

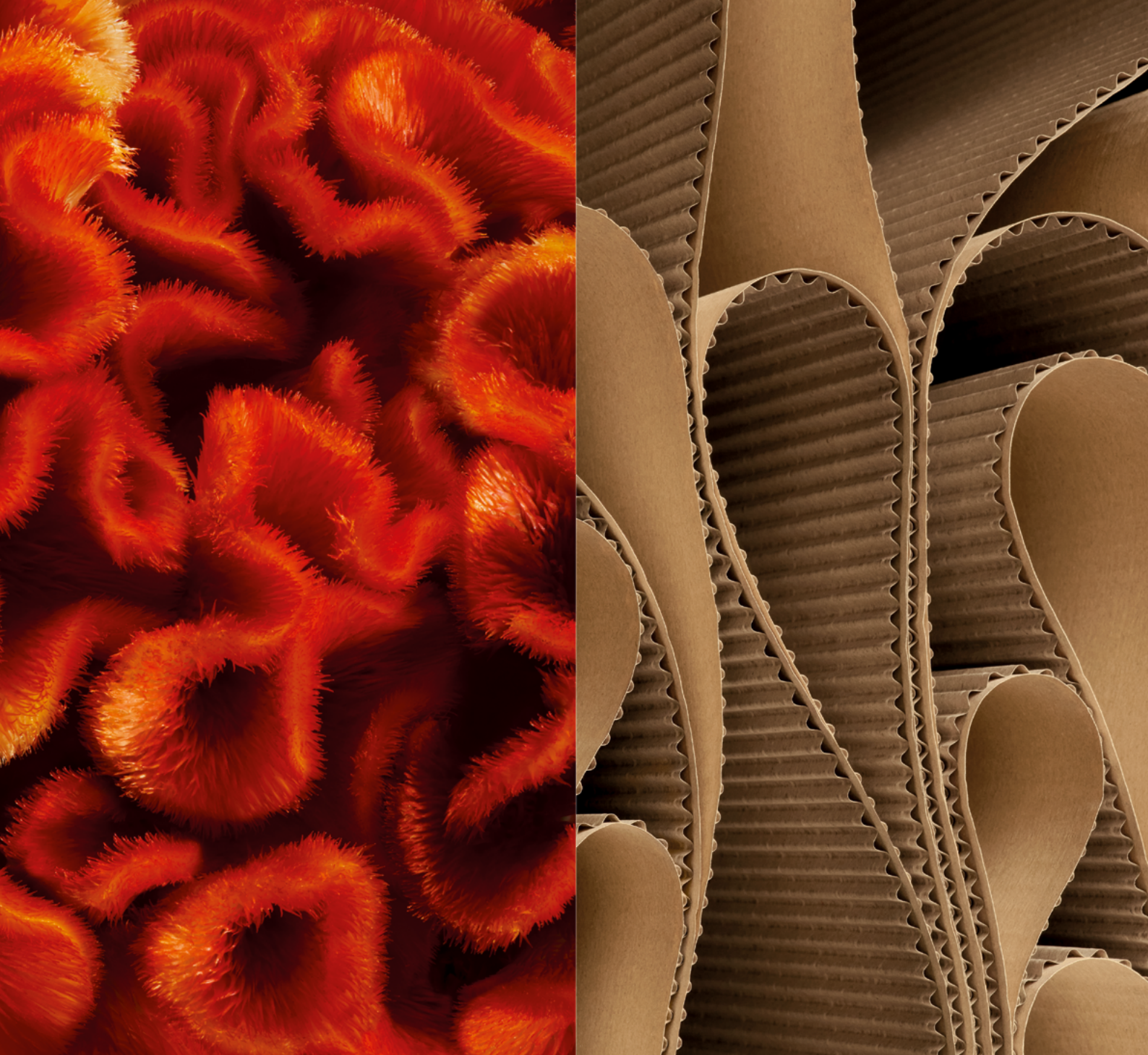
Sustainability report Model Group 2024



MODEL

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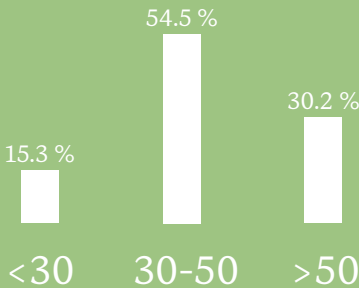
Overview

2024
at a glance



1,009 3,261

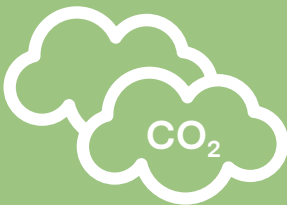
Number of
employees: 4,270



Age distribution

CHF

Turnover:
862 Mio. CHF



Emission reduction
since 2021:
-20 %



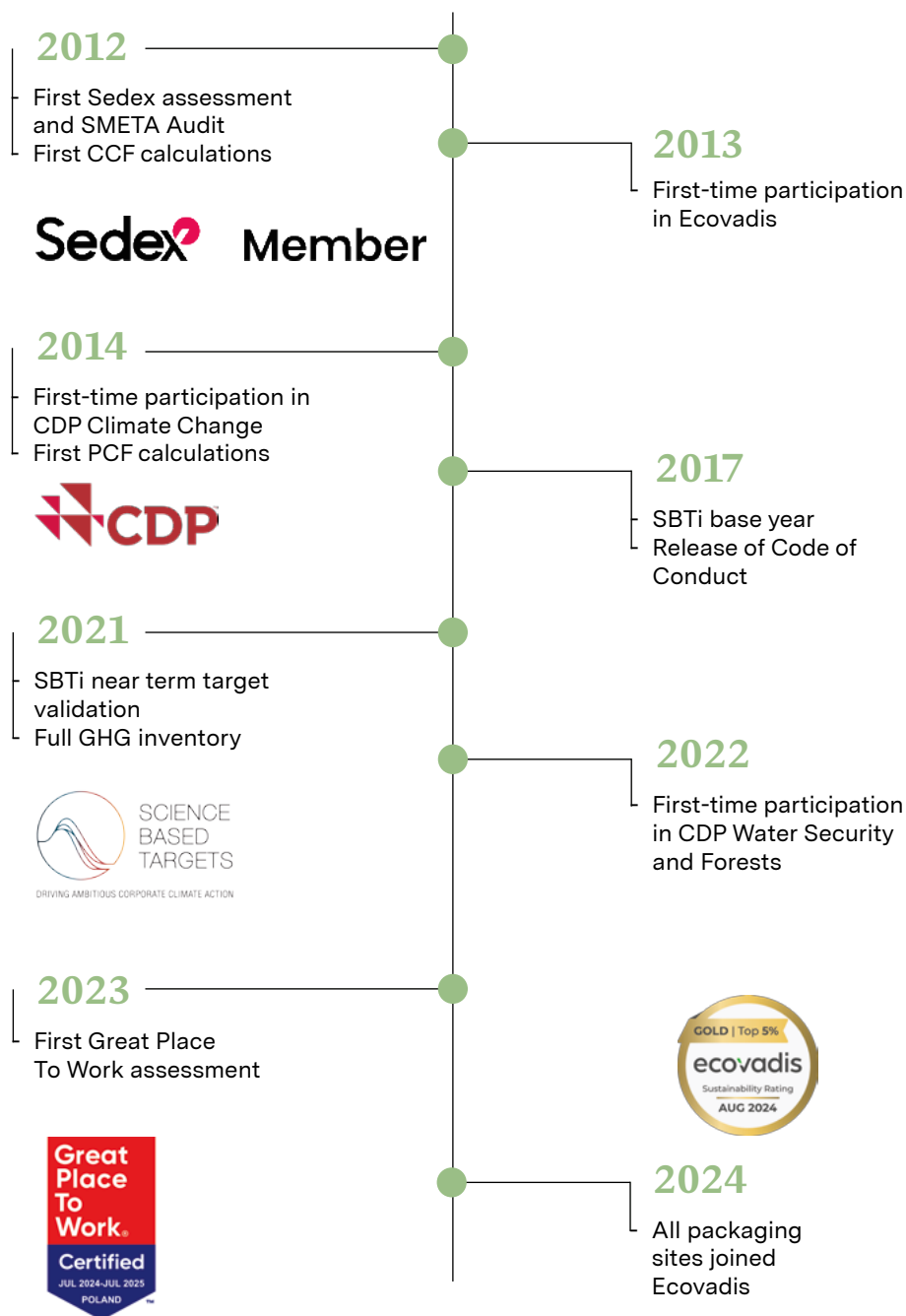
2024 share of
FSC-certified
materials used for
packaging: 96 %



Investments:
158 Mio. CHF



2024 share of
recycled materials
used: 81 %





Sustainable and Customer-Centered Packaging Innovation

Corrugated board packaging lies at the core of the Model Group's expertise. It is not only lightweight, strong, and versatile, but also fully recyclable and made from renewable raw materials. As a packaging material, it plays a key role in our mission to create environmentally responsible solutions without compromising on performance or design. A prime example of this is our recent collaboration with HEBGO AG, a Swiss company specializing in sealing systems for windows and doors.

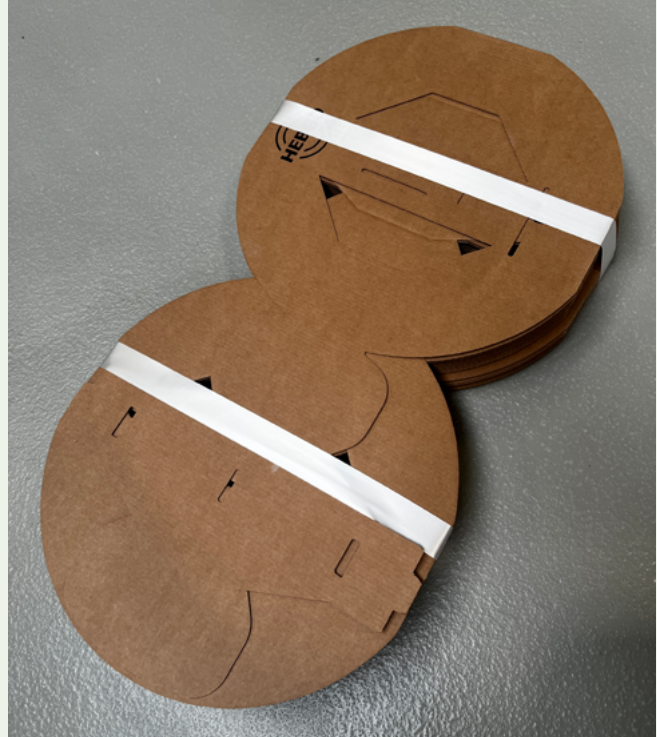
HEBGO approached us with the challenge of rethinking their existing packaging concept for sealing strips. Previously, the sealing strands were bundled with cable ties and shipped loosely in outer cartons, a solution that was neither space-efficient nor environmentally optimal. The goal was to develop a smarter, more sustainable solution that would also strengthen brand recognition.

In close partnership, we developed an innovative, flat, and foldable spool made entirely from 100 % recyclable corrugated cardboard. This new solution offers multiple advantages: It eliminates the need for additional plastic fasteners, organizes the product more efficiently, and provides better protection during transport. Delivered flat-packed, the spool saves significant space during storage and shipping and can be easily assembled on-site.

In addition, the corrugated board surface allows for high-quality printing, boosting brand visibility directly at the point of use on construction sites.

The success of this project was made possible through the close collaboration between our experienced field representatives and in-house design specialists. It reflects our commitment to working in equal partnerships with our customers, co-creating solutions that are practical, economically viable, and environmentally sound.

Now in use at HEBGO for over a year, this sustainable packaging innovation is a compelling example of how we translate customer needs into functional, resource-efficient, and brand-enhancing packaging concepts. It shows how thoughtful design can drive real progress toward a more circular economy.



Statement Vice Chairwoman of the Model Group

Principles or What Comes First

If you ask people what is most important to them, you usually hear: family, friends, job, a hobby, the climate, and so on. The Latin word “principium” means foundation, beginning, origin - that which comes first. What is essential for a state or democracy, namely to formulate a constitution, should naturally also be the top priority for individuals.

Since time immemorial, wise teachers have urged us to think in terms of eternity rather than succumbing to fashionable trends, and that laws should not be invented but discovered. But who still knows the universal laws, the observance of which would save us much suffering?

Everything is connected to everything else, but isn't it true that we humans depend more on Mother Earth than she depends on us? She, who adheres to these iron laws, has already sunk supposedly highly developed cultures into the sea or buried them under a thick crust of ice.

One of the eternal laws is that everything is in flux and subject to constant change. Sustainability, therefore, doesn't mean wanting to stop change, but rather moving in harmony with nature.

Another law is: As within, so without, as above, so below. So how can governments act immorally - that is, contrary to universal laws - by sending people to war and causing immense damage with terrible weapons, while simultaneously expecting ethical behavior from their citizens?

It would go beyond the scope of this article to discuss further laws, but in summary, I formulate my concern as follows: “Do unto others as you would have them do unto you.” Let us treat one another with more goodwill again - the English expression ‘to care’ captures this so beautifully - or, in biblical terms, “and if you do not have love, all is nothing”, so that efforts toward greater sustainability do not degenerate into a mere technocratic undertaking. Finally, I would like to bring to mind that love is a child of freedom!

Maria Elisabeth Model
Weinfelden, April 2025



Vice Chairwoman Model Group Maria Elisabeth Model
& Sarah Model, COO Model AG

Basis of the sustainability statement

ESRS 2 BP-1; GRI 2-1/2/3/5

This report was prepared in accordance with the European Sustainability Reporting Standard (ESRS) and the standards of the Global Reporting Initiative (GRI) for the period 01.01.2024 - 31.12.2024. The report is published on an annual basis.

The Model Group manufactures paper-based packaging at 15 locations across Europe. Its core operations include the production of recycled paper at three sites in Switzerland and Germany, followed by the conversion into corrugated board and packaging at 11 facilities in Switzerland, Germany, the Czech Republic, Poland, and Croatia. Additionally, solid board packaging is produced at three sites in Germany and the Czech Republic. The company also manages its own logistics operations in Switzerland and Germany.

The sustainability report was prepared based on the Model Group's consolidated data and includes the following entities:

- The parent company Model Holding AG, Liechtenstein
- The companies of Model Holding AG:
 - Model Holding AG, Switzerland
 - Model AG, Switzerland
 - Model Beteiligungen GmbH, Germany
 - Model GmbH, Germany
 - Model Logistik GmbH, Germany
 - Model Sachsen Papier GmbH, Germany
 - Model Kramp GmbH, Germany
 - Model Obaly a.s., Czech Republic
 - Model Opakowania Sp. Z o.o, Poland
 - Model Pakiranja d.d., Croatia

Compared to the scope of consolidation of the annual financial statements, the following companies were excluded from the sustainability reporting: Pack Shop Linz GmbH and Model Obaly Slovakia s.r.o.. These two office-only companies were classified as not material for the Group's sustainability reporting.

In addition to the Group's own business activities, the upstream and downstream value chain is also considered in the sustainability reporting. For this purpose, both the upstream and downstream value chain in the form of the Model Group's key suppliers and customers were considered when assessing the materiality of impacts, risks and opportunities. The strategies, measures and objectives essentially relate to the company's own business activities and, to a limited extent, to the upstream value chain. The same applies to the parameters contained in the report.

The Model Group does not make use of the option to omit classified and confidential information.

The report has not been audited by an independent body.

For questions about the report, please use the following contact:

Dr. Bernadette Nowak
Group Sustainability Manager
Model Holding AG
sustainability@modelgroup.com

Correction of information

ESRS 2 BP-2; GRI 2-4

The Model Group has the calculation of its emission values audited externally for compliance with the Greenhouse Gas Protocol. This has resulted in minimal changes to the Scope 1-3 values for 2023 compared to the previous year's report.

The number of reported occupational accidents for 2023 had to be corrected due to incorrect data.

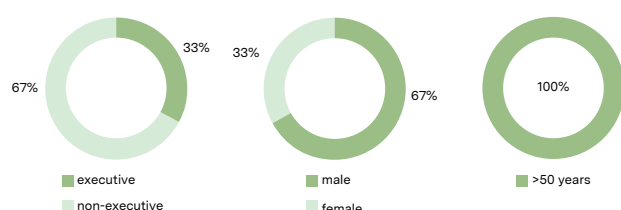
The core of our corporate culture has always been closely linked to sustainable development and is reflected both in our corporate philosophy, **QUINTESSENCE**, and in our business model, the closed paper cycle. For us, it is not a question of whether economy and ecology go well together. It is a law of nature and the basis of our business. We are convinced that only sustainable management can guarantee lasting success.

