

SUSTAINABILITY REPORT 2024

Abstract



Dear readers,

Sustainable business practices have been an integral part of our corporate strategy for many years. Regardless of the current legal situation regarding sustainability reporting, which has not yet been fully clarified, we see our report as a valuable opportunity to highlight our efforts, progress, and goals—both for ourselves and for our stakeholders. At the same time, we are clearly seeing that sustainability and transparent reporting are also becoming increasingly important for our customers and banks. They expect us to provide clear statements, comprehensible key figures, and a consistent focus on sustainable development.

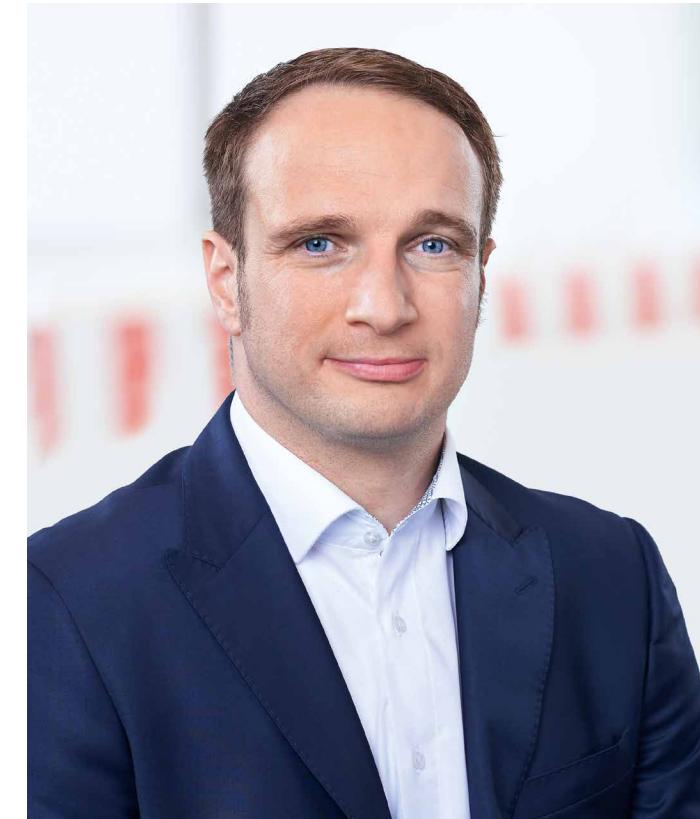
As a manufacturing company, we bear a special responsibility when it comes to the use of resources. Our goal is to keep the consumption of finite raw materials as low as possible and to reduce our dependence on the raw materials market through a suitable circular economy system. One example of this is our base plates, which we already manufacture entirely from 100% recycled material. In addition, we want to further increase the proportion of material that is returned to production at Nissen. We are also committed to continuously reducing our energy-related emissions.

However, our responsibility extends far beyond environmental issues. We see it as our duty to create fair and inclusive working conditions, promote a corporate culture of cooperation and

appreciation, and work with our customers in a spirit of partnership and for the long term. In addition, we are actively committed to society and the social environment at our location. For us, sustainable business means combining economic stability with forward-looking corporate management. We focus on transparency, digital competence, and a strong shared corporate culture characterized by responsibility and innovation.

Responsibility for sustainable corporate development is clearly anchored in our company: it lies not only with the management, but is also actively promoted by the sustainability manager and a specially established sustainability task force. The task force brings together expertise from various areas of the company. Together, we ensure that sustainability is systematically integrated into our strategy, processes, and daily work.

This short version of our report invites you to learn about our sustainability strategy, our progress to date, and our goals. We look forward to sharing this journey with you.



Jan Vogt
Commercial Managing Director
Adolf Nissen Elektrobau GmbH + Co. KG

About Nissen

DIE ADOLF NISSEN ELEKTROBAU GMBH + CO. KG AND NISSEN PLAST GMBH

The Nissen Group is represented externally by Adolf Nissen Elektrobau GmbH + Co. KG. The Nissen Group also includes the subsidiary Nissen Plast and the sales companies Nissen Switzerland, Nissen Polska, Nissen Iberica, Nissen UK, and Nissen in Austria.

The sustainability report only consolidates the companies Nissen Elektrobau and Nissen Plast (hereinafter referred to collectively as Nissen) and thus deviates from the financial consolidation scope. The sales companies were excluded from the sustainability report as they are not considered material for the achievement of the targets and CO2 emissions.

Nissen is a global technology leader, manufacturer, and supplier of products developed and produced to improve road safety. The products serve to protect all road users and must therefore meet the highest standards of quality and functionality. The product range extends from warning lights, traffic cones, and fall protection systems to LED variable message signs and software for mobile guidance systems. At Nissen, we have long prioritized a sustainable corporate culture and solid growth over the glamour of short-term effects.

At its headquarters in Tönning in northern Germany, Nissen operates three plants where almost all products are manufactured in-house and distributed nationally through its own sales network.



This report

This 2024 Sustainability Report has been prepared on an individual basis and is based on the European Sustainability Reporting Standards. It is an abridged version of the original report that has already been published. It is the second report by Adolf Nissen Elektrobau GmbH + Co. KG and Nissen Plast GmbH.

The 2024 Sustainability Statement contains only information in accordance with the requirements of the European Sustainability Reporting Standards (ESRS). Sustainability information from other reporting frameworks or based on other legal requirements has not been included.

For reasons of better readability, we have often used the generic masculine form. This expressly includes all genders.

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Materiality

Our company operates in a dynamic socio-economic environment and faces challenges such as a shortage of skilled workers, increasing regulation, and profound changes brought about by digitalization. We aim to counter these developments, secure our competitiveness, and promote sustainable growth through targeted strategies and flexible adjustments.

Impacts

Our materiality analysis has shown that we have a significant impact on our employees and the local community, particularly through our workplaces, working atmosphere, and choice of location. Challenges arise from factors such as staff turnover, sick leave, and new legal requirements.

We also exert influence along the supply chain – for example, through the regional procurement of metals, electronic components, and plastics, as well as through local pre-processing. This enables us to promote fair working conditions, but also means we have to deal with higher costs.

As a manufacturing company, we have a significant environmental impact – for example, through our consumption of raw materials, transport emissions, and energy requirements. To counteract this, we are investing in energy efficiency, renewable energies, and the circular economy. Recent crises have once again highlighted our dependence on scarce raw materials.

In the area of governance, regulatory requirements, compliance management, and IT security present us with growing challenges – particularly due to the increasing demand for sustainability information, including from customers.

As part of our materiality analysis, we have assessed our impact in line with the Sustainable Development Goals (SDGs) in order to specifically identify and further develop our contribution to the United Nations' global goals.

As a manufacturing company, we have a particular impact on the environment through our consumption of raw materials. In addition, we generate emissions through the procurement of raw materials, the transport of finished products to customers, and our employees' commutes to work. We also need to invest in product development in order to adapt our products to environmental influences. With the company's targeted growth, we are also facing investments in better energy efficiency and renewable energies in order to offset possible rising energy prices. The pandemic and the current situation on the global market in particular have once again made us aware that the lack of availability and fluctuating prices of finite raw materials can have a significant impact on our business situation. It is therefore particularly important for us to develop suitable recycling systems for our products in order to limit our consumption of resources.



Materiality

We have also identified impacts in the area of governance. For long-term corporate success, it is particularly important for us to follow market-specific trends and legal requirements and to continuously develop our products and processes. Adapting to regulatory requirements is particularly important, as we count public authorities among our key target groups. As a company, we also have to manage considerable compliance management costs. This includes adapting to dynamically changing regulations and taking into account different legal requirements throughout Europe. In addition, costs are incurred to ensure IT security in order to prevent successful hacker attacks and counter their potentially significant financial consequences. The publication of sustainability information is not only based on our own interests; our customers are also increasingly demanding the publication of information on sustainability.

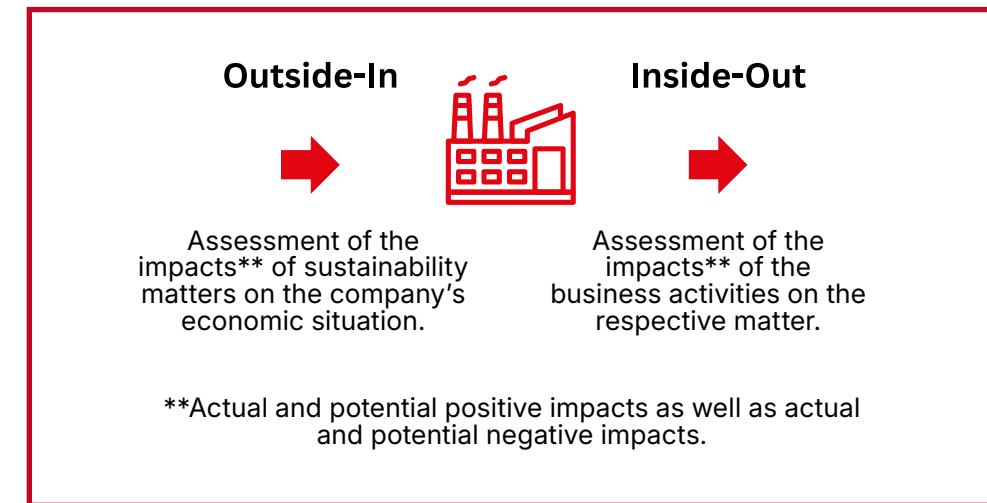
Risks and opportunities

The materiality analysis has identified key risks and opportunities in our sustainability-related fields of action. Risks include growing bureaucratic burdens due to new legal requirements (e.g., compliance, data protection), insufficient digitalization, and a lack of certifi-

cates, which make it difficult to participate in tenders. Our choice of location also presents challenges, such as potential noise pollution. Company growth also leads to increased energy and raw material consumption and possible soil sealing—a risk given limited resources.

At the same time, important opportunities arise: through early sustainability reporting, we are preparing ourselves specifically for regulatory requirements. Measures such as green roofs, soil sealing reduction, and nature-oriented design promote biodiversity and reduce negative environmental impacts. Further potential lies in optimized transport routes, a supplier code of conduct, circular economy, and efficient use of resources. Involving our employees in sustainability and programs for IT security, further training, and flexible working also strengthen our future viability. Our existing ISO certifications (14001, 50001, 9001) form a stable foundation.

