



Sustainability Report 2024



DRIVING ENERGY EFFICIENCY

WWW.ARMACELL.COM



ABOUT US

As the inventor of flexible foam for equipment insulation and a leading provider of engineered foams, we develop innovative thermal, mechanical and acoustic insulation solutions that create added value for our customers – by driving energy efficiency, enhancing human comfort and contributing to a more sustainable world.

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Driving Energy Efficiency

Energy efficiency is an increasingly crucial topic for our planet and all its people. Since day one, Armacell has been driving energy efficiency through energy-saving solutions for technical equipment. By investing in innovative technology and human expertise, we are fuelling progress in energy efficiency.

LETTER FROM THE CEO



LAURENT MUSY



President and CEO
Armacell Group

STRENGTHENING SUSTAINABILITY

In 2024, we continued to make progress on our sustainability journey, particularly in enhancing the way we track and manage our impact on the environment and society. While challenges remain, we are committed to transparency and continuous improvement as we advance on this path. We want to be internally consistent with our company’s purpose of driving our customers’ energy efficiency by supplying them with the best insulation and lightweight solutions.

including an upgraded Environmental, Health and Safety (EHS) Policy, a Global Human Rights Policy and a Global People Handbook. Our employees’ occupational health and safety continue to be of utmost concern to us. Nine of our plants have now surpassed 1,000 days without a lost-time injury and we were most fortunate that the only employee injured in the severe fire at our aerogel plant in Cheonan, South Korea, has now recovered.

to strong motivation and loyalty across the organisation, while our customer survey also shows high levels of satisfaction and trust. To reinforce responsible business practices across the supply chain, we have expanded our supplier self-assessment to include ESG-specific criteria aligned with our standards.

LOOKING AHEAD

We are taking decisive steps to reduce emissions by identifying the right levers for impact from product innovation to energy efficiency. At the same time, we are continuing to strengthen our procedures to improve occupational safety, employee engagement and business ethics. We are closely monitoring evolving legal requirements, including the EU’s CSRD and the Omnibus regulation, to ensure we are ahead of the curve. Our aim is to turn these developments into opportunities for more sustainable growth.

Thank you for your continued interest and support as we move forward on our journey to a more sustainable future in driving energy efficiency.

We are fully committed to developing sustainability-driven solutions and embedding ESG into our business strategy. In recognition of these efforts, our six European plants producing Armacell’s core advanced insulation and PET products achieved EcoVadis Gold or Silver status in 2024. These ratings reflect our strong performance across environmental impact, labour and human rights, ethics and sustainable procurement. The reorganisation of the Executive Management Team included the creation of the new role of Chief Growth and Sustainability Officer to even better embed sustainability into strategy and long-term growth and to actively improve impact across our operations.

REDUCING CARBON EMISSIONS

Accurate emissions tracking is the foundation of any meaningful reduction effort. We have significantly improved the way we monitor Scope 1, 2 and 3 emissions, allowing us to identify key saving opportunities across our value chain. One key strategy for cutting production-related emissions is the reuse of plastic waste. Over the past decade, we have processed well over 4 billion PET bottles in our ArmaPET® production facilities, thus cutting CO₂ emissions by up to 37% compared to using virgin resin.

REINFORCING COMMITMENTS

Our commitments to safety, human rights and ethical business practices remain a cornerstone of our operations. In 2024, we introduced several key policies,

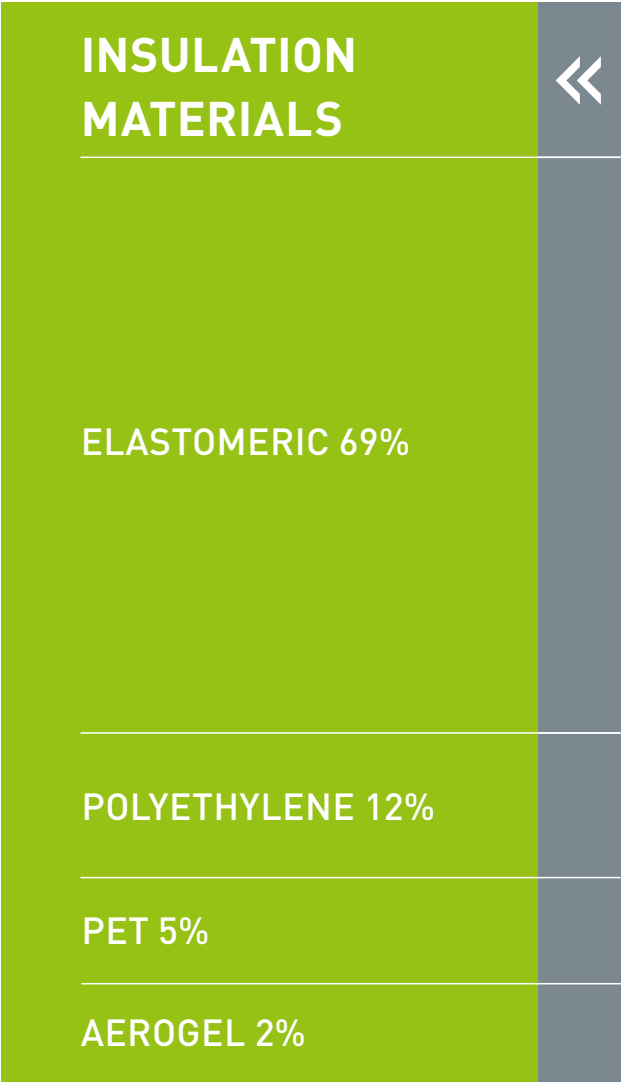
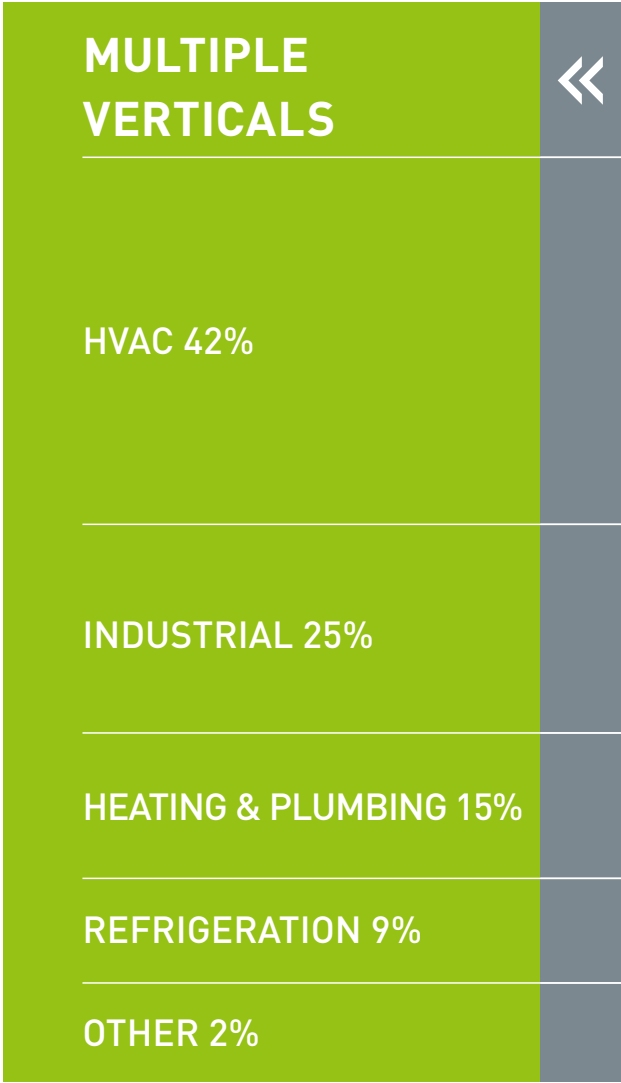
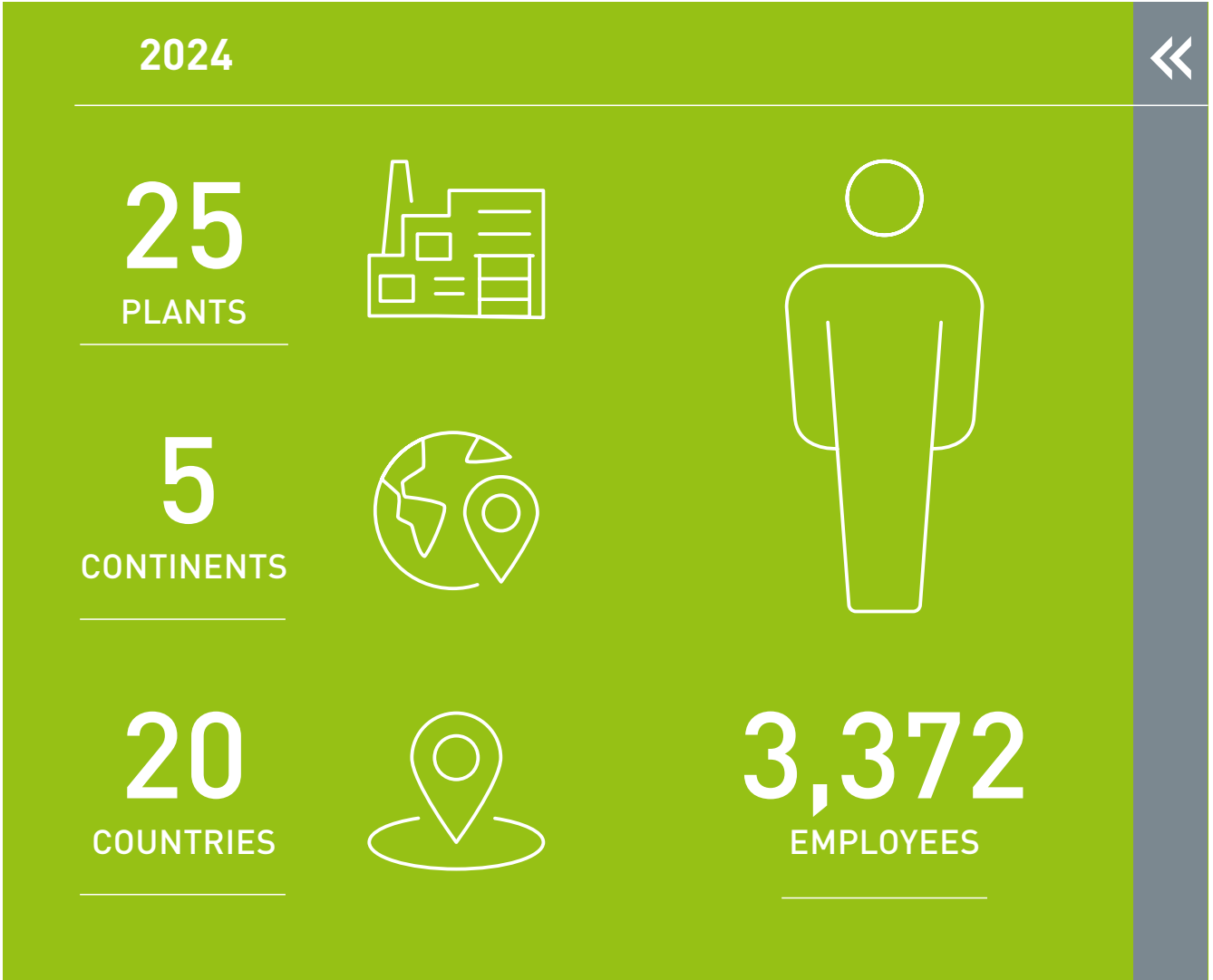
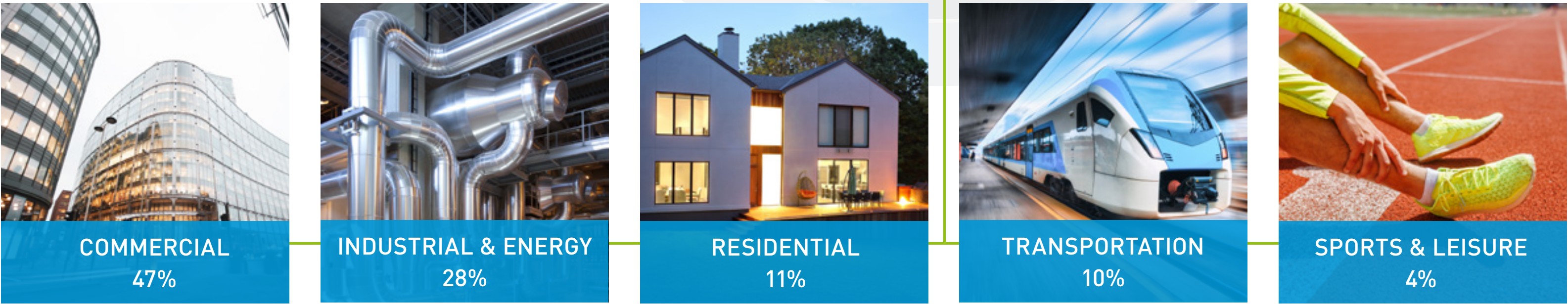
ENGAGING WITH STAKEHOLDERS

