

PRIME LABEL GROUP

SUSTAINABILITY REPORT

2025



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CEO STATEMENT

When we began developing our sustainability approach at Prime Label Group, we were starting a new chapter for our organisation. We did not have all the structures or answers in place, but we had a clear conviction that sustainability would become increasingly important for our business, our customers and the future of the packaging industry.

Since then, we have built our approach step by step, turning this conviction into a clearer direction for the Group.

From the beginning, I believed that this required trust, commitment and the involvement of people across our organisation. Today, I am proud not only of the progress we have made, but also of the growing awareness that sustainability is a shared responsibility and an important part of how we develop our business.

As Prime Label Group continues to grow, our ambition is to build a stronger, more integrated and more sustainable organisation. We will continue bringing our companies closer together, strengthening common standards and embedding sustainability into our decisions, relationships and long-term development.

This report shows **where we are today**, but it is not the end of the process. It is the foundation for **what comes next**.

Arkadiusz Sapiecha

PRIME LABEL INVESTMENT COMPANY
Chief Executive Officer



ABOUT THIS REPORT

Our first Sustainability Report establishes a common framework for presenting Prime Label Group's ESG performance, priorities and commitments. It reflects our ambition to build transparent, consistent and progressively more mature sustainability reporting across the Group.



ABOUT THIS REPORT

This is the **first Sustainability Report published by Prime Label Group**.

It presents our **environmental, social and governance (ESG) performance for the 2025 reporting year** and marks an important milestone in our sustainability journey. The report reflects our commitment to transparent

communication and demonstrates how sustainability is becoming an integral part of our business strategy, decision-making and daily operations.

As our first report, it establishes the foundation for **consistent sustainability reporting across the Group**. It brings together our initiatives, achievements and

future commitments, providing stakeholders with a clear overview of how we create long-term value for our customers, employees, suppliers, business partners and local communities.

Although Prime Label Group is not currently subject to mandatory reporting under the **Corporate Sustainability Reporting Directive (CSRD)**, this report has been prepared with reference to **the European Sustainability Reporting Standards (ESRS)**. Our reporting approach reflects the principles of double materiality, transparency and continuous improvement while supporting our long-term readiness for future sustainability reporting requirements.

The report covers the period from **1 January to 31 December 2025**, unless otherwise stated, and includes information from the **seven Prime Label Group production companies included in the 2025 reporting scope: Chemes, Embe Press, Pegwan, LabelPrint, LabelProfi, Grafoprint and IPPU**. Arti-Bau, which joined Prime Label Group in 2025, is not included in the reporting scope of this report.



Related ESRS: ESRS 2 BP-1 – General basis for preparation of sustainability statements

Performance data are presented at Group level, with selected indicators additionally reported by individual production sites, providing greater transparency and illustrating how each entity contributes to the Group's overall sustainability performance.



TO HELP READERS NAVIGATE THE REPORT, EACH SUSTAINABILITY PILLAR FOLLOWS A CONSISTENT STRUCTURE:

- **Why it matters** – explains why the topic is important to Prime Label Group and its stakeholders.
- **Our Commitments** – presents our strategic objectives and long-term ambitions.
- **Our Progress** – highlights key achievements and performance during the reporting year, presenting Group-level results alongside selected company-level indicators to provide a comprehensive view of performance across the Group.
- **Looking Ahead** – outlines our priorities and planned initiatives for the coming years.

Related ESRS disclosure requirements are referenced alongside selected disclosures, performance indicators and tables throughout the report, helping readers identify how the reported information relates to the European Sustainability Reporting Standards. A comprehensive ESRS Content Index is provided at the end of this report.

We are committed to continuously improving both our sustainability performance and the quality of our reporting, ensuring that each future edition provides an even more **comprehensive, transparent and meaningful account of our progress.**



PRIME LABEL GROUP AT A GLANCE

Prime Label Group brings together established label manufacturers across European markets, combining local expertise with the capabilities and scale of an international organisation. Our growing production network, broad technology portfolio and diverse market presence provide a strong foundation for the Group's continued development.



WHO WE ARE

Prime Label Group is a **European label manufacturing group**, bringing together specialised production companies with complementary expertise, technologies and market experience. We combine **strong local customer relationships with the capabilities, resources and scale of an international organisation**.

Our ambition is to continue expanding our position in the European label market, with a particular focus on **Central Europe, the DACH region and Scandinavia**. Our development is built on deep industry knowledge, operational excellence and the experience and commitment of our teams. At the same time, **long-term customer**

partnerships remain central to our approach, with a focus on delivering consistent quality, reliable service and innovative solutions that help our customers respond to changing market needs and grow their brands.

We focus on **strengthening cooperation between our companies, sharing expertise and continuously improving our capabilities**. This enables us to benefit from the scale and combined resources of the Group while maintaining the flexibility, technical knowledge and customer proximity of our individual businesses.

As our Group continues to grow, understanding how **environmental, social and regulatory developments influence our business** is increasingly important to the way we plan for the future.

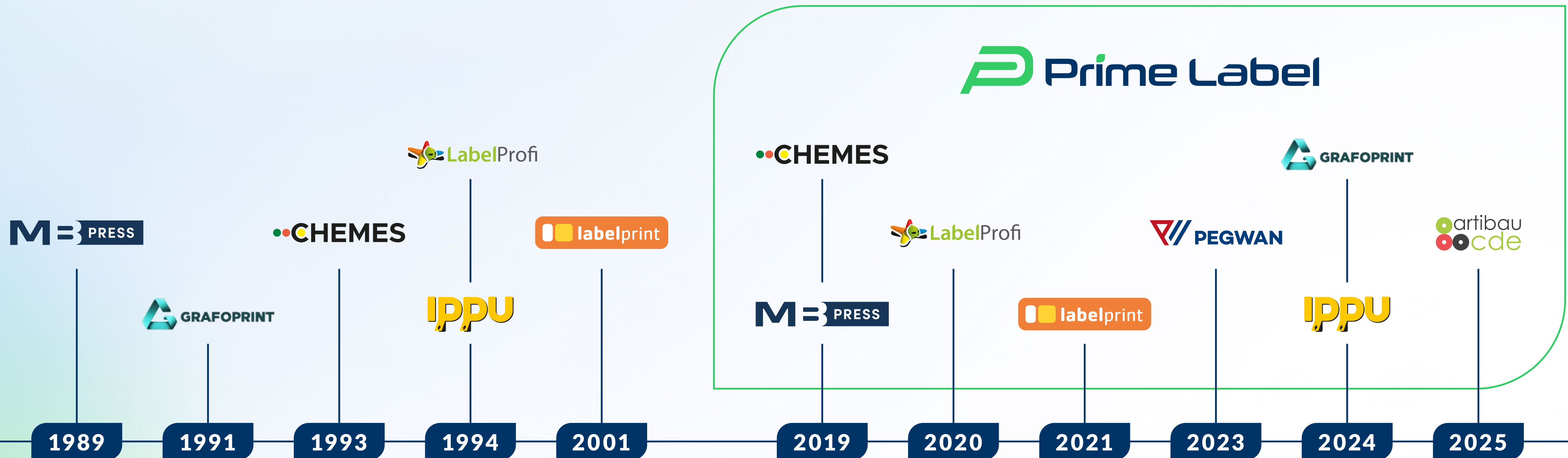


Related ESRS: ESRS 2 SBM-1 – Strategy, business model and value chain

OUR GROUP HISTORY

Prime Label Investment Company S.A. was established in **2019 as a holding company by Innova Capital**, marking the beginning of the development of Prime Label Group. Since then, the Group has expanded through

acquisitions and the integration of established label manufacturers, bringing together companies with complementary capabilities, technologies and market experience.



Prime Label Group Development Timeline
Development of Prime Label Group and the history of its companies

OUR FOOTPRINT

Prime Label Group operates through production companies located across **Poland, Slovenia, Estonia**, combining local market presence with the capabilities and resources of an international Group. With **annual sales exceeding EUR 130 million and annual production exceeding 18 billion pieces**, our operations reflect the scale and diversity of the markets and customers we serve.

In **Poland**, the Group comprises **Embe Press, Pegwan, Chemes and Arti-Bau**. **LabelProfi** operates in **Slovenia**, while **LabelPrint** represents the Group in **Estonia**.

In **Romania**, Prime Label Group operates through **Grafoprint and IPPU**. Together, these companies form a **geographically diverse production network supporting customers across European markets**.

Arti-Bau joined Prime Label Group in 2025 and is not included in the reporting scope of this Sustainability Report. Unless otherwise stated, Group-level sustainability data and indicators presented in this report therefore cover the remaining seven production companies.

Prime Label Group Production Footprint
Location of Prime Label Group companies across Europe

Related ESRS: ESRS 2 SBM-1 – Strategy, business model and value chain

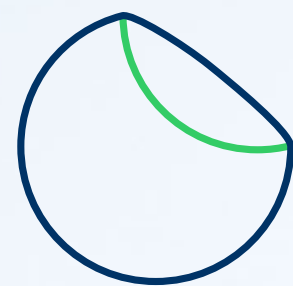




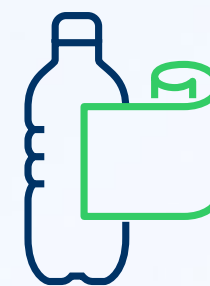
OUR PRODUCTS AND MARKETS



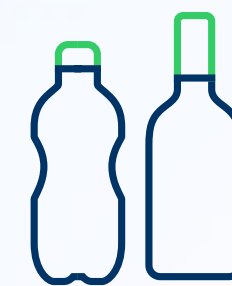
Prime Label Group offers a diversified portfolio of label and packaging solutions, combining a broad range of technologies and applications across our production companies. Our main product categories include **self-adhesive labels, wrap-around labels, shrink sleeves, wet-glue labels, flexible packaging, and multilayer and booklet solutions.**



Self-adhesive labels



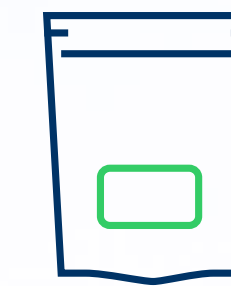
Wrap-around labels



Shrink sleeves



Wet-glue labels

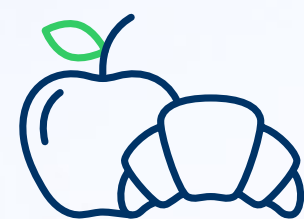


Flexible packaging

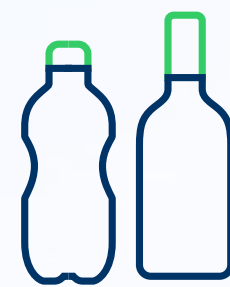


Multilayer & booklets

Our products serve a broad range of industries and applications. Our key markets include **food, beverages, wines and spirits, health and beauty, household products, logistics, and pharmaceuticals.** This diversified market presence allows us to combine specialised sector knowledge with a broad range of production capabilities, while responding to the specific **quality, functionality, and service requirements** of different customer segments.



