy, vody		**Aktuální**	**Potenciální**
Pozitivní dopady	• Znečištění z provozu ◦ **Ovzduší** ◦ Voda	• **Znečišťujeme ovzduší v rámci legislativních norem - nicméně hluboko pod všemi limity** • **Politika zněčištění vody**	• **Zvažujeme se zavedení nových pecí, které by využívaly odpadní teplo, čímž by došlo ke snížení produkce spalin.**
Negativní dopady	• Znečištění z provozu ◦ Voda ◦ Ovzduší ◦ **Mikroplasty** ◦ **Půda** ◦ **Látky vzbuzující obavy ('nebezpečné látky')**	• Znečišťujeme ovzduší a **půdu** v rámci legislativních norem - nicméně hluboko pod všemi limity. • **Vyrábíme plastové díly, a v důsledku toho dochází k uvolňování neidentifikovaného množství mikroplastů.** • **Máme partnera, který likviduje NO v rámci legislativních norem.**	• Překročení limitu znečištění • Výpadek ČOV • Povodňové riziko v Suticích Q100 • V Mimoni je odpadní voda, která se dává do jímky a odváží se jako odpadní.
Znečištění ovzduší, půdy, vody			
Rizika	• Znečištění z provozu ◦ Voda ◦ Ovzduší ◦ **Mikroplasty**	• Pokuty při nedodržení legislativních podmínek u ČOV (únik nebo havárie) - znečištění povrchových vod při úniku provozních kapalin. • **Prohlubování problematiky mikroplastů. Mapujeme, jak velký zda nějaký by to mohlo mít vliv na BaL a naše produkty na životní prostředí.**	
Příležitosti	• **Znečištění z provozu** ◦ **Voda**	• **Nahrazení využití vody pro chlazení uzavřeným okruhem.**	

Obr. 21.: E2 impacts and risks

8.3 E5 Resource use and circular economy

At Beneš a Lát, we regard materials as a value that should remain in the economy for as long as possible. Aluminium and zinc, our key raw materials, are ideally suited to circularity: even after repeated processing, they retain their unique mechanical properties. Our strategy in this area is now progressing from straightforward recycling towards comprehensive management of material integrity.

To take our processes to the next level, we plan to conduct an in-depth circularity audit of a selected operation in the coming period, using a certified methodology of the Ministry of Industry and Trade. The objective is not merely a passive assessment of the current state, but the identification of specific opportunities to close material loops and reduce waste and energy losses. The audit will provide precise data for mapping material flows, which is essential for meeting future transparency requirements in the automotive value chain. It will also provide a specific assessment of the level of circularity at our Slaná manufacturing plant.

Ecodesign and material safety: In accordance with ecodesign principles, we strive to ensure that our castings and plastic parts are not only technically precise but also readily recyclable at the end of their life cycle.

- **Quality without compromise:** Any increase in the proportion of secondary resources (recycled content) is strictly conditional on material safety.
- **Integrity:** Each batch is checked for substances of concern in accordance with REACH and RoHS. Our customers can therefore be confident that circular solutions at Beneš a Lát mean chemically clean and safe products.

We are actively preparing for the requirements of the new European Packaging and Packaging Waste Regulation (PPWR). Our objective is to minimise the environmental footprint of packaging materials.

We continue to prefer local suppliers, which helps us reduce the emissions footprint of transport. In 2025, we supplemented the assessment of suppliers of strategic raw materials (aluminium, zinc and plastics) with a Corporate Climate Responsibility assessment. This questionnaire allows us to classify partners into categories A to C according to their approach to sustainability. We monitor not only financial reliability and quality, but also ISO certifications and the emissions intensity of supplied inputs (CO2 per kg/tonne). Our objective for 2026 is to actively develop cooperation with suppliers in order to maximise the share of secondary raw materials and renewable resources throughout the chain. Delivery performance and supplier reliability are regularly evaluated in the IMS, thereby helping us safeguard the stability of orders.

We have tightened the process for introducing new materials into production. Every request to purchase a new chemical or plastic is now subject to an approval workflow in the Karat ERP system, in which compliance with safety and environmental standards is confirmed by the company environmental specialist and the safety specialist.

For all inputs, we actively monitor the Candidate List of substances of very high concern (SVHC). We do so not only periodically and as a precaution, but also whenever new candidate substances are added. Thanks to the high level of production digitalisation, we can generate a “product birth certificate” for key orders. This material passport documents the precise origin of raw materials and minimises the risk of hazardous substances entering the final product.

The most significant materials entering our production are aluminium and zinc. Further information on our key raw materials is provided in the table below.

Defined key inputs	**FR23**	**FR 24**	**FR 25**		
	Quantity of input during the reporting period [t]	**Quantity of input during the reporting period [t]**	**Quantity of input during the reporting period [t]**	**Recy content in input [t]**	**Share of recy content in input [%]**
Aluminium	1278	1457	1814	1542	85 %
Zinc	722	481	685	34	0-5 %
Plastics	387	206	353	0	0%

We process these alloys and plastic materials using a range of technologies. We manufacture demanding, complex parts weighing from 1 g to 20 kg per piece. The table

below presents typical examples of our standard products; however, most orders are manufactured directly to customer specifications.

Description of key products / product groups	Expected product lifetime compared with the industry average	Product repairability	Share of recyclable content in products and their packaging
Aluminium HPDC	3-25 years	Not relevant	100 %
Aluminium gravity casting	4-27 years	Not relevant	100 %
Aluminium LPDC	4-26 years	Not relevant	100 %
Zinc HPDC	3-25 years	Not relevant	100 %
Plastic injection moulding	1-7 years	Not relevant	100 %
Building sets	1-7 years	Recycling	100 %

At our plants, we strive to manage materials efficiently. We install new technologies to reduce waste volumes and waste-management costs, improve quality performance and lower the material intensity of production. Our aluminium and zinc castings are fully and repeatedly recyclable. At our Slaná manufacturing plant, we have installed new Pyrotek technology that enables us to maximise the circularity of input materials. Production efficiency and circularity are increased through improved treatment of our principal working material, zinc alloy. The technological process involves processing the oxide-rich dross that inevitably arises during foundry operations, recovering zinc alloy at a high yield. The recovered material is returned to production, eliminating a significant portion of zinc-alloy purchases from suppliers and the need to sell waste material. Melting and recycling of non-conforming castings and process runners can also be carried out in more efficient equipment, in particular by limiting the access of air to the charge. The benefits are not only economic; the solution also helps reduce negative environmental impacts.

In 2026, we are commissioning a Circularity Audit using the certified methodology of the Ministry of Industry and Trade. The audit will provide specific data on the circularity of our key product groups and the proportion of recycled content in products, including not only recycled content in purchased raw materials but also material circulation within the production process itself.

Our company is fully prepared to implement ecodesign principles. In particular, metal 3D printing technology has enabled us to incorporate processes into production preparation that significantly reduce casting weight and optimise material use. In practice, however, we often encounter a conservative approach under which we manufacture strictly according to customer drawings and are not given the opportunity to optimise product design or functional properties.

Our ambition is to proactively propose alloy and design modifications during technical consultations that preserve functional properties while reducing the product's environmental footprint. We believe this proactive approach to ecodesign will become a standard element of future cooperation. As part of our production standards, we retain casting moulds for ten years. This enables us to resupply the market with a range of products at any time and thereby facilitates the repairability of final products.

All activities associated with implementing the circular economy in BaL operations comply with the waste hierarchy. Our objective is to prevent waste generation to the greatest possible extent, both from an operational and production-efficiency perspective and from an economic perspective. Further information on the composition of our waste and how it is handled is provided in the tables below. It should be noted that, because waste reporting is based on the calendar year, the values below relate to the calendar year and therefore differ from the remainder of the report, which covers financial year FR25 from 1 April 2025 to 31 March 2026.