Our sustainability journey is supported by the engagement of our people and partners. Our latest employee survey findings once again point

WHO WE ARE

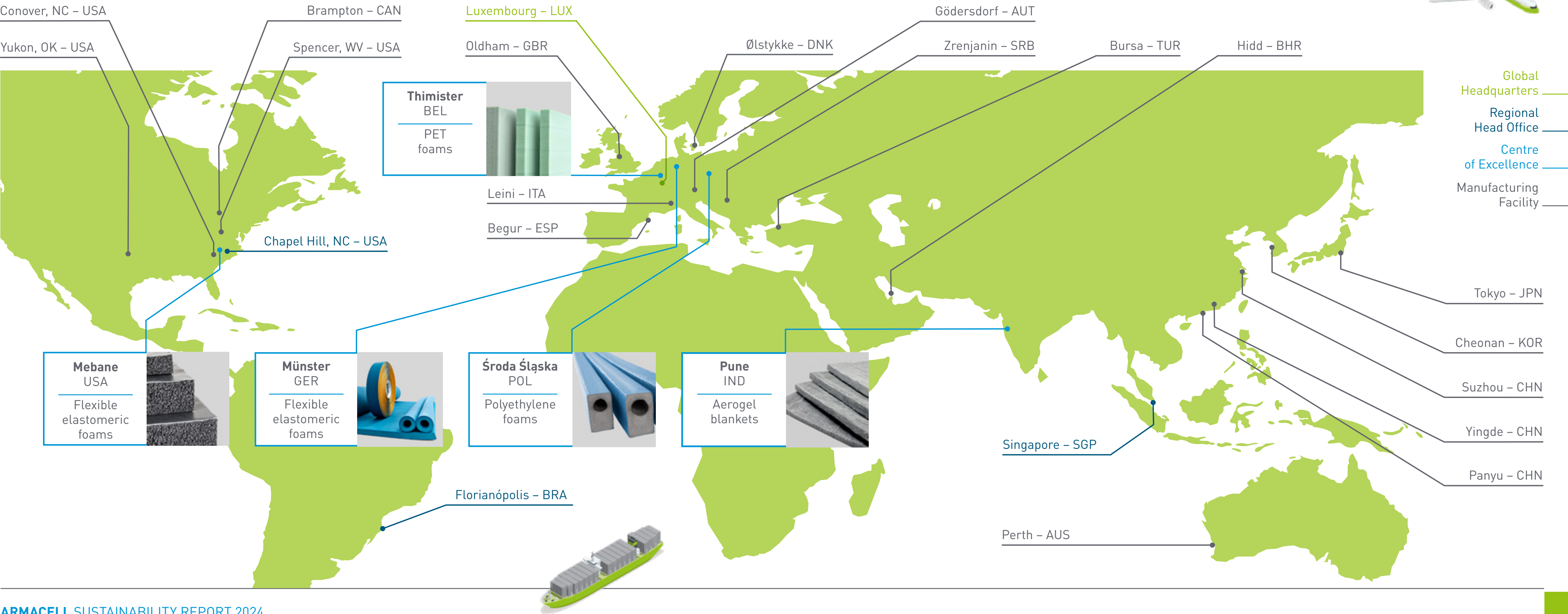


As a multi-material, multi-product company, we strive to drive energy efficiency worldwide. We do this by applying our market-leading expertise and experience to create world-class insulation products and services for technical equipment.



WHERE WE ARE

The close collaboration we cultivate with our customers is made possible through our global presence and strategically located centres of excellence in key regions of the world.



DRIVEN BY MEGATRENDS

Energy savings are a key common denominator in the six global megatrends addressed by our products and solutions.



ENERGY EFFICIENCY

As buildings account for nearly 40% of global energy consumption and technical equipment is the second-most significant source of energy loss worldwide, its effective insulation is crucial for reducing energy consumption and mitigating the devastating effects of climate change.

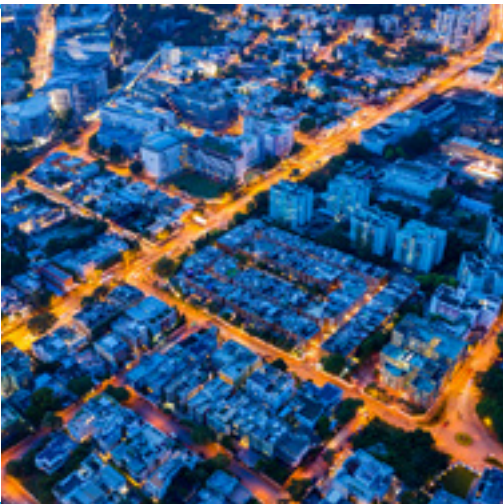


RENEWABLE ENERGIES

By 2026, the low-emission economy will account for 95% of global power capacity growth. But renewables are just as prone to energy losses as fossil fuels are. Effective insulation enhances the efficiency of renewable systems, minimises energy losses and supports sustainable development.

URBANISATION

The urban environment is a critical contributor to global carbon emissions since commercial buildings consume vast amounts of energy. Yet up to 80% of a building’s energy demand could be saved through energy-efficient insulation technologies, which stricter regulations are also demanding.



LIGHTWEIGHTING

A 10% reduction in vehicle weight can result in a 6-8% improvement in fuel economy and thus cut CO₂ emissions. High-performance insulation supports lightweighting in transportation by improving vehicle efficiency and enabling vehicle manufacturers to meet carbon-reduction goals.



ACOUSTIC COMFORT

High-performance noise-and vibration-mitigating insulation in buildings and road or rail vehicles enhances their stability and their occupants’ well-being. Quieter workplaces make employees happier and more effective. Less noisy urban environments are simply more healthy.

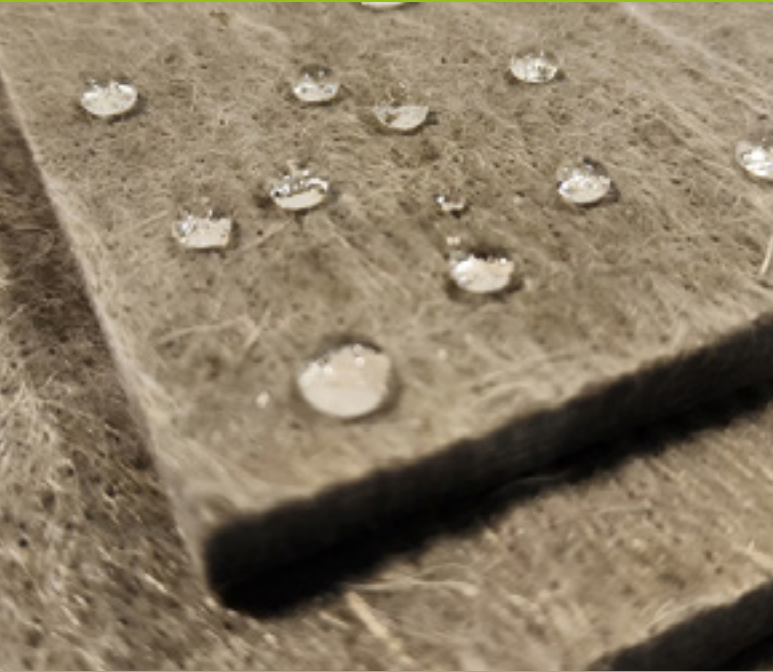


SUSTAINABILITY

Technical insulation is the unsung hero of urban energy efficiency as it lowers a building’s carbon footprint. Our high-performance insulation innovations are opening up new opportunities as building owners and developers increasingly demand energy-efficient, sustainable solutions.

SUSTAINABLE INNOVATIONS

AEROGEL



The latest extension to our aerogel-based insulation blanket portfolio comes with outstanding intrinsic properties such as very low dust release, a unique lambda performance and excellent non-combustibility. Other features can be tailored to specific applications, including hydrophobicity, cryogenic and cold services, passive fire protection and opacification.

ADHESIVE



Water-based ArmaFlex® ECO550 adhesive is an easy-to-use, eco-friendlier solution than solvent-based adhesives. The absence of solvents makes for a safer and healthier working environment. ArmaFlex ECO550 needs only a third of the quantity of conventional adhesives while delivering the same high-quality results in bonding almost all ArmaFlex insulation products.

As noise impacts quality of life and can impair health, acoustic insulation is extremely important in buildings and a wide variety of industries. Our diverse portfolio includes ArmaComfort™ Barrier P with IMO Part 2 and 5 (DNV-MED B&D) and the Euroclass safety standard, and EN45545-compliant ArmaComfort Reflamex for effective sound transmission reduction in rail vehicles.

ACOUSTIC




In line with our commitment to adopting sustainable manufacturing models and using recycled raw materials, we launched the Eco Polyethylene Foam project in Poland to enhance the environmental profile of our ArmaLight™ Tubolit portfolio. The prototype produced contains up to 60% recycled content and the recycled material is sourced from 100 km away to lower transport-related CO₂ emissions.

ECO PEF



FIRE SAFETY



Whereas many elastomeric insulation materials produce lots of smoke in the event of a fire, our patented ArmaPrene™ technology sets the highest safety standards with fire class B_L-s1,d0. ArmaFlex Ultima® with ArmaPrene generates ten times less smoke than standard products to enhance fire safety to protect lives and assets.

BEYOND COMPLIANCE

Customers benefit from our commitment to going beyond compliance.

ECOVADIS HONOURS

All six plants producing our core advanced insulation and PET products in **Belgium, Germany, Italy, Poland, Spain and the UK** were awarded EcoVadis Gold (top 5%) or Silver (top 15%) medals in 2024. The globally recognised EcoVadis sustainability ratings cover four key areas:

- » **Environment:** Managing environmental impact
- » **Labour and Human Rights:** Supporting fair and safe working conditions
- » **Ethics:** Ensuring ethical and transparent business practices
- » **Sustainable Procurement:** Sourcing materials responsibly

The Gold and Silver medals our plants earned underscore our dedication to upholding the highest standards in environmental, social and governance practices across our operations. They also strengthen our reputation as a trusted partner in a dynamically evolving world where responsible business practices and sustainable supply chains enjoy a higher priority than ever before.

LOOKING AHEAD

While celebrating these achievements, we remain determined to strengthen our impact on environmental, social and governance (ESG) topics. Our goals include expanding our sustainability initiatives, refining and aligning our ESG reporting, and deepening our collaboration with customers and business partners.



MATERIAL SUSTAINABILITY TOPICS

BUILDING ON OUR FOUNDATIONS



In line with our approach in previous years, we continued to apply the 2021 GRI Standards, SASB and evolving CSRD frameworks in our 2024 Sustainability Report.

To stay ahead of regulatory developments and, more importantly, to ensure that our sustainability priorities remain meaningful and actionable, we completed a revised double materiality assessment (DMA) in 2024. This assessment delved deeper into the impacts, risks and opportunities (IROs) across our sustainability matters.

Our refined approach confirmed our focus on the topics where Armacell can create the most value and minimise harm. Our efforts continue to centre around the material areas of commitment supported by clear targets, performance indicators and the integration of ESG factors into our daily operations.

STAKEHOLDER ENGAGEMENT



OUR ASSESSMENT FOLLOWED CSRD/ESRS GUIDELINES AND AFFIRMS STAKEHOLDER ENGAGEMENT WITH:

- » Internal topic owners
- » External value-chain partners
- » Investors

We mapped high-level topics and evaluated them using both impact (inside-out) and financial (outside-in) lenses. In line with ESRS, IROs above materiality thresholds were retained and consolidated under strategic themes. Those below the thresholds were noted for internal follow-up and ongoing observation.

DOUBLE MATERIAL TOPICS



THE ASSESSMENT SHOWS THE IMPORTANT RISKS, IMPACTS AND OPPORTUNITIES FOR ARMACELL, WHICH WE CONSOLIDATE UNDER SEVEN CORE MATERIAL TOPICS:

- » Climate Change
- » Pollution
- » Resource Use & Circular Economy
- » Own Workforce
- » Workers In The Value Chain
- » Consumers & End-Users
- » Business Conduct

While other topics were deemed non-material in this assessment, we continue to monitor them and may expand disclosures in due course, particularly where we identify room to create long-term value or mitigate potential harm.



