

Sustainability Report 2025

 **armacell**[®]
DRIVING ENERGY EFFICIENCY

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ABOUT

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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LETTER FROM THE CEO



LAURENT MUSY



President and CEO
Armacell Group

Driving sustainability forward is at the core of Armacell's strategy, reflecting our tagline *Driving Energy Efficiency*. We achieve this goal by supplying our customers with best-in-class insulation and lightweighting solutions. Our sustainability goals are thus strategically aligned to the long-term performance and growth of our company.

CLIMATE ACTION PLAN

We have made a major commitment to sustainability by launching an ambitious medium-term climate action plan. The climate goals outlined in this plan foresee a 63% reduction in Scope 1 & 2 emissions by 2035 (from a 2024 baseline) and a 30% reduction in Scope 3 emissions over the same period.

Our Group-wide decarbonisation roadmap for implementing this plan covers driving energy efficiency excellence at a plant level, accelerating our green electricity procurement, engaging with our highest-impact suppliers and identifying alternative transportation solutions. At the same time, we acknowledge the challenges inherent in these ambitious goals as their achievement is dependent on the availability of suitable technical solutions.

R&D INVESTMENT

To this end, we continue to invest heavily in our research and development activities to reduce both production-related and end-of-life emissions. This includes substituting standard raw materials by incorporating circular ones and enhancing material efficiency through scrap recycling and reduction. Our Innovation Team, for example, is testing an advanced devulcanisation technology to enable elastomeric scrap to be re-used in the production process.

AVOIDED EMISSIONS

Having broadened our measurement procedures to include avoided emissions (Scope 4) associated with the use of Armacell products, we can now further quantify the long-term climate benefits of our insulation solutions over their lifetime. This enhanced insight strengthens our ability to support customers on their climate transition journey.

PRODUCT TRANSPARENCY

The steadily increasing percentage of our product portfolio covered by EPDs is improving our product transparency. In sales terms, 47% of our product portfolio was covered by EPDs in 2025. As standardised, third-party-verified documents,

EPDs report the environmental impact of products across their lifecycle. Sound data on our products' carbon footprint supports our customers on their sustainability journey.

SUSTAINABILITY AT WORK

To further improve our employees' workplace safety and well-being, we conducted training and e-learning programmes focusing on a variety of safety issues. To strengthen our Group-wide safety culture, we are adding a safety-related bonus to our remuneration scheme in 2026. Further recognition of our sustainability performance came from an EcoVadis Silver award for our plant in Brampton, Canada.

Our climate action plan and customer-oriented sustainability initiatives point to the path the Armacell Group is taking. In the governance field, we are proactively preparing for evolving regulatory requirements, e.g. in the Corporate Sustainability Reporting Directive (CSRD). We are also implementing measures to comply with the EU Pay Transparency Directive, refining our supplier assessment procedures and continuing our efforts to positively influence industry standards.

Thank you for your continued interest and support on our fast-forwarding journey to a more sustainable future.

DRIVING SUSTAINABILITY FORWARD

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.

WHO WE ARE AND WHAT WE DO

Our business model is based on a broad and diversified product portfolio designed to meet a wide range of technical requirements and customer expectations. We offer solutions to drive energy efficiency that are tailored to different industries, applications and performance standards. While ensuring a high degree of flexibility and adaptability, this also enables us to effectively address both standard and highly specialised applications across multiple markets.

GLOBAL REACH

The Armacell Group has a true global presence thanks to our own production sites and distribution network. We have offices and operations in 42 countries and over 100 countries worldwide can access Armacell products. This is due to our strong, long-standing business relationships and our ability to consistently supply customers with the products they need.

INNOVATION

Our market strength is dependent to a high degree on our ongoing investment in research and development and our commitment to maintaining the quality of our products. With over 200 active patents across more than 30 patent families, we can develop advanced, high-performance solutions based on proprietary developments such as low-smoke ArmaPrene™ technology, ArmaGel® aerogel blankets and ArmaPET® foams.



2025 <<

3,175

EMPLOYEES

42

COUNTRIES

26

PLANTS

5

CONTINENTS

600+

PRODUCTS

200+

PATENTS

6

END MARKETS

100+

COUNTRIES WITH ACTIVE CUSTOMERS

POSITIVELY IMPACTING SUSTAINABILITY

Our presence across multiple destination end markets amplifies the sustainability impact of our products. By delivering energy-efficient solutions at scale, we contribute to reducing energy consumption across a wide range of industries and applications.

MULTI-SECTORAL STRATEGY

We supply energy-efficient products to destination markets in the Commercial, Industrial & Energy, Residential, Transportation and Sports & Leisure sectors. Our products provenly help to reduce energy consumption in diverse applications and indirectly advance sustainability by enabling energy savings throughout the respective value chains.

COMMERCIAL



47%

- » Technical insulation solutions complying with fire safety, environmental and green building regulations, and addressing construction-related acoustic and vibration issues.
- » ArmaFlex® with ArmaPrene™ – lower smoke emissions, greater safety and compliance with green building regulations.

INDUSTRIAL & ENERGY



28%

- » Thermal and acoustic insulation products preventing heat loss and lowering noise levels, combined with passive fire protection and energy-efficient heat networks solutions.
- » ArmaGel® – aerogel insulation blankets in the -196°C to +650°C temperature range with lightweighting benefits.

RESIDENTIAL



11%

- » Insulation for heating, plumbing, HVAC, hot and cold water, as well as solar and heat pumps to meet the growing demand for green energy.
- » ArmaFlex® EC0550 – water-based, eco-friendlier and easy-to-use adhesive solution for a healthier working environment.

TRANSPORTATION



10%

- » Thermal, acoustic and vibration insulation products and systems for rail and road vehicles and ships; safe, fuel-saving, emission-reducing lightweighting solutions.
- » ArmaPET® – robust recycled composite sandwich panels that save energy, cost and reduce CO₂ emissions.

SPORTS & LEISURE



4%

- » Impact-cushioning, shock-absorbing products are key for comfort and safety of children and athletes.
- » ArmaComp™ ArmaSport – superior turf underlayment shock pad for exceptional sports field performance.

DRIVEN BY MEGATRENDS

Various global megatrends are driving our growth prospects and sustainability performance. By systematically assessing market, regulatory, technological and macroeconomic developments, we align our strategic direction with the long-term opportunities these megatrends present and the risks they entail.



ENERGY EFFICIENCY

With the global demand for energy steadily rising, technical equipment is the second-most significant source of energy losses worldwide. That is why effective insulation of technical equipment is crucial in reducing energy consumption and meeting the increasingly strict regulatory requirements for saving energy.



RENEWABLE ENERGIES

Over 90% of global power capacity growth is now accounted for by the low-emission economy. Effective insulation solutions minimise energy losses, enhance the efficiency of renewable systems and support sustainable development. For many years, Armacell products have been contributing to renewable energy generation, e.g. through components for wind turbines.

URBANISATION

Urban conurbations the world over are already responsible for 70-75% of global greenhouse gas (GHG) emissions – and urbanisation continues unabated. UN projections indicate that more than two-thirds of the global population will live in cities by 2050. Energy-saving buildings featuring our insulation solutions are key to reducing urban energy consumption and related emissions.



LIGHTWEIGHTING

Reducing the weight of road and rail vehicles lowers their energy consumption, cuts GHG emissions and helps improve the quality of urban air. By bettering the transport sector’s carbon footprint, lightweighting also plays its part in meeting stricter regulatory requirements. Our high-performance insulation solutions are a supportive factor since they enhance vehicle efficiency.



ACOUSTIC COMFORT

Increasing levels of noise pollution have become a serious health issue for many city dwellers. This detrimental fact of urban life is increasingly being addressed by regulatory authorities, town planners and construction companies. Our high-quality insulation solutions reduce noise and vibrations to enhance the comfort and stability of buildings and vehicles.

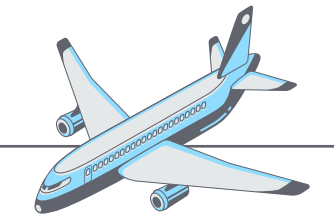


SUSTAINABILITY

Growing levels of environmental awareness in mature economies and the need to save energy in an increasingly volatile global energy market are opening up new opportunities for the sustainable solutions we offer. By investing in the research required to deliver the technologies driving energy efficiency, we are making more sustainable economic development possible.

WHERE WE ARE

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



TOWARDS A SUSTAINABLE VALUE CHAIN

Our global value chain is built on a diverse network of upstream and downstream partners in sourcing, production, distribution and end-user markets. In 2025, we made every effort to engage with these partners on ESG topics so as to deepen our understanding of the environmental and social impacts across our value chain. In this way, we can better manage risks and enhance the positive impact of our product portfolio.





SUSTAINABLE PROCUREMENT

Our goal is to use more and more raw materials with a lower environmental impact. To this end, we prioritise suppliers in terms of the sustainability, quality and pricing of their raw materials.

Another important consideration is to choose, wherever possible, suppliers that are close to our production plants so as to minimise the environmental impact of transportation.



RECYCLABLE PACKAGING

Our sustainability strategy includes using recycled packaging – where technically possible and economically feasible. At some of our sites, ArmaFlex® products are packaged in recyclable cardboard boxes and transported on re-usable pallets.

Since 2022, we have been improving our environmental footprint and reducing waste by offering customers in the EMEA region the opportunity to return their pallets.



RESPONSIBLE PRODUCTION

We are striving to decarbonise our manufacturing facilities through enhancing their energy efficiency, increasing the use of renewable energy, implementing waste recycling and reducing CO₂ emissions. For example, almost all the polyethylene scrap at our Środa Śląska plant in Poland is reintegrated into the production process.

Our localised production strategy – 26 plants in 20 countries on five continents – also helps to reduce the transport distances to our customers.



LONG-LASTING VALUE

Our primary objective is to create long-lasting value for our customers and end-users. By developing and marketing products with improved environmental credentials throughout their lifecycle, we deliver ecological and societal benefits across a broad range of industries and end-user markets.

Our specific focus here is on reducing the environmental impacts of our warehouse facilities and distribution channels.

STAKEHOLDER ENGAGEMENT



We use a range of engagement channels to maintain regular, transparent and two-way dialogue with our key stakeholder groups:

- » **Employees, suppliers and customers:** Ongoing engagement through dedicated communication channels, surveys, feedback mechanisms and targeted communications on relevant topics, including sustainability and business performance matters.
- » **Investors, financial institutions and NGOs:** Structured engagement through consultations, investor relations activities, disclosure of ESG data and responses to surveys and benchmarking initiatives.
- » **Regulatory bodies and industry/business associations:** Active participation in relevant industry associations, multi-stakeholder initiatives and standard-setting or advisory committees, contributing to policy and regulatory developments.
- » **Media and local communities:** Communication through press releases, media briefings, community engagement activities and public announcements related to key corporate developments, including product launches and site operations.

MATERIAL TOPICS

To stay ahead of regulatory requirements and ensure our sustainability priorities remain meaningful and actionable, we thoroughly analysed our impact on the environment and people (inside-out) as well as the impact of environmental and social conditions on our company’s financial performance (outside-in). This process covered our entire chain and involved a structured evaluation of ESG topics to identify the most significant impacts, risks and opportunities (IROs) for our business and stakeholders.



BUILDING ON OUR FOUNDATIONS

The findings of the double materiality assessment (DMA) conducted in line with ESRS guidelines in 2024 were reviewed in 2025 to ensure they continue to reflect Armacell's sustainability impacts, risks and opportunities. The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) were used to identify, categorise and assess climate-related transition risks, physical risks, opportunities and financial implications. We evaluated the potential materiality of ten sustainability matters and identified and analysed the IROs associated with each sustainability matter. The approach applied for this report 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.

In engaging with internal topic owners, external value chain partners and our investor, we mapped high-level topics and evaluated them using both impact and financial lenses. The internal stakeholders were the managers responsible for our business activities. The external stakeholders were suppliers and customers, i.e. those responsible for Armacell’s upstream and downstream value chain. The investor, our majority shareholder, provided an external assessment of the financial risks and opportunities of sustainability matters material to our company. In line with ESRS, IROs above the materiality thresholds were retained and consolidated under strategic themes, while those below the thresholds were recorded for internal follow-up and ongoing observation. A predefined materiality threshold based on a rating scale from 1 to 4 was applied to distinguish material from non-material IROs.



DOUBLE MATERIAL TOPICS

The outcome of the consolidated overview of sustainability-related IROs resulting from in-depth discussions between Armacell’s senior management and the topic owners was a comprehensive and validated final assessment detailing the important IROs for Armacell. These IROs were consolidated under the seven material sustainability topics outlined overleaf. Whereas 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 potentials to create long-term value or mitigate potential harm. The list of material topics was given final approval by Armacell’s senior management.

MATERIAL SUSTAINABILITY TOPICS

Environment

E1 CLIMATE CHANGE

- » Climate change mitigation and adaptation
- » Energy consumption and mix
- » Greenhouse gas emissions

E2 POLLUTION

- » Pollution of air, water and soil
- » Substances of concern

E5 RESOURCE USE & CIRCULAR ECONOMY

- » Sustainable sourcing
- » Resource use and waste management

Our material environmental topics relate to climate impact, resource use and pollution prevention across our operations and value chain. Key areas include greenhouse gas emissions, energy consumption, waste and packaging management, hazardous substances, and climate-related risks. We also see opportunities in strengthening our insulation solutions, which improve energy efficiency and help reduce customers' energy consumption and emissions.

Social

S1 OWN WORKFORCE

- » Working conditions, incl. workplace safety
- » Diversity
- » Training and skills development

S2 WORKERS IN THE VALUE CHAIN

- » Health and safety standards
- » Supplier engagement programme

S4 CONSUMERS & END-USERS

- » Customer health and safety
- » Customer engagement

Our material social topics focus on employee well-being, diversity, health and safety, development and engagement, as well as environmental and social risks within the value chain. Addressing these topics supports workforce stability, talent retention and organisational resilience.

Governance

G1 BUSINESS CONDUCT

- » Business ethics and compliance
- » Whistleblowing

Our material governance topics relate to ethical conduct, compliance, transparency and product responsibility. Key areas include anti-corruption, whistleblowing, regulatory compliance and product safety. Strong governance supports accountability, stakeholder trust and long-term value creation.

PILLARS OF SUSTAINABLE GROWTH

Structured around three strategic pillars – people, planet and governance – our ESG strategy provides a clear framework for managing key sustainability priorities. It also ensures a focused and integrated approach to delivering long-term value for both our business and our stakeholders.



PEOPLE

In prioritising people, we address the material topics identified under ESRS S1 and S2. The overriding theme is a strong focus on the health and safety of our employees and as far as possible, of workers across the value chain. In line with ESRS S1, we are well aware of the importance of providing good working conditions and opportunities for growth to drive motivation, engagement and long-term value creation. Reflecting the focus of ESRS S2, we are committed to protecting and promoting human rights, including workers' rights, along the value chain. What's more, the high quality and durability of Armacell products enhance the safety of our consumers and end-users, which is a key aspect of ESRS S4. By driving energy efficiency, our products address environmental and climate issues that are of particular significance to a growing number of consumers.