Total waste generated	2021	2024	2025
Total waste generated from own operations [t]	**1161,4**	**1079,4**	**1122,6**
Of which hazardous waste [t]	561,4	648,3	697,9
Of which non-hazardous waste [t]	600,0	431,1	424,7
Waste by treatment route – Reuse [t]		0	0
Waste by treatment route – Recycling [t]		**353,6**	**325,5**
Of which hazardous waste [t]		88,9	62,9
Of which non-hazardous waste [t]		264,7	262,6
Waste by treatment route – Landfill [t]		**182,7**	**211,1**
Of which hazardous waste [t]		16,2	23,3
Of which non-hazardous waste [t]		166,5	187,8
Waste by treatment route – Incineration [t]		**0**	**0**
Waste by treatment route – Other recovery [t]		**543,9**	**586,2**
Of which hazardous waste [t]		543,2	560,6
Of which non-hazardous waste [t]		0,17	25,6
Percentage of non-recycled waste [%]		**67 %**	71 %

The year-on-year increase in the absolute volume of waste was primarily caused by higher production volumes. This trend was most pronounced in high-pressure aluminium die casting, where higher production led to an increase in spray and process

water. After use, this water is classified as hazardous waste, which has a significant impact on the overall waste-management balance.

Production also increased in the low-pressure casting operation, where the volume of hazardous waste, particularly foundry sand, rose. This development is directly related to higher utilisation of production capacity and the increased volume of orders completed.

The Company is aware of this development and has long sought to minimise the environmental impact of its activities. We focus primarily on optimising technological processes, identifying opportunities to reuse materials and reducing the proportion of hazardous waste. In parallel, we continue to seek more effective solutions for managing process water and foundry materials in order to reduce their environmental impact.

For both waste streams described above, we are actively seeking solutions that support recycling and further use. In the case of foundry sand, we are examining options for reprocessing it or selling it for use in other industrial applications. For contaminated process water, we have a project to introduce a closed-loop system based on demulsification, enabling the water to be reused in production. A measure already implemented to reduce waste is the acquisition of new equipment for recovering material from zinc-furnace dross, which we can process efficiently and return to the production process.

The identified impacts and risks associated with the Circular Economy are described in greater detail below:

- Waste.
- Resource inflows, including resource use.
- Resource outflows related to products and services.

In these areas, we have also defined key objectives aimed at reducing the identified impacts and risks:

Objective: Aluminium and zinc casting process

- Material recycling: Aluminium/zinc waste materials, runners and overflows are remelted in full and reused in subsequent production cycles. Deadline: 2026

- Material recycling: Recovery of waste, specifically zinc dross. In the past, this material was sold and recorded in the waste register as waste transferred for further material recovery. We will now process it internally using newly acquired technology in order to recover the base material. This measure is expected to reduce this recyclable waste stream, catalogue number 10 10 03, by approximately 80 tonnes per year. At the same time, it reinforces circular-economy principles and increases the material efficiency of our production processes.

  Deadline: 2026
- Design optimisation: In cooperation with the customer, products are designed using topology-optimisation technology in order to minimise material use while respecting mechanical properties and functionality. Products are also designed for easier disassembly and recyclability, facilitating their reintegration into the production process at the end of life. Deadline: 2026

Objective: Plastic injection-moulding process

- Closed production cycle: Where permitted, runners and overflows generated during plastic injection moulding are immediately recycled in mills that grind the material into granulate. The granulate is then returned to production in a precisely defined proportion, ensuring maximum material utilisation. Deadline: 2026

- Sale for further processing: Plastic waste that cannot be recycled directly within our own production process is sold to specialised companies for further processing. This ensures that the plastic waste does not remain unused and contributes to further material circulation. Deadline: 2026

- Development of proprietary products: Developing proprietary products designed to allow the use of secondary raw materials from production is a key step towards closing the loop. Deadline: 2029

Objective: Reducing waste sent to landfill

- Production of foundry sand cores: To reduce the environmental impacts of foundry production, we actively cooperate with the Institute of Inorganic Chemistry at the Faculty of Mechanical Engineering of Brno University of Technology on developing and implementing technologies using inorganic binders. These solutions enable a cleaner foundry environment, while the resulting sand waste contains neither phenols nor other leachable hazardous substances. It also has a lower hydrogen potential and is suitable for mechanical regeneration and reuse.
  Deadline: 2026
- Micro-spray application: Conventional spraying consumes large quantities of lubricants and release agents, generating significant volumes of contaminated water that must be removed as wastewater. Micro-spraying uses substantially less lubricant, release agent and water, thereby reducing wastewater. Lower spray volumes also mean fewer vapours and aerosols in the working environment, improving air quality and working conditions. Deadline: 2027

- Development of proprietary products: Developing proprietary products designed to allow secondary raw materials to be processed in production is a key step towards closing the loop. Deadline: 2029

Objective: Supply chain

- Supply chain: Inform all suppliers and develop active cooperation aimed at minimising the use of primary raw materials, for example through recycled materials, secondary raw materials and renewable resources. Deadline: 2026. For all input materials (metals, plastics and chemical mixtures), we actively monitor the Candidate List of substances of very high concern (SVHC). At customers' request, we provide declarations through international systems such as IMDS and SCIP.

- Purity of recycled material: Increasing the recycled content of our alloys (aluminium and zinc) and plastics is accompanied by strict laboratory control. The process is designed to prevent the mixing of alloys or contamination with undesirable elements, which we ensure through spectrometric analysis and a certified quality-management system.
- Material traceability: Thanks to production digitalisation, we can document the material origin of key orders, thereby minimising the risk of hazardous substances entering the final product.
- Cooperation: Adapt existing supplier audits and questionnaires to include topics related to the circular economy and climate change. Deadline: 2027

Životní prostředí (Environment)

E 5
Cirkulární ekonomika (oběhové hospodářství)

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Odpady		**Aktuální**	**Potenciální**
Pozitivní dopady	• Aplikace cirkulárních řešení	• Slévárenství a lisování plastů se snaží principiálně využívat maximum odpadu z vlastní výroby • Realizují se dílčí projekty např. druhotné využití pecní strusky, druhotné využití plastových materiálů	
Negativní dopady	• Kontaminace odpadem	• Skládkujeme určité materiály a tím může docházet ke kontaminaci půdy. • **Nejsou aktuální plošné politiky a cíle na snižování a předcházení vzniku odpadu, ale realizují se dílčí projekty viz. aktuální pozitivní dopady.**	• **Musíme se připravit na legislativní změny (např. zákaz skládkování od roku 2030)**
Odpady			
Rizika	• Zákaz skládkování 2030	• Musíme se připravit na legislativní změny (např. zákaz skládkování od roku 2030) • **Pokuty a snakce vyplývající z legislativy**	
Příležitosti	• Efektivita, inovace a osvěta	• **Využití vyššího podílu recyklace uvnitř výroby, tedy snižování nákladů na svoz odpadu a na pořízení nových materiálů.** • Edukace zákazníka v rámci využívání druhotných surovin.	
Příliv zdrojů, včetně jejich využívání		**Aktuální**	**Potenciální**
Pozitivní dopady	• Využití druhotného materiálu	• **Využíváme sekundární zdroje ve výrobě:** ◦ **Máme prohlášení dodavatelů o původu Al, Zn slitin a množství recyklátu.** ◦ **Máme přehled o množstvích a druzích materiálů které využíváte ve výrobě.** ◦ **V rámci výroby související s plastem využíváme vlastní regranulát / drť jako vstupní druhotnou surovinu** ◦ **Postupně navyšujeme množství recyklátu ve výrobcích při dodržení kvality**	• Máme zpracované studie pro využití podílu recyklátu ve výrobků pro jednotlivé slitiny a sledujeme jakost výrobku v souvislosti s výstupy studií. Cílem je navyšování množství recyklátu ve výrobcích bez ohrožení kvality výrobku a edukace zákazníka.
Negativní dopady	• Využití primárních zdrojů	• Nákup významné části primárního zdroje ve výrobě plastů	• **Okolí vč. zákazníků začne vnímat plast jako nechtěný materiál.**
Příliv zdrojů, včetně jejich využívání			
Rizika	• Materiálové vstupy	• **Nedostupnost primárních zdrojů vede ke zvýšené ceně slitin.** • **Nedostupnost primárních zdrojů vede ke zvýšení ceny plastů.** • **Zvýšená legislativní regulace vede k nedostupnosti materiálů a také navyšuje finanční náročnost provozu.**	
Příležitosti	• Využití druhotného materiálu	• Můžeme nadále pracovat na zvýšení cirkularity v provozu a zvýšení nezávislosti na zdrojích • Díky studiím a podkladům, které máme v rámci využívání recyklátů k dispozici a redesignu výrobků s cílem snižování podílu materiálu, máme potenciál přilákat nové zákazníky a sektory. • **Recyklace hliníku a zinku výrazně přispívá ke snižování energetické náročnosti a spotřeby primárních surovin v EU, přičemž hliník si zachovává kvalitu i po opakované recyklaci a zinek dosahuje solidní míry materiálového návratu.**	