LOOKING AHEAD

As regulatory expectations continue to evolve, we remain committed to aligning our ESG practices and reporting processes with upcoming CSRD requirements. Our goal, however, goes beyond compliance. We see these frameworks as a catalyst to drive meaningful change, anchoring sustainability more deeply into our business and enabling transparency with our stakeholders. In the coming year, we will therefore:

- » Strengthen our preparedness for formal CSRD reporting, with particular attention to the implementation timelines outlined in the EU Omnibus proposal.
- » Close identified disclosure gaps to ensure completeness, comparability and audit-readiness across material topics.
- » Continue enhancing internal systems and processes to support consistent data collection, validation and reporting across all sustainability dimensions.
- » Maintain and deepen our stakeholder engagement process to ensure our materiality assessments remain relevant and up to date.

By embedding sustainability into how we operate and how we grow, we are positioning Armacell to meet future regulatory requirements in a way that supports real-world impact, employee engagement and long-term value creation.

KEY TERMS AND ACRONYMS

- » ESG - Environmental, Social and Governance
- » GRI - Global Reporting Initiative
- » SASB - Sustainability Accounting Standards Board
- » CSRD - Corporate Sustainability Reporting Directive

- » ESRS - European Sustainability Reporting Standards
- » DMA - Double Materiality Assessment
- » IRO - Impact, Risk and Opportunity
- » Omnibus - EU Sustainability Rules Simplification Package (February 2025)



People

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PRIORITISING PEOPLE

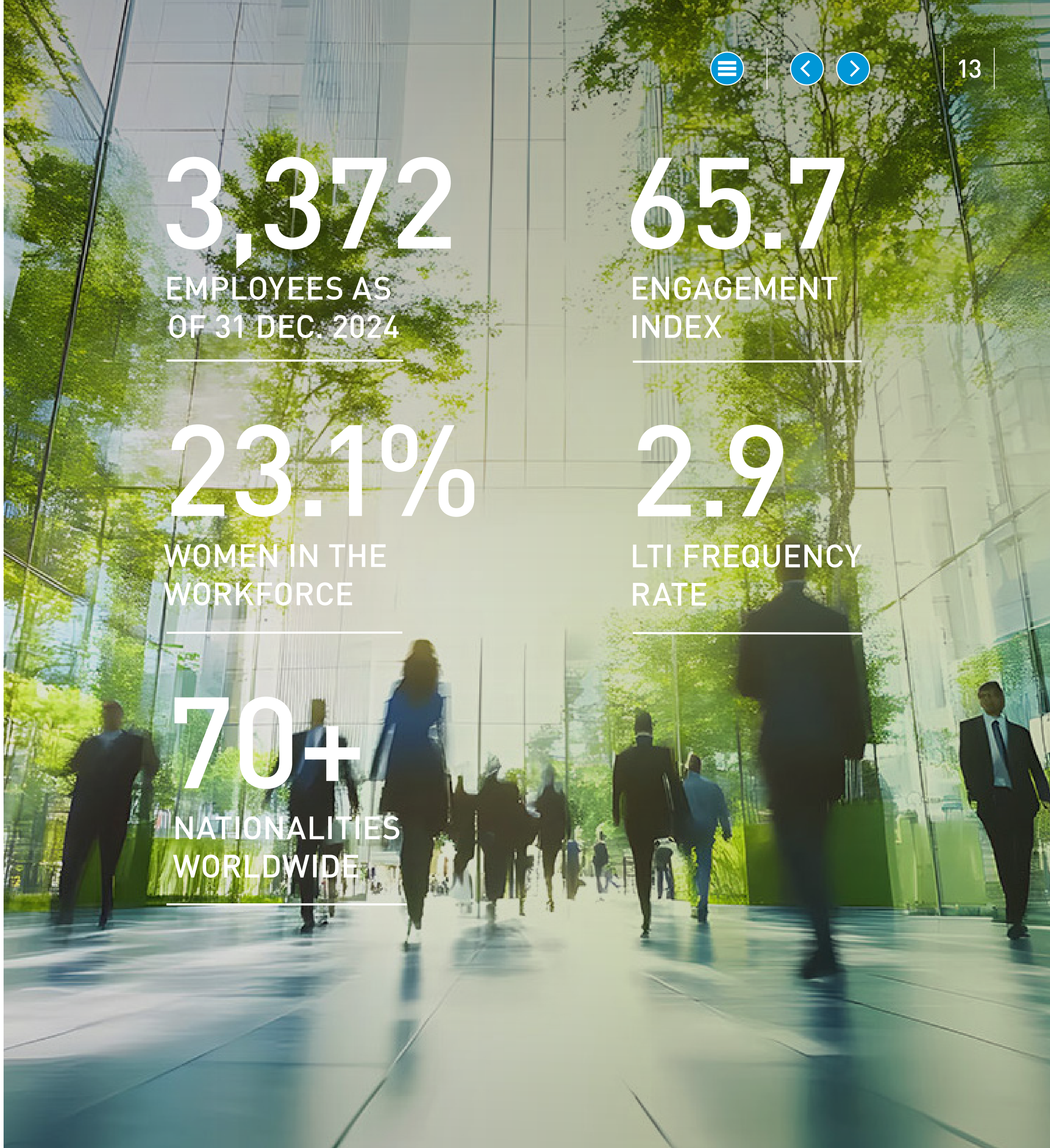


SOPHIE ANCELIN »

Chief Human
Resources Officer

Armacell's culture is based on openness, dialogue and collaboration. This forms the foundation of the company's success and reflects our responsibility to our employees.

We strive to create a safe and supportive work environment by following best practices, continuously seeking innovative occupational health and safety solutions and placing great emphasis on job-related training and career development opportunities. We transparently report our data because we believe that accountability and ongoing progress are key to improving workplace conditions. The information we collect serves as both a guideline and an inspiration, helping us implement more effective solutions to improve work safety and enhance employee well-being.



SAFETY AT WORK

AIM: ZERO ACCIDENTS
KPI: LOST-TIME INJURIES FREQUENCY RATE (LTIFR)
2024 ACHIEVEMENT: 2.9
2025 TARGET: 2.4

As an integral part of the Group’s people strategy, ensuring workplace safety is a top priority at Armacell. Hence, we revised our safety procedures and guidelines to establish the highest standards for the entire Group and ensure compliance with international safety requirements. These procedures and guidelines provide a framework for identifying, assessing and mitigating potential safety impacts and ensuring responsible employee management.

SAFETY AWARENESS AND TRAINING

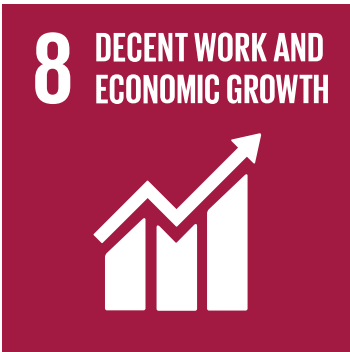
Our Safety First programme reflects Armacell’s unwavering commitment to minimising risks, preventing accidents and fostering a culture of safety across all our operations. Here, the focus is on proactive risk identification, enhanced employee awareness and preventive measures to strengthen the mindset that safety is a shared responsibility.

As of 2025, the staff at our corporate and regional head offices are also taking part in safety training courses. Moreover, all new employees are given specific safety information and training as part of their onboarding process. External employees and contractors are also provided with relevant safety instructions and guidelines.



The vast majority of Armacell’s 3,372 employees have received safety training of a general nature and we also regularly provide job-specific safety training.*

* Including 67 (2.0%) non-permanent employees



GLOBAL SAFETY DAYS

Global Safety Days are organised annually in all our manufacturing plants to promote a culture of safety, allow production teams to revisit safety protocols and attend several hours of training and practical sessions. In 2024, the events revolved around exploring the impacts of climate change on occupational health and safety. The importance of awareness and team collaboration was highlighted as a key factor in ensuring a safe workplace and production teams focused on unsafe acts, which account for over 90% of safety incidents at Armacell.

PROMOTING A ZERO-ACCIDENT MINDSET

We continue to work towards our goal of zero accidents. To this end, we undertake measures to identify potential hazards, carry out specific risk assessments, mitigate risks wherever possible and, in particular, raise employee awareness of these risks. While health and safety are a collective responsibility across the Group, at plant level the highest occupational safety and health (OHS) standards are upheld and systematically implemented by the plant manager and supported by the local health and safety manager. It is also their responsibility to carefully monitor and prepare comprehensive reports if an accident happens.

The need to level up OHS standards at newly acquired plants and production-related rearrangements are mainly responsible for the increased 2024 LTI rate in the chart on the right. As a result of this unsatisfactory trend, we are pursuing additional initiatives to improve OHS standards at all our plants.

MILESTONES AND INCIDENTS

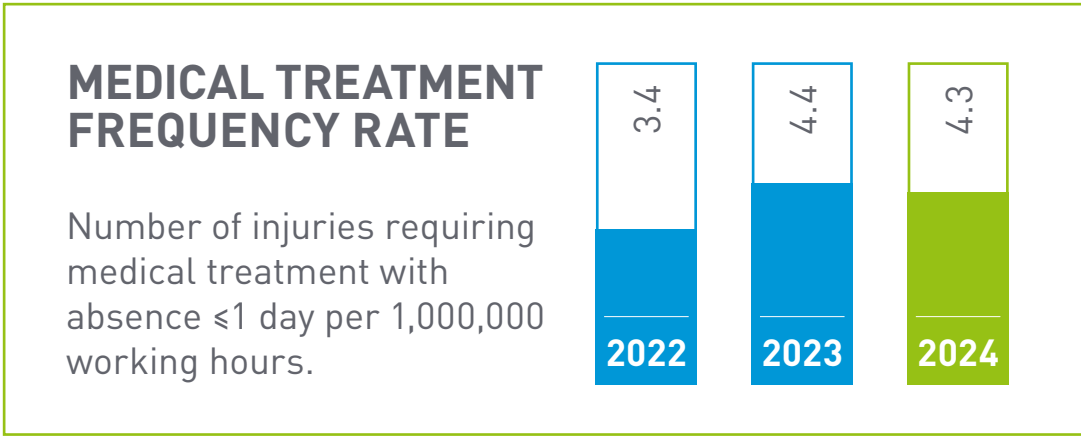
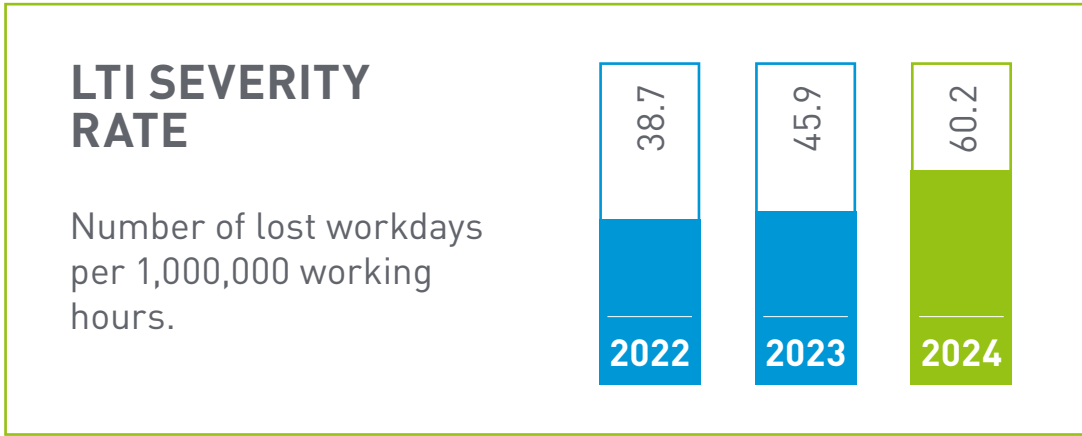
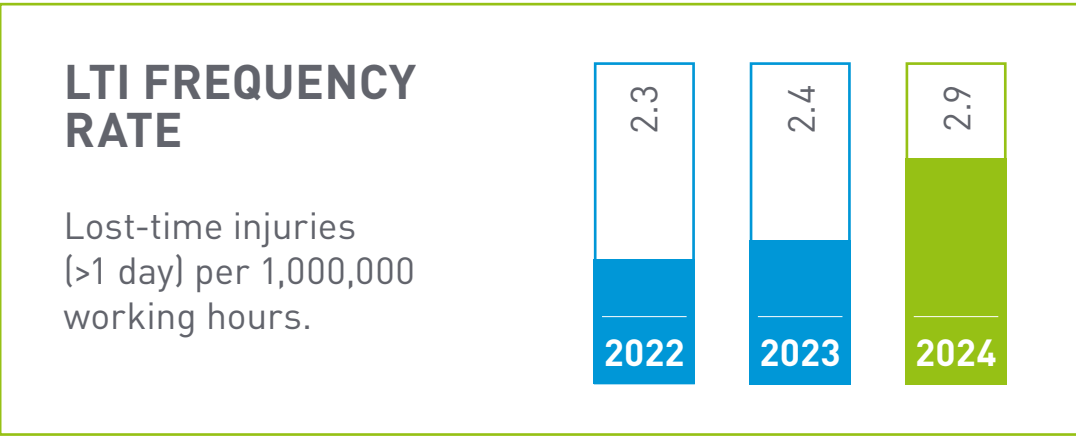
At the end of 2024, nine Armacell plants had recorded more than 1,000 days without lost-time injuries (LTIs):

- » Brampton - CAN
- » Bursa - TUR
- » Conover, NC - USA
- » Hidd - BHR
- » Pune - IND
- » Spencer, WV - USA
- » Suzhou - CHN
- » Yingde - CHN
- » Yukon, OK - USA

The Armacell plant in Panyu, China, was honoured with the city’s Safety Production Management Award.