The analysis confirms our previous understanding and creates a reliable basis for aligning strategy, value creation, and decisions more sustainably—without abandoning our proven corporate principles. Where necessary, we adapt our strategy responsibly.



All identified impacts, risks, and opportunities were assessed for materiality in accordance with ESRS requirements. Material impacts, risks, and opportunities are described in the following chapters.



Environment

Climate change

Impacts, risks and opportunities: IRO-list

ESRS	IRO	Description	Value chain	Materiality
E1	Impact negative	Business model requires relevant transportation and individual mobility	upstream, business activity, downstream	material
E1	Impact negativs	The business model is not energy-intensive, but still consumes a significant amount of energy and resources (e.g., products during use)	upstream, business activity, downstream	material
E1	Risk	Investments in products through adjustments to weather events		material
E1	Risk	Taxation of CO ₂		material
E1	Risk	Rising energy prices		material

Impacts

Through our business model, we have identified various impacts on climate change. For example, it requires transportation and individual mobility, which can lead to additional greenhouse gas emissions and environmental pollution in our business activities as well as in the upstream and downstream value chain. We have also identified that, although our business model is not energy-intensive, it does consume a significant amount of energy and resources. This occurs both in our own processes and through the subsequent use of our products.

Risks

Due to climate change and the associated increase in extreme weather events, we must continuously invest in adapting and developing our products to ensure they remain competitive in the long term. Furthermore, climate change is leading to increased CO₂ taxation and rising energy prices, which can affect our cost calculations.

Climate change

Goals:**Goal**

2026: Reduction of per capita energy consumption by 20%

Goal

2030: 25% reduction in mobility-related emissions

Goal

2030: Use of 100% renewable energies in production

Goal

2030, 2026: Reduction of energy-related emissions by 50% and 25%

Goal

Ongoing: Increasing the share of renewable energies in the upstream supply chain

We have set ourselves the goal of reducing our mobility-related emissions by 25% by 2030. In addition, we also want to reduce our energy-related emissions by 50% by 2030. We measure data for both targets annually and evaluate it in relation to the base year 2024. We want to achieve a 25% reduction in energy-related emissions by 2026. Both targets are GHG emission reduction targets.

In the future, we want to switch our energy use to 100% renewable energy by 2030. On the one hand, this will be achieved by switching to green electricity. At the same time, we want to set up an alternative heat supply and phase out gas heating. We evaluate this quantitatively measurable target based on the base value of CO₂ equivalents from energy use in 2024. This value was 1,861,968 kg CO₂e.

In addition to switching to renewable energies, we also want to reduce our per capita energy consumption by 20% by 2026. We evaluate this target in relation to the base value of 21,080 kWh/capita for 2024. We want to achieve this reduction by, for example, eliminating compressed air, installing motion detectors for lighting, promoting working from home, ensuring high energy efficiency in machines and devices, and raising employee awareness of energy consumption.

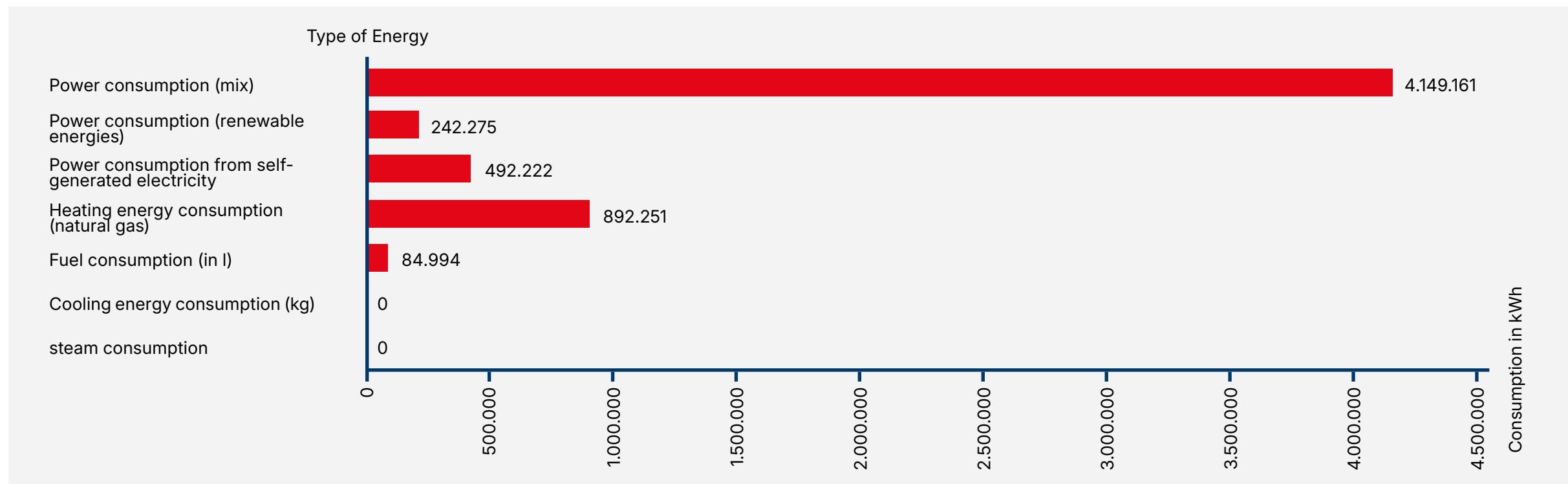
Furthermore, we have set ourselves the goal of increasing renewable energies in the upstream supply chain. To review this goal, we want to conduct surveys of new and existing suppliers regarding their energy use. We will work out exactly how these surveys will be conducted in the future. We have deliberately not set a specific target figure for this goal, as we have not yet been able to derive a baseline value. We have therefore set this goal without a specific year.

We have set all targets based on our carbon footprint for 2024 and the results of the materiality analysis. In doing so, we also want to contribute to the EU's planned climate neutrality in 2050. We have not taken scientific findings into account for the setting of targets.

Climate change

Energy

Energy consumption 2024:

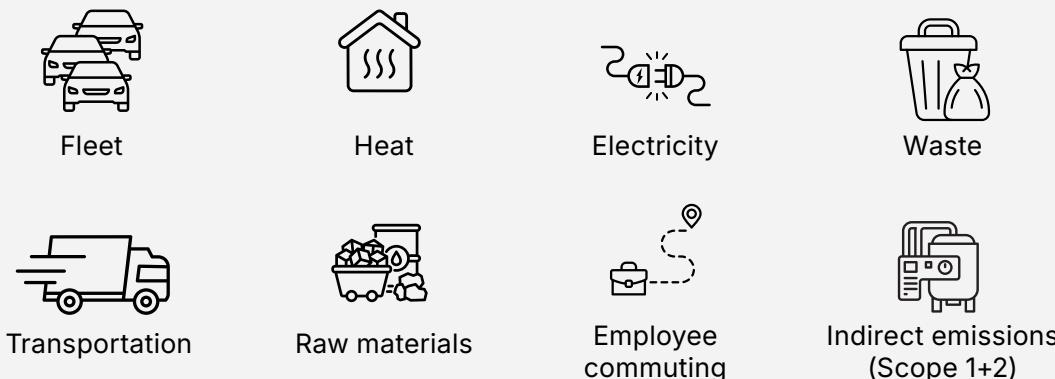


The values shown in the chart are measured and evaluated annually.

Climate change

Emissions

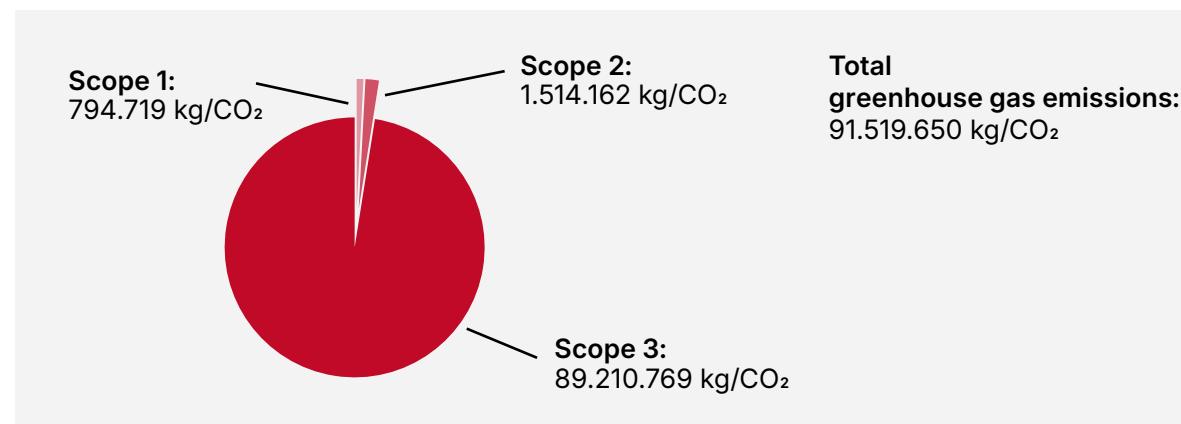
Our main sources of emissions include the following areas:



THG-Bruttoemissions

We have prepared a carbon footprint in accordance with the GHG Protocol for the base year 2024.

Scope 1, Scope 2, and Scope 3 GHG emissions in kg/CO₂ in 2024:



A large part of our roof space is covered with PV systems. At the Nissen Elektrobau plants, the roof space is currently still leased, which means that we cannot yet use the electricity produced there. At Nissen Plast, on the other hand, we have full access to the electricity produced. By using PV electricity, we can cover 10% of our own electricity consumption.

Green electricity

In December 2024, we switched to green electricity for our electricity tariff. This has already enabled us to save over 88,000 kg of CO₂e.

Mobility

One of our biggest emission factors in our carbon footprint is mobility-related emissions. To reduce these in the future, we have purchased three e-bikes for factory transport in Tönning. These have been used to travel a total of 342 km. We are unable to determine how many kilometers are covered in total for factory traffic each year. Therefore, we cannot put the kilometers covered by the e-bikes into perspective.

In addition, we amended our travel policy at the beginning of the year. This means that domestic travel by plane is generally to be avoided in favor of travel by train or car. Furthermore, we have instructed all drivers of company vehicles to adhere to the recommended speed on highways and to reduce fuel consumption by driving in a forward-thinking and prudent manner.

