DOMEL®

SUSTAINABILITY REPORT 2025



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SUSTAINABLE
TOGETHER.

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SUSTAINABILITY REPORT 2025

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Letter from the Chairman of the Management Board

Dear Stakeholders,

I am pleased to present the Domel Group Sustainability Report for 2025, where as ever we bring you a full disclosure of our actions, achievements and challenges in the area of sustainable development. At the Domel Group we view sustainability as a vital part of our business model – not merely as a responsibility to the environment and to society, or a response to regulatory requirements, but more as an opportunity to develop new solutions, to strengthen our competitiveness, and to create long-term value for all our stakeholders.

Last year brought challenging economic circumstances, uncertainty on European markets, geopolitical tensions, and continuing pressure on operating costs. There were particularly acute changes in the automotive industry and global supply chains, which are requiring companies to show a high degree of agility and resilience, and the ability to respond quickly. This environment simply reconfirms that we were right to put our developmental focus on innovative, energy-efficient electric motors and advanced drive systems that support electrification, automation and robotisation, and help reduce energy consumption and aid in the transition to a low-carbon society. At the same time it is encouraging us to give careful and continual consideration to our developmental focus in the future, when the aim is of course to ensure the long-term stability and competitiveness of the Domel Group.

An important step in upgrading our sustainability management was the creation of the double materiality matrix, which involved a wide range of stakeholders and more than 700 employees. The results confirmed that we are right in keeping our key focus on the areas of innovation, technological development, efficient use of resources, concern for employees and responsible supply chain management. Meanwhile they also warn us of the challenges in connection with rapid technological change, the decarbonisation of the economy, the availability of key raw materials, energy uncertainty, and fierce global competition. The ability to learn, to adapt, and to respond promptly to change therefore remains our key advantage.

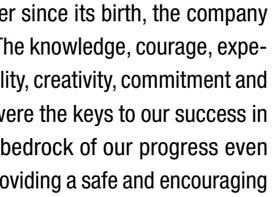
Despite the challenging circumstances, we have again showed that development and innovation remain the cornerstones of our success. Products developed in the last three years accounted for fully 27% of our sales, while the national award for the MillMix 30 is testimony to the creativity, expertise and developmental excellence of our teams. When it comes to the environment, we continued to act responsibly and get better and better results: Scope 1 and Scope 2 greenhouse gas emissions were down 28% on the base year of 2019, while 95% of our waste went to recycling and recovery.

Ultimately it is our employees who remain at the heart of all these achievements. In a year when we were making preparations to celebrate 80 years of Domel, we were particularly aware that ever since its birth, the company has been built by people. The knowledge, courage, experience, sense of responsibility, creativity, commitment and loyalty of our employees were the keys to our success in the past, and remain the bedrock of our progress even today. Developing skills, providing a safe and encouraging working environment, and ensuring that all employees feel included therefore remain among the most vital of our policies.

It is on this basis that we are building the Domel Group's strategy for the period to 2031. Our vision is to remain a leading provider of advanced electric motors and drive systems for sustainable applications, and to build our growth on knowledge, innovation, digitalisation and an international presence. We believe that through technological excellence, responsible resource management, and the relentless development of people and competencies, we will be able to create increased added value for customers, employees, owners and society at large.

I would like to thank all of you who play a part in the evolution of the Domel Group for your achievements of the past year. Every contribution counts, and every single one of you is helping to forge our shared future through your knowledge, your work and your attitude. I am convinced that through innovation, mutual trust, responsible action and courage we will continue seeing the Domel Group progress in the future, and will help to build a more sustainable and successful society.

With very best wishes,



Matjaž Čemažar
Chairman of the Management Board



Key achievements in 2025

GZS
NATIONAL SILVER AWARD

The MillMix 30 earned a silver award for innovation from the Chamber of Commerce and Industry of Slovenia.

25 %

of our sales were products developed in the last three years.

AAA

Domel d.o.o. retained its AAA Platinum Excellence credit rating.

28 %

reduction in Scope 1 and Scope 2 greenhouse gas emissions compared with the base year of 2019.

95 %

of all waste sent to recycling or recovery.

30.4 hours

of education and training per employee.

NO WHISTLEBLOWING REPORTS

No whistleblowing reports in 2025, and zero confirmed cyber incidents and cases of corruption.

About the 2025 Sustainability Report

The Domel Group's Sustainability Report 2025 has been drawn up with full regard for the VSME voluntary sustainability reporting standard for unlisted SMEs, and selected principles of the European Sustainability Reporting Standards, most notably the double materiality principle.

The report makes use of the basic module of the VSME, but also includes selected elements of the comprehensive module, where this is reasonable given the nature of the Domel Group's operations.

The report relates to the Domel Group. The performance indicators and financial data are presented on a consolidated basis for the group, while the majority of the environmental and HR indicators relate primarily to Domel d.o.o. and to production sites in Slovenia, except where stated otherwise. Owing to limits on data availability, and given that certain monitoring systems do not yet provide full coverage, a number of indicators are yet to be fully established for the group as a whole.





The reporting period matches the financial reporting period (the 2025 calendar year), with comparative data for previous periods also presented for indicators where possible. The report is based on data from internal monitoring systems, environmental and HR records, and other business sources, and represents the clearest available picture of the Domel Group's sustainability impacts, risks and opportunities.

A double materiality assessment was conducted in 2025, involving internal and external stakeholders, and addressing the impacts, risks and opportunities in connection with our operations. The material sustainability topics that form the basis for the content and disclosures in this report were identified on the basis of the assessment.

Topics not identified as material have not been included in the detailed reporting. Biodiversity was not identified as material in 2025, and this topic has therefore not been covered in detail in the reporting.

This report is the product of collaboration between various organisational units at the company, and is based on the principles of transparency, accountability, and continual improvement. Our activities in the area of sustainability are our contribution to meeting the UN's sustainable development goals (SDGs), in which global policies are framed in our own business, social and environmental context.

About the company and the strategy

About us: Domel Group

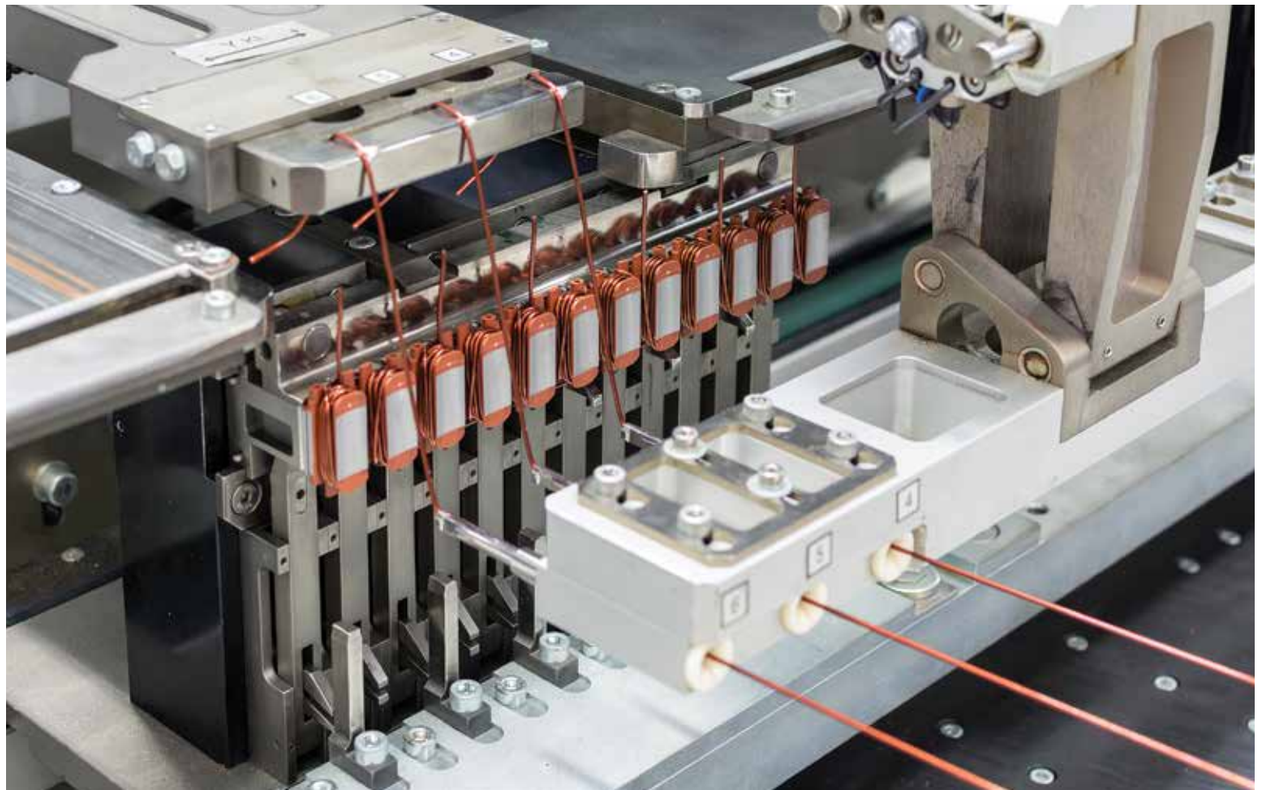
The Domel Group is a global developer and supplier of electric motors, vacuum motors, blowers and advanced electromechanical solutions, based in Slovenia. Established in 1946, the company today employs approximately 1,300 people, and supplies its products to customers all over the world.

Our solutions serve a wide array of applications, from household and professional appliances to ventilation systems, industrial equipment, laboratory and medical equipment, electromobility and hydrogen technologies. Our development work harnesses huge expertise in electromagnetics, aerodynamics, electronics, material science, and production technologies.

The foundation of our business is development, innovation and long-term partnership with customers. By investing in R&D, we create energy-efficient, reliable and technologically advanced products that respond to the needs of contemporary society and support the transition to a more sustainable future.

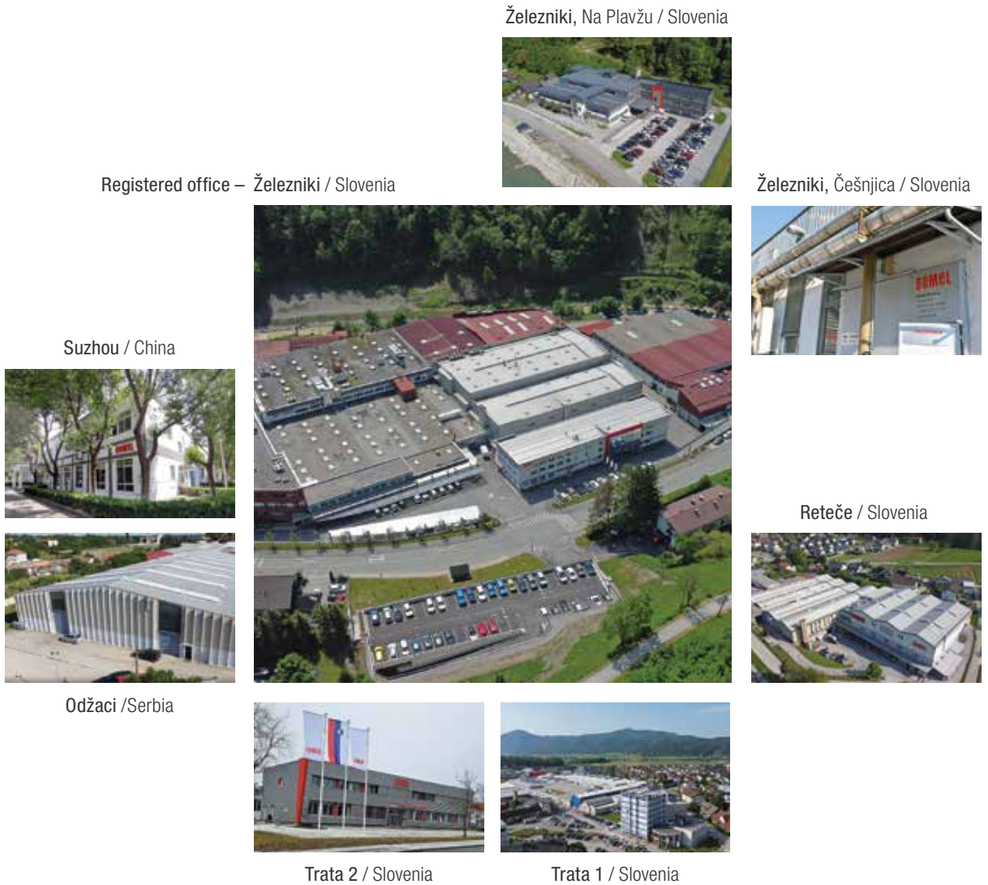
Motors and drive systems developed by Domel today power more than 300 million appliances worldwide. Our competitive edge is built on innovation, agility, a high level of development know-how, and an integrated approach that provides support to customers from development to serial production.

The guiding principles of our work are responsible business practices, energy efficiency, sustainable development, and continual process improvement. Through the development of our products and technologies, we aim to create long-term value for customers, employees, shareholders, local communities and society as a whole.



Organisational structure

The Domel Group consists of the parent company Domel Holding d.d., and its subsidiaries Domel d.o.o., Domel Electric Motors Suzhou Co., Ltd., Domel motors d.o.o. Odžaci, and Domel IP Invalidsko podjetje d.o.o. The basic details of the companies in the group are given below.



Parent company

Domel Holding, d.d.

Registered office	Otoki 21, 4228 Železniki
Legal status	Public limited company
Registration number	1294156
Registered activity	70.10 (Activities of head offices)
Sales revenue	€ 5,495,749
Assets	€ 17,058,451
Chairman of the management board	Matjaž Čemažar



Subsidiaries

Domel, d. o. o.

Registered office	Otoki 21, 4228 Železniki
Legal status	Limited liability company
Registration number	5045401
Registered activity	72.11 Manufacture of electric motors, generators and transformers
Sales revenue	€ 165,652,914
Assets	€ 138,654,548
Managing Director	Matjaž Čemažar

Domel, Inc.

Registered office	28 Gleann Court, East Rutherford, New Jersey 07073, ZDA
Legal status	Public limited company
Registered activity	support services (sales representative of the parent company)
Sales revenue	€ 261,947
Assets	€ 62,637
Managing Director	Peter Korošec

Domel motors d.o.o. Odžaci

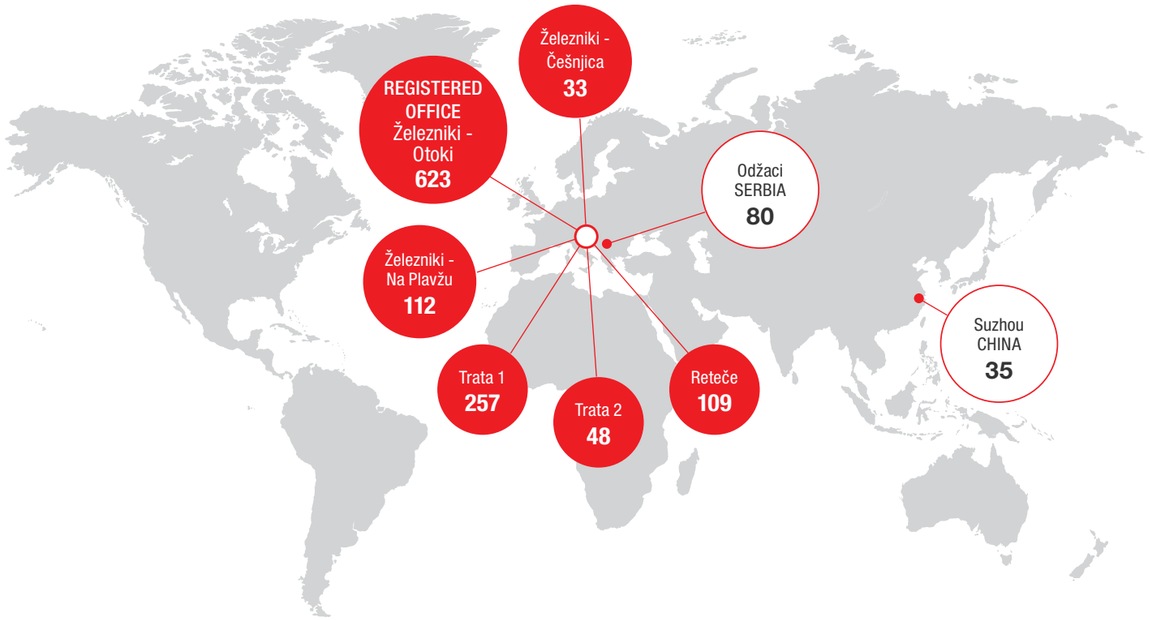
Registered office	Lole Ribara št. 40, 25250 Odžaci, Serbia
Legal status	Limited liability company
Registration number	21486736
Registered activity	72.11 Manufacture of electric motors, generators and transformers
Sales revenue	€ 9,608,874
Assets	€ 2,921,521
Managing Directors	Goran Čučak, Bernarda Šolar

Domel IP invalidsko podjetje, d.o.o.