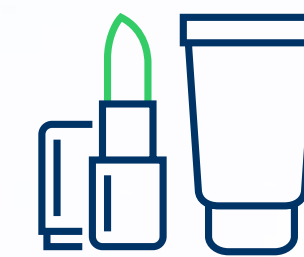
Food



Beverages



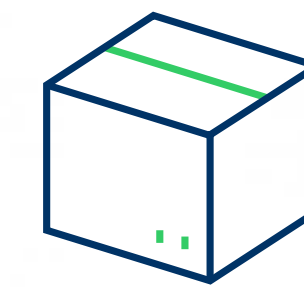
Wines and Spirits



Health and Beauty



Household



Logistics



Pharma

OUR BUSINESS MODEL

Prime Label Group operates a **business-to-business model**, providing label and packaging solutions to brand owners across a diversified range of industries. We create value by combining **specialised manufacturing capabilities, technological expertise and local customer relationships** with the scale, resources and shared capabilities of an international production Group.

Our operations transform paper, films and other production materials into **customised label and packaging solutions** using a range of printing and finishing technologies. Our business model is built around **close customer relationships, operational flexibility and the ability to respond to specific product, quality and service requirements**. Cooperation across our companies enables us to share expertise, optimise capabilities and support customers across different technologies, applications and markets.

Our position in the value chain **connects our suppliers, our operations and our customers**. Labelled products ultimately reach consumers and, at the end of their use, enter collection, sorting and recycling systems. This broader value chain perspective is increasingly important as regulatory requirements and customer expectations place greater emphasis on **resource efficiency, responsible sourcing, climate impact and packaging recyclability**.



OUR VALUE CHAIN



Prime Label Group Value Chain

Key upstream, own operations and downstream activities across the Group's value chain

Related ESRS: ESRS 2 SBM-1 – Strategy, business model and value chain

SUSTAINABILITY GOVERNANCE

Sustainability at Prime Label Group is managed through a Group-wide, cross-functional approach, connecting strategic direction at Group level with implementation across individual companies. Overall responsibility for coordinating the sustainability agenda is assigned to the **Group Quality and Sustainability Manager, reporting directly to the Group CEO**. This direct reporting line supports the integration of sustainability considerations into Group-level priorities and decision-making.

Sustainability performance and key ESG developments are also reported to the Supervisory Board every two months, providing regular oversight of progress, priorities and emerging sustainability matters.

Each year, sustainability objectives are defined at Group level and translated into specific initiatives and projects. Relevant ESG objectives are also cascaded to the Management Boards of individual Group companies, creating a direct link between Group priorities and local accountability. Progress is supported through cooperation between Group functions and local management teams.

Implementation is deliberately cross-functional. Depending on the subject, sustainability projects involve **Group-level functions such as finance, procurement, sales and continuous improvement**, together with local teams representing operations, quality, human resources, environmental management and other relevant areas. This approach combines sustainability expertise with the operational and market knowledge of the teams directly responsible for implementation.

Rather than treating sustainability as the responsibility of a single function, we aim to **progressively embed it across the organisation**. Group-level coordination provides common direction, while individual companies and functional teams contribute within their respective areas of responsibility. This model supports knowledge sharing, strengthens ownership of sustainability objectives and helps translate Group commitments into practical actions across our operations.

Related ESRS: ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies;
ESRS 2 GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies



POLICIES AND PROCEDURES

Prime Label Group combines Group-wide principles and policies with locally managed operational procedures and controls. This approach provides a common framework across the Group while allowing individual companies to maintain processes appropriate to their operations, legal requirements and applicable management systems.

At Group level, our framework includes the Prime Label Group Sustainability Policy and Code of Conduct, which establish common principles and expectations regarding responsible business conduct, sustainability and relationships with employees and business partners. Our approach is complemented by sustainability requirements for suppliers, linked to our Code of Conduct and setting out our expectations regarding responsible sourcing and ESG practices across the supply chain. The Sustainability Policy provides the overarching framework for our sustainability approach and is complemented by the Code of Conduct, sustainability requirements for suppliers, and relevant local health, safety and environmental procedures.

At company level, operational policies, procedures and controls are developed and maintained locally, reflecting applicable legislation, the characteristics of individual operations and the requirements of certified management systems and industry

standards. This enables each company to address its specific operational risks and responsibilities while remaining aligned with the principles established at Group level.

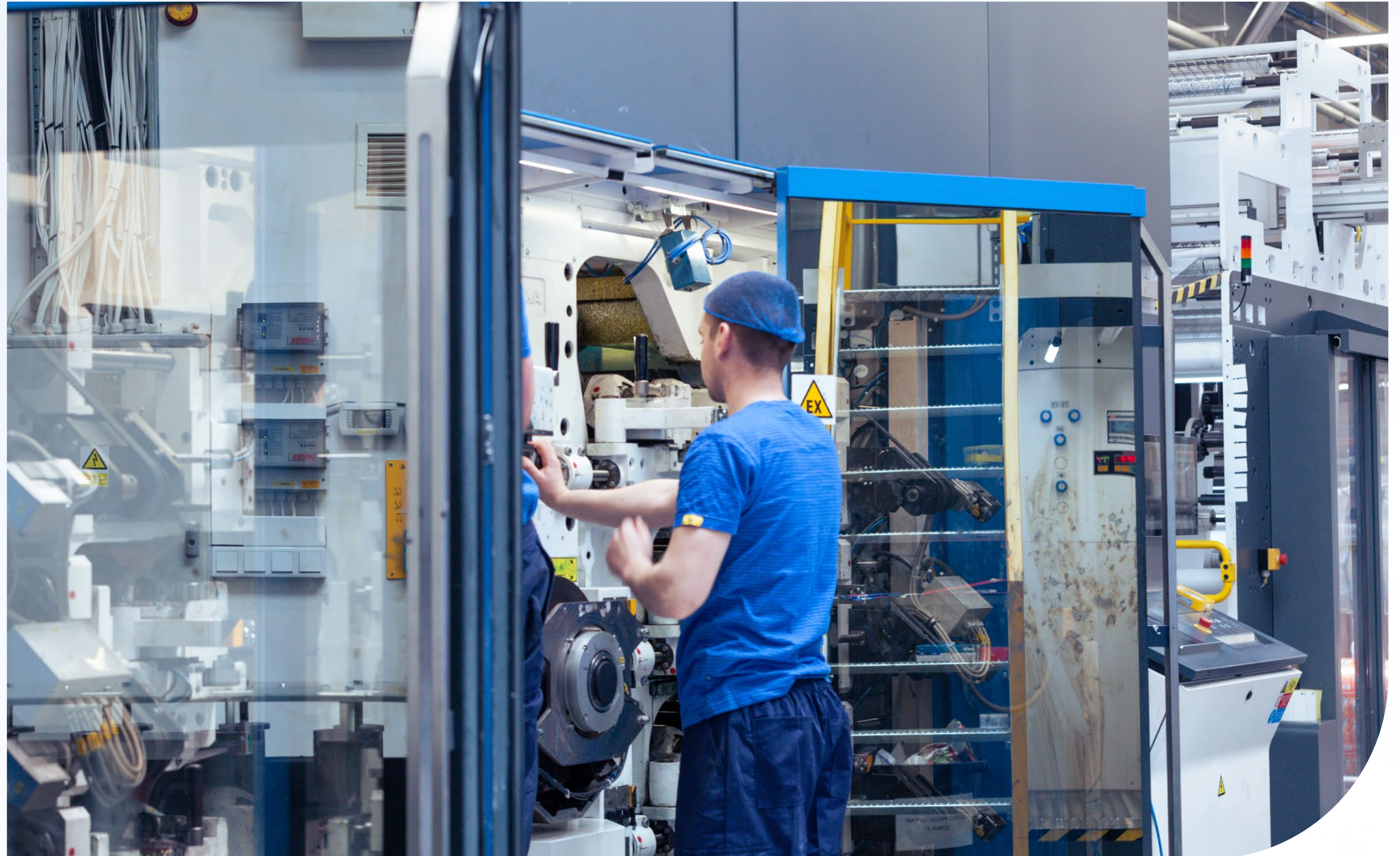


Related ESRS: ESRS 2 MDR-P – Policies adopted to manage material sustainability matters

QUALITY AND PROTECTION OF CUSTOMER INTERESTS

Quality is a fundamental focus across Prime Label Group and an integral part of how we build and maintain trust with our customers. Our certified management systems support consistent product quality while also contributing to the **protection of customer interests and property**.

Requirements embedded in **ISO 9001 and BRCGS Packaging Materials** include controls related to customer specifications, product and artwork information, traceability, confidentiality and the protection of customer-owned materials and intellectual property. These processes help us **safeguard customer requirements and trademarks throughout product development and production**, while maintaining the quality and consistency expected by our customers.



Related ESRS: ESRS S4-4 – Taking action on material impacts on consumers and end-users

MANAGEMENT SYSTEMS AND CERTIFICATIONS

Our management approach is supported by internationally recognised management systems, industry standards and market-specific certification schemes, including **ISO 9001 for quality management, ISO 14001 for environmental management, ISO 45001 for occupational health and safety, BRCGS Packaging Materials for product safety and quality, FSC Chain of Custody for responsible sourcing**, as well as **DPG (Deutsche Pfandsystem) and ISCC certification schemes**.

Across the Group, **all seven companies within the 2025 reporting scope hold ISO 9001 certification**, while other management systems and certifications are maintained by individual companies according to their activities, products and market requirements. These systems support the implementation of Group principles through locally managed processes, controls and continuous improvement practices.