Životní prostředí (Environment)

E 5
Cirkulární ekonomika (oběhové hospodářství)

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Odliv zdrojů související s produkty a službami		**Aktuální**	**Potenciální**
Pozitivní dopady	• Zodpovědnost při konci životního cyklu	• Jsme součástí IMDS databáze, kam reportujeme v rámci dodavatelského řetězce pro automotive sektor informace o výrobcích / produktech, tak aby byly dobře zpracovány a recyklovány. • **V rámci vlastního provozu jsme připraveni na materiálový pas produktu. Máme v rámci Karát evidenci množství a druhu materiálů + v jakých výrobcích končí.**	
Negativní dopady	• Konec životního cyklu produktu	• V tuto chvíli není plná transparentnost, kde končí vyrobené produkty - není ztransparentněn konec životního cyklu produktů, ale víme, že většina produktů se dá druhotně využít.	
Odliv zdrojů související s produkty a službami			
Rizika	• Materiálové vstupy	• Objevuje se tlak od zákazníků na dodání detailních dat na úrovni Scope 3.	
Příležitosti	• **Práce s daty**	• **Vzhledem k tomu, že již nyní aktivně pracujeme s daty a informacemi o produktech a výrobcích, máme konkurenční výhodu.**	

Obr. 22.: E5 impacts and risks

9 Information on Corporate Social Responsibility (Social)

Within the Social pillar, Beneš a Lát focuses primarily on its own workforce and the communities in the regions where we operate. In the future, our social focus will cover two principal groups:

- our own workforce; and
- consumers and end-users.

To date, our activities have focused primarily on our own employees, while we have also established policies for workers in the value chain. Employees have the right to organise in trade unions, with which a collective agreement covering all employees has been concluded. Workplace relations and fundamental ethical principles are also governed by the Code of Ethics. We guarantee that all regular employees are remunerated above the statutory minimum wage. Occupational health and safety is managed in accordance with ISO 45001:2018, for which we hold certification.

In 2025, we integrated a further group of eight employees from third countries into our work teams. Thanks to the preparation of their facilities and the information provided to both managers and colleagues, they integrated very successfully despite not speaking Czech and coming from substantially different socio-economic backgrounds. In addition to suitable working conditions, we support a fulfilling community life, for example by providing shared bicycles and installing a basketball hoop—basketball is one of the most popular sports in the Philippines. Karaoke is then a central part of entertainment at company events.

Since 2025, our Poříčany plant has also cooperated with a small group of prisoners from Jiřice Prison, who work under supervision in a specific regime. Preparing this form of cooperation was not simple and raised numerous questions and practical challenges. Today, however, it operates to the satisfaction of both parties, and the prisoners are a valuable part of our workforce. We are especially proud to have received the LutherOne Best in Leadership Award within the Voice of Employee Awards at the end of FR25. This award is exceptional for us because it is based directly on feedback from our employees. It confirms that listening to employees, supporting open communication and continuously improving the working environment deliver genuine positive benefits.

Obr. 23.: Best in Leadership – Voice of Employee Award

Since the 2021/2022 academic year, employees aspiring to further career development have had the opportunity to attend our own two-semester Master BaL (MBL) course. Participants acquire skills in management, leadership, motivation, reporting and other areas. Master BaL Plus (MBL+) is available to managers and explores and expands the knowledge and skills covered by the basic course in greater depth. For MBL graduates, we have prepared the follow-up MBL2 course, which aims to deepen acquired knowledge and skills and promote the sharing of experience among talented employees across the plants. For colleagues without a technical education, we provide the MASTER TECHNICIAN programme, which develops their command of technical terminology and understanding of the technologies used at all our plants, while also providing a general introduction to economic matters and the Company's information software.

We also consider our employees' social security and have therefore established an emergency assistance fund for them.

We also provide opportunities to disadvantaged people. In 2018, we established the subsidiary seva-czech s.r.o., which employs people with a broad range of disabilities and identifies suitable roles for them.

We contribute to the development of children and young people in the areas where we operate. We support interest groups and sporting activities and cooperate with kindergartens and primary schools near our operations. At one primary school, one of our employees teaches practical classes on the premises of our Slaná plant. Two Company representatives also participate in the Můžeš podnikat ("You Can Do Business") educational project for secondary-school pupils. We run our own Foundry Mini-Academy educational programme, which extends as far as university education. For young enthusiasts of new technologies, we organised a weekend 3D-printing school attended by 20 primary-school pupils from the areas surrounding our plants.

We also support our local community by organising a ball whose tradition dates back to the 1930s. We see this event as a tribute to more than 90 years of Company tradition and to the owners' families, as well as an expression of thanks for everyone's dedication and respect for the relationships we have built. A full ballroom at the beautiful Floret venue in Průhonice reminds us of our pride in belonging to the "BaL family", gives us an opportunity to meet outside our plants and allows us to enjoy an evening of social activities together—from the opening fanfare and welcome by the Chairman of the Board, through the opening dance and a rich raffle, to good food and drink.

9.1 S1 Own workforce

We spend a significant part of our lives at work. Trust, belonging, flexibility, recognition and a sense of purpose are therefore values we support, as we believe they contribute to a positive working atmosphere and to employees' overall mental wellbeing.

For S-1, our principal policies are defined in the following documents:

The Work Rules define the rules governing employment relations between employees and the employer at BENEŠ a LÁT a.s. in accordance with the Labour Code and other applicable legislation. They cover matters including the prohibition of discrimination, conditions of employment, rights and duties of the employer and employee, working time, employee leave, wage payments and other financial compensation for damage.

The Internal Human Resources Management Directive describes procedures for recruiting new employees, conducting selection processes, and integrating and training new employees in their roles. It also describes the process when an employee leaves the Company and hands over their responsibilities, the feedback process between employees and their line managers, and the conditions for changing working arrangements. An important component is the structure of financial incentives, including recruitment awards, a loyalty programme, pension contributions, contributions towards employees' children's holidays, language-course contributions, extraordinary bonuses, employee liability insurance, emergency loans, meal contributions and other benefits. Finally, the document defines the conditions for medical appointments and describes occupational health services. It also sets out the process for collecting employee feedback through monthly employee-satisfaction questionnaires.

9.1.1 Ethics and human rights

Respect for human rights is a fundamental principle at our Company. We respect human rights both in our own operations and in our relationships with companies with which we cooperate. None of our employees receives only the statutory minimum wage, and all employees have access to collective bargaining through trade unions. Employment relationships are governed by our Code of Ethics, which refers to the Universal Declaration of Human Rights and the principles of the International Labour Organization (ILO). The Code also covers respect for cultural and legal environments, respect for the individual, confidentiality and the protection of sensitive information, privacy and personal-data protection, proper business practices, rejection of unlawful payments and corruption, respect for free competition, health and safety, environmental protection, prevention of conflicts of interest, conditions for participation in political and public life, communication with public authorities and employees' obligations towards BaL.