Registered office	Češnjica 48 d, 4228 Železniki, Slovenia
Legal status	Limited liability company
Registration number	1853678
Registered activity	25.62 Machining
Sales revenue	€ 1,574,121
Assets	€ 1,074,990
Managing Director	Martina Razingar

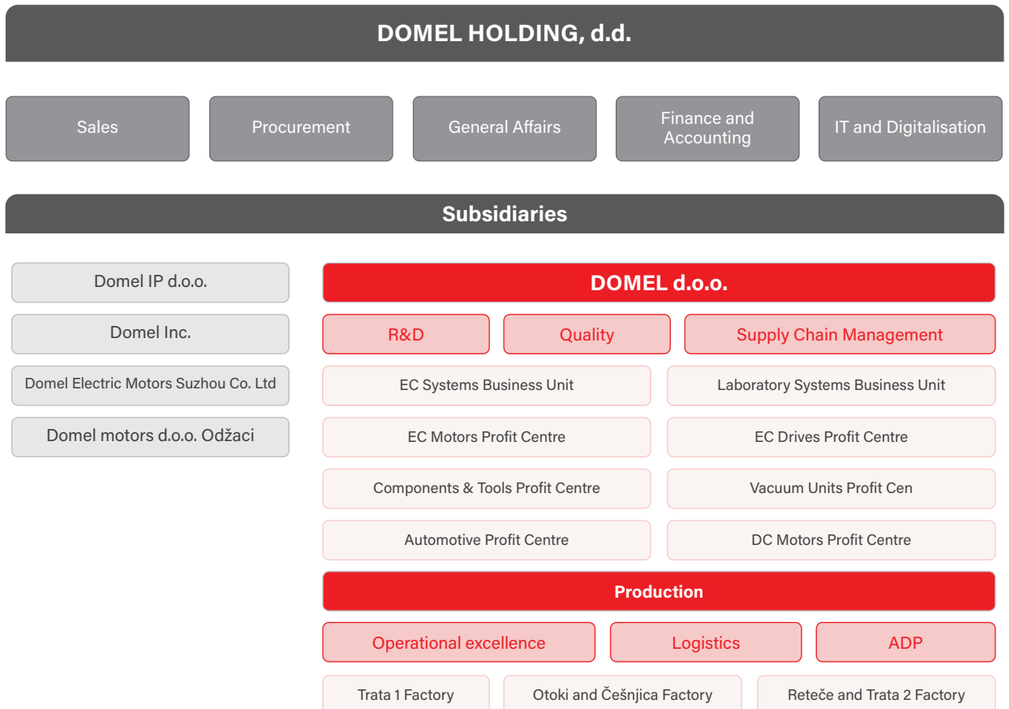
Domel Electric Motors Suzhou Co., Ltd

Registered office	Jingmao Road 285, Suzhou Industrial Park, 215021 Suzhou, China
Legal status	Limited liability company
Registered activity	Development, production and sale of electric motors for household appliances, cars and special equipment
Sales revenue	€ 4,337,892
Assets	€ 4,750,486
Managing Director	Boštjan Demšar



Total headcount as at 31 December 2025: **1,297**

● headcounts at individual sites



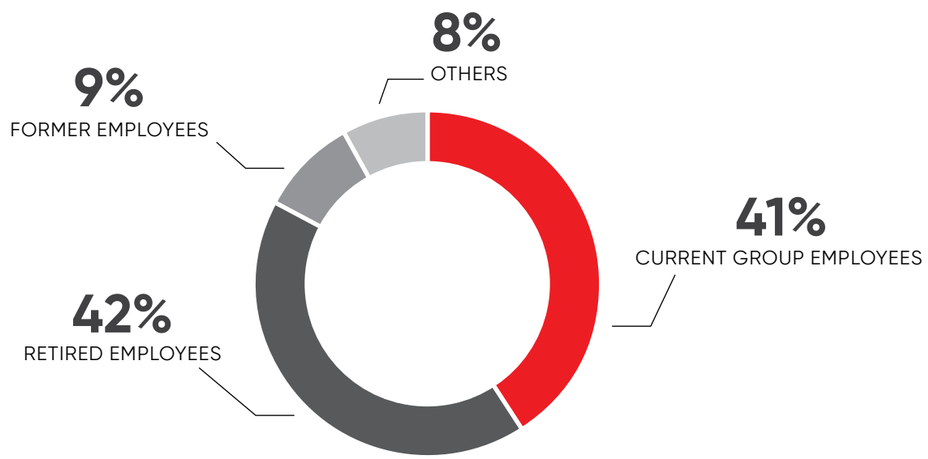
Ownership structure

One notable feature of the Domel Group is its ownership structure, which is based on internal ownership by current employees, former employees and retirees. This is a major factor in the company's long-term stability, its accountable governance, and its ties with the local community.

The ownership and governance of the company were acquired by the employees during the privatisation process in 1996, following the transition from social to private ownership. Ever since then Domel has developed its model of internal ownership, which reinforces its focus on the long term, and the ties between the employees, the company and the local community.

Ownership structure in 2025

Current employees held 41% of the shares in 2025, retired employees 42%, former employees 9%, and others 8%.



Our history

1946

The Niko metalworking cooperative, which later becomes Domel, is founded.



1953

The first electric motor is manufactured, and development of the company's key product line begins.



1958

The first electric motor is exported, and a new production site is built.



1974

Development of the first vacuum unit for vacuum cleaners, and entry into the German market.



1987–1992

The company becomes independent, and then begins trading under the Domel name.

2006

Establishment of the first manufacturing subsidiary in China, and start of an international manufacturing presence.

2009

Domel Holding becomes the owner of the company, and in turn is owned by current, former and retired employees, a major feature of governance in the Domel Group.

2011

Establishment of a development centre together with our partners, further strengthening our R&D capabilities, and fostering closer collaboration with industry and research institutions.



2014

100 million vacuum units manufactured to date, testimony to long-term success and the global profile of the product line.



2017

New production facilities open in Trata in Škofja Loka, a significant step forward in expanding production capacity.

2019

Establishment of a manufacturing subsidiary in Serbia.



2023

Establishment of the Trata 2 production facility.



2025

Introduction of cleanroom technology at the Trata 2 site, and further development of advanced production technologies.

Our sustainable development journey

The sustainable development of the Domel Group is built on its mission, vision and values. These fundamental principles provide us with a shared set of guidelines on how to act, and are reflected in our relations with all stakeholders.

MISSION

Domel is a socially and environmentally responsible company. As a global developer and supplier of advanced solutions for electric motor drives and components based on our own innovative technologies, we enable growth and sustainable development for our customers, employees and owners. In this way we provide high-quality employment opportunities for the wider region.

VISION 2030

We are a leading global development partner in the area of state-of-the-art, energy-efficient electric drives and components. We transform everyday experiences with our sustainable drive solutions.

VALUES

All Domel Group employees share common values that have long underpinned our company culture. These values are constant and robust, and have shaped our policies and actions for more than a decade. They guide employees in their everyday work, in decision-making, and in their relations with each other. They lay a solid foundation for the continued development and advancement of the company.



Sustainable business strategy: strategic objectives and strategic actions

The Domel Group's strategic actions are tied to the material sustainability topics identified in the double materiality assessment, and address key impacts, risks and opportunities in connection with products, employees, supply chains, climate impacts and digitalisation.

The Domel Group has drawn up a sustainable business strategy for the period of 2024 to 2030, based on a clear commitment to the responsible long-term development of the company.
The key strategic goals to be hit by 2030 include increasing value-added per employee to at least €80,000, reaching an EBITDA margin of at least 12%, reducing Scope 1 and Scope 2 greenhouse gas emissions by 50% relative to 2019, and fostering a strong culture of sustainability and awareness among employees. Four key strategic actions have been defined to meet these ambitious goals:

1 Develop employee competences to achieve strategic goals:

Employees are the Domel Group's most valuable asset. We invest in their competencies, professional excellence and sustainability awareness to empower them as agents of strategic change. We are implementing modern approaches to knowledge enhancement and training, career development and remuneration systems that foster engagement and ensure that our employees are prepared to meet future challenges. Special emphasis is placed on cultivating a safe, inclusive, and supportive working environment.

2 Reinforcing sustainable development principles for carbon neutrality:

We leverage innovation to develop products with a long lifespan, and gradually improve their material and environmental efficiency. In planning and executing processes we follow the principles of efficient use of resources, and endeavour to reduce our consumption of raw materials, energy and other materials, and to optimise logistical flows. By making preparations for future regulatory requirements in the area of sustainability such as digital product passports, requirements in connection with the circular economy and the demands of customers and markets, we strengthen transparency and reinforce our commitment to sustainable development.

3 Building high value-added product platforms:

With a focus on market performance, we are developing a portfolio of products that deliver high added value and support long-term growth. Our target is to increase value-added per employee to at least €80,000. The portfolio is managed by a balanced approach that considers market potential, cost-efficiency and sustainability. This boosts industrial competitiveness and fosters sustainable, profitable growth.

4 Digitalising processes to boost productivity:

Digitalisation is a key enabler of the Domel Group's development and competitiveness. We are optimising critical business processes – from planning and procurement to production and decision-making – with the help of advanced solutions, AI and automation. Reliable digital platforms, smart data utilisation and a focus on customer value help us improve productivity, manage costs more effectively and respond swiftly and precisely to market demands. In so doing we prioritise cybersecurity and ensure transparency across all our digital solutions.

Sustainability at the heart of our strategy

Our business strategy is holistic, and incorporates the environmental, social and governance aspects of sustainability. It targets the long-term resilience, responsible performance and competitiveness of the entire group.



ENVIRONMENTAL (E)

we are increasing the energy efficiency of our products, we promote the circular economy, and we are reducing environmental impact



SOCIAL (S)

we are building an inclusive working environment, we invest in the development of employees, and we are contributing to the advancement of local communities



GOVERNANCE (G)

we are creating the conditions for long-term growth, financial stability, high value-added and responsible corporate governance, and promote an internal ownership model

Memberships and the strategic collaborations

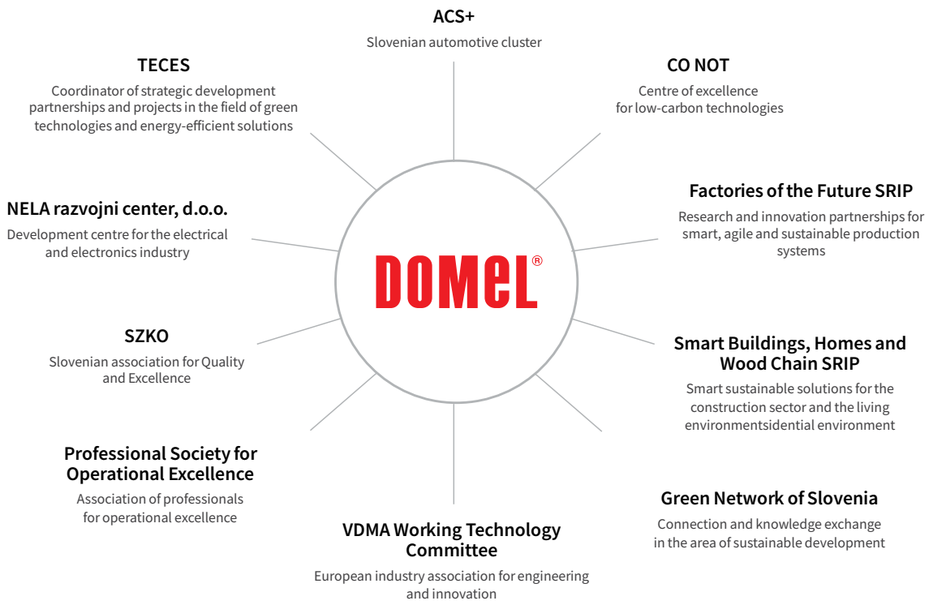
Domel Group companies are members of various industry and national organisations, associations and partnerships. Domel d.o.o. has been a member of the Chamber of Commerce and Industry of Slovenia (GZS) since 1976, while Domel Holding joined in 2017. The two companies are also members of the GZS Gorenjska Regional Chamber and the GZS Electronics and Electrical Industry Association.

Domel d.o.o. is a member of the ACS+ Slovenian automotive cluster, and GREMO mission projects within that cluster. Our involvement is based on a desire to help create solutions for the development of products that increase the electrification of transport, and to develop and deploy manufacturing technologies, robotics, automation and digitalisation into manufacturing processes. We are members of the CO NOT centre of excellence for low-carbon technologies, within which we help develop advanced technologies to accelerate the transition to a low-carbon future, particularly hydrogen technologies. We are members of the *Factories of the Future and Smart Buildings, Homes and Wood Chain Strategic Research and Innovation Partnerships* (SRIP). We are also members of the Slovenian Association for Quality and Excellence (SZKO) and the Professional Association for Operational Excellence.

We are partners in NELA razvojni center d.o.o., a development centre through which we work with leading Slovenian companies in the electrical and electronics sector, and members of TECES, which plays a leading role in strategic development partnerships and projects in the field of green technologies and energy-efficient solutions.

We are also members of the Green Network of Slovenia (Zeleno omrežje Slovenije), a platform for providing information and forging links in the field of sustainable development.

At the European level we are members of the VDMA's Working Technology Committee.



Proud ambassadors of the Slovenian economy

Our business strategy is holistic, and incorporates the environmental, social and governance aspects of sustainability. It targets the long-term resilience, responsible performance and competitiveness of the entire group.

I FEEL SLOVENIA. GREEN. CREATIVE. SMART

Domel remains part of the ambassadors of the Slovenian economy programme run under the **I feel Slovenia. Green. Creative. Smart.** national campaign, which brings together companies known for excellence, innovation and an international profile.

Having signed the accession statement for the period of 2026 to 2029, we are continuing to work in the community of companies shaping the image of the Slovenian economy on global markets, and representing Slovenia as a green, creative and technologically advanced country.

The new period of the programme brings increased emphasis on acting internationally, showcasing the Slovenian economy in the rest of the world, and liaising with key partners in selected markets.

As ambassadors we are committed to the following in the future:

- helping to write the story of the Slovenian economy's success;
- presenting innovative solutions on international markets;
- remaining part of the community of the most incisive Slovenian companies.



Sustainability framework, core topics and stakeholders

Key areas of sustainable action

The Domel Group carried out a double materiality assessment (DMA) in 2025, defining the key impacts, risks and opportunities (IROs) associated with our business. The process applied the principles of the European Sustainability Reporting Standards (ESRS), and forms the basis for this report.

Two aspects were taken into consideration in the double materiality assessment:

~ the company's impact on the environment and society over the entire value chain (impact materiality),

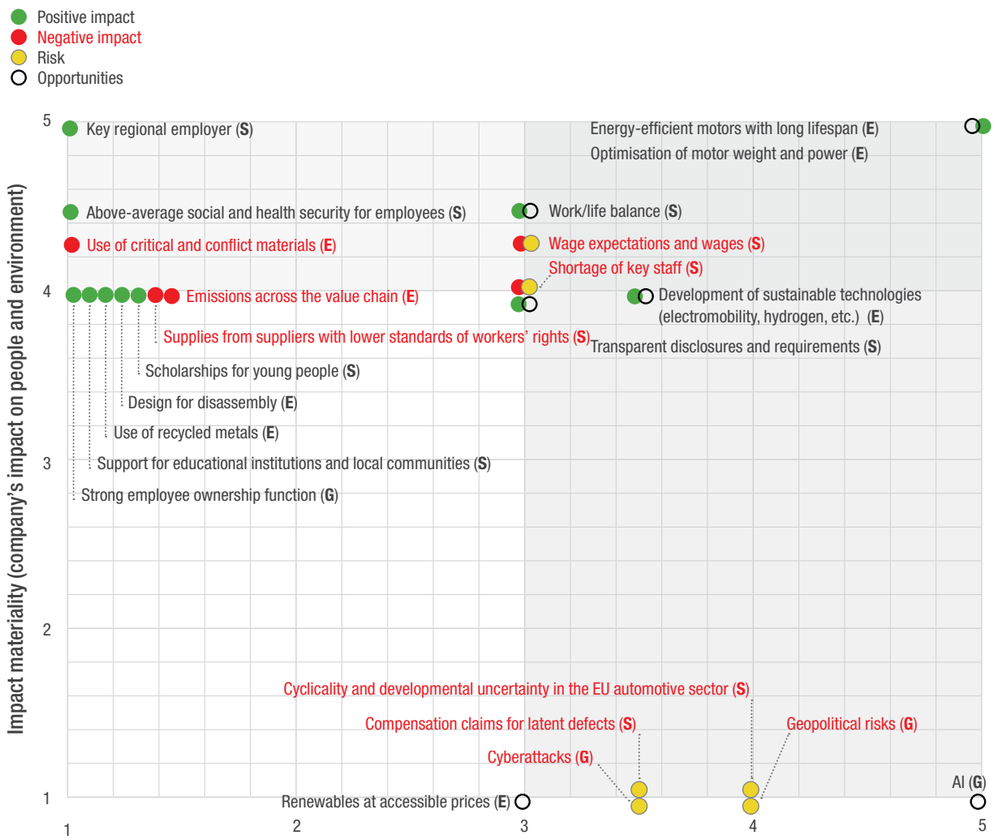
~ the impact of sustainability topics on the company's operations, its performance and its long-term success (financial materiality).

The process of drawing up the analysis was undertaken in two phases: from identifying the key stakeholders and sustainability topics and determining the assessment criteria, to evaluating the impacts, risks and opportunities and confirming the final double materiality matrix.

We involved a wide circle of stakeholders from the entire value chain, including employees, customers, suppliers, owners and local community representatives. The process involved a variety of methods, such as interviews, focus groups and a survey, which allowed for comprehensive insight into the expectations and awarenesses of key stakeholders.

The result of the process is the double materiality matrix, which illustrates the areas with the greatest impact on the operations of the Domel Group, and the areas where the company has the greatest impact on the environment and on society.

Domel Group double materiality matrix



The analysis identified 23 key impacts, risks and opportunities (IROs) across environmental, social and governance topics.

The most notable core topics are energy-efficient products with a long lifespan, and the development of sustainable technologies, where the company creates its key positive impacts and development opportunities. There is also a significant role for topics related to supply chains, particularly from the perspective of risk management with regard to critical materials, supplier standards, and emissions across the value chain.

The most prominent core topics with a social aspect are HR challenges, such as shortages of key staff and the competitiveness of the remuneration system, which have a significant impact on operations.

Ensuring a healthy and safe working environment, providing development for employees, and maintaining a good work-life balance also all play a significant role.

The governance topics with a significant role are risk management, cybersecurity, geopolitical risks, and the impact of technological changes and digitalisation.

The core topics provide the foundation for carrying out strategic planning, setting objectives, and monitoring the performance of the Domel Group. Systematic management of these topics strengthens the company's resilience, reduces risk exposure, and creates the conditions for sustainable long-term growth.

Stakeholders and the dialogue for sustainable growth

At the Domel Group we recognise that truly sustainable business success is only achievable through active, open engagement with stakeholders. We have therefore put various forms of dialogue in place with them, from surveys, interviews and coordinating meetings, to collaboration on development projects, strategic initiatives and other forms of partnership.

Their expectations, needs and initiatives are a vital source of information that we incorporate when formulating strategic policies, business decisions and sustainability actions. This approach helps to increase the transparency of operations, to improve the understanding of stakeholder expectations, and to reinforce long-term trust in the company.

In recent years we have paid particular attention to involving stakeholders in the identification of core sustainability topics, and in shaping a sustainable business strategy.

Key stakeholders	Methods of cooperation and engagement	Key topics
Employees and their representatives (works council, trade union)	intranet, message board, internal newsletter, events for employees, annual interviews, workers' assemblies, works council, trade union meetings, studies and employee surveys, Friday talks with the director	working conditions, health and safety, skills development, remuneration, work-life balance
Owners, supervisory board and senior management	general meeting, supervisory board sessions, strategic workshops, reports	long-term performance, governance, risks, corporate development
Customers and business partners	meetings, development projects, trade fairs and promotional events, business conferences, visits, assessments, customer portal, customer satisfaction surveys	quality, innovation, sustainability data, product compliance, reliability of supply
Suppliers	trade fairs, business conferences, visits, assessments, supplier appraisal, development projects, contracts, supplier portal	quality, sustainability data, emissions in value chain, responsible operations
Local community	open days, donations, sponsorship, collaboration with schools and societies	recruitment, environmental impact, development of the local environment, social responsibility
Educational institutions, research institutions, scholarship recipients	information days, open days, projects, practices, mentoring, scholarships, collaboration with universities	skills development, innovation, youth recruitment
National bodies, regulatory bodies, certification bodies	reporting, assessments, certification, inspections	compliance with legislation, standards, transparency
Financial institutions and evaluation organisations	financial and annual reports, questionnaires, sustainability assessments	financial stability, ESG performance, risk management

> Involvement of **stakeholders** in the double materiality process in **2025**:

- ~ more than 700 employees in the survey
- ~ focus groups of employees at different sites
- ~ expert workshops
- ~ customers and suppliers
- ~ representatives of senior management and key business functions



Governance, policies and business ethics

Management and supervision of the company

The governance of the Domel Group is based on a clearly defined organisational structure, which includes the Management Board, the Supervisory Board and the general meeting.