Company name	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
ISO 9001	✓	✓	✓	✓	✓	✓	✓
ISO 14001	✓	✓	✓	✓	✓	✓	✓
ISO 45001	✓	✓	✓				✓
BRCGS Packaging Materials	✓	✓	✓	✓			✓
FSC CoC	✓	✓	✓	✓		✓	✓
DPG	✓	✓	✓				
ISCC	✓	✓					

Management Systems and Certifications – Group Performance by Site, 2025
Overview of management systems, industry standards and certifications maintained across Prime Label Group companies

WHISTLEBLOWING MECHANISM

While governance structures, policies and management systems provide the framework for responsible business conduct, it is equally important that potential misconduct or deviations from established standards can be reported and appropriately addressed. In line with applicable whistleblower protection legislation, Prime Label Group has established a **Group-wide procedure for reporting and handling concerns regarding potential misconduct or violations**.

The procedure provides dedicated reporting channels, including the possibility of anonymous reporting, and establishes rules for investigating and following up on reported concerns while protecting whistleblowers and those assisting them from retaliation.

Reports may be submitted through a dedicated online platform or directly to the **Ethics Committee**, which includes representatives of individual Group companies and is responsible for receiving and investigating reports and recommending appropriate follow-up actions.

In 2025, no reports were submitted through the Group whistleblowing mechanism by employees or external stakeholders.



Related ESRS: ESRS G1-1 – Business conduct policies and corporate culture

WHY SUSTAINABILITY MATTERS

Sustainability is reshaping the packaging industry, influencing how products are designed, manufactured and managed throughout their lifecycle. For Prime Label Group, this transformation brings both new responsibilities and opportunities to create long-term value for our customers, our business and the wider value chain.



WHY SUSTAINABILITY MATTERS

The packaging industry is undergoing significant transformation. Driven by changing consumer expectations, evolving regulations and increasing demand for circular solutions, sustainability is increasingly shaping how packaging is designed, manufactured and used. Customers expect packaging that not only protects and promotes their products but also supports recycling, improves resource efficiency and contributes to a more circular economy.

As a manufacturer of label solutions, Prime Label Group recognises that labels play an important role in the sustainability performance of packaging. The choice of materials, adhesives, inks and printing technologies can influence recyclability, resource efficiency and the overall environmental footprint of packaging. By working closely with customers, suppliers and industry partners, we contribute to the development of labelling solutions that meet both functional requirements and evolving sustainability expectations.

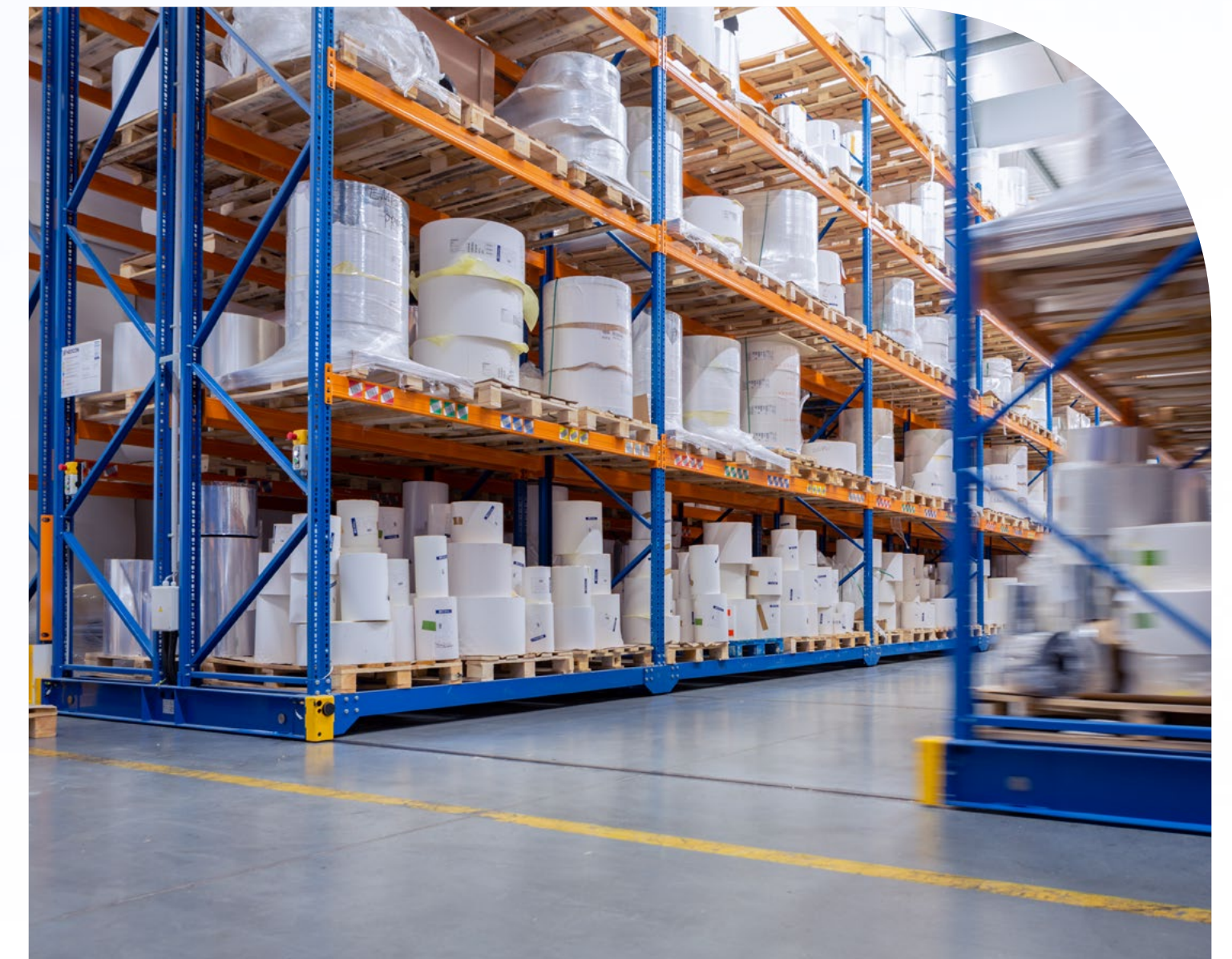
At the same time, the regulatory landscape is changing rapidly. European initiatives, including the **Packaging and Packaging Waste Regulation (PPWR)**, the **Corporate Sustainability Reporting Directive (CSRD)** and other legislation supporting the European Green Deal, are

setting new expectations for product design, transparency and responsible business practices. These developments reinforce the need for companies across the packaging value chain to integrate sustainability considerations into decision-making, innovation and long-term business planning.

For Prime Label Group, sustainability is therefore not only a matter of regulatory compliance. It is also an opportunity to strengthen our competitive position, support our customers in achieving their sustainability objectives and create long-term value through innovation and operational excellence. Investments in more sustainable materials, resource efficiency, renewable energy, responsible sourcing and employee engagement contribute to building a resilient business while reducing our environmental impact.

This transition also brings challenges. Increasing regulatory requirements, evolving customer expectations, climate-related risks, resource availability and supply chain resilience require businesses to continuously adapt. We see these challenges as an opportunity to improve our operations, develop new solutions and strengthen collaboration across our value chain.

Understanding these opportunities and challenges provides the foundation for our sustainability strategy. Through our Double Materiality Assessment, we identified the environmental, social and governance topics that are most significant in terms of our impacts, risks and opportunities and their relevance to our business. These material sustainability matters inform our strategic priorities and guide the actions presented throughout this report.



OUR SUSTAINABILITY PRIORITIES

In 2024, Prime Label Group conducted its first Group-wide **Double Materiality Assessment (DMA)** in accordance with the European Sustainability Reporting Standards (ESRS). The assessment covered our production sites in Poland, Slovenia, Estonia and was designed to identify the sustainability topics most significant from both an impact and a financial perspective.

The assessment considered sustainability from two complementary perspectives. **Impact materiality** examined the actual and potential impacts of our activities on people and the environment, while **financial materiality** considered how sustainability-related risks and opportunities may affect the Group's financial performance, resilience and ability to create value over time. By combining these perspectives, we established a structured basis for defining our sustainability priorities and developing our Sustainability Strategy.

Following a methodology aligned with the ESRS framework, we analysed our business context, mapped our value chain and identified the stakeholders most closely connected to our operations. We reviewed relevant legislation, market trends, industry developments and internal policies to identify potential impacts, risks

and opportunities across our business. The assessment considered the entire value chain — from raw material sourcing and supplier relationships to product use and end-of-life management — covering both upstream and downstream activities.

The identified topics were evaluated through an internal expert assessment involving representatives from production, procurement, sales, marketing, human resources, environmental management, quality and other key business functions. Impact materiality was assessed considering the scale and scope of actual and potential impacts, together with their likelihood where relevant, while financial materiality considered the potential magnitude and likelihood of sustainability-related financial effects. The results of the assessment were subsequently reviewed and validated by senior management.

Stakeholder engagement formed an important part of the assessment. Following a stakeholder prioritisation workshop with senior management, we engaged stakeholders with the greatest influence on, or exposure to, our business activities. These included employees, customers, suppliers and investors, while the natural environment was also considered within the assessment.

Input was gathered through supplier and investor interviews, customer and employee surveys, industry benchmarking, and analysis of regulatory developments and environmental requirements.