The Code of Ethics is now systematically managed and regularly updated by the CEO and HR department, ensuring alignment with the Company's strategic direction, applicable legislation and current societal expectations. Once every two years, the Code is reviewed by Company management, which assesses its effectiveness and practical applicability in the organisation's day-to-day operation.

Implementation of the Code of Ethics also includes regular training for selected organisational units, particularly managers and employees in key positions. The Code is issued and communicated annually so that the broadest possible group of employees can familiarise themselves with it, supporting a consistent understanding and practical application of ethical principles.

The Collective Agreement is another important document for Beneš a Lát. It covers, among other matters, employee participation in trade unions, remuneration, the prohibition of discrimination, remediation procedures and the reporting of concerns. Our human-rights policy expressly emphasises our commitment to freedom of association and the right to collective bargaining and excludes all forms of discrimination, forced labour and child labour.

We have systems in place to identify, prevent, mitigate and limit impacts on our workers. Employees can raise concerns about unlawful conduct through the internal whistleblowing system, which is described in greater detail on our website. We have a process for remedying any potential adverse impact on employees. Where a potential negative impact is identified, we undertake to provide remediation promptly and without delay. We value every observation that can improve our safety and protection environment. We seek to create an open environment for communication and encourage all employees to share observations, improvement proposals or report any shortcomings in occupational health and safety.

9.1.2 Health and safety

At Beneš a Lát, we are firmly committed to creating a healthy and safe working environment and continuously supporting employees' health and performance. Each job is assigned to an occupational category (1, 2, 3 or 4) according to its specific risks, and the required personal protective equipment is defined. Employees receive the relevant protective equipment from the employer when they commence employment, in order to protect their health and safety as effectively as possible. Before employment begins and at regular intervals thereafter, each employee's medical fitness for their role is assessed by our occupational health-service provider. We regularly conduct audits under ISO 45001 to ensure that our safety and protective measures comply with the latest standards. We also actively monitor and implement new trends in occupational health and safety in order to continuously improve employee protection.

9.1.3 Employee work-life balance

We believe in supporting a healthy work-life balance, which is a key element in preventing stress. We strive to create an environment that enables employees to achieve this balance and pay attention to the individual needs of every team member. Employees can use cafeteria benefits to purchase sports and wellness passes or vitamin packages. We support employees in adverse circumstances such as illness, unemployment or occupational injury. We also support employees leaving on parental leave or retiring. This year, we launched a new regular activity called "Health Day", which at approximately monthly intervals reminds employees that health and prevention are essential to a long and high-quality life.

We regularly meet at events outside the workplace to strengthen team spirit and get to know one another better. We participate in football and volleyball tournaments, organise joint motorcycle and classic-car trips, and unwind through airsoft and boating. We also enjoy quieter moments at fishing competitions and at our traditional formal ball, where we celebrate achievements and thank employees for their contribution to our shared objective. These events not only provide opportunities to relax, but also

strengthen working relationships and contribute to a positive atmosphere within the Company.

We also organise numerous activities for employees' children, including an Easter art competition, a St Nicholas celebration with creative workshops and educational activities in 3D printing. We should also mention family events such as the now traditional hike to Ralsko on 30 December, where we symbolically close the year with sausages cooked over a fire and a glass of sparkling wine.

Obr. 24.: 2026 Company Ball

9.1.4 Diversity and inclusion

For diversity purposes, our Karat accounting system records information on employees' age, nature of work and type of contract, although we do not publish these details further. Beneš a Lát also employs people with disabilities. To provide them with appropriate conditions, eight years ago we established the subsidiary seva-czech, an employer operating in the protected labour market. Its objective is for people with disabilities to comprise at least 65% of its workforce.

Our objective is to create an inclusive environment at all management levels in order to attract and retain talented people from all backgrounds and cultures. We seek to provide equal opportunities irrespective of ethnic origin, race, religion, age, gender, disability, sexual orientation or social status. We have set an ambition to achieve balanced representation of women and men by 2030—within our type of production, at least 40% women and 60% men. We are also committed to diversity in senior

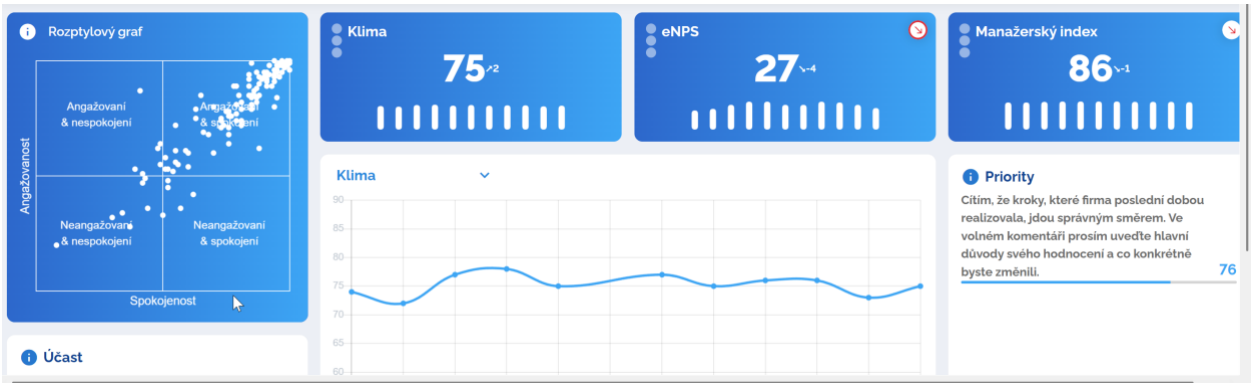
management and are working to increase the proportion of women in leadership and management positions.

We provide equal opportunities to all employees and treat every individual with equal respect. We apply the principle of equal pay for women and men for equal work or work of equal value, as stipulated in principle by the Czech Labour Code and Directive (EU) 2023/970 of the European Parliament and of the Council. Since the end of 2025, we have been preparing for the new Czech legislation on pay transparency, effective from 1 January 2027, and the related obligations. The average full-time equivalent number of employees during the year was 326 for BENEŠ a LÁT a.s. and 365 on a consolidated basis.

We seek to create an inclusive workplace with equal opportunities in which employees feel safe. We therefore have an Internal Policy on Bullying, Discrimination and Harassment. Responsibility for this policy lies with the Head of Human Resources. Our principles describe commitments to initiatives for vulnerable groups, including inclusive recruitment and promotion, coaching, mentoring and other support.

9.1.5 Collecting feedback, engaging employees in Company development and education

We use an internal LutherOne system to collect feedback from all employees and identify negative impacts on our own workforce. We monitor employee feedback and, on the basis of employee recommendations, seek to improve the working environment each quarter. An in-depth evaluation, including the effectiveness of new measures, is carried out annually. We also continuously publish action steps proposed in response to feedback. Financial resources are not predetermined; they are allocated according to need and evaluation.



Obr. 25.: Scatter plot of Employee Satisfaction and Engagement and other indicators from the company dashboard

LutherOne also serves as our internal social network, connecting all our plants. It is divided into several sections. The first is a virtual wall on which posts can be shared, commented on and liked. The second is used for the monthly employee-satisfaction survey Monthly 16 (M16), comprising 16 questions followed by space for a comment or question. Another function allows feedback to be provided to any colleague through a spectrum covering eight areas in which each person can see their strengths and room for improvement. We also use the “bubbles” tool, with predefined positive attributes that employees send to one another. A new feature is a separate group of bubbles linked to our corporate values. It is now also possible to send an individual or team an “award”, which is displayed to all Company users of LutherOne.

We also follow our internal Employee Training Directive. It defines procedures and responsibilities for preparing and implementing training plans and assigning tasks to meet training needs. The purpose of the Directive is to ensure that employees have sufficient qualifications and that their competencies meet defined requirements, across all levels and all areas of the Company. It requires us to maintain a continuing-training programme for all employees in management and specialist roles whose work requires specific qualifications, as well as further training in quality techniques. Employees whose work affects product quality must be competent on the basis of appropriate education, training, skills and experience, in accordance with IATF 16949 and ISO 9001. At Beneš a Lát, we also ensure that all employees whose work may have a significant environmental impact receive appropriate training in accordance with ČSN EN ISO 14001. Unless stated otherwise, the data below relate to BENEŠ a LÁT a.s.