CHEONAN INCIDENT

The only employee injured in the severe fire that destroyed our aerogel plant in Cheonan, South Korea, in September 2024 has thankfully recovered. Instead of rebuilding that plant, we have focused on accelerating the development of our proprietary ArmaGel® XG product line at the newly constructed facility in Pune.



WORLD-CLASS ARMACELL MINDSET (WAM)

One of the focal points of our **WAM Excellence Programme** is a proactive approach to health and safety management. This means ensuring all employees are aware of potential risks and can actively contribute to a safer work environment. In line with our commitment to zero harm, workplace responsibility and operational excellence, we promote continuous improvement by implementing structured safety protocols, regular training and standardised best practices at all our manufacturing sites. Our strong safety culture encourages employees to identify hazards, report OHS concerns, participate in safety initiatives and make safety a shared value across the Group.

The **WAM Safety Pillar**, which is aligned with international standards and ISO requirements, is implemented across 19 Armacell manufacturing plants to ensure a consistent approach to workplace safety.

The health and safety management systems at six Armacell plants – four in APAC and two in EMEA – are certified to the **ISO 45001** standard to ensure compliance with global best practices in workplace safety.



DIVERSITY & PEOPLE DEVELOPMENT

LOCAL EXPERTISE, GLOBAL IMPACT

As a global company with a strong local focus, Armacell strives to hire local employees and management staff, which contributes to the local economy and social fabric. Moreover, by strengthening the company’s presence in local markets and enabling a better understanding of local needs, this personnel strategy is also good for business.

The fact that as of 31 December 2024, 3,372 employees representing over 70 nationalities were working for the Armacell Group in 41 countries across five continents underlines how globally diverse our company is.*

* Including 67 (2.0%) non-permanent employees





BENEFITING FROM DIVERSITY AND EQUALITY

Armacell fully appreciates the advantages of a diverse workforce. They include a broader selection of qualified job applicants, higher levels of identification with the company and differing perspectives on customers and our targeted markets. Irrespective of gender, social or ethnic origin, sexual orientation, religion, ideology or age, we make every effort to develop our employees’ talents and further their skills. Moreover, we do all we can to cultivate a work climate of mutual respect and trust to ensure diversity is lived out in practice. At Armacell, valuing diversity goes hand in hand with fostering a culture of openness and trust, which helps to create a safe and inclusive work environment.

At the end of 2024, 23.1% of our global workforce and 23.6% of our managers were women (2023: 22.2% in both cases). At year-end, women made up 14.7% of our senior leadership (2023: 15.8%) and 20% at board level (unchanged from 2023). Moreover, we value an age-diverse workforce because it enables collaborative knowledge-sharing and fosters a profitable talent pipeline for our company’s long-term success. 19.2% of Armacell’s employees are under 30 and 22.2% are over 50. On average, employees stay with the company for 8.5 years. The employee turnover rate (voluntary and involuntary leavers) was 20.5% in 2024, down from 22.9% in 2023.

Disability data are only partially available at a Group level, since in most of the countries where Armacell operates, employees are not required to volunteer such information. Nevertheless, we seek to reasonably accommodate any employees who report disabilities and are committed to offering a decent working environment that allows them to perform their work-related tasks.



TALENT OPTIMISATION

Armacell employees around the world have access to personalised development programmes geared towards local employment conditions, specific work requirements and individual career aspirations. Armacell firmly believes in internal mobility as an opportunity for an employee’s individual development. Employees are therefore encouraged to apply internally to continue developing their career and skills set.

Talent optimisation takes place through the people management system Workday, which enables talent management, compensation and recruitment to be monitored and ensures equal access to training and career development for all employees. A significant addition to our training programme in 2024 was the launch of an e-learning platform with an initial focus on legal and compliance issues. Through participation in these online courses, employees were able to refresh their knowledge of data protection, anti-bribery and anti-corruption rules as well as the Armacell Code of Conduct.

In all, an average of 19.2 hours of training per employee were conducted in 2024 (2023: 14.4 hours). By investing in the development of our workforce, we are creating an even more dynamic and future-oriented work environment.

EMPLOYEE ENGAGEMENT & SATISFACTION

AIM: INCREASE PEOPLE ENGAGEMENT
KPI: EMPLOYEE ENGAGEMENT INDEX
2024 ACHIEVEMENT: 66%
2025 TARGET: 68%

GLOBAL EMPLOYEE SURVEY

The findings from the latest global employee pulse survey indicate the progress we have made. The 65.7% engagement index, which measures attitudes and behaviours that define engaged employees, was 1.3 percentage points higher than in the full 2024 survey. The replies to questions about respect, feeling safe at work, communications from senior leadership and confidence in the future were also more positive. These encouraging results point to the fact that Armacell is pursuing the right course in people matters.

ARMACELL'S FEEDBACK CULTURE

Regular performance reviews form the foundation of the career development strategies for our employees. Besides providing evidence of good and effective management practice, the annual feedback process for office staff and production workers helps strengthen our employees' identification with and engagement for the company. Once a year, every employee has a dedicated development discussion with their supervisor in which their overall performance and career goals are reviewed. This exchange is also a good opportunity to reflect on internal mobility opportunities, career development openings or flexible working. In 2024, the coverage rate (including plant workers) reached 98% (2023: 98%).

STRONG LABOUR RELATIONS

Labour relations worldwide are guided by country-specific regulations and traditions. We uphold collective agreements in several countries (e.g. in Germany and Spain) and employees are free to join a trade union or other representative bodies across countries according to applicable regulations (e.g. trade unions in Brazil and China). This approach demonstrates our commitment to fostering strong labour relations and supporting the well-being and professional growth of our employees globally.



ARMAWAY AWARDS

As well as being a token of our appreciation for our employees’ commitment and inventiveness, the ArmaWay Awards further our employees’ engagement for ongoing improvement. The underlying idea is that our employees are the experts in their specific field and therefore best placed to drive innovation and improve performance.

WE DISTINGUISH BETWEEN FOUR CATEGORIES:

- » **APPRECIATE OUR CUSTOMERS** – living a particularly open, appreciative and solution-orientated attitude.
- » **RAISE OUR EFFICIENCY** – improving the performance and quality of our products and services.
- » **MANAGE OUR CASH** – keeping an eye on the business fundamentals in all optimisation processes.
- » **ACT TO EMPOWER OUR EMPLOYEES** – improving everyone’s skills to work better, not harder.

FOR THE 11TH EDITION OF OUR ARMAWAY AWARDS IN 2024, WE RECEIVED 83 PROJECT APPLICATIONS IN ALL FOUR CATEGORIES. THE WINNING PROJECTS WERE:

» APPRECIATE THE CUSTOMER

ArmaGel XG fast-track approvals: The global Energy, Innovation and Marketing teams worked extremely hard to secure fast-track approvals from energy majors for ArmaGel® XG.

» RAISE OUR EFFICIENCY

Yukon CF production improvement: Qualifying new suppliers, optimising recipes, training workers and refurbishing equipment enhanced production efficiency, quality and stability.

» MANAGE OUR CASH

Rebate administration: The North American Region reorganised the Rebate Administration department to deliver better customer and internal experiences.

» ACT TO EMPOWER OUR EMPLOYEES

ArmaFit – a step towards healthy living: The ArmaFit wellness initiative is improving employee health, happiness and productivity at Armacell India.



WELL-BEING & WORKLIFE

Armacell employees are the company’s most valuable asset. Hence, their well-being and a healthy and safe working environment are Armacell’s top priorities.



STRENGTHENING TEAM SPIRIT

The Global Armacell Day is an annual opportunity to bring Armacell’s global workforce together, support local projects and learn more about how the company is contributing to a future worth living. The 2024 Global Armacell Day embraced the theme “From Strong Roots to New Heights” in a vibrant celebration across all regions and sites. Colleagues worldwide engaged in a variety of activities focused on sustainability, ecology and honouring the company’s rich history and dynamic culture. The global Armacell family spent a day filled with diverse activities ranging from tree-planting initiatives and eco-friendly workshops to helping local communities and events that fostered camaraderie and team spirit. *In Brampton, Canada, for example, the staff celebrated their safety culture of seven years without lost-time injuries and strong roots in the local community, while some enjoyed a round of golf together.*

ARMAFIT – STEPS TOWARDS HEALTHY LIVING

The ArmaFit wellness initiative aims to promote a health and wellness culture within the company and encourage employees to actively participate in activities that enhance their physical and mental health. The activities on offer include yoga, a corporate wellness platform and sports such as cricket, half-marathons or jogging. Originally launched at the Pune plant, ArmaFit has now been extended to sites in other countries such as Brazil and China where similar activities are in place. Results from Armacell’s annual employee survey confirm constant progress in this field and provide valuable feedback on new local wellness programmes.

FLEXITIME AND HOME WORKING

Armacell understands the importance of enabling a healthy work-life balance through employee-friendly working schedules. Wherever permitted by a specific role, Armacell makes flexible working arrangements possible to help employees organise their work and private lives on a daily basis. To enable a healthy work-life balance, employees are entitled to take an occasional day or half-day to work from home, while hybrid working schemes give full-time employees the chance to work up to four days a week at their Armacell workplace and one day at home.

Planet

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ESRS TOPIC - E1, CLIMATE CHANGE


ESRS TOPIC - E2, POLLUTION

ESRS TOPIC - E5, RESOURCE USE & CIRCULAR ECONOMY

ESRS TOPIC - S4, CONSUMERS & END USERS

PROTECTING THE PLANET



MARC CANGELOSI >> 
Chief Growth
& Sustainability Officer

At Armacell, we are committed to driving energy efficiency by lowering our carbon footprint, advancing energy efficiency and responsibly managing natural resources.

We prioritise the use of low-carbon and recycled materials, embrace circular economy practices and innovate to reduce emissions and waste throughout our operations and products. Through transparent environmental assessments, verified product declarations and active support of green building certifications, we empower our customers to meet sustainability goals. Together, these efforts contribute to a more sustainable built environment and align with our vision of fostering climate protection and resource stewardship for a resilient future.

2.2%
LESS CO₂ EMISSIONS
(SCOPES 1, 2 & 3)

68%
WASTE RECYCLED
& RECOVERED

20%
RENEWABLE
ENERGY USED

40%
PRODUCTS
WITH EPDs

4bn
RE-USED
PET BOTTLES



LOWERING OUR CARBON FOOTPRINT

AIM: REDUCE GREENHOUSE GAS (GHG) EMISSIONS
KPI: PRODUCTION-RELATED GHG EMISSIONS (CO₂e)
2024 ACHIEVEMENT: -7%
2025 TARGET: -4%

We work to optimise our carbon footprint by deploying our innovative technologies to increase the range of low-carbon and alternative materials used in our manufacturing processes.

Wherever possible, we favour recyclables in our PET and polyethylene (PE) production, prioritise PVC-free products and embrace the use of recycled materials in our flexible elastomeric foam (FEF) lines.

By using recycled PET flakes, our ArmaPET® Struct manufacturing process generates 37% fewer CO₂ emissions than similar processes using a virgin PET raw material base.