Concepts and measures

Our commitment to protecting the environment did not begin with our first carbon footprint assessment and the setting of sustainability goals. In order to reduce our negative environmental impact and minimize our energy consumption, we have had certified environmental and energy management systems in place since 2014 and 2021, respectively.

In this way, we contribute to achieving these SDGs:

Water

No material impacts, risks, or opportunities related to water could be identified in the dual materiality analysis. Our production processes are designed to be extremely water-efficient and require virtually no water. Whenever water is needed in production, we strive to create closed water cycles to minimize fresh water consumption. There are no specific targets relating to water.

For our base plate production, we use cooling basins with water circulation to keep water consumption as low as possible. Furthermore, Nissen Plast's base plate production has been classified as non-harmful to the environment by the State Office for Agriculture, Environment, and Rural Areas (LLUR).

Total water consumption 2024

Groundwater/freshwater: 2.022 m³

The data was collected from the municipal utility company's water billing records.

We have not extracted water from areas affected by water risks. For these reasons, we have not developed any concepts relating to water and marine resources and do not plan to do so in the future.



In this way, we contribute to achieving these SDGs:

Circularity

Impacts, risks and opportunities: *IRO-list*

ESRS	IRO	Description	Value chain	Materiality
E5	Impact negative	Relevant impact through the use of materials	upstream	material
E5	Impact negative	Consumption of non-renewable raw materials	upstream	material
E5	Impact negative	Relevant impact through product design	business activity	material
E5	Impact negative	Relevant impact through the design of production processes	business activity	material
E5	Impact negative	Products have a long service life with end-of-life	downstream	material
E5	Risk	Unstable commodity prices and the availability of finite raw materials can have economic consequences		material

Impacts

The use of resources and non-renewable raw materials has a significant negative impact on the environment in the upstream value chain. Our product design and production processes also influence the circular economy and thus the environment. In the downstream value chain, our products have an impact due to their long service life and their end-of-life properties.

Risks

Unstable commodity prices and the limited availability of finite raw materials pose a significant risk in terms of economic impact, which could affect both our production and our competitiveness.

Circularity

As a manufacturing company, we place great importance on the proper use of resources so that we can ensure the lowest possible consumption of finite raw materials and reduce our dependence on the raw materials market by developing a suitable circular economy system.

Resources

Our most important material resources include steel, plastic, and various electronic components. We prefer to use steel for the construction of trailers and various warning systems due to its strength and durability. Plastic plays a crucial role in the manufacture of fall protection devices and lights, as it is versatile and available in numerous shapes and properties thanks to modern processing techniques. Various electronic components form the technological basis for the functionality and innovation of our products. We source these materials from reliable suppliers who meet the highest quality standards to ensure the performance and durability of our products.

We use various chemical substances in our products, including adhesives and soldering agents, cleaners, paints, and lubricating oils and greases. When selecting chemical substances and subsequently using them, we ensure compliance with the relevant legal regulations (e.g., RE-

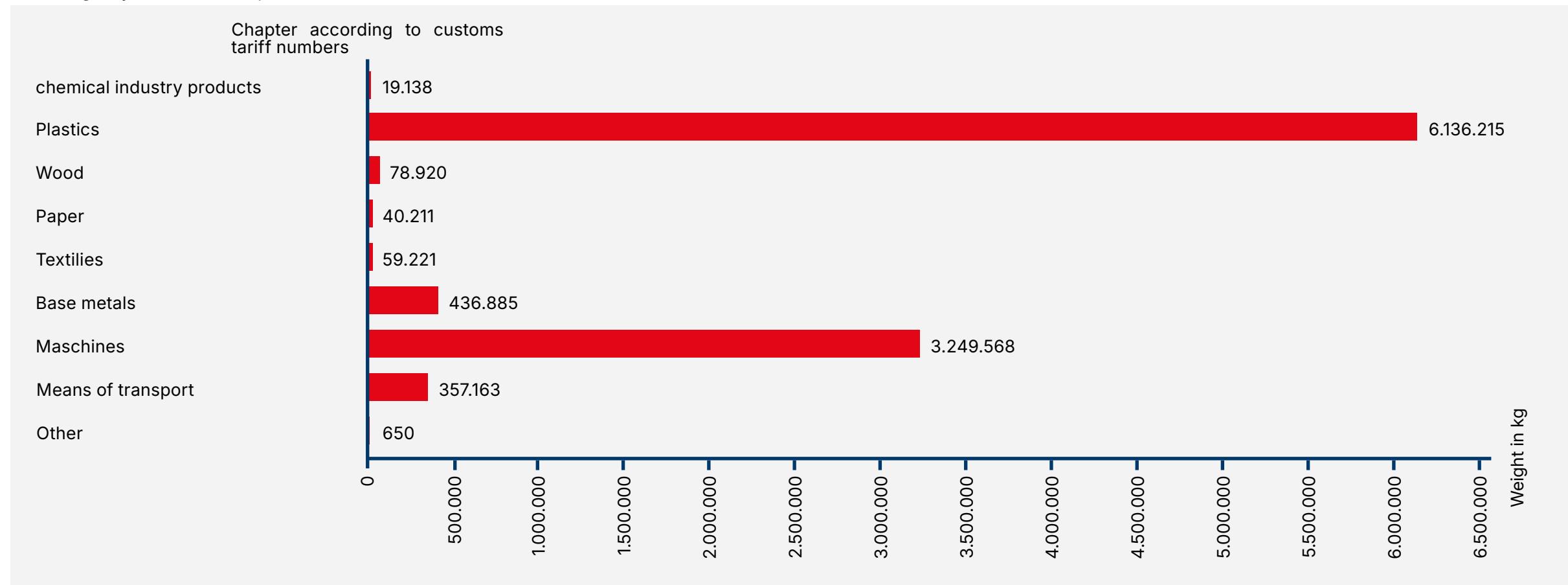
ACH Regulation). We issue declarations of conformity for all relevant products, which we make available to our customers on request.

We do not intentionally add microplastics to our products. We use recycled plastic material in the form of fine granules (< 6 mm) to manufacture our footplates. This material is completely melted down and further processed. In theory, individual particles may escape before processing, but our measures prevent this from happening as far as possible. After processing in the end product, there is no further risk of microplastics being released.

We do not use biological materials in our products. At this point in time, we are unable to provide any information on the weight in absolute figures of reused or recycled secondary resources.

The purchase quantities are based on the purchase figures and were provided by the purchasing department. Therefore, double counting can be ruled out.

The following chart (next page) shows the total weight of resources and products used for the year 2024.

Total weight of resources and products used in 2024

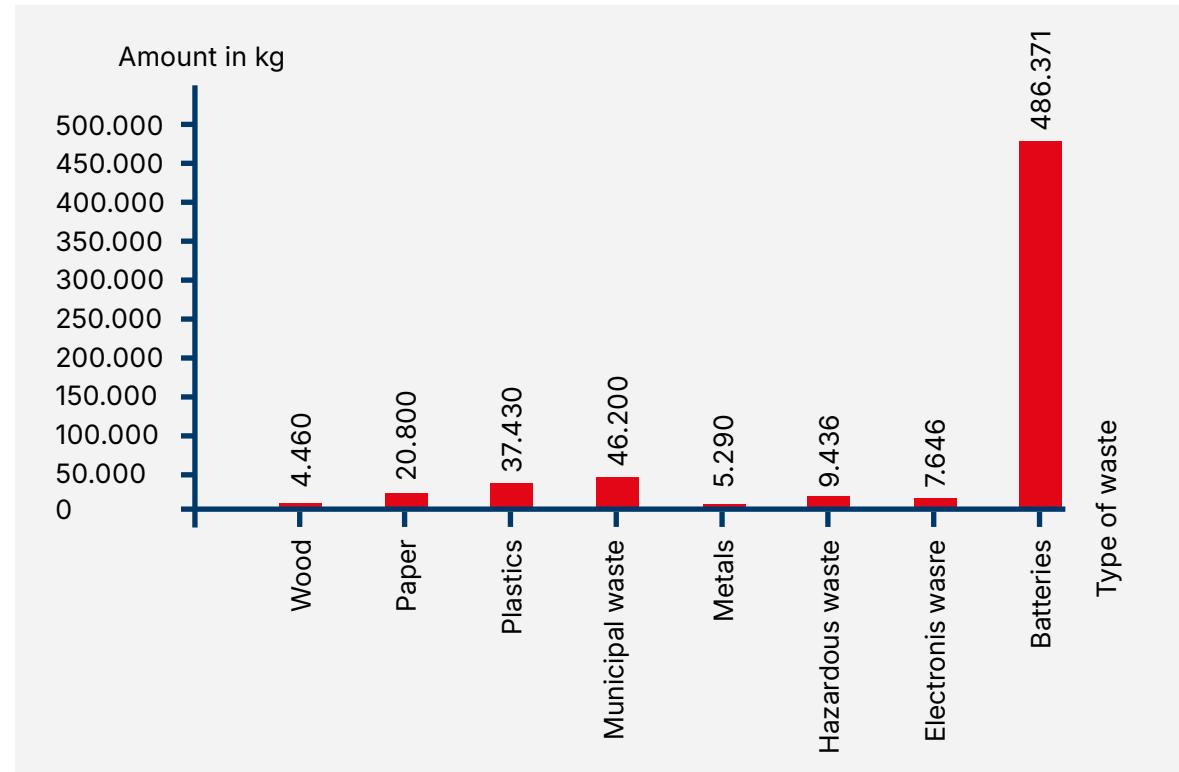
The values shown in the chart are measured and evaluated annually.

Circularity

Waste

In 2024, we will have a total waste volume of 606 tons. The specific composition is as follows.

Waste volumes 2024 in kg



We work with regional service providers for waste disposal, who take care of proper disposal. We have no information about the subsequent specific disposal of the waste. The data on waste quantities comes from the volume reports of the disposal companies and the reported used batteries.

Resource management

As a manufacturing company, we are particularly aware of the importance of finite raw materials and resources and the impact that extraction has on the environment.

All our production steps are described in detail in various work instructions. This ensures that our products are always of the same quality and that resources are used in the right measure. Our employees are required to always use resources sparingly and carefully in order to prevent waste through improper use. We inform our employees about the correct use of resources via notices and communication from our department heads. Wherever possible, surplus material is returned to the production cycle in order to limit resource consumption to the necessary minimum.