Data point	Metric	FR24 (2024)	FR25 (2025)	Comment – supplementary information
Employee statistics				
Number of permanent employees	FTE	W: 109 M: 216	W: 110 M: 235	Number of employees under permanent employment contracts as at 31 March
Number of temporary employees	FTE	Women 6 Men 8	Women 8 Men 10	Number of persons working under agreements outside employment as at 31 March
Number of employees with non-guaranteed working hours	FTE	Women 6 Men 8	Women 8 Men 10	Number of persons working under agreements outside employment as at 31 March
Average number of employees	FTE	W: 103 M: 204	W:105 M: 221	Average full-time equivalent of employees for the FY
Ratio of women to men	%	W: 33.5 M: 66.5	W: 32.3 M: 67.7	Calculated from the full-time equivalent number of employees for the FY
Employees outside the Czech Republic	FTE	0	0	The Company has no employees outside the CZ
Share of persons with disabilities among employees, subject to statutory restrictions on data collection	%	1,2 %	1,46 %	BENEŠ a LÁT a.s. only. The subsidiary seva-czech s.r.o. achieves a share of more than 75%. On a consolidated basis, the share would be 9% and 11.6%,
Employee turnover				
Number of employees who left	FTE	95	100	For the financial year
Percentage of employees who left	%	29,23	28,98 %	For the financial year

Data point	Metric	FR24 (2024)	FR25 (2025)	Comment – supplementary information
Non-employee workers				
Total number of non-employee workers	FTE	3	4	Self-employed persons
Average full-time equivalent number of non-employee workers	FTE	1,2	3	Self-employed persons
Employees covered by a collective agreement				
Percentage of employees covered by the collective agreement	%	100	100	All employees are employed in the Czech Republic
Employee age profile				
Number of employees under 30	Number	46	42	As at 31 March
Percentage of employees under 30	%	14,15	12,17	As at 31 March
Number of employees aged 30-50	Number	168	186	As at 31 March
Percentage of employees aged 30-50	%	51,69	53,91	As at 31 March
Number of employees over 50	Number	111	117	As at 31 March
Percentage of employees over 50	%	34,15	33,91	As at 31 March
All employees receive at least the minimum wage	Yes/No	Yes	Yes	No employee is paid only the minimum wage.

Data point	Metric	FR24 (2024)	FR25 (2025)	Comment – supplementary information
Senior management				
Number of members of senior management	Number	14	14	Position as at 31 March (not an average)
Share of women in senior management	%	28,57	28,57	As at 31 March
Share of men in senior management	%	71,43	71,43	As at 31 March
Percentage of the total workforce in senior management	%	4,30	4,05	As at 31 March
Training and skills development				
Share of employees who participated in regular performance and career-development reviews	%	Total 100 Women 100 Men 100	Total 100 Women 100 Men 100	Regular annual self-assessments
Average number of training hours	Hours	Total 6,082 Women 2,110 Men 3,792	Total 6,099 Women 2,136 Men 3,963	Total mandatory and voluntary training, including self-study and preparation for final examinations.
Average number of training hours per employee	Hours	19,80	18,82	Of which 6.92 hours of statutory training and 11.9 hours of other training, including self-study and preparation for final examinations.

Data point	Metric	FR24 (2024)	FR25 (2025)	Comment – supplementary information
Social protection				
Percentage of own workforce covered by an occupational health and safety management system	%	100	100	All employees receive regular training.
Number of fatalities resulting from occupational accidents and occupational diseases among employees	Number	0	0	For the financial year
Number of recordable occupational accidents involving own employees	Number	7	15	For the financial year
Recordable occupational-accident rate among own employees	%	2,153	4,347	For the financial year
Number of cases of recordable work-related ill health among employees	Number	5	5	Temporarily unable to work due to an occupational accident during the financial year
Number of days lost due to occupational accidents, fatal occupational accidents and occupational diseases among employees	Days	88	99	For the financial year

Data point	Metric	FR24 (2024)	FR25 (2025)	Comment – supplementary information
Incidents, complaints and severe human-rights impacts				
Total number of cases of discrimination, including harassment	Number	0	0	No case was reported through the whistleblowing channel or by any other means.
Number of complaints submitted through channels for raising concerns	Number	1	0	No complaint was submitted.
Total amount of fines, penalties and compensation for damage arising from the above incidents, compared with the most significant amount in the financial statements	Financial amount	0	0	No such case was recorded.
Number of severe human-rights issues and incidents related to own workforce	Number	0	0	No such case was recorded
Number of severe human-rights issues and incidents related to own employees arising from non-compliance with the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises	Number	0	0	No such case was recorded
Amount of material fines, penalties and compensation for severe human-rights issues and	Financial amount	0	0	No such case was recorded

Data point	Metric	FR24 (2024)	FR25 (2025)	Comment – supplementary information
incidents related to own employees				

The identified impacts and risks associated with the Own workforce topic are described in greater detail below:

- Working conditions (health and safety, adequate wages and working time, collective bargaining).
- Equal treatment and opportunities for all and transparent remuneration (employment and inclusion of disadvantaged persons, training and skills development, diversity and inclusion).
- Integration of new employees from different socio-economic backgrounds who do not speak Czech
- Adaptation to a higher proportion of employees preferring part-time arrangements, for example 0.4-0.6 FTE

In these areas, we have also defined key objectives aimed at reducing the identified impacts and risks:

- Number of occupational accidents involving incapacity for work across the Company = 0 accidents
- Number of occupational accidents involving incapacity for work at each plant = 0 accidents
- Reduce the number of occupational accidents without incapacity for work by 50% annually through regular workplace safety audits. Deadline: 2026
- Regular employee-satisfaction surveys relating to diversity and inclusion in the LutherOne programme: improve the Company climate score by 20% annually. Deadline: 2026
- Increase employee satisfaction and wellbeing: offer programmes supporting mental and physical health and relaxation areas. Deadline: 2026

Key references to documents related to management of the Own Workforce area:

- Code of Ethics
- Collective Agreement
- Directive QMS-P01-01 Human Resources Management
- ISO 9001: Quality Management System (QMS)
- ISO 45001: Occupational health and safety (Z02 operation only)
- Directive on ensuring occupational health and safety at the employer
- Training system set out in Directive QMS-P01-04 Employee Training

Sociální informace (Social)

S 1
Vlastní pracovní síla

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

Pracovní podmínky	Materiální dopad nebo riziko	Popis: Aktuální	Popis: Potenciální
Pozitivní dopady	• Zdraví a bezpečnost • Pracovní doba • **Přiměřená mzda**	• Dbáme na zdraví zaměstnanců - sledují se výskyty pracovních úrazů prevence, nastavené cíle na snižování, a následné vyhodnocení plnění **(ISO 45001)** • **Benefitní program** • **Oproti průměru v ČR máme dobrý Gender pay gap (6 %)** • **Zaměstnanec v dobré kondici zvyšuje svojí efektivitu a je méně náchylný k chybovosti**	
Negativní dopady	• Zdraví a bezpečnost • Přiměřená mzda • Pracovní doba	• Standardní negativní dopady související se slévárenským průmyslem • **Riziko zanedbávání duševního zdraví zaměstnanců** • **ČR zaostává ve flexibilitě pracovní doby oproti ostatním státům v EU**	• Nevyrovnaný zaměstnanec • Vyšší úrazovost v případě nedodržování předpisů a pokynů • **Nízká mzda** • **Zhoršování Gender pay gap oproti okolí.** • Přesčasy způsobují únavu a chybovost zaměstnanců, u technických profesí je to nebezpečné (ošetřeno v BOZP) • **Přesčasy u kancelářských profesí - postupný jev, který má dopad na výkon i fluktuaci**