Related ESRS: **ESRS 2 IRO-1** – Description of the process to identify and assess material impacts, risks and opportunities; **ESRS 2 SBM-2** – Interests and views of stakeholders

KEY OUTCOMES OF OUR DOUBLE MATERIALITY ASSESSMENT

The assessment identified material topics across **five ESRS areas: Climate Change (E1), Resource Use and Circular Economy (E5), Own Workforce (S1), Consumers and End-users (S4), and Business Conduct (G1).**

The material topics identified include **climate change mitigation and product carbon footprint; resource use, waste and resource outflows related to products and services; working conditions and equal treatment and opportunities for all; protection of customer property; corporate culture; and management of relationships with suppliers.**

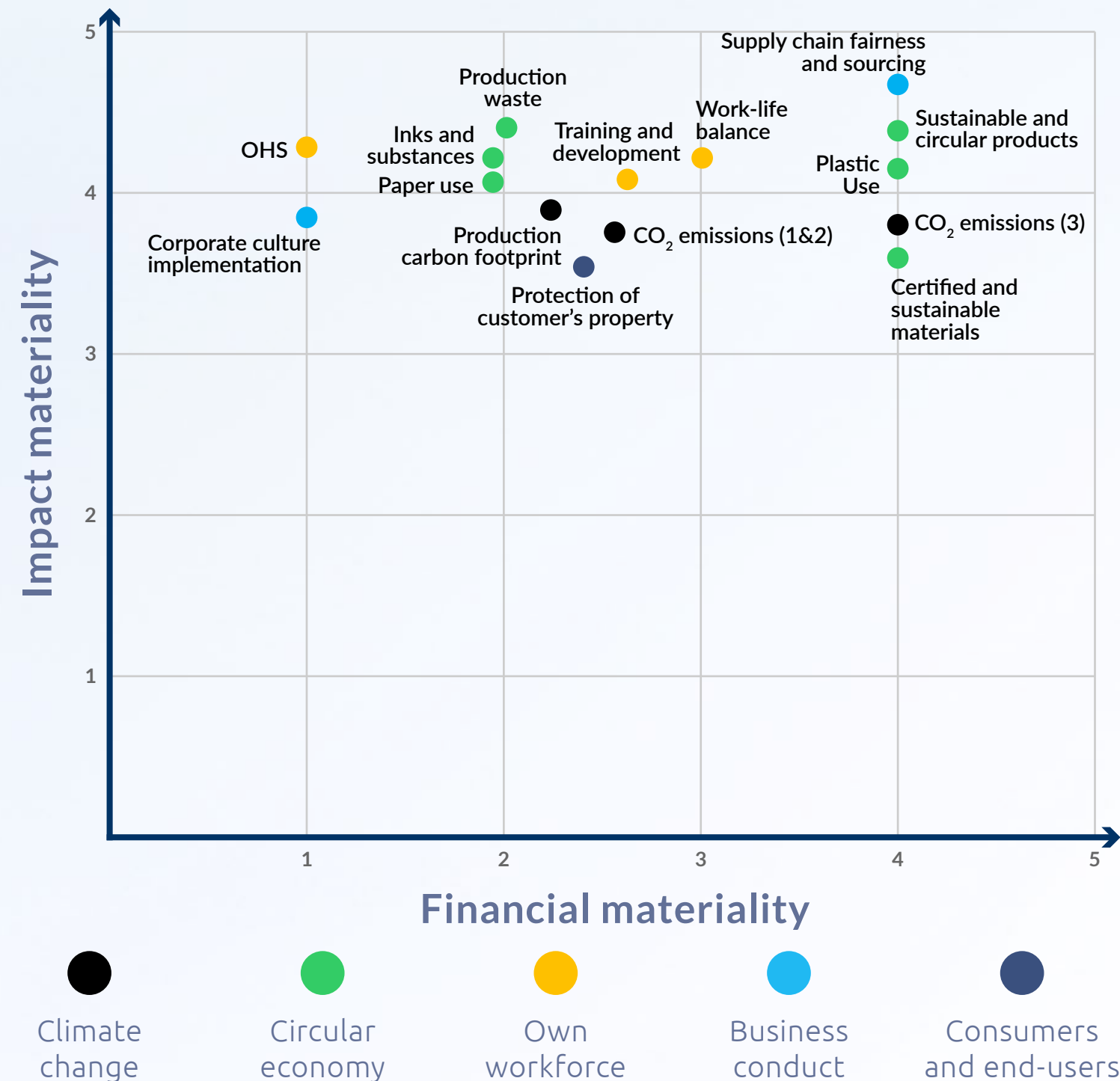
These findings provided the foundation for defining the Group's sustainability priorities and developing our Sustainability Strategy. They also guide the targets, initiatives and disclosures presented throughout this report.



Related ESRS: ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

MATERIALITY MATRIX

The results of the assessment are presented in the **Materiality Matrix**, which shows the relative significance of the sustainability topics assessed from both an impact and a financial materiality perspective. The matrix presents the broader range of topics considered during the assessment while highlighting those identified as material for Prime Label Group.



Double Materiality Matrix – Prime Label Group, 2024

Relative significance of sustainability topics from an impact and financial materiality perspective

Material sustainability topics:

ESRS E1 – Climate Change:

- Climate change mitigation
- Product carbon footprint

ESRS E5 – Resource Use and Circular Economy:

- Resource inflows, including resource use
- Waste
- Resource outflows related to products and services

ESRS S1 – Own Workforce:

- Working conditions
- Equal treatment and opportunities for all

ESRS S4 – Consumers and End-users:

- Protection of customer property

ESRS G1 – Business Conduct:

- Corporate culture
- Management of relationships with suppliers

Related ESRS: ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

SUSTAINABILITY STRATEGY

Our Sustainability Strategy translates the priorities identified through our Double Materiality Assessment into clear commitments and actions across the Group. Built around four strategic pillars, it provides a common framework for creating long-term value through responsible business practices, people, environmental performance and circular solutions.



SUSTAINABILITY IN EVERY LABEL. INTEGRITY IN EVERY ACTION.

At Prime Label Group, sustainability defines both what we create and how we operate. It is reflected in the label solutions we develop, the decisions we make, the relationships we build and the standards we uphold across our business. Our ambition is to support the transition towards a **more sustainable and circular packaging industry** while conducting our business with **integrity, transparency and respect for people, partners and the environment**.

Our Sustainability Strategy translates the priorities identified through our **Double Materiality Assessment** into a common direction for the Group. It integrates environmental, social and governance considerations into our operations, business relationships and decision-making, providing a framework for **setting objectives, defining actions and measuring progress**.

The strategy is supported by clearly defined objectives and key performance indicators that enable us to monitor

progress and continuously improve our performance. Its implementation is a **shared responsibility across the Group**, connecting strategic direction with practical action within our individual companies and functions.

Our Sustainability Strategy is built around **four strategic pillars**. Each addresses a distinct area of our sustainability agenda, while together they reflect the interconnected nature of our impacts, risks and opportunities and translate our ambition into action.

RESILIENT PARTNERSHIPS

Strong partnerships are essential to building a resilient and responsible business. We work with suppliers and other business partners to promote **ethical business conduct, responsible sourcing and transparency throughout our value chain**, creating lasting value through collaboration and mutual trust.

SATISFIED TEAM

Our people are the driving force behind our success. We are committed to providing a **safe, inclusive and engaging workplace** where employees can develop their skills, realise their potential and contribute to a culture of collaboration and continuous improvement.

SUSTAINABLE LABELS

We are committed to reducing the environmental impact of our operations through **resource efficiency, responsible material use and climate action**. By improving the way we use energy and materials, managing waste and emissions, and increasing the use of renewable and certified resources, we aim to **continuously improve the environmental performance of our production**.

CIRCULAR ECONOMY ADVOCATE

We believe that the transition towards more sustainable packaging requires collaboration across the value chain. By **developing circular label solutions, sharing knowledge and supporting our customers** in responding to evolving sustainability and regulatory requirements, we promote circular economy principles and contribute to **packaging solutions designed for the future**.



PILLAR I - RESILIENT PARTNERSHIPS

Resilient partnerships are essential to building a responsible, transparent and future-ready value chain. By strengthening supplier standards, ESG assessment and shared accountability, we aim to create long-term value and increase the resilience of our business relationships.





PILLAR I RESILIENT PARTNERSHIPS

WHY IT MATTERS

Strong partnerships are built on **trust, transparency and shared responsibility**. As a manufacturer of packaging solutions, we recognise that the sustainability of our products depends not only on our own operations but also on the practices of our suppliers and business partners.

We believe that resilient partnerships are founded on **common values, ethical business conduct and continuous improvement**. By working closely with our suppliers, promoting responsible business practices and independently assessing our sustainability performance, we strengthen our supply chain, respond to evolving customer expectations and create long-term value for our stakeholders.

Related ESRS: ESRS G1-2 – Management of relationships with suppliers

OUR COMMITMENTS

Our commitments are to:

- **90% coverage of suppliers** accepting the Prime Label Group Code of Conduct by 2029
- Screen **more than 90% of suppliers against ESG criteria within a three-year cycle**.
- Expand **EcoVadis assessments across all Prime Label Group entities**, while continuously improving our sustainability performance.



OUR PROGRESS

During 2025, we continued strengthening the foundations of a **responsible and resilient supply chain** by fostering shared sustainability standards and increasing transparency across our supplier network.

A key milestone was the continued rollout of the **Prime Label Group Code of Conduct**, which establishes our expectations regarding ethical business conduct, human rights, labour standards, environmental responsibility and business integrity. Throughout the year, we actively engaged suppliers to promote alignment with these principles and strengthen responsible sourcing across the Group. By the end of 2025, the Code of Conduct acceptance rate reached 69%, reflecting the coverage of suppliers that had accepted the Prime Label Group Code of Conduct.

At the same time, we expanded the use of **EcoVadis as an independent assessment of sustainability performance**. By the end of 2025, **four of the seven companies included in the reporting scope had successfully completed the assessment**. EcoVadis enables us to benchmark ESG performance against internationally recognised standards, identify areas for improvement and provide customers with independent confirmation of our sustainability efforts.

Related ESRS: ESRS G1-2 – Management of relationships with suppliers

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
Code of Conduct acceptance rate	69%	67%	57%	87%	65%	56%	73%	74%

Supplier Commitment – Group Performance by Company, 2025
Share of suppliers that accepted the Prime Label Group Code of Conduct

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
EcoVadis	Yes*	Yes	No	Yes	Yes	Yes	No	No

Sustainability Assessment – Group Performance by Company, 2025
EcoVadis assessment status across Prime Label Group companies

*Achieved in 2026

LOOKING AHEAD

Building on the progress achieved in 2025, we will continue strengthening responsible sourcing and the integration of sustainability criteria into supplier management across the Group.

In 2026, Prime Label Group signed a **Sustainability-Linked Loan (SLL)**, linking financing conditions to defined sustainability performance targets. One of the associated KPIs requires Prime Label to obtain an EcoVadis assessment in the first year and improve its score year by year thereafter. The first target was successfully achieved in 2026.

