Heraeus

Precious Metals

Precious to us

Sustainability Update 2025

Contents

Foreword

Dear Readers,

2025 was a year that tested us. But it also showed what we are capable of as an organization.

Markets remained volatile. Geopolitical uncertainty persisted. Precious metals prices reached record levels and created new challenges across our industry. At the same time, we continued to reflect critically on how we operate as an organization and where we need to become better.

Against this backdrop, I am proud of what our teams achieved.

Throughout the year, we continued to strengthen our business while advancing our sustainability ambitions: We achieved our goal of meeting our electricity demand worldwide to 100% from green sources. This contributed to a significant 35% reduction of our Scope 1 and 2 emissions compared to 2024. We also made great strides forward in terms of value chain transparency, improving our data and establishing the basis for more impactful strategies and actions, from Scope 3 emission reductions to addressing further ESG dimensions.

These achievements matter because sustainability is not separate from business success. It is increasingly becoming part of how we create value for our customers, strengthen our competitiveness, and position our company for the future.

At the same time, not everything developed as planned.

Some of our targets proved more challenging than anticipated, and in some areas, we did not make the progress we had strived for. We also continued to address the consequences of the compliance issues identified in previous years.

For us at Heraeus, integrity is not an abstract principle but a lived responsibility. That is why throughout the Heraeus Group we act consistently whenever integrity is violated. We imposed firm consequences and took comprehensive action to prevent similar incidents in the future. The focus has been on consistently developing the Heraeus Group's Compliance Management System and reinforcing the Compliance Organization.

We believe that transparent reporting means sharing both achievements and shortcomings. This Sustainability Update therefore provides an assessment of where we stand today, what we achieved, and where further action is required.

Looking ahead, 2026 marks the beginning of a new chapter for our organization.

As of July 2026, Heraeus Precious Metals and Argor-Heraeus operate as two independent Operating Companies within the Heraeus Group. We are taking this step because the markets, customers, and opportunities we serve are becoming increasingly distinct. Greater focus will allow both organizations to make faster decisions, strengthen customer proximity, and allocate resources more effectively.

This evolution will also shape how we manage and communicate about sustainability in the future. Climate, resources, and people are precious to us. Following our pledge to responsibility, we will continue to embed this mindset into our actions and decisions and to let ourselves be guided by integrity. Sustainability will also remain an integral part of how we create value, manage risks, innovate, and grow. At the same time, ambitions and governance structures will be redefined, reflecting the new organizational setup and the individual Operating Companies' business models.

For this reason, this Sustainability Update is the final publication in the format you have known in recent years. It reflects the performance of the organization during the 2025 reporting year and therefore includes Argor-Heraeus.

While the way we organize and communicate about sustainability will evolve, the underlying ambition remains the same: to create long-term value through responsible business practices. This means continuously improving our own operations, working closely with our partners across the value chain, and supporting our customers in markets where sustainability is becoming an increasingly important driver of innovation, resilience, and competitiveness.

I would like to thank our employees, customers, suppliers, and partners for their trust, commitment, and collaboration.

Transforming the precious metals industry to become more sustainable requires collaboration across the value chain, from mining partners to end users of precious metals. Seeing the many individual efforts and progress made gives us confidence for the future. We are very much looking forward to continuing on this journey together.

Steffen Metzger
CEO Heraeus Precious Metals and
Member of the Board of Managing Directors Heraeus Group

About us

Company profile

About Heraeus Precious Metals

Heraeus Precious Metals is one of the world's leading players in the precious metals industry. We are part of the Heraeus Group and cover the value chain from trading to precious metals products to refining and recycling. We have extensive expertise in all platinum group metals as well as gold and silver and offer a broad portfolio of products that are essential for many industries such as the automotive, chemicals, semiconductor, aerospace, pharmaceutical and hydrogen industry.

Trust and reliability, strict adherence to leading compliance standards, transparency, and financial stability are the foundation of our business. We value long-term relationships over short-term profit, and our customer relationships often last for decades.

In 2025, we employed more than 3,000 people at 16 sites worldwide.[1]

From July 2026, our former Business Line Argor-Heraeus operates as an independent Operating Company within the Heraeus Group.

About the Heraeus Group

Heraeus is a globally active, family-owned technology group based in Hanau, Germany. The company develops and manufactures high-quality materials and solutions across its business areas Precious Metals, Healthcare, Semiconductor & Electronics, and Industrials. The group is among the leading providers of precious metals, quartz glass solutions for the semiconductor and telecommunications industries, and sensor systems for industrial applications. In addition, the company improves the quality of life of millions of people through materials and technologies for medical applications.

In fiscal year 2025, the company generated revenues of €43.2 billion (€2.8 billion excluding precious metals) and employed around 15,100 people in 40 countries. It is therefore among the top 10 family-owned companies in Germany.

Innovation is a key driver of Heraeus's success. In 2025, 5.5% of revenues (based on revenues excluding precious metals) were invested into research and development.

The company's roots date back to 1660. Since then, Heraeus has combined its extensive materials expertise with a clear focus on innovation – and stands for technological strength, sustainable growth and responsible business practices.

Materials that enable discovery. Heraeus gold-platinum cube-shaped test masses, engineered to exceptional purity and precision, provide the stable reference for ultra-precise laser measurements. By enabling the detection of gravitational waves, they help scientists unlock new insights into the universe.

[1] Incl. joint ventures and associated companies; not included in the further scope of this report.

Company profile

Heraeus Precious Metals at a glance

All data refers to 2025 and includes Argor-Heraeus.

€39.96 BN
total revenue

Headquartered in Germany

more than 3,000 employees

incl. joint ventures and associated companies

Sales locations: Courtaboeuf Cedex (France), Suwon (South Korea), Tokyo (Japan), Singapore, Taipei (China Taiwan)

[2] The site relocated from Pforzheim to Wurmberg at the end of 2025.
[3] Associated company.

Company profile

Vision and Principles

Heraeus Precious Metals' Vision and the Heraeus Principles are the cornerstone of our strategy and corporate culture. They serve as a general orientation and guide as to how we conduct our business.

We expect all employees worldwide to bring our vision and principles to life and therefore work continuously to ensure their implementation and ongoing development.

The **Heraeus Precious Metals' Vision** articulates our aspiration to innovate, taking a leading position in our industry and contributing to a sustainable future:

We create innovative precious metals products and services – leading the way to a sustainable future.