PLANET

In our efforts to protect the planet, we align our reporting with ESRS E1, E2 and E5. Energy efficiency and decarbonisation are at the heart of Armacell's business model and are key topics under ESRS E1. What we are implementing in this respect goes beyond current market practices by including avoided emissions. This strengthens our value proposition and aligns us more closely with customers' decarbonisation goals. The additional measures introduced in 2025 to prevent pollution resulting from production processes are aligned with the focus of ESRS E2. In 2025, we again prioritised reducing natural resource depletion and ecosystem degradation linked to reliance on non-renewable or scarce raw materials. We also made progress in increasing circularity and improving waste management, including packaging waste across the value chain – all key topics under ESRS E5.



GOVERNANCE

Consistent with the focus of ESRS G1, we employed a comprehensive and structured approach to managing all material ESG topics across our entire organisation and value chain. In the year under review, policies, procedures and oversight mechanisms were in place to support responsible decision-making and effective risk management. Every effort was made to ensure transparent and clear reporting. Moreover, we engaged with business partners across the value chain to promote responsible practices, shared standards and continuous improvement.



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.

OUR CLIMATE ACTION PLAN

In 2025, Armacell announced an ambitious, specific and grounded emission-reduction targets based on a medium-term climate strategy. While continuously working to develop and market products that enable decarbonisation and thus reduce climate-harmful emissions, we fully recognise the need to decarbonise our own operations and across our value chain.

An in-depth study by internal and external experts confirmed that Armacell can achieve an absolute 63% reduction in Scope 1 & 2 direct and indirect emissions by 2035 compared to the baseline year of 2024. This absolute target is aligned with the 1.5°C trajectory of the Paris Agreement and corporate decarbonisation guidelines.

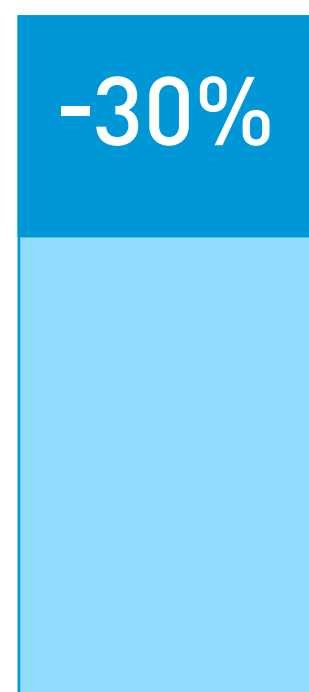
Furthermore, our decarbonisation roadmap aims to achieve a 30% economic intensity reduction in Scope 3 indirect emissions by 2035, again from the 2024 baseline. Here, the main focus is on greater material efficiency, increased use of sustainable materials and enhanced supplier engagement. Moreover, we are making every effort to raise our Scope 3 emissions' reduction target, though this is naturally dependent on what is technically or commercially feasible.

We believe this new climate action plan combined with our company's contribution to emissions avoidance positions Armacell not only as a responsible manufacturer but also as an active contributor to climate solutions. Evidence of this progress can be seen in the expansion of our measurement capabilities to include avoided emissions generated through the use of Armacell products.



» SCOPE 1 & 2

- » Direct and indirect emissions (own operations)
- » Absolute reduction 2024-2035
- » Main emission sources: Electricity and gas consumption
- » Key reduction initiatives:
 - › Improved plant-level energy efficiency
 - › Accelerated renewable electricity procurement
 - › Scaled on-site solar generation



» SCOPE 3

- » Indirect emissions (value chain)
- » Economic intensity reduction 2024-2035
- » Main emission sources: Categories 1 and 12
- » Key reduction initiatives:
 - › Optimised material efficiency
 - › Increased use of circular materials
 - › Deepened supplier engagement



QUANTIFYING AVOIDED EMISSIONS

An independent study commissioned by Armacell has quantified the positive lifetime impact of the company's most representative products in driving energy efficiency and avoiding emissions in commercial, residential and industrial applications.

The long-term climate benefits of Armacell's insulation solutions can now be quantified over their service lives through a dedicated avoided emissions' calculation model. This enhances the company's ability to support its customers on their climate transition journey with robust and transparent data.

Based on 2025 net sales, avoided emissions for ArmaFlex® products used in commercial and residential applications are estimated at 2.7 tCO₂e per m³, which is equivalent to a small EU household's annual energy use¹. The corresponding figure for ArmaGel® products for industrial applications was 114.5 tCO₂e, which is equivalent to the emissions generated over an entire year by 25 medium-sized

cars². The calculations were carried out on a forward-looking basis over the products' assumed service lives. A heat transfer-based methodology was applied to estimate greenhouse gas emissions associated with heat loss in heating pipework or heat gain in cooling and industrial pipework where Armacell insulation is used. Avoided emissions (Scope 4) were calculated by comparing the estimated use-phase emissions from the Armacell products with an equivalent insulation reference scenario for mineral wool, which is one of the dominant insulation materials globally and represents a major share of the building insulation market. The estimate was based on factors such as product-specific thermal conductivity, insulation thickness, lifetime assumptions, representative pipe dimensions, operating temperatures, heating/cooling days, operating hours and relevant emission factors.

Avoided emissions are reported separately from Armacell's Scope 1-3 GHG inventory and are not netted, offset against or expressed as a ratio of the Group's inventory emissions. The methodology used is aligned with the World Business Council for Sustainable Development's Guidance on Avoided Emissions.



¹ EU household emissions estimated at approximately 2-4 tCO₂/year; corresponding to the energy-related emissions of a small European household (Eurostat and EEA estimates).

² Medium-sized car emissions estimated at approximately 4.6 tCO₂/year; based on driving 15,000 km in an average petrol-fuelled passenger vehicle (U.S. EPA reference values).

INNOVATION, QUALITY, STANDARDS

We consistently invest in research and development to deliver not only high-quality products, but also advanced solutions that support our customers in achieving their own decarbonisation goals. By combining innovation, technical expertise and performance excellence, we develop products that enhance energy efficiency and contribute to measurable CO₂ reductions.

ENABLING INNOVATION THROUGH R&D

Benefiting from more than 200 active patents across over 30 patent families and a global R&D team of around 100 innovative minds, we are continually working to reinforce our position as a technology leader through ongoing investment in research and new technologies. Our R&D work has recently made a number of breakthrough products possible. ArmaPET® Eco50 is the latest in a long line of innovative PET foam products based on the rPET technology Armacell invented. Over 5 billion plastic bottles have been recycled to manufacture rPET products since 2006. The new ArmaGel® XG range of aerogel insulation blankets – see page 18 for details – was developed in-house based on Armacell’s own breakthrough technology. ArmaFlex® ECO550, a pioneering eco-friendly adhesive technology that eliminates solvent-related risks and unpleasant smells to create a safer work environment, has been certified by UL Solutions ECOLOGO®.

ENSURING QUALITY AND CONFORMITY

Our product innovation centres in Belgium, China, Germany, India and the USA ensure consistently high product quality through standardised testing procedures 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. Our Group Quality Policy prioritises customer satisfaction, promotes a culture of quality and excellence, drives continuous improvement and ensures compliance and standardisation. Our products’ outstanding conformity record is made possible through compliance with compulsory restrictions regarding chemicals and microplastics and increasingly strict requirements governing, for example, product safety and fire safety in buildings. By using only registered and approved substances, we are glad to report that there were no incidents or violations relating to product safety or regulatory compliance in 2025.

IMPLEMENTING HIGH 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 an active 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 building code committees, such as the International Energy Conservation Code (IECC) and the International Mechanical Code (IMC). In Japan, we were involved in establishing new standards for flexible elastomeric foam insulation products (JIS A9516 and JIS 9501).

THIMISTER – FACTORY OF THE FUTURE

Our Thimister-Clermont plant is setting new standards in smart manufacturing. The investment in advanced industry 4.0 capabilities and a comprehensive, sustainability-oriented energy monitoring system were key factors that led to the award of a Factory of the Future label by the Belgian Essenscia federation.



INNOVATIONS FOR CLIMATE ACTION

Innovations are a central driver of Armacell’s climate strategy as they enable us to enhance our product performance, reduce our environmental footprint, improve our recycling record and communicate our products’ global warming potential (GWP).

PE RECYCLING



Armacell is improving the environmental footprint of its ArmaLight™ Tubolit range by increasing the use of recycled polyethylene. Since foaming limits material choices and many recycled grades have weaker properties, our collaboration with the Wroclaw University of Science and Technology enabled us to adopt a predictive test method for assessing foamability before conducting production trials. This approach significantly reduced time, cost and material waste. Using recycled PE sourced less than 100 km from the plant also lowered impacts in the LCA stages of raw material and transport while maintaining product performance.

PET-BASED HEATING SOLUTION



In collaboration with mfh systems, we have developed an innovative, energy-efficient, PET-based ceiling heating and cooling technology featuring ArmaPET® Eco50, Armacell’s high-performance insulation material made from recycled PET. This circular, low-carbon construction solution enhances thermal performance and long-term insulation stability, while allowing quick, low-disruption installation. The practical benefits to customers in the construction industry of further developing our ArmaPET® Eco50 technology include reduced heat loss, improved indoor comfort and support for sustainable building practices.

CARBON FOOTPRINT DATABASE



A new platform has been launched to make product-specific CO₂ emission calculations more accurate, transparent and fast. This Carbon Footprint Dashboard, an internally developed solution in SAP Analytics Cloud, automates key steps in the calculation process, enhances data quality and reduces the manual effort required to quantify and communicate our products’ GWP. We can thus address customer requests for GWP data on demand and significantly faster. Besides supporting our customers on their sustainability journey, this innovative platform also prepares us for growing ESG reporting requirements.

CLIMATE ACTION IN PRACTICE: PUNE PLANT FOR AEROGEL

In June 2025, Armacell’s state-of-the-art ArmaGel® manufacturing facility was officially opened in Pune, India. Aerogel is the lowest thermal conductivity solid insulation material and offers key advantages when space is limited and extreme performance needed.

This milestone marks a significant expansion of Armacell’s global footprint and a bold step forward in the production of ArmaGel® XG, the breakthrough aerogel insulation product range for high-temperature applications and cryogenic and dual-temperature conditions:

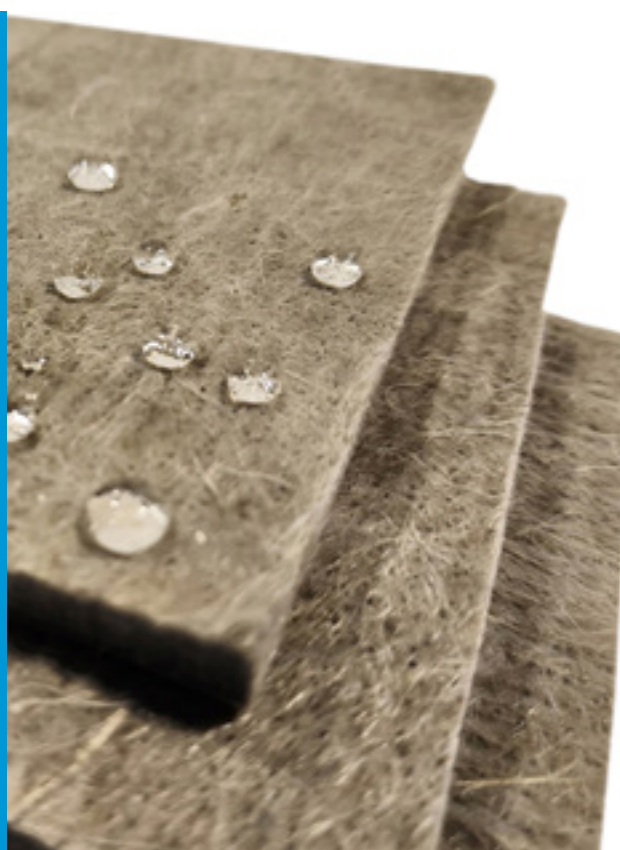
- » **ArmaGel® XGH:** Operating temperatures of up to +650°C. and compliant with ASTM C1728 Type III and JIP 33
- » **ArmaGel® XGC:** Cryogenic and dual-temperature applications between -196°C. and +250°C. and compliant with ASTM C1728 Type I and Type IV

Through doubling Armacell’s aerogel manufacturing capacity, the Pune plant can meet the rapidly growing demand for aerogel-based insulation products – enabling traditional, less efficient materials to be replaced with high-performing products and making significant energy consumption and carbon footprint reductions possible.

As the Pune plant and ArmaGel® product line prove, Armacell’s investments in innovative technology and human expertise are driving progress in sustainable practices and setting new benchmarks in the industry, which is definitely good news for our climate.

WHY ARMAGEL® MATTERS

- » Ultra-thin
- » Moisture-resistant
- » Durable
- » Great thermal conductivity
- » Fire-resistant



BEYOND COMPLIANCE

Aligning with EcoVadis, an acclaimed sustainability ratings platform, furthers continuous improvement and transparency across our manufacturing footprint. Year after year, we pursue EcoVadis assessments to maintain high standards of environmental management and responsible operations. This reinforces our sustainability mindset and enhances our process oversight.

BRAMPTON NEW IN 2025

In addition to six production facilities in Europe that had previously gained EcoVadis Gold or Silver ratings, our plant in Brampton, Canada was awarded a Silver medal in 2025. This multi-tech facility produces Advanced Insulation, Component Foams and PET products for the North American market. Brampton scored particularly well in the environment category.

ECOVADIS HONOURS

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 have earned underscore our dedication to upholding the highest ESG standards across our European and North American operations. They also strengthen our reputation as a trusted partner in a dynamically evolving world where responsible business practices and sustainable supply chains are prioritised more highly than ever.

LOOKING AHEAD

These awards not only confirm our past achievements; they also motivate us to stay focused on implementing impactful improvements to the benefit of our planet and its people. We are determined to strengthen our impact on ESG topics through further expanding our sustainability initiatives, enhancing our data collection processes to advance our ESG reporting, and intensifying collaboration with our business partners and customers.



Münster
GERMANY



Środa Śląska
POLAND



Oldham
UNITED KINGDOM



Begur
SPAIN



Thimister
BELGIUM



Brampton
CANADA



Leini
ITALY



SENIOR LEADERSHIP TEAM

Armacell’s Senior Leadership Team is responsible for executing the company’s strategy and ensuring effective operational management. Regular performance evaluations support accountability and continuous improvement in leadership effectiveness. A transparent remuneration framework aligns management incentives with long-term business objectives and responsible value creation.

MANAGEMENT BOARD

Armacell’s Management Board is composed of the CEO Laurent Musy, the CFO Wim Van Acker and the CTO Liam Douglas. Its performance is overseen by the Supervisory Board as part of its governance and oversight responsibilities. The former operates under the Rules of Procedure that establish joint responsibility for the company’s management and include ESG and strategic development as standing agenda items. This enables systematic and regular oversight of the Management Board’s handling of impacts on the economy, environment and people by the Supervisory Board.