EMISSION CALCULATION METHODOLOGY

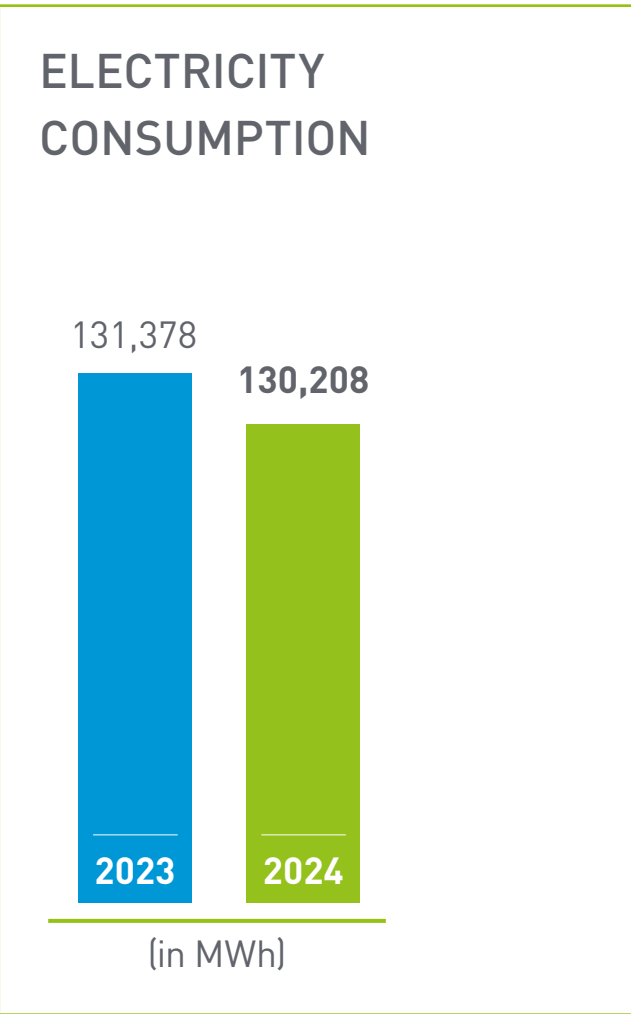
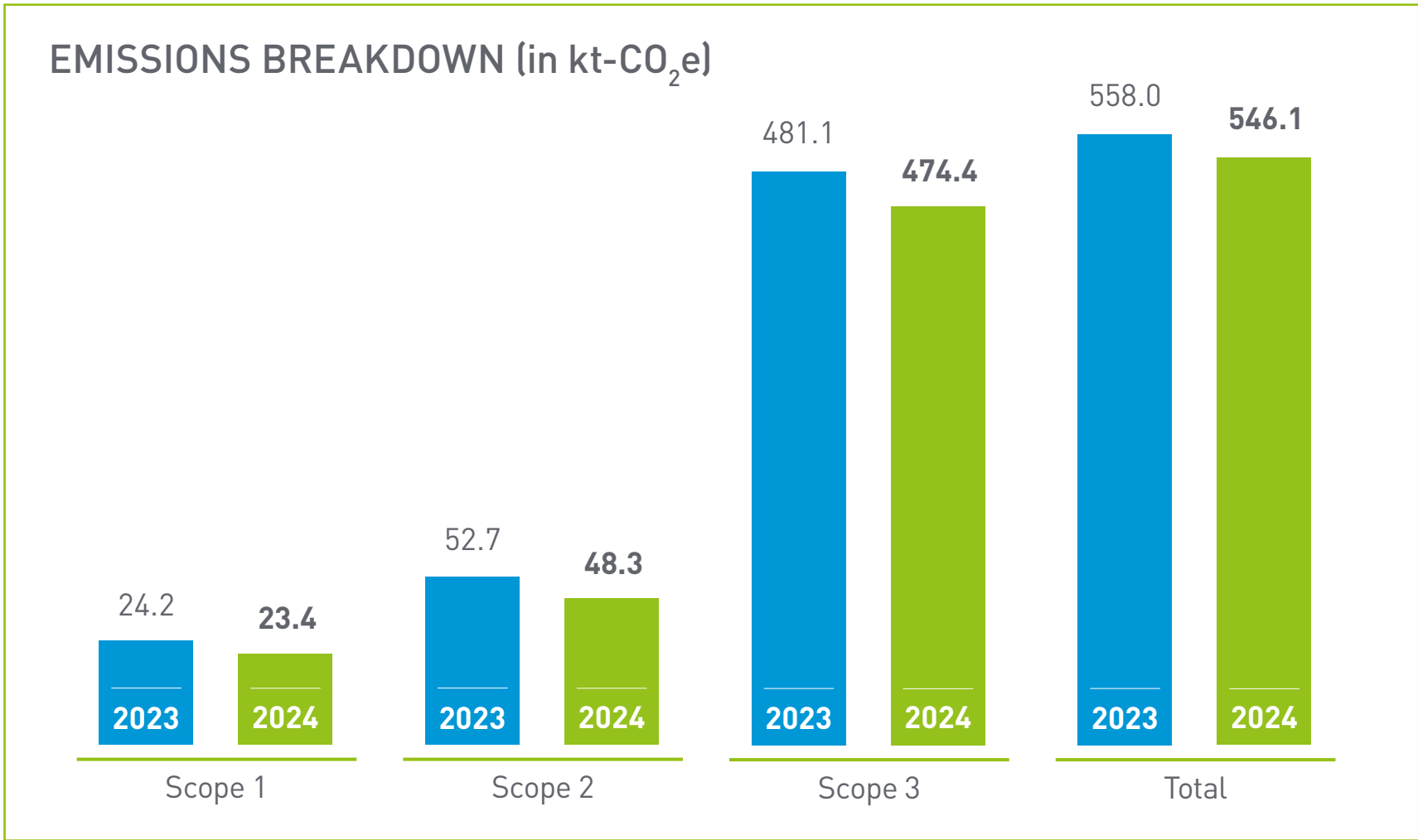
To calculate our direct and indirect greenhouse gas (GHG) emissions, we follow the methodology set out in the Greenhouse Gas Protocol. This globally recognised standard enables us to apply a consistent and transparent approach to carbon accounting and reporting.

WE REPORT EMISSIONS ACROSS ALL THREE SCOPES:

- » **Scope 1:** Direct GHG emissions from sources we own or control, primarily from our manufacturing operations.
- » **Scope 2:** Indirect GHG emissions from the generation of purchased electricity, heat or steam. We calculate and report Scope 2 emissions using both the market-based and location-based approaches to provide a comprehensive view of our energy-related footprint.
- » **Scope 3:** All other indirect emissions that occur across our value chain, including upstream and downstream activities.

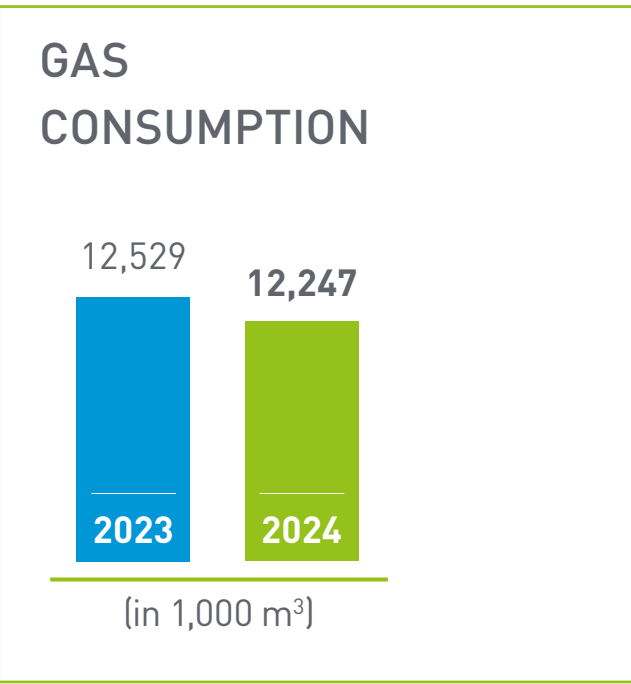
This approach ensures that our emissions reporting is both rigorous and aligned with international best practices. In 2024, we commissioned a climate consultancy firm to quantify the levels of other indirect greenhouse gas emissions (Scope 3) and to review Armacell’s Scope 1 & 2 reporting against good industry practice. Following this assessment, our emissions calculations for 2023 have been restated as shown on the right.

Furthermore, we are exploring methodologies to account for Scope 4 emissions, the avoided emissions enabled by our energy-efficient insulation solutions, as part of our broader commitment to reducing carbon impacts across the value chain.



FOOTNOTES

- » Scope 1 - Excl. liquefied petroleum gas from Bursa plant
- » Scope 2 - Market-based GHG emissions
- » Planet data for 2023 covers 17 out of 25 plants, excl. smaller / recently acquired plants and workshops
- » Planet data for 2024 covers 19 out of 25 plants, with addition of Yingde (China) and Leini (Italy) sites



RESPONSIBLE ENERGY & WATER MANAGEMENT

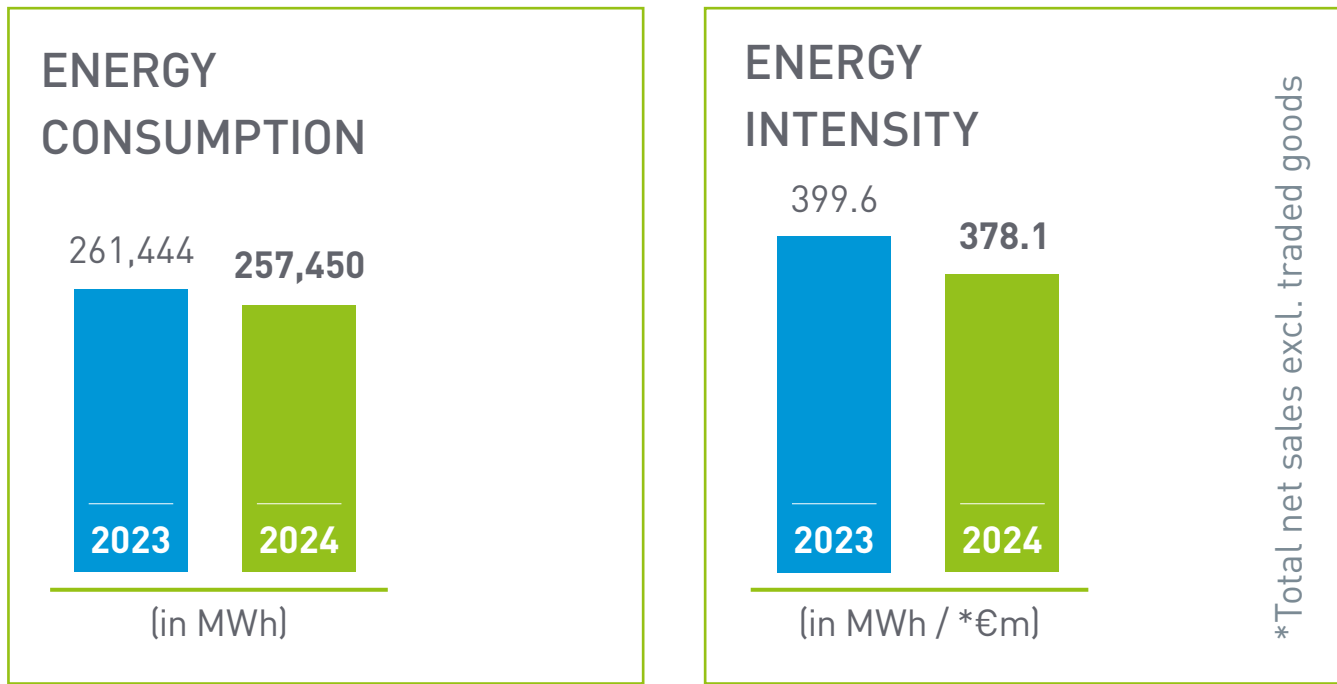
INVESTING IN RENEWABLE ENERGY

Overall, 19.6% of Armacell’s total purchased electricity came from renewable sources in 2024. This includes renewable electricity generated on-site, procured through power purchase agreements (PPAs) and the renewable energy share already present in national electricity grids.

In 2024, Armacell produced a total of **3,322 MWh** of renewable electricity at the following manufacturing sites:

- » **Begur, Spain:** 304 MWh
- » **Hidd, Bahrain:** 1,567 MWh
- » **Leini, Italy:** 524 MWh
- » **Thimister, Belgium:** 927 MWh

From 2025 onward, Armacell will intensify efforts in this field, with plans to install additional solar PV systems and expand PPAs across more locations. These initiatives are a key part of our strategy to further reduce Scope 2 emissions and support our long-term decarbonisation objectives.



In view of the significance of water as a vital natural resource and its increasing scarcity in many parts of the world, Armacell is committed to using water as responsibly as possible.

In the majority of our locations, we use third-party water systems for water withdrawal. In 2024, total water consumption amounted to 149,792 m³, as opposed to 143,953 m³ in 2023. This increase was caused by leakages in the water networks of our Begur (Spain), Florianópolis (Brazil) and Pune (India) plants.