Pracovní podmínky	Materiální dopad nebo riziko	Popis
Rizika	• **Zdraví a bezpečnost** • Přiměřená mzda • Pracovní doba	• **Nevyrovnaný zaměstanec dělá chyby, není dostatečně efektivní a výkonný, způsobuje a problémy ztráty firmě, není loajální a dochází k fluktuaci** • Špatně zaplacený a přepracovaný zaměstnanec fluktuuje, nevydává patřičný výkon, není možné tvořit prostředí pro inovace tlak na zvyšování mezd z vnějšího prostředí ◦ Nižší obraty, ale i vyšší náklady a i ztráty nezájem práce ve směnném provozu • **Výrazná nerovnost v celkovém výdělku mezi muži a ženami** • **Předpoklad zásadního poklesu pracovní síly v EU do 2040** • Riziko ztráty konkurence schopnosti v mzdové politice
Příležitosti	• Přiměřená mzda • Pracovní doba	• Atraktivní zaměstnavatel pro pozice, na které se složitě shánějí schopní zaměstnanci • Správně rozložená pracovní doba vede k vyšší efektivitě • Zaměstnávání zaměstnanců na zkrácené úvazky či OZP • Vývoj vlastního finálního produktu s vysokou přidanou hodnotou, která nám umožní mzdově konkurovat vyspělým technologicky výrobním společnostem

Sociální informace (Social)

S 1
Vlastní pracovní síla

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

Pracovní podmínky	Materiální dopad nebo riziko	Popis: Aktuální	Popis: Potenciální
Pozitivní dopady	• Kolektivní vyjednávání, včetně podílu pracovníků, na které se vztahuje kolektivní smlouva	• Efektivní kolektivní vyjednávání vede k harmoničtějšímu prostředí ve firmě	
Negativní dopady	• Kolektivní vyjednávání, včetně podílu pracovníků, na které se vztahuje kolektivní smlouva		• Konfliktní prostředí vede k neefektivitě a nekonkurenceschopnosti firmy

Pracovní podmínky	Materiální dopad nebo riziko	Popis: Aktuální	Popis: Potenciální
Rizika	• **Kolektivní vyjednávání, včetně podílu pracovníků, na které se vztahuje kolektivní smlouva**	• **Konfliktní prostředí vede k chybám, nekonkurenceschopnosti a finančním ztrátám**	
Příležitosti	• **Kolektivní vyjednávání, včetně podílu pracovníků, na které se vztahuje kolektivní smlouva**	• **Dobře vedené kolektivní vyjednávání pomáhá předcházet konfliktům, čímž se minimalizují ztráty a naopak umožňuje soustředit se na činnosti, které přinášejí finanční přínos**	

Obr. 26.: S1 impacts and risks (Part 1)

Sociální informace (Social)

S1
Vlastní pracovní síla

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Rovné zacházení a příležitosti pro všechny		**Aktuální**	**Potenciální**
Pozitivní dopady	• Zaměstnávání a začleňování osob se zdravotním postižením	• Prostřednictvím dceřinné společnosti začleňuje OZP - využívá jejich velký potenciál na trhu práce (nevyužívání potenciánu OZP se ztrácí hodnota pro českou společnost)	
Negativní dopady	• **Zaměstnávání a začleňování osob se zdravotním postižením**		• **Nedostatečné využití potenciálu lidí mimojiné způsobuje frustraci lidí v české společnosti.**
Rovné zacházení a příležitosti pro všechny			
Rizika	• Zaměstnávání a začleňování osob se zdravotním postižením	• **Změna legislativy v oblasti zákona o zaměstnanosti - konkrétně § 78a (chráněný trh práce) a zákonu o sociálním podniku**	
Příležitosti	• **Zaměstnávání a začleňování osob se zdravotním postižením**	• **Nemusíme využívat náhradní plnění (mimo skupinu) a netýkají se nás pokuty, protože zaměstnáváme osoby OZP**	

Rovné zacházení a příležitosti pro všechny		**Aktuální**	**Potenciální**
Pozitivní dopady	• Vzdělávání a rozvoj dovedností	• B&L má interní akademii (měkké i odborné / technické dovednosti) • Spolupráce s univerzitami a SŠ • **Podpora vzdělávání**	
Negativní dopady	• **Vzdělávání a rozvoj dovedností**		• **Nekvalitní / nedostatečně kvalifikovaný zaměstnanec**
Rovné zacházení a příležitosti pro všechny			
Rizika	• Vzdělávání a rozvoj dovedností	• **Nekvalitní zaměstnanci jsou pro firmu nákladní, sice se může ušetřit na mzdách, ale vznikají např. chyby ve výrobě**	
Příležitosti	• Vzdělávání a rozvoj dovedností	• Kumulace schopných lidí vytváří prostředí pro inovace a firma umí čelit výzvám nové doby • Neustálá práce na prostředí ve firmě a firemní kultuře	

	Materiální dopad nebo riziko	Popis	
Rovné zacházení a příležitosti pro všechny		**Aktuální**	**Potenciální**
Pozitivní dopady	• Rozmanitost (Diverzita)	• Firemní prostředí diverzity může být vhodné pro pro inovace - rozmanitost podporuje kreativitu • Základní hodnota firmy, každý kdo chce pracovat může pracovat • **Diverzní a kreativní prostředí vytváří pro firmu velkou hodnotu**	
Negativní dopady	• **Rozmanitost (Diverzita)**	• **Homogenní firma může zaostávat a stát se nekonkurenceschopnou.**	
Rovné zacházení a příležitosti pro všechny			
Rizika	• Rozmanitost (Diverzita)	• **Nízká míra diverzity ve firmě, zejména z hlediska zastoupení mužů a žen, souvisí s charakterem práce ve slévárně** • **Nižší zaměstnanost žen oproti mužům v ČR**	

Obr. 27.: S1 impacts and risks (Part 2)

9.2 S4 Consumers and end-users

For several generations, we have developed our technical know-how and combined a broad range of technologies under one roof to simplify and accelerate our customers' journey from an idea to serial production. We offer comprehensive services from design, prototyping, topology and material optimisation, through tool design and manufacture, to series deliveries of zinc-alloy and aluminium-alloy products and plastic mouldings.

We process various non-ferrous-metal alloys and a broad range of plastics using technologies that enable us to manufacture demanding parts weighing from 1 g to 20 kg. Metal 3D printing additionally enables us to tailor products to customers' actual needs and achieve savings in both weight and volume.

Technical support and material safety: In cooperation with customers' developers, we design casting and moulding solutions that best meet product requirements. Our design proposals are supported by mould-filling and solidification simulations (MAGMA) and finite-element analysis (FEA). This material and topology optimisation reduces development costs and time to market.

For our typical customers in the automotive, transport and electrical-engineering sectors, material safety is now an absolute necessity.

- Chemical compliance: We guarantee that our products meet all REACH and RoHS requirements.
- Origin transparency: At customers' request, we provide declarations confirming that products do not contain hazardous substances and actively work with mineral-origin reporting under RMI EMRT standards. This provides partners with the evidence they require for their own certification systems and reporting.
- Trust and digital security: We provide our customers with a trusted environment based on the protection of intellectual property and data. Non-disclosure agreements (NDAs) and protection against data leakage integrated into our risk-management system (IMS) are standard. We regularly back up data, use advanced antivirus systems and train employees in cybersecurity, including rules for working from home.

Customer communication is managed through our CRM system, enabling us to evaluate satisfaction efficiently and resolve all comments and complaints. Our objective remains to provide not only technical excellence but also assurance that every part leaving our gates is safe, ethical and fully compliant with international standards.