LAURENT MUSY 
Chief Executive Officer



WIM VAN ACKER 
Chief Financial Officer



MALTE WITT 
Executive Vice President EMEA



JOHN ROSS TURNER 
Executive Vice President AMERICAS ¹



SCOTT FANG 
Executive Vice President APAC



BART JANSSEN 
Executive Vice President Energy & PET



LIAM DOUGLAS 
Chief Technology Officer



MARC CANGELOSI 
Chief Growth & Sustainability Officer



JORG VAN DE KORPUT 
Chief Human Resources Officer ²



ADRIAN YEANDLE 
Chief Legal & Compliance Officer

¹ Since May 2025, ² Since January 2026

SUPERVISORY BOARD

Members of Armacell’s Supervisory Board are appointed in accordance with the Articles of Association. The Supervisory Board is supported in this process by its Remuneration and Nomination Committee, which prepares recommendations on nominations, succession planning and committee composition. Certain appointments are subject to shareholder approval to ensure ownership interests are reflected in the final decision-making process.

NOMINATION OF BOARD MEMBERS

The nomination process takes into account shareholders’ interests and views – where required with their formal approval. When nominating members, the Supervisory Board and its Remuneration and Nomination Committee consider the Board’s overall balance and diversity, including the candidates’ background, experience and perspectives.

Board members are required to act in Armacell’s best interests, avoid conflicts of interest and maintain independence of judgment, which is reinforced by appointment agreements and ongoing governance safeguards. The nomination process considers the candidates’ relevant professional competencies and experience in areas such as corporate governance, finance, industrial operations, risk management, sustainability, ESG oversight and human resources matters. This ensures the Board has the necessary knowledge and skills to oversee Armacell’s impact on the economy, environment and people.

COLLECTIVE KNOWLEDGE AND CONFLICT OF INTEREST

The Board’s collective knowledge and expertise on sustainable development are supported by a Sustainability Committee, which oversees the Group’s sustainability strategy, priorities and performance and reports to the Board. Its members receive regular ESG briefings and updates, including presentations by management and subject-matter experts on topics such a climate strategy, double materiality, ESG performance metrics, regulatory developments and material environmental and social impacts. The Board’s integrated committee structure facilitates cross-committee knowledge sharing and ensures that sustainability considerations are embedded in strategic, risk and performance oversight at Board level.

The Armacell Code of Conduct and the Anti-Bribery Policy govern the management of conflicts of interest across the organisation. These documents define conflicts of interest, support employees and Board members in identifying potential concerns, and establish requirements for timely disclosure and appropriate management of such situations. They also outline managers’ responsibilities where conflicts arise. The Code and Policy apply equally to Board members, who receive regular training on these requirements.

SUPERVISORY BOARD >>

- >> Chairman: **Laurent Rivoire**¹
- >> Members: **Marlène Bazouin**, **Valentin Eischen**¹, **Peter Bason**, **Niklas Sjöblom**², **Jan Secher**² (independent), **Jørgen Jensen** (independent), **Patrick Mathieu** (independent)

¹ Since January 2026, ² Since October 2025



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www.kirkbi.com

OVERSIGHT COMMITTEES

These committees assist the Supervisory Board in overseeing its accounting, financial reporting, remuneration and sustainability processes.

AUDIT COMMITTEE

The key topics covered by this committee included oversight of the external audit timeline and next steps, updates on tax matters, legal and compliance developments and treasury-related topics, and reviews of risk-related and control issues relevant to the Group’s financial and compliance position. The committee met three times in 2025, with attendance monitored and reflected in the meeting records.

SUSTAINABILITY COMMITTEE

This committee’s work involved overseeing Armacell’s sustainability roadmap, including climate and environmental targets, double materiality outcomes and ESG performance metrics. Key discussions covered external assessments such as progress on climate targets, CSRD-related regulatory developments and updates on Group policies relating to the environment, health and safety, and social and governance topics. It met three times in 2025, with attendance monitored and reflected in the meeting records.

REMUNERATION AND NOMINATION COMMITTEE

The remuneration matters this committee addressed included reviews of remuneration structures, performance-related incentives, people- and talent-related topics, nomination and succession planning subjects. It also supported the Supervisory Board in ensuring an appropriate composition, balance of skills and continuity of leadership, as well as maintaining high standards of corporate governance, transparency and effective Board composition. The committee met twice in 2025, with attendance monitored and reflected in the relevant meeting records.

EVALUATION AND REMUNERATION

The Supervisory Board’s performance is evaluated through structured self-evaluation processes. The Supervisory Board committees conduct annual internal self-evaluations to assess the effectiveness of their oversight, identify skills or knowledge gaps and highlight areas for improvement. The findings are reviewed and

discussed at Supervisory Board level. Only the three independent Supervisory Board members receive fixed annual remuneration paid as an annual fee covering participation in Supervisory Board meetings, committee meetings, preparatory work and follow-up activities.

No other payments to Supervisory Board members are made. Termination provisions are governed by the underlying appointment agreements. No severance or termination compensation beyond accrued fees is provided. The Remuneration and Nomination Committee supports the Supervisory Board in designing and overseeing the independent Supervisory Board members’ remuneration, with remuneration decisions taken by the Supervisory Board.

COMMITTEE COMPOSITION »

AUDIT COMMITTEE

- » Chairman: Peter Bason
- » Members: Marlène Bazouin

SUSTAINABILITY COMMITTEE

- » Chairman: Valentin Eischen
- » Members: Niklas Sjöblom, Jan Secher

REMUNERATION AND NOMINATION COMMITTEE

- » Chairman: Laurent Rivoire
- » Member: Peter Bason

RISK-RELATED CULTURE

Armacell is exposed to a number of risks that are inseparable from the entrepreneurial nature of its business. In order to identify and mitigate possible risks at an early stage, we continuously monitor their potential sources. Our structured approach supports informed decisions, organisational resilience and sustainable business performance.

From external sources we obtain valuable information, for example through consultations, surveys and reports, and incorporate this into our decision-making processes. Moreover, we use various channels of communication to regularly dialogue with a broad range of stakeholder groups, including financial institutions, regulatory bodies, business associations and local communities.

As good governance is the backbone of Armacell's business 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 robust ethics culture and governance framework are critical mitigation measures to reduce the risk of compliance breaches that may cause Armacell reputational or financial harm. All employees are required to participate in targeted compliance training and uphold the values and ethical standards laid down in our Code of Conduct and other policies.

Particular mention should also be made of our Group Policies on sustainability topics as well as our Official Group Guidelines (OGGs) covering occupational health and safety, risk assessment, chemical risk, noise risk and work-related stress. To uphold our products' quality standards, boost customer satisfaction and ensure alignment with the latest rules and regulations, we outlined our ongoing commitment to quality and customer health and safety in two new Group Policies published in 2025.

We pay specific attention to emerging regulatory developments on ESG issues, including new and more stringent environmental laws. This is expected to result in industry-specific opportunities and risks and will necessitate an even greater focus on compliance initiatives. Our ESG compliance and reporting projects designed to keep pace with regulatory changes, e.g. CSRD and EU Taxonomy, are progressing well.



RISK MANAGEMENT

Armacell is exposed to industry-specific risks, raw-material price risks, IT risks due to digital disruption, liquidity risks and ESG risks. We have identified these risks and determined that, from a sustainability perspective, the industry-specific and ESG risks are particularly significant.

At Armacell, overall oversight of risk management sits with the Audit Committee, which reviews the effectiveness of the internal control and risk management system and ensures that material risks are identified, monitored and escalated appropriately to the supervisory bodies.

The Management Board is responsible for designing, implementing, and maintaining effective risk management and internal control processes, and for keeping the Audit Committee informed of significant changes, emerging risks or control deficiencies.

Senior management at regional and entity level owns and manages risks in day-to-day operations, ensuring compliance with Group policies and laws, identifying local risk exposures, and escalating issues to Group functions such as Legal & Compliance when required.

In the flexible insulation and technical foam markets where Armacell has been operating for decades, there are significant barriers to entry, not least the initial investment, recipe and process know-how, intellectual property requirements and the necessary penetration of distribution channels via a global commercial organisation. This means that the risk of new competitors entering this high-end market and gaining material market shares is considered to be limited.

Furthermore, as Armacell offers products developed with the latest technologies based on prevailing industry regulations in premium segments, it is well-positioned to continuously optimise production costs. Nevertheless, ongoing competitive pressure on prices is to be fully expected, and this risk is managed by continuously focusing on the price, quality, availability and service requirements of existing and potential customers.

As Armacell is active in businesses that benefit from more stringent environmental laws and regulations, more industry-specific opportunities than industry-specific risks are expected to emerge. Furthermore, as stricter environmental protection regulations and requirements are likely to trigger plant modernisation measures in future, this will positively impact the demand for equipment insulation products and Armacell's earnings.

Emerging ESG regulations, including new and more stringent environmental laws, are expected to result in industry-specific opportunities and risks and will necessitate an increased focus on compliance initiatives. ESG compliance and reporting projects designed to meet the new requirements are progressing well.



BUSINESS CONDUCT

Armacell maintains a comprehensive compliance and ethics framework, which is grounded in the Group’s core values, Code of Conduct and responsible business principles, designed to promote integrity, ethical behaviour, legal compliance and respect for human rights across all business activities and relationships. The framework is underpinned by a broad set of Group level policies, procedures, internal standards and dedicated compliance policies. Together, these documents translate Armacell’s ethical commitments and regulatory obligations into clear and actionable requirements for senior management and employees.

STRATEGIC OVERSIGHT

Governance and accountability are ensured through formal processes. Key policies are approved by the Management Board and, if required, by the Supervisory Board to ensure clear ownership, accountability and effective top level oversight. Policies and procedures are regularly reviewed and updated to reflect changes in laws, regulations, internal risk assessments, audit findings and business developments.

Updates to the Code of Conduct, Corporate Handbook and thematic compliance policies demonstrate Armacell’s continuous strengthening of its governance, ethics and compliance framework. Overall, Armacell’s compliance and ethics framework is aligned with applicable legal requirements, recognised good practices and emerging regulatory standards.

POLICY COMMITMENTS

Armacell embeds its policy commitments into its organisational strategy, operational policies and procedures through a Group wide governance framework. The Code of Conduct, Corporate Handbook and thematic policies set binding requirements that are integrated into management responsibilities, internal controls and daily business operations, with managers accountable for implementation.

This framework includes due diligence requirements for the identification, assessment, escalation and remediation of legal, ethical and human rights related risks – a process supported by risk based controls, whistleblowing mechanisms and, if relevant, enhanced due diligence in higher risk contexts. To ensure effective implementation, Armacell provides mandatory compliance and ethics training.

POLICIES IN PLACE

The following Group policies and Code of Conducts define our business conduct standards:

- » [Anti-Corruption Policy](#)
- » [Anti-Money Laundering Policy](#)
- » [Customer Health & Safety Policy](#)
- » [Environmental, Health & Safety Policy](#)
- » [Fair Competition Policy](#)
- » [Global Data Protection Policy](#)
- » [Global Human Rights Policy](#)
- » [Global People Handbook](#)
- » [Global Whistleblower Policy](#)
- » [Quality Policy](#)
- » [Sanctions Policy](#)
- » [Sustainable Procurement Policy](#)
- » [Armacell Code of Conduct](#)
- » [Supplier Code of Conduct](#)



Each document has been approved by executive leadership and published on the company’s website.

OPERATIONAL EXCELLENCE

Beyond policies governing business conduct, we have established a comprehensive ecosystem for managing production processes and quality standards. These frameworks support responsible operations and contribute to the effective management of key environmental and social impacts associated with our activities. By integrating quality, operational excellence and sustainability considerations, we ensure a consistent and responsible performance across our manufacturing processes.

GROUP GUIDELINES

Our Official Group Guidelines (OGGs) form an integrated system covering our production processes, quality, health and safety and operational standards as well as our sustainable procurement. Aligned with recognised international standards (e.g. ISO), this system supports the responsible management of environmental impacts with respect to energy consumption, emissions, resources and waste.

These OGGs play a key role in ensuring safe working conditions and product quality for customers. By monitoring their observance, conducting regular audits and implementing continuous improvement mechanisms, we strive to ensure the system's consistency and compliance to maintain high operational standards across all our sites.

Armacell's Chief Technology Officer is responsible for the content of the OGGs and regular reviews are conducted to assess their validity and undertake any necessary revisions. Regular on-the-job and online training sessions are in place to inform and educate our global workforce in maintaining the standards set out in these OGGs.



People

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HIGHLIGHTS



JORG VAN DE KORPUT »

Chief Human Resources Officer

Armacell's main asset is its workforce – with their highly diverse backgrounds, wide-ranging skills and commitment to the company.

That is why the focus of our HR activities in 2025 was on the development of our people. In view of the shortage of skilled labour and suitably qualified young professionals in several European countries where our Group operates, our people focus is also a key factor in recruiting new talent. It is in this context that we place great emphasis on job-related training and career development opportunities for all our employees. The secret of a successful workforce is a safe and supportive work environment where the focus is on our employees' health and well-being. That is why we focus on following best practices in workplace safety and continuously seek to introduce innovative occupational health and safety solutions so that Armacell enjoys a reputation as an excellent employer – both internally and externally.

3,175

EMPLOYEES AS OF 31 DEC. 2025

19.3

TRAINING HOURS PER EMPLOYEE

23.4%

WOMEN IN THE WORKFORCE

5.5

ALL INJURY FREQUENCY RATE

70+

NATIONALITIES WORLDWIDE

OUR WORKFORCE AND TALENT MANAGEMENT



LOCAL EXPERTISE, GLOBAL IMPACT

As a global company with a strong local focus, Armacell strives to hire employees and management staff from the respective region, thus contributing to its economy and social fabric. Moreover, by strengthening the company's presence in these markets and enabling a better understanding of their needs, this personnel strategy is also good for business. In 2025, we hired 527 new employees and the employee turnover rate was 17.8% (2024: 20.5%).



PEOPLE MANAGEMENT SYSTEM

Armacell employees worldwide benefit from personalised development programmes tailored to local employment conditions, specific job requirements and individual career aspirations. The company strongly promotes internal mobility, recognising it as a key driver of personal and professional growth. Employees are therefore encouraged to explore internal opportunities to further develop their skills and advance their careers.

ARMACELL WORKFORCE

	2023	2024	2025
Permanent employees	3,293	3,305	3,124
Temporary employees	79	67	51
Total number of employees	3,372	3,372	3,175

TRAINING HOURS IN 2025

	Women	Men	Total
Employees by gender	742	2,433	3,175
Total number of training hours			61,382
Average training hours per employee			19.3

At Armacell, talent optimisation is supported through our people management system, which enables effective management of talent, compensation and recruitment, while ensuring equal access to training and career development opportunities for all employees. To foster continuous growth, Armacell offers personalised learning paths aligned with both local needs and individual ambitions. Employees also engage in training connected to the World-Class Armacell Mindset (WAM) excellence programme, which

strengthens key business processes across the organisation. In 2025, Armacell further expanded its investment in people leadership and managerial capabilities by launching a new Senior Leadership programme and the broader Management Essentials offering. In addition, the company has reinforced its mentoring initiatives to support knowledge sharing and career progression. By continuously investing in the development of its workforce, Armacell cultivates a dynamic, inclusive and future-oriented work environment.