The Management Board directs the company independently with full accountability, and is responsible for the operational and strategic management of the business.

The Supervisory Board supervises the operations and the management of the company, and appoints the members of the Management Board. It has six members, who are appointed for a term of four years, with the possibility of reappointment.

This governance structure ensures the proper demarcation of responsibilities, and supervision of the company's operations.

Sustainability management in the Domel Group

The approach that we have put in place to manage sustainability topics in the Domel Group is based on collaboration between various fields of expertise, and is linked to key business processes.

Sustainability management is organised via the sustainability team, who work at two levels, namely the core team and the expanded team. The sustainable development officer is responsible for coordinating sustainability actions.

The core team consists of experts in the key areas of sustainability, namely the environmental (E), social (S) and governance (G) aspects, and the area of sustainability reporting and compliance. The team includes representatives of the senior management and key function holders, which provides for the effective inclusion of aspects of sustainability in decision-making and strategic planning processes.

The expanded sustainability team includes colleagues from various functions at the company, such as development, procurement, quality, HR, finance and energy. This approach allows for sustainability challenges to be addressed holistically, as these challenges are part of the fabric of all business processes.

The sustainability team's responsibilities include:

~ collecting and processing sustainability data,
~ monitoring key performance indicators,
~ implementing and coordinating sustainability measures,
~ ensuring compliance with legislation and with market requirements,
~ supporting the preparation of sustainability reports.

The collaboration and coordination of the different functions bring an aligned approach to managing sustainability topics, and the ability to adapt to changes in the business environment. The sustainability aspects are directly tied to the Domel Group's strategic objectives, and represent a major component of the long-term management of the company's risks and opportunities.

Sustainability policy

The Domel Group has established a comprehensive set of policies and internal documents to systematically manage and control the areas of quality, environmental protection, information security and ethical business practices. Our integrated management system is grounded in internationally recognised standards, particularly ISO and IATF, and is certified across our various production sites. A site-specific overview of certifications is provided below.

Certified quality assurance and environmental management systems by production site

Site	ISO 9001	ISO 14001	IATF 16949	ISO 13485
OTOKI	✔	✔	✔	
TRATA 1	✔	✔	✔	
TRATA 2	✔	✔	✔	
NA PLAVŽU	✔	✔		✔
RETEČE	✔	✔	✔	
ČEŠNJICA	✔	✔		
SUZHOU	✔	✔		
ODŽACI	✔	✔		

Quality assurance policy

The company has a long tradition of quality assurance, as one of the first companies in Slovenia to hold the ISO 9001 quality management certificate (since 1992). With the adoption of our quality policy, we are committed to ensuring the highest standards and using best practices in product development, manufacturing and quality, and in customer support. We demonstrate and achieve this by:



- continually improving and updating our quality management system;
- complying with the requirements of the ISO 9001, ISO 14001, IATF 16949 and ISO 13485 standards;
- focusing closely on the needs of our customers, of legislation and of the requirements of other interested parties to which Domel has agreed;
- monitoring the quality of our processes, products and services, and setting measurable objectives aimed at continual improvement;
- managing strategic, operational and other risks, thereby guaranteeing the company's stable growth and sustainable development, long-term financial security and growth in value added;
- using risk analysis during product development to ensure product safety and reliability, user safety and the usefulness of products;
- keeping employees informed about the company's fundamental principles, strategies, policies and objectives;
- continually developing competencies, and raising awareness about responsibility for quality.

Environment policy

The Domel Group's environmental policy follows the principles of sustainable development, and entails a commitment to reducing negative impacts on the environment. We pursue the core principles of our environmental policy by:

- monitoring and complying with legal requirements, our customers' demands, and other requirements that Domel has committed to and that are linked to environmental aspects;
- training and communicating in order to raise the environmental awareness of all employees, and of others who work for or on behalf of Domel;
- systematically identifying, reducing, preventing and eliminating the adverse environmental impacts of our activities;
- actively reducing greenhouse gas emissions through a variety of measures, including the use of renewables and improvements to energy efficiency;
- developing and producing environmentally friendly products, where priority is given to materials and technologies that use natural resources efficiently and reduce energy consumption, including the use of recycled materials;
- being aware of the importance of biodiversity and being committed to responsible treatment of the environment that contributes to its conservation;
- communicating and working effectively with the local community, administrative bodies, and other interested parties.



Information security policy

At Domel d.o.o. we are aware of the importance of information and cyber security in terms of ensuring continuity in the functioning of the entire supply chain, and maintaining the trust of our stakeholders. We demonstrate this in practice by:



- continually improving and updating our information security management system (ISMS);
- complying with the requirements of ISO/IEC 27001 and TISAX;
- meeting the expressed and unexpressed requirements of stakeholders with regard to information protection and information security;
- complying with all relevant legislation and standards;
- ensuring the integrity, availability and confidentiality of information;
- raising awareness of the importance of information and cyber security among our employees;
- proactively managing information security incidents;
- sanctioning breaches of information security policy;
- regularly reviewing the functioning of the ISMS;
- continuously improving the ISMS of the Domel Group companies in Slovenia and our suppliers.

The ISMS policy is implemented through organisational regulations and instructions that define specific aspects of information and cyber security in detail. These define roles, responsibilities, requirements and procedures in a meaningful and area-specific manner.

The ISMS policy and instructions are adhered to by all employees, by our suppliers and customers, and also by other stakeholders within the framework of agreements.

Information and cyber security in 2025

No cyber incidents were recorded in 2025. We continued to take measures to strengthen information and cyber security, particularly in meeting the requirements of the ZInfV-1 and in preparations for the TISAX audit in 2026.

In 2026 we will continue activity to upgrade the ISMS, including an overhaul of the information security policy, the creation of registers of information resources and information risks, and an upgrade to supplier management from the perspective of information security.

Ethics, code of conduct and whistleblower protection

At the Domel Group we want our business to be ethical, accountable and lawful. The cornerstone of our expectations regarding the conduct of employees, senior management, members of management bodies, and business partners is the Domel Group's code of conduct, which sets out the principles of integrity, respect, accountability and long-term collaboration.

The code of conduct is based on the ILO's Declaration on Fundamental Principles and Rights at Work, the OECD's Guidelines for Multinational Enterprises, and the UN's Universal Declaration of Human Rights. It is available on the company's website[1]. The areas covered by the code of conduct include:

- preventing corruption and illegitimate business practices,
- upholding the rules of fair competition,
- ensuring accurate and transparent reporting,
- preventing conflicts of interest, and safeguarding confidential information,
- upholding human rights, equal opportunities and the dignity of the individual,
- ensuring healthy and safe working conditions,
- acting responsibly towards the environment,
- working with the local community, and being accountable to wider society.



[1] https://www.domel.com/document-download/110

To ensure the effective implementation of the principles of the code of conduct, and full compliance in our business, we have also set up a whistleblowing system in line with the Whistleblowers Protection Act (the ZZPri).

This system ensures the following:

confidentiality in whistleblowing, and protection of the identity of whistleblowers,

protection from retaliatory measures,

the option of submitting a whistleblowing report in cases of suspected irregularities,

the proper consideration of whistleblowing reports, and actions when breaches have been identified.

No instances of corruption, discrimination, breaches of human rights or other significant non-compliances were identified in 2025.



Ethical performance indicators	2025
Reports received via the whistleblowing system	0
Confirmed cases of discrimination or harassment	0
Confirmed breaches of human rights	0
Confirmed cases of corruption	0
Fines for corruption	0
Significant financial penalties for non-compliance	0
Pending complaints and procedures at year end	0

Risk management

In uncertain conditions like those that we faced again in 2025, identifying, understanding and managing risks is an important part of corporate governance, and vital to the achievement of the company's strategic objectives. The Domel Group's risk management policy is based on the ISO 31000 standard. Under the risk management framework, we identify and assess risks, and take measures to reduce the likelihood of risks arising, and to mitigate the consequences if they do. We keep a risk register, and divide risks into financial/business risks and operational risks. Successful risk management is an important element of the company's sustainable development, and we therefore pay a great deal of attention to environmental, social and economic risks.

Risks	Examples	Actions/response
Environmental and climate-related risks	fire, flood, ecological disasters, extreme weather events, climate legislation, energy price volatility, emission costs	energy efficiency, investment in renewables, monitoring, contingency plans, technological adaptation, preventive protective action, ISO 14001
Social and HR risks	shortage of key personnel, skills shortages, high wage expectations, absenteeism, loss of key know-how, work-life balance	HR development, scholarships and sponsorship, training, health promotion, skills development
Supply chain risks	shortage of critical raw materials, supplier price pressures, breaches of human rights and labour rights, value chain emissions	supplier diversification, supplier appraisal, collection of sustainability data, long-term cooperation with suppliers
Business and market risks	loss of customers and suppliers, economic crisis, geopolitical risks, cyclicality and developmental uncertainty in the automotive industry, changes in market requirements	diversification of markets and products, development of new technologies, strategic relations, quality policy
Financial risks	credit risk, currency risk, liquidity risk	collateral, monitoring of exchange rates, long-term contracts
Product and quality risks	compensation claims for latent defects, product recalls, product non-compliance with legislative requirements	quality management system, development procedures, product validation and testing
Cyber and information risks	cyberattacks, data loss	TISAX, ISMS policy, employee training

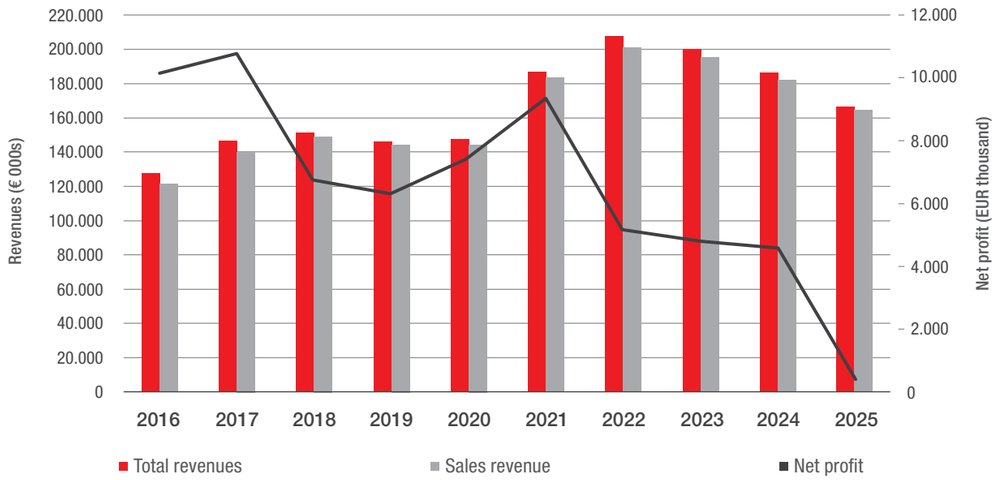
Performance and results in 2025

2025 results

Domel faced difficult conditions in 2025, but the way in which it was able to adapt was testimony to the company's resilience in an unpredictable business environment. The weakness of the economy in Germany and across Europe, geopolitical risks, currency volatility and supply restrictions all drove customers to scale back investment and reduced activity in key markets, particularly in the automotive industry. Despite a target of increasing value-added per employee, the situation worsened in the second half of the year, which led to reduced sales and profitability. The Domel Group therefore focused above all on maintaining financial stability and liquidity in 2025. Through effective management of working capital and adjustments to its operations, it was able to generate a positive cashflow, while the EBITDA margin remained below target, albeit at a level of stable performance.

After consolidation eliminations, the Domel Group realised total revenues of €169 million, down 9% on the previous year, with sales down 10%.

Domel Group revenue and earnings in the last 10 years



SALES REVENUE OF DOMEL d.o.o.

€165.6 million

INVESTMENT

€11.6 million

PRODUCT DEVELOPMENT

4 % of sales revenue

In terms of size and share of revenues, the largest company in the Domel Group is Domel d.o.o. Domel d.o.o.'s total revenues amounted to €171.5 million in 2025, down 12% on the previous year and down 12% on the forecast in the plan. Sales revenue accounted for €165.6 million or 96.6% of total revenues. The company generated a net profit of €257 thousand in 2025. Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to €15.8 million, which saw the EBITDA margin fall from 11.2% in 2024 to 9.6% in 2025 (a 14.3% decline). Value-added per employee also fell, from €56,714 to €54,402. Return on equity (ROE) stood at 0.3%. A total of €11.6 million was earmarked for investment in 2025, with the equivalent of 4% of sales revenue being invested in the development of new products. Despite the challenging conditions on the market, the results point to sound cashflow management and to high levels of innovation, efficiency and agility.

Domel, d. o. o.	A 2025	P 2025	A 2024	A 25/P 25	A 25/A 24
Number of working hours	598,447	614,400	642,856	97.40	93.09
Headcount (31 Dec)	1,044	1,125	1,103	92.80	94.65
Total revenues (€)	171,523,074	195,151,000	195,213,319	87.89	87.86
Net profit (€)	257,295	8,580,000	3,903,591	3.00	6.59
Net profit per employee (€)	246	7,627	3,539	3.23	6.96
Net profit / total revenues	0.2%	4.4%	2.0%	3.41	7.50
Value-added per employee (€)	54,402	60,412	56,714	90.05	95.92
Return on equity	0.3%	9.1%	4.3%	3.01	6.45
EBITDA margin	9.6%	12.4%	11.2%	77.17	85.72

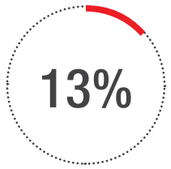
International recognition of operational excellence

In 2025 Domel d.o.o. retained its Platinum Excellence rating from international rating agency Dun & Bradstreet. This is the highest rating in the AAA system, which only goes to companies that maintain the highest credit rating for more than five years in a row. It confirms Domel to be one of the most reliable, financially stable and low-risk companies to work with in Slovenia and further afield.

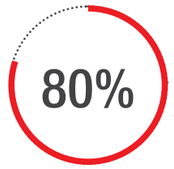


Sales by most important markets

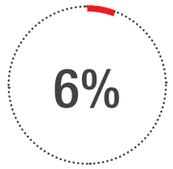
Domel d.o.o. generated most of its sales revenue on EU markets. Including the domestic market, the EU accounted for 74% of total sales revenue in 2025. Sales on the domestic market amounted to €14 million, or 8.5% of the total. Other EU markets generated sales of €108.7 million or 65.6% of the total, while foreign markets outside the EU accounted for 25.9%. Germany remains our most important market, accounting for 21.4% of sales revenue, a figure of €35.5 million in total. It was followed by Romania with 13.3%, the domestic market with 8.5%, and the USA with 6.5%. The USA is the company's largest market outside the EU (sales revenue of €10.8 million), followed by Canada (€10.2 million).