Governance structure

ESRS 2 GOV-1; GRI 2-9 to 2-14, 2-17

The highest management and supervisory body of the Model Group is the Board of Directors. This consists of the owner couple and an independent member.

Board of Directors



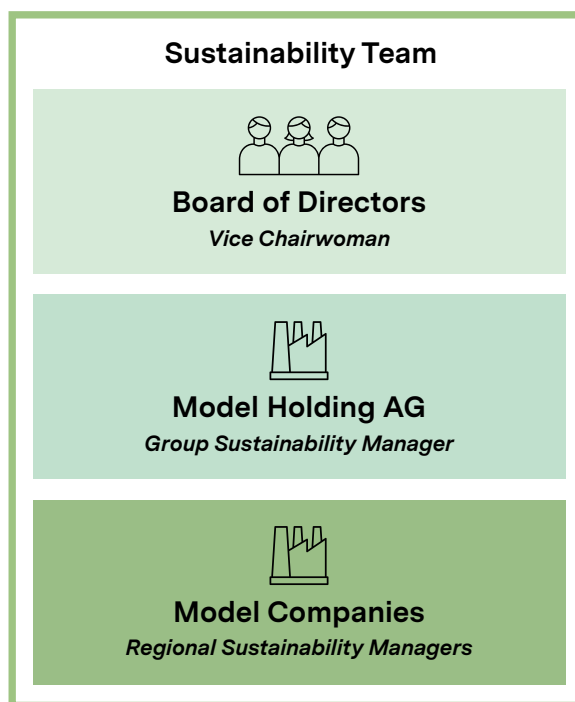
Within the Board of Directors, the Vice Chairwoman is responsible for sustainability. Specifically, this includes all topics identified as part of the materiality analysis and the following tasks:

- Approval of policies, guidelines, commitments and initiatives
- Overseeing and guiding strategies relating to sustainability
- Approving targets and monitoring progress towards achieving them
- Reviewing and managing the assessment process for dependencies, impacts, risks and opportunities
- Monitoring reporting, audit and verification processes




The expertise of the responsible member of the Board of Directors with regard to sustainability issues is ensured through involvement in regular meetings of the sustainability team, regular consultation with external stakeholders and experts and participation in further training on environmental issues, international legislation and standards as well as best practice examples.

ESRS 2 GOV-2, GRI 2-13

Within the organization, all sustainability issues are managed by the sustainability team. In addition to the Vice Chairwoman of the Board of Directors, the Group Sustainability Manager and the regional sustainability managers of the operating companies are represented on this team. The sustainability team meets every six weeks.



The tasks within the sustainability team are allocated as follows:

	 Board of Directors <i>Vice Chairwoman</i>	 Model Holding AG <i>Group Sustainability Manager</i>	 Model Companies <i>Regional Sustainability Managers</i>
Policies, commitments & strategies	<ul style="list-style-type: none"> - Overseeing - Guidance - Approval 	<ul style="list-style-type: none"> - Development - Implementation - Monitoring 	<ul style="list-style-type: none"> - Implementation - Action plans
Targets	<ul style="list-style-type: none"> - Approval - Monitoring 	<ul style="list-style-type: none"> - Setting - Monitoring 	<ul style="list-style-type: none"> - Monitoring - Action plans - Setting sub-targets
Dependencies, impacts, risks & opportunities	<ul style="list-style-type: none"> - Overseeing - Guidance 	<ul style="list-style-type: none"> - Assessment 	<ul style="list-style-type: none"> - Assessment
Reporting & verification	<ul style="list-style-type: none"> - Monitoring - Approval 	<ul style="list-style-type: none"> - Managing 	<ul style="list-style-type: none"> - Provide data

ESRS 2 GOV-4

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	Section Overview “Governance structure” & “Business model & strategy”
Engaging with affected stakeholders in all key steps of due diligence	Section Overview “Business model & strategy”
Identifying and assessing adverse impacts	Sections Protecting ecosystems and Empowering people “Material impacts, risks and opportunities”
Taking actions to address those adverse impacts	Sections Protecting ecosystems and Empowering people “Actions”
Tracking the effectiveness of these efforts and communicating	Sections Protecting ecosystems and Empowering people “Actions”

ESRS 2 GOV-5

Sustainability reporting is prepared during the year by the sustainability team and the necessary data is consolidated once a year within the Group.

The Group Sustainability Manager is responsible for the completeness and comprehensibility of the information requested from the individual business units and reviews the necessary data points annually against the reporting standards used, ESRS and GRI. He is also responsible for consolidating the data.

The regional sustainability managers are responsible for the completeness and accuracy of the reported data and must ensure that the necessary processes have been introduced

to achieve high data quality, which also includes internal control measures. The plausibility of the reported data is also checked by the Group sustainability manager as part of the consolidation process and any conspicuous data is questioned.

Problems and anomalies in data collection are communicated to the responsible management of the units concerned and, if necessary, addressed at the Board of Directors.

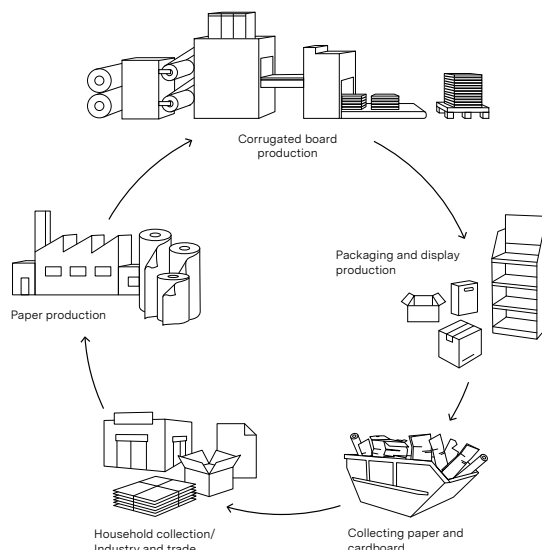
The final report is approved of by the responsible member of the Board of Directors.

Business model & strategy

ESRS 2 SBM-1; GRI 2-6, 2-22

Since our inception in 1882, the Model Group has upheld a closed paper cycle principle, realizing the value of recycling recovered paper. Since then, we have been producing packaging solutions from corrugated and solid board. Our business model is based on a vertically integrated value

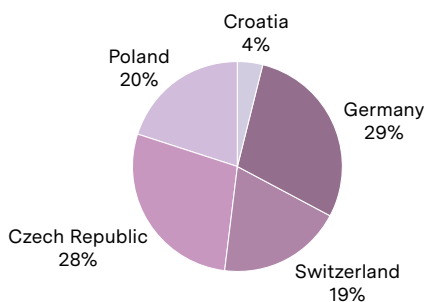
chain that covers all steps from development to production and delivery of packaging solutions. This integration enables us to ensure quality and efficiency along the entire process and to meet the specific requirements of our customers.



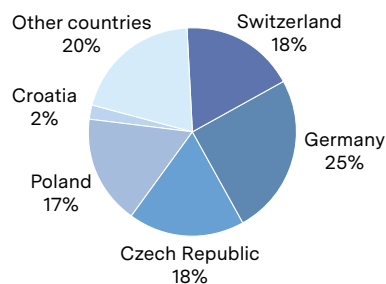
The Model Group's main areas of business are the production of 100 % recycled paper, the manufacture of corrugated cardboard and packaging made from it, and the production of packaging made from solid board.

In 2024, we generated turnover of CHF 862 million with the production of 492,000 tons of recycled paper, 1,370 million m² of corrugated cardboard packaging and 17,246 tons of solid board packaging.

Employees



Turnover



ESRS 2 SBM-2; GRI 2-29

Stakeholder engagement is a key priority for the Model Group. This involves communication with various stakeholders at different levels. While interactions with customers, employees, suppliers, and local communities

primarily occur as part of daily business within individual organizational units, Group-wide issues are addressed at the group level.

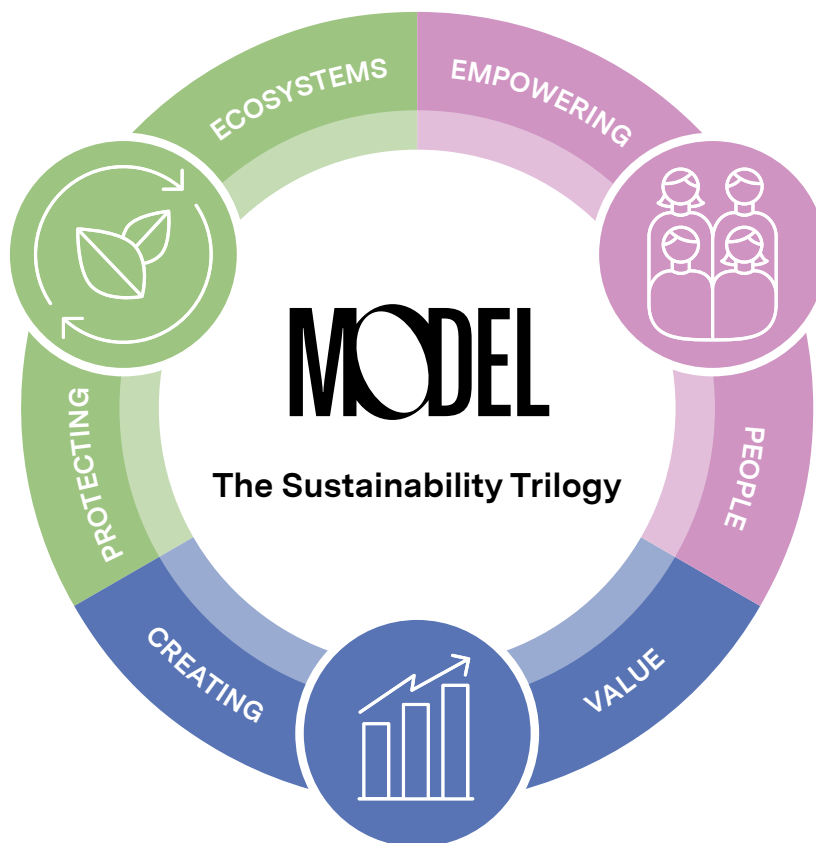
Stakeholder Group	Key Topics	Engagement Methods	Strategic Influence
Customers	<ul style="list-style-type: none"> sustainable packaging product quality cost efficiency product innovation environmental impact regulatory compliance supply chain transparency 	<ul style="list-style-type: none"> meetings surveys feedback sessions workshops industry events ethics channel 	Drives product innovation, eco-friendly solutions, compliance with market demands, and cost optimization
Employees	<ul style="list-style-type: none"> fair wages job security career development workplace safety work-life balance 	<ul style="list-style-type: none"> meetings with works council training programs performance reviews employee surveys ethics channel 	Influences talent retention, productivity, innovation, and corporate culture
Suppliers	<ul style="list-style-type: none"> price stability ethical sourcing supply chain resilience innovation in packaging materials 	<ul style="list-style-type: none"> meetings supplier audits long-term contracts industry partnerships ethics channel 	Impacts raw material costs, production efficiency, sustainability goals, and supply chain security
Shareholders	<ul style="list-style-type: none"> business profitability long-term stability succession planning corporate governance strategic growth 	<ul style="list-style-type: none"> board meetings direct involvement in key decisions strategic planning sessions 	Influences overall business direction, risk appetite, investment priorities, and company values
Credit and insurance institutions	<ul style="list-style-type: none"> financial performance ESG (Environmental, Social, Governance) criteria risk management long-term growth strategy 	<ul style="list-style-type: none"> annual reports investor calls sustainability disclosures 	Affects capital allocation, strategic investments, risk tolerance, and corporate governance
Authorities	<ul style="list-style-type: none"> compliance with environmental laws carbon footprint reduction waste management recycling regulations safety standards 	<ul style="list-style-type: none"> compliance audits industry consultations plant visits 	Shapes sustainability strategies, operational policies, and legal risk mitigation
Local Communities	<ul style="list-style-type: none"> environmental impact job creation community development open communication 	<ul style="list-style-type: none"> open days sponsoring local partnerships open days ethics channel 	Affects brand reputation, social license to operate, and long-term sustainability commitments

Additionally, all interested parties have the opportunity to raise concerns through the ethics channel available on the company's website

ESRS 2 SBM-3

As part of our sustainability strategy, the “sustainability trilogy”, we pursue three focus areas: Protecting ecosystems, Creating value, Empowering people.

Within each pillar of our sustainability strategy our internal measures are always accompanied by the involvement of our supply chain in order to live up to our responsibility and ensure environmental, human and labor rights along our value chain.



Protecting ecosystems

Our approach to handling the environment is prevention. We maintain an efficient internal system for managing the environment, follow the principle of prevention and provide an effective emergency plan in case of detrimental environmental consequences. We strive for continuous improvement of our environmental results and take a preventive stance towards environmental hazards.

Creating value

We start with paper waste and use it to create beautiful packaging. This metamorphosis represents our value chain which combines economy and ecology. We have been inspired by this process for generations. We are passionate about packaging and the hidden beauty. If you look closely, you will discover grace and strength even in the seemingly most ordinary packaging.

Empowering people

Our company represents a social organism consisting of voluntary members wherein everyone does what they can and contributes to the whole. Individuals are expected to have as much freedom to associate with others as possible so that their abilities can be enhanced to the fullest. We are home to strong individuals who forge connections by working together to create our vision and make it a reality. This unifying goal is the inspiration behind all our activities and is our most precious asset. It turns our employees into partners, ensuring everyone takes personal responsibility for their own actions.

We are committed to making our contribution to achieving the United Nations Sustainable Development Goals and have identified potential for the following goals within our sustainability strategy:



ESRS 2 IRO-1, IRO-2; GRI 3-1, 3-2, 3-3

In 2024, the Model Group carried out a comprehensive double materiality assessment in order to integrate the interests of our stakeholders into the strategic direction of the group.

The assessment followed the guidelines of the German Sustainability Code and EFRAG IG1 Materiality Assessment. The process consisted of six key steps:

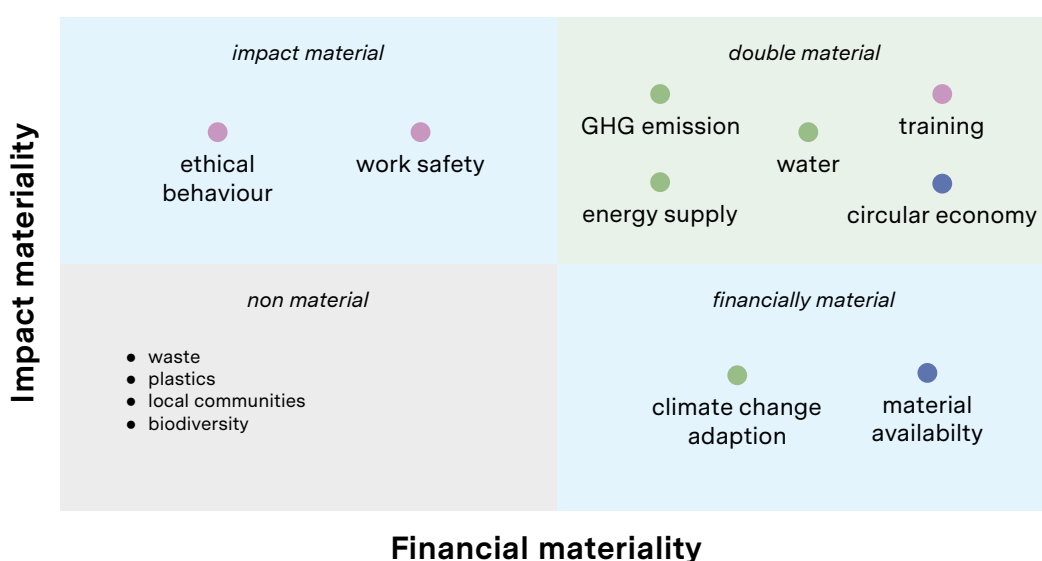
- defining the scope
- conducting an environmental analysis
- identifying company-specific impacts, risks, and opportunities (IROs)
- engaging with key stakeholders
- evaluating material impacts
- identifying material information for disclosure.

The internal scope covers all Model companies and business units, including paper mills, packaging plants,

and logistics operations. The external scope considers the upstream and downstream value chain, acknowledging the company's role in a closed-loop paper cycle.

The company conducted an environmental analysis to assess its impact as an employer, its proximity to ecologically sensitive areas, and industry-related sustainability concerns. Key stakeholders - customers, employees, owners, and suppliers - were identified based on their mutual influence with the company. Internal and external stakeholder perspectives were integrated through surveys, reports, and market research.