It goes without saying that we comply with current legal requirements in our use of resources and adapt our products and production steps accordingly. We do not consciously take third-party initiatives into account. Since it is crucial for all our stakeholders that we produce in a resource-saving and legally compliant manner, we automatically integrate their interests into our work processes and the associated guidelines and work instructions. Overall responsibility for the proper use of resources lies with the technical managing director and the plant management.

We already make extensive use of secondary resources in plastics production. However, legal requirements often make it difficult for us to use recycled resources.

Resource outflows

We categorize our main products internally into four product groups.

1. Trailers: LED trailers, mobile warning signs, variable traffic signs, roof structures
2. White goods: Beacons, barrier gates, traffic cones
3. Black goods: Base plates
4. Yellow goods: Warning lights, flashing lights

Due to the product design and resources required, we are hardly able to use consciously recycled materials for our trailers. For our white goods, on the other hand, we can use over 70% recycled material (approx. 7,500 tons of recycled material/year and approx. 3,000 tons of new material/year). In addition, we return approximately 98% of manufacturing waste back into

Circularity

production. Our base plates are made exclusively from recycled materials.

We do not currently have specific data on the proportion of recycled components, so the figures quoted are based on estimates of total material consumption. Double counting cannot therefore be completely ruled out.

Specific data on the service life of our products is not available. However, during product development, great emphasis is placed on durability. The service life of our products is therefore not determined by the quality of the products, but by their proper use and where they are used (e.g., on construction sites, on roads).

Our products are designed in such a way that repairs are always possible. Either individual components can be replaced or larger repairs can be carried out. Our service team is responsible for these tasks. We see the repairability of our products as a great opportunity, as it promotes a longer service life and thus helps to avoid waste. Our service team travels throughout Germany to provide on-site support to our customers.

Recycling

Our business and distribution model does not include taking back products at the end of their life cycle or commissioning recycling work. However, taking back products could mean that we could reuse a wide variety of product components. We are therefore planning to develop possible concepts for a take-back system and to review potential measures for their effectiveness. Recycling currently takes place when products are sent for recycling by external parties. The following assumptions regarding the proportions of recyclable components are based on estimates.

1. Trailers: ca. 75 %
2. White goods: ca. 80 %
3. Black goods: 100 %
4. Yellow goods: ca. 80 % (without batteries)

We are committed to continuously improving the recyclability of our products. However, legal requirements make it difficult to recycle films, among other things, as they dictate product designs that make recycling the products economically unviable. In addition, we must ensure that the recyclability of the products does not result in any loss of quality. This also complicates the use of recycled materials, as it is difficult to ensure sufficient quality.

At the same time, the use of recycled materials can bring many opportunities, as it can reduce our material costs and we need fewer new raw materials, which means reduced consumption of finite raw materials. We want to take advantage of these opportunities by developing the recycling concept.

We cannot provide any specific information on the proportion of recyclable materials in our product packaging. Our main packaging materials include cardboard, wood (Euro pallets, special packaging from our own production), and plastic film.

Circularity

Concepts and measures

Resource conservation

As part of our continuous improvement processes, we have defined the weight tolerances of our base plates more precisely. This adjustment has no impact on the functionality or safety of the products. However, it has enabled us to save approximately 170 tons of material. This not only reduces resource consumption, but also reduces the need for transport capacity.

Recycling

In order to optimize and further develop our products and processes, we regularly collaborate with students from various colleges and universities. These collaborations allow us to benefit from fresh ideas and innovative approaches. This year, we jointly carried out a project on recycling end-of-life products, in which various recycling options were investigated. The concepts developed are promising, but still need to be tested for their practical and economic feasibility.

Waste

We have implemented various measures in 2024 to reduce our waste volumes. For example, we have set up deposit boxes so that returnable bottles from the office can be disposed of properly. The proceeds from the boxes go to our coffee fund. We have also made it clear internally that no private waste may be disposed of via the company. When shipping our products, we are also paying greater attention to reducing packaging materials and outer packaging. In addition, there was less renovation work compared to previous years, which also led to a lower amount of material to be disposed of.

Environmental pollution

We have not developed any further specific concepts relating to environmental pollution. As long as we do not change our production methods in a way that adversely affects the environment, we do not plan to introduce any concepts at this time.

Goals

Goal

Ongoing: Increase in the proportion of material returned to production at Nissen

Goal

Ongoing: Reduction in material consumption

Goal

2026: Reduction of waste generation by 25%

Our products are made exclusively from finite raw materials. The fluctuating availability of some raw materials and the associated price instability make it difficult for us to plan and calculate production and planning in concrete terms, as we can be affected by fluctuations at any time. In addition, some raw materials are not available in the EU and must therefore be purchased from third countries. This lengthens transport routes and makes it more difficult to monitor compliance with human rights in the supply chain.

From an economic perspective, we naturally strive for continuous growth for our company. As this automatically leads to higher production volumes, our resource consumption would also increase. However, by expanding our circular economy and investing in recyclable products, we can reduce our resource consumption and thus counteract the negative economic effects.

Circularity

For this reason, we want to increase the proportion of materials that we can return to production, reduce material consumption depending on the products, and reduce waste by 25% by 2026. Concrete measures are to be developed as part of the development of a concept for waste management and waste prevention and, by 2026, as part of the concept development for promoting the circular economy.

Our goals in the area of resource use cover the reduction of primary raw materials, the increase of recycled resources in our products, and waste reduction. We have not formulated any targets that explicitly refer to individual products. Any adjustments to products will result from the other targets formulated.

As we are also including our subsidiary Nissen Plast in our accounts for the first time in 2024, we are currently unable to provide any interim information on the achievement of our targets.



In this way, we contribute to
achieving these SDGs:

Biodiversity

Impacts, risks und opportunities: *IRO-list*

ESRS	IRO	Description	Value chain	Materiality
E4	Impact potential negative	Not space-intensive, but still consumes space, which increases with growth	business activity	material

Impacts

We have identified only one significant impact in the areas of environmental pollution, water and marine resources, and biodiversity and ecosystems. As described above, we require a certain amount of land for our business models. However, as this requirement is low, the degree of negative impact can be considered to be rather low, provided that the land is used appropriately.

Of course, we need land for our three plants in Tönning, but we do not operate a land-intensive business. We have a total of 16,660 m² of building space. Furthermore, our plants are not located in any endangered or particularly protected habitats. Our business model does not involve the use of agricultural land, nor do we need areas for clearing.

Our aim is to ensure that our plants are harmoniously integrated into the neighborhood of Tönning through the aesthetically appealing design of our buildings and green spaces.

We design the green spaces at our sites to be spacious, environmentally friendly, and animal-friendly. We have created numerous flower beds and green spaces around the parking lots, which not only enhance the appearance but also provide important habitats for insects and other small animals. Through these measures, we want to contribute to supporting the ecological balance and creating a sustainable environment for everyone. We also lease out part of our land. Sheep graze on this leased land next to Plant I almost all year round.

In principle, we do not rule out company growth and thus an expansion of our operating areas. This would, of course, lead to increased soil sealing. However, by specifically designing the new areas to promote biodiversity and, if necessary, adapting the existing areas, for example through green roofs, soil unsealing, and nature-oriented design, we could do this in a way that has a positive effect on the biological diversity and ecosystems around us.

With our location in northern Germany, we are hardly affected by extreme weather conditions, which is why this does not pose a particular risk for us either.

Thus, our business model is fundamentally one that has no significant impact or effect on biodiversity and ecosystems in our environment.

In this way, we contribute to achieving these SDGs:



Social

Own workforce

Impacts, risks and opportunities: IRO-list

ESRS	IRO	Description	Value chain	Materiality
S1	Impact potential positive	Basic structure of working conditions (remuneration, working hours, etc.)	business activity	material
S1	Impact potential negative	Health consequences or illness caused by sedentary work and accidents in production	business activity	material
S1	Impact positive	Education and training	business activity	material
S1	Risk	Legislative requirements regarding remuneration and inflation		material
S1	Opportunity	Low staff turnover thanks to good working conditions		material

Impacts

By shaping our working conditions, we have a potentially positive influence on our employees. We offer our employees ten additional vacation days and a 39-hour week, which can be adjusted to a functioning work-life balance if necessary. We also attach great importance to fair and appropriate remuneration. Our salary system is internally accessible to all employees.

We see our active promotion of an open corporate culture and equal opportunities as having a positive impact on our employees. At our company, all employees have the same opportunities, regardless of gender, age, origin, or other factors. We welcome and promote women in leadership positions. Due to the high proportion of production-related activities, in which women are traditionally less represented, the proportion is comparatively low.

We actively promote employee participation and involvement through our works councils, our company suggestion scheme, and generally through open corporate communication. Our employees can approach their department heads or senior management at any time. Therefore, the way we structure our communication processes and the associated level of transparency can have a material positive impact for us. We inform our employees about important company information at regular events and through notices.

We offer 20 inclusive workplaces at our site in Tönning. This enables us to make it easier for people with disabilities to enter working life, which in turn has a positive impact on our own employees.

At Nissen, we basically have two types of workplaces—office and production workplaces. Our office employees could experience health consequences from sedentary work. Our production employees, on the other hand, have an increased risk of injury due to accidents at work. To reduce both effects, we are converting both workplaces into ergonomic workplaces. To minimize the risks, our occupational safety specialist conducts risk assessments for all workplaces and trains our employees in the use of work equipment. In addition, we offer regular health days and other health counseling and examination services.

We always derive measures to reduce the negative effects on our employees based on their needs. All risks are analyzed in detail in advance of a new workplace in order to prevent them in advance.

Own workforce

The promotion of training and further education is a central component of our human resources strategy. As a training company, Nissen offers various apprenticeships. Our trainees receive practical support from experienced specialists, are involved in work processes at an early stage, and are specifically prepared for their professional future. Our goal is to hire young talent on a long-term basis and actively involve them in the further development of our company.

We also provide ongoing support to our existing employees in their professional and personal development. To this end, we offer targeted training opportunities—from internal training courses and external seminars to individual qualification measures.