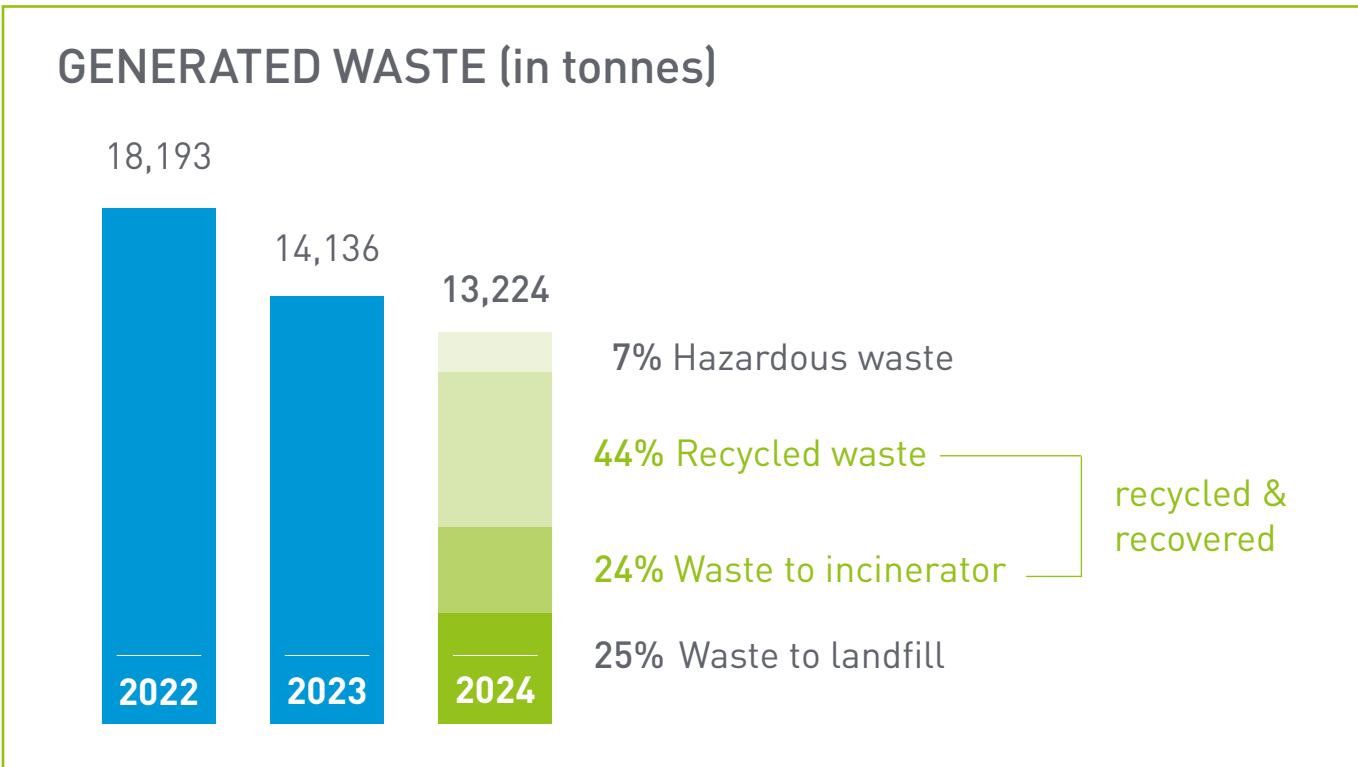
REDUCING WASTE GENERATION

REDUCING AND RECYCLING WASTE

One of the focal points of our WAM excellence programme is a proactive approach to environmental management. In line with the **WAM Environmental Pillar**, we strive to continuously re-think production-related waste either by avoiding its generation or recycling as much as possible of the waste produced.

Through initiatives such as re-using powder from dust collectors or insulation scraps from on-site applications as material for acoustics products or implementing a pallet return policy for customers across the EMEA region, we avoid the generation of additional waste at our own production sites and support the circular economy across our value chain.

In 2024, the total waste Armacell generated was 6.5% less than reported in 2023. 68% of production waste was recycled and recovered while more than 93% of reported waste were non-hazardous.



RECYCLED rPET FOAM TECHNOLOGY

Plastic waste is seriously impacting the world’s rivers, lakes, seas and oceans. Armacell’s unique recycled PET (rPET) foam technology is helping to reduce this plastic waste by re-using PET bottles and contributing to a circular economy in plastics.

By the end of 2024, Armacell’s rPET facilities had re-used over 4 billion PET bottles and saved more than 180,000 tonnes of CO₂ emissions in the process.

The production capacity at our PET headquarters in Thimister-Clermont, Belgium has been considerably increased in recent years through the addition of two production lines using state-of-the-art technology with ERP and Six Sigma process monitoring systems for full quality control.



PRODUCT RESPONSIBILITY

AIM: EXTEND SUSTAINABLE PRODUCT PORTFOLIO
KPI: SALES OF PRODUCTS WITH EPDs
2024 ACHIEVEMENT: 40%
2025 TARGET: 45%

ENVIRONMENTAL PRODUCT DECLARATIONS

Environmental Product Declarations (EPDs) are independently verified documents that provide transparent and standardised information about the environmental impacts of products throughout their life cycles. For Armacell, EPDs are essential tools that demonstrate the company’s commitment to sustainability and product transparency. They offer detailed insights into factors such as raw material extraction, production energy use, emissions, transport, and end-of-life disposal. EPDs allow customers to make informed decisions based on verifiable environmental data, facilitating the selection of products that contribute to lower carbon footprints and more sustainable practices.

Armacell was a pioneer in conducting life cycle assessments (LCAs) for flexible technical insulation materials, resulting in certified EPDs for core product lines such as ArmaFlex® and ArmaPET®. The company’s EPDs are certified by the German Institut Bauen und Umwelt (IBU),

the Polish Building Research Institute (Instytut Techniki Budowlanej) or the US testing and certification organisation UL Environment. In 2024, we obtained EPDs for our Austroflex products and our entire ArmaPET® portfolio. At the end of the reporting period, 40% of Armacell’s net sales were from products covered by EPDs. Furthermore, we are currently working on acquiring EPDs for our strategically significant ArmaGel® product family as well as for some acoustic insulation products.

ARMAPET® ECO50

Made from recycled PET plastic bottle and foamed into a robust, lightweight board, ArmaPET® Eco50 is used for building envelopes, roofs, floors, internal partitions and load-bearing applications in the construction of new buildings and renovation of older ones. This cradle-to-grave EPD is a first for PET-based insulating foam and provides a verified LCA of the environmental impacts of ArmaPET® Eco50, including detailed data on the extent to which it contributes to the greenhouse effect, acidification, over-fertilisation, smog and depletion of the ozone layer. The information is based on ISO 14025 and the EN 15804 + A2 standard for construction products.



ENVIRONMENTAL IMPACT ASSESSMENT TOOL

As part of our commitment to responsible product stewardship, Armacell has developed its own ENVironmental Impact Assessment tool (ENVIA) – an innovative solution designed to assess the environmental impact of products in a structured and measurable way throughout their entire lifecycle.

ENVIA evaluates key environmental criteria such as material efficiency (including the use of recycled or renewable materials), energy consumption during production and use, emissions and pollutants, as well as circularity factors like recyclability and waste reduction potential.

Each criterion is assigned a weight based on its significance, allowing ENVIA to provide a balanced overall assessment.

IMPACT CATEGORIES

- » Sustainability Champions
- » Eco Front-Runners
- » Sustainable Essentials
- » Foundational Projects

This categorisation into four levels enables Armacell to prioritise initiatives with the greatest positive environmental impact and continuously improve product responsibility.

CALCULATING ENERGY SAVING POTENTIAL

Furthering our advocacy to a systematic approach to saving energy and reducing CO₂ emissions, we added a valuable tool to our Armacell.com website: the Energy Efficiency Class Calculator.

In line with the new standard for energy efficiency classes in technical insulation systems, the European Industrial Insulation Foundation (Eiif) – a non-profit foundation co-founded by Armacell – created this intuitive tool to calculate maximum density of heat flow rate and space requirements of technical insulation.

- » We are also part of Eiif's TIPCHECK Programme, which identifies areas with the highest energy-saving potential while offering a rapid payback time.



ENHANCED ENERGY EFFICIENCY IN PRACTICE

INSULATION MINIMISES ENERGY LOSSES AT ESTONIAN DATA CENTRE

With 100% of government services online and 99% of the population having an electronic ID, Estonia is the world’s most highly developed digital society. But this benchmark for digital innovation is only possible thanks to reliable, secure and sustainable data centres such as the Greenergy Data Centre in Tallinn.

With its multiple protection layers and redundant systems the Greenergy Data Centre is recognised as the most reliable, sustainable and secure data centre in the Baltics. It is also the first data centre in the region to be certified under the stringent European standard EN 50600. Greenergy’s exceptional reliability and minimised environmental impact are achieved through the exclusive use of renewable energy and an optimised cooling performance.

ArmaFlex® Ultima, the insulation solution for the data centre’s technical equipment, plays a crucial role by minimising energy losses from cooling equipment, lowering operating costs, safeguarding against condensation and corrosion, and avoiding room air contamination. Fires are one of the main causes of prolonged downtimes in data centres and ArmaFlex Ultima’s patented ArmaPrene™ technology – the first flexible insulation material to achieve B_L-s1,d0 classification – makes a key contribution to the data centre’s fire safety concept by significantly lowering smoke generation in the event of fire.



*ArmaFlex Ultima generates
10 times less smoke than
standard products.*



GREENERGY
DATA CENTRE
TALLINN, ESTONIA

1.2 PUE

POWER USAGE
EFFECTIVENESS
(PUE)

B_L-s1,d0

HIGHEST
FIRE SAFETY CLASS
FOR ORGANIC MATERIALS

GREEN CERTIFICATIONS

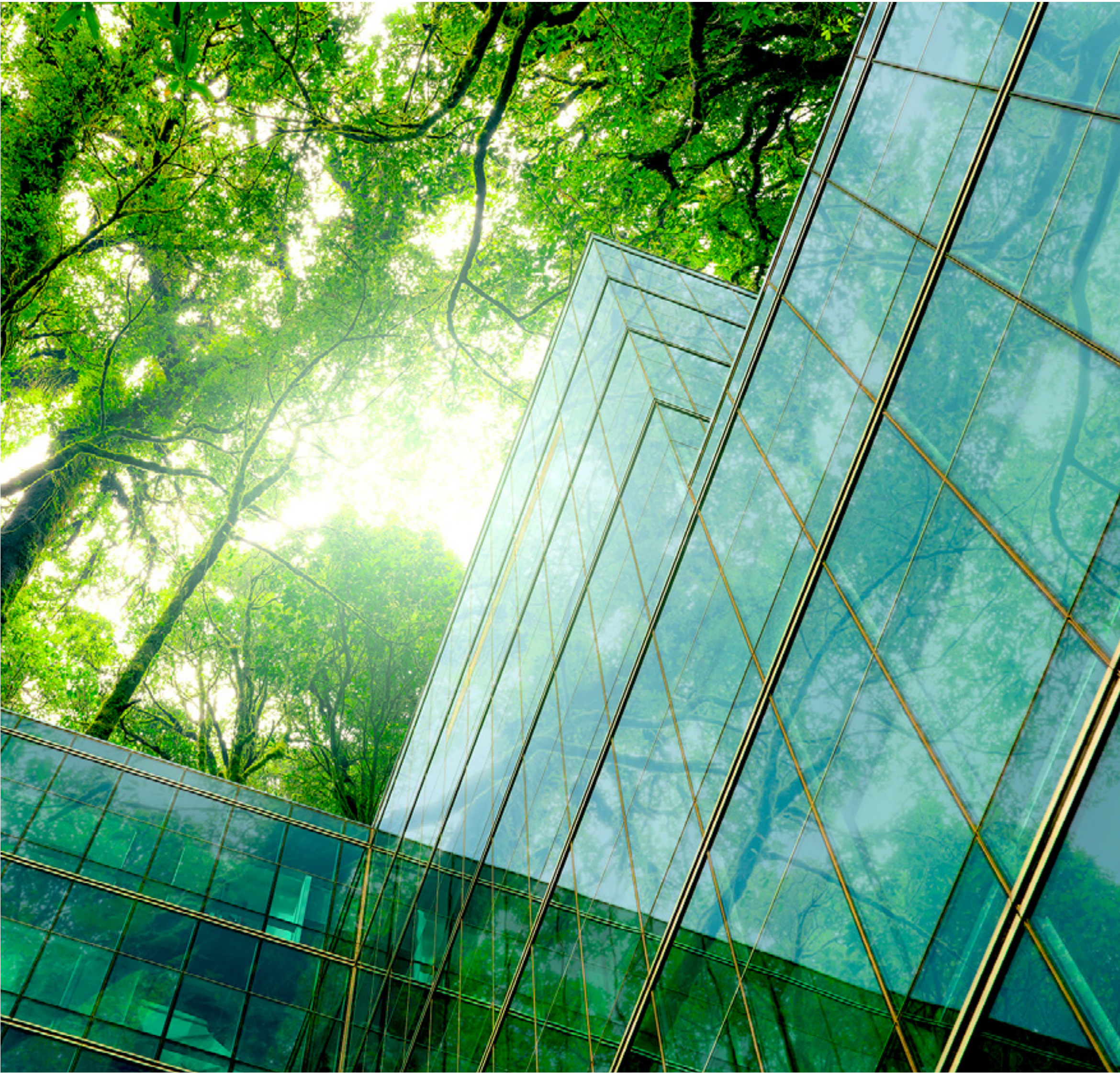
Green building focuses on designing and constructing commercial blocks, industrial facilities and housing to heighten the occupants’ well-being while enhancing energy efficiency, lowering carbon emissions and minimising environmental impact. International green building schemes such as LEED®, BREEAM®, the WELL Building Standard®, GREENGUARD Gold and Germany’s DGNB play a crucial role in shaping, assessing and certifying sustainable building practices.