The SLL also introduced targets aimed at strengthening responsible supplier management. We will increase the coverage of suppliers accepting the Prime Label Group Code of Conduct and expand ESG screening across our supplier base, with the objective of screening more than 90% of suppliers within a three-year cycle.

Together, these actions will further **embed ESG considerations into supplier management, strengthen responsible sourcing and supply chain resilience, and foster long-term partnerships built on trust, accountability and shared values.**

Related ESRS: ESRS G1-2 – Management of relationships with suppliers



PILLAR II – SATISFIED TEAM

Our people are at the heart of Prime Label Group. We are committed to creating a safe, engaging and supportive workplace where employees can develop, contribute and grow. By listening to our employees and continuously improving our people practices, we aim to build strong and satisfied teams across the Group.





PILLAR II SATISFIED TEAM



WHY IT MATTERS

Our people are the **driving force behind Prime Label Group's success**. Their expertise, commitment and collaboration enable us to deliver high-quality products, build trusted customer relationships and continuously improve our business. Creating a **safe, inclusive and engaging workplace** is therefore fundamental to achieving our strategic objectives and supporting the long-term sustainability of the Group.

We believe that employee satisfaction is built on **trust, respect and opportunities for growth**. By investing in health and safety, professional development, open communication and employee wellbeing, we aim to create a workplace where people feel **valued, empowered and motivated** to contribute to our shared success.

OUR COMMITMENTS

Our commitments are to:

- Achieve a **positive Employee Net Promoter Score (eNPS) by 2029**.
- Provide **annual Code of Conduct training to all employees**.



OUR PROGRESS

DIVERSITY AND EQUAL OPPORTUNITIES

Diversity and equal opportunities are important elements of our approach to building an inclusive workplace. In 2025, women represented 36.7% of Prime Label Group’s workforce and 40.0% of senior management positions, defined as positions reporting directly to the Management Board. Women also held 28.6% of Management Board positions across the Group.

Gender representation varied across Group companies and organisational levels, reflecting differences in local workforce structures and management teams.

The 2025 data provide a clear baseline for monitoring gender representation and supporting equal opportunities across the Group.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
Total employees (FTE)	804	168	161	145	94	98	57	81
Men (FTE)	525	124	109	94	72	46	41	39
Women (FTE)	279	44	52	51	22	52	16	42
Women as % of total FTE	36.7%	26.2%	32.3%	35.2%	23.4%	53.1%	28.1%	51.9%
Senior management positions (reporting directly to the Management Board)	45	9*		7	9	6	7	7
Women in senior management positions	18	4*		3	3	3	4	1
Women in senior management positions (%)	40.0%	44.4%*		42.9%	33.3%	50.0%	57.1%	14.3%
Management Board positions	14	2	2	2	2	1	3	2
Women on Management Boards	4	1	1	1	0	0	1	0
Women on Management Boards (%)	28.6%	50.0%	50.0%	50.0%	0.0%	0.0%	33.3%	0.0%

* Embe Press and Pegwan share the same management structure. Management figures are therefore reported jointly for both companies to avoid double counting.

Workforce Diversity – Group Performance by Company, 2025
Female representation in the workforce, senior management and Management Boards

HEALTH & SAFETY

Providing a safe working environment is a fundamental responsibility across Prime Label Group. In 2025, **11 work-related injuries** were recorded across the Group, resulting in **523 days lost due to injury**. There were **no work-related fatalities** during the reporting period.

The Group’s accident frequency rate was 7.77, while the injury severity rate reached 73.92. Results varied across Group companies, highlighting the importance of maintaining a strong focus on **prevention, consistent health and safety practices and continuous improvement** across our operations.

Work-related incidents are reviewed at company level and followed by appropriate **corrective and preventive actions**. In 2025, measures implemented in response to recorded injuries included **additional machine guarding, reviews of operating procedures and additional personal protective equipment**.

These actions address identified risks and help reduce the likelihood of similar incidents recurring.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
Number of work related injuries	11	1	1	5	3	0	0	1
Injury severity rate	73.92	7.11	49.71	214.32	164.75	0.00	0.00	46.40
Number of days lost due to injury	523	10	67	264	151	0	0	31
Accident frequency rate*	7.77	3.56	3.71	20.30	16.37	0.00	0.00	7.48

Health & Safety – Group Performance by Site, 2025
Work-related injuries, lost days and occupational health and safety performance indicators

* Accident Frequency Rate is calculated as the number of work-related injuries per 1,000,000 hours worked. Injury Severity Rate is calculated as the number of days lost due to work-related injuries per 200,000 hours worked.

EMPLOYMENT AND WORKFORCE STABILITY

Workforce stability supports organisational knowledge, operational continuity and employee engagement across Prime Label Group. In 2025, the Group-wide annual employee turnover rate was 21.74%, while the employee absenteeism rate was 3.59%.

Both indicators are monitored across individual Group companies to identify differences in workforce dynamics and working patterns. The results provide a basis for locally appropriate actions related to employee retention, working conditions, wellbeing and engagement, while supporting a more stable and resilient workforce across the Group.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
Annual Percent Turnover (Staff Rotation)	21.74%	14.29%	23.55%	23.45%	13.83%	18.36%	10.53%	48.15%
Employee absenteeism	3.59%	3.60%	5.71%	6.43%	4.50%	4.90%	0.00%	0.00%

Employment and Workforce Stability – Group Performance by Site, 2025
Employee turnover and absenteeism rates



SKILL DEVELOPMENT

Employee development supports both **individual growth and the continuous improvement of our organisation**. In 2025, Prime Label Group companies for which data were available recorded **11,428 hours of training**. Across these companies, **669 employees participated in training activities**, with an average of **17.08 training hours per trained employee**. The reported share of employees participating in training during the year was **79.68%**.

Training activity varied across Group companies, reflecting differences in **local development needs, operational requirements and training programmes**. We continue to support the development of professional skills and competencies relevant to employees’ roles and the evolving needs of our organisation.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
Total number of training hours	11,428	2,525	1,559	2,258	777	3,970	No data*	339
Average training hours per trained employee	17.08	13.22	13.32	15.26	28.78	37.45	No data*	4.24
Number of employees trained during year	669	191	117	148	27	106	No data*	80
% of employees trained during the year	79.68%	98.00%	72.50%	100.00%	25.40%	82.20%	No data*	100.00%

Skill Development – Group Performance by Site, 2025
Training hours and employee participation in training activities

* Training data for IPPU were not available for the 2025 reporting period. Group indicators therefore reflect the companies for which data were available.

CODE OF CONDUCT TRAINING

Building a common understanding of **responsible business conduct** is an important part of our approach to employee development and organisational culture. Our **Code of Conduct** establishes the principles and standards expected across Prime Label Group and provides a common framework for **ethical behaviour, respectful workplace practices and responsible decision-making**.

Code of Conduct training is provided across the Group to reinforce awareness of these standards and support employees in applying them in their everyday work. The training complements our broader learning and development activities and supports a **consistent understanding of the behaviours expected across Prime Label Group**.

EMPLOYEE ENGAGEMENT

In 2025, we strengthened our approach to employee engagement by conducting the first Group-wide Employee Satisfaction Survey across all Prime Label Group companies. The survey achieved a **64.5% participation rate**, providing a solid basis for understanding employee perceptions of satisfaction, professional development, communication, workplace culture and engagement.

The survey results showed several positive aspects of the employee experience. 69.7% of employees reported being satisfied with working at Prime Label, 65.6% stated that they would choose Prime Label again, and 69.9% agreed that Prime Label is a successful company.

At the same time, the Group’s **Employee Net Promoter Score (eNPS) was –24.2 in 2025**, establishing the baseline for our commitment to achieve a **positive eNPS by 2029**. Results varied significantly across Group companies, highlighting differences in employee experience and reinforcing the importance of addressing engagement at the local level rather than through a single Group-wide approach.

In response to the survey findings, each Prime Label Group company developed **dedicated action plans based on its own results**, with priorities including leadership development, internal communication, professional development and employee engagement. The survey therefore serves not only as a measurement tool, but also as a basis for **targeted actions and continuous improvement of the employee experience**.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
% employees responding to survey	64.50%	63.90%	53.80%	57.10%	71.90%	70.10%	85.20%	71.10%
Employee survey result (eNPS)	-24.20	31.40	-51.60	-65.10	7.80	-9.00	2.00	16.70

Employee Engagement – Group Performance by Site, 2025
Employee Satisfaction Survey participation and eNPS results