The most important areas we manage in relation to customers are:

9.2.1 Quality of our products

- We achieve positive quality results:
  - Number of customer incidents
  - CC / SC characteristics = 0 complaints
  - Field incidents = 0 incidents per month / 0 complaints
  - 0-km incidents = 0 incidents per month / 0 complaints
- Maximum number of complaints closed after the deadline ≤ 0 complaints

- Increase awareness throughout the Company using the BINGO application, a knowledge game covering not only quality but also general awareness of processes across the Company.
- We diversify technological processes and materials, enabling us to serve a broader customer portfolio.
- We obtain the certificates required by customers for their specific applications.
- We comply with IATF and ISO standards across our full portfolio, including where customers do not require it.
- We invest in sustainable technologies not only to meet customers' quality requirements but also to achieve higher productivity and efficiency, which in turn improves overall sustainability.

9.2.2 Supply reliability

- We monitor the timeliness of deliveries from our own suppliers and thereby support reliable fulfilment of our customer orders. Objectives are measured and periodically evaluated internally.
- We can serve customers with differing requirements for order size and annual delivery volumes, from 100 units to millions of units.

9.2.3 Protection and security of sensitive data

The Company considers data protection, information security and privacy to be key areas of responsible management. The security of information systems and the protection of personal and business data are integral to our corporate culture and operating standards. We continuously assess current security threats and adapt our measures accordingly. In the future, we are considering extending the security framework through formal ISO 27001 certification, which would further strengthen customer and business-partner confidence in data protection.

- Our objective is zero security incidents leading to data leakage and 100% effective protection.
- Measurable criteria are the number of security incidents and the number of customer privacy complaints, with a target value of zero occurrences.

Our data-security approach is managed through centralised identity management (Active Directory) with multi-factor authentication (MFA). Permissions are assigned according to the principle of least privilege based on the employee's job role. Access rights are regularly reviewed and revoked immediately when employment changes or ends.

Physical infrastructure security is ensured by an internally managed server room with restricted physical access. Entry is protected by physical barriers, and access is limited to authorised IT personnel. The server room has appropriate backup power and air conditioning to ensure business continuity.

9.2.4 Personal data protection (GDPR)

Personal data are processed in accordance with the GDPR and applicable European legislation. The Company has appointed a Data Protection Officer (DPO), who oversees the correctness of data processing, records of processing activities and the handling of data-subject requests. We use encryption technologies and multi-factor authentication to protect personal and customer data. To date, no personal-data security incident or inspection by the Czech Office for Personal Data Protection has been recorded.

We routinely use non-disclosure agreements (NDAs) in relationships with customers, suppliers and employees, providing contractual protection for confidential information beyond statutory obligations.

- Our objective is zero incidents in this area.

9.2.5 Technical security measures

The Company applies a multi-layered approach to technical security, including:

- Regular data backups with restoration testing to ensure business continuity
- Encrypted data transmission using VPN and SSL/TLS protocols
- Deployment of antivirus and EDR (Endpoint Detection & Response) solutions on all endpoint devices
- Continuous monitoring of security events through a SIEM system
- Regular employee security training focused on phishing, social engineering and secure data handling

The Company's security capability is regularly verified through customer cybersecurity audits. The results confirm compliance with customer requirements and provide a basis for continuous improvement of security processes. Security aspects are also incorporated into the quality-management system under ISO 9001 and IATF 16949.

- Our objective is to retain ISO 9001 / IATF 16949 certification and successfully complete customer audits.

Sociální informace (Social)

S 4
Zákazníci

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Dopady související s informacemi pro spotřebitele a/nebo koncové uživatele		**Aktuální**	**Potenciální**
Pozitivní dopady	• Ochrana soukromí	• Soukromí chráněno - firma působí důvěryhodně pro obchodní partnery • Aplikováno GDPR dle platné evropské legislativy a běžně používaná smlouva NDA • MFA a šifrování dat jako standard ochrany	• Zvýšit povědomí napříč společností pomocí vzdělávací aplikace BINGO • Rozšíření NDA na celý dodavtelský řetězec
Negativní dopady	• Ochrana soukromí		• Nedůvěryhodná firma, u které není zřejmé, jak se nakládá s citlivými údaji, přestává být dobrým obchodním partnerem.
Dopady související s informacemi pro spotřebitele a/nebo koncové uživatele			
Rizika	• Ochrana soukromí	• Nesplňování požadavků zákazníků a s tím související odliv zákaníků např.: dělení zakázek, nespolehlivost dodávek, dostatečná kvalita výrobků, únik dat v důsledku kybernetického útoku. • Ztráta důvěry zákazníků při bezpečnostím incidentu. • Pokuta za nedodržení GDPR. • Závislost na klíčových IT pracovnících. • Rostoucí cena finálních výrobků v důsledku klimatických opatření může vést k odlivu zákazníků	
Příležitosti	• Ochrana soukromí	• Budování dobrých obchodních vztahů • Získávání zákazníků prostřednictvím referencí, migrace nákupčích, ks kterými máme dobré vztahy • Zisk nového zákazníka díky našemu aktivnímu přístupu k tématu udržitelnosti. • Náš technologický vývoj umožňuje vývoj designu a jeho optimalizaci, a to je konkurenční výhodou. • Diverzita technlogických postupů a materiálů, díky kterým umožňujemr obsoužit větší portfolio zákazníků. • Zákaznické audity v oblasti kyberbezpečnosti a proaktivní komunikace o bezpečnostních opatření. • Získávání certifikátů, které zákazníci požadují.	
Sociální začlenění spotřebitelů a/nebo konečných uživatelů		**Aktuální**	

Pozitivní dopady	• Dostupnost produktů a služeb	• Je dosahováno pozitivních výsledků jakosti:
		• Počet zákaznických incidentů
		  ◦ CC / SC charakteristiky = 0 reklamací
		  ◦ z Pole 0 incidentů / měsíc = 0 reklamací
		  ◦ z 0 km incidentů / měsíc = 0 reklamací
		• Maximální počet reklamací uzavřených po termínu ≤ 0 reklamací
		• Dochází ke 100% plnění plánu produktových auditů.
		• Měření dodavatelské spolehlivosti. Hlídáme včasnost dodávek od vlastních dodavatelů a tím naplňujeme spolehlivost našich zakázek.
		• Dodržování IATF standardů i pro výrobu produktů kde to zákazník nevyžaduje (cele portfolio je dle IATF).
		• Jsme schopni uspokojit zákazníky s různými požadavky na velikost / roční objem dodávek (od 100 ks až po miliony ks).	

Sociální začlenění spotřebitelů a/nebo konečných uživatelů		Potenciální	
Negativní dopady	• Odpovědné marketingové postupy / praktiky	• Neshodná výroba zvyšuje riziko nespokojenosti zákazníků, jelikož může vést k dodání produktů, které neodpovídají deklarovaným specifikacím • Nedochází k plnění limit podílu externí neshodné výroby	

Obr. 28.: S4 impacts and risks

10 Information on Corporate Governance (Governance)

Within the Governance pillar, we explain how our Company is managed. In the area of business conduct, we rely on Czech and international legislation concerning corporate governance and the prevention of corruption and bribery. We have also developed our own Code of Ethics to support fair conduct in the workplace and compliance with applicable legislation.

10.1 Supplier relationship management

Supplier relationships are managed through our Supplier Quality Manual, which requires suppliers to have procedures in place for maintaining and improving environmental protection, emergency plans, resource-security objectives (raw materials, energy and water), pollution prevention and reduction, waste minimisation, reduction of disposable packaging materials and recycling programmes. The Supplier Quality Manual applies to all suppliers of parts and materials entering directly into final products, including packaging suppliers and providers of services that add value to materials or semi-finished products through subcontracting. Its objective is to define and communicate to all BaL suppliers BaL-specific requirements, the requirements of IATF 16949:2016 for quality-assurance systems in the automotive industry and the requirements of ISO 14001:2015 for environmental protection.

Obtaining information relevant to carbon-footprint calculations and overall decarbonisation policy and practice is a very important part of supplier management. We encounter substantial difficulties and often direct misunderstanding. Surprisingly, these problems do not arise only among small entities with limited ability to formulate and administer decarbonisation policy and practice. There are also large multinational corporations whose supplying subsidiaries fail or even refuse to provide the requested information.