IROs were evaluated based on scope, irreversibility, likelihood, and materiality thresholds, categorizing them into topics that need to be observed, handled, or actively shaped. This assessment resulted in a materiality matrix that was validated by internal stakeholders.



Ratings

The Model Group participates extensively in platforms that support companies in evaluating and disclosing their sustainability and responsibility strategies.

Carbon Disclosure Project (CDP)



The Carbon Disclosure Project (CDP) is an international non-profit organization that encourages companies, cities and regions to report on their environmental impact. It was founded in the UK in 2000 to provide investors and stakeholders with transparent information on organizations' environmental strategies and emissions. With over 23,000 reporting companies and over 1,100 cities and regions, CDP now operates the world's largest environmental disclosure system.

CDP rates organizations in three main areas: Climate Change, Water and Forests. The assessment is based on standardized questionnaires covering governance and transparency, emissions and resource use, risks and opportunities, and actions.

The CDP ratings are based on a scale from A (best performance) to D- (lowest performance). An A score is the target for companies that want to demonstrate leadership in sustainability. A score of B or higher is considered a solid performance and shows that the company is actively working towards its sustainability goals.

Model Group received a B rating for climate change, water and forests in 2024.

Ecovadis



Ecovadis is a global platform for the holistic assessment of companies' sustainability performance. In addition to the environment, it also covers the areas of labor and human rights, ethics and sustainable procurement. Companies receive detailed scorecards that show their strengths and potential for improvement and contain a rating from 0 to 100. These scorecards can then be shared with customers and other stakeholders.

In addition, Ecovadis awards medals to companies with particularly good results.

In 2024, our two companies Model Kramp GmbH, Germany and Model Opakowania Sp. Z o.o, Poland achieved gold medals, putting them in the top 5 % of all companies assessed.

Sedex



Sedex (Supplier Ethical Data Exchange) is a global platform that supports companies in ensuring transparency and accountability in their supply chains. It focuses on topics such as working conditions, health and safety, environmental management and business ethics.

Sedex itself does not award scores or medals like CDP or Ecovadis, but offers a platform on which companies can disclose their ethical and sustainable practices. The information provided can then be verified by completing a comprehensive SMETA audit (Sedex Members Ethical Trade Audit).



Protecting
ecosystems

Climate change & GHG emissions

Material impacts, risks and opportunities in relation to climate change

ESRS 2 SBM-3; GRI 201-2

With regard to climate change, the Model Group has identified the key opportunities and risks listed in the table below. The findings indicate that long-term success depends on a proactive and comprehensive strategy focused on reducing emissions, enhancing resource efficiency, and fostering sustainable product development. By actively addressing these challenges and implementing innovative

solutions, the Model Group seeks to mitigate potential risks while capitalizing on opportunities that align with evolving environmental standards and market expectations. To achieve this, the Model Circular Impact Plan has been developed, and its successful implementation is critical not only for environmental protection but also for ensuring the company's continued growth and competitiveness.

Description	Type	Value chain	Time horizon	Probability	Anticipated effects for Model Group
Increasing demand for sustainable packaging	Opportunity	Own operations	Short-, medium-, and long-term	Very high	Circularity and the use of recycled raw materials are becoming key factors in customers' purchasing decisions, leading to a growing demand for sustainable packaging solutions
Innovation potential and differentiation	Opportunity	Own operations	Short-, medium-, and long-term	Very high	Competitive advantages can be achieved by offering lighter and more durable recycled materials. Additionally, providing closed-loop material cycles can enhance customer retention and strengthen long-term business relationships
Regulatory risks due to increased reporting requirements	Transition risk, financial risk	Own operations Upstream Downstream	Short-, medium-, and long-term	Very high	Stricter environmental and climate reporting obligations could increase administrative workload, require additional resources, and lead to higher compliance costs
Increase of energy prices	Financial risk	Own operations Upstream	Short-, medium-, and long-term	Very high	The cost of energy supply is rising, which leads to an increase in our production costs.
Rising demand for recycled materials (recovered paper)	Financial risk	Own operations Upstream	Short-, medium-, and long-term	High	The growing demand for recycled raw materials, particularly recovered paper, could lead to higher procurement costs and potential supply shortages.
Water availability and quality	Physical risk, regulatory risk	Own operations Upstream	Medium-, and long-term	Medium	Stricter water usage regulations in regions with higher water stress could impact production processes and increase operational costs.
Customer expectations and reputational risks	Transition risk, reputational risk	Own operations Upstream Downstream	Short-, medium-, and long-term	Very high	Customers and other stakeholders increasingly expect low-carbon or even carbon-neutral supply chains. Companies that fail to meet these expectations risk losing market share and damaging their brand reputation.

Model Circular Impact Plan - Transition plan for climate change mitigation and adaption

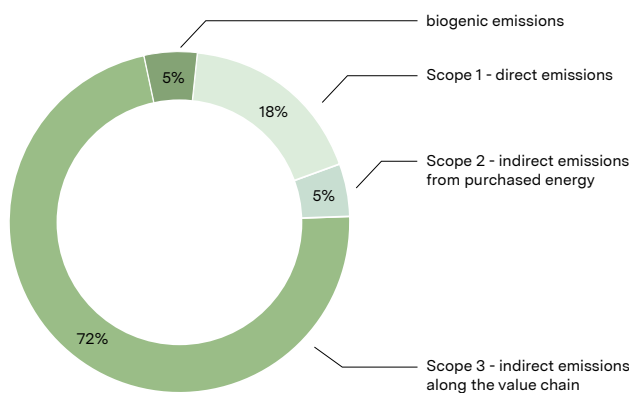
ESRS E1-1

In alignment with our business model, we recognize our greatest potential for mitigating climate change in the promotion of a circular economy. This has been at the heart of our activities - for over 140 years. The conservation of natural resources and the responsible use of raw materials remain our constant priorities. However, even within a circular economy, emissions are inevitable. That is why we have set science-based targets to actively reduce them.

These targets for 2030 have been validated by the Science Based Targets initiative (SBTi) in alignment with limiting global warming to well below 2 °C. However, with the upcoming revalidation of our targets in 2026, we will adjust our target to the more ambitious 1.5 °C threshold.

To achieve our targets, we have set up the Model Circular Impact Plan, which outlines the strategies and key measures defined by the Model Group to achieve its emission reduction targets for 2030. The plan encompasses both the Group's own operations and its value chain, with a particular focus on the upstream value chain, where the majority of emissions are generated.

GHG emissions 2024



Our Model Circular Impact Plan is built around four main pillars:

- Promoting the use of 100 % recycled products
- Transitioning our energy mix to low emission energy sources
- Reducing our energy use by improving energy efficiency
- Engaging our suppliers to implement emission reduction programs

The Model Circular Impact Plan provides for general targets at Group level to ensure that the targets set are met by 2030. The plan sets out the main levers for achieving these targets. The precise roadmaps are then drawn up and implemented by the individual business units. Specific stakeholder requirements of the respective unit are also taken into account.

The strategy for adapting to climate change is based on the results of the climate risk analysis, which covers various

scenarios and is carried out at Group level. Here too, the subsequent planning and implementation of measures takes place at the level of the individual business units, which in turn report progress to the Board of Directors on a regular basis. The most important climate risks and opportunities are listed in the previous table. An annual gap analysis is then carried out at Group level to minimize risks.

Model Group's policies related to climate change mitigation and adaptation

ESRS E1-2

As a company group whose business model is based on producing packaging from recycled paper, we naturally strive to use resources economically and minimize any negative impact on people and the environment. With our new Group-wide sustainability policy, which was drawn up in 2024, we are setting clear targets for climate-friendly production, the circular economy and responsible procurement. With regard to climate change it addresses the Model Groups commitment to reducing greenhouse gas emissions in accordance with the Paris Climate Agreement and increasing the proportion of renewable energy.

Alongside our Code of Conduct, which was already established in 2017, we have thus created a new guiding framework for our company. Through transparency and continuous improvements, we ensure that our packaging is not only environmentally friendly but also meets the highest quality and sustainability standards.

Climate protection actions

ESRS E1-3; GRI 302-4, 305-5

As described in our Model Circular Impact Plan, our strategy to combat climate change is based on 4 pillars:

Promoting usage of 100 % recycled products
Compared to paper made from virgin fibers, the production of recycled paper produces an average of 15 % fewer emissions, energy consumption is reduced by 68 % and water consumption by as much as 78 %.¹ By cleverly combining different papers, grammages and flute types, we are able to achieve the mechanical properties of a product made from virgin fibers. This enables our customers to switch to 100 % recycled products (read more about our INLIGHT project in the “creating value” section).

Transitioning our energy mix to low emission energy sources
The Model Group’s integrated value approach - which spans nearly the entire value creation, from recycled paper production to packaging manufacturing, logistics, and recovered paper collection - identifies several key areas for reducing emissions in our own operations.

The three paper mills are by far the largest energy consumers within the Group. Due to a smart energy supply, two of the three sites already had no Scope 2 emissions for several years and also use biogas resulting in lower Scope 1 emissions compared to the use of natural gas.

The measures in the Group’s packaging plants focus on the installation of photovoltaic systems, as well as supplementary battery storage systems and the adaptation of the energy mix to renewable energy sources.

We are also working on converting parts our fleets to electric drives.

Reducing our energy use by improving energy efficiency
We prioritize energy consumption considerations for new production equipment right from the procurement stage. However, enhancing energy efficiency is equally crucial in maintaining our existing plants. For instance, by replacing motors in our paper machines, we have successfully saved over 1.2 GWh of energy annually.

Beyond improving the energy efficiency of production equipment, we also focus on the entire facility’s periphery. For example, we have already converted most of our lighting systems to LEDs, with plans to complete the transition in stages over the coming years. Additionally, various insulation measures have been implemented in recent years, with more planned for the future.

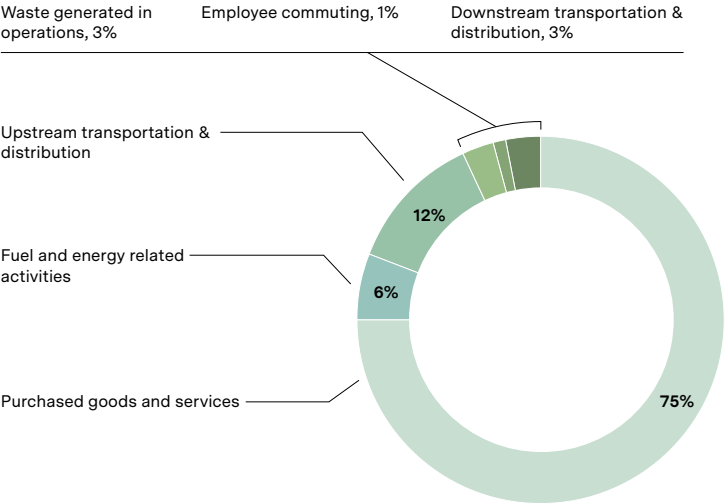
All our production sites are certified according to ISO 50001 and/or ISO 14001 standards, ensuring continuous improvement in our energy and overall environmental performance.

Engaging our suppliers to implement emission reduction programs
With 75 % for purchased goods and services and 12 % for upstream transportation & distribution the upstream value chain accounts for most of Model Groups scope 3 emissions.

We have developed a multi-stage plan to reduce these emissions. In the first stage, which began in 2024, we are requiring our main suppliers to record their Scope 1 and 2 emissions through the Model Supplier Code of Conduct. We also encourage all suppliers to participate in limiting greenhouse gases and to join the Science Based Targets initiative (SBTi).

In the next step, starting in 2025, we will set specific targets with the main contributors of Scope 3 GHG emissions.

Scope 3 Emissions



¹ UBA-texts 123/2022



Energizing Change at Model Obaly

Harnessing Solar Power for a Greener Future

At Model Obaly in Czech Republic, we have invested in photovoltaic power plants (PVEs) at two of our facilities to reduce our reliance on fossil fuels and cut carbon emissions. At our facility in Opava, we launched a new PVE with an installed capacity of 1.4 MWp. Production is set to begin on April 15, 2024, and over its estimated 20-year lifespan, it will contribute significantly to our clean energy transition. In 2024 alone, the facility is projected to generate 854,758 MWh of electricity, reducing our carbon footprint by approximately 547,045 t CO₂e.

At our facility in Moravske Budejovice, we increased our existing PVE capacity from 100 kWp to 300 kWp, marking a threefold expansion. The installation was completed in 2024, and production has started at the beginning of 2025. While no extra electricity was generated in 2024, the new capacity is delivering measurable CO₂e savings starting in 2025.

Electrifying Our Fleet: A Step Towards Low-Emission Mobility

Reducing emissions from transportation is another key element of our decarbonization strategy. In 2024, we took a bold step by purchasing 13 electric vehicles (EVs) for

business commuting, marking a transition toward a cleaner company fleet. The vehicles were registered on December 16, 2024, and will be in service until 2030, following our internal policy of a six-year lifespan or 160,000 km per vehicle.

The exact fuel and GHG savings from our new EV fleet will be assessed by the end of March 2025. The evaluation will be based on the typical emissions of the Czech energy mix and the fuel consumption reductions compared to conventional company vehicles.

Moving Forward

These initiatives mark the beginning of a broader transformation toward sustainability. As we continue to track and optimize our energy use, we remain committed to reducing our carbon footprint and driving meaningful change within our industry. By investing in clean energy and sustainable mobility, we are not only meeting regulatory expectations but also strengthening our responsibility toward the environment and future generations.

These recent measures build on our earlier investments in renewable energy. At the end of 2023, two new photovoltaic systems were installed at our German site in Bad Bentheim. Integrated into the production and administration buildings, a total of 1,472 panels now generate 865,000 kWh of electricity annually, covering 9 % of the energy demand for production and 66 % for administration. Prior to that, we had already brought an 836 kWp system into operation at our Swiss facility in Weinfelden in 2022.

Model Group's climate and emissions targets

ESRS E1-4

The Model Group has set itself science-based targets for reducing GHG emissions in 2021. A total of three targets were set, each for the totals of Scope 1 and 2 emissions, once for the Paper division and once for the Packaging division. In addition, a target was set for the total Scope 3 emissions of all areas. The target set at the time was based on limiting global warming to well below 2 °C.

	Paper	Packaging
Scope 1		
Scope 2		
Scope 3		
	-22.9% / t Target 1	-32.5% / abs. Target 2
		-26% / t Target 3

In 2026, we will adopt the ambitious target of limiting global warming to no more than 1.5 °C as part of the revalidation of our goals by the SBTi. In anticipation of this target switch, our decarbonization plan, the Model Circular Transition Plan, is already aligned with the expected revalidated targets (-42 % absolute emissions by 2030 compared to baseline, covering all scopes).

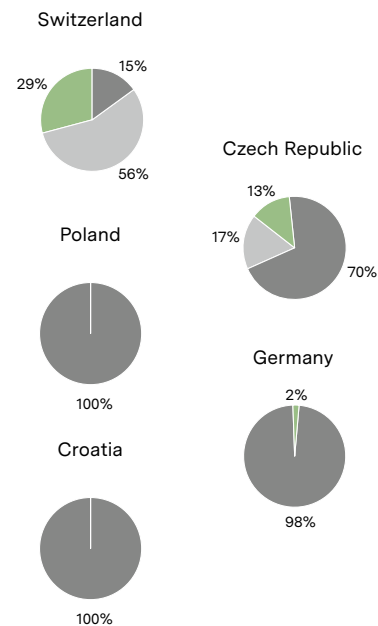
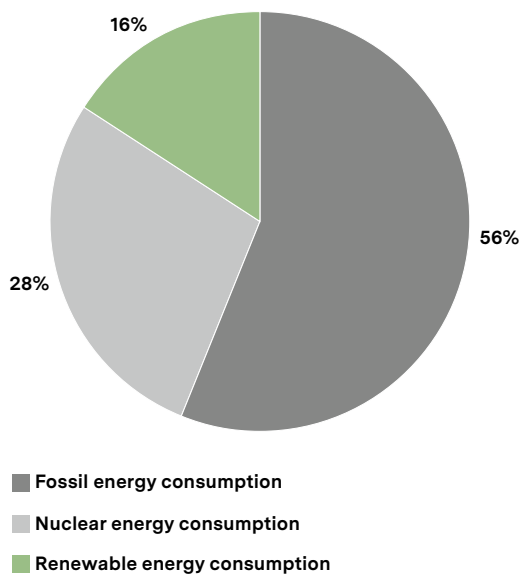
In this context, we will also adjust our baseline. On the one hand, following the commissioning of an additional paper mill in 2024, we will recalculate our baseline using the pro forma method. We opt for this approach over the like-for-like method, as the new paper mill is expected to be one of the Model Group's largest GHG emitters, making it disproportionate to exclude from our calculations. Additionally, due to improved data quality, we will shift our baseline from 2017 to 2021, which is a significantly lower but more accurate reference year. A comprehensive GHG inventory has only been available since 2021, making it a more meaningful benchmark for evaluating our efforts to reduce emissions.