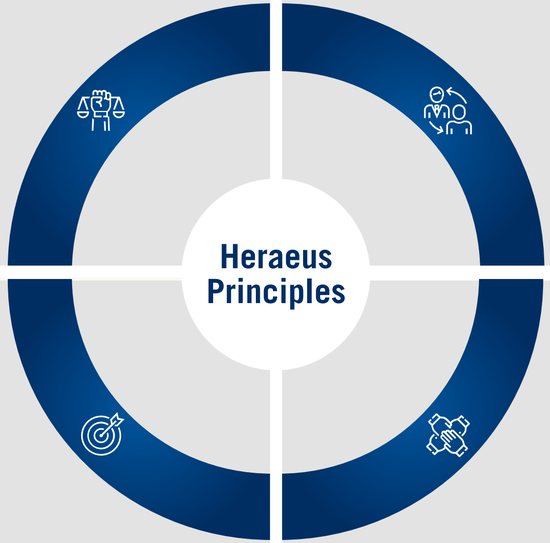
The **Heraeus Principles** serve as a single cultural framework across the Group. They define what we expect of ourselves and each other, and guide us in our daily work, setting the basis for successful cooperation with our partners, customers, and within our company:

INTEGRITY

Honesty, fairness, and ethical behavior guide our decision-making and build the trust placed in us by our customers, our employees, and other stakeholders.

CUSTOMER FOCUS

Our customers and their success are at the heart of what we do each day.

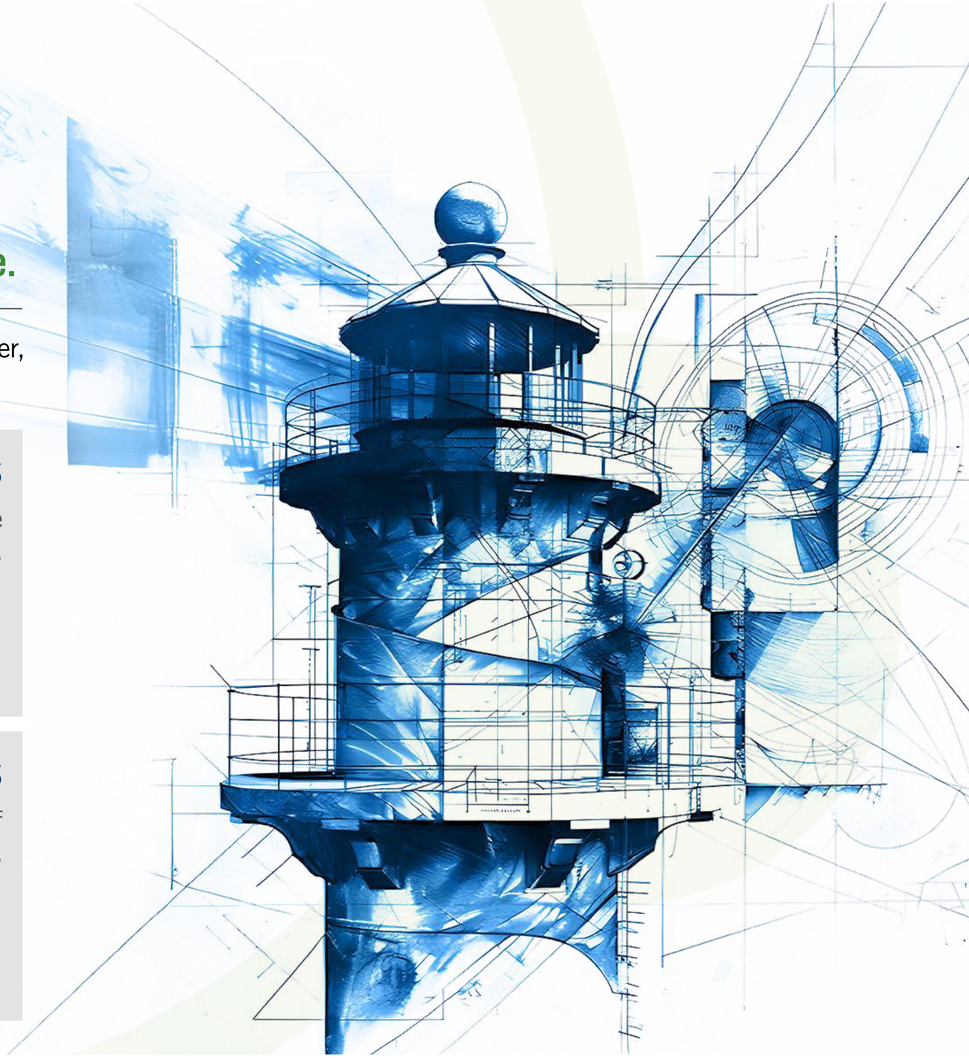


OWNERSHIP FOR RESULTS

We deliver what we promise, or more.

POWER OF DIVERSE TEAMS

We bring the unique experiences of our diverse team members to the table.



Memberships and ratings

Memberships

Heraeus Precious Metals is a member of several industry associations and organizations and actively participates in various working groups related to the precious metals industry:

- London Bullion Market Association (LBMA)
- London Platinum and Palladium Market (LPPM)
- Responsible Jewellery Council (RJC)
- International Platinum Group Metals Association (IPA)
- Fachvereinigung Edelmetalle (FVEM)
- Responsible Minerals Initiative (RMI)
- European Precious Metals Federation (EPMF)
- Initiative for Responsible Mining Assurance (IRMA): Fabricators Working Group
- International Precious Metals Institute (IPMI)
- Watch and Jewellery Initiative 2030
- Fairtrade Gold
- Fairmined
- Swiss Better Gold

Heraeus Precious Metals is certified by all major responsible precious metals sourcing frameworks, such as LBMA, LPPM, RMI, and RJC. The applicable certifications are dependent on the scope of the production site regarding refined or recycled precious metals. Information on our certificates can be found on our **website.**

Ratings

EcoVadis rates companies' performance in four categories: environment, labor and human rights, ethics, and sustainable procurement. Our operations at our German headquarters in Hanau received a Platinum Rating in 2025, ranking us among the top 1% of all companies evaluated. More information can be found on our **EcoVadis Recognition Page**.

CDP promotes standardized disclosures and rates companies' climate, water, and forest performance. In 2025, Heraeus Precious Metals submitted its climate disclosures and received a C rating.