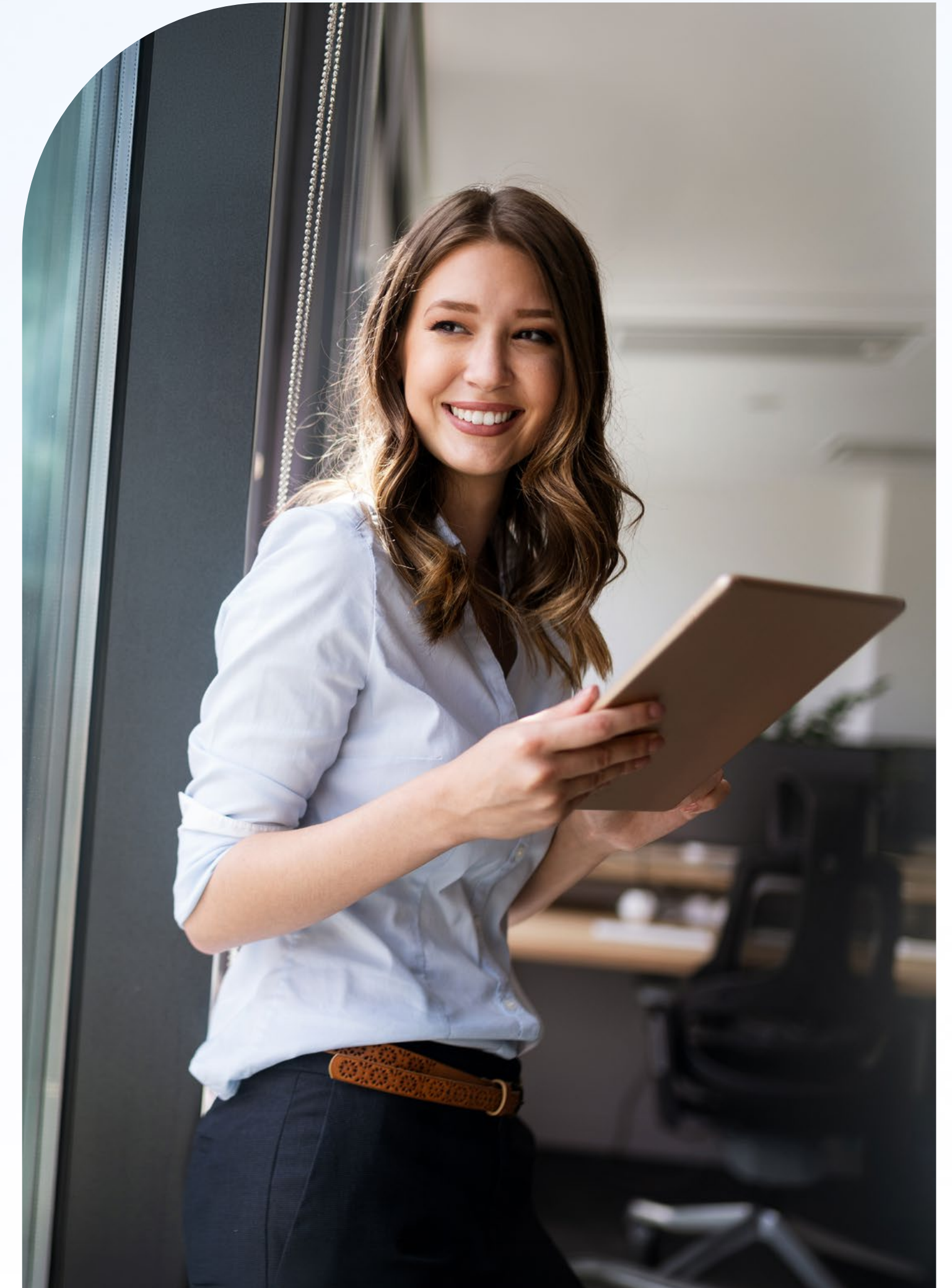
LOOKING AHEAD

Building on the insights gained from the 2025 Employee Satisfaction Survey, we will focus on **implementing and monitoring the action plans developed by each Group company in response to its local results**. Priorities will include strengthening leadership capabilities, improving internal communication, supporting professional development and increasing employee engagement. Regular employee feedback will help us assess the effectiveness of these actions and support progress towards our commitment to achieve a **positive eNPS by 2029**.

We will continue investing in learning and development to strengthen our organisation and support our employees. Training opportunities will be developed in response to local needs, alongside improvements in the methodology for collecting, consolidating and reporting training data across the Group. We will also strengthen the implementation and monitoring of annual Code of Conduct training, supporting our commitment to ensure that all employees complete the training each year.

In 2026, we are also strengthening our approach to fair and transparent remuneration. In preparation for the requirements of the **EU Pay Transparency Directive**, we are carrying out a Group-wide project to evaluate and structure job positions and **refine our remuneration methodology**. This work is intended to provide a more consistent basis for assessing comparable roles, support greater transparency in pay practices and strengthen our approach to equal pay and fair remuneration across Prime Label Group.

Health and safety will remain a fundamental priority across all our operations. We will continue monitoring accident frequency and severity, reviewing work-related incidents and implementing appropriate corrective and preventive measures. Together with the continued monitoring of workforce indicators such as employee turnover and absenteeism, these actions will help us identify areas requiring attention and contribute to our broader ambition of building a **safe, engaged and satisfied team across Prime Label Group**.



PILLAR III – SUSTAINABLE LABELS

We are committed to **reducing the environmental impact of our operations** while continuously improving the efficiency of our production processes. Through better data, responsible use of resources and investment in more efficient technologies, we aim to strengthen **sustainable manufacturing across Prime Label Group**.





PILLAR III SUSTAINABLE LABELS

WHY IT MATTERS

Manufacturing labels requires **energy, raw materials and efficient production processes**. As a responsible manufacturer, Prime Label Group recognises that **reducing greenhouse gas emissions and improving resource efficiency** are essential to creating long-term value for our customers, employees and the environment.

While emissions generated directly within our operations remain an important focus, we also recognise that a significant share of **our climate impact occurs across the value chain**—from the production of purchased materials to the use and end-of-life of our products. Understanding

these impacts enables us to make better decisions, engage with suppliers and customers, and identify **opportunities to reduce emissions throughout the product lifecycle**.

By improving energy efficiency, investing in modern technologies, optimising production processes and strengthening our understanding of value chain emissions, we are embedding climate considerations into the way we operate. **Greater awareness, reliable data and operational improvements enable teams across the Group to contribute to our environmental performance and support responsible manufacturing and long-term business resilience.**

OUR COMMITMENTS

We are committed to:

- **Reduce Scope 1 and Scope 2 GHG emissions intensity by 20% by 2029**, compared with the 2025 base year, measured per m² of raw materials used.
- **Increase the share of renewable energy to more than 10% of total energy consumption by 2029.**

OUR PROGRESS

During 2025, we strengthened the foundations of our climate management by developing a more consistent approach to measuring and understanding greenhouse gas emissions across Prime Label Group. A key step was the implementation of the **IBM Envizi ESG Suite**, providing a common platform for collecting, consolidating and managing environmental data across the Group.

The implementation required a structured approach to data collection and greenhouse gas accounting, drawing on information from **financial systems, operational ERP systems, HR data and other business records**.

It involved different functions and departments across the Group, supported by training and knowledge sharing to strengthen data quality and build a common understanding of greenhouse gas accounting.

Our greenhouse gas emissions are calculated in accordance with the **GHG Protocol**, enabling us to measure and analyse Scope 1, Scope 2 and Scope 3 emissions consistently across the Group. This provides greater visibility into where emissions originate and helps us identify the activities and resources that contribute most significantly to our climate impact.



SCOPE 1 AND SCOPE 2 EMISSIONS

In 2025, Prime Label Group’s **Scope 1 emissions amounted to 1,240 tCO₂e**, primarily associated with natural gas used for heating buildings and for thermal treatment systems that control solvent emissions from printing processes. **Scope 2 market-based emissions amounted to 9,278 tCO₂e** and represented the majority of our combined Scope 1 and Scope 2 emissions. These emissions are associated with purchased electricity, making energy efficiency and the transition towards renewable energy important areas for reducing the climate impact of our operations.

To reflect the scale of our production activity and enable meaningful comparison over time, we monitor greenhouse gas emissions intensity in relation to the volume of raw materials used. In our 2025 base year, **Scope 1 and Scope 2 market-based emissions intensity was 41.96 tCO₂e per million m² of raw materials used**. This indicator is also used as a sustainability performance metric under the Group’s Sustainability-Linked Loan (SLL) and forms the baseline for our commitment to reduce Scope 1 and Scope 2 GHG emissions intensity by 20% by 2029.

As Prime Label Group continues to grow, we have chosen an intensity-based target that allows us to assess changes in

emissions performance relative to the scale of our production, while continuing to monitor and transparently report absolute emissions.

For transparency, we also calculate Scope 2 emissions using the location-based method. In 2025, **Scope 2 location-based emissions amounted to 6,282 tCO₂e**, while combined **Scope 1 and Scope 2 location-based emissions intensity was 30.01 tCO₂e per million m² of raw materials used**.

Reporting both approaches provides visibility into emissions associated with the electricity grids where we operate and those reflecting our electricity purchasing arrangements.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
ABSOLUTE GHG EMISSIONS								
Scope 1 GHG emissions (tCO ₂ e)	1,240	284	315	180	4	263	107	88
Scope 2 GHG emissions – location-based (tCO ₂ e)	6,282	1,756	1,287	2,163	204	605	156	111
Scope 2 GHG emissions – market-based (tCO ₂ e)	9,278	2,599	1,904	3,200	492	808	160	115
GHG EMISSIONS INTENSITY								
Scope 1 & 2 location-based emissions intensity (tCO ₂ e / million m ² of raw materials used)	30.01	22.11	17.17	65.81	41.73	75.84	62.92	22.41
Scope 1 & 2 market-based emissions intensity (tCO ₂ e / million m ² of raw materials used)	41.96	31.24	23.79	94.95	99.33	93.60	64.08	22.79

Scope 1 and Scope 2 GHG Emissions – Group Performance by Site, 2025
Absolute emissions and emissions intensity based on raw materials used

Related ESRS: ESRS E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

SCOPE 3 EMISSIONS

In 2025, Prime Label Group’s **Scope 3 GHG emissions amounted to 70,028 tCO₂e**, representing 86.9% of the Group’s total GHG emissions. This confirms that the majority of our climate impact occurs beyond our own operations and highlights the importance of addressing emissions across the value chain.

Purchased goods and services (Scope 3 Category 1) represent the most significant source of our **Scope 3**

emissions, accounting for 83.42% of the total. This reflects the nature of our business, where raw materials and other purchased inputs contribute substantially to the carbon footprint of our products. For this reason, supplier engagement, responsible sourcing and a better understanding of the climate impact of purchased materials are important areas of our sustainability approach.

Capital goods (Scope 3 Category 2) account for 9.17% of Scope 3 emissions, reflecting the Group’s continued investment in production capacity, machinery and technology as we grow and develop our operations. The remaining Scope 3 emissions are distributed across other categories, each representing a comparatively smaller share of the total.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
Scope 3 GHG emissions (tCO ₂ e)	70,028	17,693	13,861	14,378	3,837	9,269	5,435	5,555

Scope 3 GHG Emissions – Group Performance by Site, 2025

Absolute Scope 3 GHG emissions

ENERGY MANAGEMENT

Effective energy management is an important part of reducing the environmental impact of our operations and improving operational efficiency across the Group. In 2025, Prime Label Group’s total energy consumption amounted to 14,036 MWh, with electricity representing the main source of energy used across our production sites.

Renewable energy represented 6.12% of total Group energy consumption. Our renewable energy mix included on-site solar electricity generation at Chemes, Embe Press and LabelPrint, as well as purchased renewable electricity at Grafoprint. Increasing the share of renewable energy is an

important element of our approach to reducing Scope 2 emissions and supports our commitment to exceed 10% renewable energy in total energy consumption by 2029.