FOSTERING DIVERSITY

At Armacell we fully appreciate the advantages a diverse workforce brings. The broader selection of qualified job applicants we receive, the higher degree of identification with the company and the differing perspectives on customers and our targeted markets are just some of the benefits diversity brings to the globally operating Armacell Group.

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, prioritising diversity goes hand in hand with fostering a culture of openness and trust, which helps to create a safe and inclusive work environment.

As of 31 December 2025, 3,175 employees representing over 70 nationalities were working for the Armacell Group in 42 countries across five continents. This underlines how globally diverse our company is. At year-end 2025, 23.4% of our global workforce and 17.3% of our managers were women (2024: 23.1% and 23.6% respectively) and women made up 15.0% of our senior leadership (2024: 14.7%). The unadjusted gender pay gap changed from -1.2% in 2024 to +2.5% in 2025, primarily reflecting a methodological update. The 2025 calculation includes both base salary and bonus payments. In addition, we attach great importance to an age-diverse workforce because it enables collaborative knowledge-sharing and fosters a strong talent pipeline that supports our company's long-term success. At year-end 2025, 18.6% of Armacell's employees were under 30 and 23.6% over 50. On average, employees stay with our company for 8.9 years.

WORKFORCE BREAKDOWN 2025

	Women	Men	Total
Executive Team	0	10	10
Senior Management	7	50	57
Middle Management	54	232	286
Skilled Workers	403	657	1,060
Production & Logistics	278	1,484	1,762

AGE DIVERSITY 2025

	Women	Men	Total
30 and under	139	452	591
31-50	456	1,379	1,835
51 and over	147	602	749

WOMEN

23.4%
OF TOTAL
WORKFORCE



17.3%
OF MANAGEMENT
POSITIONS



GRI 3-3, 405-1, 405-2

FURTHERING SAFETY AT WORK

Armacell fosters a proactive safety culture built on leadership and accountability at all levels, supported by globally aligned standards, systematic risk assessment and robust governance to achieve its ambition of zero accidents.

Ensuring a safe working environment is a fundamental component of Armacell’s people strategy. The Group is committed to the goal of zero accidents and continuously enhances its safety culture through clear standards, rigorous processes and global governance frameworks. In 2025, safety procedures and guidelines were further aligned across all sites to meet international requirements and ensure responsible management of workplace risks. An integrated approach of combining robust guidelines, strong managerial accountability, employee involvement and continuous improvement ensures safe work practices are consistently embedded across all operations and remain central to safeguarding the well-being of the global workforce.

RISK ASSESSMENT

Armacell applies a structured, task-level risk assessment process flow to ensure that all

hazards associated with routine and non-routine activities are systematically identified, evaluated and controlled. The process begins with the assessment of each workstation and job at the level of individual tasks, followed by evaluating severity and probability to assign a level of risk. Based on this ranking, the responsible team develops a prioritised action plan that defines countermeasures, responsible persons and deadlines. The effectiveness of these measures is then verified, and once validated, improvements are extended to similar areas. Finally, the risk assessment matrix is shared with the employees to ensure awareness and training on hazards, risks and protective measures. This matrix evaluates risks by combing risk severity and risk occurrence probability into a single value and thus determining whether existing controls are adequate or additional preventive and protective measures are required. Categorising the risks,

with each category triggering different actions, ensures a transparent and consistent prioritisation of corrective actions across the Group. Risk assessments are reviewed annually – or immediately whenever changes or incidents occur.

OPERATIONAL HEALTH AND SAFETY

Our safe work practices are governed by a comprehensive suite of Official Group Guidelines (OGGs) and compulsory Group policies and furthered by our ongoing efforts to implement our zero accidents’ vision. The risk assessment OGG defines the methodology, legal framework, hazard categories, risk matrix and all procedural steps. Other OGGs govern non-routine activity risk assessment and the communication cascade for risk-related events. Together, these OGGs create a global unified system that ensures standardisation and compliance across all sites. The health and safety management systems at six Armacell

plants – four in our APAC and two in our EMEA region – are also certified to ISO 45001, which ensures compliance with global best practices in workplace safety.

OVERSIGHT SYSTEM:

- » Site EHS managers implement OGGs, lead risk assessments and coordinate local compliance.
- » Corporate EHS and the Chief Technology Officer oversee incident analysis.
- » Senior management ensures that resources, governance and systems comply with EU and OSHA safety requirements.
- » Audit oversight is ensured through risk assessments and action plans being displayed on activity boards and made available for internal EHS audits.

MILESTONES



At the end of 2025, nine Armacell plants had recorded more than 1,000 days without lost-time injuries (LTIs):

- » Brampton – CAN
- » Conover, NC – USA
- » Oldham – UK
- » Spencer, WV – USA
- » Yingde – CHN
- » Bursa – TUR
- » Hidd – BHR
- » Pune – IND
- » Suzhou – CHN



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 our employees’ mindset that safety is a shared responsibility. From 2025 onwards, the staff at our corporate and commercial offices have also been participating in safety training courses. As a matter of course, all new employees are given specific safety information and training as part of their onboarding process. External employees and contractors are provided with detailed safety instructions and guidelines in the Official Group Guideline (OGG) for Contractors. As a precondition of working for Armacell, contractors are required to sign this OGG to acknowledge their understanding of its contents.

WORLD-CLASS ARMACELL MINDSET (WAM)

The WAM excellence programme, our proactive approach to health and safety management, ensures all our employees are aware of potential risks and can actively contribute to a safer work environment. In line with our zero accidents vision, workplace responsibility and operational excellence, we promote continuous improvement by implementing structured safety protocols, regular training sessions and standardised best practices at all our manufacturing sites. This well-established safety culture encourages our employees to identify hazards, report operational health and safety 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 Armacell manufacturing plants to ensure a consistent approach to workplace safety.

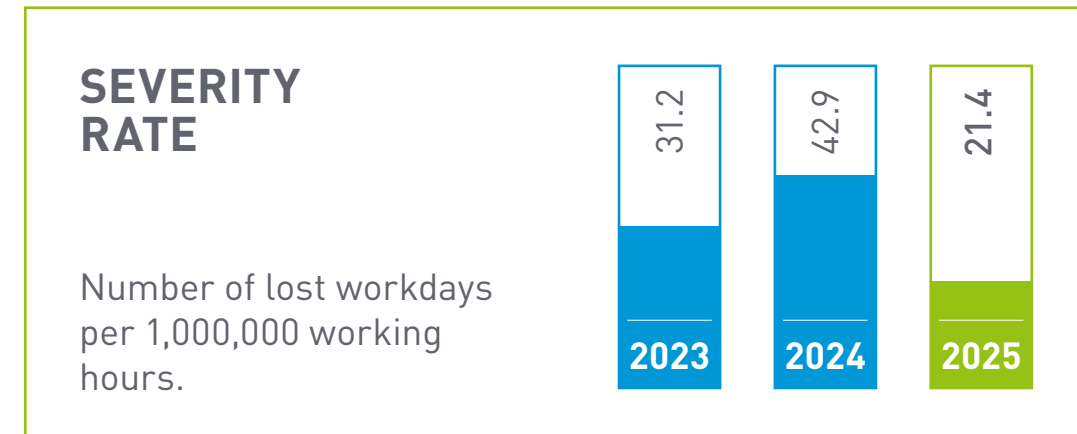
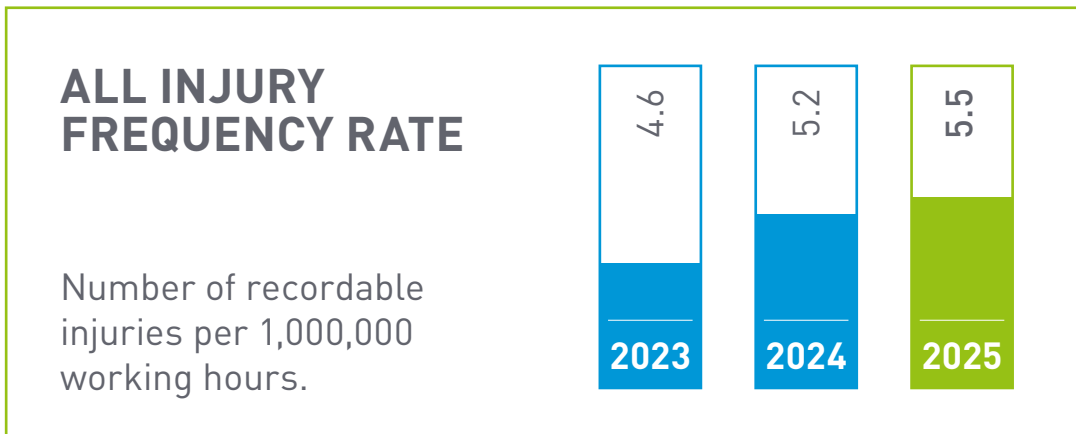
GLOBAL SAFETY DAYS IN ACTION

Global Safety Days are organised annually at 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 2025, the events centred on the tag line “LOCK, TAG, LIVE! You’re the key to safety” and focused on environmental, safety and health protection. Dedicated sessions reinforced proper lockout/tagout practices and highlighted the role of personal accountability. Across all sites, teams engaged in targeted risk-reduction projects designed to eliminate hazards at source and strengthen safety controls. These initiatives demonstrated a growing culture of shared responsibility and continuous improvement, supported by active participation from employees, supervisors and senior management.

WORKER SAFETY STANDARDS IN 2025

Promoting employees’ occupational health and safety (OHS) remains a top priority for Armacell, with the Group continuing to pursue its goal of zero accidents. In 2025, nine manufacturing sites achieved more than 1,000 days without a lost-time injury (LTI). The LTI frequency was concentrated on three sites (two in the Americas and one in Europe). In response, the targeted action plans being deployed to promote worker health at these sites are focused on strengthening leadership engagement, enhancing training programmes and improving. More broadly, the Group continues to implement initiatives to harmonise and reinforce OHS standards across all operations to ensure consistent application of safety procedures and drive continuous improvement in the safety performance.

SAFETY AWARENESS »



EMPLOYEE ENGAGEMENT AND SATISFACTION

In line with our commitment to our workforce as our most important asset, we undertake a number of measures to regularly feel our employees' pulse. In particular, the findings from our Global Employee Survey provide us with the necessary feedback and trigger appropriate initiatives across the Armacell Group.

FEEDBACK CULTURE

Regular performance reviews form the foundation of our employees' career development strategies. 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 options. In 2025, the feedback coverage rate was 98% (2024: 98%).

GLOBAL EMPLOYEE SURVEY

Our annual global employee survey is implemented as an anonymous online survey. The findings from the latest survey revealed the progress our company had made in relevant matters such as mutual respect, feeling safe at work, communications from senior management and confidence in the future.

The engagement index measures attitudes and behaviours that define engaged employees. In 2025, this figure was 65.7%, which was 1.3 percentage points higher than the previous year's figure.

CONSTRUCTIVE LABOUR DIALOGUE

As a globally active company, Armacell applies a dialogue-oriented approach to labour relations, reflecting the diverse legal and institutional frameworks across its operations. In several countries, Armacell operates under formal collective bargaining agreements, typically where they are customary or legally established at national or sector level, e.g. in Germany and Spain. In other countries, employees may choose to be represented by various kinds of employee bodies, e.g. by trade unions in Brazil and China.

The availability and nature of labour data differ by country. In some locations, legal and privacy constraints limit the collection of comprehensive information on collective bargaining coverage.

Consequently, Armacell cannot report a globally consolidated percentage of employees covered by collective bargaining agreements. In countries where no collective bargaining agreements apply, we directly define employment terms and working conditions in compliance with local labour laws and aligned to local market practices.

Across all its operations, Armacell is committed to respecting freedom of association, complying with local labour legislation and maintaining a constructive dialogue with employees and their representatives. This approach supports fair and responsible employment practices while recognising the diversity of regulatory environments the Group operates in.

GLOBAL ARMAWAY AWARDS – PREMIERE FOR SUSTAINABILITY

ArmaWay Awards are a token of our appreciation for our employees’ commitment and inventiveness. After all, our employees are the experts in their specific field and best placed to drive innovation and improve performance. Moreover, ArmaWay Awards further our employees’ engagement for ongoing operational improvements.

For the 12th edition of our ArmaWay Awards, we received 87 project applications across five categories – with Sustainability included for the first time. What’s more, ArmaWay is not just a name, but an acronym of the principles behind these awards:

- A** » **APPRECIATE** our customers – living a particularly open, appreciative and solution-orientated attitude
- R** » **RAISE** our efficiency – improving the performance and quality of our products and services
- M** » **MANAGE** our cash – keeping an eye on the economic fundamentals in all optimisation processes
- A** » **ACT** to empower our employees – improving everyone’s skills to work better, not harder

The winners in the five categories exemplify how these principles are lived out in practice.



WINNING ARMAWAY PROJECTS



- » **CUSTOMER ENGAGEMENT:** Winning a prestigious contract to fully equip a flagship beverage production plant in India through a highly customer-centric tendering process.
- » **OPERATIONS EFFICIENCY:** Cloud-based energy-management and decarbonisation monitoring for unprecedented transparency and control at our PET plant in Belgium.
- » **COST & CASH PERFORMANCE:** Launch of the first-ever end-user DIY installation guide for ArmaFlex® Home to simplify insulation work for homeowners in EMEA.
- » **PEOPLE TEAMWORK & EMPOWERMENT:** Practical, fact-based initiative that transformed pricing into a strategic growth lever for EMEA sales teams.
- » **SUSTAINABILITY – BUILDING TOMORROW:** Rebuild of the safety culture at the Cheonan plant in South Korea resulting in impressive EHS and compliance gains.

WELL-BEING AND WORK-LIFE BALANCE

We are committed to creating a supportive and inclusive working environment that enables employees to balance professional responsibilities with personal well-being. Through a range of policies, benefits and programmes, we support physical and mental health, enhance job satisfaction and foster sustained engagement across the Armacell Group. These efforts are designed to promote long-term workforce resilience and contribute to sustainable performance over time.

FLEXIBLE WORKING ARRANGEMENTS

We offer a range of flexible working options to support diverse needs and working styles, including variable working hours, remote or hybrid work models and part-time opportunities. Employees can thus manage their work in a way that enhances productivity as well as their well-being and work-life balance.

LEAVE POLICIES AND ADDITIONAL TIME-OFF

In addition to statutory requirements, we provide enhanced leave options aimed at supporting our employees' well-being at different stages of their lives. They include mental health days, extended parental leave and tailored support for employees returning from long-term leave, thus helping to ensure continuity, inclusion and a healthy return to work.

WELL-BEING PROGRAMMES

We have initiatives in place to support our employees' physical and mental health, focusing on prevention, early support and overall well-being. These programmes are designed to promote healthy working conditions, reduce the risk of work-related health impacts and support employees in maintaining their long-term health and performance.

The availability and scope of flexible working arrangements, leave policies and well-being programmes may vary across locations in line with local legislation, market practice and business requirements.



Armacell sees its employees as the key to success. A focus on teamwork, open communication and flat hierarchy promotes employee motivation and contributes to the positive development of the company. An appropriate mix of challenge and support is always a sustainable concept for success.