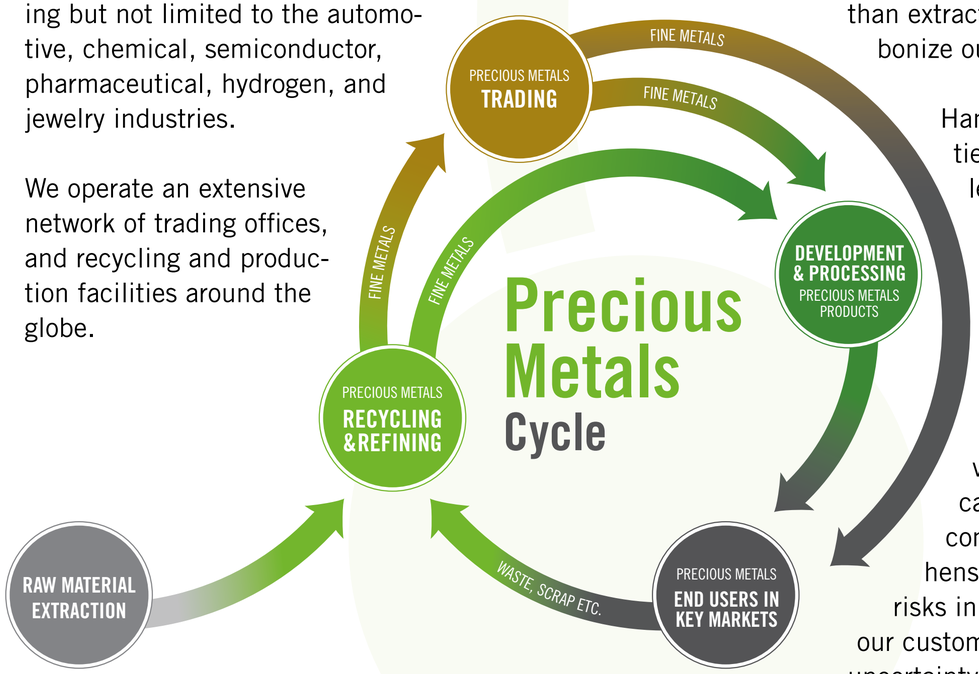
Business model and value chain

Business model

Heraeus Precious Metals is one of the world's leading precious metals companies. We are one of the few companies that cover the value chain from refining, to trading, to innovative precious metals products, to recycling end-of-life materials for all eight precious metals. This combination of product and service offerings allows us to support our customers in the best possible way.

We produce precious metals products that are essential for many industries, including but not limited to the automotive, chemical, semiconductor, pharmaceutical, hydrogen, and jewelry industries.

We operate an extensive network of trading offices, and recycling and production facilities around the globe.



This network encompasses ten countries: the United States, Canada, Ireland, Germany, Switzerland, Italy, Turkey, South Africa, India, and Greater China.[4] It enables us to provide precious metals at the place, at the time, and in the form our customers need them.

Global supply chains would not function without recycled precious metals, which supplement primary sources. The recycling of precious metals has a much smaller environmental footprint than extraction. Our recycling business therefore helps to decarbonize our customers' value chains.

Handling precious metals involves significant complexities, including inherent price risks and logistical challenges. Our services are designed to help customers manage price volatility, ensure precise analysis of their materials, and navigate complex logistics and regulatory requirements efficiently.

Hedging and risk management

Companies that need precious metals are exposed to volatile and unpredictable prices. Severe fluctuations can affect their margins, capital requirements, and competitiveness. Heraeus Precious Metals has comprehensive expertise in helping our customers manage these risks in all major time zones. Our hedging strategies provide our customers with price stability and enable them to manage uncertainty.

Real-time account transparency

Our comprehensive precious metals platform myheraeus.com enables our customers to manage their precious metals transparently and in real time. This includes monitoring precious metals prices, securely executing spot, forward, hedging, and financing transactions, and managing weight accounts and recycling orders.

Precious metal content determination

Customers worldwide rely on our advanced equipment and expertise to precisely analyze their valuable materials' precious metals content. Approximately 150 chemical and physical scientists and experts work in our analytics department, where our customers' prepared homogenized materials are analyzed in a variety of well-established processes in accordance with industry standards for quality and materials. Our analytics services also include materials characterization as well as purity and surface analysis.

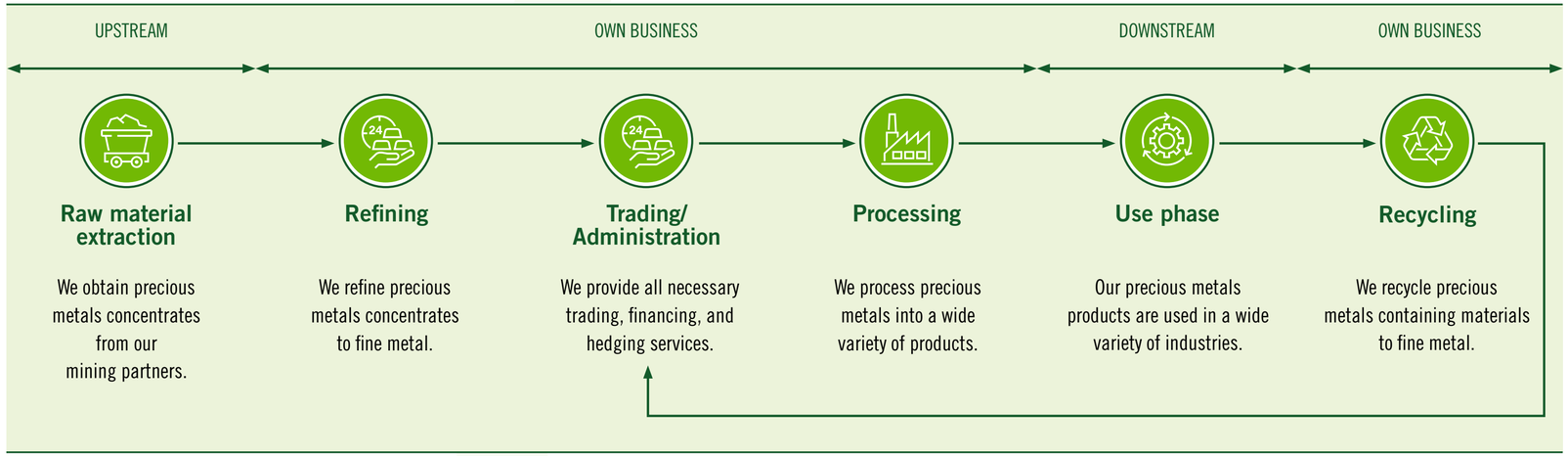
Precious metals logistics

Shipments of waste materials containing precious metals must comply with state, national, and international laws and regulations. Decades of expertise enable us to guide customers through these complex requirements. In addition, we carry out our recycling processes in government-licensed treatment and storage facilities for hazardous and non-hazardous materials containing precious metals. Heraeus Precious Metals' international door-to-door logistics, transportation, and pickup services ensure that valuable material is handled correctly and safely. Our extensive experience in waste declaration, permits, and regulations saves time and reduces customers' logistics costs.