Buildings worldwide account for up to 40% of global energy consumption.

This statistic shows how critical it is to construct green buildings. Yet in recent years, little progress has been made towards meeting the building sector’s decarbonisation targets. Up to 80% of a building’s energy requirement could be saved by incorporating existing energy-efficient technologies. Of these, technical insulation is a most cost-effective and impactful way of cutting CO₂ emissions and is, without a doubt, the unsung hero of energy efficiency in commercial, industrial and residential buildings.

Armacell supports designers, architects, consultants and developers in meeting the certification requirements of green building schemes by providing Environmental Product Declarations (EPDs) for its core products. These compliance documents confirm that the raw materials are responsibly sourced and manufacturing designs align with the ISO 14001 environmental management standard.



GREEN BUILDINGS – WITH ARMACELL TECHNOLOGY

TOWER TEN – WTC AMSTERDAM, NETHERLANDS



Located in the heart of Amsterdam’s Zuidas district, Tower Ten is the latest sustainable addition to the World Trade Center in the Netherlands. Completed in 2024, the 52,000 m² office complex integrates green roofs, recycled materials and 20,000 m² of reused concrete. ArmaFlex® insulation was applied to the extensive network of chilled water and cooling pipework to ensure the best possible thermal performance, long-term energy efficiency and condensation control. Tower Ten sets a new benchmark for eco-conscious urban development in the Netherlands.

CERTIFICATES: BREEAM® NEW CONSTRUCTION – EXCELLENT
WELL BUILDING STANDARD® – GOLD

ASHRAE HQ – PEACHTREE CORNERS, GA, USA



ASHRAE, a global society of over 50,000 HVAC professionals across 132 countries, champions sustainable building innovation. For its new Global Headquarters, a 100% net-zero energy facility built to the International Green Building Code, ASHRAE prioritised superior indoor environmental quality and HVAC system performance. As a trusted industry partner, Armacell supplied ArmaFlex insulation, ArmaFlex Insulation Tape, ArmaFlex WB Finish and ArmaFlex 520 BLV adhesive to support the building’s sustainability goals and ensure long-term energy efficiency.

CERTIFICATES: NET-ZERO ENERGY (NZE) BUILDING

JOLLIBEE TOWER – PASIG, PHILIPPINES



Jollibee Tower, a 41-storey Grade A development in Metro Manila’s Ortigas Central Business District, offers over 55,000 m² of premium office and commercial space. Designed with sustainability in mind, the Tower features energy-efficient double-glazed curtain walls and green building technologies. In line with the developer’s core values in promoting sustainable development through green technology, Armacell supported the project by insulating 99,600 m² of central HVAC piping with ArmaFlex Class 0 and thus enhanced the Tower’s thermal efficiency and long-term environmental performance.

CERTIFICATES: LEED® GOLD



Governance

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ESRS TOPIC - G1, BUSINESS CONDUCT

ESRS TOPIC - S2, WORKERS IN THE VALUE CHAIN

ENABLING GOOD GOVERNANCE



ADRIAN YEANDLE >> 

Chief Legal
& Compliance Officer

At Armacell, corporate governance comprises a comprehensive system of policies, processes, rules and guidelines.

They are designed to promote sustainable growth, manage risk, uphold human rights and environmental standards, evaluate supplier compliance with those standards, protect working conditions and employment status, ensure data protection and IT security, respect intellectual property rights and consumer-related concerns and encourage stakeholder engagement. On a day-to-day basis our operations are guided by the Armacell Code of Conduct, on which our corporate ethics are based. This robust governance framework facilitates our efforts to comply with legal requirements, ensure compliance and prioritise the safety of our employees and business partners.



100%

NEW JOINERS
TRAINED

57%

SUPPLIERS
ASSESSED

ZERO

CRITICAL
IT INCIDENTS

50

NET PROMOTER
SCORE

6

WHISTLEBLOWER
CASES

HOW WE MANAGE ESG

Our robust governance structure across all the Group’s activities and involving the highest levels of management effectively enables the implementation of our principles and policies.

ROBUST GOVERNANCE STRUCTURE

Since its implementation in 2021, the Sustainability Committee of the Supervisory Board (SCSB) assists Armacell in fulfilling its ambitions on strategic direction and prioritisation of efforts related to the topics of social and environmental sustainability. The SCSB supports major sustainability projects, furthers the process of setting effective sustainability metrics, and facilitates access to expert know-how and stakeholder consultation.

As selected members of the Supervisory Board serve on the Sustainability, Audit and Remuneration & Nomination Committees, this integrated structure furthers a transparent flow of communication and enables effective management of Armacell’s sustainable development impacts. The Remuneration & Nomination Committee, for example, oversees the candidate nomination and selection processes for key positions in the Group while also being responsible for Armacell’s remuneration policy and the targets set for performance-related pay.

In 2024, the importance attached to ESG topics was underlined by the newly created function of a Chief Growth and Sustainability Officer and a specialist ESG team comprising a Group Sustainability Director and an ESG Manager. The Armacell ESG team’s role involves coordinating with those responsible for health, safety, environment and energy matters at the Group’s manufacturing facilities and checking the sustainability profile of our product solutions in our destination markets.

OWNERSHIP STRUCTURE

Private equity funds managed by PAI Partners have been Armacell’s majority shareholder since 28 February 2020. The remaining shares are held by the holding and investment company KIRKBI and Armacell’s senior management team.

About PAI Partners

PAI Partners is a pre-eminent private equity firm investing in market-leading companies across the globe.



www.paipartners.com

About KIRKBI

KIRKBI is the holding company of the LEGO Group and other companies owned by the Kirk Kristiansen family.



www.kirkbi.com

DECISION - MAKING

The decision-making bodies of Armacell International S.A. consist of the individuals listed on the right.

SUPERVISORY BOARD

- >> Mathieu Paillat (Chairman)
- >> Laurent Rivoire
- >> Marlène Bazouin
- >> Jacob Chris Lassen
- >> Peter Bason
- >> Jørgen Jensen (independent)
- >> Patrick Mathieu (independent)

REMUNERATION & NOMINATION COMMITTEE

- >> Mathieu Paillat (Chairman)
- >> Jacob Chris Lassen

AUDIT COMMITTEE

- >> Peter Bason (Chairman)
- >> Mathieu Paillat

SUSTAINABILITY COMMITTEE

- >> Jacob Chris Lassen (Chairman)
- >> Marlène Bazouin

MANAGEMENT BOARD

- >> Laurent Musy (Chairman)
- >> Sophie Ancelin
- >> Wim Van Acker

EXECUTIVE MANAGEMENT TEAM

RESPONSIBLE BUSINESS LEADERS

Our multinational executive team made up of ten highly experienced managers is united in the common purpose of furthering responsible, strategically minded business. Their strong leadership provides Armacell with a clear pathway in pursuing sustainable growth, ongoing innovation and smart solutions to address challenges posed to people and our planet by global megatrends.



LAURENT MUSY 
Chief Executive Officer



SOPHIE ANCELIN 
Chief Human Resources Officer



WIM VAN ACKER 
Chief Financial Officer



MALTE WITT 
Vice President EMEA



BART JANSSEN 
Vice President Energy & PET



JOHN ROSS TURNER 
Vice President AMERICAS²



SCOTT FANG 
Vice President APAC¹



LIAM DOUGLAS 
Chief Technology Officer¹



MARC CANGELOSI 
Chief Growth & Sustainability Officer¹



ADRIAN YEANDLE 
Chief Legal & Compliance Officer

RISK-RELATED CULTURE

As a company, we are fully aware of how important it is to manage risk and engage with our stakeholders on ESG matters.

By a variety of means such as consultations, surveys and reports, we obtain valuable information from external sources and can incorporate this into our decision-making processes. Moreover, Armacell uses various channels of communication to dialogue with the following stakeholder groups in a regular and transparent manner:

- » Employees
- » Investors
- » Financial Institutions
- » Suppliers
- » Customers
- » Regulatory Bodies
- » Industry / Business Associations
- » Non-Governmental Organisations
- » Local Communities
- » Media

ESG TRANSPARENCY

As good governance is the backbone of Armacell’s operations, we strive to apply policies that ensure transparency and accountability at all levels, thus reinforcing our commitment to ethical practices,

regulatory compliance and ESG-related risks. Creating a strong ethics culture and governance framework are critical mitigation measures to reduce the risk of compliance breaches that may cause Armacell reputational or financial harm.

We pay specific attention to emerging developments on ESG issues. **As part of our latest risk assessment update in January 2024, we analysed a number of ESG-related risks in the context of existing and future regulations. Emerging ESG regulations, including new and more stringent environmental laws, are expected to result in both industry-specific opportunities and risks, and will necessitate an increased focus on compliance initiatives.** Our ESG compliance and reporting projects that are designed to meet new regulatory requirements, such as the EU’s CSRD and Taxonomy, are progressing well.

A climate and biodiversity risk assessment performed in late 2024 analysed the potential physical climate and biodiversity risks arising from the geographic locations of Armacell’s manufacturing sites and main offices.



PILLARS OF SUSTAINABLE GROWTH

In responding to the global demand for responsible ESG solutions, we create sustainable value for our customers and deliver societal and ecological benefits across a variety of industries. Our growth strategy has proven to be both successful and sustainable – not least due to the fact that it is founded on robust business ethics, enduring quality and continuous innovation.

ENSURING QUALITY



Our product innovation centres in Germany, China, the USA and Belgium ensure consistently high product quality through standardised testing and ongoing staff training. Key properties such as mechanical strength, physical properties, chemical composition and fire performance are rigorously evaluated. All our products undergo thorough health, safety and environmental assessments, with raw materials and finished goods regularly analysed. By using only registered and approved substances, we comply with REACH regulations and we are glad to report that there were no incidents or violations relating to product safety or regulatory compliance in 2024. As safety is key to our development and advisory approach, we help our customers to identify energy losses and safety risks in insulation systems.

ADVANCING STANDARDS



We are a founding member of CEFEP, the industry association for FEF and PEF insulation, and the European Industrial Insulation Foundation (Eiif). We successfully implemented higher standards for technical insulation in some European countries and are represented on the European Committee for Standardisation (e.g. CEN/TC 88). We are also an active and voting member of key ASTM committees, e.g. the Thermal Insulation Committee (C16) and the Fire Standards Committee (E5), and of several ASHRAE standards and technical committees. We also actively participate in U.S. National Insulation Association (NIA) technical information committees and in committees for building codes such as the International Energy Conservation Code (IECC) and the International Mechanical Code (IMC). In Japan, we supported the creation of new standards for flexible elastomeric foam insulation products (e.g. JIS A9516).

CULTIVATING PARTNERSHIPS



Our system solutions are the outcome of co-engineering projects undertaken in close collaboration with customers. These tailored solutions and our expert support are based on decades of experience in equipment insulation. Other trade partner services include digital learning platforms and hands-on seminars. To facilitate green building certification from schemes such as BREEAM®, LEED® or WELL Building Standard®, we partner with building owners, architects, specifiers and contractors with the goal of lowering CO₂ emissions from commercial buildings and thus tackling climate challenges. In line with our goal of creating long-lasting value for customers, we conduct annual customer satisfaction surveys to obtain feedback on our products and services, especially with respect to ESG criteria. In 2024, we achieved a Net Promoter Score of 50.