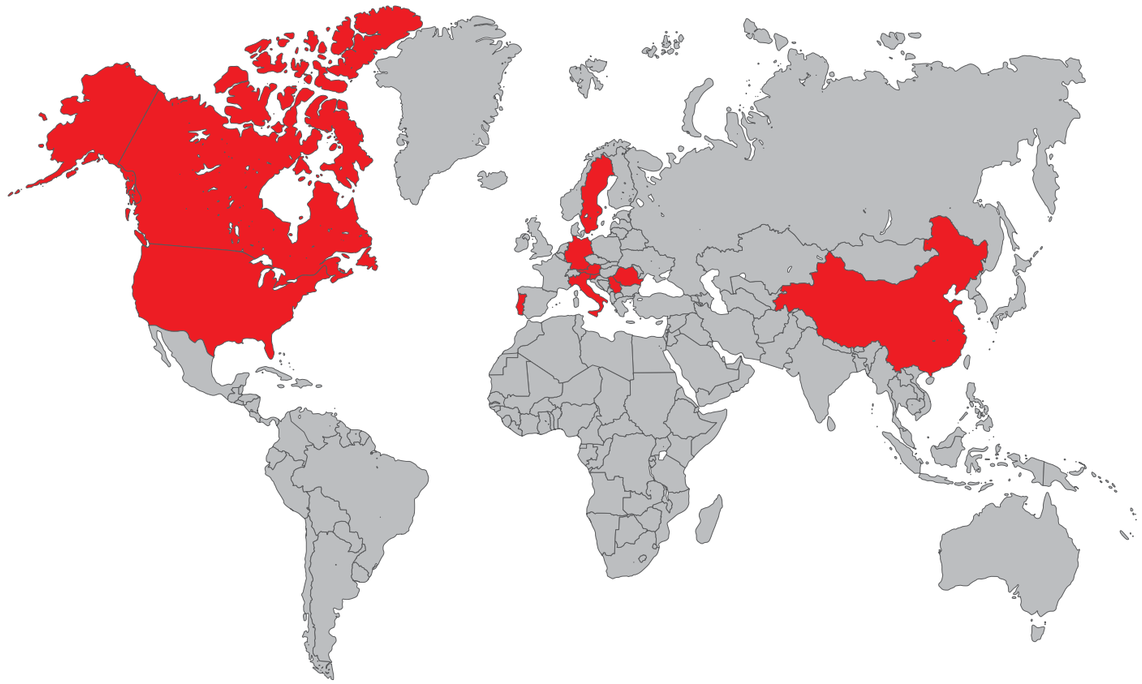
NORTH AMERICA



EUROPE



ASIA



DOMESTIC MARKET
SALES REVENUE FROM PRODUCTS

€14 million

8.5%

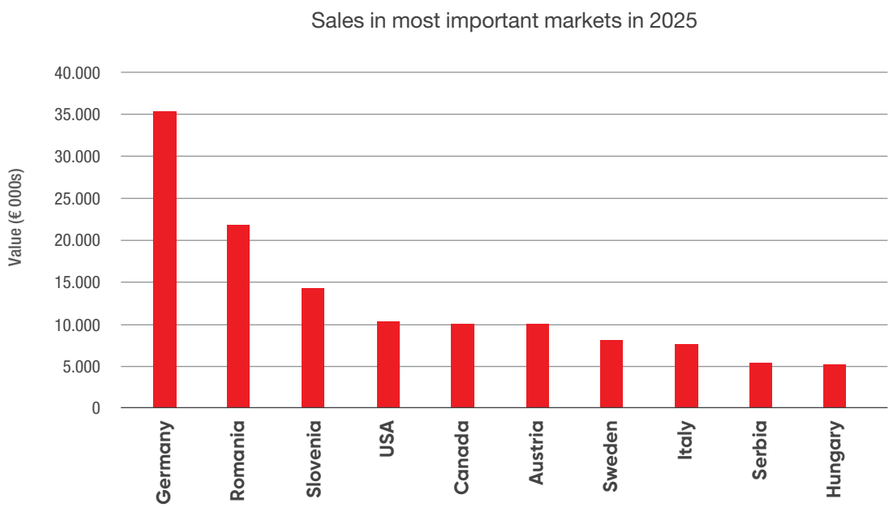
SALES REVENUE

OTHER EU MEMBER STATES
SALES REVENUE FROM PRODUCTS

€108.7 million

65.6%

SALES REVENUE



FOREIGN MARKETS
SALES REVENUE

€151.6 million

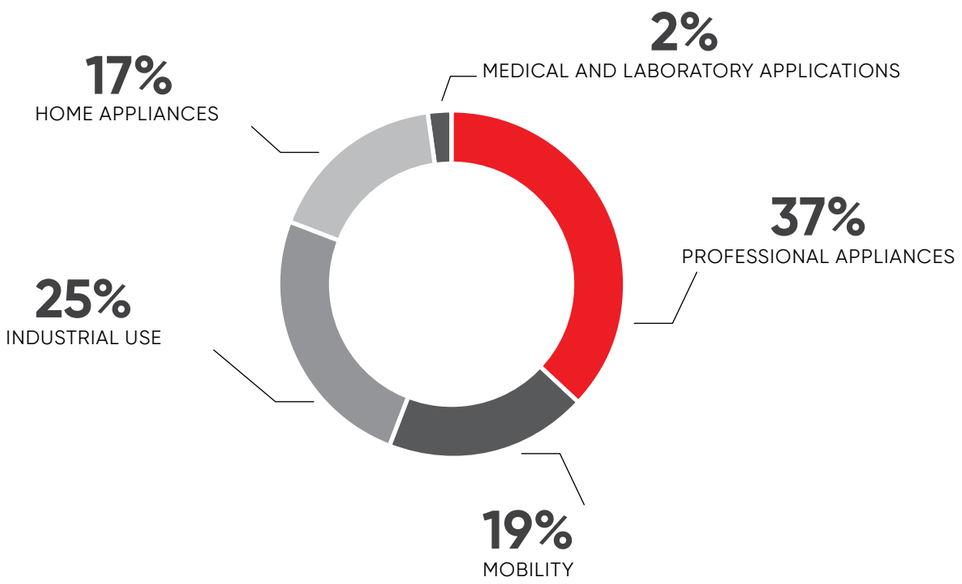
91.5 %

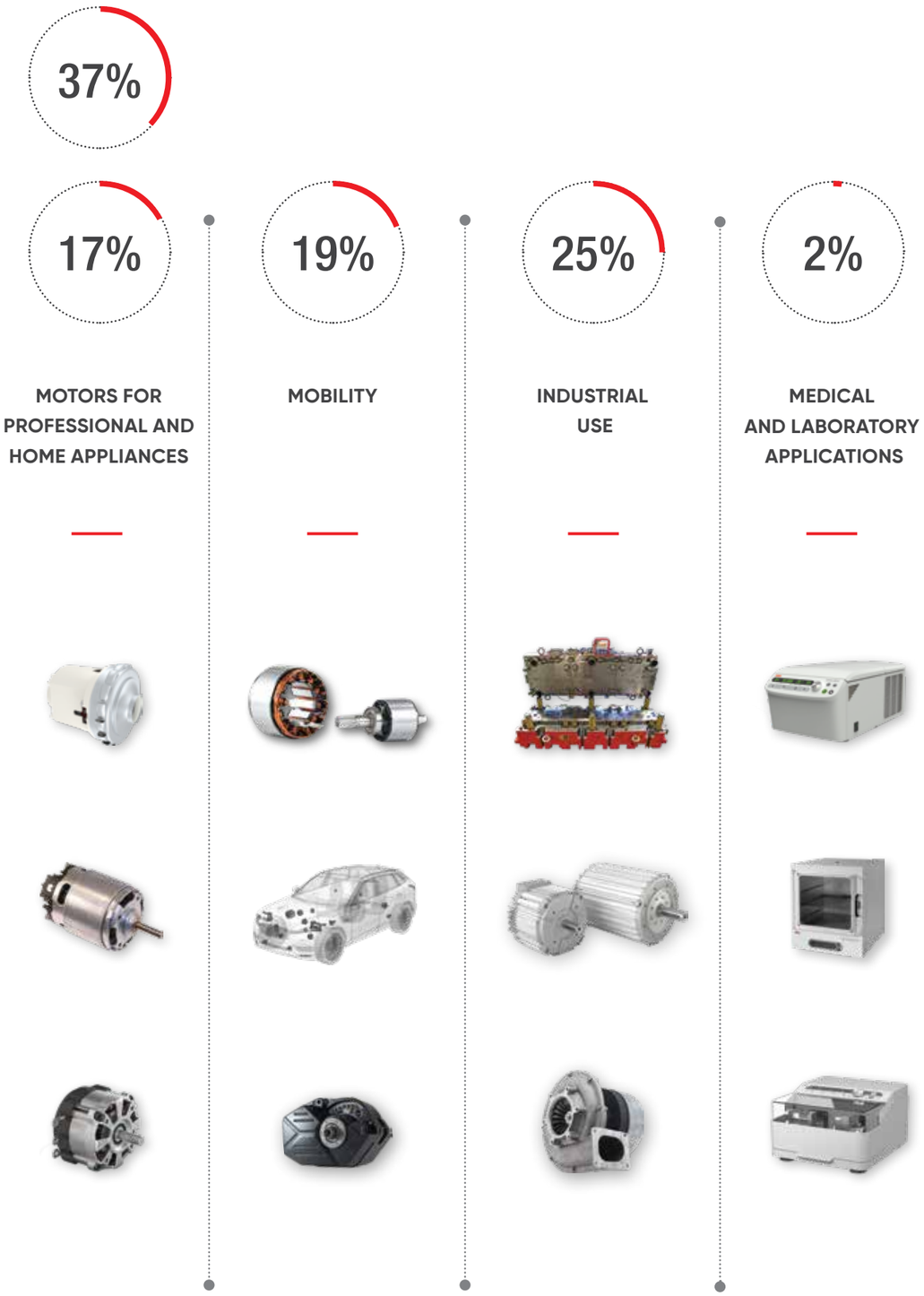
SHARE

Sales by product line

With sales revenue of €54 million, accounting for 32.4% of total sales, vacuum units remained the leading product line in 2025. Sales were unchanged from the previous year, in line with the forecast in the plan. The second most important product line, accounting for 19.6% of total sales, was components and tools, sales of which were down 4.3% on the previous year. Other product lines also saw a slight decline in sales revenue: sales of UC and DC motors were down 5.7%, sales in the LABS range were down 10.9%, while the largest decline was in the automotive range, where sales were down 47.3% on 2024, Which reduced the share of total sales that they account for by 4.8 percentage points. We continued our active marketing of the EC range, but it nevertheless saw a slight decline in sales. Sales of the EC drive range were down 0.7%, sales of the EC motor range were down 5.7% and sales of EC systems were down 8.7%.

Sales by market segment in 2025





Innovation for sustainable products

Innovations as the driver of sustainable transformation

Our developmental vision

At the Domel Group we believe that technological progress, innovation and sustainability are intrinsically connected. Our development vision is centred on creating products that not only meet the related technical requirements but also promote the responsible management of natural resources, energy, and the environment. Innovation is thus more than a response to technological challenges – it is a core element of our commitment to the sustainable transformation of the economy.

Through an integrated development approach, ranging from advanced technologies and eco-design to high efficiency and long-term reliability, we design motors and drive systems that provide our customers with a competitive edge while addressing global challenges such as climate change and the circular economy.

Focus on sustainable solutions

We ended 2025 with 46 major development projects in progress, 17 less than in the previous year. This reduction reflects our strategic policy of focusing on development projects with the highest potential for innovation, sustainability impact, and long-term value creation. Despite the fall in the number of projects, several new development initiatives were launched in 2025, although the uncertainty on global markets did have an impact on the dynamics in the development portfolio. This was reflected in increased caution on the part of customers when it comes to new investment, longer development phases, and in certain cases a pause in activity or the abandonment of the project.

We responded to these circumstances by focusing our development activity on complementary markets, which are less sensitive to economic volatility, and by further reducing supply chain risks. Here there is a particular focus on critical raw materials and components, where we are developing alternative technical solutions and substitute sources, which helps to build long-term stability in our operations.

We will also build increased resilience to the unpredictable global situation by increasing our diversification across markets. To this end we have begun working more intensively on opportunities in fast-developing fields such as suction in medicine, transportation of granulates, air filtration, disinfection of clothing and footwear, and drives for robots and electric vehicles.

Our focus in existing product lines was on upgrading drives for working in challenging environments such as high temperature and humidity, and high-cycle loading. Collaborating with educational and research institutions, we also worked on research into critical materials such as rare earths, and how to enable recycling, repairability and reuse. In times of economic adversity ensuring cost-effectiveness is vital, and in this area we introduced alternative materials and worked on optimising the consumption of materials and energy.

The adverse economic conditions were also reflected in caution on the part of customers when it comes to investing in new products, which meant that the share of total sales accounted for by products less than three years old was down 2 percentage points on the previous year at 25%. The increase in in-house development activity began to be seen towards the end of the year, when the share of products less than three years old began rising again, and this positive trend continued into the early months of 2026. This led to new families of motors coming to the market, with upgrades to the EC 840, the EC 714 and the EC 729.

Awards and international recognition

In 2025 we received a national silver award from the Chamber of Commerce and Industry of Slovenia (GZS) for the development of the MillMix 30 ball mill. The GZS awards represent the highest national recognition of innovative achievements by Slovenian companies, and are a key indicator of technological excellence and development focus.

The MillMix 30 is an advanced laboratory appliance that combines high capacity, a sophisticated user interface, and a new generation DC motor. Its key features include a greater stroke length than competing solutions, and an improved user experience, which give it a pronounced competitive advantage on the market.

This product is confirmation of our success in connecting in-house development, technological know-how and design, while at the same time it is indicative of the expansion of development activities in connection with laboratory equipment with high value-added. Further evidence of its innovativeness comes from a GOOD DESIGN award, which is helping to further raise Domel's profile in global markets.



Millmix 30 | Laboratory ball mill

Sustainable product design
and impact evaluation

Design with the entire lifecycle in mind

At the Domel Group sustainability is embedded in product development in the very earliest stages. Our motors, vacuum units and drive systems are engineered with the entire product lifecycle in mind – from selection of materials and production processes, to use, maintenance and end-of-life processing. In our development work we aim to reduce the consumption of resources, improve energy efficiency, and increase the scope for reusing and recycling materials.

Low-impact and highly recyclable materials

By developing compact and lightweight solutions, we reduce the quantity of raw materials required. This not only lessens the environmental impact but also improves logistical efficiency. We prioritise the use of materials that are free from hazardous substances, and those that are recyclable or reusable. The materials used in our electric motors are highly recyclable – up to 98% in some versions, depending on material selection and design solutions.

We also have a keen focus on critical raw materials, and high-impact materials. We are working with suppliers and R&D partners to study the possibility of reducing their use, improving traceability, and developing solutions for more efficient recycling.

Our development of electronically commutated (EC) units is further reducing the consumption of materials and product weight while bringing improvements in efficiency and lifespan.

Developmental improvements are also evident in the tangible results from years of product development. Over the past two decades we have used innovative approaches to significantly reduce the weight of our electric motors – by more than 60% in some cases – without compromising functionality. A vacuum unit developed in 2000 weighed around 1.5 kg, but by 2015 the next-generation unit weighed just 0.73 kg. Moving to electronically commutated technology allowed us to reach higher revs and efficiencies, which gave us the opportunity to further reduce material consumption to 0.35 kg while getting the same performance. Half a million of these units were manufactured in 2025, which entails a reduction of 190 tonnes in the consumption of materials such as sheet metal, copper and plastics.



Older version of vacuum unit

~ lower weight
~ higher efficiency
~ more compact design



SE 759 | Vacuum unit

High energy efficiency

High energy efficiency is a cornerstone of our development efforts. By optimising efficiency we reduce energy consumption during the usage phase, resulting in lower costs for end-users and reduced greenhouse gas emissions.

The effects are especially evident in our motors for HVAC applications, where we achieve the highest energy efficiency class (IE5) and demonstrably contribute to substantial energy savings.

Environmental impact assessment for products

In recent years we have systematically strengthened our assessment of the environmental impact of our products over the entire lifecycle. During development we make use of the life cycle assessment (LCA), which is used to assess the environmental impact of the materials and production processes used, and the use of the products themselves.

To further incorporate aspects of sustainability into development processes, we also updated our internal development documentation and OP19 and OP23 development procedures, which now include requirements in connection with environment impact assessments, data collection for calculating product carbon footprint, and the relevant sustainability criteria in development stages.

In 2025 we continued to collect greenhouse gas emissions data for key materials and components, focusing on the main commodity categories with the highest consumption and the greatest impact on product carbon footprint, such as electrical sheet, copper, magnets, aluminium, plastic and electronic components. Collecting specific data from suppliers allows us to make precise calculations of product carbon footprint (PCF), and to better identify opportunities to cut emissions over the entire value chain.

Life cycle assessment is conducted for various product categories in the portfolio, with the results serving to aid decisions in connection with development, and also as support for customers in their own sustainability activities. We conducted several life cycle assessments and product carbon footprint calculations in 2025 for the needs of development projects, research activities and customer requirements. The findings confirm that in a number of products the greatest impact comes from the use phase, and therefore during development we focus in particular on energy efficiency and optimising product operation.

We also monitor the evolution of legislation in connection with sustainable products, digital product passports (DPPs) and environmental requirements in the supply chain, as we anticipate data of this kind playing an important role in product development and marketing in the future.

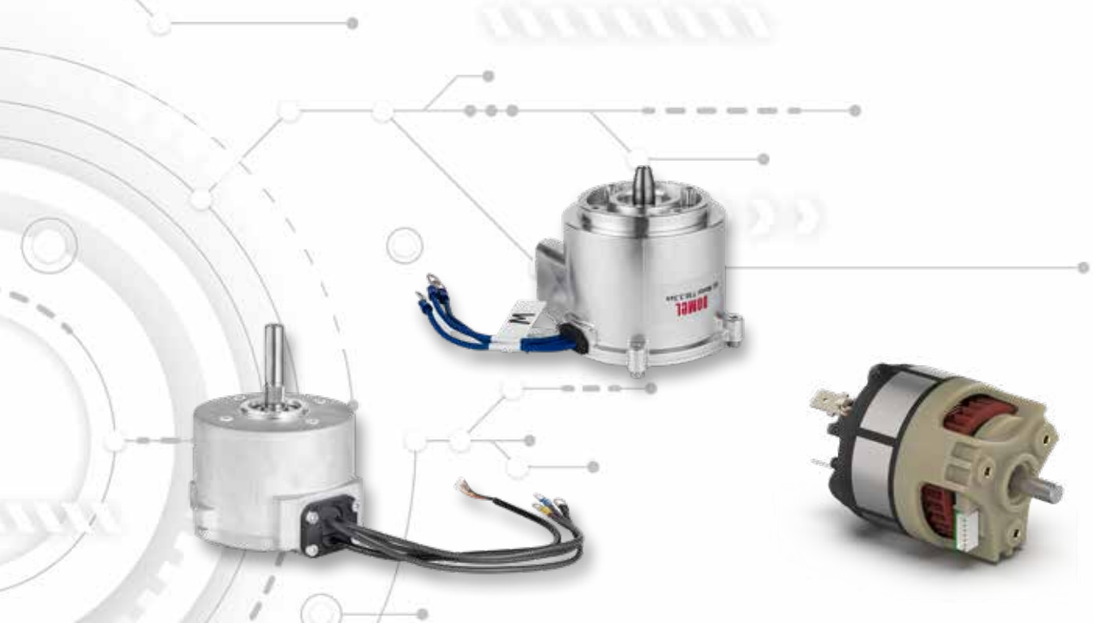
Advanced EC drives
for energy-efficient applications

The development of electronically commutated (EC) motors at the Domel Group is setting new benchmarks in this segment, reinforcing our position in the global market while contributing to energy efficiency and a reduced environmental footprint across a wide range of applications – from household appliances and professional tools to ventilation systems.

We continued to develop and industrialise new generations of EC drives in 2025 for the areas of cleaning technology, garden equipment, handheld tools and other specialist applications. There was a particular focus on improving the energy efficiency, lifespan, modularity and weight-to-capacity ratio of products.

We successfully launched the EC 714 compact high-speed vacuum unit for cordless vacuum cleaners, which combines high capacity, a long lifespan, and a good weight-to-power ratio. We also continued the development and industrialisation of new generations of vacuum units with improved aerodynamic efficiency, and resilience in demanding operating conditions. A prime example is the EC 758 family, whose aerodynamic efficiencies of more than 55% bring them more efficient energy use and higher capacities. Developing these solutions is also seeing us expand into new market segments, such as dental appliances.

In the garden equipment and handheld tools segment we continued development of the EC 720, EC 730, EC 735 and EC 740 families, and expanded the portfolio of solutions for various customer requirements. Meanwhile we are focusing in particular on mitigating supply chain risks, and on developing solutions that are less dependent on critical raw materials.



EC 740, EC 730 and EC 720 | BLDC motors for garden equipment and handheld tools

Sustainability impact
of energy-efficient HVAC solutions

Sustainability impact of energy-efficient HVAC solutions

EC motors developed for HVAC systems are a cornerstone of our energy-efficient solutions portfolio. HVAC systems are among the largest consumers of electricity due to their continuous, year-round operation.

At Domel we design these motors following the principles of sustainable and high-efficiency engineering. We prioritise optimal material usage, advanced technologies, long lifespan, and reliable operation without the need for maintenance. Our HVAC motors achieve energy efficiency class IE5 (according to IEC 60034-30-2), resulting in extremely low energy consumption under real-world conditions.

Beyond energy efficiency, these motors also use more sustainable materials. Instead of rare earth magnets, they use ferrite magnets, reducing dependency on strategically critical raw materials. Designed and manufactured in Europe, these motors contribute to stronger supply chain resilience and greater self-sufficiency within European industry.