Tobias Trauerstein, Manufacturing Coordinator, Germany
(16 years at Armacell)

The Armacell culture is welcoming, and the onboarding process sets employees up for success right from the start. The workplace is a respectful one that encourages employees to express opinions and ideas. Armacell is a very engaging organisation creating highly invested employees. Here, we have a connected company culture where employees feel accepted, valued and have a sense of belonging, while sharing common goals.

Craig Spence, Production Supervisor, Canada
(23 years at Armacell)

Following feedback from the employee survey, in 2025 we implemented various measures at a local level to further enhance employee well-being. They included a tailored initiative for employees in Brasil to improve their overall health, as well as a specific absence management policy in Canada to support employees in managing illness, recovery and personal needs, enabling a smooth and stress-free reintegration. In Poland, the targeted measures introduced to support employees included upgraded workplace facilities, expanded private healthcare coverage with additional rehabilitation services and a flexible cafeteria benefits system.

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

HIGHLIGHTS



MARC CANGELOSI >>

Chief Growth & Sustainability Officer

At Armacell, we are driving sustainability forward by integrating it into our core business and directly linking it to long-term value creation.

Our medium-term decarbonisation pathway to 2035 covers operations, renewable energy sourcing, supplier engagement, materials innovation and logistics optimisation. This roadmap translates climate ambition into defined initiatives and measurable progress steps. Besides reducing our own carbon footprint, we have expanded our measurement capabilities to include avoided emissions generated through the use of Armacell products. By quantifying how our solutions enable customers to lower their carbon emissions, we are aligning more closely with our customers' decarbonisation goals. With 47% of our product portfolio currently covered by verified EPDs and newly developed carbon footprint dashboards communicating our products' global warming potential to customers, we have rapidly expanded our product sustainability transparency. Our commitment to protecting our planet from the negative effects of global warming continues unabated.



3.6%
LESS CO₂ EMISSIONS
(SCOPE 1 & 2)

66%
WASTE RECYCLED
& RECOVERED

2.1x
RENEWABLE
ENERGY USE

47%
PRODUCTS
WITH EPDs

5bn
RE-USED
PET BOTTLES

RESPONDING TO ENVIRONMENTAL RISKS

A climate and biodiversity risk assessment performed in 2025 analysed the potential physical climate and biodiversity risks arising from the geographic locations of Armacell’s manufacturing sites and main offices. We take these risks seriously and have instituted a number of processes to identify and evaluate them and to assess their financial implications. Improved water management also enabled us to responsibly reduce our water consumption.

MEASURES TO MITIGATE CLIMATE RISK

We now have a number of emergency response plans (ERPs) in place to cover extreme events such as floods, earthquakes or storms. These ERPs are aligned with the potential vulnerability of each manufacturing site or office building.

After installing a large-scale flood protection barrier at Panyu two years ago, we implemented a broad spectrum of measures in 2025 to further mitigate climate-related risks across our operations. These initiatives included targeted site-specific improvements such as structural reinforcement to enhance protection against potential landslides at Thimister, the introduction of heat mitigation solutions at Bahrain’s logistics and production areas, the installation of enhanced HVAC systems at Cheonan’s lamination line, and upgrades to ventilation systems at both Mebane and Florianópolis to improve working conditions in response to environmental stressors.

IMPROVED WATER MANAGEMENT

Given 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 all its operations. Hence, we registered a significant reduction in the Group’s overall water consumption in a YoY comparison – down from 149,792 m³ in 2024 to 131,806 m³ in 2025. One reason for the reduced water consumption in 2025 was that the leaks reported in our 2024 Sustainability Report had been mended.

Our Water Supply and Consumption OGG describes the procedures for the management of water supply and consumption in accordance with current regulations. Specifically, our procedures are aimed at achieving the sustainable use and lasting availability of water resources, promoting the re-use of water in processes with lower demands, and promoting the re-use of water after treatment.



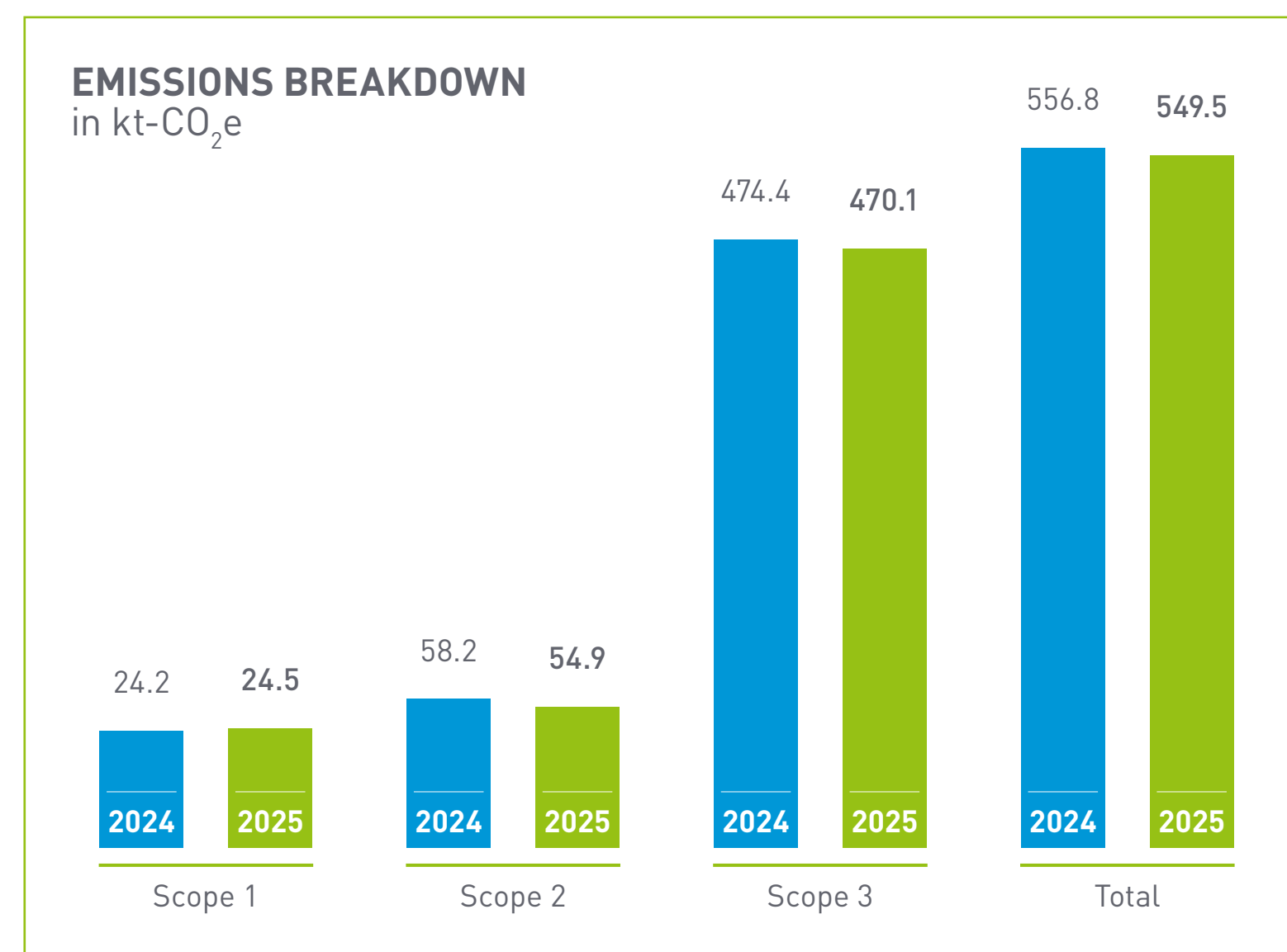
REDUCING ENERGY CONSUMPTION AND EMISSIONS

We strive to optimise energy consumption across our operations to reduce our greenhouse gas emissions (GHG) and improve our environmental performance. Emissions are calculated in line with the recognised GHG Protocol, ensuring transparent measurement and reporting. This approach enables effective progress in tracking our path to the targets set in our climate action plan.

REPORTING EMISSIONS

- » **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 the market- and location-based approaches to provide a comprehensive overview of our energy-related footprint.
- » **Scope 3:** All other indirect emissions that occur across our value chain, including upstream and downstream activities.

This integrated approach ensures that our emissions reporting is both rigorous and aligned with international best practices.



FOOTNOTES

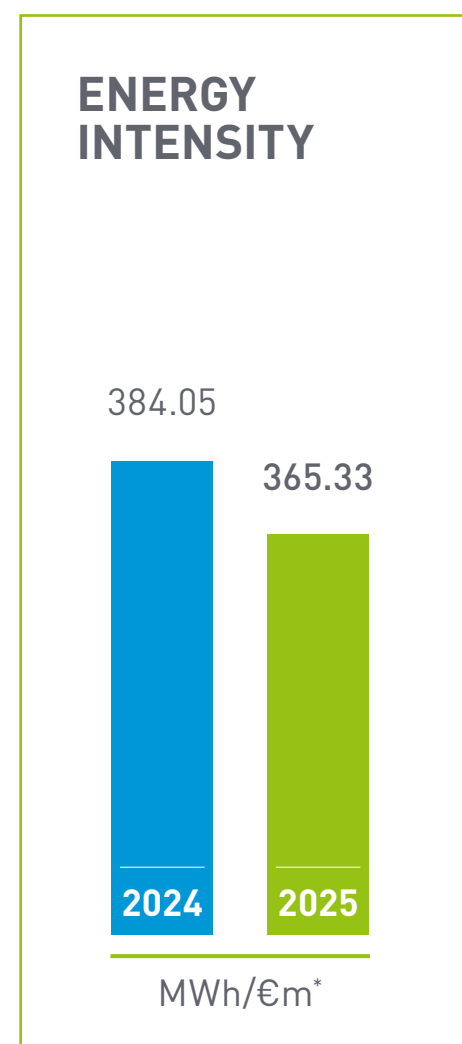
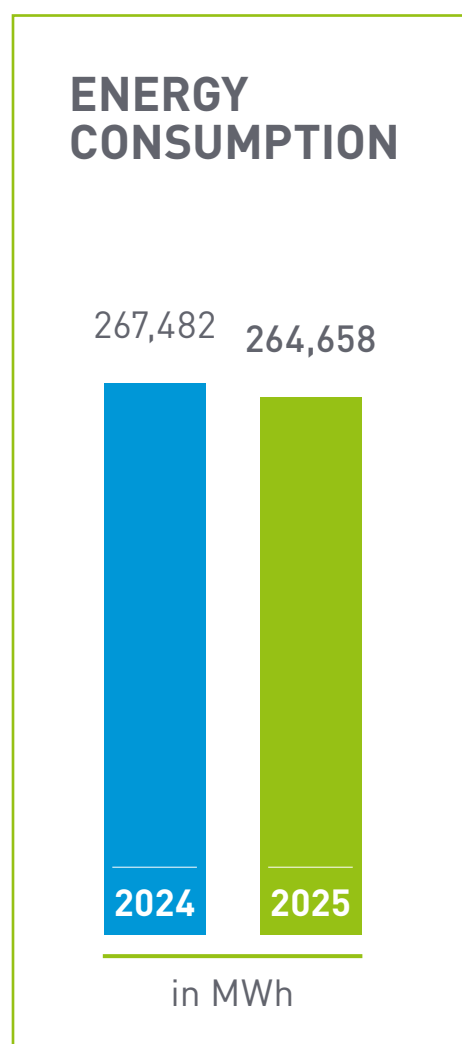
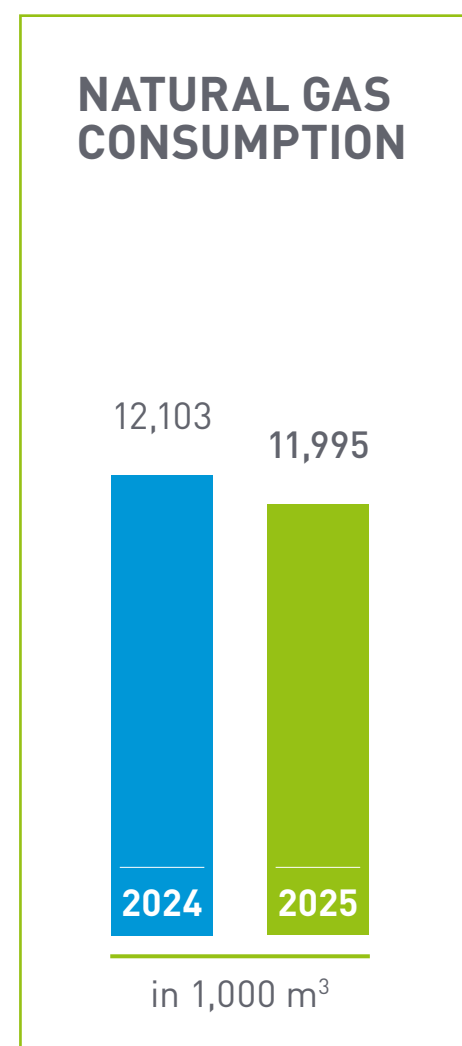
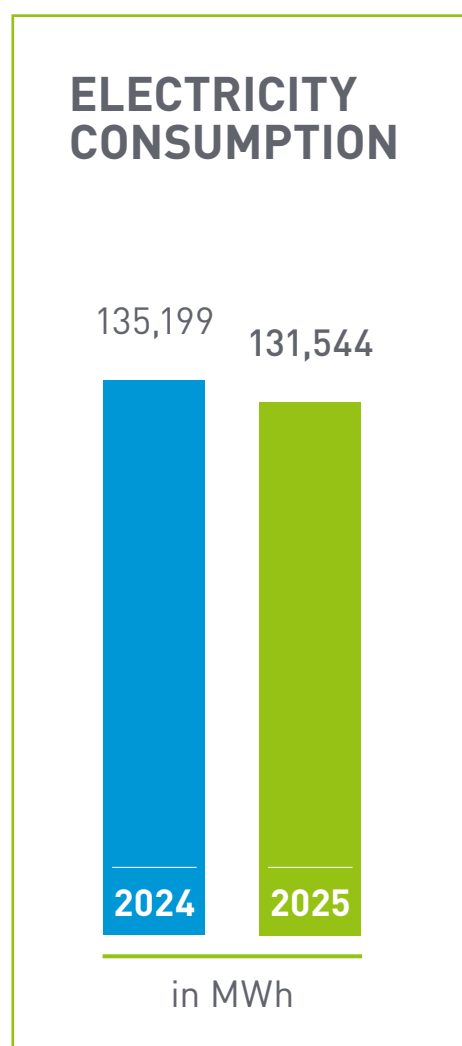
- » Scope 2 emissions in chart are market-based
- » Data for 2024 covers 19 production plants
- » Data for 2025 covers all 26 production plants

In 2025, we again commissioned a climate consultancy firm to quantify our Scope 3 emissions. We also engaged the same firm to conduct a limited verification of Armacell’s Scope 1 & 2 reporting in accordance with ISO 14064-3. Following this assessment, our 2024 emissions calculations were restated as shown on the right.