Energy consumption and mix

ESRS E1-5; GRI 302-1

Energy consumption and mix	Unit	2024	2023	2022
Total fossil energy consumption	MWh	615,948	276,587	305,508
Share of fossil sources in total energy consumption	%	56	37	39
Consumption from nuclear sources	MWh	308,570	303,616	308,533
Share of consumption from nuclear sources in total energy consumption	%	28	41	40
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	74,919	73,941	77,791
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	71,137	67,090	70,174
Total renewable energy consumption	MWh	175,745	158,215	165,634
Share of renewable sources in total energy consumption	%	16	21	21
Total energy consumption	MWh	1,102,509	738,419	779,674

Total energy consumption Model Group



The scope of energy consumption covers the 15 production sites, see ESRS 2 BP-1. The few office-only sites are insignificant compared to the production sites and their consumption is therefore not included. All consumption figures are given as upper heating values. The data is reported by each site to the Group's sustainability data collection.

GHG emissions

ESRS E1-6; GRI 305-1/2/3

GHG emissions of the Model Group (without the new paper mill)	Unit	2024*	2023	2022	Base year 2021	% (PY)	% (BY)	Target year 2030	Annual % target / Base year
Total Scope 1 GHG emissions									
Gross Scope 1 GHG emissions	t CO ₂ e	58,566	49,450	57,952	92,179	+18 %	-36 %	53,464	-4.7 %
Biogenic GHG emissions	t CO ₂ e	30,812	30,567	32,729	0	+1 %	na	na	na
Total Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions	t CO ₂ e	37,502	31,180	44,171	46,744	+20 %	-20 %	27,112	-4.7 %
Gross market-based Scope 2 GHG emissions	t CO ₂ e	25,271	24,262	25,397	36,697	+4 %	-31 %	21,284	-4.7 %
Total Scope 3 GHG emissions									
Total gross indirect (Scope 3) GHG emissions	t CO ₂ e	456,807	489,899	575,145	693,920	-7 %	-34 %	402,474	-4.7 %
1 Purchased goods and services	t CO ₂ e	346,526	384,628	402,502	470,383	-10 %	-26 %	272,822	-4.7 %
3 Fuel and energy-related activities	t CO ₂ e	23,403	21,262	25,187	56,309	+10 %	-58 %	32,659	-4.7 %
4 Upstream transportation and distribution	t CO ₂ e	56,194	52,463	86,409	106,097	+7 %	-47 %	61,536	-4.7 %
5 Waste generated in operations	t CO ₂ e	12,247	10,951	11,576	14,248	+12 %	-14 %	8,264	-4.7 %
6 Business traveling	t CO ₂ e	45	48	10	18	-6 %	+150 %	10	-4.7 %
7 Employee commuting	t CO ₂ e	3,487	7,530	10,468	7,870	-54 %	-56 %	4,565	-4.7 %
9 Downstream transportation	t CO ₂ e	14,902	13,017	38,993	38,994	+14 %	-62 %	22,617	-4.7 %
Total GHG emissions									
Total GHG emissions (location-based)	t CO ₂ e	552,875	570,529	676,600	832,843	-3 %	-34 %	483,049	-4.7 %
Total GHG emissions (market-based)	t CO ₂ e	540,644	563,611	657,886	822,796	-4 %	-34 %	477,222	-4.7 %
Total Biogenic GHG emissions									
Total Biogenic GHG emissions	t CO ₂ e	30,812	30,567	32,729	Not available	+1 %	na	na	na

* Emissions generated at the new site in Eilenburg are excluded in this table to compare the values with the previous year.

The scope of GHG emissions covers the Group's production sites, see ESRS 2 BP-1. The few office-only sites are insignificant compared to the production sites and their emissions are therefore not included.

The emissions were calculated based on the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). For the calculation all greenhouse gases that are relevant according to the IPCC Assessment Report were considered: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and nitrogen trifluoride (NF₃). All greenhouse gas emissions were converted into CO₂ equivalents. The calculation was based on the data reported by each site to the Group's sustainability data collection.

As in previous years, an external verification of the calculation will be carried out in the coming months.

The new paper mill was not included in the above table on the Group's total emissions in order to allow for a comparison with the previous year and the base year. The emissions from this site are reported in the following table:

GHG emissions of the new paper mill	Unit	2024
Total Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	t CO ₂ e	62,140
Biogenic GHG emissions	t CO ₂ e	5,265
Total Scope 2 GHG emissions		
Gross location-based Scope 2 GHG emissions	t CO ₂ e	4,738
Gross market-based Scope 2 GHG emissions	t CO ₂ e	9,809
Total Scope 3 GHG emissions		
Total gross indirect (Scope 3) GHG emissions	t CO ₂ e	15,337
1 Purchased goods and services	t CO ₂ e	7,372
3 Fuel and energy-related activities	t CO ₂ e	3,253
4 Upstream transportation and distribution	t CO ₂ e	2,940
5 Waste generated in operations	t CO ₂ e	43
6 Business traveling	t CO ₂ e	40
7 Employee commuting	t CO ₂ e	276
9 Downstream transportation	t CO ₂ e	1,414
Total GHG emissions		
Total GHG emissions (location-based)	t CO ₂ e	82,215
Total GHG emissions (market-based)	t CO ₂ e	87,286
Total Biogenic GHG emissions	t CO ₂ e	5,265

As this site was completely converted up until the current year 2024, a comparison with previous years is not meaningful.

Water

Management of Risks, opportunities and impacts related to water

ESRS 2 SBM-3; GRI 303-2

As a packaging manufacturer based on recycled paper, we recognize water as a vital natural resource and are committed to its responsible use across our value chain.

Regarding water, the Model Group has therefore identified the key impacts, opportunities and risks listed in the table below.

Description	Type	Value chain	Time horizon	Probability	Anticipated effects for Model Group
Conservation of water as a natural resource	Positive impact	Own operations	Short-, medium-, and long-term	High	The operation of water treatment plants contributes to maintaining the water quality of natural water sources
Substitution of water-related substances	Positive impact	Own operations	Short-, medium-, and long-term	High	The reduction of water-related substances contributes to the conservation of water resources and reduces our production costs.
Regulatory risks due to increased reporting requirements	Transition risk, financial risk	Own operations Upstream Downstream	Short-, medium-, and long-term	Very high	Stricter environmental and climate reporting obligations could increase administrative workload, require additional resources, and lead to higher compliance costs
Water availability and quality	Physical risk, regulatory risk	Own operations Upstream	Medium-, and long-term	Medium	Stricter water usage regulations in regions with higher water stress could impact production processes and increase operational costs.

Model Group's policies related to water

ESRS E3-1; GRI 303-1

Water is an essential resource in the paper production process and, consequently, in the manufacturing of paper-based packaging. It plays a crucial role in fiber processing, paper formation, and various refining steps. However, compared to virgin fiber paper production, recycled paper requires significantly less water and fewer chemicals, making Model papers a more sustainable alternative in terms of both water consumption and the protection of natural water bodies.

By further increasing the use of recycled paper across our packaging plants in line with the Model Circular Impact Plan, we not only minimize resource use but also lower the water intensity of our operations throughout the value chain.

Our approach to produce our packaging materials in a closed paper cycle reflects our broader commitment to sustainability, balancing operational efficiency with environmental responsibility and with the aim to protect critical resources for future generations.

Water protection actions

ESRS E3-2

Our paper production process requires dissolving collected paper waste in water to transform it into new paper. This process introduces various substances into our water circulation system, which we diligently treat before discharge. Our paper mills, located in Switzerland and Germany, operate under strict monitoring and adhere to rigorous regulatory standards. We collaborate closely with local authorities to ensure compliance with environmental regulations and to continuously improve our water management practices.



Flowing Towards Sustainability at Thurpaper

In a major project that started in 2019 and was successfully completed in February 2024, we fundamentally redesigned the water treatment system at our paper mill in Weinfelden, Switzerland. With a total investment of CHF 7.7 million, the project was implemented in multiple stages - with the goal of discharging our wastewater directly into the adjacent Thur River and thereby living up to our name, "Thurpaper".

During the pilot phase, we conducted various laboratory tests in collaboration with our partner Veolia to determine the necessary process steps to achieve the desired wastewater quality. The actual transformation began with the construction of a new reactor for primary anaerobic wastewater treatment. This was followed by the expansion

of the clarifier for aerobic secondary treatment and the introduction of flotation as a new tertiary treatment step, particularly for the removal of suspended solids. The conversion was completed in November 2023 with the filling of the carrier biology, ensuring that the required water quality was achieved by January 2024. Official approval was granted in February.

Beyond the significant improvement in wastewater quality and regulatory approval for direct discharge, we also achieved further ecological optimizations. The new anaerobic reactor was combined with a desulphurization plant and a biogas storage tank with a capacity of 300 m³. This storage facility allows biogas to be temporarily stored in case the paper machine is unable to utilize the energy immediately due to a shutdown. As a result, we anticipate annual energy savings of 1 GWh.

Beyond our paper mills, we actively monitor water consumption in our packaging plants and aim to reduce usage wherever possible. We also strive to minimize the presence of water-polluting substances at all sites, maintaining them at the lowest necessary levels. To support this commitment, we maintain hazardous substance

registers and regularly evaluate alternatives to replace potentially harmful chemicals with more sustainable options.

In areas at water risk, we only operate packaging plants that consume significantly less water than the paper mills.



Clear River Campaign

Clear River – it is a new initiative in which the Polish company of Model Group is involved. Clean River Operation is a nationwide campaign to clean rivers in various ways: from a kayak, from a boat or even standing at a riverbank.

There are dedicated Operation Teams registered all over Poland which organize local campaigns in their respective geographical areas. For the organizational needs of



the campaign, Model produces packaging in which the organizers send the materials necessary for cleaning – bags and gloves.

Operation Teams are created in non-governmental organizations, schools, institutions, and very often even in large companies.

Model Group's water targets

ESRS E3-3

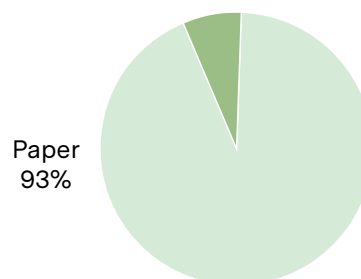
In accordance with our sustainability policy, we aim to achieve an absolute reduction in our water withdrawal of 5 % by 2030, based on 2017. We also aim to minimize the use of water-polluting substances, which are generally only disposed of via disposal companies and do not end up in the natural water cycle. We also treat 100 % of the wastewater produced in our paper mills.

Use of water

ESRS E3-4; GRI 303-3/4/5

At 93 % of the total volume, the majority of the water extracted is used for paper production. The waste paper is pulped in water so that the fibers are released. New recycled paper is produced from the resulting fiber pulp. In addition to paper production, water is used for the corrugated cardboard production and for sanitary facilities.

Water withdrawal



	Unit	2024	2023	2022
Total water consumption	m³	1,359,842	1,308,191	1,380,191
Total water consumption in areas at water risk	m³	17,596	16,267	18,852
Total water recycled and reused	m³	0	0	0
Total water stored and changes in storage	m³	0	0	0
Total water withdrawals	m³	4,408,974	2,893,921	2,787,672
Total water withdrawals from groundwater	m³	2,646,956	2,709,099	2,618,105
Total water withdrawals from surface water	m³	1,593,522	0	0
Total water withdrawals in areas at water risk	m³	25,928	24,490	28,019
Water intensity	m³ / Mio. CHF	1,409	1,338	1,094
Total water discharge	m³	3,049,132	1,585,730	1,407,299
Total water discharge in areas at water risk	m³	8,332	8,196	9,167
Total water discharge to groundwater	m³	0	0	0
Total water discharge to surface water	m³	1,992,277	145,774	11,488

The scope of water usage covers the production sites, see ESRS 2 BP-1. The few office-only sites are insignificant compared to the production sites and their water usage is therefore not included.

The water usage data is reported by each site to the Group's sustainability data collection. Water withdrawal and discharge are measured daily in the paper mills and annually in the packaging mills. Consumption is calculated from the difference between the quantities withdrawn and

discharged. The major increase in water withdrawal and discharge compared to previous years originates from the additional paper mill in Eilenburg.

According to WIR Aqueduct four sites of the Model Group are located in areas at water stress. These are Berka/Werra and Hanau in Germany as well as Hostinné and Moravske Budejovice in Czech Republic, all of them packaging plants with respective low water consumption compared to the paper mills.

Resources use & circular economy

Management of Risks, opportunities and impacts related to resource use

ESRS 2 SBM-3; GRI 306-2

Regarding resources use and circular economy, the Model Group has identified the key opportunities and risks outlined in the table below. Achieving both short- and long-term success hinges on the company's ability to meet customer and regulatory requirements for circular products.

Innovation plays a crucial role in this effort. By proactively tackling these challenges and developing creative solutions, the Model Group not only mitigates potential risks but also capitalizes on emerging opportunities aligned with evolving recycling standards and market expectations.

Description	Type	Value chain	Time horizon	Probability	Anticipated effects for Model Group
Increasing demand for sustainable packaging	Opportunity	Own operations, Downstream	Short-, medium-, and long-term	Very high	Circularity and the use of recycled raw materials are becoming key factors in customers' purchasing decisions, leading to a growing demand for sustainable packaging solutions
Innovation potential and differentiation	Opportunity	Own operations	Short-, medium-, and long-term	Very high	Competitive advantages can be achieved by offering lighter and more durable recycled materials. Additionally, providing closed-loop material cycles can enhance customer retention and strengthen long-term business relationships
Regulatory risks due to increased legal requirements	Transition risk, financial risk	Own operations Upstream Downstream	Short-, medium-, and long-term	Very high	Stricter obligations on resource use and recyclability could increase administrative workload, require additional resources, and lead to higher compliance costs
Rising demand for recycled materials (recovered paper)	Financial risk	Own operations Upstream	Short-, medium-, and long-term	High	The growing demand for recycled raw materials, particularly recovered paper, could lead to higher procurement costs and potential supply shortages.

Model Group's policies related to resource use & circular economy

ESRS E5-1; GRI 306-1

For the Model Group, promoting the circular economy is at the core of our sustainability strategy. That is why it is also a key element of our Carbon Reduction Plan, the Model Circular Impact Plan (see page 19). From using recovered paper as a raw material for our paper production to manufacturing packaging from recycled paper and collecting used packaging from our customers, everything in our company revolves around a closed-loop paper cycle.

To further promote efficient resource usage and circular economy we have identified the following main levers, which also require the involvement of our upstream and downstream value chain:

- Enhance the usage of recycling paper
- Establish a system for the return of used packaging
- Decrease packaging weight
- Expand share of FSC-certified materials

Resource use & circular economy actions

ESRS E5-2

A key element of our strategy for resource management and the circular economy is ensuring a steady inflow of recycled materials. To this end, the Model Group has invested 400 million CHF in recent years to acquire and renovate an additional paper mill in Eilenburg. This expansion increases our production capacity for 100 % recycled paper by 600,000 tons per year, securing the supply of recycled paper for our packaging plants for years to come. This unprecedented investment in our over 140-year company history underscores our strong commitment to advancing the circular economy.

Such a significant capacity expansion also requires parallel measures to ensure a stable raw material supply for the new paper mill. To meet this need, we source raw materials from household collection programs in nearby municipalities, production offcuts from our own packaging plants, and the traditional recovered paper market. Additionally, through our Recover project, we offer a take-back service for corrugated waste from our customers, further closing the material loop and reinforcing our commitment to sustainability.

Unlike the traditional waste hierarchy, which prioritizes prevention and reduction before recycling, a company producing corrugated cardboard packaging focuses primarily on recycling due to the nature of its products and industry constraints. Packaging is essential for protecting

goods, making complete avoidance or significant reduction impractical. Since our production process is already based on recycled materials, recycling remains the most effective sustainability strategy. Corrugated cardboard is biodegradable and highly recyclable, allowing for an efficient closed-loop system where disposal is minimized. Established recycling infrastructure ensures that used packaging is collected, processed, and reused, making recycling the most impactful approach.

Nevertheless, we also see potential in reducing packaging weight. To this end, we have launched the INLIGHT project, which is detailed further on page 34.