[4] Incl. associated companies; not included in the further scope of this report.

Business model and value chain

Value chain



Our value chain has six stages: 1. raw material extraction, 2. refining, 3. trading and administration, 4. processing, 5. use phase, and 6. recycling of secondary materials, including end-of-life materials. Heraeus Precious Metals itself is active at four of these stages: refining, trading and administration, processing, and recycling. While we do not operate mines ourselves, mines are trusted and long-term partners for us. Mines are usually both our customers and our suppliers for precious metals.

Differences in the value chains of precious metals

We process and source all eight precious metals. The value chain of gold and silver differs from that of platinum group metals (PGMs)—which include platinum, palladium, rhodium, ruthenium, iridium, and osmium—in terms of mining, processing, and applications.

Gold and silver can be found in elemental form in nature and as byproducts of the mining and refining of zinc, lead, and copper. Their occurrence in nature is more widely dispersed, allowing for both large-scale operations and artisanal and small-scale mining. They are mainly used for jewelry, watches, investment products, and electronic applications.

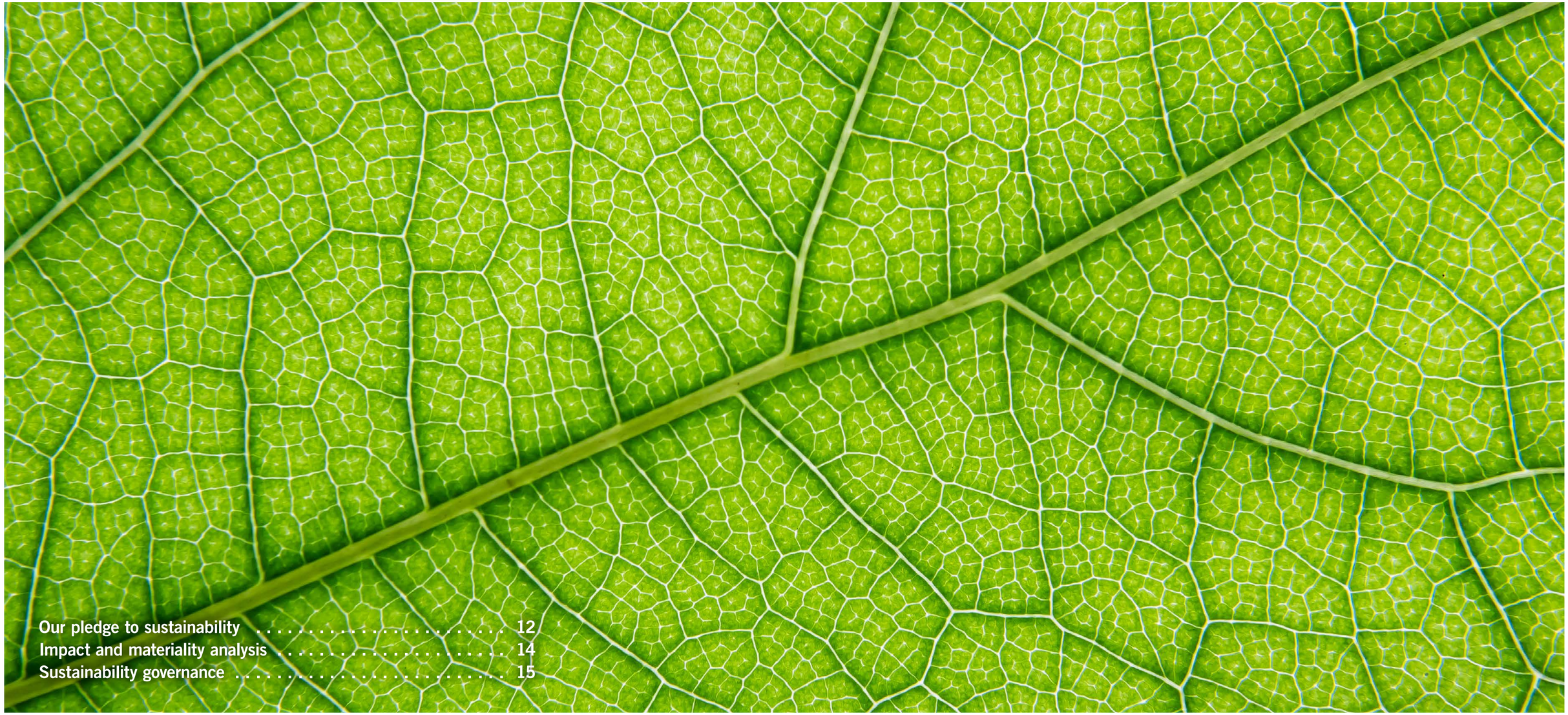
By contrast, PGMs typically occur in sulfide ores associated for example with nickel, copper, iron, and cobalt. PGM deposits can mainly be found in South Africa, Zimbabwe, Russia, and North America. Separating PGMs from the ore requires complex processing techniques, making them more challenging to mine economically. As a result, PGMs are mainly mined by large, specialized operators. Their unique physical and chemical properties make PGMs suitable for a broad range of industrial applications.

Business and management structure

Heraeus Precious Metals strives to have an organizational structure that enables fast decision-making processes and smooth and open communication that addresses every employee on every level. We have six market-oriented Business Lines. In addition, we cluster our business into four major regions. Both are supported by central functions.

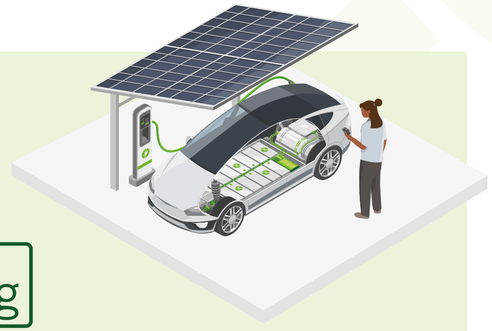
More information on our management structure can be found under **Governance boards and their composition**.

Our sustainability approach



Our pledge to sustainability

Precious metals foster a better world



47 Ag

Contact materials for electrical connections and safety switches are necessary for electromobility.

Metallization pastes enable power generation in solar cells by serving as electrical contacts.