Another significant advantage is their lightweight construction – approximately one-third the weight of conventional asynchronous motors – which benefits logistics, assembly and overall end-use.

In 2025 we continued our work to standardise, certify and optimise the HVAC-motor families, thereby making them more competitive and more available for a broader range of applications. The development activities focused on further improving cost-effectiveness while maintaining the highest energy efficiencies, and also research into the possibility of using these solutions outside the HVAC field.

ENVIRONMENTAL IMPACT[2]

IE5 motors enable a total saving over five years compared with the IE3 benchmark

IE5 2021–2025





[2] Taking account of the average EU electricity emission factor (0.240 kg of CO_2 / kWh), this means that five years of using these motors would prevent approximately 218,000 tonnes of CO_2 emissions, equivalent to the annual emissions of approximately 51,000 cars.

Innovations
in e-mobility

Last year saw continued uncertainty in the automotive industry, particularly the first half of the year, when orders from customers fell, and new opportunities narrowed in scope. The second half of the year did however see a recovery in demand for new solutions, which points to the gradual stabilisation of the market and new development opportunities. Electrification remains one of the key trends in the transition to a low-carbon society, and we are therefore continuing to develop solutions that support higher energy efficiency and advanced functionality in electric vehicles. In October 2025 we successfully shipped the first series of the new EC 840 motor designed for torque management systems in electric vehicles. This technologically advanced product represents an innovation on the market, and brings huge added value to buyers of premium vehicles when driving. In the second half of the year we were also given the go-ahead to develop the next generation of this product, an expression of confidence on the part of customers that strengthens our position in the segment of advanced automotive solutions. The EC 840 development project gained us significant experience, particularly in ensuring high cleanliness in components and production processes, a significant competitive advantage when it comes to developing other demanding applications. We are also seeing increased market interest in solutions in the area of pumps and filtration, which is a new development opportunity and points to a direction for further expanding the product portfolio.

H1 2025

Uncertainty in the automotive industry, falling orders from customers, new opportunities reduced in scope.

H2 2025

The recovery in demand for new solutions points to the gradual stabilisation of the market, and to new development opportunities.

OCTOBER 2025

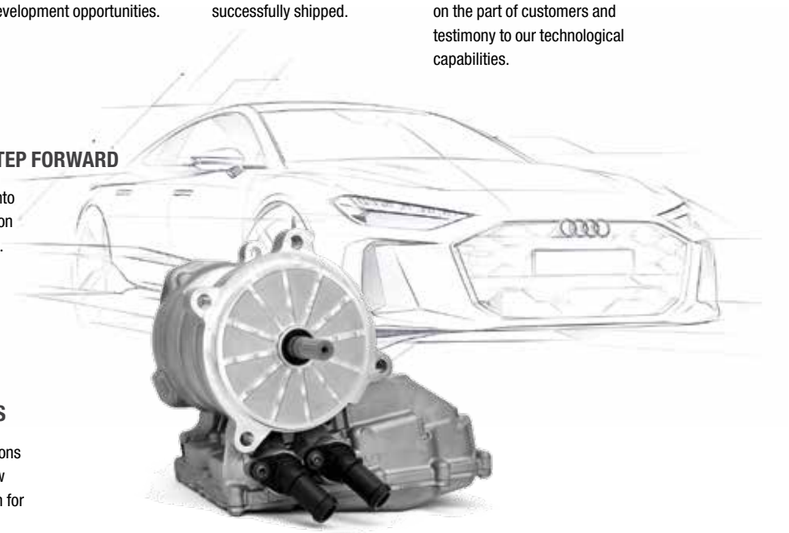
The first series of the new EC 840 motor for torque management systems in electric vehicles was successfully shipped.

NEW GO-AHEAD

We were given the go-ahead to develop the next generation of this product, an expression of confidence on the part of customers and testimony to our technological capabilities.

EC 840
TECHNOLOGICALLY CHALLENGING STEP FORWARD

An important shift from the development phase into serial production, and reinforcement of our position in the segment of advanced automotive solutions.



NEW DEVELOPMENT OPPORTUNITIES

We are seeing increased market interest in solutions in the area of pumps and filtration, which is a new development opportunity and points to a direction for further expanding the product portfolio.

Hydrogen technologies
for a sustainable future

Hydrogen is emerging as a key enabler in the transition to a low-carbon economy. At the Domel Group we have been developing components for fuel cells for over two decades, contributing significantly to advances in hydrogen technologies, particularly in air and hydrogen supply systems.

In recent years we have evolved from a development partner to a reliable supplier, as our customers have moved into serial production of hydrogen-powered vehicles, ranging from trains to trucks. Our EC Systems business unit successfully launched series production of air blowers and hydrogen recirculation pumps, while continuing to develop new solutions.

In 2025 we continued the development and industrialisation of new generations of blowers for fuel cells and industrial applications. Development of the EC 790 high-voltage blowers with IP55 protection and of a higher-capacity EC 797 recirculation pump designed for fuel cell systems was completed. The two solutions are making their contribution to greater reliability and an expansion of the potential use of hydrogen technology in demanding operating environments.

As part of the GREMO project we are also developing the EC 799 turbo compressor, where the aim is to expand into new applications with high value-added. The new technologies will also be useful in other areas of industry that demand robust energy-efficient solutions for working in demanding conditions.

We are also expanding our presence in new segments of the hydrogen value chain, such as the production of hydrogen by electrolysis, where our solutions are already finding their way into test systems. As part of the HyBReED project we are also involved in developing test methods and infrastructure for testing hydrogen components.

The desire to monitor current trends in this area saw us attend two hydrogen technology trade fairs in Germany. The further development of fuel cell components, support technologies and new applications is reinforcing our role in the hydrogen value chain, and letting us make our contribution to the development of the low-carbon technologies of the future.



EC 790 | High-voltage EC blower



EC 797 | Recirculation pump

Innovative solutions
for the laboratory and medical environment

The Domel LABS business unit continued its development of advanced laboratory and medical equipment, and strengthened its presence on international markets. Combining our own development know-how, contemporary design, and advanced technological solutions, we are creating products with high value-added aimed at laboratories, research institutions, and medical and pharmaceutical applications.

In 2025 we continued our development of a new refrigerated centrifuge, now in the final phase, and began work on updating centrifuges for potential use in aseptic isolators. When developing new appliances, we are particularly attentive to energy efficiency, reliability of operation, and the use of more environmentally acceptable technological solutions.

The medical equipment line was further expanded through the industrialisation and intensive marketing of new products in the field of drying and disinfection systems. With the aim of increasing our resilience to the volatility in individual markets, and given the growing importance of medical and pharmaceutical applications, we are continuing to target the development of products for this segment, and are seeking new opportunities for applying existing competencies and technological solutions.

Our expert service support is also an important part of our business, ensuring that our users benefit from reliability in operation, maintenance, and extended lifespans.



CENTRIC 260 R | Refrigerated laboratory centrifuge

Energy efficiency

For laboratories and research institutions

For the medical and pharmaceutical environments

Top-quality technical support

Technological innovations
in processes

Advanced development technologies are a cornerstone of Domel's competitive advantage. Our EC motor designs achieve the performance of universal motors while delivering significantly reduced weight and energy consumption. To support these advances, we invest in innovative manufacturing and testing methods that enhance product quality, reliability and sustainability.

Several newly developed technologies were moved into regular production in 2025. The major achievements included the implementation of solutions in the area of laser rotor balancing, contacting and balancing, which allow for improvements to product specifications and the use of alternative components, and increase the competitiveness and robustness of production processes. Another important step forward was the regular production launch of the open EOL platform, which has further strengthened the digitalisation and standardisation of end-of-line control processes.

Laser rotor balancing

To achieve the highest operational precision in our motors, we have developed an in-house laser rotor balancing system. Using an advanced algorithm, mass imbalances are detected and corrected by laser-based material removal. This significantly reduces vibration and noise, and extends motor lifespan.

Laser welding without adhesives

We have introduced laser welding of plastic components, eliminating the need for adhesives. This not only enhances material efficiency, but also improves the environmental profile of joints. With carefully selected materials, geometry and process parameters, we achieve robust, durable and aesthetically controlled welds, with 100% quality control.

Thermoplastic forming for durable joints

Our thermoplastic forming technology enables the creation of high-strength, durable joints without adhesives or additional bonding agents. By optimising component geometry, material selection and process parameters, we ensure high-quality and repeatable joints that are both mechanically robust and environmentally friendlier.

Non-destructive testing of winding insulation

As conventional methods for testing winding insulation damage are often destructive and lead to discarded products, Domel has developed its own non-destructive method. This allows high-voltage checking of the integrity of the insulation on each unit, without damaging it. Advanced technology also enables precise fault localisation through visual detection of the electrical arc, which significantly increases the efficiency of quality control.

Digitalised resistance welding

Existing resistance welding processes are being upgraded through digitalisation and a developmental approach, increasing the reliability and quality of electrical joints in motors. This ensures long-term operational stability, and reduces the risk of breakdowns.

End-of-line control devices

In 2024 and 2025 we developed a new platform for end-of-line (EOL) control devices, which is based on an open-source programming language and can be used with various types of devices for end-of-line testing, and launched it in regular production. The system enables the implementation of all key functionalities required for efficient end-of-line testing – from management of measuring equipment to data capture, analysis and storage of results.

The new platform offers a higher degree of flexibility, simplified maintenance and better control over test processes. Thanks to its transferability between different systems and its cost-effectiveness, it is making a significant contribution to improving the quality, reliability and sustainable efficiency of our production processes.

Participation in R&D projects

The Domel Group actively participates in national and international R&D projects that advance the transition towards a sustainable, circular and digital economy. In 2025 we were involved in multiple projects in the fields of electromobility, the circular economy, digitalisation, hydrogen technologies and sensor development. The projects are co-funded by the EU, the government and other stakeholders, and are carried out in collaboration with industrial partners, research institutions and universities.

REMHub – circular solutions for rare metals

We are continuing our work on the sustainable use of rare earths as part of the European REMHub project. This consortium of 24 partners from six countries aims to establish sustainable, circular and traceable value chains for rare earths and permanent magnets.

Domel is involved in developing solutions for the use of recycled materials, traceability of permanent magnets, evaluation of the possibility of a circular economy for rare earths in electric motors, and the more efficient use of magnetic materials after the end of product lifespan.

Sustainable mobility projects and electric motors of the future

Much of our R&D activity in 2025 occurred within the GREMO strategic research and innovation partnership, which focuses on the development and industrialisation of advanced electric motors for future e-mobility. Within this framework we are developing high-performance, energy-efficient and material-optimised drives to enhance the global competitiveness of Slovenian companies in the automotive sector. Together with a consortium of Slovenian partners, the project is contributing to breakthrough solutions for future mobility, and is reinforcing Slovenia's role in the green and technological transition. The new platform offers a higher degree of flexibility, simplified maintenance and better control over test processes. Thanks to its transferability between different systems and its cost-effectiveness, it is making a significant contribution to improving the quality, reliability and sustainable efficiency of our production processes.

Sensors and advanced technology projects

The GREENTECH project is examining the possibility of printing temperature-vibration sensors directly onto motor casings. The aim is to develop smart drives equipped with embedded sensors to monitor condition and wear, enabling preventive maintenance and reducing the risk of downtime.

We also continued our collaboration in the HyBReED project, where we are working on safety studies for setting up a hydrogen testing facility. The project represents a major step forward to the wider use of hydrogen technologies, and the development of the safe components of the future.

Domel was also involved in the ETC XS LAB – Zero Waste in Wastewater project, aimed at developing the Microbium® ETC analyser, the world's first reusable device for detecting bacteria in wastewater. The project made a contribution to the development of advanced solutions for monitoring wastewater and the sustainable management of water resources. Work on the project came to an end in 2025.



EC 720 | BLDC motor for garden equipment and handheld tools

Responsible management and collaboration with partners

Relations with customers and business partners

Long-term partnerships with customers

At the Domel Group we cultivate long-term relationships with our customers built on trust, quality, technological excellence and agility. Many of our partnerships span decades, testimony to the stability in our collaborations, and our ability to create value for customers over the long term.

We provide customers with research support, a high level of responsiveness, and adaptations to their specific requirements. Regular communication, shared development projects and reliability in supply processes help to maintain a high level of trust and customer satisfaction.



Customer satisfaction and systematic feedback

We regularly monitor customer satisfaction in two ways:

~ monthly reports provided by our major customers, and
~ an annual electronic survey that includes an evaluation of different aspects of collaboration (supply chain, quality, sales, professionalism and expertise, products, environment).

Based on the results of the survey, our sales teams implement corrective and preventive measures to continuously improve the service. We achieved average satisfaction scores ranging from 3.87 to 4.11 on a 5-point scale in 2025, reflecting a consistently high level of customer satisfaction across key segments.

Customer satisfaction by assessment criteria in 2025[3]					
supply chain	quality	sales	professionalism and expertise	products	environment
4,0	4,1	3,9	4,0	4,0	4,0

In addition to monitoring customer satisfaction, we actively respond to sustainability assessments, questionnaires and analysis conducted by customers and other interested parties. These activities include assessments of the environmental, social and governance aspects of operations, and are becoming an increasingly important part of participation in supply chains.

In 2025 we were active on the CDP, EcoVadis and SAQ 5.0 platforms, and took part in numerous individual questionnaires and customer assessments. This allows us to guarantee transparency in our operations, to monitor market expectations, and to strengthen competitiveness and trust from our business partners.

[3] The customer satisfaction assessment criteria were: 5 – Excellent, 4 – Good, 3 – Acceptable, 2 – Unsatisfactory, 1 – Unacceptable.

Responsible and sustainable supply chain

Principles of responsible sourcing

Our commitment to sustainable development is reflected in our relationships with suppliers. When choosing and developing suppliers, we encourage them to uphold high standards of business ethics, environmental protection, occupational health and safety, and quality management systems. We do this based on internationally recognised standards such as ISO 9001, ISO 14001, IATF 16949 and ISO 13485.

Supplier assessments and evaluation

Engaging suppliers early in development projects is essential for achieving our sustainability goals and meeting customer requirements. All our suppliers are fully accountable for the quality and environmental performance of their supplies, which includes documented assessments of said suppliers.

Supplier assessment is undertaken via a digital portal for suppliers. Key criteria include the level of integrity of supply, punctuality of delivery, responsiveness, competitiveness, technical support, and the progressive integration of sustainability criteria such as the availability of emissions data and compliance with ethical standards.
As part of our strengthening of ethical business practices and responsible supply chains, we also ask suppliers to confirm the Domel Group's code of conduct. Some 75.8% of suppliers had confirmed the code by the end of 2025, either by completing a survey or by submitting equivalent ethics-related documentation.

Monitoring supply chain emissions

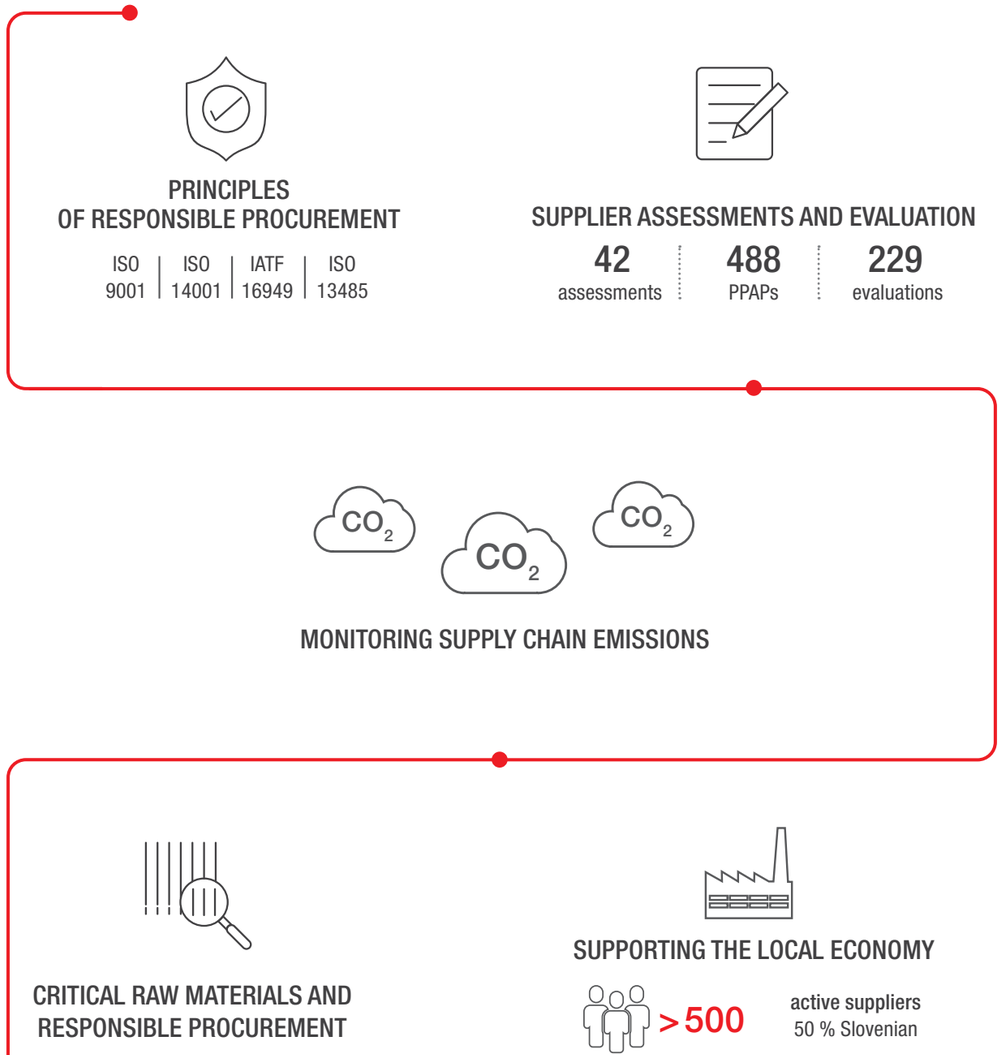
In 2025 we continued to collect environmental data from suppliers of key materials and components. There was a particular focus on materials with the greatest impact on product carbon footprint, such as electrical sheet, copper, magnets, aluminium, plastic and electronic components. The data obtained provides a vital basis for calculations of product carbon footprint (PCF), life cycle assessment (LCA) and preparations for future requirements in connection with digital product passports. We collect data through questionnaires, and by working directly with suppliers.

Critical raw materials and responsible procurement

Given the increasing importance of critical raw materials, we monitor the risks in connection with the supply of materials that are vital to the manufacture of electric motors and other products. We focus in particular on magnetic materials, copper, electrical sheet and other strategic raw materials, as these make up a significant share of the material composition of our products. We manage the risks by monitoring supply chains, promoting material traceability, collecting data on the origin of raw materials, and monitoring the legislative requirements in connection with critical raw materials and rare earths.