Model Group's resource use & circular economy targets

ESRS E5-3

Our Resource Utilization Goals

- Maintain 100 % paper waste as input materials in our paper mills
- Achieve 85 % recycled input materials in our packaging production by 2030
- Reduce packaging weight and minimize material consumption

Responsible Sourcing and Certification

- Achieve 100 % FSC-certified input materials
- Maintain at least 90 % FSC-Certified Packaging by 2030
- Increase the volume of returned packaging from our customers

Resource inflows

ESRS E5-4; GRI 301-1/2/3

The main inflows for the Model Group consist of recovered paper for paper production, as well as paper and cardboard for packaging production.

The papers used to produce corrugated packaging are largely produced in-house. Purchased materials primarily include bleached papers and kraft papers, both of which are used to meet specific customer requirements.

Besides energy and water, which are reported in previous chapters, starch, inks and varnishes are also used but in

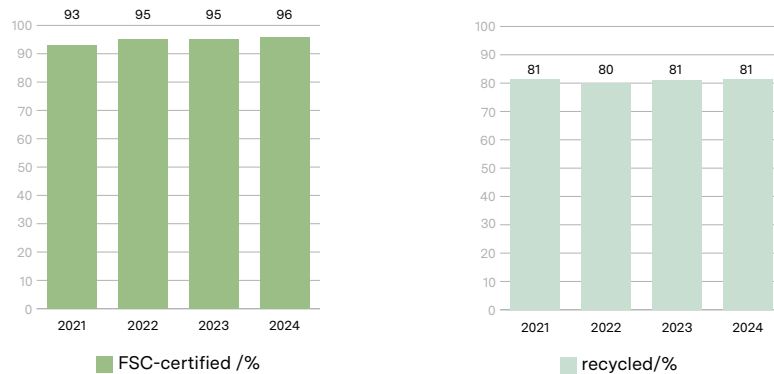
significantly smaller quantities compared to fiber-based materials. Plastic is also only used to a small extent as packaging material.

A significant portion of the packaging materials used is self-produced corrugated cardboard. In addition, we purchase pallets, packaging papers, and packaging films.

Regarding energy and water use, please refer to the relevant previous chapters.

Resource inflows	Unit	2024	2023	2022
Biological materials				
Total input paper waste for paper production	1,000 t	525	424	430
Total input fiber-based materials for packaging production	1,000 t	733	690	764
Of this FSC-certified	1,000 t	701	655	726
	%	96	95	95
Of this recycled content	1,000 t	596	557	614
	%	81	81	80
Technical materials				
Plastic materials used for packaging	1,000 t	0.8	0.6	/
Of these recycled plastic (min. 30 % PCR)	1,000 t	0.3	0.2	/
	%	39	34	/

The figures are based on delivered values. The data is reported by each site to the Group's sustainability data collection.



Resource outflows

ESRS E5-5; GRI 306-3/4/5

The outflows are the manufactured products, recycled paper and packaging materials based on corrugated cardboard and solid board, as well as production waste.

The waste is largely paper and cardboard waste, some of which flows back into paper production as inflow. In total, around 75 % of our waste is recycled and a further 19 % is incinerated. Only a small proportion is sent to landfill, and the proportion of hazardous waste is also low at around 3 %.

Products	Unit	2024	2023	2022
Total paper production	1,000 t	497	400	412
Total packaging production	1,000 t	665	629	685
of this corrugated board*	1,000 t	647	612	665
of this cardboard	1,000 t	18	18	21

*The quantity of corrugated cardboard production is recorded in m² and calculated with an average grammage of 0.5 kg/m²

Waste	Unit	2024	2023	2022
Total non-hazardous waste	1,000 t	186	172	185
to recycling	1,000 t	139	133	142
to incineration	1,000 t	36	39	44
to landfill	1,000 t	0.2	0.1	0.2
Total hazardous waste	1,000 t	5.19	4.83	5.12
to recycling	1,000 t	0.03	0.04	0.04
to incineration	1,000 t	0.51	0.50	0.47
to landfill	1,000 t	4.52	4.23	4.61

With 4.5 tons, the majority of hazardous waste originates from the waste incineration plant of one paper mill. The resulting incineration residue must be fully disposed of in landfill.

The data is reported by each site to the Group's sustainability data collection.



Creating
value

Fully Integrated. Fully Circular. Fully Model.

Our value creation strategy is based on two main concepts: the closed paper loop and the integrated value chain. It thus follows our company's values of acting economically, generating knowledge and creating added value through cooperation.

Our history

Our company is run in the fourth generation by Daniel and Maria Elisabeth Model. As you can see, our company history goes back 143 years and yet we have to prove ourselves on the market every day with our products and services.

Our lean organization is geared towards an efficient flow of business processes. The individual locations are structured in a process-oriented manner, have their own sales and development teams and have a high level of decision-making responsibility.

When Louis Model founded the company in 1882, he was actually already doing what we do today. Only by other means: In the hand cardboard factory in Ermatingen, waste paper was dissolved in large boilers, the porridge was poured into flat molds and the paper sheets were hung up to dry. Solid cardboard and packaging – handmade – was created from several glued pages. Today we have machines for this, but one thing has not changed: Our adhesive is still natural potato and wheat starch, as it was 140 years ago.

The industrial production of cardboard began with Otto Model in the 1930s. In the USA, he bought a round sieve board machine that could be used to produce cardboard products. This cost no less than four times the annual turnover of the company at that time. A bold move that paid off. Due to a tragic accident, Otto Model was only able to accompany the success until 1940. His wife took over the company in Weinfelden. As an extraordinary entrepreneur and strong woman, Els Müller-Model is still the heroine of our company history.

In the 1950s, the demand for corrugated board increased because it has a high lightness and stability compared to other packaging and transport materials. Our company also specialized in the production of corrugated board, which was constantly expanded under Otto Model jun. – who took over the management of the company in 1961.

Daniel Model, son of Otto Model jun., experienced the fall of the Berlin Wall and the mood of departure in 1989. At that time he was working as a consultant in Potsdam and recognized the possibilities of the new markets in the European East. In 1991, Daniel Model joined the company and seized the opportunity to take over a plant in the Czech Republic. The first step towards internationalization was taken.

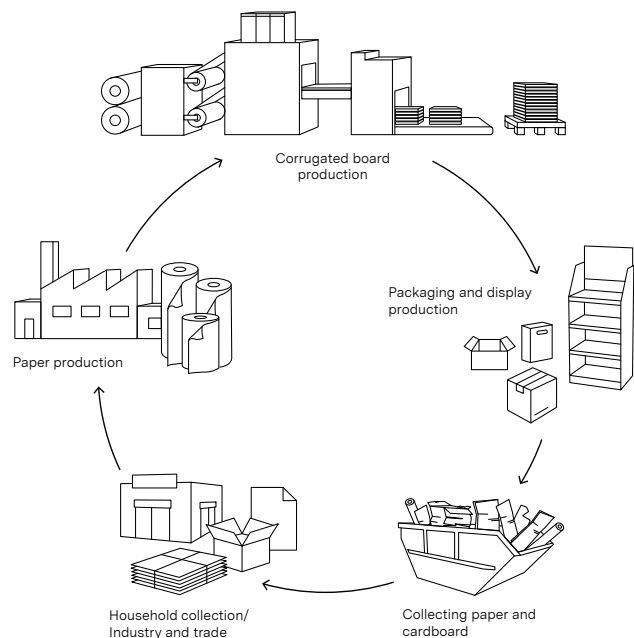
Today, paper production by hand has become individual stages of the value chain. Instead of individual sheets, we produce paper industrially on huge rolls. Machines glue 450 meters of paper per minute to corrugated board. From these corrugated sheets, we create the packaging in various further processing steps. With our locations, we are now in a compact Central European position. With David and Sarah Model, the fifth generation is already part of the Model Group.

Closed paper cycle

At Model, we are committed to sustainable production through a fully closed paper cycle. Our packaging is made primarily from recycled fibers, which we obtain from used paper products. These fibers are processed into new paper, which then serves as the basis for producing high-quality corrugated board and packaging solutions.

Once the packaging is manufactured, it is delivered to our customers for use in a wide range of applications. After fulfilling its purpose, we actively support the return and recovery of the used packaging materials. By collecting and reintegrating them into our production cycle, we significantly reduce the need for virgin resources.

This circular approach not only minimizes waste but also helps conserve energy and raw materials. By continuously reusing valuable fibers and optimizing our processes, we contribute to a more sustainable future and work hand in hand with our customers to promote environmental responsibility across the entire value chain.



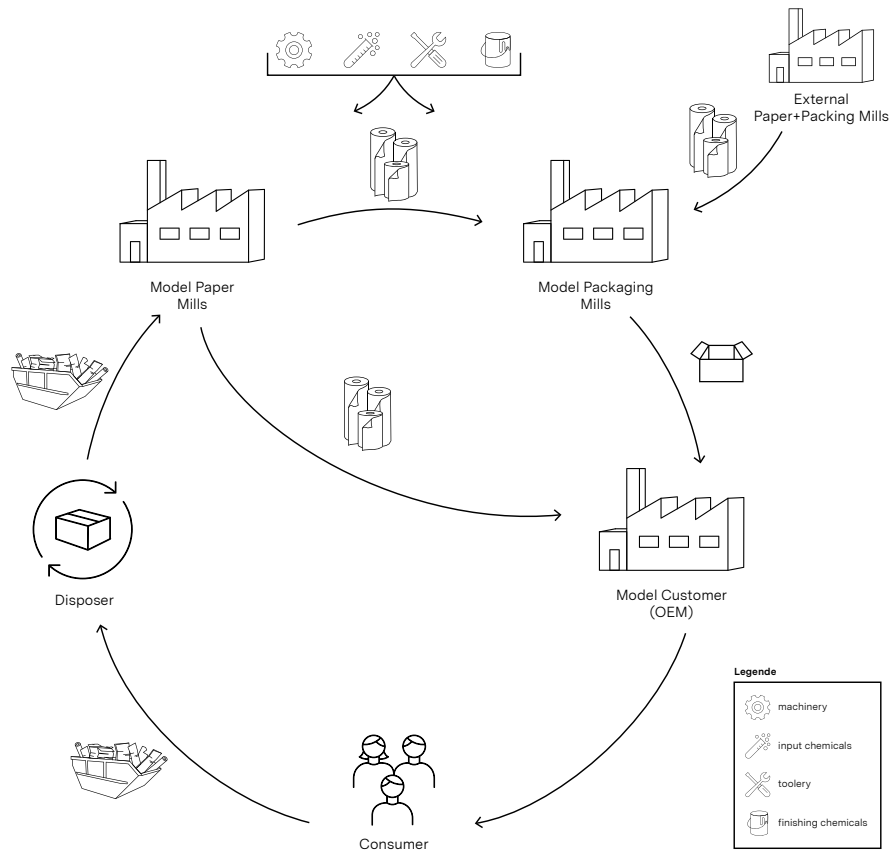
Integrated value chain

Sustainability and value creation are two sides of the same coin within the Model Group. With the strategic acquisition and comprehensive modernization of an additional paper mill, Model will soon be able to cover its entire demand for recycled paper through its own production. This represents the next step towards a fully integrated process that ensures control, quality and environmental responsibility at every stage.

From recycled paper production to in-house corrugated board manufacturing, from intelligent packaging development to the production of high-quality, customized packaging solutions, every step is seamlessly coordinated within the Model Group.

The integration continues beyond production. Model's dedicated logistics network ensures reliable delivery across Europe while actively supporting the circular economy. Used packaging can be collected during delivery and returned directly to our facilities, where it is reprocessed into raw material for new paper.

By combining paper manufacturing, corrugated board production, packaging design, logistics, and recycling within one company, Model creates a closed loop that reduces environmental impact and increases value. It is more than packaging. It is a smarter and more sustainable way of working.





Strengthening Value Creation with Model Sachsen Papier

In 2021, the Model Group decided to integrate another paper mill into the Group. Which considerations formed the basis of this decision?

Daniel Model: At the parent company in Weinfelden, we have been integrated for over 60 years and originally came from cardboard production, a process that is very similar to paper production. Our strong growth in the packaging sector due to the emergence of new markets east of the former Berlin Wall created a backward integration gap in paper, which we were able to close temporarily in 2009 with the acquisition of the paper mill in Niedergösgen, but not necessarily at the logistically perfect location. Over the next 10 years, the next gap opened up, which we were able to close logistically at the right location this time with the acquisition of the Eilenburg paper mill.

The necessary conversion of the paper mill to the production of corrugated base paper involved considerable investment. Why was this location nevertheless selected?

David Model: The aim of a conversion is to use as many existing resources as possible, ideally resulting in a time and financial advantage over greenfield projects. Due to increasing regulations and limitations, commercial sites for the latter option are becoming increasingly rare. These circumstances of artificial scarcity are surprising in view of Germany's vast expanses of land. This makes a visit to Sachsen Papier Eilenburg all the more astonishing. The plant was generously laid out on such a greenfield site in 1994 in order to keep future expansion plans open. In addition to the advantageous location for our Group, this fits in well with our own long-term view. Finally, it is also an advantage that we are focusing on light grammages there, with which we have extensive experience from the previous production of graphic papers.

Daniel Model: The location was geographically suitable, the papermaking expertise was already there and the hope was that the conversion would be less expensive than a new building. In reality, the difference was no longer significant.

Which part of the paper machine conversion was the most challenging?

David Model: That it is practically a new plant in terms of scale, if you consider the changes to the paper machine itself on the one hand and those in the surrounding areas on the other. The transformation affects the entire site; from the new truck parking lot with registration terminals, the sorting plant with modified conveyor belts, the redesigned waste paper warehouse, the stock preparation with new drums and without deinking systems, the power plant with an additional steam boiler building, the paper machine with



Chairman Model Group
Daniel Model



David Model,
COO Paper Unit

many new and innovative elements, new starch silos, reject preparation and storage to the fully automated high reel warehouse with new loading ramps.

Daniel Model: The machine alone is in fact almost 90 % new. One of the biggest challenges was installing the Optidry in the wet section and ensuring that the new static requirements were met throughout the substructure. Conversions generally hold more unplanned surprises than new builds.

David Model: The kilometers of cabling and piping work also caused special and unexpected problems. The delays resulting from this and the rest of the project posed new challenges for everyone involved due to the deviations from the original plan.

In your opinion, how successful have the new employees been integrated into the Group so far?

Daniel Model: Integration was only marginally possible due to absorption in the large-scale "conversion" project. The real integration process only began in the fall of last year and is still ongoing.

David Model: Such a process takes time and is not yet complete due to the main focus on the conversion project. Even if this were already the case, a demographically induced change is imminent, as many loyal employees have been with the company since the beginning in the 1990s. In my view, the employees of Sachsen Papier made a positive impression early on by managing to produce simple corrugated base paper during the transition period under difficult conditions with the mill designed for graphic papers and this in constant alternation with the production runs for magazine papers.

The Model Group produces 100 % recycled paper. With a working width of almost 10 m, the new paper machine has an enormous production capacity. How is the supply of paper waste ensured?

Daniel Model: This situation leads to the logistical integration of all packaging plants through paper supply and simultaneous waste disposal. Recycling is not a

buzzword for us, but a logistical and material reality. Thanks to Model Logistik GmbH in Germany with its large fleet of vehicles, the basis for this was already in place.

David Model: *The supply of raw materials is based on a broad foundation. On the one hand, there is an on-site sorting plant that processes household waste from the surrounding municipalities. The quality obtained from this, old corrugated case paper, is fed directly into the production process as the main grade in loose form, while the sorted deinking, graphic recovered paper, is sold to graphic paper producers. On the other hand, due to the central location and the logistical rotation with containerboard, large quantities of clippings from the company's own corrugated cardboard plants can be used. The same applies to recovered paper from our corrugated board customers, where we have been closing loops in Switzerland for many years under the name 'Recover' and plan to do so here as well. In addition, a large part of the demand is sourced on the conventional recovered paper market in cooperation with disposal companies and traders. Since Germany, as a European paper stronghold, has recently developed into a net importer of recovered paper, procurement is also increasingly taking place across borders.*

Together with the two existing paper mills in Switzerland, the Model Group will produce more paper in future than it consumes itself. What challenges and opportunities arise from this?

Daniel Model: We need a stronger sales organization and the well-known volatility in the paper business will also pull us into a stronger up and down movement in the consolidated Group view. We will be able to operate more deeply in the market in terms of logistics and communication and use the additional information for our market success.