Risks and opportunities

One risk we have identified in relation to our employees is the legislative requirements regarding remuneration and inflation. We can only respond to this risk once the relevant legislative changes have been implemented. However, in order to be prepared for any changes, we regularly monitor the legal situation. We also ensure that we have sufficient financial capacity at all times to be prepared for increases in statutory remuneration. We do not conduct a direct effectiveness assessment of this measure, as there are no alternative measures.

We therefore see an opportunity in the fact that we can keep staff turnover low by offering good working conditions. To reinforce this opportunity, we will continue to develop our working conditions. For example, we can make a positive contribution by adjusting working hours this year and offering occupational health management programs.

We must prepare ourselves for the risk of being confronted with increased costs due to illness, staff turnover, and dissatisfaction. To mitigate this risk, we have already established our occupational health management system, which we are continuously developing. Nevertheless, our occupational health management system has no effect on waves of illness (e.g., flu, coronavirus) that are accompanied by numerous sick notes. Employee surveys enable us to assess the current level of employee satisfaction. We can then use this information to derive measures that will further increase satisfaction in the future and reduce absenteeism and staff turnover. New surveys in the following years will enable us to measure the development of satisfaction again.

By continuously striving to provide good working conditions, we can further reduce staff turnover and have thus identified an opportunity in relation to our employees.

The expansion of our training and continuing education programs also helps us to gather sufficient expertise within the company and has a positive effect on our innovative strength and economic situation. We see this as a second opportunity in relation to our employees. We are constantly developing our products in line with the latest technology and customer requirements. It is therefore essential that our employees are also up to date and keep track of customer requirements and market developments.



Own workforce

Goals

Goal

2026: Making working hours more flexible

In order to further improve work-life balance, we want to make our working hours even more flexible by 2026. To this end, we will develop appropriate concepts for mobile working for employees and flexible working for industrial workers. An important first step toward achieving this goal is the above-mentioned trial phase of flexible and summer working hours.

Goal

Ongoing: Offer to strengthen the sense of unity across departments

Although the three Nissen and Nissen Plast locations are all within a 2 km radius, there are few points of contact between the individual locations across departments. In order to increase understanding of other departments and strengthen a sense of unity for the entire Nissen Group, we want to create opportunities to strengthen cohesion among employees.

Goal

Ongoing: 80% of employees take advantage of company health promotion programs every year

We have set ourselves the goal of having 80% of our employees take advantage of our annual health promotion program. To achieve this goal, we have offered 2024 different health promotion programs.

Goal

Ongoing: 100% of affected employees participate in at least one IT security awareness training session per year

Our sustainability strategy also includes the goal of providing comprehensive training opportunities for our employees. To this end, we have been offering relevant language courses in German and English since 2024 and want to offer additional educational programs.

Goal

Ongoing: Comprehensive training opportunities for employees and competence building on the topic of sustainability

We are aware that we cannot implement our sustainability efforts with management alone. We have therefore set ourselves the goal of developing our employees' skills in the area of sustainability. To this end, we intend to organize training courses and workshops, among other things. The specific format of these training courses and workshops has yet to be determined. We do not want to set a timeframe for this goal, but rather involve our employees on an ongoing basis. We have also not set a fixed target, but will evaluate the goal subjectively on an annual basis. At present, we are not yet able to report on any measures taken to achieve this goal.

Goal

Ongoing: Actively supporting employees in the challenges of digitalization

Own workforce

In addition, we want to actively support our employees in meeting the challenges of digitalization and raise awareness of IT security. To this end, 100% of affected employees should participate in at least one IT security awareness training session per year. We strive to ensure that our goals in the area of equal opportunities and training support all employees in finding their place in today's working world.

The objectives were set without reference to political goals or scientific findings. We based our objectives on the results of the materiality analysis.

Our stakeholders were involved in setting the objectives. Our employees expect to be involved in the sustainability process and the implementation of the strategy.

Performance indicators

We are not aware of any cases of discrimination within the company, so no fines or other sanctions have been imposed. As discrimination is not known to be a problem in our company, we have not defined any specific measures to eliminate discrimination.

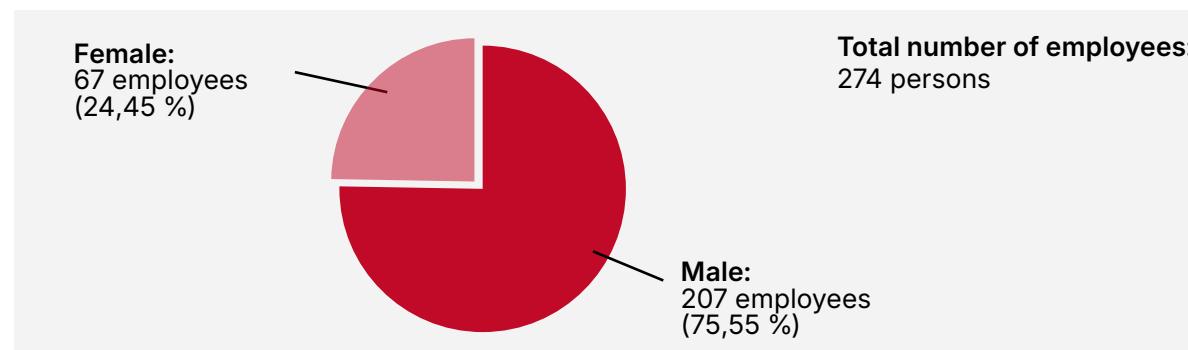


Own workforce

Employee rights

Adolf Nissen Elektrobau GmbH + Co. KG is based in northern Germany and is therefore subject to German law. We have another employee working for us in Austria. Here too, we apply the relevant country-specific laws and internal guidelines. To ensure that all relevant regulations in each country are complied with and that billing is carried out correctly, we work closely with a specialized service provider.

Number of employees by gender



A total of 273 of these employees work in Germany, while one works in Austria.

Information on employees is provided as the headcount at the end of the reporting period on December 31, 2024. The data was compiled on the basis of employment contracts. Employees are only listed in the categories female and male, as we are not aware of any employees who wish to be assigned to the category "diverse."

It goes without saying that we and our company comply with applicable law and provide our employees with the best possible support. We pay above the minimum wage, place great emphasis on compliance with working hours and rest periods, and work closely with the works council.

Our internal regulations comply with national and international legislation. Regulations governing working hours, break times, and vacation entitlements are summarized in a works agreement. We involve the works council in the drafting of works agreements and also inform it of upcoming changes in the company. We publish works agreements, information, etc. internally on our bulletin boards and in our document management system. In addition, communication takes place via our department heads.

Human rights policy and internationally recognized standards

When developing and implementing our concepts for dealing with employees, we focus on practical, company-specific solutions that are geared toward the real needs of our employees. Although we do not explicitly rely on international standards such as the ILO core labor standards or ISO guidelines, we do follow comparable basic principles. These include fair working conditions, health protection, equal opportunities, and work-life balance. At the same time, we are expressly committed to respecting internationally recognized human rights.

We consider it our responsibility to consistently fulfill our human rights due diligence obligations not only along our supply chain, but also within our own company. Our employees are actively involved in this process, for example through internal feedback channels, trusting communication, or participation in improvement processes. If there are indications of human rights risks or violations, we implement targeted measures to clarify and remedy the situation.

Incidents, complaints, and serious impacts related to human rights

No complaints were filed with national complaint mechanisms. There were also no human rights violations or related fines or sanctions during the reporting period.

Own workforce

Coverage by collective agreements and social dialogue

We do not conclude collective agreements with employees. All employees receive an individual employment contract. We base our employment contracts on national and international laws. We do not base them on other collective agreements.

Our employees at Nissen Elektrobau and Nissen Plast are each represented by their own works council. Both works councils can work and act independently of each other.

Involvement of our employees

We actively involve our employees in shaping the company through various channels and plan to extend this involvement to the area of sustainability. In everyday business, this involvement takes place in various ways. On the one hand, employees have the opportunity to communicate their concerns and suggestions directly to their department heads, the management, or via the suggestion system at any time. Alternatively, they can also approach the works council, which represents their wishes and concerns. We actively promote equal opportunities for all our employees and place great emphasis on occupational safety and health in the design of our workplaces.

We plan all changes within the company in such a way that they do not have any negative effects on our employees. We aim to ensure this by providing detailed and timely information.

At least twice a year, the management informs all employees about current developments in the company in a personal presentation. In addition, weekly meetings of all department heads are held, followed by internal departmental meetings.

In addition to ongoing participation, a quarterly meeting of the occupational safety committee is held to continuously improve occupational safety. We do not measure the effectiveness of these measures in concrete terms, as every suggestion submitted and every accident prevented can be considered a success.

The head of the legal and human resources department is responsible for involving our own employees and monitoring implementation.

Participation in the sustainability strategy

All employees of Nissen were taken into account in the materiality analysis. The main focus here was on the company's own employees. Non-employees were neither specifically considered nor excluded.

Employee involvement took place in two different ways as part of the strategy development process. Firstly, all employees were addressed directly as part of the stakeholder analysis and were given the opportunity to describe their personal expectations of the company. Following the materiality analysis, all department heads were invited to a workshop to develop solutions based on the challenges identified, thus laying the foundation for the strategy.

In addition, the task force is composed in such a way that all areas of the company are covered and taken into account in the decisions.

Channels

Our employees have the opportunity to report concerns or complaints regarding working conditions, equal treatment and equal opportunities, and other work-related rights to department heads, the HR department, the works council, or anonymously via our whistleblower system on the website. These channels are accessible to all employees.

All employees were informed about the introduction of the whistleblower system via a notice on the bulletin boards. The possibility of communicating with department heads, management, and the works council is communicated regularly.

We always take incoming reports seriously and follow them up so that we can avert potential dangers to our employees or our company. Case processing is generally handled by the human resources and legal departments. There is no defined process for following up on problems. Each case is treated individually. In the reporting year, 20 employees left Nissen Elektrobau and the turnover rate was 10.53% (including retirements). At Nissen Plast, 9 employees left the company and the turnover rate was 12% (including retirements).