REDUCING GHG EMISSIONS AND ENERGY CONSUMPTION

Armacell’s manufacturing processes primarily rely on electricity and natural gas, which contribute in broadly equal proportions to the overall energy mix. 2025 saw a 3.6% reduction in Scope 1 & 2 emissions in a YoY comparison with a declining trend over the past three-year period.

Energy consumption decreased by approximately 1%, from 267.5 GWh in 2024 to 264.7 GWh in 2025. This reduction, together with associated emissions savings, was achieved through a series of energy efficiency initiatives, including projects at our PET plant in Thimister, Belgium. These initiatives delivered annual energy savings of more than 450 MWh, driven by enhanced energy monitoring, the expansion of photovoltaic capacity, and the optimisation of operating hours and equipment use.



INVESTING IN RENEWABLE ENERGY

Integrating renewable energy is a core pillar of Armacell’s medium-term climate strategy. This involves pursuing a dual approach combining on-site solar photovoltaic (PV) generation with off-site renewable electricity procurement through power purchase agreements (PPAs). Renewable energy solutions have already been implemented at four manufacturing sites in EMEA and one site in APAC. These locations have been prioritised for reasons of energy demand intensity, local renewable energy market maturity and the availability of supportive regulatory frameworks.

In 2025, Armacell consumed a total of 7,092 MWh of renewable electricity (2024: 3,322 MWh), generated from on-site photovoltaic installations or sourced through power purchase agreements:

- » **BEGUR SPAIN** 302 MWh
- » **HIDD BAHRAIN** 951 MWh
- » **LEINI ITALY** 531 MWh
- » **PUNE INDIA** 3,838 MWh
- » **THIMISTER BELGIUM** 1,470 MWh

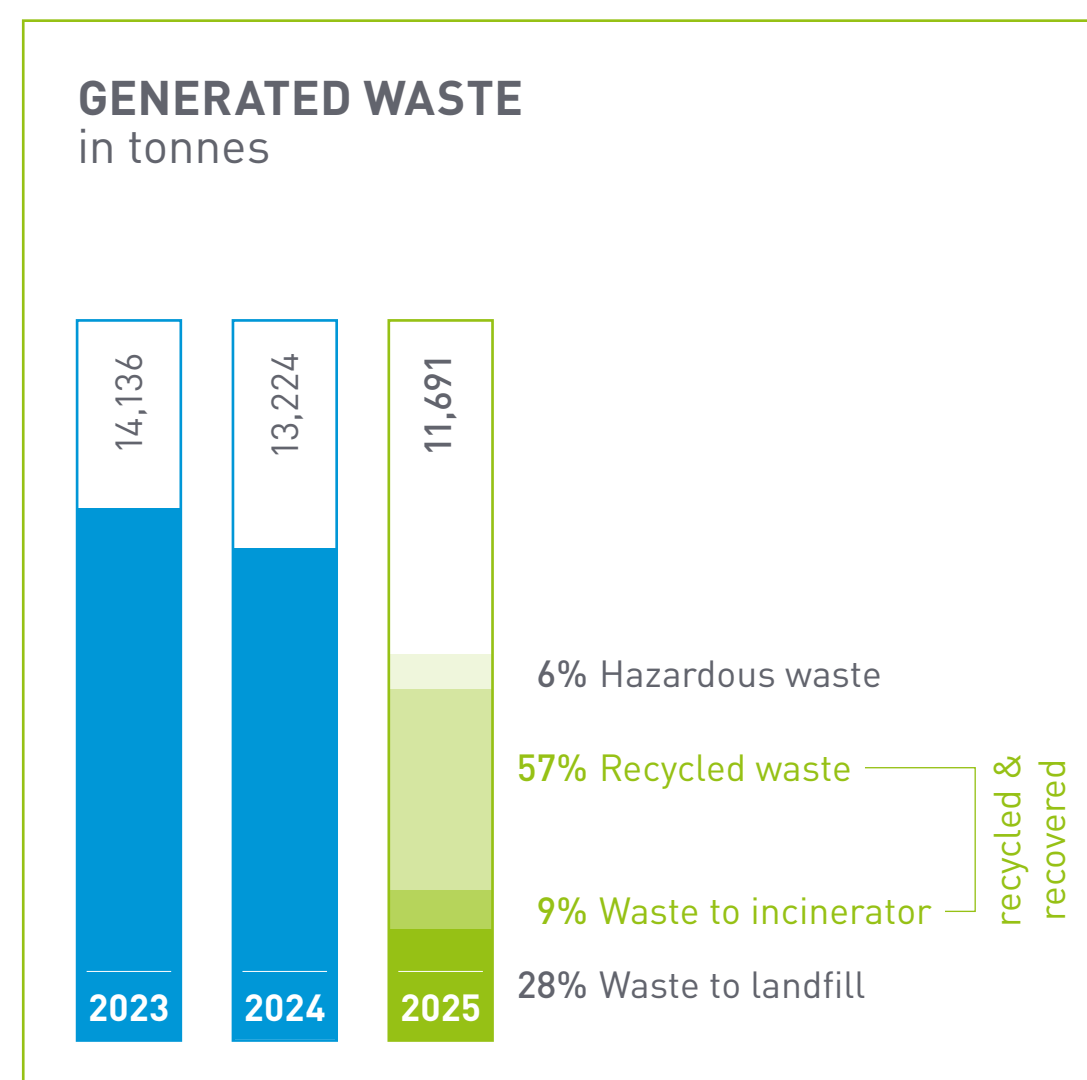
Preparations for similar renewable energy measures were undertaken in 2025 at our Münster site in Germany. As a result, the entire manufacturing facility has been supplied with green power since January 2026. These initiatives are a key part of our strategy to further reduce Scope 1 & 2 emissions and support our long-term decarbonisation objectives.



* Total net sales excluding traded goods

MATERIAL AND WASTE MANAGEMENT

We manage our impact on material use and the circular economy by optimising production processes and improving resource efficiency. At the same time, we are increasing the use of recycled materials and striving to implement responsible waste management across our operations to lower the environmental footprint of our activities.



RESOURCE MANAGEMENT

Armacell’s 26 manufacturing sites produce a broad range of insulation products for various applications. The breakdown of raw material use is presented below (units of measure include weight, m² and pieces).

Our product development initiatives are aimed at reducing material intensity, including more recycled content and improving overall product performance. Improving raw material efficiency is factored into our R&D process. Wherever possible, we favour recyclables in our PET (polyethylene terephthalate) and PE (polyethylene) productions and embrace the use of recycled materials in our flexible elastomeric foam lines.

Raw Material	2024	2025
Chemicals	53.6%	55.8%
Packaging	38.2%	24.2%
Metals	1.8%	2.0%
Other	6.4%	18.0%

In 2025, recycled PET accounted for 95.9% of the material used for ArmaPET® production in Belgium, Canada and China (2024: 96.7%). Armacell’s unique rPET foam technology is helping to reduce plastic waste by re-using PET bottles and contributing to a circular economy in plastics. In Poland, we increased the external recycled content for our PE products from 22.8% in 2024 to 24.1% in 2025. For our elastomeric acoustic insulation portfolio, we re-used more than 900 tonnes of scrap in several locations and converted it into full-value sound insulation products such as ArmaSound®. Depending on the product type, internally recycled scrap accounted for up to 89% of the material input.

REDUCING AND RECYCLING WASTE

One of the focal points of our business operations 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 or implementing a pallet return policy for customers in some countries, we avoid the generation of additional waste at our own production sites and support the circular economy across our value chain.

In 2025, the total waste Armacell generated was 11.6% less than reported in 2024. This positive trend, however, was partly due to the fact that Armacell was unable to manufacture the same volume of ArmaGel® products in its own facilities during 2025. 66% of production waste was recycled and recovered in 2025 while 94% of reported waste was non-hazardous.



LOWER-EMISSION STRATEGY

In 2025, we again worked on expanding our portfolio with products featuring reduced greenhouse gas intensity. We deploy innovative technologies to increase the range of low-carbon and alternative materials used in our manufacturing processes.

UNDERSTANDING OUR IMPACT

Wherever possible, we favour recyclables in our PET and polyethylene (PE) production, prioritise PVC-free products and embrace the use of recovered 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. To manufacture our ArmaSound® products, for example, we re-use production scrap and convert it into full-value sound insulation products.

» **ENVIRONMENTAL IMPACT ASSESSMENT:** As part of our commitment to responsible product stewardship, we use our innovative ENVIA solution to assess the environmental impact of Armacell products in a structured and measurable way across their entire lifecycle. This tool is available as an app to all our employees involved in product development and management.

» **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 an intuitive app which allows product managers to apply a sustainability rating to all new product developments.

» **TIPCHECK PROGRAMME:** The EiiF's Technical Insulation Performance Check (TIPCHECK) Programme is a standardised thermal energy auditing tool that provides solutions to save energy and CO₂ emissions through better insulation systems. TIPCHECK courses teach participants how to perform thermal energy audits and identify process efficiency improvements and safety risks.

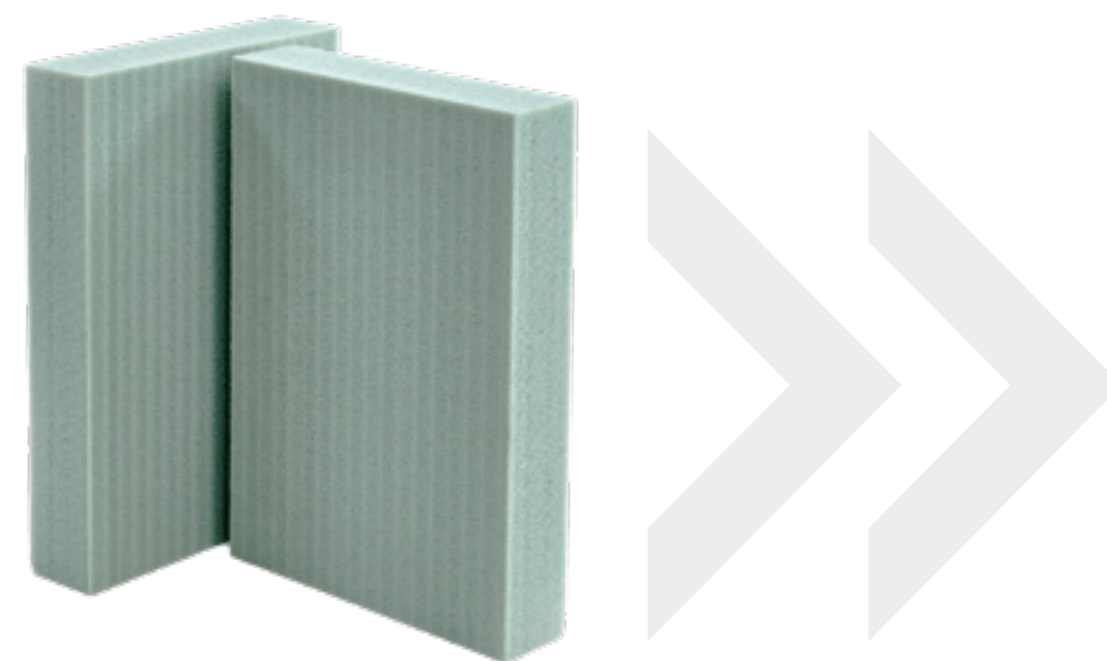


BUILDING WITH TOMORROW IN MIND

Viebrockhaus SmartCity is a pioneering residential development of detached and semi-detached houses near Hamburg, Germany. The 18 energy-efficient homes were designed to meet Germany's strict Efficiency House 40 standard. This project set a new benchmark in sustainable construction by combining energy efficiency with aesthetic appeal in a climate-conscious design.

In the light of the considerable climate challenges facing the construction industry, the Viebrockhaus SmartCity project represents a radical rethink of building practices. A key factor in meeting the sustainability requirements was the use of ArmaPET® Eco50, a high-performance, climate-friendly insulation material made from recycled PET bottles, as a perimeter and core insulation solution. This helped to reduce the homes' CO₂ emissions in line with the Viebrockhaus mission of reducing the environmental impact of its building projects.

The incorporation of ArmaPET® Eco50 into the SmartCity development went hand in hand with other environmental advances such as the installation of heat pumps to eliminate the need for fossil-fuel heating systems and a significant reduction in sealed surfaces. This project is thus a model for future construction developments and highlights the importance of holistic approaches to sustainability in the building industry.



VIEBROCKHAUS SMARTCITY – A SUSTAINABLE RESIDENTIAL PROJECT

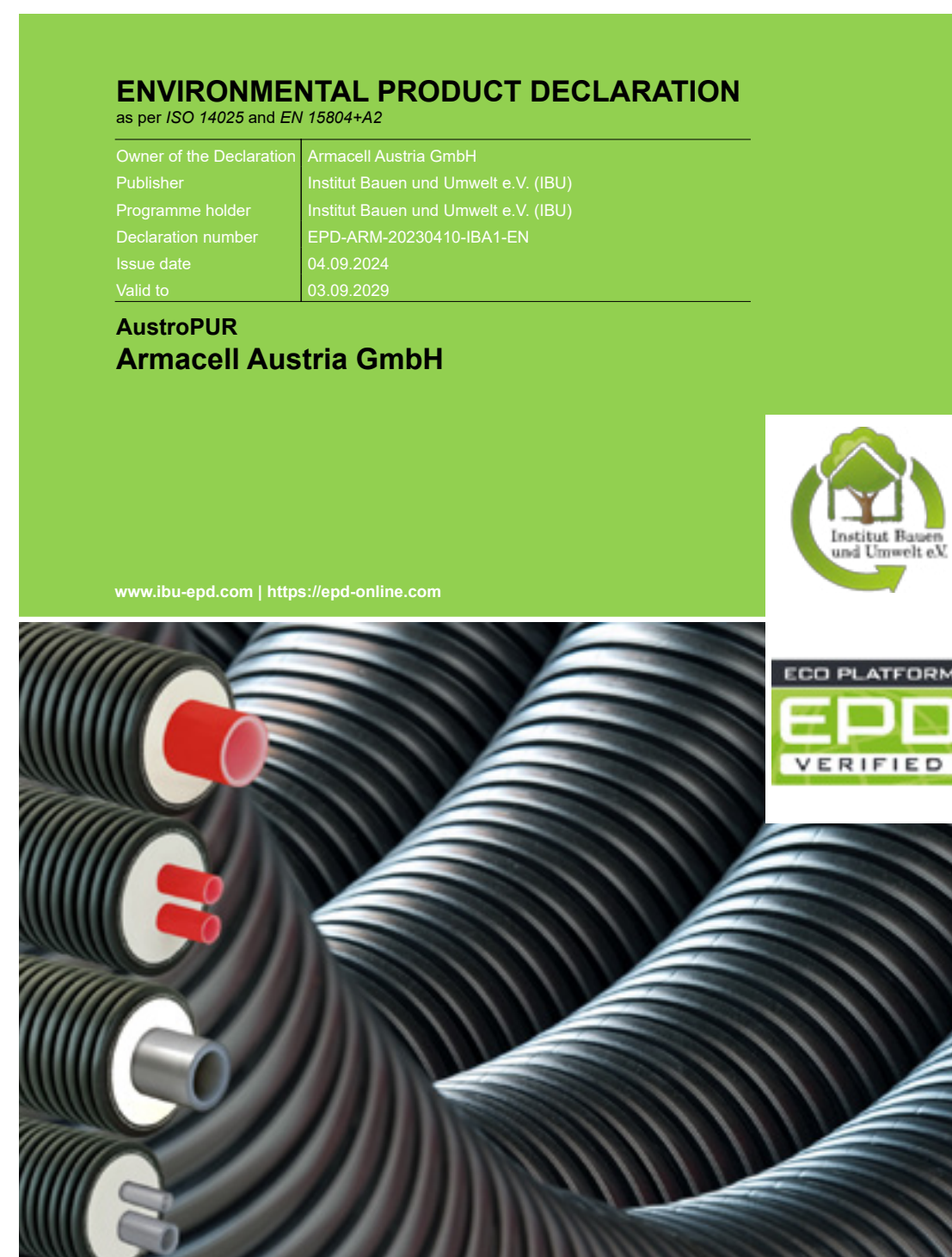


ArmaPET® Eco50

- » Made from recycled plastic bottles
- » Fully recyclable at end-of-life cycle
- » Outstanding insulating performance: 0.028 W/m·K at 40°C
- » Lightweight yet robust: 50 kg/m³



PRODUCT TRANSPARENCY – SUSTAINABILITY GAINS



The steadily increasing percentage of our product portfolio covered by Environmental Product Declarations (EPDs) is improving our overall product transparency. In sales terms, 47% of our product portfolio was covered by EPDs in 2025 as new EPDs were obtained for a variety of Armacell products, including our acoustic (ArmaComfort®) and thermal insulation solutions (ArmaFlex®).