David Model: *I am confident that we will be able to continue growing with our own corrugated board by then. There are also great opportunities in the expansion of existing partnerships or the establishment of new ones, favored by current market dynamics. Finally, upcoming and necessary political changes also give us reason to be optimistic about a successful future.*

INLIGHT – Lightweight packaging by Model

The Model INLIGHT team has developed an innovative, highly reliable single-step method for simultaneously predicting the mechanical properties and carbon footprint of corrugated board. This enables Model to design customized packaging quickly, cost-effectively, and with high precision.

This breakthrough was made inline with the extensive modernization and realignment of the paper machine in Eilenburg, which now allows Model to produce lightweight paper for lightweight packaging. What would have already been a significant achievement in reducing packaging weight has evolved into a source of exciting possibilities, thanks to a company-wide project involving experts from all areas of the Model Group.







By bringing together specialists from paper and board production, research and development, quality assurance, and sales, Model has made significant progress toward more sustainable packaging solutions.

The biggest challenge in this project was identifying the right parameters to accurately predict the mechanical properties of the finished packaging. After more than 50 tests on various corrugators and extensive round-robin testing in laboratories across the group, the decisive correlation was found. This paved the way for developing customized packaging without requiring extensive test phases on the corrugators.

The precision of our prediction has proven to be higher than 98 % accurate. The prediction includes all kind of papers, flute types, single and double flute.

In the next phase, our packaging plants will gradually transition their product portfolios to optimized INLIGHT packaging, always in close collaboration with our customers. Together, we are working toward the goal of reducing the environmental impact of our products by making them lighter, generating less waste, and lowering emissions, all while maintaining the mechanical strength needed for optimal product protection.

Here are just a few examples of the possibilities:

	Weight	ECT	PCF	
Feature Set 1	 significantly reduced	 unaffected	 significantly reduced	Maintaining mechanical properties while intensively reducing weight and PCF
Feature Set 2	 unaffected	 significantly improved	 unaffected	Significantly Improving mechanical properties while maintaining weight and PCF

Creating value



Model Young Package

Inspiring the Future of Packaging Design

The Model Young Package competition, launched in 1996, is an annual international contest for innovative packaging design. Organized by Model, it invites students, universities, and independent designers to create new prototypes based on a fresh theme each year. Past themes have included packaging for e-commerce, food, drinks, or sweets.

The competition evaluates designs on key criteria: sustainability, flexibility, cost efficiency, user-friendliness, and creativity. By giving designers a platform to share their ideas, we help connect young talents with industry professionals, fostering valuable exchanges between fresh perspectives and real-world expertise.

Each year, the competition attracts hundreds of submissions from all continents except Antarctica, bringing together diverse backgrounds, cultures, and ideas. This global reach extends the exchange of inspiration beyond generations, highlighting the universal importance of innovative and sustainable packaging.

Winners not only receive financial prizes but also gain unique opportunities like internships at Model and the chance to see their designs brought to life by our customers. The competition jury, which includes industry experts and Model partners, ensures professional feedback and insights. The experience culminates in an on-site award ceremony that celebrates creativity and collaboration.

Over the years, Model Young Package has evolved to reflect changing trends and expectations in packaging.

What was once a packaging competition is increasingly becoming an ideas and innovation platform for creative students/designers/people from all countries. In combination with our professional designers, our broad customer base and contacts in various fields and industries, the best ideas can be brought to life.

This approach helps us to stay in touch with new generations and provide innovative, sustainable solutions for our stakeholders.





Empowering
people

Own Workforce



United We Stand

In the fall of 2024, Central Europe faced devastating heavy rains and deadly floods. The Czech Republic was among the hardest-hit countries, and Model Obaly, with its four plants across the region, was directly affected. Opava, where the company's headquarters are located, was one of the most impacted cities, suffering extensive destruction due to the floods.

While the company's facilities narrowly escaped damage – with floodwaters stopping just at the fence – many employees were not as fortunate. Homes were inundated up to the second floor, cars were swept away, and countless possessions were destroyed.

During this crisis, our mobile app became an invaluable tool. Despite being in the testing phase, the communications team rapidly adapted it to provide real-time updates and establish platforms for offering and requesting help. These ranged from sourcing industrial dryers and cleaning assistance to organizing psychological support for those in need.

The finance department also acted swiftly, creating a relief fund account. Employees could contribute by donating money or vacation days, which the company converted into financial aid. Thanks to the overwhelming generosity of our team, an extraordinary 2.525 million CZK was raised by MCZ employees. This fund was distributed among 32 colleagues to provide immediate support for their recovery efforts.

The solidarity and team spirit shown during this time were truly remarkable. Together, we stood strong and demonstrated the power of community and compassion.

THANK YOU ALL!



Management of Risks, opportunities and impacts related to own workforce

ESRS 2 SBM-3

Employees are a key element of the Model Group's long-term success, making their development, engagement, and well-being key strategic priorities. The Model Group's employee strategy is therefore built around the key topics outlined in the following table. Investing in training and digital skills drives productivity and fosters innovation, while ensuring compliance with labor standards and workplace safety mitigates risks and strengthens the

company's reputation. Addressing workforce shortages through career development and internal upskilling secures future talent needs and ensures operational stability. By integrating these aspects into its strategy, the Model Group cultivates a resilient, motivated, and future-ready workforce, reinforcing its commitment to sustainable growth and responsible business practices.

Description	Type	Time horizon	Probability	Anticipated effects for Model Group
Employee Training & Development	Opportunity	Short-, medium-, and long-term	High	Investing in continuous employee training enhances workforce qualifications, leading to increased productivity and better utilization of innovation potential. It also contributes to employee satisfaction and strengthens long-term retention within the company.
Availability of Skilled Workforce & Career Growth	Financial risk	Medium-, and long-term	Medium	A shortage of skilled workers may create difficulties in filling key positions, causing delays in company projects. Recruitment costs are likely to increase, and companies will need to expand internal training programs to compensate for missing competencies.
Working Conditions, Health & Safety	Positive impact	Short-, medium-, and long-term	High	Providing good working conditions and a comprehensive safety management system reduces workplace accidents and health risks. This leads to higher employee satisfaction, improved productivity, and better compliance with legal regulations.
Employee Engagement & Innovation	Opportunity	Medium-, and long-term	Medium	Actively involving employees in decision-making processes and innovation projects strengthens their identification with the company, increases motivation, and contributes to the development of new, competitive products and processes.
Compliance with Labor Regulations & Standards	Financial & reputational risk	Short-, medium-, and long-term	High	Ensuring compliance with labor laws and international standards is crucial to avoid fines, legal disputes, and reputational damage. Transparent and law-abiding corporate governance also enhances trust among investors, customers, and employees.
Digital Skills & Adaptation to New Technologies	Opportunity	Short-, medium-, and long-term	High	Promoting digital skills within the workforce facilitates the adoption of new technologies, optimizes workflows, and increases operational efficiency. This allows companies to respond more quickly to market changes and secure a competitive advantage.

Model Group's policies related to own workforce

ESRS S1-1

Human rights

The Model Group represents a social organism consisting of voluntary members wherein everyone does what they can and contributes to the whole. Individuals are expected to have as much freedom to associate with others as possible so that their abilities can be enhanced to the fullest. In this context human rights represent an important achievement for protecting the individual against powerful organizations and institutions. We respect and value the human rights proclaimed by the international community and support compliance with these rights in our sphere of influence. We categorically reject all forms of forced labor, child labor, modern slavery, and human trafficking. Additionally, we adhere to International Labour Organization (ILO) Convention No. 138, which establishes the minimum working age.

The Model Group maintains a strict zero-tolerance policy towards harassment, sexual harassment, insults, bullying, intimidation, abuse, violence, or any other form of unacceptable behavior. We explicitly prohibit discrimination based on race, skin color, gender, disability, age, sexual orientation, religion, political beliefs, or national, ethnic, or social origin.

These principles are firmly embedded in our Code of Conduct and sustainability policy. To reinforce them, our employees receive regular training to recognize and address violations of ethical and behavioral standards.

Working conditions and labour rights

We are committed to meet the high standards as stated by various European laws concerning working conditions including minimum wages, working hours and social benefits. We recognize the right to freedom of association, collective bargaining and comply with all local laws governing the right of employees to elect or not elect company representatives.

Employee health and safety

The Model Group does not have employees: it has partners. We are home to strong individuals who forge connections by working together to create our vision and make it a reality. This unifying goal is the inspiration behind all our activities and is our most precious asset. It turns our employees into partners, ensuring everyone takes personal responsibility for their own actions. As an employer, we do everything we can to offer our employees a safe working environment. At the same time, we expect our employees to do their part to protect their own health and the health of their colleagues through prudent behavior and compliance with all applicable work regulations.

Business ethics

We are committed to ethical behavior and prohibit all forms of corruption, fraud, money laundering, bribery, conflicts of interest, data and information security incidents and violations of antitrust laws. In particular, we demonstrate clearly that the UN Convention against corruption must be observed, and we are committed to doing so.

Employee consultation

ESRS S1-2

As a packaging company with multiple locations across Europe, we recognize that our employees are at the heart of our success. We are committed to maintaining open, transparent, and respectful communication with our workforce on all matters that impact them directly.

Our approach to employee involvement is rooted in local responsiveness and flexibility. While some of our sites operate with formal workers' councils, others function effectively without them. We respect and support both models, tailoring our engagement strategies to the local context and regulatory environment.

We operate with flat hierarchies and empower our local organizations with a high degree of autonomy. This decentralized structure enables each country team to shape leadership and organizational practices in a way that best fits their cultural and operational needs, while staying aligned with the Model group's values and goals.

In locations with established workers' councils, we maintain regular dialogue and cooperation to ensure mutual understanding and shared decision-making where appropriate. In other locations, we prioritize direct employee communication and foster a strong feedback culture, so that all voices are heard and considered in shaping our workplace.

This flexible and inclusive approach helps us build trust, foster engagement, and continuously improve the working environment for all our employees across Europe.



Your Voice, Our Future: Results of the Employee Survey

Model Group decided to conduct the employee survey with Great Place to Work - how did this come about?

Jiri Gavenda: The conviction that you can only continue to improve if you know both your own strengths and weaknesses was the starting point for our considerations: as Model Group, we want to know how our employees see us as an employer, what our employees value about their workplace and where we can continue to improve as an organization as a whole, but also at team level. The decisive factor in our collaboration with Great Place to Work was their focus on workplace culture, where trust between managers and employees, but also consistency with values and commitment to the organization are central: only if these values are high can our customers expect high-quality products. We deliberately did not call our employee survey the „Great Place to Work“-survey – after all, it is on the employees to judge, whether we’re a great place to work. We called the survey #myvoicecounts.

What were the difficulties in conducting such a survey?

Michael Uebersax: We opted for a two-stage approach: in the first stage, all the plants in Switzerland and the plant in Eilenburg were surveyed in 2023, after that all the plants in all other countries were also surveyed in 2024. This allowed the other countries to benefit from the lessons we learned in Switzerland and Eilenburg. It was undoubtedly challenging to reach and motivate employees in production, who do not all have a personal email address, to take part in the survey – and to do so within a short period of time. However, we succeeded quite well, also through many tours of Management in the plants, to reach and motivate employees to take part. These repeated plant tours resulted also in good conversations with employees at all levels.

Was there a lot of resistance?

Jiri Gavenda: The willingness of employees to give feedback in various surveys is always conditioned by cultural practices, but also, and above all, by the quality of communication and the ability to explain the purpose of the survey. If the purpose of the survey as well as the follow-up procedure after the survey is sufficiently communicated, then the willingness of employees to participate in the survey is very high. It was a great advantage that the whole management was behind the survey. But yes, there were also people who said: there’s no point in all this, we’d rather concentrate on real day-to-day issues. But also such comments were starting points for good discussions.



What kind of support did Great Place to Work provide?

Michael Uebersax: The support from Great Place to Work was always there: we had a dedicated project manager who guided us through the whole process and who was the same person in 2023 and 2024. As a first step, conducted a so called „reality expectation check“, where members of management were asked to answer the survey from the perspective of how the employees would answer – this led to interesting discussions afterwards when the results were available. But Great Place to Work supported also in other aspects, such as ensuring technical feasibility, but also helping with suggestions on how to communicate and tackle resistance. Finally, Great Place to Work presented the results to the company management and also placed our company results in a larger context (e.g. industry comparison) – after all, a single value doesn’t say much if you can’t place it in its context.

Was there any feedback from employees?

Jiri Gavenda: One advantage for employees was certainly that the survey was available in over 50 languages. This allowed all employees to respond in the language in which they felt most comfortable. The open questions at the end of the survey in particular were used extensively: there were many comments from employees, both positive and very specific suggestions as to where we could improve further.

What were the results?

Michael Uebersax: Here are a few key points: in the 2023 survey, we had a participation rate of 69%, which was the same in 2024 – quite a remarkable participation rate for a first-time participation. We were very surprised and incredibly pleased that (due to the high participation rate and the good scores) all plants in Switzerland, Poland and the plant in Eilenburg cleared the hurdle for a “Great Place to Work” award already at first participation! Of course, results differed from site to site, even between teams, but in general, the following aspects were identified as strengths: the high level of autonomy at work and the delegation of responsibility at all levels; the commitment of our employees towards the company; as well as the learning culture, where mistakes are seen as opportunities to learn and improve. Points of improvement identified included communication, transparency about recruitment process, and participation on success.

What happens next?

Jiri Gavenda: The results were analyzed and communicated, both at team level and at the level of the respective national organization. Based on this, measures were defined at various levels as to how the respective team or organization intends to further develop and improve in identified areas. Involving employees in the development of measures was key: everyone is encouraged to contribute their ideas and play their part in the further development of the organization. It is also crucial to regularly inform employees about the development of the measures taken, i.e. how the company is continuously responding to employee suggestions and implementing the relevant measures. And clearly, an employee survey is not a one-off, but a recurring element: this is the only way an organization can continue to develop.



Jiri Gavenda,
Head of HR MCZ



Michael Uebersax,
Head of HR MAG & Paper Unit



Empowering Our Culture Through Communication

Communication is a vital part of our culture at Model. We are constantly seeking ways to communicate more effectively and transparently with all members of our team, whether they are administrative staff with access to corporate computers or production workers who lack such tools.

We organize regular info meetings with the management of each production facility for all employees, maintain an active presence on the intranet, and still rely on the good old-fashioned bulletin boards. To ensure that all employees receive information simultaneously, Model Obaly has developed a mobile communication app – myModel app. One of its undeniable advantages is the ability to facilitate personalized two-way communication – not just from the company to employees but also from employees to the company.

The app's system allows us to target communications based on location or specific teams. We can conduct quick surveys, which are often used to gather feedback on events. Employees can send in questions, which are then addressed by the relevant people. For instance, we have digitized our improvement initiative, enabling employees to submit their ideas for improvement directly through the app. From the comfort of their homes, employees can also order meals from the cafeteria, read company news, or browse dozens of photos from corporate events.

During the 2024 floods, the myModel proved invaluable for rapid communication about river levels and flood-affected areas. It also featured new modules that allowed users to request or offer help in dealing with the aftermath of the floods.

Looking ahead, we plan to expand the app as a communication platform primarily for production teams, serving as a replacement for team collaboration tools used by administrative staff. Additionally, myModel will display certain data from our HR system, providing employees with easier access to information that is currently limited or difficult to obtain.

Actions on significant workforce impacts

ESRS S1-4

At Model, we are committed to providing a safe, fair, and empowering working environment for all our employees. Based on our materiality assessment, we have identified several key areas where our operations may impact our workforce, including training, work safety, and ethical behaviour.

We place great importance on continuous training, as our employees are the foundation of our success. We invest in both specialized skill development and broader training programs covering occupational safety, environmental responsibility, and ethics. Many of our sites also offer apprenticeship programs to ensure we cultivate a skilled workforce trained specifically for the needs of our industry.

Safety is a fundamental priority at Model. We conduct regular safety inspections across our sites to identify and eliminate potential hazards, with the goal of minimizing workplace accidents. By 2030, we aim to achieve ISO 45001 certification at all our sites. Compliance with national regulations is a given and is monitored systematically.

We also uphold a strong code of conduct that applies to all employees, regardless of role or location. Regular training, clear internal policies, and a dedicated whistleblowing channel ensure that every employee understands their rights and responsibilities. We foster a culture of integrity, transparency, and mutual respect, with zero tolerance for discrimination, harassment, or any form of unethical behavior.



Promoting Health and Community: Sports Activities at Model Group

The health and well-being of our employees are our top priorities. Regular physical activity is a key element of a healthy lifestyle, which is why we offer a diverse range of team sports activities across the Model Group. In 2024, our Model locations in Germany participated in various running and hiking events, including the company run in Leipzig, the Lollslauf in Bad Hersfeld, and the corporate hiking day in Erfurt.