Own workforce

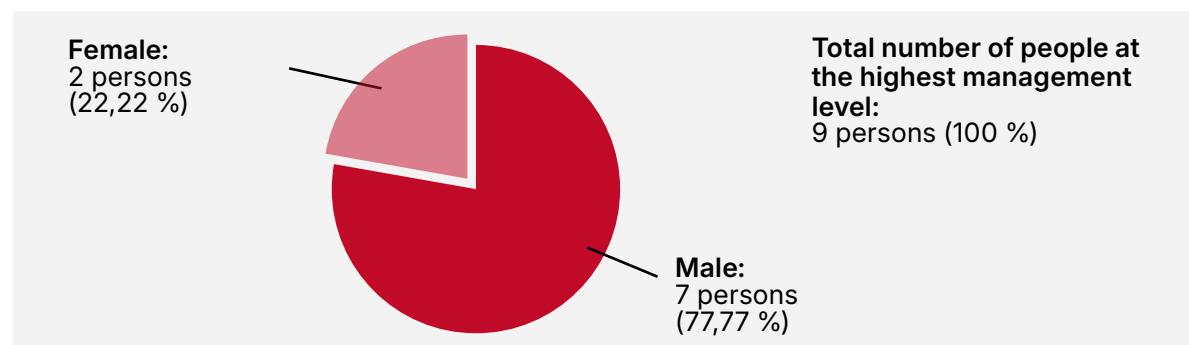
Nissen does not have an internal policy for the protection of whistleblowers. However, when we announced the launch of the new whistleblower system, we stated that no sanctions would be imposed in the case of justified reports.

Of course, all our employees are also free to use third-party mechanisms. However, we do not actively promote this and welcome our employees to contact us first.

Equality

Characteristics of employees

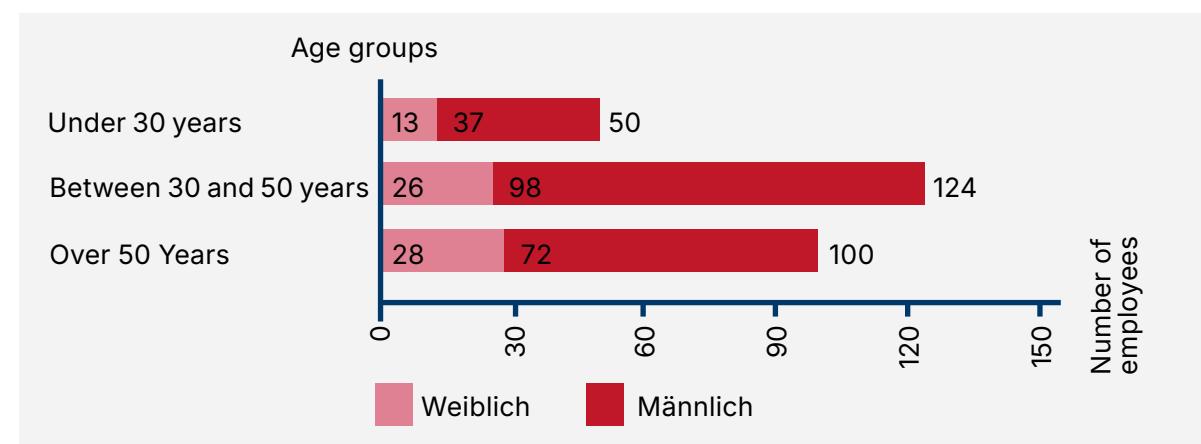
Number of employees at the highest management level by gender



We consider the following positions to be part of our senior management:

- Commercial management
- Technical management
- Head of Human Resources & Legal Department (authorized signatory)
- Head of Calculation/Controlling (authorized signatory)
- Head of Sales
- Head of Operations
- Head of Development
- Head of Production

Number of employees by age group



The data was compiled on the basis of employment contracts.

As of the reporting date of December 31, 2024, we had three employees with fixed-term employment contracts. The remaining employees have permanent employment contracts.

Own workforce

Characteristics of the company's foreign workers

Foreign workers

Art	Total	Female	Male
Temporary workers	4	1	3
Self-employed persons	1	0	1

Information on external workers is also provided as the headcount at the end of the reporting period on December 31, 2024. The data was collected on the basis of concluded contracts. On average, we employed 9.16 temporary workers per month in 2024. The temporary workers supported us in production and in the warehouse.

People with disabilities

Nissen employs 20 male and 7 female employees with disabilities. This corresponds to approximately 10% of the total workforce. As the employees concerned work in Germany, the German definition of "people with disabilities" applies. We are proud that Nissen Plast is a recognized inclusive company and that we at the Nissen Group are thus making an important contribution to the integration of people with disabilities into the labor market. In addition, we have trained one employee at Nissen Plast as a representative for severely disabled persons.

Fair pay

It goes without saying that we comply with applicable law and pay above the German minimum wage.

In our internal wage and salary structure, we define fixed wage and salary categories for our employees. The different categories have been announced within the company and are available for all employees to view. Hourly wages are based on local wages, which means they are above the German minimum wage. We are not familiar with salary structures in the industry.

With the introduction of the new structures, wage and salary levels will no longer be influenced by the personal negotiating skills of employees, but will be clearly defined in advance for

everyone. This also allows us to ensure that there is no gender pay gap. The detailed wage and salary levels will not be disclosed publicly.

Social security

All our German employees are covered against loss of income due to illness, unemployment, accidents at work, and retirement through the state social security system (health, accident, pension, long-term care, and unemployment insurance) or through private alternative insurance policies. In addition, parents are legally entitled to parental allowance and leave for family reasons. We also support our employees with a company pension plan and capital-forming benefits. Our employees in Austria are also protected by state systems.

Work-life balance

All our employees are entitled to leave for family reasons as part of our social policy. A total of 23.36% of employees took leave for family reasons.

At Nissen Plast, some of our employees work in shifts. We have made it our mission to plan work schedules in such a way that stress is minimized and a fair and transparent distribution of shifts is ensured.

Vacation entitlement taken for family reasons in 2024

Art	Gesamt	Weiblich	Männlich
Number of employees	64	18	46
Percentage of employees	23,4 %	28,1 %	71,9 %

Concepts and measures

Working hours and vacation

We attach great importance to fair and family-friendly working conditions. For a full-time position, the regular weekly working time is 39 hours. In addition, we offer our employees a total of 30 days of vacation per year, which is significantly above the legal minimum entitlement.

In close consultation with our employees, we enable individual working time models, in particular to improve the work-life balance. Reducing working hours, for example through part-

Own workforce

time models or temporary adjustments, is possible at any time and is actively supported. This flexibility contributes significantly to the satisfaction, health, and long-term loyalty of our employees. In May 2024, Nissen und Nissen Plast launched a one-year trial phase for the introduction of summer working hours and flexitime. This is intended to enable employees to better combine their working hours with their private lives.

Anti-discrimination

Inclusion and equal opportunities are indispensable components of our corporate management. As a company, we clearly stand for diversity, equal treatment, and mutual respect. Discrimination based on origin, gender, religion, age, sexual orientation, disability, or other characteristics has no place in our company. We promote a working environment characterized by openness and appreciation, in which all employees are given equal opportunities.

A visible sign of our commitment is Nissen Plast, which is run as a recognized inclusive company. There, people with and without disabilities work together on an equal footing—in an environment that focuses on individual strengths and breaks down barriers. In addition, we have been working closely with workshops for people with disabilities for many years. These collaborations include both orders that are carried out directly in the workshops and employment in external workplaces within our company.

We are not aware of any cases of discrimination within the company in 2024, so no fines or other sanctions have been imposed.

Corporate culture

At Nissen, we place particular emphasis on teamwork—even outside of everyday working life. For many years, teams of employees have been forming to take part in the Run Between the Seas or the company soccer tournament in Tönning. At the annual company Christmas party and this year's company outing, colleagues had the opportunity to get to know each other better and meet new faces. The internal company magazine "Nissen Inside" is published quarterly. It features interesting stories about everyday life at the company, colleagues report on hobbies from their private lives, and each issue ends with a competition.

We are continuously expanding our presence on various social media channels in order to provide an authentic insight into our company. In this way, we are creating a platform for active

communication with customers, employees, and interested applicants, while at the same time strengthening our external visibility.

Sense of unity

To strengthen the sense of unity among our colleagues, we planned and held two major events again in 2024. First, we organized a company outing with the entire Nissen Group in June. The outing gave our employees the opportunity to get to know each other better outside of their everyday work routine and share experiences together. In addition, our big Christmas party took place in December, as it does every year. Events like these are an important part of our corporate culture and help to create a motivating and collegial working environment. You can find insights into the respective events on our social media channels.

We evaluate the effectiveness of our measures individually based on feedback from our employees.

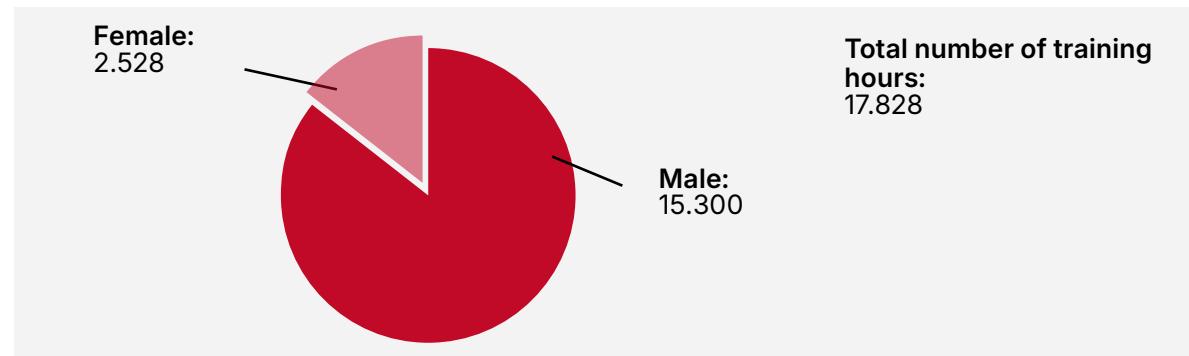
Training and continuing education

We work in an industry that is affected by constant changes in legislation. As we therefore have to continuously develop and adapt our products, it is particularly important for us that our employees also undergo continuous development. In addition, we conduct regular training courses for fire safety assistants and first aiders. The HR department is primarily responsible for general training courses. In the case of job-specific matters, department heads decide on the necessity of training. We always train our employees according to current requirements and individual needs. When general training courses are offered, our employees receive information about them from the Human Resources department, department heads, and notices. Individual training courses are discussed between department heads and employees.