DELIVERING TRUE VALUE

As standardised, third-party-verified documents, EPDs report the environmental impact of products across their lifecycle. Sound data on our products' carbon footprint supports our customers on their sustainability journey. Moreover, our solutions go beyond insulation by delivering measurable energy savings and helping customers meet their sustainability goals. Through their alignment with global green building standards, our products support responsible planning and the construction of infrastructure and buildings worldwide. By providing third-party verified EPDs for our core products, we help customers meet the certification criteria of green building schemes such as LEED®, BREEAM®, DGNB and the Home Quality Mark (HQM). That makes it easier for them to design, specify and deliver sustainable, future-fit buildings.

LEADING THE FIELD

As the first manufacturer of flexible technical insulation to conduct full Life Cycle Assessments (LCAs) as long ago as 2015, we continue to lead the field with data-driven insights. Our EPDs cover various stages of the product lifecycle from raw materials to disposal, thus enabling customers to make informed, environmentally responsible decisions. Besides supplying high-quality products, we offer practical support to help customers achieve their sustainability goals in their day-to-day work. From time-saving guidance on building certification to professional calculation tools, training programmes and a dedicated BIM plug-in, we ensure that sustainable choices are easier, faster and more accessible. With the construction sector responsible for up to 40% of GHG emissions and around half of all raw material consumption, every decision matters. By working together, we help our customers lead the shift towards more responsible construction practices.

PRODUCTS IN USE – GREEN BUILDINGS

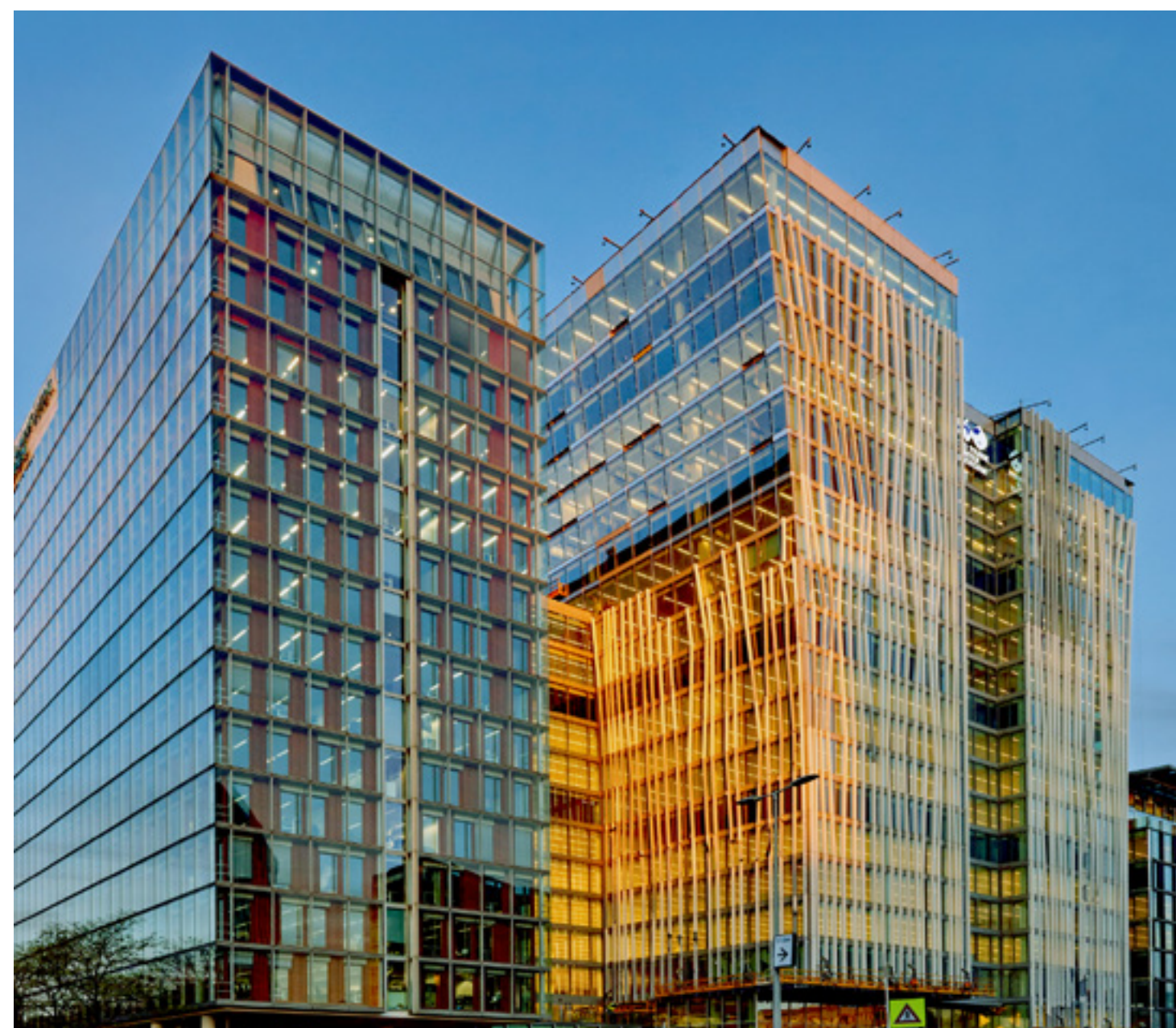
Our products support customers in achieving their climate objectives when developing green buildings. Reduced product carbon intensity combined with high energy performance helps lower both embodied and operational emissions. These solutions enable us to contribute to advancing sustainable construction and decarbonisation across the built environment.

Green building focuses on designing and constructing commercial blocks, industrial facilities and housing to heighten the occupants’ well-being while simultaneously 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.

Although up to 80% of a building’s energy requirement could be saved by incorporating existing energy-efficient technologies, more progress is still needed towards meeting the construction sector’s decarbonisation targets. Of the available energy-saving technologies, technical insulation – our specific strength – is the most cost-effective, impactful way of cutting CO₂ emissions.

Nevertheless, the unsung hero of energy efficiency in commercial, industrial and residential buildings undoubtedly needs promoting more energetically. That is one of the reasons why Armacell is doing what it can to support 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 have been responsibly sourced.

TOWER TEN
WTC AMSTERDAM, NETHERLANDS



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

JOLLIBEE TOWER
METROPOLITAN MANILA, PHILIPPINES



LEED® GOLD

Governance

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ESRS TOPIC – G1, BUSINESS CONDUCT

ESRS TOPIC – S2, WORKERS IN THE VALUE CHAIN

HIGHLIGHTS



ADRIAN YEANDLE »

Chief Legal & Compliance Officer

At Armacell, corporate governance is based on a framework that supports responsible and sustainable business conduct across the Group.

This governance framework aims to promote sustainable growth, manage risks effectively and ensure compliance with applicable laws and ethical standards. It encompasses the protection of human rights and the environment, safe and fair working conditions, data protection and IT security, respect for intellectual property and consumer-related concerns, supplier compliance with Armacell standards and constructive engagement with stakeholders. On a day to day basis, Armacell's operations are guided by the Code of Conduct, which forms the foundation of the Group's ethical principles and expected behaviours. The Code is complemented by the Corporate Handbook and dedicated thematic policies, which translate Armacell's values and commitments into clear operational requirements. This strong governance framework enables Armacell to ensure legal and ethical compliance, prioritise the health and safety of employees and business partners, and uphold integrity and accountability throughout the Group.

527

NEW RECRUITS TRAINED

55%

SUPPLIERS ASSESSED

ZERO

CRITICAL IT INCIDENTS

53

NET PROMOTER SCORE

11

WHISTLEBLOWER CASES

BUILDING A COMPLIANCE CULTURE

Ethics and compliance training plays a vital role in strengthening organisational integrity and accountability. By building awareness and reinforcing expected standards of conduct, such training helps to reduce legal and reputational risks. Ongoing education in this field supports a culture of responsibility and contributes to Armacell’s long-term resilience and sustainable performance.

ORGANISATIONAL FRAMEWORK

Armacell deploys a multi-layered approach to provide compliance training tailored to employee roles, responsibilities and risk exposure. The objective is to build awareness, ensure understanding of Group policies and support responsible decision-making.

OVERSIGHT

A structured governance approach ensures the effectiveness and continuous improvement of the training programmes. Participation and completion rates are monitored centrally, with management staff responsible for oversight within their teams. Regular reviews are conducted to reflect regulatory changes and emerging risks (e.g. safety, sanctions, cybersecurity). Oversight is in the hands of the Legal & Compliance function, with reporting and escalation through management staff and the relevant Board-level governance structures.

TRAINING

Armacell provides mandatory compliance training covering the Code of Conduct and key risk areas, including anti-corruption, competition law, sanctions and trade compliance, anti-money laundering, data protection, whistleblowing and human rights-related principles. Enhanced, role-specific training is provided for management staff and employees exposed to higher compliance risks. Compliance is also embedded in leadership development through the Management Essentials Programme, where new managers are trained on their role in fostering an ethical culture and leading by example. Generally speaking, training is delivered through e-learning modules, onboarding programmes, refresher campaigns and targeted instructor-led sessions.

As safety is a core priority at Armacell and integrated into all daily activities, safety and awareness training begins when employees join Armacell and continues through ongoing training and reinforcement to ensure employees maintain a safe working environment at all times. Production and logistic operators are onboarded by local HR and management, with a focus on mission, vision and values.



PERCENTAGE OF EMPLOYEES TRAINED IN 2025 (TRACKED CENTRALLY & LOCALLY)

Type of training	Target audience reached*	Refreshment intervals
Compliance	99.2%	Biannually
Information Technology	98.2%	Annually
Health & Safety	99.6%	Ongoing

* The target audience is determined by role-specific responsibilities and safety requirements.

WHISTLEBLOWING AND GRIEVANCE MECHANISMS

Although we maintain a comprehensive management system designed to effectively prevent incidents and ensure responsible operations, we nevertheless recognise the importance of open reporting channels. Hence, our own employees, business partners and workers throughout our value chain are encouraged to report any irregularities or concerns. This speak-up approach strengthens transparency, supports early risk detection and reinforces a culture of integrity and accountability throughout the Armacell Group.

GLOBAL WHISTLEBLOWING SYSTEM

Our Global Whistleblower Policy allows employees and third parties to report any facts, suspicions or concerns. Reports may be submitted confidentially or anonymously via the Whistleblowing Portal or other designated channels and are first assessed to determine whether a formal investigation is required. Where appropriate, an investigator is appointed to conduct a fair, timely and independent investigation and to act as the contact point for the whistleblower.

All investigations aim to establish whether there is sufficient evidence to substantiate the concerns, and the outcomes are reported to the Whistleblower Committee, which reviews the findings and determines appropriate remedial or disciplinary actions, while providing feedback to the whistleblower where possible.

The investigation framework is designed to be independent of the persons concerned, and the Whistleblower Policy provides for a separate and independent escalation pathway such that cases involving the Chief Legal & Compliance Officer, Management Board members, or other senior leadership are not investigated by those individuals but are escalated to the Whistleblower Committee for objective oversight.

In 2025, Armacell recorded a total of 11 cases reported across 5 categories. All the cases were investigated and closed within a reasonable timeline.

CLEAN RECORD IN 2025

The successful implementation of Armacell's policies is evidenced by the fact that in 2025 no known instances of non-compliance with laws and regulations were recorded and no fines or non-monetary sanctions were imposed. In concrete terms, there were no incidents involving human rights violations, labour rights protection and anti-corruption cases.



COMMITTED TO QUALITY AND CUSTOMERS

We actively manage our impact on consumers by ensuring the safety, reliability and performance of our products. High production standards and robust quality control processes help maintain consistent product quality and compliance with applicable requirements. Clear and transparent communication further supports responsible use and strengthens trust among customers and end users.

QUALITY COMMITMENT



Our Quality Policy reflects our commitment to delivering products and services that meet customer expectations, comply with applicable standards and regulations and support sustainable growth. Product health and safety considerations are assessed and managed throughout the product lifecycle, including design, manufacturing, testing and customer information. We provide clear and accurate product labelling and documentation to support the safe handling, storage, installation, use and disposal of our products. The guiding principles behind this policy are prioritising customer satisfaction, promoting a culture of quality and excellence, driving continuous improvement and ensuring compliance and standardisation. In 2025, there were no incidents of non-compliance concerning product and service information and labelling.

HEALTH AND SAFETY



Our Customer Health & Safety Policy expresses our commitment to protecting the health and safety of our customers by upholding the highest standards in product quality, safety and service. We ensure that all products we manufacture and distribute meet or exceed the applicable safety standards in all locations where they are marketed. Rigorous health, safety and environmental testing and quality assurance procedures help to minimise risks and ensure safe usage. We maintain open and transparent communications on safety and health information with our customers, e.g. through data sheets or installation videos. In 2025, there were no instances where we failed to meet applicable requirements concerning the health and safety impacts of products and services.

CUSTOMER SATISFACTION



The results of our annual global customer satisfaction survey in February 2025, which was directed at some 8,900 direct buying contacts and generated a global response rate of 10.85%, highlighted some areas for further analysis. Adjusted for the Korean market, the Net Promoter Score (NPS), which measures customer loyalty to a company, increased by 3 points to 53 compared with the previous year. The Customer Satisfaction Score (CSAT), a metric that measures happiness with a product, service or customer support, remained high at 83%. By incorporating ESG questions, we gathered valuable feedback on issues that are increasingly important for our business. The 2025 ESG results were generally very positive and the feedback enabled us to identify areas for improvement and how we can more effectively communicate our ESG commitments to customers.