Supporting the local economy

With more than 500 active suppliers in 2025, half of whom are Slovenian, we are making good progress in developing our Local2Local purchasing policy to support local economies and shorten supply routes.



Joint sustainability projects with suppliers

Through regular procurement conferences and meetings with development suppliers, we foster open communication, build partnerships, and jointly address emerging sustainability and logistics challenges. We are collaborating with suppliers on specific projects, including:

~ **return of packaging to suppliers** (wire spools, pallets, containers),

~ **collection of waste magnets and attempts at recycling,**

~ **collection of waste solid carbide,**

~ **secondary material incorporation** (thermosets, thermoplastics, expendable maritime packaging),

~ **recycled paper towels,**

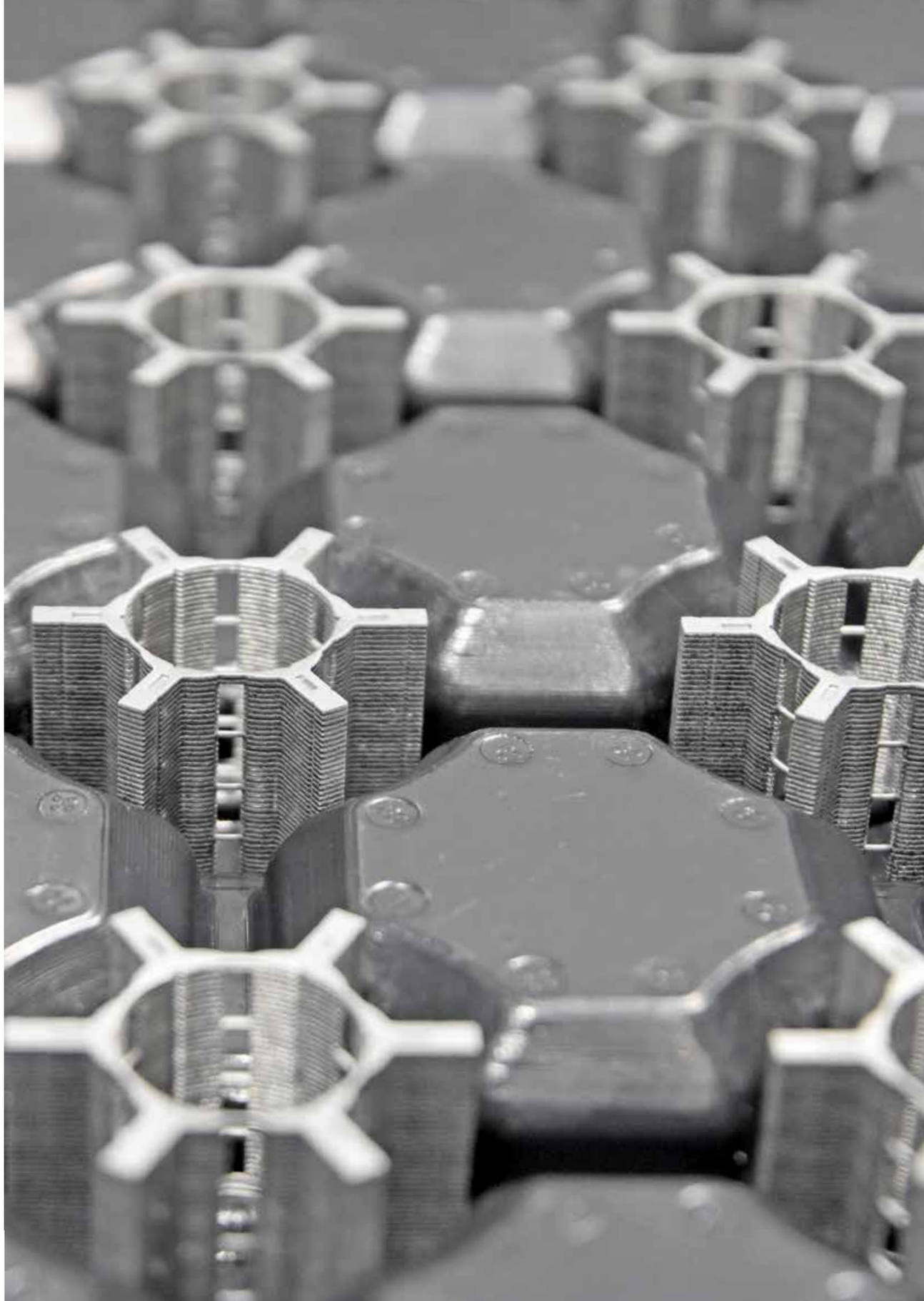
~ **organic detergents and soaps,**

~ **introduction of machines for receiving materials** (e.g. a glove dispensing machine, which significantly reduced consumption of gloves).

Compliance of materials in the supply chain

At Domel we ensure that materials comply with the relevant legislation and with customer requirements. In choosing materials and managing the supply chain we focus in particular on the safe use of chemicals, the traceability of materials, and the responsible procurement of raw materials. We adhere to the European REACH Regulation and the RoHS Directive, which limit the use of hazardous chemicals in electronic components. In 2025 we obtained 217 REACH and RoHS declarations from suppliers, covering 83% of all relevant deliveries. In line with the EU Conflict Minerals Regulation (covering gold, tantalum, tin and tungsten), we ensure that the materials used are sourced responsibly and without links to conflict.

We also uphold the requirements with regard to reporting on SVHCs within the framework of the SCIP database. We are monitoring the development of European legislation in the area of PFAS and critical raw materials (Critical Raw Materials Act), particularly in the use of magnets and materials containing rare earths. As a supplier to the automotive industry, we participate in the IMDS system, providing customers with accurate information on material composition. This is vital for safety, transparency and compliance with the environmental requirements of the automotive sector.



Our employees and social responsibility

Concern for employees

Commitment to our employees – the foundation of our success

Concern for employees is one of the fundamental values of the Domel Group, and an important part of our sustainability policy and HR policy. We consciously recognise the invaluable contribution of each individual, and foster a working environment built on respect, collaboration, creativity and ambition. This culture supports the company's strategic goals centred on innovation, high productivity and strong business performance.

Equal opportunities for all

The Domel Group guarantees equal opportunities of employment to all individuals regardless of gender, race, religious belief, age, disability, sexual orientation, nationality, or any other personal circumstance. We are committed to a culture of inclusion, with zero tolerance for discrimination, and emphasise mutual respect among all employees. Respect and collaboration are core values of the Domel Group, and are an important part of our organisational culture.

Inclusion of vulnerable groups

We actively engage with individuals from vulnerable groups, particularly persons with disabilities, who have equal opportunities to participate and grow within our workforce. There were 18 persons with disabilities employed at our subsidiary Domel IP Invalidsko podjetje d.o.o. in 2025, and 24 across the group as a whole. We have signed cooperation agreements with a number of external sheltered employment companies, including:

INVALIDOM PRIJAZNO PODJETJE

- SIJ SUZ, d. o. o.,
- proizvodnja in storitve IP;
- REDNAK IP proizvodnja in trgovina, d. o. o.;
- CWS WORKWEAR IP tekstilne storitve, d. o. o.;
- ŽELVA podjetje za usposabljanje in zaposlovanje invalidov, d. o. o.;
- VARNOST IP korporativno varnostna družba, d. o. o.







Development of employee potential and satisfaction

Developing the potential, satisfaction and commitment of employees is a vital part of our HR policy. We provide our employees with a safe and encouraging working environment, opportunities for professional development, and various forms of support in seeking a work-life balance. We devote particular attention to health promotion, sporting activities, flexible forms of working, and long-term skills development. We earmarked €135 per employee for sporting activities in 2025.

Hybrid working

Hybrid working (working from home) is regulated by an internal organisational regulation and is available to employees whose work process allows it – mainly in administrative support services and for employees with individual contracts. This option was available to 515 employees by the end of 2025, or 43.6% of the workforce.

Measuring employee satisfaction

We have been monitoring the organisational climate regularly since 2003, and have conducted surveys every three years since 2010. The last survey was carried out in 2025, and the average climate score was 3.33.[4] The next measurement is planned for 2028. The survey results were presented to the senior management, to the heads of department, and to the employees, whose involvement came at in-house workshops. The aim of the meetings was to identify the reasons for the lower scores, and to find ways to improve the individual working environments.

	2016	2019	2022	2025
Organisational climate	3.6	3.4	3.4	3.3

43.6 %
of employees with hybrid work available

€135
spending per employee on sporting activities

3.3
average organisational climate score in 2025

[4] The values in the table represent the average organisational climate scores obtained from the SiOK questionnaire. The highest possible score is 5, meaning a very positive organisational climate.

Workforce structure

Employees are one of the key factors in the long-term success of the Domel Group. In light of demographic changes, a shortage of certain profiles, and the need for new competencies, we work extremely hard on attracting, developing and retaining employees.

Total headcount at the Domel Group

The Domel Group employed 1,297 people as at 31 December 2025, of whom 1,182 were in Slovenia, 80 in Serbia and 35 in China.

Slovenian workforce breakdown by gender and type of employment

The workforce in Slovenia consisted of 468 women (39.6% of the total) and 714 men (60.4%). Women hold 20.8% of senior management positions. The majority of employees are on permanent employment contracts, But there were 79 temporary employees (28 women and 51 men), equivalent to 6.7% of the total workforce in Slovenia.

Type of employment	Women	Men	Total
Permanent	440	663	1,103
Temporary	28	51	79
Total	**468**	**714**	**1,182**

Change in headcount in Slovenia

The headcount in Slovenia in 2025 was down 59 on the previous year. There were 71 new hires and 131 terminations over the course of the year, giving a turnover rate of 9.9%, excluding the eight internal reassignments.

Change in Domel Group headcount in Slovenia between 2021 and 2025

Year	Number of employees	Women	%	Men	%
2021	1,368	561	41.0	807	59.0
2022	1,307	549	40.0	821	60.0
2023	1,320	521	39.5	799	60.5
2024	1,241	488	39.3	753	60.7
2025	**1,182**	**468**	**39.6**	**714**	**60.4**

Headcount at Domel Group companies in Slovenia in 2025

	Number of employees	Women	%	Men	%
Domel, d. o. o.	1,044	383	36.7	661	63.3
Domel Holding, d. d.	104	70	67.3	34	32.7
Domel Invalidsko podjetje, d. o. o.	34	15	44.1	19	55.9

Age structure and average age of workforce in Slovenia

The average age of the workforce was 42.2, up slightly on the previous year.

Age structure of Domel Group workforce in Slovenia in 2025

Age group	Number of employees	Women	Men
under 25	82	23	59
26–30	142	47	95
31–35	165	60	105
36–40	146	53	93
41–45	119	57	62
46–50	170	82	88
51–55	199	90	109
56–60	145	55	90
over 61	14	1	13
Total	**1,182**	**468**	**714**

The age structure shows a significant share of the workforce to belong to older age groups, and we therefore devote much attention to transferring know-how, onboarding young staff, and collaborating with educational institutions.

Average age of Domel Group workforce, 2021 to 2025

	2021	2022	2023	2024	2025
Average age of employees	40.9	42.7	41.7	41.7	42.2

Recruitment in 2025

The largest number of new hires (22 in all) was in the 25 and under age group, a promising sign for the rejuvenation of the workforce.

Breakdown of new hires in 2025 by age group

Age group	Number of new hires	Women	Men
under 25	22	4	18
26–30	13	7	6
31–35	9	3	6
36–40	5	1	4
41–45	9	2	7
45–50	12	4	8
over 51	8	2	6
Total	**78**	**23**	**55**

Qualifications breakdown of workforce in Slovenia

The share of the workforce holding at least a secondary school qualification is 64%.

Qualifications breakdown of workforce in Slovenia in 2025

Level of education	Women	Men	Total	%
Doctorate (9)	1	9	10	0.85
Postgraduate specialisation, master's degree (8)	4	11	15	1.27
Integrated specialisation programmes, old university-level academic programmes, Bologna master's degree (7/1), Bologna (7)	32	78	110	9.31
Professional higher education programmes, short-cycle (6/I) and first-cycle (6/II) programmes under the post-Bologna system	72	164	236	19.97
Secondary school (5)	152	233	385	32.57
QU (4)	110	118	228	19.29
SP (3)	9	16	25	2.12
Primary school (2)	82	70	152	12.86
Did not complete primary school (1)	6	15	21	1.78
Total	**468**	**714**	**1,182**	**100**

Investing in knowledge and employee development

Systematic and targeted education and training

Developing employee competencies is one of the key areas in sustainable development at the Domel Group. Through systematic education, training and knowledge transfer, we are strengthening our professional excellence, innovativeness and long-term competitiveness as a business. We invest in systematically planned and strategically tailored training programmes that align with both the company's business needs and individual employee development goals. We provide employees with opportunities for professional and personal growth through a structured succession pyramid, annual development discussions, a mentoring system, e-learning platforms and opportunities for studying alongside work. We particularly promote participation in MBA consortium programmes, and offer annual language training tailored to employees' interests and needs.

Education and training delivered

We delivered a total of 1,760 education and training programmes in 2025, with an average of 30.35 hours per employee. Women made up a significant share of the participants: they received 14,750 hours of education and training in all, or 27.6% of the total.
The average cost of the education and training, including tuition, fees and travel expenses, amounted to €109.50 per employee in 2025. The education spending per employee disclosed in the table (€80.19) does not include tuition, fees and travel expenses, and relates to in-house and external education and training.
We spent a total of €442,245 on education and training, including scholarships and awards for practical training for secondary-school and university students.

Number of hours and costs of education/training, 2021 to 2025

	2021	2022	2023	2024	2025
Number of education/training hours per employee	32	32	35.5	27.6	**30.35**
Costs of education/training per employee (€)	88	84.9	87.00	66.68	**80.19**
Total education and training costs (€)	551,827	625,178	479,000	375,169	**442,245**

The company has been using the Smart Arena platform, which allows employees to access e-learning, webinars and other skills development content, since the second half of 2020. The portal provides vital support for independent learning, and allows for a flexible approach to knowledge, irrespective of location and time. It was actively used by 63% of employees in 2025, who together received 243 hours of online learning.

Support for young talent and part-time study

Our scholarship policy is one of the key measures for attracting prospective staff, and reducing the risks in connection with the shortage of certain professional profiles on the labour market. The company continues to pursue an active scholarship policy aimed primarily at attracting young talent, especially in technical fields. Beyond financial aid, we provide practical training, opportunities to participate in professional projects and support for diploma and master's theses, as well as student employment.

We awarded 94 scholarships in 2025, down slightly on the previous year's figure of 97.

We organise student work for secondary school and university students from the local area during the summer, and at other times of the year as required by the work process. In 2025 we had 59 secondary school and university students and four apprentices on compulsory practical training, up slightly on the previous year (2024: 50 students and five apprentices), testimony to our ongoing active collaboration with educational institutions.

Our employees are encouraged to pursue further education alongside work. A total of 37 employees furthered their education in this way in 2025, fewer than in 2024 (41). Six of the employees studying part time were enrolled in post-graduate programmes, 29 in level 6 and level 7 education, and one each in level 4 and level 5 education.

SCHOLARSHIPS

94 students

MANDATORY PLACEMENTS

59 students

4 apprentices

PART-TIME STUDY

37 employees



Pay and working conditions

Employees at the Domel Group are paid in line with the law, and the collective agreements
There were 40 instances of employees recording a shortfall on the minimum wage in individual months of 2025, where their basic pay fell below the statutory minimum wage.

The shortfalls were properly accounted and make-up payments made in all cases.
The remuneration system is based on the principles of fairness, transparency and performance-related bonuses.



Equal opportunities and diversity

At the Domel Group we are committed to equal opportunities and non-discriminatory treatment for all employees. Gender pay gaps were not yet monitored on a systematic basis in 2025, but we are aware of the importance of equal pay for equal work, and transparency in the area of remuneration. In accordance with Directive (EU) 2023/970, in the future we will put the appropriate indicators in place, and provide for reporting on the gender pay gap in accordance with legislation.

Focus on occupational health and safety

Safety at work

Occupational health and safety for our employees is one of the key priorities at the Domel Group. A zero accident rate remains our long-term target, which we are realising through well-planned risk management, preventive measures, and investment in a safe working environment.

We make regular assessments of risks in the workplace, and take measures to keep them to an acceptable level. The senior management, heads of department, the occupational safety department, employees and occupational medicine specialists are all involved in this process. We regularly ensure that all levels of management are involved, together with other staff, and discuss issues in connection with occupational health and safety with workers' representatives on a monthly basis. We conduct regular training, equipment inspections, and evacuation drills, and seek to make continual improvements to personal protective equipment. In this way we contribute to an improvement in working conditions, and the quality of work life for employees. In 2025 our commitment to occupational health and safety was further strengthened by a preventive campaign entitled I HEAR (NO) NOISE aimed at raising employee awareness of the risks in connection with noise.

19
accidents resulting in an absence of more than three days

15.6
accidents per 1,000 employees

17.5
average absence for injury

Workplace injuries

There were 19 workplace injuries that resulted in a absence of more than three days in 2025 (up from 17 in 2024). A total of 333 working days were lost to injury in 2025, down 162 on the previous year (2024: 495), the lowest figure for days lost to injury in the last ten years. The average absence for a single injury stood at 17.5 days, down 11.6 days on the previous year (2024: 29.1 days). We also recorded three other injuries where no sick leave was taken, or where it lasted less than three days.

A digital system for providing information about workplace injuries was set up in 2025. In the event of any accident we draw up informative analysis for internal purposes, while the occupational safety traffic light was updated to cover the damaged body part and the severity of the injury.

Effective management of occupational health and safety helps to reduce injuries, absences and disruptions to the working process, but also strengthens the wellbeing of employees and the long-term stability of the business at the same time.

The company is planning the following in 2026:

~ the introduction of electronic reporting of dangerous incidents and high-risk situations via the occupational safety portal,

~ additional targets for training and preventive activities based on accident analysis and risk assessments,

~ stronger messaging about occupational safety and the more active involvement of employees,

~ the involvement of an occupational medicine specialist or external expert in the creation of preventive campaigns,

~ examination of the possibility of introducing standard definitions of severe workplace injuries in accordance with international practice (ISO 45001, RIDDOR) with the aim of improving the comparability of the indicators and analysis of the trends,

~ regular monitoring of the effectiveness of the measures introduced, analysis of accident trends, and adjustments in safety-related activity based on the findings,

~ the introduction of comparable standardised indicators (e.g. injury frequency, severity, and leading indicators such as number of dangerous incidents reported), which facilitate proactive measures.

There has been a significant decline in the number of workplace injuries and in their severity since 2021. The number of injuries did rise slightly in 2025 compared with the previous year, although the average absence owing to injury was at its lowest figure of the last ten years.