78 Pt

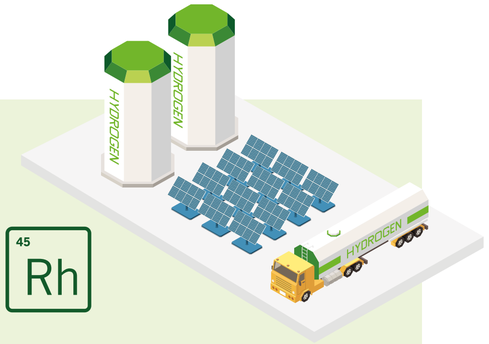
Our Karstedt catalysts are used for the production of high-quality silicones that are needed, for example, in medical applications.

Platinum-containing highly potent active pharmaceutical ingredients help to defeat cancer.

78 Pt
44 Ru
79 Au
45 Rh
77 Ir
46 Pd

Catalysts enable the replacement of fossil feedstocks by renewable feedstocks in chemicals production.

78 Pt
77 Ir
45 Rh
46 Pd
44 Ru



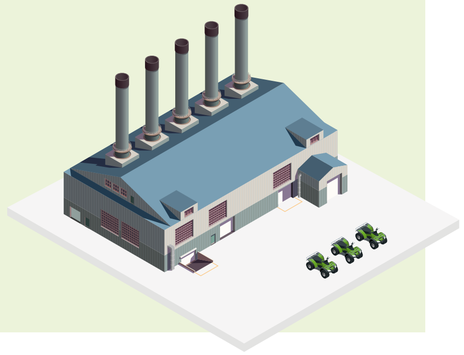
Catalysts enable sustainable energy supply in the production, purification, storage, and transport of green hydrogen.

The antimicrobial effect of AGXX particles helps to prevent the spread of dangerous germs and the economic damage caused by biocorrosion.

44 Ru
47 Ag

Our catalysts clean exhaust air in engines and industrial processes.

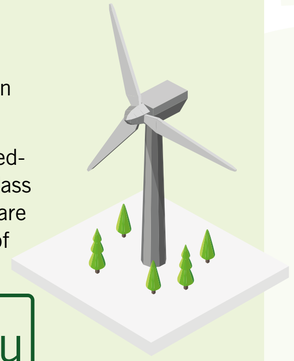
78 Pt
45 Rh
46 Pd



Precious metals wires and slip ring applications are used in wind turbines to transmit electrical power in pitch control systems.

Platinum bushings are needed for the production of glass fibers, which for example are used in the manufacture of wind turbine blades.

78 Pt
47 Ag
79 Au



Catalytic gauze systems reduce emissions of the greenhouse gas N_2O in fertilizer production processes.

78 Pt
46 Pd
45 Rh

Our pledge to sustainability

Maximize impact, minimize harm

We are proud of the positive impact our precious metals products have. The modern life enjoyed by all today would not be possible without them. While platinum group metals are used in many industrial applications, gold and silver are essential to the electronics and photovoltaics industries and are valued as investment products and in jewelry. Therefore, we see it as our duty to realize the huge potential of precious metals responsibly.

As impressive as precious metals are, they do also have drawbacks. The huge demand for precious metals cannot nearly be covered by recycling, so mining is indispensable. However, their extraction and processing are very energy- and carbon-intensive and can adversely impact workers, nature, and nearby communities. That is why we work to maximize the benefits of precious metals for people and the planet while steadily reducing their negative impact.

Our pledge to responsibility

Climate, resources, and people are precious to us. We pledge to act accordingly. To systematically decarbonize our business. To look for new ways to conserve resources and promote a circular economy. To prioritize the well-being and interests of the people in our company, in nearby communities, and along our value chain. Just as importantly, we expect the same from our business partners, both upstream and downstream.

We are convinced that our industry can make a successful transition toward sustainability, but we can only achieve this by working together: from miners to refiners, processors, and users of precious metals. Our aim is to lead by example and to propel positive change in our industry. We set rigorous standards for our own business and actively encourage the adoption of similar standards along the entire value chain.

Preparation of a batch of aluminum oxide for the production of an iridium-based catalyst for the decomposition of hydrazine in rocket and satellite propulsion systems.

Impact and materiality analysis

The results of our materiality assessment are the foundation of our sustainability strategy. Heraeus Precious Metals conducted its first double materiality assessment using the method prescribed by the Corporate Sustainability Reporting Directive (CSRD) in 2022. In 2023, 2024, and 2025 the topics were re-evaluated in alignment with the Heraeus Group's double materiality assessment. The 2025 re-evaluation did not result in any changes to material topics or strategic action areas.

Details on the process and applied methodology can be found in the **Heraeus Group's Sustainability Report**.

The scanning electron microscope is being set up in the analytics department.

Material topics

For Heraeus Precious Metals, eight topics were identified as material. We will review the material topics on a regular basis to ensure that they remain up to date in light of possible future changes, such as in our corporate setup or operating performance.

Environment

Climate protection	Greenhouse gas emissions and energy
Circular economy	Resource used: precious metals

Social

OWN WORKFORCE	
Diversity	Equal opportunities, inclusive corporate culture, and anti-discrimination
Working conditions	Training and development
	Health and safety
PEOPLE IN OUR VALUE CHAIN	
Working conditions	Health and safety
Human rights	Forced and child labor
Affected communities	Impacts on human, economic, social, and cultural rights of affected communities

Governance

Business conduct	Compliance and anti-corruption

Further strategic action areas

In addition to our material topics, we have identified further topics that are below our materiality threshold, but in which we nevertheless intend to drive progress in the years ahead. Consequently, they are also included in the chapters of this Sustainability Update and are supported by our sustainability governance structure.