When collecting data retrospectively, we cannot say exactly how many training hours were completed in 2024. The data on training hours was collected on the basis of invoices for the training courses. If the invoices did not specify the number of hours of training, we either researched the training courses to obtain a suitable result or made estimates.

Own workforce

Training hours 2024



Participation in free webinars and internal training courses for employees are not included in the list.

In addition, one employee is currently undergoing further training to become an office administrator, two employees have started further training to become project management specialists, and another employee has successfully passed the exam to become an industrial business administrator.

Every employee participates in performance and career development reviews once a year. As a committed training company, we are also committed to supporting the next generation. Every year, we provide training in four occupations and take on the majority of trainees at the end of their training period. To ensure optimal training, we have eight registered trainers at the Chamber of Industry and Commerce. One of these trainers is also active on the examination board.

As a global company, Nissen works with suppliers and customers outside Germany. To support our employees in their communication, we have been providing access to the Babbel learning platform since February. By the end of the year, our employees had already spent over 20,000 minutes learning there. In addition, we offer face-to-face English lessons twice a month to provide even better support for our employees.

Babbel access can be used not only by colleagues who need to maintain foreign contacts, but also by employees who come to us with a migrant background to learn German and facilitate

communication in their everyday work.

Occupational health management

An important part of our corporate culture in relation to our employees is our occupational health management (OHM) program. With our CHM, we pursue a holistic approach that combines preventive, behavioral, and relationship-oriented measures. These include ergonomic workplace design, health checks, exercise programs, stress prevention, psychosocial counseling, and a healthy corporate culture. Through targeted programs, we promote the well-being of our employees and, at the same time, aim to reduce absenteeism and promote sustainable work ability.

It is particularly important to us that all our employees are provided with a safe and ergonomic workplace – both in production and in the office. This includes height-adjustable work surfaces, customized lighting concepts, and individually tailored workplace aids that prevent long-term health problems. We do not differentiate between our own employees and non-employees in this regard. As soon as an employee works for us, we take care of his or her safety. To continuously improve safety standards, we have established an occupational safety committee that meets quarterly to discuss various occupational safety and health protection issues. This committee is supported by a qualified occupational safety specialist who provides both advisory and operational support to the company. Our approach is complemented by regular safety briefings, specific training in areas such as first aid and fire safety, and an established reporting system for near misses and hazards. The works council members represent the interests of our employees in order to provide them with a suitable and efficient system for occupational safety and health protection.

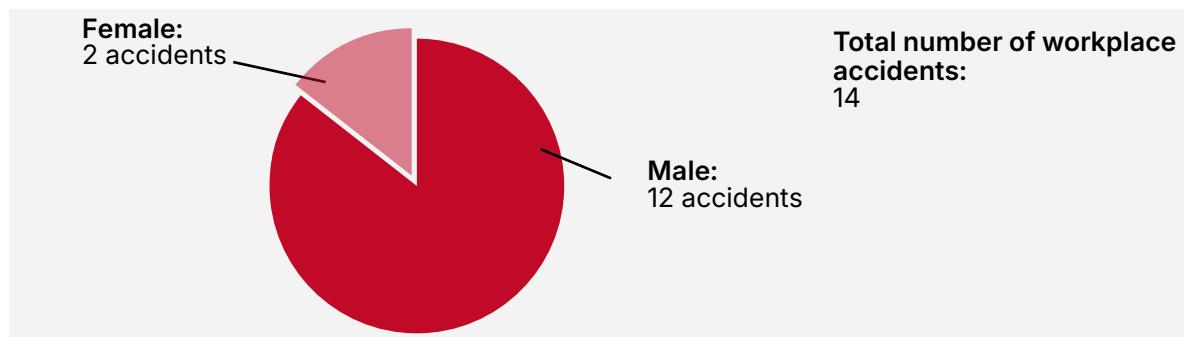
Members of the Occupational Safety Committee

- Representatives of the management
- Safety officers
- Works council members
- Fire safety officers
- Company doctor (external position)
- Occupational safety specialist (external position)

All employees (100%) at Nissen are covered by private or statutory health insurance.

Own workforce

Reportable accidents at work 2024



In March, we teamed up with the Barmer health insurance company to offer a health day for our employees. The focus of the day was primarily on back health. We offered various workshops and consultations on this topic.

In 2024, our focus was not only on physical health, but also on mental well-being. In order to identify the specific needs of our employees, a survey was conducted in March 2024 to find out how we could further expand our occupational health management program. The survey showed that our employees also place a great deal of emphasis on their mental health. In order to expand our occupational health management accordingly, access to OpenUp was made available in August 2024. OpenUp is a platform that supports companies in promoting the mental health of their employees by providing easy and quick access to professional counseling, preventive measures, and comprehensive resources for coping with stress and mental health challenges.

In addition, we conducted another survey in September. This time, we focused on the topic of "employee satisfaction in working life."

In November, we once again offered flu and COVID-19 vaccinations.

In this way, we contribute to achieving these SDGs:

Employees in the value chain

Impacts, risks and opportunities: IRO-list

ESRS	IRO	Description	Value chain	Materiality
S2	Impact potential negative	Selection of suppliers and products/materials	upstream	material
S2	Impact potential negative	Location selection for upstream processes (Europe/Asia) against the backdrop of labor law (the majority is sourced from Europe)	upstream	material

We work with over 5,000 suppliers in our day-to-day business. It is crucial for us to choose suppliers who share our values and views on respect for human rights and do not tolerate unlawful behavior. When selecting suppliers, we pay close attention to regionality and nationality. We source a large proportion of our intermediate products from companies within the Nissen Group and generally have a high level of in-house production. Our purchasing department is responsible for the operational aspects of supplier selection.

Impacts

In order to avoid or reduce potential negative impacts when selecting suppliers and materials, we consciously focus on sourcing within Europe. Around 90% of our purchases are made from European suppliers. In this way, we promote short transport routes and compliance with European labor law standards. In exceptional cases, for example when certain products are only available outside Europe or are difficult to source economically, we procure them from non-European countries.

In the future, we plan to further optimize our selection processes and incorporate additional sustainability criteria into the selection and evaluation of suppliers in order to identify and minimize potential risks at an early stage. By choosing the location of our upstream processes, we can have a decisive influence on the occupational safety and labor rights of the employees there. Since we already source a large proportion of our products from Europe, we can be confident that European norms and standards are being implemented. However, we want to integrate a more detailed assessment into the selection of suppliers in the future.

Risks and opportunities

We have not identified any significant risks or opportunities in relation to the workforce in the value chain.

Goals

Goal

2026: Integration of criteria relating to working conditions in supplier surveys and audits

Goal

2030: 80% of particularly relevant suppliers comply with our Code of Conduct

In order to monitor and improve working conditions in the value chain within the scope of our capabilities, we want 80% of our most relevant suppliers to accept our Code of Conduct by 2030. To this end, we intend to develop the Supplier Code of Conduct by 2026. Furthermore, we want to integrate criteria on working conditions into supplier surveys and audits by 2026. Specific measures to achieve this goal have not yet been defined. We will measure and evaluate the goal in relation to the base year 2024 and the base value 0.

Employees in the value chain

The objectives were not based on political goals, as Nissen is not affected by the Supply Chain Act. However, we are receiving an increasing number of requests from customers to confirm compliance with regulatory requirements. In order to provide a basis for this, Nissen would like to focus more on the supply chain. In addition, the materiality analysis has made it clear to us that expanding our supply chain assessment could open up new opportunities for us. Our customers also stated in the stakeholder survey that they expect us to comply with various labor standards.

Inclusion procedure

Employees in the value chain were indirectly involved in setting objectives via their employers as part of the stakeholder analysis. Particularly relevant suppliers were invited to participate in the survey. Involving individual employees or their representatives would have been disproportionate in the context of the materiality analysis. The results of the stakeholder analysis were incorporated into the derivation of risks and opportunities and into the assessment of double materiality.

We maintain regular communication with our key suppliers and business partners in order to develop joint solutions to any problems that arise. Through this close cooperation, we ensure that both our interests and those of our partners are taken into account in order to secure long-term and successful business relationships. Communication with suppliers is generally handled by our purchasing department.

Channels

The responsible managers are in regular contact with relevant suppliers, customers, and logistics companies in order to optimize cooperation for all parties involved. We maintain close and regular contact with companies that are also members of the Nissen Group. In addition, anyone is free to contact us via the general contact options or the whistleblower system. If concerns of any kind are reported to us, we will investigate and resolve each case individually and with the utmost care.