Alongside absolute energy consumption, we monitor energy intensity to better understand energy performance in relation to the scale of our business and production activity. In 2025, Group energy intensity amounted to 0.09 MWh per kEUR of net revenue and 0.05 MWh per 1,000 m² of raw materials used. These indicators provide a baseline for monitoring energy performance across the Group over time.



Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
ENERGY CONSUMPTION								
Electricity consumption (MWh)	13,177	3,215	2,356	3,959	1,146	1,320	688	493
Total energy consumption (MWh)	14,036	3,269	2,356	4,012	1,146	1,696	688	868
RENEWABLE ENERGY								
Renewable energy consumption (MWh)	859	54	—	53	—	377	—	375
Share of renewable energy in total energy consumption (%)	6.12%	1.65%	0.00%	1.33%	0.00%	22.21%	0.00%	43.18%
ENERGY INTENSITY								
Energy intensity per net revenue (MWh/kEUR)	0.09	0.13	0.16	0.16	0.07	0.07	0.10	0.01
Energy intensity per raw materials used (MWh/1,000 m²)	0.05	0.03	0.03	0.11	0.23	0.12	0.16	0.06

Energy Performance – Group Performance by Site, 2025
Total energy consumption and share of renewable energy

Related ESRS: ESRS E1-5 – Energy consumption and mix

CONTINUOUS IMPROVEMENT

Continuous improvement is an important part of how we strengthen operational efficiency and resource use across Prime Label Group. Our **CI RADAR methodology** provides a structured framework for assessing operational maturity, identifying improvement opportunities and translating them into concrete actions at company level.

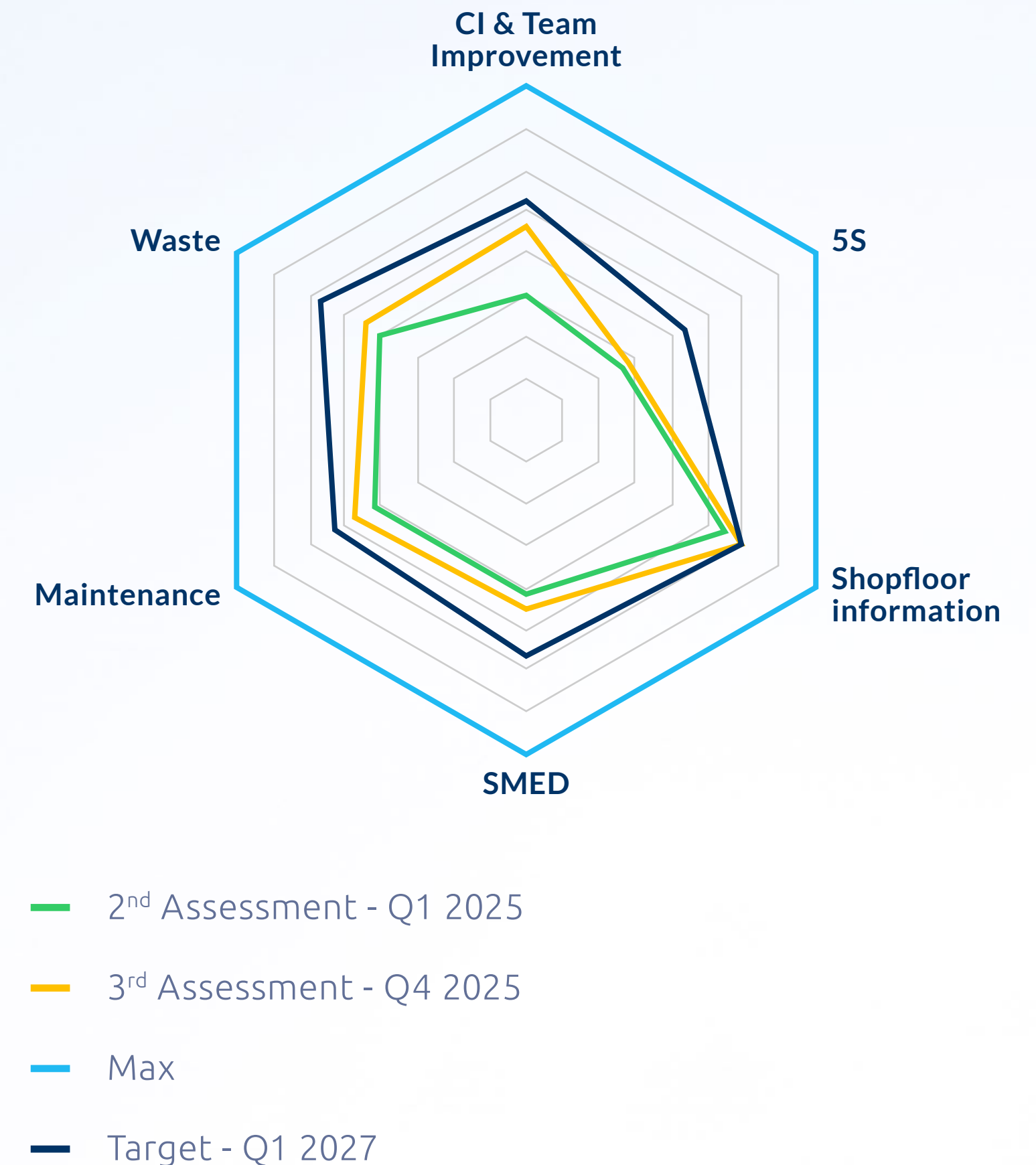
The methodology covers six areas of operational development: **Team Improvement, 5S, Shopfloor Information, SMED, Maintenance and Waste**. Each company assesses its current level of maturity against defined criteria, reviews progress since the previous assessment and establishes an ambition for the next six-month period. The purpose is not to compare companies with one another, but to measure each company's own progress over time and provide a clear direction for further improvement.

The results of each assessment are translated into an **Action List and six-month CI Roadmap**, developed jointly by the Group CI Manager and the operational team at each company. The roadmap combines operational improvement initiatives, including SMED and cost-saving projects, with

actions supporting broader organisational development. Training needs identified through the assessment are incorporated into the **CI Training Matrix**, linking improvement priorities with the development of relevant employee competencies.

The initiatives identified through the CI process are designed to deliver tangible improvements in operational performance and resource efficiency. Depending on the needs of each company, these include **improving production efficiency, reducing machine set-up times, optimising material use and reducing production waste**. While the financial benefits of individual projects are monitored internally, our focus in this report is on the operational improvements they generate and their contribution to **more efficient use of materials and resources**.

By the end of 2025, the complete CI RADAR methodology had been applied repeatedly at Chemes, Pegwan, Embe Press and LabelPrint, establishing a systematic cycle of assessment, action planning and follow-up. The methodology provides a common approach to continuous improvement while allowing each company to focus on the operational priorities most relevant to its own development.



CI RADAR – Pegwan Continuous Improvement Progress, 2025
Previous and current assessment results against long-term improvement targets.

WASTE MANAGEMENT

Efficient use of materials and waste reduction are important elements of our approach to responsible manufacturing. In 2025, Prime Label Group generated **4,495 tonnes of waste**, of which **186 tonnes were classified as hazardous waste**, representing **4.14% of total waste generated**.

Given the material-intensive nature of label production, reducing production waste is closely linked to improving operational efficiency and resource use. Our continuous improvement activities therefore focus not only on productivity, but also on **optimising material use, reducing process losses and preventing waste wherever possible**.

In 2025, total waste generated represented 25.43% of raw materials used. Waste generation is monitored across Group companies, helping us understand differences in operational performance and identify opportunities for improvement. Together with our continuous improvement activities, this supports our broader objective of **using materials more efficiently and reducing the environmental impact of our operations**.

Related ESRS: ESRS E5-5 – Resource outflows

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
WASTE GENERATION								
Total waste generated (t)	4,495	951	1,170	1,007	329	559	206	273
Hazardous waste generated (t)	186	60	30	32	11	29	7	16
WASTE INTENSITY								
Total waste per raw materials used (%)	25.43%	19.78%	24.32%	31.27%	44.18%	21.96%	40.61%	26.31%
Hazardous waste as a share of total waste generated (%)	4.14%	6.31%	2.56%	3.18%	3.34%	5.19%	3.40%	5.86%

Waste Management – Group Performance by Site, 2025
Waste generation and waste intensity



LOOKING AHEAD

Building on the foundations established in 2025, we will focus on translating improved environmental data and greater operational awareness into measurable improvements in environmental and operational performance. A key priority will be reducing **Scope 1 and Scope 2 market-based GHG emissions intensity**, which is also one of the sustainability performance commitments linked to Prime Label Group's **Sustainability-Linked Loan (SLL)**.

Performance against this KPI will be subject to **external verification**, making a consistent calculation methodology, robust data quality and transparency fundamental to our approach. We will continue strengthening the processes and controls supporting emissions data across the Group, while pursuing measures that contribute to achieving our 2029 target, particularly improvements in energy efficiency and an increased share of renewable energy.

We will further strengthen our **energy management and reporting approach** by improving the consistency and granularity of energy data collected across the Group. This will include developing a more detailed energy mix, providing greater visibility into energy consumption by source and supporting more comprehensive monitoring of renewable and non-renewable energy use.

With the continued development of **IBM Envizi ESG Suite**, we will also improve the quality and consistency of **Scope 3 emissions data** and deepen our understanding of emissions across the value chain. Better visibility of upstream and downstream emissions will help us identify the most significant sources and understand where cooperation with suppliers and customers can contribute to future reductions.

We will also improve the **granularity of our waste data**, including information on waste treatment and destination, to strengthen our understanding of how waste generated across our operations is managed and to support more comprehensive monitoring of resource use and circularity.

At the same time, we will continue embedding continuous improvement across Prime Label Group, further strengthening the use of the **CI RADAR methodology** as a common framework across the Group. This will support systematic improvements in production efficiency, machine set-up times, material utilisation and waste reduction, while strengthening the capabilities of our operational teams.

We will also explore the development of a consistent approach to **product carbon footprint assessment**, improving our understanding of emissions associated with selected label solutions and supporting future customer dialogue on climate performance.

Together, these actions will help us move from measurement and understanding towards targeted improvement, strengthening both the environmental performance and operational efficiency of our manufacturing activities.