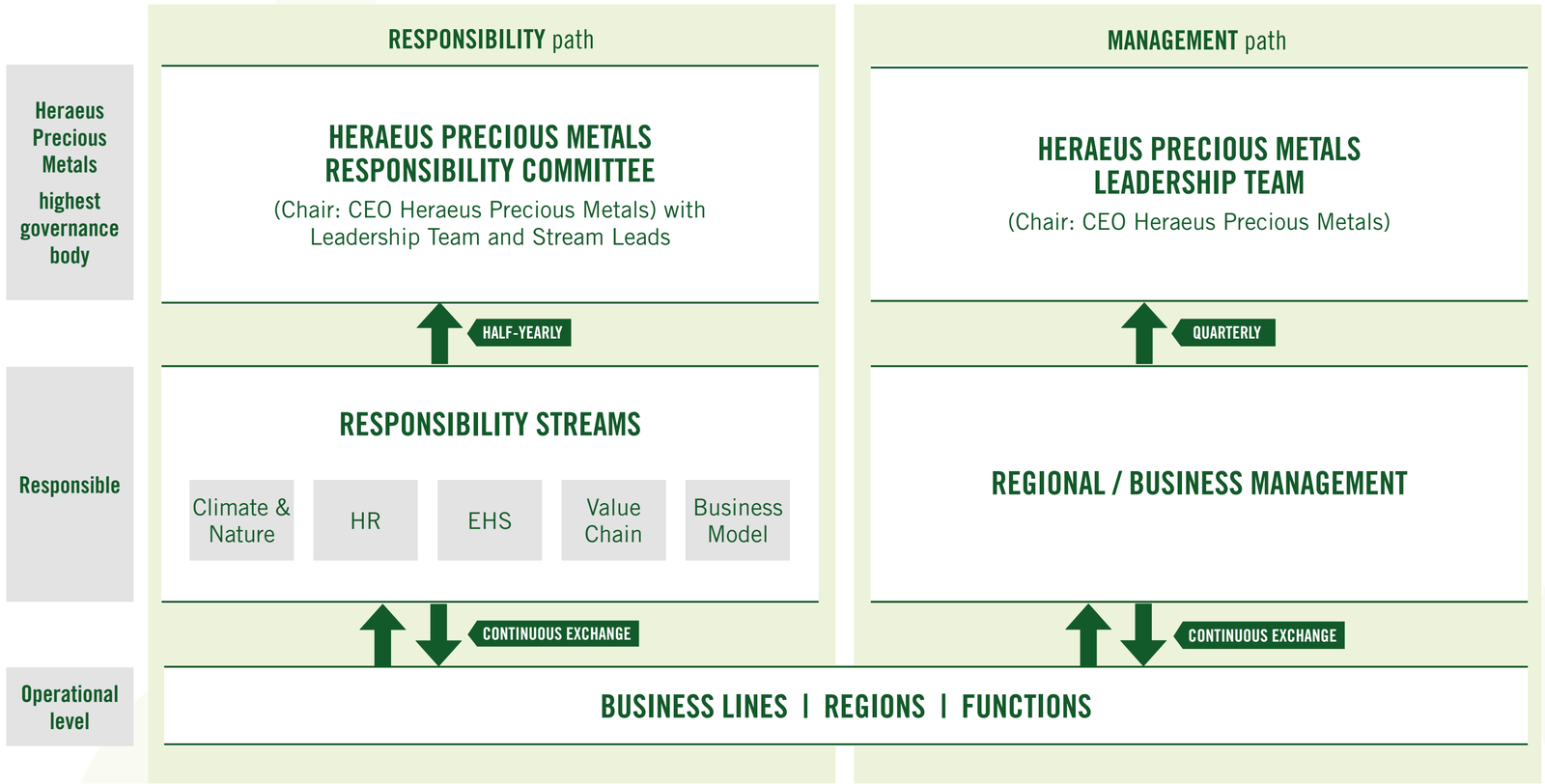
Environment

Environmental pollution	Air pollution
Circular economy	Waste
Water and marine resources	Water
Biodiversity and ecosystems	Biodiversity

Sustainability governance

Sustainability topics are embedded in our existing management structures and are integrated into our decision-making processes. This reflects the importance that Heraeus Precious Metals attaches to sustainability and ensures that these topics receive the necessary visibility as is the case with other considerations, such as earnings performance and financial situation.

We have a dedicated governance set up for sustainability, as described in the responsibility path in the graphic below. It is overseen by the Heraeus Precious Metals Responsibility Committee. In alignment with recent reorganizations and our strategy process, we intend to recalibrate our governance structures in 2026.



Governance boards and their composition

CEO

Heraeus Precious Metals' most senior officer is the CEO. He chairs the Leadership Team and reports to the CEO of the Heraeus Group.

Leadership Team

The Leadership Team is Heraeus Precious Metals' highest governance board. In the reporting year, it consisted of the CEO and the leaders of all Business Lines, major regions, and the core functions Finance, Human Resources, Sustainability, and Innovation.

Having Sustainability represented in the Leadership Team ensures that sustainability aspects are well represented in Heraeus Precious Metals' key decision-making processes. The Leadership Team meets monthly. Sustainability is a regular item on the agenda.

Responsibility Committee

Heraeus Precious Metals' Responsibility Committee is tasked with overseeing all ESG-related topics and activities company-wide.

Chaired by the CEO, the Responsibility Committee consists of the Leadership Team and the leaders of the Responsibility Streams which are not part of the Leadership team, such as the Global Head of Compliance and the Global Head of EHS.

The Responsibility Committee oversees all sustainability practices, targets, and major initiatives. Meeting twice a year, the committee reviews the company's sustainability progress and performance.

Sustainability governance

This governance structure ensures that the sustainability strategy and activities are aligned with Heraeus Precious Metals' corporate strategy and business plan. By leveraging insights from our leadership, the committee enhances resource efficiency as well as cross-departmental collaboration.

Responsibility Streams

To address the different material topics, we have organized ownership in dedicated streams. The Responsibility Streams set targets and define KPIs. They are furthermore responsible for data reporting and plausibility. The streams are headed by the corresponding functional experts to ensure a high level of competency and effective implementation.

Business Lines and regions

The defined targets and KPIs are binding for the Business Lines and regions, which are Heraeus Precious Metals' operating entities. They are responsible for developing and implementing appropriate actions and report to the CEO of Heraeus Precious Metals.

Integration of sustainability-related performance in incentive schemes

Compensation at Heraeus Precious Metals is designed to strongly align business and sustainability objectives with employee compensation. To this end, there is a variable compensation component for the managerial population, whose final amount is based on the achievement of annual targets.

The KPIs and their determination process differ among the following groups: For the members of Heraeus Precious Metals' Leadership Team, including the CEO, a set of KPIs (scorecard) is aligned with the board of the Heraeus Group and includes objectives regarding carbon emissions and health and safety. For Business Line and Function Heads, targets are set within the annual budgeting process by Heraeus Precious Metals' CEO and the CFO. Targets relating to our sustainability goals are aligned with the Global Head of Sustainability as part of the annual budget process.

Risk management

Heraeus operates a Group-wide risk management system that is used to document and assess risks. The aim is to identify risks at an early stage and to initiate corrective actions as appropriate. The assessment is done both at Operating Company and Group level. We assess the risks in a quantitative manner on a gross basis. We then estimate the likelihood of occurrence and determine a net risk. The analysis is updated twice a year. We included sustainability-related risks in this financial risk analysis.

In our materiality analysis, no material sustainability-related risks were identified.