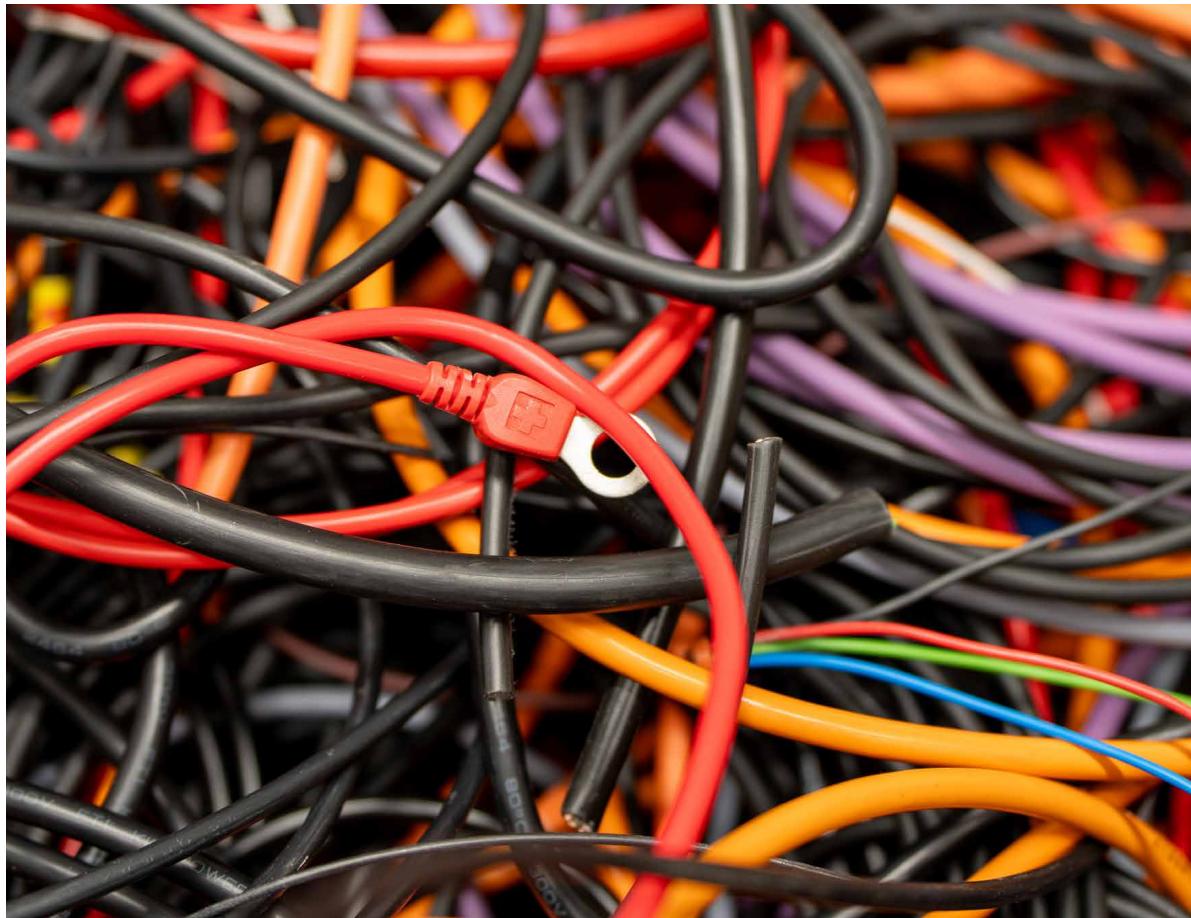
Performance indicators

We do not actively check for human rights violations in investment agreements, as we only invest in companies that are part of the Nissen Group. Due to the European locations and corporate structure of these companies, we know that there are no human rights violations. We do not plan to invest in other companies with which we are not affiliated.

We do not explicitly monitor compliance with human rights at our business locations, as all of our locations are in Europe. However, we attach great importance to strict compliance with all relevant human rights and safety standards in our day-to-day work. Strict European regulations and our internal guidelines ensure that all requirements for the protection of human rights and occupational safety are fully implemented.

We do not currently conduct direct checks on our suppliers for social impacts. Accordingly, no actual or potential negative social impacts have been identified. We plan to send our own Code of Conduct to our suppliers starting in 2025. In this code, we intend to ask suppliers about their attitudes toward a wide range of social issues, among other things. Should we receive any indications of possible human rights violations in the future, we will immediately take appropriate measures, which may include terminating business relationships. Our company is committed to consistently investigating any violations and ensuring that our high ethical standards are maintained at all times.

Employees in the value chain



Concepts and measures

In 2024, we focused on preparing a code of conduct and a corresponding supplier self-assessment form, among other things. We have not yet sent the code of conduct or the supplier self-assessment form to our suppliers. However, we plan to do so in 2025. Through both measures, we want to ensure that we can better understand our supply chain and make it more sustainable in a variety of ways.

We are not directly affected by supply chain laws. Nevertheless, we want to understand our supply chains in order to improve them in our own interest and to be able to respond to inquiries from our customers in a qualified manner. We derive the necessity of these measures from our everyday business, the needs of our customers, and legal requirements.

We have the greatest influence on employees in the value chain who work for our cooperation partners. Thanks to our stable order situation at the workshops, we can indirectly ensure long-term employment and participation in working life for people with disabilities. We also ensure that their jobs at our plants are safe and appropriate. Through regular communication with the responsible supervisors at the workshops, we ensure that all needs are adequately taken into account.

However, our own corporate practices generally have no influence on the workforce in the value chain. We can only influence them through our choice of suppliers, and we choose European suppliers whenever possible. Due to various applicable European labor standards, we assess the likelihood of human rights violations occurring at suppliers as low. However, should we become aware of human rights violations, we will take appropriate measures and, if necessary, terminate our cooperation with the supplier.

.....
In this way, we contribute to
achieving these SDGs:

Governance



Business conduct

Impacts, risks and opportunities: IRO-list

ESRS	IRO	Description	Value chain	Materiality
G1	Impact potential negative	There are many requirements for implementing the business model	business activity	material
G1	Impact positive	Strategic orientation of the business model	business activity	material
G1	Impact potential positive	Through the development of innovative products and the digitization of processes and products	upstream, business activity, downstream	material
G1	Risk	Expenses incurred due to compliance management and dynamically changing requirements, as well as varying legal requirements across Europe		material

Impacts

Our business model has various implications for corporate governance. The multitude of requirements involved in implementation can lead to increased organizational effort and thus potentially impair efficiency and flexibility. On the other hand, our clear strategic focus, which firmly integrates sustainability into decision-making processes, as well as the continuous development of innovative products and the digitalization of processes, which strengthen transparency, efficiency, and accountability, have a positive effect.

We have not identified any material impacts in terms of our political influence.

Risks and opportunities

Due to the varying legal and regulatory requirements for our products in the different countries in which we operate, it is essential that our developments are consistently aligned with these requirements. Ensuring compliance is a key priority in this regard, as violations of national or international regulations not only have legal consequences, but could also significantly jeopardize our reputation and market position. We have identified the associated high costs in development, production, and quality assurance as a significant risk. Through an effective quality management system and continuous review of the relevant regulations, we ensure that our products meet all requirements and satisfy the high standards of safety and reliability in the long term.

Legality and compliance

Goals

Goal

Ongoing: Strengthening existing compliance regulations

Anti-Corruption

We do not tolerate corruption or bribery under any circumstances. We want to win over our customers with high-quality products and fair prices, not with gifts, price fixing, or similar practices. This approach is firmly anchored in our business principles and is publicly represented in our compliance statement (<https://nissen-germany.com/compliance/>).

We expect both our employees and our business partners to behave in accordance with the law. Since our customer contact takes place via our employees, it is the responsibility of each employee to adhere to our guidelines. All employees, especially in the sales departments, as well as all other business partners of the company, are aware of this approach and therefore no further training is required within the company. This approach is so deeply ingrained that no cases of corruption were detected last year. However, should this occur in the future, it is in the best interests of the management and the legal department to uncover and sanction such cases as quickly as possible. Information about suspected corruption can be reported either directly to management or anonymously via the whistleblower system. The company's legal department is responsible for the immediate and conscientious processing and clarification of any reports.

Since a significant portion of our clientele works in the public sector, it is particularly important to comply with the law in order to avoid losing tenders. The materiality analysis did not reveal any risks of corruption at Nissen.

The main responsibility for compliance with and implementation of compliance regulations lies with the legal department, quality management, and management. The individual topics are assigned according to the area of responsibility. Management is always informed of relevant changes in the law and passes on information to the supervisory board as necessary. The necessary expertise of the responsible departments is ensured both by years of professional experience and by the legal training of the head of the legal department.

Concepts and measures

In 2024, we were not convicted of any violations of anti-corruption and anti-bribery laws or any other legal violations. In order to maintain this result, we intend to further strengthen our compliance regulations in the future. To this end, we want to provide our employees with more training and raise their awareness of various compliance issues. By expanding our compliance regulations, we want to be even better prepared for dynamically changing requirements and differing legal requirements across Europe, and ensure that we always meet legal requirements.

This process is to be continuously advanced and reviewed annually as part of our sustainability reporting. As this is a non-measurable target, we do not refer to a base value or base year. We have set this target without reference to political goals or scientific findings. We have derived our target from the results of the materiality analysis. Our goal is also in line with the expectations of our supervisory board and regulatory customers, as we learned in our stakeholder survey.

In 2024, we were not fined for non-compliance with laws. Furthermore, no cases of corruption were reported.

Political influence

Legislative process

As a company operating in an industry characterized by continuous legal changes, we see it as our corporate duty not only to respond to regulatory developments, but to proactively address them. Regulatory compliance and market orientation are an integral part of our corporate strategy. We rely on systematic compliance management and continuously monitor legal changes in order to integrate them into our processes and product developments at an early stage.

Engagement

As a manufacturer of road traffic products, our main task is to make road traffic and the associated infrastructure safer. We don't just want to design products in accordance with prescribed measures; we also want to play a proactive role in standardizing road safety rules. For this reason, we are particularly involved with associations and organizations that share our vision and where we are convinced that we can support them in the long term with our expertise. Our company credo, "We set standards," represents both our impact on the road and our upstream efforts.

Nissen and individual representatives of the top management are members of various associations and organizations. Nissen Elektrobau has been a member of several transport and infrastructure associations for many years, including ProMobilität - Initiative für Infrastruktur e.V., the Industrieverband Straßenausstattung e.V. (IVSt) in the traffic safety department, the European Union Roads Federation (ERF), and the Forschungsgesellschaft für Straßen- und Verkehrswesen (FGSV). In addition, we are a premium partner of the initiative "Schleswig-Holstein – the real north."

Commercial Director Jan Vogt is a member of the General Assembly of the Flensburg Chamber of Industry and Commerce. In addition, Anna Frerichs is an authorized signatory and volunteers as a member of the board of the Unterelbe-Westküste e.V. (UVUW) business association.

Since this year, Nissen Plast has also been a member of the Vinylplus plastics network. The management is responsible for the general supervision of activities in the associations and societies.

Concepts and measures

We do not make any financial or material contributions to politicians or politically relevant parties. However, we support schools, universities, and various associations through monetary and material donations. Members of the administrative, management, and supervisory bodies have not held positions in public administration in the last two years.

Payment practices

As a company, we attach great importance to payment security. To achieve this goal, we have implemented a comprehensive policy that includes various measures. We will not publish the details of this policy.

We work with new customers using the prepayment method and then work with factoring providers. Our invoicing is prompt and accurate, accompanied by systematic tracking of outstanding receivables. However, should payment delays occur, we use a structured dunning process ranging from friendly payment reminders to formal warnings. To encourage our customers to pay on time, we offer incentives such as discounts and rebates for early payments. If our customers experience financial difficulties, we also offer support and advice, including the option of installment payments.

Effective liquidity management ensures that we always have sufficient financial resources to meet our own obligations. Through these measures, we strive to achieve a stable financial basis that enables us to maintain sustainable business relationships and secure our liquidity.

In this way, we contribute to achieving these SDGs:

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