Number, frequency and severity of workplace accidents, 2021 to 2025

	2021	2022	2023	2024	2025
Number of accidents	29	25	19	17	**19**
Frequency (per 1,000 employees)	21.5	18.5	14.5	13.5	**15.6**
Severity (average of days lost owing to workplace injury)	27.8	26.5	33.0	29.1	**17.5**

Sick leave

The sick leave rate stood at 6.99% in 2025, up slightly on 2024 (6.10%). The sick leave rate includes absences of up to 30 days and absences of over 30 days.

Total number of working hours and sick leave hours, 2021 to 2025

	2021	2022	2023	2024	2025
Sick leave rate	6.43%	7.52%	6.98%	6.10%	6.99%
Total number of paid working hours	2,792,633	2,799,721	2,783,179	2,585,258	2,504,705
Total number of hours of sick leave	183,794	209,644	193,887	163,160	175,046
Total number of hours of sick leave charged to the company	84,521	87,645	95,948	94,394	96,015
Total number of hours of sick leave charged to the ZZZS	99,273	121,998	97,939	68,767	79,031

Health promotion and employee benefits

At the Domel Group we recognise that employee health and safety are essential to both our long-term success and the wellbeing of our people. Health is the foundation of both personal and business performance, which is why we place a strong emphasis on promoting health in the workplace.

Working with an occupational medicine specialist, we draw up an annual plan of measures based on analysis of employee health. These measures aim to maintain and improve employees' health while reducing potential health risks.

To ensure a systematic and inclusive approach, we have established a health promotion team composed of representatives from various departments and the senior management. We also encourage employees to submit their own suggestions for improving the working environment, health and wellbeing via the SORA app.



Health insurance:

~ option of inclusion in supplemental collective health insurance, which provides faster access to medical services (644 employees at the Domel Group were enrolled as at 31 December 2025),

~ free specialist medical check-ups,

~ vaccination against flu and tickborne encephalitis (option taken up by 16 employees in 2025).

Sports and recreation:

~ subsidised sporting activities (exercise classes, fitness, swimming, skiing, massage, sauna),

~ coverage of registration fees for recreational events,

~ free organised team sports in the autumn and winter,

~ traditional sporting and recreational events, such as Ski Day and summer sports days.

Social security and employee benefits:

~ voluntary supplementary pension insurance (approximately 75% of employees enrolled),

~ an employee assistance fund for providing financial support to employees in various life circumstances,

~ special solidarity assistance in emergency cases such as accidents and illness,

~ option of using company-owned holiday accommodation,

~ gifts for employees' children,

~ paid day off to accompany a child on their first day of kindergarten or school,

~ co-financing of the purchase of a Domel-powered e-bike and cycling jerseys.

The employee assistance fund (EAF) is a fund that allows employees who are members to obtain an interest-free loan in various life circumstances. Some 866 employees were enrolled in the EAF at the end of 2025. €563,150 of loans were made to members in 2025, while the members' contributions amounted to €476,819.28 at the end of the year.

The innovative power of employees

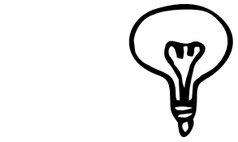
At Domel we recognise that sustainable development, competitiveness and long-term success are inextricably linked to innovation and continual process improvement. Our employees play a key role in this, and we have cultivated an environment that encourages creativity and active participation in change.

A key enabler is the SORA web application, which enables employees to easily submit ideas, initiatives and suggestions for technical or organisational improvements. This continual improvement system is based on excellent knowledge of processes, the expertise of employees and their commitment to the company's strategic goals.

A total of 716 suggestions for improvement were submitted through the SORA app in 2025, up 25% on 2024.

The rise in the number of suggestions was driven by the requirement to have submitted at least one suggestion in the last year to qualify for promotion, with superiors also seeing these submitted suggestions during their annual performance reviews. The completed and rewarded suggestions brought savings of more than €818,000 in 2025, 6% less than the savings in 2024. We paid out more than €103,000 in bonuses to the authors and co-authors of the successful suggestions.

Outstanding suggestions and contributions are celebrated annually at the Domel Awards, where the spotlight is on individuals and teams who have made the most significant impact during the year through their innovations.



ONLINE APP **SORA | 2025**

25 %
more suggestions
than in 2024

€818,000
of savings

€103,000
of bonuses paid

Links with the local community

Domel is deeply connected to the local community, not only as a major employer, but also as an active partner in shaping quality of life in the region. Our social responsibility is rooted in long-standing relationships, mutual trust and a desire for joint development. Given the Domel Group's close links with the local community, a concern for its development and quality of life is a vital part of our business culture and social responsibility.

Support for local culture and sport

We provide financial and material support to a variety of cultural, sporting and socially beneficial activities in the local community. This is our part in helping the community to develop, promoting a healthy lifestyle, and maintaining the quality of social life in the region.

Notable projects and organisations that we support include:
~ Domel Ski Club;
~ Železniki Handball Association;
~ Kranj Cycling Club;
~ Škofja Loka Basketball Club's women's team.

We also support volunteer fire brigades and local organisations by helping to fund their investments in vital equipment and infrastructure.







Collaboration with educational institutions

Domel actively collaborates with educational institutions at all levels – from kindergartens to universities. For many years we have nurtured strong partnerships with local primary and secondary schools, including in the delivery of technical electives. Our employees visit schools to showcase professions and products, but we also offer students tours of our production facilities.

Working with universities and vocational colleges, we provide guest lectures, participate in R&D projects and help students forge links with industry and business. This contributes to the development of technical knowledge, the promotion of innovation, and the strengthening of ties between the education system and business.

Key indicators for education and training in 2025

30.4 hours	1,760	27.6 %	14,750 hours
of education and training per employee	education and training courses provided	female participation	of education and training for women







Building good relations and transparent communication

Openness with the local community is an important value for Domel. We are committed to maintaining transparent communication, promptly addressing stakeholders' initiatives, and responsibly managing any impact on the local environment from our operations.

We received no substantiated complaints from the local community in 2025 in connection with our impact on the environment.

By working regularly with the local community, educational institutions, societies and other stakeholders, we are forging long-term relationships based on trust, accountability and mutual respect.



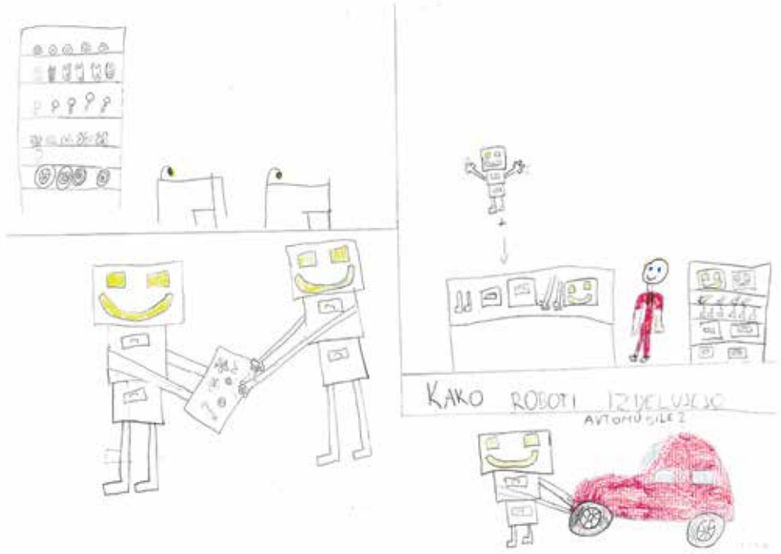
The view
of future generations

Sustainable development is not just a matter of decisions for today, but also of decisions for the future, which will also be shaped by younger generations. Working with children and with Domel scholarship recipients, we have gathered some thoughts about the future of technology, work and society. We invited them to turn their gaze to the distant future, and to imagine what Domel will look like. Their responses reveal an inspiring outlook on technological progress, on the role of people in an AI world, and the values that in their opinion will be the cornerstone of our success in the future.

> »Employees will be proud that despite its global success and advanced technology, the company has never lost touch with its roots and its respect for people and the local environment. Domel will be known as a place of creative freedom, where everyone has the right to experiment and to fail.«
>
> Patrik Štupar, 4th year mechatronics student, Kranj School Centre

> »Automation must be integrated ergonomically – to help workers, not to replace them. Employees will be proud that Domel treats them as part of a team, and not as a lone person.«
>
> Alan David Kodra, 1st year student, Faculty of Mechanical Engineering, University of Ljubljana

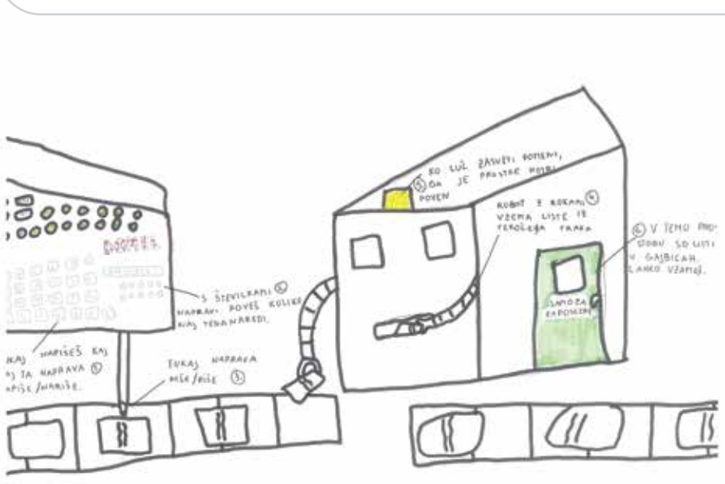
> »Innovation will remain the fruit of knowledge, while products will be designed to be easy to refurbish, and easy to recycle. Despite automation and AI control, relationships between employees will still be the key to success.«
>
> Blaž Kavčič, 2nd year student, Faculty of Mechanical Engineering, University of Ljubljana

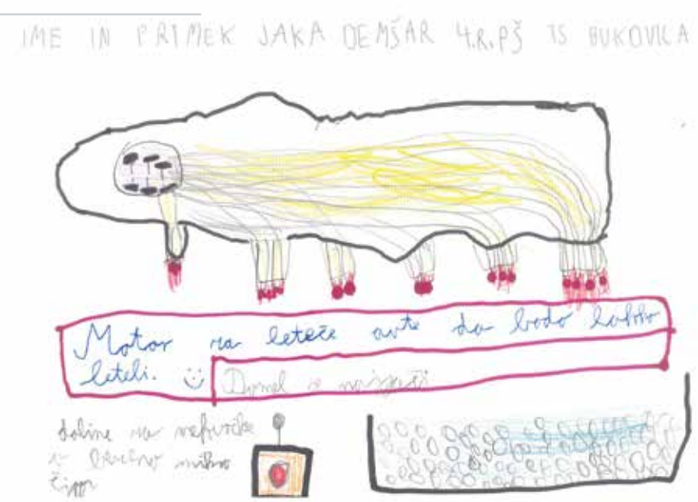


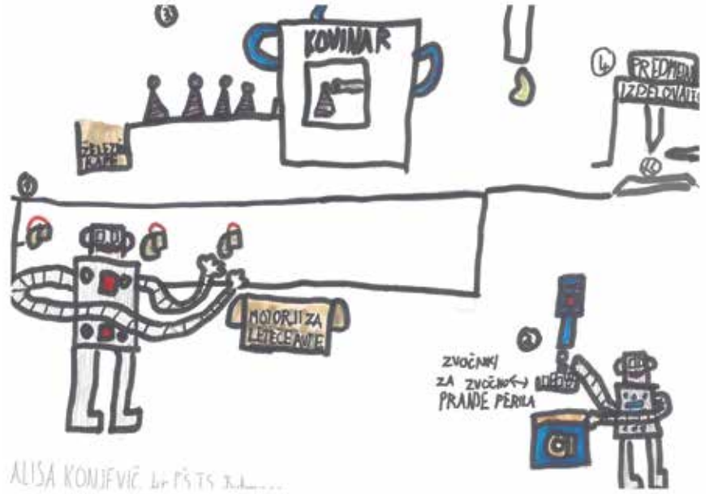
> »Domel will always put people before machines, maintaining the balance between robots and the human touch. In a world of advanced technology, I imagine relationships being even stronger and more human.«
>
> Polona Bogataj, 3rd year computer tech student, Kranj School Centre

> »New technology will help us at work, but it'll still be people making the decisions and doing the creating. The tools will change, but human knowledge will always be the most important.«
>
> Jakob Habjan, 1st year machine tech student, Škofja Loka School Centre

The drawings were created by students in years 4 and 5 at TS Bukovica primary school.







Social dialogue and employee participation in management

At the Domel Group we encourage open social dialogue, and the full involvement of employees in any discussion of issues affecting their work, their working conditions and the development of the company. Vital roles are played by the Works Council, the trade union, the workers' representatives on the Supervisory Board, and other employee representatives.

The collective agreement covers 98% of employees, and represents a vital foundation for regulating labour relations, social dialogue and the protection of employees' rights.

Works Council's actions in 2025

The Works Council functions as a single works council, and includes representatives of employees from all of the company's sites in Slovenia: Na Plavžu, Otoki, Češnjica, Trata and Reteče. It operates on the basis of the Worker Participation in Management Act (the ZSDU), and has its own rules of procedure.

The Works Council held 19 meetings in 2025, eight of its own accord, nine in conjunction with senior management and the Management Board, and two as correspondence sessions. It met with the Management Board on a monthly basis, receiving regular briefings on the performance of the Domel Group, the current economic situation, and the projected business trends.

At the meetings the council members discussed proposals, initiatives and questions put forward by employees, passing them on to the senior management and the Management Board. The Works Council took part in discussions relating to the work calendar, working conditions, occupational health and safety, health promotion, the holiday accommodation, recreational activities, and other topics of concern to the employees.

There was a particular focus on occupational health and safety. The Works Council was regularly briefed by the health and safety liaison on their collaboration with the occupational health and safety department, with ten joint meetings with the department being held in 2025.

The workers' representatives on the Supervisory Board regularly briefed the Works Council on the work of the Supervisory Board, which held four meetings in 2025.

The Works Council also worked with the Management Board on planning activities in connection with health promotion, sports and recreation, and management of the holiday accommodation. Existing programmes for employees were retained, such as group exercise classes, recreation, fitness sessions, the sauna, the swimming pool, and massage.

Workers' assemblies were organised in conjunction with the Management Board at the end of the year at all of the company's sites. A total of 11 workers' assemblies were held, where employees were briefed on performance in 2025, the business plan for 2026, and changes in connection with minimum wage legislation. The workers' assemblies are an important way for employees to receive information directly, and represent an opportunity for raising questions, putting forward initiatives, and shaping guidance for the work of the Works Council going forward.

Members of the Works Council continued their education and training in 2025 within the framework of the Association of Works Councils of Slovenia. A resolution calling elections for a new term of the Works Council (2026 to 2030) was published at the end of the year.

Trade union's actions in 2025

The SKEI Domel d.o.o. trade union branch functions as a voluntary employees' organisation whose aim is to represent the interests of its members, and to protect labour rights and social rights. Its actions contribute to social dialogue at the company, and to the discussion of issues relating to wages, working conditions, social security, and a healthy and safe working environment.

The union branch played an active role in discussions of several important issues in 2025. The key areas included issues relating to wage increases following the rise in the minimum wage, the on-the-job performance bonus system, annual leave allowance, end-of-year bonuses, organised meals for employees, and the assignment of work hours during changes in order volumes.

The union branch held discussions with the senior management with regard to organised meals, and reached an agreement for the meal allowance to be paid to employees in full, irrespective of whether they take part in the organised meals. The union branch took part in negotiations surrounding issues of pay policy, putting forward proposals to improve the position of employees. With orders declining in the final quarter, it also took part in discussion of proposals regarding the assignment of work hours, reiterating the need for solutions that adhere to labour legislation.

The members of the union branch executive attended union training sessions run by the SKEI central unit in Ljubljana in 2025. The union also continued its regular activities for members and employees, including taking part in sporting competitions, organising social activities, and providing end-of-year gifts to children of employees and gifts for female employees on International Women's Day.

The SKEI Domel d.o.o. executive held five ordinary meetings with the senior management in 2025, and ten of its own sessions. The regular dialogue between the union and the senior management remains an important element of employee involvement in the discussion of issues affecting working conditions, social security and the quality of the work environment.

Environmental responsibility and resource management

At the Domel Group we recognise that our activities, products and supply chain all have a significant impact on the environment. We therefore make environmental responsibility an integral part of our product development, resource management, investment decisions and everyday operations. We focus in particular on reducing greenhouse gas emissions, using energy and materials efficiently, developing sustainable products, and promoting the principles of the circular economy.

Our environmental management is guided by the following principles:

~ regularly monitoring environmental impacts, and integrating them into business decision-making,

~ continually improving environmental practices, especially in the areas of energy, water, raw materials, waste and emissions,

~ complying with environmental legislation and the ISO 14001 requirements,

~ conducting systematic internal and external assessments, including customer assessments and inspections,

~ reviewing annual progress towards environmental objectives via the management review.

Environmental programmes and activities in 2025

In 2025 we continued to execute our environmental programmes targeting a reduction in environment impact, more efficient use of resources, decarbonisation, and preparations for future requirements in connection with sustainability and the circular economy.

Key programmes in 2025:

~ double materiality assessment (DMA) and identification of the key impacts, risks and opportunities,

~ calculation and monitoring of greenhouse gas emissions (Scopes 1, 2 and 3),

~ collection of environmental data from suppliers for the purpose of calculating carbon footprint and customer requirements,

~ incorporation of environmental factors (LCA, PCF) in product development,

~ development of solutions for the circular economy and recycling of material within the framework of the REMHub project, and monitoring of critical and strategic raw materials,

~ preparation for future requirements in connection with digital product passports (DPPs),

~ development of ESG indicators on the basis of the double materiality matrix.

The environmental programmes also addressed energy renovations of buildings, the possibility of using groundwater for industrial purposes, hydrogen technology, and other investment to improve environmental performance. Some of the activity in 2025 related to preparations and feasibility studies, with realisation scheduled for the following years.



Carbon footprint and climate change

At the Domel Group we acknowledge climate change to be one of the key challenges facing the world. We are committed to the gradual decarbonisation of our business, and to reductions in greenhouse gas emissions. We monitor carbon footprint using the GHG Protocol methodology, which divides emissions into three classes (Scope 1, Scope 2 and Scope 3), and allows for the systematic monitoring of key sources of emissions at the company and in its value chain.