Climate is precious to us

A section of our new photovoltaic plant at our headquarters in Hanau, Germany.

Climate is precious to us

Climate protection is one of humankind's biggest challenges. Rising sea levels, forest fires, water shortages, severe weather events, and loss of biodiversity are just a few of the adverse impacts of climate change.

Many of Heraeus Precious Metals' products and solutions help protect the environment and climate. Precious metals play a key role in electrolyzers for the production of green hydrogen, wind turbines, solar panels, electric vehicles, and fuel cells, to name just a few. However, the mining and processing of precious metals are very energy- and carbon-intensive.

As a company in the precious metals industry, we thus have a particular responsibility to drive decarbonization. This applies to our own worldwide operations as well as within our value chain. Heraeus Precious Metals is committed to being a pacesetter in the industry, reducing our carbon footprint, and acting as a role model in our industry.

Along with greenhouse gas (GHG) emissions and energy, which have been identified as material, we also put a strategic focus on air pollution, even though this action area lies below our materiality threshold.

Ambitions	Status 2025
GHG emissions and energy	**GHG emissions and energy**
Reduce Scope 1 and 2 GHG[5] emissions by 90% and neutralize residual emissions by 2033, compared to 2019 base year	-64% Scope 1 and 2 emissions
Reduce energy consumption by 20% by 2025, compared to 2019 base year	-11% energy consumption
Meet 100% of electricity demand with green electricity by 2025	100% green electricity share
Reduce Scope 3 emissions by 50% by 2033, compared to 2020 base year	-34% Scope 3 emissions
Air pollution	**Air pollution**
Ensure our NO_X, SO_X, and particulate matter emissions at each production site stay below E-PRTR thresholds every year	100% of sites below threshold[6]

PEM electrolysis plays a pivotal role in producing green hydrogen. Heraeus' electrolyzer catalysts enable a decrease in iridium content while increasing efficiency and performance.

[5] Incl. market-based Scope 2 emissions.

[6] The air pollutant emissions of each of our facilities lie below the applicable threshold value specified in Annex II of Regulation (EC) No 166/2006. The threshold values per facility are: 100,000 kg/year for NO_X; 150,000 kg/year for SO_X; 50,000 kg/year for particulate matter. We do not measure air pollutants at the following production sites as they are considered insignificant due to their processes: Argor-Heraeus Deutschland GmbH, Argor-Heraeus Italia S.p.A., Heraeus Recycling Technology Canada Ltd., and Heraeus Tokmak Kiymetli Madenler Sanayi A.S.

GHG emissions and energy

Impacts

We are fully aware that our business activities result in greenhouse gas (GHG) emissions at our company and along our value chain. Extractive industries such as the mining of precious metals are especially energy- and carbon-intensive. The biggest share of their emissions stems from the use of fossil-fueled electricity. While the use of secondary precious metals comes with a significantly lower environmental footprint, the available amounts from recycling cannot meet the high demand alone. Thus, mining is inevitable today and will stay crucial in the future.

The production and recycling of precious metals products at our global production sites is energy- and emission-intensive as well. Heraeus Precious Metals requires energy primarily in the form of electrical power to operate its plants and production processes, natural gas for heating our furnaces, melting, and exhaust-gas treatment, and in the form of thermal energy to heat buildings.

We pledge to our responsibility by committing to a meaningful decarbonization of our business activities. As refiners and recyclers of precious metals in direct contact with mines and secondary material suppliers, we find ourselves in a unique position to engage in the sustainable transformation of the precious metals industry. We aim to act as a role model and actively participate in industry organizations to drive the development of standards and increase transparency in our industry.

Ambitions

We have set highly ambitious climate targets for our own operations and our value chain. Our targets are in line with the Paris Agreement's objective of limiting global warming, following a science-based reduction path:

Scope 1 and 2 GHG emissions:

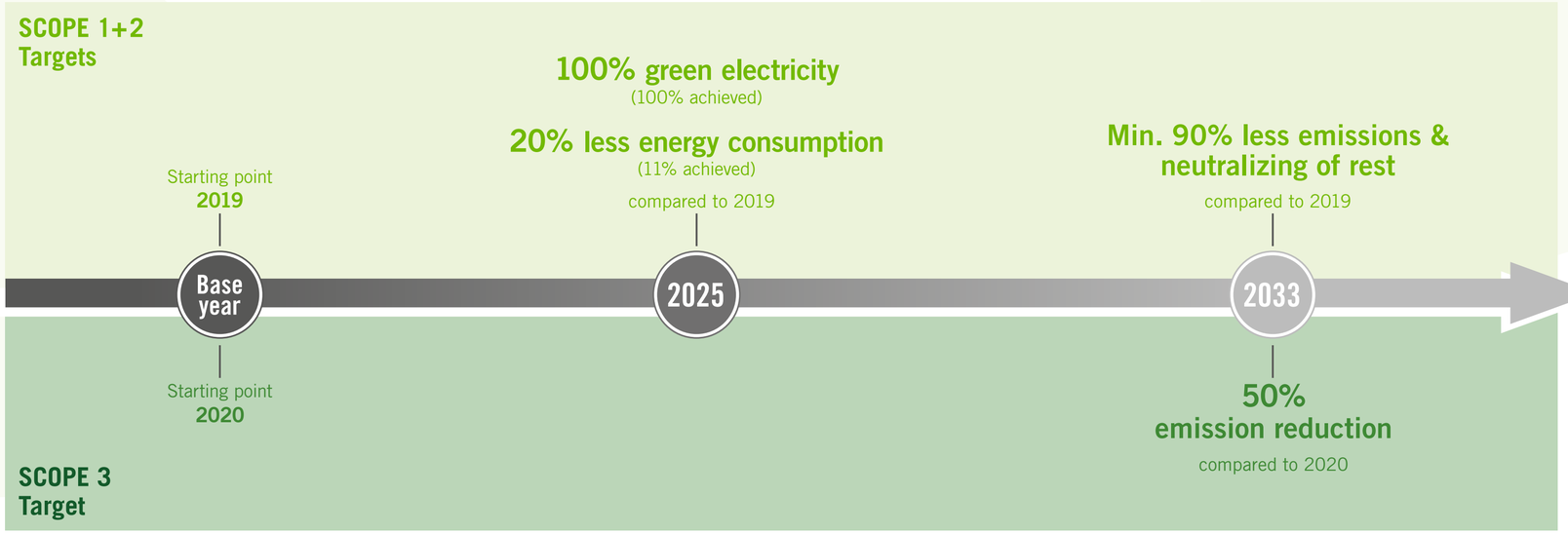
- By 2033, we aim to reduce our Scope 1 and market-based Scope 2 emissions by at least 90% compared to 2019 and neutralize residual emissions.