PILLAR IV - CIRCULAR ECONOMY ADVOCATE

We aim to support our customers in the transition towards **more circular packaging solutions**. By combining technical expertise, material knowledge and collaboration across the value chain, we help identify label solutions that support **resource efficiency, recyclability and reuse**.





PILLAR IV CIRCULAR ECONOMY ADVOCATE

WHY IT MATTERS

The transition towards a circular economy is changing the way packaging is designed, produced, used and recovered. Labels are an integral part of packaging and can influence its **recyclability, material efficiency and performance throughout its lifecycle**. As regulatory requirements and customer expectations evolve, selecting the right materials and label construction is becoming increasingly important in the development of more sustainable packaging solutions.

At Prime Label Group, we recognise that a label is one component of the final packaging, while regulatory requirements increasingly address the **performance of the packaging as a whole**. Achieving greater circularity therefore requires cooperation across the entire value

chain—from material suppliers and label manufacturers to packaging producers, brand owners and recyclers. Through our technical expertise, material knowledge and close cooperation with our partners and customers, we aim to support solutions that **reduce material use, incorporate responsibly sourced and recycled materials, improve recyclability and enable reuse where applicable**.

OUR COMMITMENTS

We are committed to:

- Ensure that **more than 90% of our product portfolio includes more environmentally friendly alternatives to standard products by 2029**.
- Increase the share of **FSC-certified or equivalent certified fibre-based materials to more than 95% of total fibre-based materials purchased by 2029**.
- Deliver **at least five sustainability-focused customer trainings annually**.

OUR PROGRESS

During 2025, we continued developing our approach to circularity by strengthening the availability of **more environmentally friendly alternatives to standard label solutions** and the technical knowledge needed to support customers in their packaging decisions.

Our **PRIME GREEN portfolio** provides a structured framework for translating circular economy principles into practical label solutions. We identified key areas in which label design and material selection can contribute to improved environmental performance, including **material reduction, renewable and responsibly sourced materials, recycled content, compatibility with recycling processes and reduced energy requirements**. These principles are reflected in dedicated PRIME GREEN solution categories, each addressing a specific aspect of packaging sustainability.

For each solution, we define its environmental benefits, key technical features and availability across relevant label technologies and applications. This allows us to move beyond general sustainability claims and provide customers with more specific information on how an alternative differs from a standard solution. **PRIME SLIM**, for example, focuses on reducing material use through downgauged constructions while maintaining required technical performance, while **PRIME FLOAT** supports the separation of labels from PET packaging during the recycling process.

One of the key challenges in the transition towards a circular economy is reducing dependence on virgin raw materials and increasing the use of recycled content. Through **PRIME RECYCLE**, we offer label solutions incorporating post-consumer recycled (PCR) and/or

post-industrial recycled (PIR) content where technically suitable, helping reduce the use of virgin raw materials while maintaining the performance required for their intended application.

In 2025, we introduced **systematic monitoring of recycled content in purchased materials across Prime Label Group**. Materials containing recycled content accounted for 713 tonnes, representing 4.04% of total raw materials purchased by weight. The use **of recycled-content materials varied** across Group companies, reflecting differences in production technologies, product portfolios and customer requirements. The 2025 result establishes our first Group-wide baseline and provides a foundation for monitoring the development of recycled content in our material mix over time.

Company,name	PRIME LABEL GROUP	Embe,Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
MATERIALS PURCHASED								
Total raw materials purchased (t)	17,674	4,807	4,810	3,220	745	2,548	508	1,036
RECYCLED CONTENT								
Materials with recycled content purchased (t)	713	—	—	187	18	427	82	1
Share of materials with recycled content in total raw materials purchased (%)	4.04%	—	—	5.80%	2.37%	16.74%	16.11%	0.06%

Recycled Content in Purchased Materials – Group Performance by Site, 2025
Purchased materials containing recycled content, based on tonnes purchased. The “—” sign indicates no purchases of materials containing recycled content during the reporting period.

Related ESRS: ESRS E5-4 – Resource inflows.

RESPONSIBLE SOURCING

Responsible sourcing of fibre-based materials is an important element of our circularity approach. Through **PRIME CERT**, we promote label solutions made from certified fibre-based materials, giving customers the opportunity to select alternatives supported by recognised chain-of-custody certification systems.

FSC Chain of Custody (CoC) certification supports the traceability of forest-based materials throughout the value chain, providing assurance that certified material is appropriately identified and controlled as it passes through processing and production. For Prime Label Group, this creates an important link between **responsible raw material sourcing and the solutions we offer to our customers**.

FSC Chain of Custody certification is implemented across the majority of Prime Label Group production companies, supporting a consistent approach to responsible sourcing and traceability. In parallel, we monitor the actual share of FSC-certified paper in our purchases, recognising that **certification status and the proportion of certified material purchased are two distinct aspects of responsible sourcing**.

At Group level, **4,830 tonnes of FSC-certified fibre-based materials** were purchased in 2025, representing **60.11% of total fibre-based materials** purchased. This establishes our 2025 baseline for monitoring progress towards our commitment to increase the share of FSC-certified or equivalent certified fibre-based materials to **more than 95%** by 2029.

CUSTOMER COLLABORATION

Customer collaboration is an important part of how we translate our portfolio into **practical packaging solutions**. As different packaging materials, formats, recycling streams and end-use requirements call for different approaches, **PRIME GREEN solutions are selected according to the specific application rather than treated as universal alternatives to standard products**.

Through technical discussions and knowledge sharing, we work with customers to understand their packaging needs and identify solutions that **combine required performance with improved environmental characteristics**.

Company name	PRIME LABEL GROUP	Embe Press	Pegwan	Chemes	LabelProfi	LabelPrint	IPPU	Grafoprint
FIBRE-BASED MATERIALS								
Fibre-based materials purchased (t)	8,035	448	2,652	2,144	108	1,850	305	527
CERTIFIED FIBRE-BASED MATERIALS								
FSC-certified fibre-based materials purchased (t)	4,830	267	28	2,074	86	1,820	57	498
FSC-certified fibre-based materials as a share of total fibre-based materials purchased (%)	60.11%	59.50%	1.06%	96.70%	80.01%	98.37%	18.78%	94.41%

Certified Fibre-Based Materials – Group Performance by Site, 2025
FSC-certified fibre-based materials and their share of total fibre-based materials purchased

Related ESRS: ESRS E5-4 – Resource inflows

LOOKING AHEAD

A key priority will be to further develop the **PRIME GREEN portfolio** and strengthen our ability to measure its coverage across Prime Label Group. To support our commitment that **more than 90% of our product portfolio will include more environmentally friendly alternatives to standard products by 2029**, we will develop a consistent Group-wide methodology for



defining, classifying and quantifying these alternatives. This will enable us to establish a reliable baseline, monitor progress over time and transparently report performance against our target. At the same time, we will continue developing PRIME GREEN solutions in response to **new material technologies, customer needs and evolving circular economy requirements**.

We will continue to strengthen our approach to responsible material sourcing and circular material use, including increasing the share of FSC-certified or equivalent certified fibre-based materials towards our target of more than 95% by 2029 and monitoring the use of recycled content in purchased materials.

Strengthening customer knowledge and engagement will be another important priority. We have committed to delivering at least five sustainability-focused customer trainings annually, supporting customers in understanding

evolving regulatory requirements, circular packaging principles and the implications of different label and material choices.

Particular attention will be given to the **Packaging and Packaging Waste Regulation (PPWR)**, where achieving compliant and increasingly circular packaging requires cooperation across the value chain and consideration of the **final packaging system rather than individual components in isolation**. As the PPWR framework continues to be complemented by secondary legislation, technical criteria and implementation guidance, building a common understanding of the requirements and sharing knowledge across the value chain will be crucial. Through training, technical dialogue and cooperation with customers and partners, we aim to support the translation of regulatory requirements into **practical packaging decisions**.

CLOSING MESSAGE

This report marks an important milestone in Prime Label Group's sustainability journey. It reflects the progress we have made, the foundations we have built and the direction we have chosen for the future.



CLOSING MESSAGE

Sustainability is becoming an increasingly important part of how we operate, innovate and collaborate. It influences the way we design our products, work with customers and suppliers, support our employees and contribute to the transition towards a more circular economy. While we are proud of the progress achieved to date, we recognise that sustainability is a continuous journey that requires commitment, transparency and ongoing improvement.

As Prime Label Group continues to grow, greater standardisation across our companies will be an important part of strengthening our sustainability management. We will further align definitions, methodologies, data collection processes and reporting practices to ensure that sustainability information is collected consistently and reported to the same standard across all Group entities. **At the same time, we will continue building sustainability awareness across the organisation, helping employees and different functions understand how their everyday decisions and activities contribute to our sustainability performance.**

**SUSTAINABILITY IN EVERY LABEL.
INTEGRITY IN EVERY ACTION.**

Together, stronger awareness and more consistent processes will improve data quality and comparability, provide a more reliable basis for measuring progress and support informed decision-making across the Group.

The achievements presented in this report have been made possible through the dedication and collaboration of employees across Prime Label Group, as well as the trust and support of our customers, suppliers and business partners. Their engagement demonstrates that meaningful progress is achieved when people work together towards a common purpose.

As we look ahead, we remain committed to turning our sustainability ambitions into measurable progress, creating long-term value for our stakeholders and contributing to a more sustainable packaging industry.

Thank you to everyone who has been part of this journey. **Together, we will continue building a stronger, more responsible and more sustainable Prime Label Group.**



ESRS CONTENT INDEX

The following index provides references to ESRS disclosure requirements addressed by selected disclosures in this report. The references are provided for transparency and navigation purposes and do not constitute a statement of full compliance with ESRS.

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ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	Sustainability Governance	14	ESRS S1-6	Characteristics of the undertaking’s employees	Satisfied Team – Employment and Workforce Stability	35
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ABBREVIATIONS AND CONTACT

Abbreviation	Meaning
CSRD	Corporate Sustainability Reporting Directive
DMA	Double Materiality Assessment
eNPS	Employee Net Promoter Score
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
FSC	Forest Stewardship Council
GHG	Greenhouse Gas
KPI	Key Performance Indicator
PPWR	Packaging and Packaging Waste Regulation
PSL	Pressure-Sensitive Labels
SLL	Sustainability-Linked Loan
WAL	Wrap-Around Labels



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