In addition to encouraging sports activities for our employees, we place great importance on being an active part of the local communities at our various locations. As part of this commitment, our colleagues from Model Pakiranja d.d. supported a neighborhood football tournament near our plant in Zagreb in June. In September, our German team from Model GmbH organized a sports festival for employees and businesses in the industrial park in Bad Bentheim.



The Group also supports local sports clubs at numerous Model locations, for example by purchasing training clothing or providing financial support for the modernization of sports facilities.

Model Group's targets for managing workforce impacts and risks

ESRS S1-5

The Model Group aims to uphold human rights compliance 100 %, both within its own workforce and in its wider sphere of influence. This includes the exclusion of forced and child labor, modern slavery and human trafficking.

In addition, the Model Group aims to pay all employees a living wage in accordance with the "wage indicator" by 2030.

By 2025, we aim for zero incidents of harassment, sexual harassment, insults, bullying, intimidation, abuse, violence and discrimination.

In regards of occupational safety, the Model Group strives for zero incidents and the certification of all production sites according to ISO 45001 by 2030.

Characteristics of own workforce

ESRS S1-6; GRI 2-7, 401-1

Between 2022 and 2024, our total workforce increased by approximately 6 %, reaching 4,270 employees in 2024. This growth reflects our continued commitment to long-term employment and sustainable business expansion. A significant portion of the increase is attributable to the opening of a new production site in Eilenburg, Germany, which alone created 261 new positions.

As a result, Germany emerged as our largest employment location in 2024, followed by the Czech Republic, Poland, and Switzerland. Employment levels in Croatia remained stable.

The vast majority of our employees hold permanent contracts underlining our commitment to job security and long-term workforce development. However, we have also seen a significant increase in temporary employment, supporting operational flexibility.

While the workforce continues to be predominantly male, the number of female employees increased by over 10 % compared to the previous year. Also, employment models continued to diversify. Although full-time roles remained dominant, the number of part-time employees increased by nearly 30 %. This reflects our efforts to offer more flexible working arrangements and support employees in achieving better work-life balance.

Employees by gender (headcount)	2024	2023	2022
Total	4,270	3,887	4,027
Male	3,261	2,973	3,064
Female	1,009	914	962

Employees by country (headcount)	2024	2023	2022
Switzerland	789	759	770
Germany	1,272*	951	974
Poland	850	826	863
Czech Republic	1,193	1,187	1259
Croatia	166	164	161

* 261 of new employees coming from the additional plant in Eilenburg, Germany.

Employees by contract type and gender (headcount)	2024	2023	2022
Permanent employees	4,104	3,840	3,966
Male	3,143	2,932	3,015
Female	960	908	950
Temporary employees	112	47	74
Male	79	27	49
Female	33	21	26

Employees by contract type (headcount)	2024	2023	2022
Apprentices	110	79	70
Full-time employees	4,104	3,738	3,918
Part-time employees	135	104	78
Subcontract workers	111	103	131

Employees who left the company	2024	2023	2022
Turnover headcount	556	577	670
Turnover %	13.0	14.8	16.6

All employee characteristics data are reported as an average across the reporting period, except for data on gender, which are reported as at the end of the reporting period. The data is reported by each site to the Group's sustainability data collection.

Employees by contract type and country (headcount)		Permanent employees	Temporary employees	Apprentices	Full-time employees	Part-time employees	Subcontract workers
Switzerland	2024	789	0	43	715	74	27
	2023	759	0	36	671	43	27
	2022	770	0	35	689	40	22
Germany	2024	1,122	92	53	1,203	38	26
	2023	929	22	30	904	47	47
	2022	924	50	22	959	25	61
Poland	2024	850	0	0	849	1	0
	2023	826	0	0	826	0	0
	2022	863	0	0	863	0	0
Czech Rep.	2024	1180	13	14	1171	22	49
	2023	1176	11	13	1173	14	21
	2022	1249	10	13	1246	13	40
Croatia	2024	162	4	0	166	0	9
	2023	150	14	0	164	0	8
	2022	160	14	0	161	0	8

In contrast to Switzerland, Germany and Czech Republic apprenticeships are not very common in Poland and Croatia, which is why the Model Group has no apprentices here.

ESRS S1-7; GRI 2-8

Employees by contract type (Headcount)	2024	2023	2022
Subcontract workers	111	103	131

Workers employed through subcontractors are generally assisting in production to help to compensate for short-term staff shortages or temporarily high production volumes.

Diversity metrics

ESRS S1-9; GRI 405-1

Employees by gender (headcount)	2024	2023	2022
Total	4,270	3,887	4,027
Male	3,261	2,973	3,064
Female	1,009	914	962
Top management	47	45	43
Male	41	38	35
Female	8	7	8
Middle management	290	264	269
Male	254	234	238
Female	36	30	31

Employees by age (headcount)	2024	2023	2022
Aged under 30	653	671	726
Aged 30 - 50	2,324	2,217	2,335
Aged over 50	1,291	1,187	1,216

All diversity data are reported as at the end of the reporting period. The data is reported by each site to the Group's sustainability data collection.

Training and skills development

ESRS S1-13; GRI 205-2, 403-5, 404-1, 404-3

	Unit	2024	2023	2022
Investments for training and education	TCHF	1,504	1,145	1,330
Training	hours	30,300	35,675	23,724
of this work safety	hours	4,179	11,105	8,502
of this ethics	hours	2,659	2,300	1,145
Training per employee	hours	7.09	9.18	5.89
Coverage of regular performance assessment	%	51	50	49
male	%	50	48	47
female	%	59	63	60

Health and safety metrics

ESRS S1-14; GRI 403-8/9/10

	Unit	2024	2023	2022
Employees covered by health and safety management system	head-count	3,224	2,413	2,495
Work-related injuries	number	194	145	228
employees	number	192	143	226
Non-employees	number	2	2	2
Rate of work-related injuries	Number/500 FTE	3.1E-11	2.4E-11	3.7E-11
Work related ill health	number	70	46	97
Fatalities as a result of work related injuries or ill health	number	2	1	0
Days lost to work-related injuries or ill health	number	2,771	2,529	3,677

The sites in Switzerland and Germany, representing a total of 2,037 employees are covered by a health and safety system that is based on ISO 45001 and externally audited.



Community Engagement

Modelers in Action: Empowering Employee-Led Social Responsibility

At Model, we believe that social responsibility begins with our people. In this spirit, our Czech organization Model Obaly has come up with a special concept. Through our initiative “Modeláci v akci” (“Modelers in Action”), we empower our employees to bring positive change to their communities by supporting socially responsible projects. Launched three years ago, this program not only promotes community involvement but also encourages our employees to take active leadership roles in the projects they care about.

The process is straightforward yet impactful. Employees submit applications detailing their project ideas, clearly describing their role in the project’s implementation. This personal involvement is key – each applicant must actively participate in realizing their vision. Once submitted, projects are reviewed and then put to a vote. The decision on which projects receive funding is made by fellow colleagues, ensuring that the support goes to initiatives that resonate most within our community.

Since its inception, “Modelers in Action” has successfully conducted four calls for projects, supporting 16 initiatives across all four of our plants. These projects are wonderfully diverse, reflecting the creativity and compassion of our employees. From enhancing the quality of life for children with disabilities, to supporting a newly formed American football club, the impact is truly inspiring. We’ve also

contributed to building agility obstacles for dogs, fostering community engagement and promoting active lifestyles for both pets and their owners.

However, the fourth call had to be canceled under exceptional circumstances. When devastating floods struck the community around our Opava plant, we redirected the allocated funds to support relief efforts for our affected employees. This decision highlighted our commitment to standing by our team members in times of need, reinforcing the core values of solidarity and social responsibility that drive our program.

With two calls for projects each year, “Modelers in action” continues to inspire and support our employees in making a meaningful impact. By fostering a culture of empathy and action, we not only strengthen our communities but also empower our people to be the driving force behind positive change.

Grant Fund

In our Polish organization Model Opakowania we have a similar project. With “Great Fund” local organizations and associations can apply for funds to support workshops and events they organize. The selection of projects is mainly influenced by the idea behind them and the benefits they may bring to the local community. Pro-ecological projects aimed at children and youth, or those integrating local communities, deserve special attention.

Work-life balance metrics

ESRS S1-15

At Model, we understand that a healthy work-life balance is essential to the well-being, motivation, and long-term engagement of our employees. As part of our broader commitment to social protection, we provide a variety of measures that support employees in managing their professional responsibilities alongside their personal lives. We offer flexible working arrangements, including part-time roles, adapted working hours, and remote work options, depending on the role and local regulations.

All Model employees are entitled to parental leave, supporting both mothers and fathers in fulfilling their

family responsibilities. In 2025, we will take this commitment a step further by opening our first in-house childcare facility at our Weinfelden site in Switzerland.

Our country organizations are encouraged to design and implement work-life balance initiatives tailored to local needs and cultural contexts, while remaining aligned with our shared values.

Through these efforts, we strive to foster a workplace where employees can thrive both professionally and personally, helping to build a resilient, loyal, and motivated workforce.



Indices

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ESRS 2 General Disclosures	Overview	
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BP-2 – Disclosures in relation to specific circumstances	Correction of information	p. 8
GOV-1 – The role of the administrative, management and supervisory bodies	Governance structure	p. 9
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Governance structure	p. 9-10
GOV-3 - Integration of sustainability-related performance in incentive schemes	not applicable	
GOV-4 - Statement on due diligence	Governance structure	p. 10
GOV-5 - Risk management and internal controls over sustainability reporting	Governance structure	p. 10
SBM-1 – Strategy, business model and value chain	Business model and strategy	p. 11
SBM-2 – Interests and views of stakeholders	Business model and strategy	p. 12
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Business model and strategy	p. 13
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IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	Business model and strategy	p. 14
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Business model and strategy	p. 14
ESRS E1 Climate Change	Protecting ecosystems - Climate Change and GHG emissions	
E1-1 – Transition plan for climate change mitigation	Model Circular Impact Plan - Transition plan for climate change mitigation and adaption	p. 18
E1-2 – Policies related to climate change mitigation and adaptation	Model Groups policies related to climate change mitigation and adaptation	p. 18
E1-3 – Actions and resources in relation to climate change policies	Climate protection actions	p. 19
E1-4 – Targets related to climate change mitigation and adaptation	Model Groups climate and emissions targets	p. 20
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E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	GHG emissions	p. 22-23
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	Not applicable	
E1-8 – Internal carbon pricing	Not applicable	
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Not included in 2024 report	
ESRS E3 Water	Protecting ecosystems - Water	
E3-1 – Policies related to water and marine resources	Model Groups policies related to water	p. 24
E3-2 – Actions and resources related to water and marine resources	Water protection actions	p. 24
E3-3 – Targets related to water and marine resources	Model Groups water targets	p. 25
E3-4 – Water consumption	Use of water	p. 26
E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Not included in 2024 report	
ESRS E5 Resources use and circular economy	Protecting ecosystems - Resources use and circular economy	
E5-1 – Policies related to resource use and circular economy	Model Groups policies related to resource use & circular economy	p. 27
E5-2 – Actions and resources related to resource use and circular economy	Resource use & circular economy actions	p. 28

E5-3 – Targets related to resource use and circular economy	Model Groups resource use & circular economy targets	p. 28
E5-4 – Resource inflows	Resource inflows	p. 28-29
E5-5 – Resource outflows	Resource outflows	p. 29
E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Not included in 2024 report	
ESRS S1 Own Workforce	Empowering people	
S1-1 – Policies related to own workforce	Model Groups policies related to own workforce	p. 39
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	Employee consultation	p. 39
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	To further strengthen accountability, the Model Group has implemented an anonymous whistleblower hotline, enabling employees and stakeholders to report unethical conduct or human rights concerns without fear of retaliation. The hotline can be accessed via the Model Group Website and all information received in this context will be treated confidentially.	
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating mater	Actions on significant workforce impacts	p. 42
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Model Groups targets for managing workforce impacts and risks	p. 43
S1-6 – Characteristics of the undertaking's employees	Characteristics of own workforce	p. 43-44
S1-7 – Characteristics of non-employee workers in the undertaking's own workforce	Characteristics of own workforce	p. 44
S1-8 – Collective bargaining coverage and social dialogue	The employees in Czech Republic as well as at the Eilenburg site in Germany are covered by a collective bargaining agreement. This corresponds to 100 % of the workforce in Czech Republic, 21 % of the workforce in Germany or 34 % of the total workforce.	
S1-9 – Diversity metrics	Diversity metrics	p. 44
S1-10 – Adequate wages	Not included in 2024 report	
S1-11 – Social protection	All Model employees are covered by social protection against loss of income due to sickness, unemployment starting from when the own worker is working for the undertaking, employment injury and acquired disability, parental leave and retirement.	
S1-12 – Persons with disabilities	At Model Group 1.3 % of employees are persons with disabilities according to the respective national legislation of each legal entity. This number does not include employees in Switzerland, where it is not registered, if an employee has a disability or not.	
S1-13 – Training and skills development	Training and skills development	p. 45
S1-14 – Health and safety metrics	Health and safety metrics	p. 45
S1-15 – Work-life balance metrics	Work-life balance metrics	p. 46
S1-16 – Compensation metrics (pay gap and total compensation)	Not included in 2024 report	

S1-17 – Incidents, complaints and severe human rights impacts	In 2024, two reported cases involving potential violations of the Code of Conduct were investigated. Neither case was related to human rights violations. The first case concerned suspected theft by an employee of a subcontractor. The second case involved a dispute between two employees, during which verbal abuse and harassment were allegedly involved. An investigation was launched immediately; however, the employee who filed the report later withdrew the allegations. Local management was informed and confirmed that, from the perspective of both parties involved, the matter is considered resolved.	
ESRS G1 Business Conduct		
G1-1 – Corporate culture and business conduct policies and corporate culture	Our corporate culture is shaped by values of respect, fairness, and ethical responsibility. Management leads by example and fosters a safe environment where employees feel empowered to speak up. The Code of Conduct serves as a cornerstone of our business ethics, supported by ongoing communication, training, and internal monitoring. We offer an anonymous whistleblower channel accessible via our website, enabling both employees and external stakeholders to report concerns confidentially. Through these efforts, we aim to maintain a high level of integrity and trust.	
G1-2 – Management of relationships with suppliers	We are committed to building responsible and ethical relationships with our suppliers. A newly developed Supplier Code of Conduct sets out our expectations regarding human rights, labor conditions, environmental responsibility, and anti-corruption. We are currently rolling out this Code across our supply chain and engaging suppliers to support its implementation. Our procurement is largely regional, with the majority of goods sourced within Europe. Our key raw material – paper and cardboard – was 96 % FSC certified in 2024, reflecting our commitment to sustainable sourcing and supply chain transparency.	
G1-3 – Prevention and detection of corruption and bribery	We maintain a zero-tolerance policy toward corruption and bribery, which is clearly defined in our Code of Conduct and communicated to all employees. Regular mandatory training ensures that staff understand relevant risks and know how to identify and report misconduct. A whistleblower channel is available via our website, allowing both internal and external parties to report concerns confidentially and anonymously. All reported cases are handled through a defined internal process, including investigation and, where necessary, corrective actions. The highest governing body in this process is the Ethics Committee, consisting of the Chairman of the Board of Directors and CEO of the Model Group, the Vice Chairman of the Board of Directors and the CFO of the Group. The Ethics Committee is regularly informed about submitted concerns.	