Our own policy of transparent disclosure stands in contrast to this phenomenon. We are successful members of several decarbonisation and broader social-responsibility platforms. During FR25, we completed dozens of customer questionnaires, supplied numerous individually requested data relevant to decarbonisation and participated in several webinars on the topic. Every requester received the information sought; the only recurring complication was the absence of data from certain suppliers.

Fundamental rules applied in supplier relationship management:

- Supplier responsibility for quality
- Environmental responsibility
- Social responsibility / Code of Ethics
- Document management and archiving
- Identification and traceability
- Rules for retaining documentation and approved samples

The Supplier Quality Manual also defines rules for onboarding new suppliers and partners. We have a transparent approval process designed to ensure timely deliveries of the required quality. We seek to develop our suppliers and provide them with regular feedback, including information on customer satisfaction and supplier capability.

Supplier due diligence

The Company actively manages geopolitical risks associated with the supply of critical raw materials and components. In response to increasing global restrictions, including restrictions originating in Asian markets, we apply a strategy of diversifying the supplier portfolio. Our objective is to maintain continuity of production even if supplies from high-risk regions are disrupted, thereby protecting delivery stability for our key automotive customers.

As part of supply-chain due diligence, we focus on critical and conflict minerals. In accordance with the OECD Due Diligence Guidance, we verify whether the metallic additives we purchase originate in areas affected by forced labour or armed conflict.

For reporting, we use the international RMI EMRT (Extended Minerals Reporting Template), RMI CMRT (Conflict Minerals Reporting Template) and other similar tools adapted to regional and sector-specific requirements. This provides customers with transparent information on the origin of monitored raw materials and the presence or absence of relevant minerals and substances.

10.2 Financial management

We also manage our finances responsibly in order to maintain good payment discipline towards employees and all business partners. Our remuneration system is performance-based and transparent, with pay determined by each employee's capabilities.

We pay the correct taxes and statutory contributions to the state budget for both employees and the corporation, and repeatedly undergo inspections by public authorities and independent assurance bodies without adverse findings.

We seek to be a trusted partner for all entities in our value chain and therefore maintain strong payment discipline. We consistently settle our liabilities before their due dates. Cash flow is modelled in detail eight weeks ahead so that we can anticipate short-term shortfalls and mismatches between receivables and liabilities and apply timely solutions to cover them. In view of the long-term stability of cash flow, the factoring limit, which had not been used, was reduced during the reporting period.

10.3 Whistleblower protection and employee engagement

As the ratio of men to women of working age in the Czech Republic is almost balanced, we are also proud to have a balanced representation of men and women in Company and plant management.

Employment relations are comprehensively managed by the Human Resources Department, which monitors legislation, amendments and changes in this area. It ensures that these changes are implemented at all plants and workplaces of the Company, both through the managers of individual departments and through the payroll function within the Finance Department.

For more complex employment-law matters, the Human Resources Department cooperates with an external law firm.

Employees who need to report suspected improper procedures or misconduct by supervisors or senior management can use the internal reporting system administered by the designated investigator. Further information on whistleblowing is available on our website, including how whistleblowers are protected and how reported incidents are addressed without delay.

In view of its further development plans, the joint-stock company maintains close relationships with regional labour offices and works with them to identify suitable candidates for vacant positions.

Data point	Metric	FR24	FR25	Comment – supplementary information
Recorded ethics and anti-corruption incidents and training				
Incidents recorded in the whistleblowing system	Number	1	0	The sole incident was duly investigated and closed within the required deadlines.
Number of employees who completed anti-corruption training	Number	55	10	During FR24, Company-wide anti-corruption training was launched. A total of 65 people were trained.
Percentage of employees who completed anti-corruption training	%	18	19	The objective is to train all employees exposed to this risk, approximately 50% of the total workforce.

The identified impacts and risks associated with Corporate Governance are described in greater detail below:

- Corporate culture (a positive corporate culture, strong management loyalty towards employees and whistleblower protection)

In these areas, we have also defined key objectives aimed at reducing the identified impacts and risks:

- Ethical standards and anti-corruption measures: 80% of relevant employees trained in ethics and anti-corruption. Deadline: May 2026
- Respond within five working days to all reports, including voluntary and anonymous reports. Deadline: ongoing
- Ethical standard for communication during audits and generally: 95% of relevant employees and 100% of designated departments trained, with a focus on corporate culture and compliance with the Code of Ethics.

Řízení (Governance)

G1 Řízení

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Firemní chování		**Aktuální**	**Potenciální**
Pozitivní dopady	• Firemní kultura	• **Příznivá firemní kultura (spokojení zaměstnanci i zákazníci,) která je podporovaná např. soutěžemi, dárkami, oceněními zaměstnanců, pravidelným setkáváním aj.** • **Děláme aktivity nad rámec svých povinností a tím podporujeme pozitivní firemní kulturu např. firemní ples, setkání napříč závody, setkávání vedení se zaměstnanci, získávání zpětné vazby, akce pro zájmové skupiny.**	
Negativní dopady	• Firemní kultura		• Nepříznivá firemní kultura má dopad na reputaci a výkon firmy a potažmo na dobré a stabilní obchodní vztahy
Firemní chování			
Rizika	• **Firemní kultura**	• **Změny složení v týmu (např. národnost, starší/mladší generace) může vést k neporozumění, nedodržování firemní kultury aj.**	
Příležitosti	• **Firemní kultura**	• **Silná firemní kultura vytváří užší vazbu se zaměstnanci i s obchodními partnery a vede k vyšší efektivitě a snížení nákladů fluktuace.**	
Firemní chování		**Aktuální**	**Potenciální**
Pozitivní dopady	• Ochrana oznamovatelů	• Oznamovatelé nekalých praktik mají možnost se vyjádřit a jsou ochráněni - posiluje odolnost, transparentnost firmy a její reputaci.	• Reagovat na všechna oznámení včetně nepovinných anonymních
Negativní dopady	• Ochrana oznamovatelů		• Nemožnost oznámit bezpečně nekalé praktiky firmu oslabuje, poškozuje její reputaci a potažmo i její výkon a konkurenceschopnost.
Firemní chování			
Rizika	• **Ochrana oznamovatelů**	• **Zneužití WB kanálu k označení osob, které reálně neprovádějí žádné nekalé praktiky a tím dojde k poškození reputace a nabourání firemní kultury.**	
Firemní chování		**Aktuální**	**Potenciální**
Pozitivní dopady	• **Řízení vztahu s dodavateli**	• **Realizace úhrad před datem splatnosti.**	
Negativní dopady	• **Řízení vztahu s dodavateli**		• **Nepříznivá reputace mezi dodavateli má vliv na naši schopnost zajistit kvalitní obchodní partnery, tedy dodávky vstupů**
Firemní chování			
Rizika	• **Řízení vztahu s dodavateli**	• **Nedodržení platebních podmínek / sjednaných závazků může zhoršit vztahy/důvěru dodavatelů.** • **Příliš časté vyjednávání nebo tendrování s dodavateli může snižovat jejich motivaci ke spolupráci, případně vést k finančnímu vyčerpání, což zvyšuje riziko ztráty stabilní dodavatelské základny.** • **Neodávání dat a podkladů potřebných pro realizaci zakázek ze strany dodavatelů.**	

Obr. 29.: G1 impacts and risks (Part 1)

Řízení (Governance)

G1
Řízení

- Vlastní provoz
- Hodnotový řetězec - upstream
- Hodnotový řetězec - downstream

	Materiální dopad nebo riziko	Popis	
Firemní chování		**Aktuální**	**Potenciální**
Negativní dopady	• Korupce a úplatkářství - Prevence a odhalování, vč. školení		• Riziko korupce nebo úplatkářství
Firemní chování			
Příležitosti	• Korupce a úplatkářství - Prevence a odhalování, vč. školení	• Vzdělávání zaměstnanců v této oblasti vede k posílení firemní kultury, posílení morálních hodnot, a tím i k prevenci nekalých praktik.	

Obr. 30.: G1 impacts and risks (Part 2)