IT SECURITY

Protecting Armacell's IT infrastructure is of critical importance for us and our customers. Our Group Cybersecurity Policy guides employees and business partners in safeguarding data, securing systems and mitigating risks. Responsibility for data protection is clearly defined and embedded within our governance and compliance structures. We maintain policies and standards designed to protect personal data and respect privacy rights in accordance with applicable laws and regulations. Data protection and privacy risks are identified, assessed, and managed as part of the broader enterprise risk management framework.

MITIGATING CYBERSECURITY RISKS

Digital disruption is a threat we share with all our manufacturing peers. A global governance body including corporate and local IT teams safeguards our IT systems and data through defined security measures and best risk management practices, which is critical to ensuring continuity of operations. In 2025, we documented over 252,000 internet threats, with 19,000 of them specifically related to email communications. Of these, approximately 40,000 were phishing-related. Security-conscious employees are key data-protection players.

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. Regular phishing simulations and intrusion tests help assess the effectiveness of our security controls and reinforce employee awareness. Moreover, our policies on IT and internet access security and using mobile or personal devices for work have to be read and signed.

DATA PROTECTION AND PRIVACY

Processes are in place to identify, assess and manage data security incidents, including the evaluation of regulatory reporting obligations where relevant. In 2025, one low-risk data security incident was identified and did not require regulatory notification. Mechanisms have been established to enable individuals to exercise their data protection rights, and requests are handled appropriately. In 2025, one data subject request was received regarding deletion of personal data following a recruitment application process. Data protection expectations extend to third parties and service providers that process personal data on the company's behalf. In 2025, we implemented a centralised third-party due diligence process for customers and suppliers using the OneTrust platform to support a consistent, risk-based approach to third-party data protection management. As part of our commitment to continuous improvement, we continue to monitor, review and enhance our data protection practices.

NEW SECURE SOLUTIONS IN 2025

Zero Trust Access was implemented for 2,000 users around the world to enable secure remote access to internal applications

without a VPN. Over 30 internal users and 25 external support team members were provided with Privileged Access Management to support secure and controlled access to critical systems. A dedicated IT security awareness training course on AI was launched for 2,000 users globally. And the EMEA region's firewall was standardised across ten locations to minimise management overheads and improve communication security.



TOWARDS SUSTAINABLE SUPPLY CHAINS

We operate under a structured framework of policies governing supplier relationships and responsible sourcing. We are in the process of building a sustainable supply chain to effectively manage our environmental and social impacts beyond our own operations. Through active collaboration and dialogue, we are working with suppliers to continuously raise standards, promote responsible practices and drive shared improvements across the value chain.

SUPPLIER CODE OF CONDUCT

Our dedication to ethical business conduct is expressed in our Supplier Code of Conduct, a crucial tool for managing supply chain impacts. Rooted in the principles of the UN Global Compact, it defines the standards for environmental responsibility, human rights and labour practices that all our suppliers and subcontractors must adhere to. It also contains tools for due diligence, including the obligation to implement corrective action plans in case of non-compliance. All our suppliers, regardless of what they provide us with, have received this Supplier Code of Conduct with the aim of ensuring transparency and their alignment with our expectations as well as applying the Code to their own subcontractors. By year-end 2025, 60% of suppliers had signed our Supplier Code of Conduct.

SUSTAINABLE PROCUREMENT

We are committed to responsible sourcing and fostering long-term partnerships built on trust and shared values. The guidelines for procurement activities are laid down in our Sustainable Procurement Policy, which defines our economic, social, ethical and environmental standards. Our global sourcing strategy is focused on the regional or local procurement of materials, prioritising suppliers that offer short transport distances to minimise environmental impact.

In 2025, the continued application of our Sustainable Procurement Policy was a key factor in advancing sustainability throughout our supply chain.

SUPPLIER ASSESSMENTS

Our supplier self-assessment questionnaire now includes additional ESG-related questions. Besides focusing 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. In 2025, we assessed 346 suppliers, representing 55% of our raw material and jobbed products supplier base. We also conducted 10 supplier audits in 2025, yielding valuable insights into operational practices and standards across the supply chain. No significant negative environmental or social impacts in the supply chain were identified through these assessments and audits in 2025, and therefore no significant incidents or corresponding remediation actions were reported.

SUPPLIER ENGAGEMENT

The evaluation of our suppliers' ESG performance is being progressively formalised through the development of structured assessment criteria and performance tracking mechanisms. We are actively engaging with key suppliers to identify partners who can support the sourcing of more sustainable and lower-carbon materials, including those offering circular raw material solutions. These suppliers are prioritised within ongoing engagement efforts and expected to play a key role in advancing our Scope 3 decarbonisation objectives, as sustainability considerations increasingly inform sourcing decisions. At the same time, our focus on enhancing material efficiency, increasingly using circular raw materials and substituting raw materials to reduce production and end-of-life emissions is helping us to identify and scale more sustainable material solutions across the value chain.

ARMACELL'S APPROACH TO TAX

The Armacell Group's approach to tax is based on compliance with applicable tax laws, alignment of tax positions with the economic substance of business activities and responsible tax practices consistent with the Group's governance standards. Armacell does not publish a stand-alone tax strategy; instead, tax matters are embedded within the Group's financial, risk and governance framework. The Group does not engage in aggressive tax planning or arrangements that lack commercial justification and seeks to maintain professional and constructive relationships with tax authorities.

GOVERNANCE AND ASSURANCE

Oversight of tax matters is exercised by the Audit Committee of the Supervisory Board, which supervises the Group's tax strategy, tax compliance and significant tax risks as part of its responsibility for accounting and financial reporting. Day-to-day responsibility for tax matters lies with each local finance department and the Finance & Taxes Director, who reports regularly to senior management and the governing body on significant tax positions, developments in tax legislation and tax-related risks. Material tax issues are escalated in accordance with established governance and risk management procedures.

Tax governance is integrated into the Group's internal control framework and tax-related disclosures form part of the Group's financial reporting and are subject to management review, Audit Committee oversight and external audit procedures. Where appropriate, external advice is sought to support complex tax matters and to ensure alignment with evolving regulatory requirements.

TAX STRATEGY

Our approach to tax is an integral part of our sustainability and governance framework and guided by the principles of integrity, transparency and compliance with applicable laws and regulations in all jurisdictions in which we operate. We aim to pay taxes where economic value is created, reflecting the substance of our business activities and contributing fairly to public revenues that support societal and economic development. Our approach seeks to balance tax efficiency with responsible corporate behaviour, taking into account not only legal requirements but also reputational and sustainability considerations.

Tax filings and payments are made in a timely and accurate manner, based on a good-faith interpretation of the law. We seek to maintain open, transparent, and constructive relationships with tax authorities and respond promptly and cooperatively to inquiries or audits. Where differences in interpretation arise, we aim to resolve them through dialogue and established legal processes.

TRANSPARENCY AND REPORTING

In line with our commitment to transparency, we provide clear and accurate tax information in our financial statements and sustainability disclosures, including information required under applicable reporting standards. We continuously review and enhance our tax disclosures to meet stakeholder expectations and evolving best practices in tax transparency.



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ABOUT THIS REPORT

Armacell International S.A. (referred to here as Armacell or Armacell Group) invented flexible elastomeric foams for equipment insulation and now has a broad and diversified portfolio of products and solutions designed to meet a multitude of technical requirements and customer expectations in a wide range of industries and applications.

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.

REPORTING SCOPE

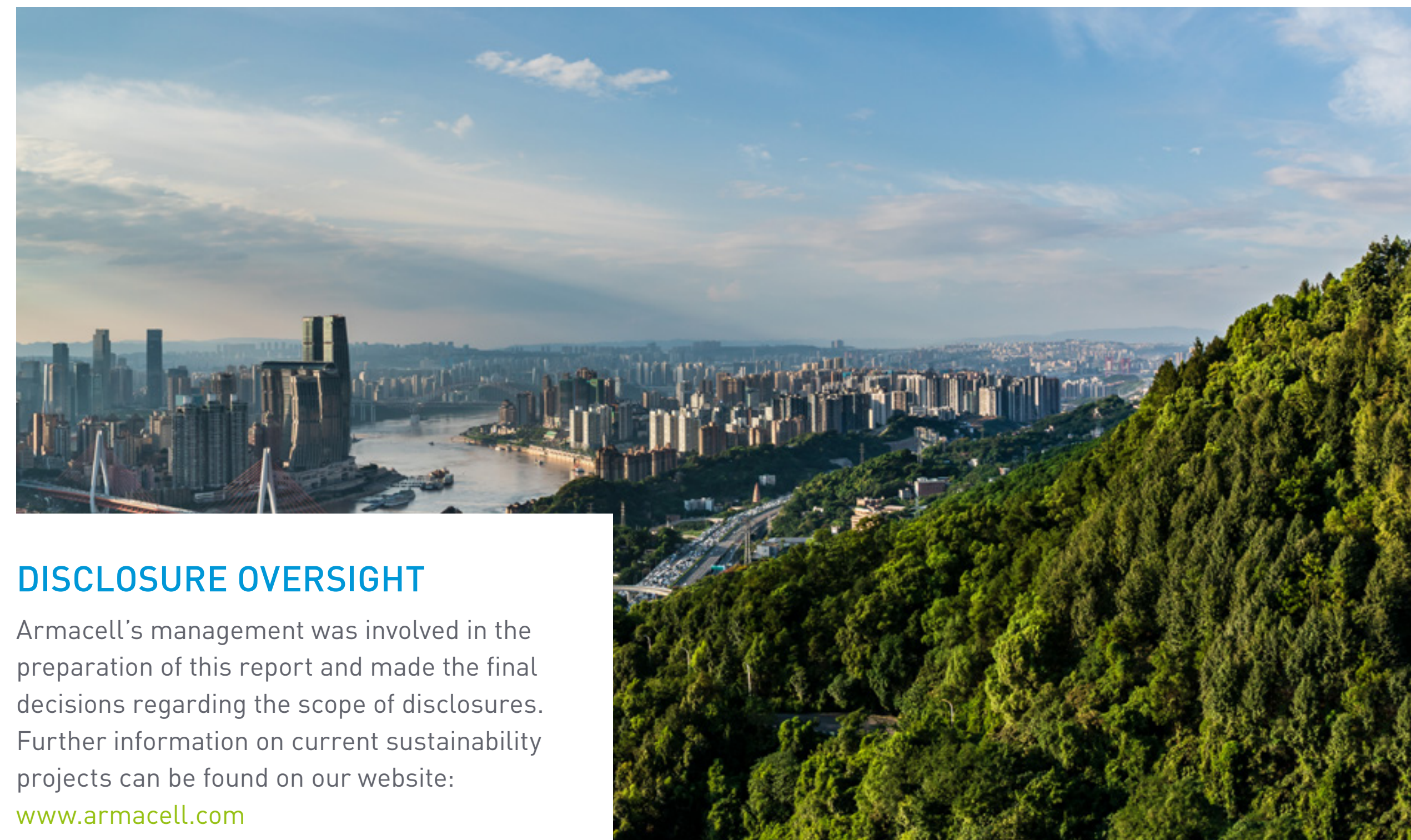
Armacell reports the information contained in this report for the period 1 January to 31 December 2025 with reference to the GRI Standards. The scope comprises Armacell and its consolidated subsidiaries over which the Group exercises control. Data are reported on a basis consistent with the consolidation principles applied in the Group's financial statements.

A GRI Content Index is provided to facilitate reference to relevant disclosures. The report also incorporates the SASB Construction Materials Industry Standard to support disclosures to investors and the financial community.

In the context of evolving regulatory requirements, the company is also progressing toward alignment with the EU Taxonomy Regulation, including activity 3.5 (manufacture of energy efficiency equipment for buildings).

RESTATEMENTS

Restatements of previously reported information have been made to reflect improved data completeness and updated methodologies. The revisions relate to Scope 1 and Scope 2 greenhouse gas emissions, which have been recalculated. The restated 2024 GHG emissions are 82.4 kt-CO₂e, compared with 71.7 kt-CO₂e previously reported. In addition, safety performance reporting has been revised following changes to the safety metrics disclosed, with reporting now focused on the All Injury Frequency Rate and the Severity Rate.



DISCLOSURE OVERSIGHT

Armacell'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: www.armacell.com

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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 7, 8, 9, 12, 13 and 14 is outlined throughout the report.



PEOPLE – DETAILS & DATA

Reference/KPI	Unit	2024	2025
All injury frequency rate	number of recordable injuries per 1,000,000 working hours	5.2	5.5
Severity rate	total number of lost workdays per 1,000,000 working hours	42.9	21.4
Employees trained	hours of training per employee	19.2	19.3
Employee feedback process	% of total employees	98%	98%
New employee hires	total number of employees	684	527
Employee turnover	% of total employees (voluntary and involuntary leavers)	20.5%	17.8%

Age Groups 2025	30 and under	31-50	50 and over	Headcount
Total numbers of employees	591	1,835	749	3,175
Employees in %	18.6%	57.8%	23.6%	100%

Global Workforce	2024	2025
Men	76.9%	76.6%
Women	23.1%	23.4%

Managers	2024	2025
Men	76.4%	82.7%
Women	23.6%	17.3%

Supervisory Board	2024	2025
Men	85.7%	87.5%
Women	14.3%	12.5%

FOOTNOTES

- » Data covers all production plants and offices
- » Includes regular employees, fixed-term contracts and apprentices not on leave

PLANET – DETAILS & DATA

Reference/KPI	Unit	2024	2025
Energy consumption	in MWh total consumption	267,482	264,658
Gas consumption	in 1,000 m ³ total consumption	12,103	11,995
Electricity consumption	in MWh total consumption	135,199	131,544
Renewable electricity consumption	in MWh total consumption	3,322	7,092
Energy intensity	MWh/€m	384.1	365.3
Emissions intensity (Scope 1 & 2)	tCO ₂ e/€m	118.4	109.7
CO ₂ e Scope 1	in kt-CO ₂ e	24.2	24.5
CO ₂ e Scope 2	in kt-CO ₂ e	58.2	54.9
CO ₂ e Scope 1 & 2	in kt-CO ₂ e	82.4	79.4
CO ₂ e Scope 3	in kt-CO ₂ e	474.4	470.1
TOTAL CO ₂ e emissions (Scope 1, 2 & 3)	in kt-CO ₂ e	556.8	549.5
Water withdrawal	in m ³ total withdrawal	149,792	131,806
Waste	total in tonnes	13,224	11,691
hazardous	in tonnes	862	748
recycled	in tonnes	5,764	6,634
to landfill	in tonnes	3,383	3,316
to incinerator	in tonnes	3,215	993

FOOTNOTES

- >> Scope 2 – Market-based GHG emissions
- >> Intensity metric – Total net sales excl. traded goods

- >> Data for 2024 covers 19 production plants
- >> Data for 2025 covers all 26 production plants



GOVERNANCE – DETAILS & DATA

Reference/KPI	Unit	2024	2025
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
Suppliers audits	numbers of suppliers audited	13	10
Supplier self-assessments	percentage of suppliers self assessed	57%	55%
Supplier Code of Conduct signed	percentage of suppliers signed	69%	60%

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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