INVESTING IN R&D



Benefiting from more than 200 active patents across 33 separate patent families, we are continually working to reinforce our position as a technology leader through ongoing investment in research and new technologies. The results include expanding the temperature range of our insulation products, enhancing their energy efficiency and increasing their versatility. In clear alignment with the United Nations Sustainable Development Goals (SDGs) and the United Nations Global Compact (UNGC), the innovative achievements we have delivered as a response to global megatrends have helped reduce energy losses, conserve key resources, improve acoustic comfort and minimise fire and smoke risks.

COMPLIANCE & ETHICS

AIM: FOSTER ROBUST BUSINESS ETHICS
KPI: CODE OF CONDUCT COMPLIANCE TRAININGS
2024 ACHIEVEMENT: 100%
2025 TARGET: 100%

As a global leader in high-performance insulation materials, we maintain long-standing commercial relationships with suppliers, service providers, customers, distributors, contractors, installers and communities in more than 100 countries.

We recognise our social responsibility in all our locations and aim to contribute to the quality of life of our employees, business partners and the surrounding communities. The internal rules, standards and procedures guiding our daily work are laid down in the Armacell Code of Conduct, which was revised in 2023 to expand its scope. Special attention was paid to the inclusion of human rights principles (freedom of expression, safe and healthy working conditions, non-discrimination in employment status, freedom from slavery, etc.) that are considered relevant to both Armacell’s workforce and its business operations. All employees who join the company take part in Code of Conduct training courses to ensure they are fully aware of what this policy expects of them.

WE SUPPORT



Since 2006, we have been supporting the **United Nations Global Compact (UNGC)** initiative and aligning our strategies and operations to its Ten Principles to meet our fundamental responsibilities in the human rights, labour, environment and anti-corruption fields.



ESG POLICIES

We have further elaborated the fundamental ethical and regulatory compliance principles outlined in our Code of Conduct in dedicated thematic policies that collectively reinforce the company’s commitment to integrity, accountability and compliance with international standards. In 2024, we published a Global Human Rights Policy, an updated Environment, Health & Safety (EHS) Policy and a Global People Handbook.



- » The **Global Human Rights Policy** ensures that fundamental rights are protected and promoted across all operations.
- » The **Environment, Health & Safety Policy** details the guiding principles behind Armacell’s commitment to safeguarding the environment, mitigating occupational risks and placing the utmost importance on employees’ health and safety.
- » The **Global People Handbook** describes the philosophy and key policies governing how employees are managed at Armacell and lays out the fundamental principles behind who we are, how we work and what is expected of our employees and managerial staff.



- » The **Global Whistleblower Policy** allows employees and third parties to report any facts, suspicions or concerns anonymously and confidentially via the company’s whistleblower portal Tell Me! In 2024, Armacell recorded a total of six cases reported across three categories. All the cases were investigated, some with the help of an external consultant, and all were closed within a reasonable timeline.

The Code of Conduct’s guidelines also cover the Group’s anti-corruption and anti-money laundering measures, its whistleblowing system, zero-tolerance approach to unethical practices and conflict of interest management.

The successful deployment of the revised Code of Conduct is evidenced by the fact that in 2024 there were no instances of non-compliance with laws and regulations, and no fines or non-monetary sanctions, including incidents involving human rights violations, labour rights protection and anti-corruption cases.

DATA PROTECTION & CYBERSECURITY

Protecting our IT infrastructure is of critical importance for us and our customers. Armacell’s Group Cybersecurity Policy guides employees and business partners in safeguarding data, securing systems and mitigating risks. Its aim is to prevent cyberattacks and data theft while ensuring business continuity. We block unauthorised data access and breaches by using advanced threat detection and machine security software across all servers, devices and networks. In 2024, there were no substantiated complaints regarding breaches of customer privacy, leaks, thefts or data losses.

MITIGATING SECURITY RISKS

We are confronted by the risk of digital disruption, just like all our manufacturing peers. A global governance body, which includes both corporate and local IT teams, safeguards our IT systems and data through defined security measures and best risk management practices.



Our sophisticated security management system identifies, reviews and addresses external and internal threats and vulnerabilities in order to mitigate risks.

This is a key precondition to ensure continuity of operations. In 2024, we documented over 286,000 internet threats, with 63,000 of them specifically related to email communications. Of all internet and email communications threats, 106,000 were related to phishing.

MANDATORY CYBERSECURITY TRAINING

Security-conscious employees are crucial for protecting our data. Our employees complete compliance courses on detecting phishing attempts, protecting against social engineering and managing information security.

They learn how to recognise and correct inappropriate behaviour, identify suspicious situations and respond effectively. In addition, employees must read and sign policies on information security, internet access security and the use of mobile or personal devices for work purposes.



SUPPLY CHAIN RESPONSIBILITY

AIM: ASSESS SUPPLIER COMPLIANCE
KPI: SUPPLIER SELF-ASSESSMENTS
2024 ACHIEVEMENT: 57%
2025 TARGET: 62%

We pursue a rigorous approach to evaluating supplier compliance and maintain an irrefutable stance on any unlawful payments and practices, including corruption, bribery, kickbacks and money laundering. Our unwavering commitment to adhering to anti-corruption laws and regulations across the regions we operate in is unequivocal – and we expect our suppliers to share this commitment.

Our dedication to ethical business conduct is expressed in our Supplier Code of Conduct, which is rooted in the principles of the UN Global Compact and defines the standards for environmental responsibility, human rights and labour practices that all our suppliers and subcontractors must uphold. All our suppliers, regardless of what they provide us with, have received our Supplier Code of Conduct with the aim of ensuring transparency and their alignment with our expectations. By the end of 2024, 69% of our suppliers had signed the Armacell Supplier Code of Conduct.

SUPPLIER AUDITS



We conduct supplier audits based on selection factors such as supplier size, volume and type of business conducted with Armacell and specific geographical considerations. In 2024, we exceeded the target we had set ourselves by conducting 13 supplier audits across our main operating regions. This gave us valuable insights into operational practices and standards in our supply chain.

SUPPLIER SELF-ASSESSMENTS



Our supplier self-assessment questionnaire now includes additional ESG-related questions. In addition to the focus on human trafficking, forced labour, child labour and anti-discrimination policies, we assess the extent of our suppliers’ environmental and sustainability practices, internal controls and compliance with anti-bribery and anti-corruption laws. Completion of this assessment is essential for suppliers who want to partner with Armacell, as it ensures alignment with our ethical standards. 57% of our raw material and jobbed products suppliers were assessed in 2024.

SUSTAINABLE PROCUREMENT



We are committed to promoting responsible sourcing and fostering long-term partnerships built on trust and shared values. Our global sourcing strategy is focused on the local or regional procurement of materials. We prioritise suppliers based on the quality, availability and pricing of their raw materials, while also considering short transport distances to minimise environmental impact. In this respect, our sustainable procurement practices are essential to our mission of driving sustainability throughout our supply chain.

Appendix

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- 50 PLANET - DETAILS & DATA
- 51 GOVERNANCE - DETAILS & DATA
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ABOUT THIS REPORT

Armacell International S.A. (referred to as Armacell or Armacell Group) is the inventor of flexible elastomeric foams for equipment insulation.

The majority shareholders of Armacell are private equity funds managed by PAI Partners. The remaining shares are held by the holding and investment company KIRKBI and Armacell’s senior management team.

Armacell has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards. The report also uses the SASB Construction Materials Industry Standard for disclosure to investors and the financial community. The content index covers all the information provided in the report, even if the available information on the individual indicators does not fully meet the requirements. Armacell is working intensively on collecting data and facts more comprehensively and reporting in accordance with the GRI Standards.

The company’s management was involved in the preparation of this report and made the final decisions regarding the scope of disclosures.

Further information on current sustainability projects can be found on our website.



CONTENT INDEX

GRI Standards		Page number	SASB	SDG
Universal Standards				
GRI 2	General Disclosures			
2-1	Organisational details	5		
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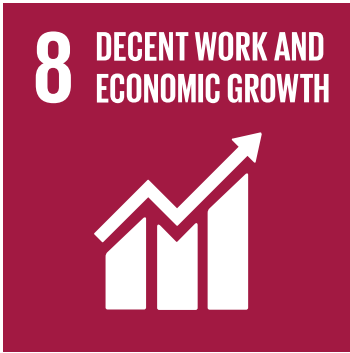


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GRI Standards		Page number	SASB	SDG
Topic Standards				
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GRI 407 Freedom of Association and Collective Bargaining [2016]				
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409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	39		
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GRI 418 Customer Privacy [2016]				
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UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Five of the UN Sustainable Development Goals (SDGs) are intrinsically linked to our business, and we focus on them because our activities can have the biggest impact here. How Armacell contributes to SDG 8, 9, 12, 13 and 14 is outlined throughout the report.



PEOPLE – DETAILS & DATA

Reference/KPI	Unit	2023	2024
LTI Frequency Rate	lost-time injuries (>1 day) per 1,000,000 working hours	2.4	2.9
LTI Severity Rate	total number of lost workdays per 1,000,000 working hours	45.9	60.2
Medical Treatment Frequency Rate	number of injuries requiring medical treatment with absence ≤1 day per 1,000,000 working hours	4.4	4.3
Employees trained	hours of training per employee	14.4	19.2
Employee feedback process	% of total employees	98%	98%
New employee hires	total number	767	684
Employee turnover	% of total employees	22.9%	20.5%

Age groups 2024	under 30	30 - 50	over 50	Headcount
Total number of employees	647	1,976	749	3,372
Employees in %	19.2	58.6	22.2	100

FOOTNOTES

- » Safety data for 2023 covers 25 out of 25 plants
- » Safety data for 2024 covers 25 out of 25 plants
- » Includes regular employees, fixed-term contracts and apprentices not on leave

Global workforce	2023	2024
Men	77.8%	76.9%
Women	22.2%	23.1%

Managers	2023	2024
Men	77.8%	76.4%
Women	22.2%	23.6%

PLANET – DETAILS & DATA

Reference/KPI	Unit	2023	2024
Energy consumption	in MWh total consumption	261,444	257,450
Gas consumption	in 1,000 m³ total consumption	12,529	12,247
Electricity consumption	in MWh total consumption	131,378	130,208
Energy intensity	in MWh/€m	399.6	378.1
Renewable electricity generated	in MWh	753	3,322
Renewable electricity purchased	in MWh	15,030	21,060
CO ₂ e Scope 1	in kt-CO ₂ e	24.2	23.4
CO ₂ e Scope 2	in kt-CO ₂ e	52.7	48.3
CO ₂ e Scope 1 & 2	in kt-CO ₂ e	76.9	71.7
CO ₂ e Scope 3	in kt-CO ₂ e	481.1	474.4
TOTAL CO ₂ e emissions (Scope 1, 2 & 3)	in kt-CO ₂ e	558.0	546.1
Water withdrawal	in m³ total withdrawal	143,953	149,792
Waste	total in tonnes	14,136	13,224
hazardous	in tonnes	1,438	862
recycled	in tonnes	5,937	5,764
to landfill	in tonnes	3,274	3,383
to incinerator	in tonnes	3,487	3,215

FOOTNOTES

- » Energy Intensity - Total net sales excl. traded goods
- » Scope 1 – Excl. liquefied petroleum gas from Bursa plant
- » Scope 2 – Market-based GHG emissions

- » Planet data for 2023 covers 17 out of 25 plants, excl. smaller / recently acquired plants and workshops
- » Planet data for 2024 covers 19 out of 25 plants, with addition of Yingde (China) and Leini (Italy) sites

GOVERNANCE – DETAILS & DATA

Reference/KPI	Unit	2023	2024
Employees acknowledge Code of Conduct	total number	3,372	3,372
Non-compliance with laws and regulations	total number	0	0
Fines or non-monetary sanctions	total number	0	0
Complaints concerning customer privacy	total number	0	0
Raw materials suppliers confirming Supplier Code of Conduct	%	60	69



Front page: Paris, France Author: Bim (iStock)

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Photography

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Greenergy Data Centers /
Tõnu Tunnel
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Envato Elements (haveseen, ADDICTIVE_ STOCK, Mint_Images, macniak, den-belitsky, kolesnikovsergii, Abert84, leungchopan, Fahroni, dekddui1405, DC_Studio)
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Building Tomorrow

Moving forward, we continue to explore new ways of harmonising the global impact of our products with their relevance for people. Our vision is a world where no energy is wasted and every solution we create contributes to a sustainable future – for everyone everywhere.

Around The Globe, Around You