G1-4 – Confirmed incidents of corruption or bribery	One reported incident concerned suspected theft by an employee of a subcontractor. During the investigation, the individual admitted to the theft and returned the stolen items. This person is no longer employed at Model via the subcontractor. However, the incident was ultimately not classified as a case of corruption.	
G1-5 – Political influence and lobbying activities	The company does not engage in lobbying activities or provide financial contributions to political parties, politicians, or related organizations. We do not pursue any form of political influence. Our participation in political or regulatory discussions is limited to involvement in regional industry associations, which are non-partisan and focus on sector-specific topics. These activities aim to support knowledge exchange and the development of industry standards rather than influence political agendas.	
G1-6 – Payment practices	As a multinational organization operating across several countries, Model Group acknowledges the importance of responsible payment practices as part of our commitment to sustainable and ethical business conduct. Our payment terms and practices are designed to foster strong, long-term relationships with our suppliers while ensuring financial stability across our value chain. Due to the diverse regulatory and business environments in the countries where we operate, payment terms may vary by legal entity and jurisdiction. However, we aim to apply consistent principles wherever possible. In most cases, our standard target is to settle supplier invoices within 14 days of receipt, reflecting our commitment to timely and fair payment	

GRI Index

Disclosure Number	Section or comment	Page
GRI 2: General Disclosures 2021		
2-1 Organizational details	Basis of the sustainability statement	p. 8
2-2 Entities included in the organization's sustainability reporting	Basis of the sustainability statement	p. 8
2-3 Reporting period, frequency and contact point	Basis of the sustainability statement	p. 8
2-4 Restatements of information	Correction of information	p. 8
2-5 External assurance	Basis of the sustainability statement	p. 8
2-6 Activities, value chain and other business relationships	Business model and strategy	p. 11
2-7 Employees	Characteristics of own workforce	p. 43-44
2-8 Workers who are not employees	Characteristics of own workforce	p. 44
2-9 Governance structure and composition	Governance structure	p. 9
2-10 Nomination and selection of the highest governance body	Governance structure	p. 9
2-11 Chair of the highest governance body	Governance structure	p. 9
2-12 Role of the highest governance body in overseeing the management of impacts	Governance structure	p. 9-10
2-13 Delegation of responsibility for managing impacts	Governance structure	p. 9-10
2-14 Role of the highest governance body in sustainability reporting	Governance structure	p. 9-10
2-15 Conflicts of interest	The highest governance body consists of two members of the owner family and one external member whose other activities do not conflict with the activities of the Model Group.	

2-16 Communication of critical concerns	The Model Group has established a process for submitting critical concerns. The highest governing body in this process is the Ethics Committee, consisting of the Chairman of the Board of Directors and CEO of the Model Group, the Vice Chairman of the Board of Directors and the CFO of the Group. The Ethics Committee is regularly informed about submitted concerns.	
2-17 Collective knowledge of the highest governance body	Governance structure	p. 9
2-18 Evaluation of the performance of the highest governance body	Governance structure	p. 9
2-19 Remuneration policies	Not included in 2024 report	
2-20 Process to determine remuneration	Not included in 2024 report	
2-21 Annual total compensation ratio	Not included in 2024 report	
2-22 Statement on sustainable development strategy	Business model and strategy	p. 11
2-23 Policy commitments	"Our commitment to responsible and sustainable business practices is firmly anchored in our Code of Conduct. We uphold the values of the United Nations Universal Declaration of Human Rights and fully support the core labor standards of the International Labour Organization (ILO), including the rights to fair working conditions, freedom of association, and protection from discrimination. To ensure that these principles are also respected beyond our own operations, we have set up a comprehensive Supplier Code of Conduct, which we will now gradually implement with our suppliers. This document clearly defines our expectations regarding ethical business behavior, social responsibility, and environmental stewardship throughout our supply chain. We are committed to transparency: should any violations occur, we investigate them thoroughly, take appropriate action, and communicate openly with stakeholders. Our unwavering goal is to proactively prevent any form of child labor, forced labor, restriction of freedom of association, discrimination, environmental harm, or other human rights abuses across our entire value chain."	
2-24 Embedding policy commitments	Governance structure	p. 10
2-25 Processes to remediate negative impacts	Reports of breaches of the Code of Conduct, both internally and via our ethics channel, are investigated and remedied immediately. A report is made to the Ethics Committee, which is regularly informed of the status of the measures taken, as is the reporting person.	
2-26 Mechanisms for seeking advice and raising concerns	To further strengthen accountability, the Model Group has implemented an anonymous whistleblower hotline, enabling employees and stakeholders to report unethical conduct or human rights concerns without fear of retaliation. The hotline can be accessed via the Model Group Website and all information received in this context will be treated confidentially.	

2-27 Compliance with laws and regulations	Compliance with laws and regulations is regularly monitored by the authorities and by internal and external auditors as part of the effectiveness audit of the management systems. Changes to legal requirements are communicated to local management as part of the respective management systems and to the Model Group's Board of Directors in the case of international legislation. The results of the internal and external audits are also reported to the respective management as part of the management review.	
2-28 Membership associations	The Model Group is a member of various regional chambers of commerce and industry associations related to the paper and packaging sector in Switzerland, Germany, the Czech Republic, Poland, and Croatia. These memberships support our connection to local business communities and keep us informed about developments in our industry and regulatory environment. Our participation is limited to basic membership. The Group does not hold any governance positions (e.g., board or committee roles) in these organizations, nor do we provide any financial contributions beyond the regular membership fees. These memberships are not used for lobbying or political influence. While our involvement remains non-strategic, we value the access to industry insights and opportunities for dialogue that these associations provide.	
2-29 Approach to stakeholder engagement	Business model and strategy	p. 12
2-30 Collective bargaining agreements	The employees in Czech Republic as well as at the Eilenburg site in Germany are covered by a collective bargaining agreement. This corresponds to 100 % of the workforce in Czech Republic, 21 % of the workforce in Germany or 34 % of the total workforce.	
GRI 3: Material Topics 2021		
3-1 Process to determine material topics	Business model and strategy	p. 14
3-2 List of material topics	Business model and strategy	p. 14
3-3 Management of material topics	Business model and strategy	p. 14
GRI 201: Economic Performance 2016		
201-1 Direct economic value generated and distributed	Included in separate financial reporting	
201-2 Financial implications and other risks and opportunities due to climate change	Material impacts, risks and opportunities in relation to climate change	p. 17
201-3 Defined benefit plan obligations and other retirement plans	Included in separate financial reporting	
201-4 Financial assistance received from government	Included in separate financial reporting	
GRI 202: Market Presence 2016		
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not included in 2024 report	
202-2 Proportion of senior management hired from the local community	The managers of the Model Group companies come from the country in which the respective organization is based. The majority also come from the region (50 km radius) of the respective plant. The executive committee of the Model Group is made up of representatives of the respective country organizations, each of whom comes from the country represented.	
GRI 203: Indirect Economic Impacts 2016		
203-1 Infrastructure investments and services supported	Included in separate financial reporting	
203-2 Significant indirect economic impacts	Included in separate financial reporting	

GRI 204: Procurement Practices 2016		
204-1 Proportion of spending on local suppliers	The majority of suppliers come from the country where the respective site is located or from other European countries.	
GRI 205: Anti-corruption 2016		
205-1 Operations assessed for risks related to corruption	According to the Corruption Perception Index, no site is located in a country with a high risk of corruption.	
205-2 Communication and training about anti-corruption policies and procedures	Training and skills development	p. 45
205-3 Confirmed incidents of corruption and actions taken	One reported incident concerned suspected theft by an employee of a subcontractor. During the investigation, the individual admitted to the theft and returned the stolen items. This person is no longer employed at Model via the subcontractor. However, the incident was ultimately not classified as a case of corruption.	
GRI 206: Anti-competitive Behavior 2016		
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None	
GRI 207: Tax 2019		
207-1 Approach to tax	Included in separate financial reporting	
207-2 Tax governance, control, and risk management	Included in separate financial reporting	
207-3 Stakeholder engagement and management of concerns related to tax	Included in separate financial reporting	
207-4 Country-by-country reporting	Included in separate financial reporting	
GRI 301: Materials 2016		
301-1 Materials used by weight or volume	Resource inflows	p. 28-29
301-2 Recycled input materials used	Resource inflows	p. 28-29
301-3 Reclaimed products and their packaging materials	Resource inflows	p. 28-29
GRI 302: Energy 2016		
302-1 Energy consumption within the organization	Energy consumption and mix	p. 21
302-2 Energy consumption outside of the organization	Energy consumption and mix	p. 21
302-3 Energy intensity	Energy consumption and mix	p. 21
302-4 Reduction of energy consumption	Climate protection actions	p. 19
302-5 Reductions in energy requirements of products and services	Not applicable	
GRI 303: Water and Effluents 2018		
303-1 Interactions with water as a shared resource	Model Groups policies related to water	p. 24
303-2 Management of water discharge-related impacts	Management of Risks, opportunities and impacts related to water	p. 24
303-3 Water withdrawal	Use of water	p. 26
303-4 Water discharge	Use of water	p. 26
303-5 Water consumption	Use of water	p. 26
GRI 305: Emissions 2016		
305-1 Direct (Scope 1) GHG emissions	GHG emissions	p. 22-23
305-2 Energy indirect (Scope 2) GHG emissions	GHG emissions	p. 22-23
305-3 Other indirect (Scope 3) GHG emissions	GHG emissions	p. 22-23
305-4 GHG emissions intensity	GHG emissions	p. 22-23
305-5 Reduction of GHG emissions	Climate protection actions	p. 19
305-6 Emissions of ozone-depleting substances (ODS)	None	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	None	
GRI 306: Effluents and Waste 2016		
306-3 Significant spills	None	

GRI 306: Waste 2020		
306-1 Waste generation and significant waste-related impacts	Model Groups policies related to resource use & circular economy	p. 27
306-2 Management of significant waste-related impacts	Management of Risks, opportunities and impacts related to resource use	p. 27
306-3 Waste generated	Resource outflows	p. 29
306-4 Waste diverted from disposal	Resource outflows	p. 29
306-5 Waste directed to disposal	Resource outflows	p. 29
GRI 308: Supplier Environmental Assessment 2016		
308-1 New suppliers that were screened using environmental criteria	The newly established Code of Conduct for Suppliers will be introduced gradually. Full approval by all suppliers is planned for 2026. No figures on implementation to date are available for 2024; this is planned from 2025.	
308-2 Negative environmental impacts in the supply chain and actions taken	None	
GRI 401: Employment 2016		
401-1 New employee hires and employee turnover	Characteristics of own workforce	p. 43
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Part-time and temporary employees are subject to the same provisions on working conditions as full-time employees. Anyhow, some benefits are only provided after the end of the probationary period, such as company pension plans or personalized protective equipment (in which case non-personalized equipment is provided in the meantime). The provided benefits depend on national laws and can differ from one national organization to another.	
401-3 Parental leave	All Model employees are covered by social protection against loss of income due to sickness, unemployment starting from when the own worker is working for the undertaking, employment injury and acquired disability, parental leave and retirement.	
GRI 402: Labor/Management Relations 2016		
402-1 Minimum notice periods regarding operational changes	The Model Group operates across multiple countries with differing legal frameworks and employment practices. As such, there is no uniform, group-wide policy regarding minimum notice periods for significant operational changes. In each country, the relevant national labor laws and, where applicable, collective agreements determine the required notice periods. These typically range from several days to several weeks, depending on the nature of the change and the jurisdiction involved. While there is no central policy, the Model Group is committed to transparent communication and fair treatment of employees. In practice, local management teams strive to inform employees and, where applicable, employee representatives as early as possible in the event of significant operational changes such as restructuring, relocations, or major process changes. In some locations, consultation processes with workers' councils or trade unions are standard practice.	p. 43

GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	The Model Group maintains management systems for health and occupational safety. These systems take into account the legal requirements for occupational safety applicable at each location. The sites in Switzerland and Germany are also voluntarily certified in accordance with ISO 45001, and certification is to be extended to other sites.
403-2 Hazard identification, risk assessment, and incident investigation	Structured processes for hazard identification, risk assessment, and incident investigation are in place across all Model Group sites, aligned with national occupational health and safety regulations. Workplace risks are regularly assessed by qualified personnel, and preventive measures are implemented based on severity and likelihood. Employees are actively involved through safety committees, reporting channels, and workplace inspections. All incidents and near misses are documented, investigated to identify root causes, and followed up with corrective actions. Lessons learned are shared across the organization to support continuous improvement.
403-3 Occupational health services	Access to occupational health services is provided at Model Group sites in accordance with local legal requirements and operational needs. Depending on the location, medical examinations and consultations are offered to employees, primarily through external occupational health physicians. These services focus on preventive care, including periodic health checks, return-to-work assessments, and support in managing work-related health risks. All services are confidential and aim to protect and promote employees' physical and mental well-being.
403-4 Worker participation, consultation, and communication on occupational health and safety	Employee participation in occupational health and safety is an integral part of Model Group's safety culture. Participation and consultation processes are structured in accordance with national legal requirements and site-specific practices in each country where we operate. In Germany, Poland, and the Czech Republic, formal worker representation through works councils or health and safety committees is in place, as required by national labor and occupational safety legislation. These bodies are actively involved in safety-related decision-making, risk assessments, and the implementation of preventive measures. In Switzerland and Croatia, employee consultation on occupational health and safety is conducted through internal safety representatives or site-level coordination teams. Employees are regularly informed and consulted on workplace safety matters through meetings, briefings, and safety walk-throughs. Across all locations, employees are encouraged to report hazards, unsafe conditions, or near misses without fear of retaliation. Regular training and communication ensure that employees understand their rights and responsibilities related to workplace health and safety.
403-5 Worker training on occupational health and safety	Training and skills development

p. 45

403-6 Promotion of worker health	The Model Group promotes the health and well-being of its employees through a range of location-specific initiatives that go beyond legal occupational health requirements. Depending on the site and country, employees have access to medical check-ups provided by external occupational health physicians, as well as targeted health services such as vaccinations, ergonomic consultations, and return-to-work support after illness or injury. In addition to preventive health measures, selected sites offer further activities to support physical and mental well-being, such as fitness programs, stress management workshops, or health awareness campaigns. These offerings are tailored to local needs and regulations. All services are provided on a voluntary basis and in a confidential manner, in line with data protection and medical privacy standards.	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Contractors operating on Model Group premises must comply with local safety regulations and internal safety protocols. This includes participation in mandatory site-specific safety briefings, adherence to access control procedures, and—in higher-risk environments—additional requirements such as permit-to-work systems and supervision. In 2024, the Model Group introduced a Supplier Code of Conduct that sets out clear expectations regarding occupational health and safety, among other ethical and sustainability standards. This Code applies to all suppliers and is currently being rolled out across the Group. It requires suppliers to provide safe and healthy working conditions for their employees, prevent workplace hazards, and comply with applicable health and safety legislation.	
403-8 Workers covered by an occupational health and safety management system	Health and safety metrics	p. 45
403-9 Work-related injuries	Health and safety metrics	p. 45
403-10 Work-related ill health	Health and safety metrics	p. 45
GRI 404: Training and Education 2016		
404-1 Average hours of training per year per employee	Training and skills development	p. 45
404-2 Programs for upgrading employee skills and transition assistance programs	Upgrading employee skills and transition assistance programs are planned within the respective company as part of the management system and are based on the Model Group's strategy for the continuous training of employees.	
404-3 Percentage of employees receiving regular performance and career development reviews	Training and skills development	p. 45
GRI 405: Diversity and Equal Opportunity 2016		
405-1 Diversity of governance bodies and employees	Diversity metrics	p. 44
405-2 Ratio of basic salary and remuneration of women to men	Not included in 2024 report	
GRI 406: Non-discrimination 2016		
406-1 Incidents of discrimination and corrective actions taken	None	
GRI 407: Freedom of Association and Collective Bargaining 2016		

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None	
GRI 408: Child Labor 2016		
408-1 Operations and suppliers at significant risk for incidents of child labor	None	
GRI 409: Forced or Compulsory Labor 2016		
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None	
GRI 410: Security Practices 2016		
410-1 Security personnel trained in human rights policies or procedures	Not applicable	
GRI 411: Rights of Indigenous Peoples 2016		
411-1 Incidents of violations involving rights of indigenous peoples	None	
GRI 413: Local Communities 2016		
413-1 Operations with local community engagement, impact assessments, and development programs	All Model Group companies are involved in the local community through open days, organizing and participating in events, supporting local clubs, donations, etc. Potential and actual impacts on the local community are regularly assessed as part of the management system.	
413-2 Operations with significant actual and potential negative impacts on local communities	None	
GRI 414: Supplier Social Assessment 2016		
414-1 New suppliers that were screened using social criteria	The newly established Code of Conduct for Suppliers will be introduced gradually. Full approval by all suppliers is planned for 2026. No figures on implementation to date are available for 2024; this is planned from 2025.	
414-2 Negative social impacts in the supply chain and actions taken	None	
GRI 415: Public Policy 2016		
415-1 Political contributions	None	
GRI 416: Customer Health and Safety 2016		
416-1 Assessment of the health and safety impacts of product and service categories	Impacts of products and services on health and safety are regularly assessed as part of the management system. All products comply with the applicable product safety regulations.	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	None	
GRI 417: Marketing and Labeling 2016		
417-1 Requirements for product and service information and labeling	All products produced by the Model Group comply with the applicable regulations in terms of information and labeling. Compliance with the regulations is regularly reviewed as part of the management system.	
417-2 Incidents of non-compliance concerning product and service information and labeling	None	
417-3 Incidents of non-compliance concerning marketing communications	None	
GRI 418: Customer Privacy 2016		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None	

MODEL

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