Greenhouse gas emissions (Scopes 1 and 2)

The Scope 1 and Scope 2 emissions amounted to 7,551 tCO_2e in 2025, down 6% on 2024. Electricity remains the primary source of these emissions, accounting for over 90% of emissions in both scopes. The key potential for further reducing emissions therefore relates above all to energy efficiency, and to increasing the share of low-carbon electricity.

	2019	2020	2021	2022	2023	2024	2025
Scope 1 (t CO_2e)	102.00	90.73	60.20	87.76	63.23	200.77	87.03
Scope 2 (t CO_2e) – market-based	10,448	10,765	16,784	7,346	7,403	7,825	7,464[5]
Scopes 1 in 2 (t CO_2e) – location-based[6]	6,081	5,554	5,927	5,525	4,149	4,356	3,596
Total scopes 1 and 2 (t CO_2e)	**10,550**	**10,855**	**16,844**	**7,434**	**7,466**	**8,030**	**7,551**

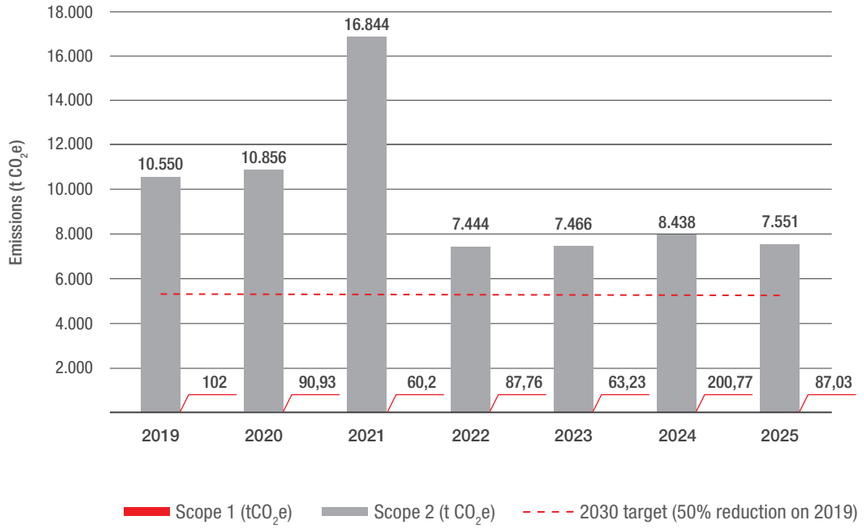
Compared with the base year of 2019, we have reduced Scope 1 and Scope 2 emissions by approximately 28%, thereby continuing progress to the target of a 50% reduction in emissions by 2030.

	2019	2020	2021	2022	2023	2024	2025
Emissions (t CO_2e)	10,550	10,855	16,844	7,434	7,466	8,030	7,551
Revenues (€ million)	151.1	148.6	186.5	218.9	207.4	195.2	171.5
Intensity (t CO_2e/€ million)	69.8	73.1	90.3	34.0	36.0	41.1	44.0

Greenhouse gas emission intensity declined significantly during 2021 and 2022, primarily as a result of a fall in emissions and an increase in revenues, but has been rising moderately again in recent years as a result of a decline in turnover.

[5] The calculation used the supplier's electricity emission factor for 2024, as the 2025 figure was not available at the time of the writing.
[6] The annual electricity emission factors for Slovenia were obtained online: Slovenia | Electricity Maps.

Greenhouse gas emissions (Scopes 1 and 2) and reduction target by 2030



We also continued our work in 2025 to include more renewables. The following results were achieved:

~ Otoki: 420,000 kWh from our in-house solar power plant

~ Trata 1: 248,000 kWh from a contracted green electricity supplier (Gorenjske elektrarne)

According to the emission factor of the electricity supplied, this represents a reduction in emissions of approximately 282 tCO_2e. Despite the inclusion of more renewables, their share of total energy consumption remains relatively low, and further transitioning to low-carbon resources will therefore be a major element in meeting the climate targets.

Key highlights for 2025:

7,551 tonnes
CO_2e

down 6 %
on 2024

down 28 %
on 2019

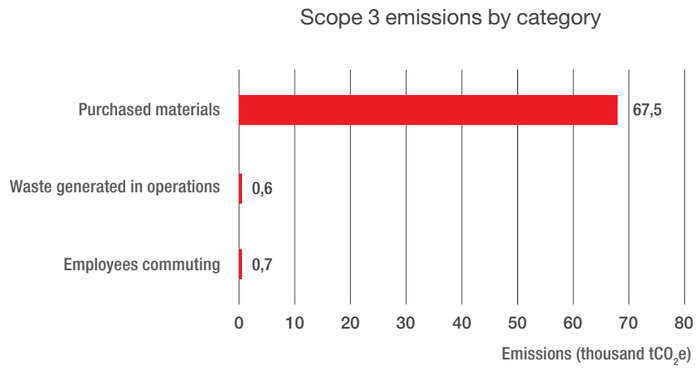
282 tonnes
CO_2e savings from renewables

Scope 3 emissions

In 2025 we continued to develop calculations of Scope 3 emissions and improved data coverage for key commodity groups with the largest impact on the company's carbon footprint. Emissions were estimated for the categories of purchased materials, waste generated in operations, and employee commuting.

	2023	2024	2025
Employees commuting (t CO_2e)	741.70	749.34	686.69
Waste generated in operations (t CO_2e)	594.91	543.83	551.78
Purchased materials (t CO_2e)	–	91,103.13	67,480.19
Total Scope 3 (t CO_2e)	**1,337**	**92,396**	**68,719**

Total Scope 3 emissions amounted to 68,719 tCO_2e in 2025, several times the emissions under Scopes 1 and 2. As illustrated by the graph below, purchased materials account for the largest share of these emissions.



The significant increase in Scope 3 emissions in 2024 and 2025 is primarily attributable to the expansion of the calculation methodology, the key commodity category of purchased materials, which account for the largest share of emissions in the value chain, having been included in the calculation. The largest emissions are generated in the value chain, under purchased materials in particular. The most notable of these in terms of impact are magnets, electrical sheet, copper wire, thermoplastics, thermosets, and other metal materials.

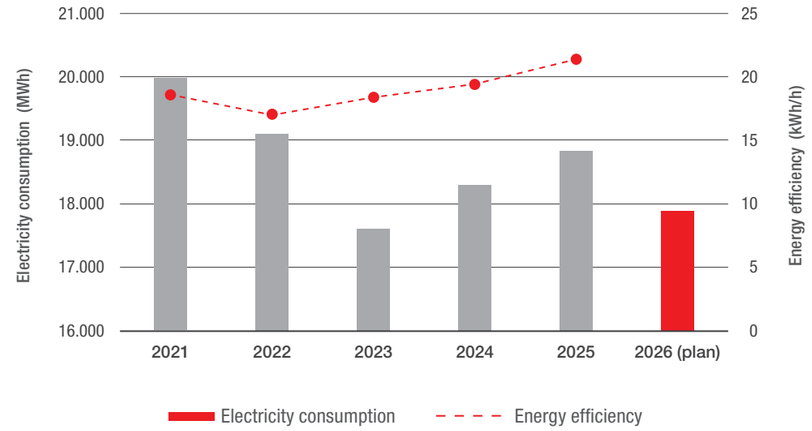
To improve data quality, we are also gradually including primary data from suppliers obtained via questionnaires on greenhouse gas emissions. This data allows for more accurate calculations, forms an important basis for calculations of product carbon footprint (PCF), and provides support for meeting the requirements of customers and sustainability platforms such as CDP and Eco Vadis.

In the future we will continue expanding the coverage of Scope 3 emissions, and improving the quality of data across the entire value chain, with a particular emphasis on materials, the supply chain, and other categories with the largest impact on climate change. This area is one of the key core topics identified in the double materiality assessment.

Management of energy sources

Electricity and renewables

Electricity is the most important form of energy at the Domel Group, and is also the largest source of Scope 2 greenhouse gas emissions. Consumption of electricity correlates closely with production volume, the loading at individual sites, and the functioning of support systems.



Electricity consumption by site, 2021 to 2025 (MWh)

Site	2021	2022	2023	2024	2025
Otoki	10,786	9,763	8,836	9,311	8,448
Reteče	2,049	2,368	2,008	2,007	1,641
Na Plavžu	1,129	1,097	1,012	898	894
Trata 1	6,137	6,087	5,799	5,950	6,315
Trata 2	/	/	/	163	347
Češnjica	/	/	/	208	276
Total consumption (MWh)	20,100	19,316	17,655	18,538	17,917
Energy efficiency (kWh/h)	**18.6**	**17.0**	**18.4**	**19.4**	**21.5**

We consumed a total of 17,917 MWh of electricity at the Slovenian sites in 2025. The largest consumption figures were recorded at Otoki (47% of the total), Trata (approximately 35%) and Reteče (9%).

Energy efficiency remains one of the vital areas of improvement. Electricity consumption per normed hour increased from 19.42 kWh/NH to 21.50 kWh/NH in 2025. The increase was mainly driven by the expansion of production to new sites, and the incomplete optimisation of the support systems and production infrastructure.

We pursue a variety of activities to improve energy efficiency, including:

- switching off machinery and appliances outside of working hours,
- reducing electricity consumption during times of inactivity,
- gradually replacing conventional lighting with LED technology,
- optimising the operation of production and test equipment.

We further increased the share of renewables in the energy mix in 2025. The solar plants at the Otoki and Trata sites produced approximately 670 MWh of electricity from renewables, roughly 4% of annual electricity consumption. We also continued to receive electricity from renewables from our contracted provider.

Energy efficiency and an increase in the share of renewables remain vital areas in meeting the targets for a reduction in greenhouse gas emissions and the long-term competitiveness of the company.

Thermal energy consumption

Thermal energy is an important energy source for heating the Domel Group's commercial and production premises. At individual sites we use a variety of energy sources, including district heating, wood biomass, heat pumps, waste heat from production processes and compressor stations, and natural gas.

Through the active management of energy consumption, the optimisation of heating systems and the efficient use of waste heat, we are endeavouring to reduce our use of primary energy and our heating costs.

Total thermal energy consumption at the Slovenian sites amounted to 1,746 MWh, comparable to 2024 (1,760 MWh). The largest components of this figure were recorded at the sites in Otoki (804 MWh) and Reteče (352 MWh). The measures to improve energy efficiency and utilise waste heat have made a significant contribution to stabilising consumption.

Heat consumption by site, 2021 to 2025 (MWh)

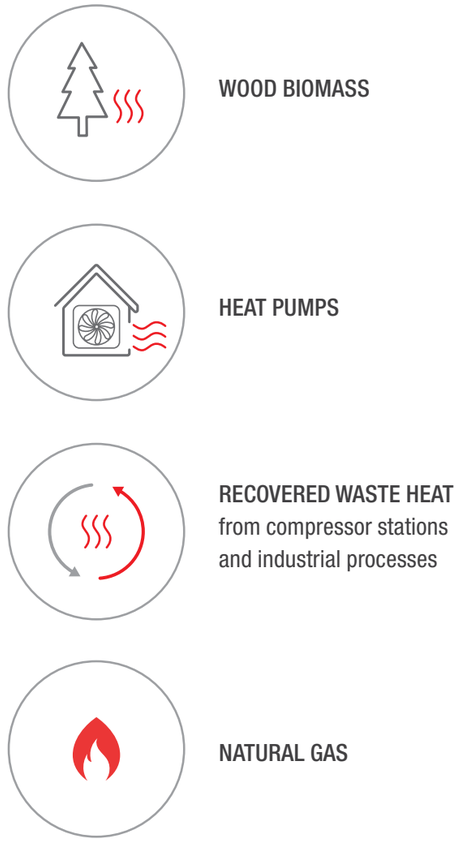
Site	2021	2022	2023	2024	2025
Otoki	863	833	803	823	804
Reteče	654	590	564	528	352
Na Plavžu	77	73	69	64	70
Trata 1	129	148	104	126	128
Trata 2	/	/	/	120	217
Češnjica	/	/	/	100	175
Total (MWh)	**1,723**	**1,644**	**1,540**	**1,760**	**1,746**

Efficient waste heat recovery

A significant part of our heating needs is met by using waste heat from the compressor stations and production processes. The waste heat recovered at the Otoki site in 2025 was valued at approximately €53,000, while over the long term optimising the system has reduced heating costs by more than €100,000 a year compared with the period before 2016.

Heat consumption at the Reteče site in 2025 was down approximately 35% on the previous year, which was attributable to better management of the heating system, the energy renovation of the facility, and the recovery of waste heat for heating the premises.

Sources of thermal energy



Water management

Water consumption

At the Domel Group we work hard to ensure that we are using water efficiently and responsibly. We mainly use drinking water for sanitary purposes, while process cooling at all the sites is done with closed cooling systems, which significantly reduces the demand for water from the public network. Our water management follows the principles of efficient water use, loss prevention, and full compliance with water permits.

Total consumption of water from the public network amounted to 16,080 m³ in 2025, up slightly on 2024 (15,219 m³). The increase was primarily attributable to increased consumption at Otoki and Češnjica. Water consumption nevertheless remains significantly lower than in previous years, the introduction of closed cooling systems and the optimisation of industrial processes having reduced the demand for drinking water for process purposes.

Water consumption by site, 2021 to 2025 (thousand m³)

Site	2021	2022	2023	2024	2025
Otoki	19.5	14.5	12.9	9.7	12.9
Reteče	8.9	8.7	6.9	2.0	1.0
Na Plavžu	1.2	1.1	0.7	0.9	0.8
Trata 1	1.9	1.6	1.7	1.7	1.4
Trata 2	/	/	/	0.2	0.3
Češnjica	/	/	/	0.7	1.2
Total	**31.4**	**25.9**	**22.2**	**15.2**	**16.08**

Use of groundwater

We also make use of groundwater for energy-generation purposes at the Na Plavžu and Trata sites, on the basis of valid water permits. The quotas were not exceeded in 2025.

Approximately 88% of the permit quota was used at Na Plavžu, and the two wells at Trata also remained within the limits stated by the permit.

Wastewater

The introduction of closed cooling systems at Otoki means that there is no longer any industrial wastewater generated. This has reduced the impact on the aquatic environment, and is making the use of water resources more efficient.

Noise emissions

We conduct noise monitoring at the prescribed intervals in accordance with the Decree on operational noise monitoring for sources of noise (Uradni list RS, No. 18/22). The last measurements were made in 2023, with the next measurements scheduled for 2026.

When assessing noise we take account of the limits stipulated by the relevant legislation, and by local government planning acts with regard to zoning.

The latest measurements show that no excessive environmental noise is being generated by the operation of the plants at any of the Domel Group's sites. The prescribed noise limits and peak values were not exceeded in any assessment period, and there was therefore no need for additional measures.

Atmospheric emissions

At the Domel Group we regularly monitor the atmospheric emissions from stationary pollution sources in line with the relevant legislation and the requirements of the ISO 14001 environmental management system.

In 2025 we conducted the first measurements of emissions at the new stator lacquering plant at the Trata 1 site. The measurements were made in line with the requirements of legislation governing operational monitoring of atmospheric emissions.

All the measurements were significantly below the prescribed limits, confirming our compliance with the current environmental requirements. In addition to conducting measurements, we also make assessments of annual emissions for other outlets at individual sites, and regularly update the monitoring programmes in the wake of any changes to industrial processes.

The systematic monitoring of emissions allows us to:

~ promptly identify any deviations,

~ effectively manage the environmental impact,

~ meet the requirements under law,

~ continually improve the environmental management system.

We have drawn up a long-term plan of measurements and emissions monitoring for all the major sources of emissions.

Waste management and the circular economy

At the Domel Group we are committed to reducing waste and separating it accurately at source, and to maximising our recovery of materials to be used again in production flows. The cornerstones of our waste management system are the principles of the circular economy, responsible resource management, and good collaboration with certified waste disposal operators.

Approximately 95% of the waste generated in 2025 went to recycling or recovery, a significant contribution to increasing the efficiency of resource use, and reducing environmental impact.

Recyclables

Iron waste is the largest component in the company's recyclables, its 8,076 tonnes in 2025 accounting for more than 96% of the total amount. Copper, aluminium, rotors, carboard packaging and electronic components also make up significant fractions.

We also devote particular attention to recovering waste magnets that contain rare earths. A total of 675 kg of waste magnets were recovered in 2025, a significant material flow from the perspective of critical raw materials and the circular economy.

Quantity of recyclable waste by type, 2021 to 2025 (tonnes)

	2021	2022	2023	2024	2025
Copper	20.67	22.56	17.89	17.51	16.79
Brass	50.62	29.51	33.64	10.62	0.71
Aluminium	57.18	42.89	42.12	44.91	34.23
Iron	9,876.12	10,301.65	9,136.69	7,978.93	8,076.41
Magnets	/	0.5	/	0.13	0.67
Rotors	87.16	76.63	48.71	79.51	42.97
Copper cable	0.58	1.68	0.26	1.08	0.64
Electronic components	1.09	3.95	1.65	1.16	1.99
Cardboard packaging	130.00	110.00	108.00	106.00	100.00
Plastic packaging	/	/	1,100	3,600	/
Sorted plastic packaging	/	/	9,000	13,000	13,000
Bio-waste	36.92	34.35	34.59	42.82	40.93

Non-recyclables

BMC plastic and thermosets are the largest component in non-recyclable waste. Their structure means that there are limited options for processing these materials, and this waste flow thus remains a significant challenge from the perspective of the circular economy. The quantity of waste BMC plastic amounted to 260 tonnes in 2025, less than the previous year's figure of 288 tonnes.

There were 32.7 tonnes of mixed municipal waste and 50.3 tonnes of mixed packaging, a decline compared with 2024.

We also collected 40.9 tonnes of bio-waste. Bio-waste is collected separately, and is sent for onward biological processing.

Quantity of non-recyclable waste and bio-waste, 2021 to 2025 (tonnes)

	2021	2022	2023	2024	2025
Mixed municipal waste	39.79	34.27	29.91	32.87	32.66
Mixed waste packaging	88.25	63.42	58.03	57.93	50.32
Waste BMC plastic	223.17	272.81	296.72	287.65	260.00
Bio-waste	36.92	34.35	34.59	42.82	40.93

Hazardous waste

The total quantity of hazardous waste generated in 2025 was 45 tonnes, a significant increase on 2024 (32.7 tonnes). This increase was primarily attributable to the increased quantities of water-miscible cutting fluid, residue from distillation processes, and the cleaning of oil-water separation systems. All hazardous waste was delivered to certified waste disposal operators in line with the relevant legislation.

Quantity of hazardous waste, 2021 to 2025 (tonnes)

	2021	2022	2023	2024	2025
Waste hazardous substances	41.23	39.93	36.03	32.65	45.02

Despite the increase in the quantity of hazardous waste, it remains a tiny fraction of the total quantity of waste generated, and its treatment in all instances complies with the relevant legislation and our own waste management procedures.

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