Along this path, we had set the following milestones:

- By 2025, we aimed to meet our global electricity demand with 100% green electricity. Going forward, we aim to continue using 100% green electricity every year.
- By 2025, we aimed to reduce our absolute energy consumption by 20% compared to 2019. Beyond 2025, energy efficiency will remain a priority, and we continue to measure progress at our sites. We will do so via individual relative KPIs and defined projects.

Scope 3 GHG emissions:

- By 2033, we aim to reduce our Scope 3 emissions by 50% compared to 2020.



GHG emissions and energy

The Heraeus Group committed to setting near-term company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi) in January 2025. The SBTi provides a comprehensive framework to scientifically calculate and formulate greenhouse gas reduction targets that are aligned with the most current climate science and international climate goals. Already in 2022, Heraeus Precious Metals intended to get our emission reduction targets validated by the SBTi, but after committing, the SBTi informed us that due to the legal entity structure within the Heraeus Group this was not possible. Our ambitions have remained unaffected, and we continue to pursue our goals with determination.

Update on previously communicated ambitions

In our 2022 Sustainability Report, we communicated our aim to become carbon-neutral by 2025 through a combination of reducing emissions as much as possible and the purchase of carbon credits to offset remaining emissions. As we already communicated in our Sustainability Report 2024, we decided to refrain from offsetting. Our mission remains unchanged: We strive to make genuine efforts in reducing our GHG emissions. As we continuously investigate how to best achieve our mission, we came to the conclusion that purchasing carbon credits is not the most effective way to help achieve a long-lasting reduction. Public opinion and international standards are cautious about carbon credits and value reducing emissions at the source more than offsetting. We will continue to monitor the developments and recalibrate our strategy where necessary.

Organization and responsibilities

The responsibility to design Heraeus Precious Metals' climate strategy and to oversee its implementation lies with the Sustainability team. It is headed by the Global Head of Sustainability. The Sustainability team coordinates sustainability activities company-wide, sets targets and monitors progress toward them, and supports our sites and Business Lines in developing their sustainability roadmaps. In addition, it facilitates knowledge-sharing and supports the entire organization on all issues related to sustainability.

The responsibility to identify and implement improvement measures to meet our climate targets lies within our Business Lines. We are convinced that our Business Line Heads and their local teams know their operations best. They are in the lead when it comes to designing and implementing the actions necessary to reach their energy-efficiency and climate targets. We foster a continuous exchange between our sites to share learnings and jointly drive our sustainability journey.

Climate in finance and strategy

We strive to make "Climate" an integral part of our business processes. Our climate transition plan is embedded within our overall business strategy, financial planning, and reporting processes. This integration not only encompasses our transition plan but also addresses associated risks and countermeasures, ensuring that we are prepared to navigate the challenges of climate change effectively.

Since 2022, carbon accounting has been an integral part of our controlling and reporting processes. Energy use and emissions data are reported and displayed in the same reporting system we use for financial data, making decarbonization an essential element of internal management control. We calculate the carbon footprint for each Business Line and facility. Energy consumption is tracked quarterly and, in some cases, monthly. From 2022 to 2025, annual energy reduction targets had been part of our bonus system for managers worldwide. In 2026, we will continue to steer our sites' decarbonization and energy efficiency efforts on individual project basis. The alignment of these targets and required allocation of resources is an integral part of our annual financial planning process.

In addition, sustainability is an important criterion in our investment decisions. For significant investments, the financial evaluation of a potential investment is supplemented by an evaluation of its impact on carbon emissions. This ensures that decisions reflect both an investment's financial merit and its climate impact.

Sustainability-related risks and opportunities are integrated into our financial risk assessment processes, enhancing our proactive approach to climate challenges.

GHG emissions and energy

Policies and regulations

At Heraeus Precious Metals, we are committed to continuously reducing our environmental impact, including that of our value chain. This commitment is part of the **Heraeus Precious Metals Quality, Environment, Health and Safety (QEHS) Policy.** In 2024, the Heraeus Group introduced the **Heraeus Corporate Climate Policy**, which is focused on climate change mitigation through energy efficiency and renewable energy deployment and commits to regularly assess the Group's climate-change-related resilience.

Further internal guidelines support us in upholding high sustainability standards. They for example ensure that our carbon accounting is aligned with the Greenhouse Gas Protocol and that the energy attribute certificates (EACs) we purchase orient on the requirements defined by RE100.

The majority of our production and recycling sites have had environmental management systems certified to ISO 14001 in place for many years. In accordance with the German Energy Efficiency Law, our headquarters in Hanau have been ISO 50001-certified since 2025. Our sites in Nanjing and Shanghai, China, have been both ISO 50001-certified since 2023.

77% of our production and recycling sites are certified to ISO 14001 in 2025

Progress and measures

Heraeus Precious Metals works systematically to reduce its own emissions as well as those that occur in its value chain. We engage with customers, industry associations, suppliers, and other stakeholders on a regular basis to discuss expectations, possible solutions, and standards for measuring and reporting.

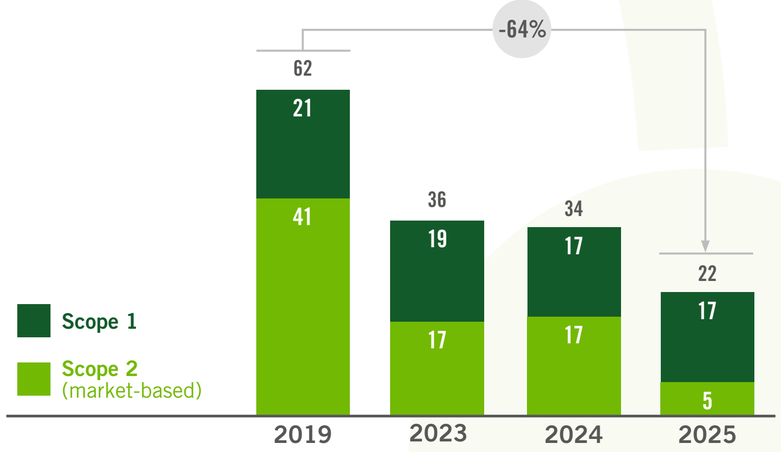
Scope 1 and 2 GHG emission reduction

In 2021, we committed to reduce our Scope 1 and 2 emissions by at least 90% and to neutralize residual emissions by 2033, compared to our 2019 base year.

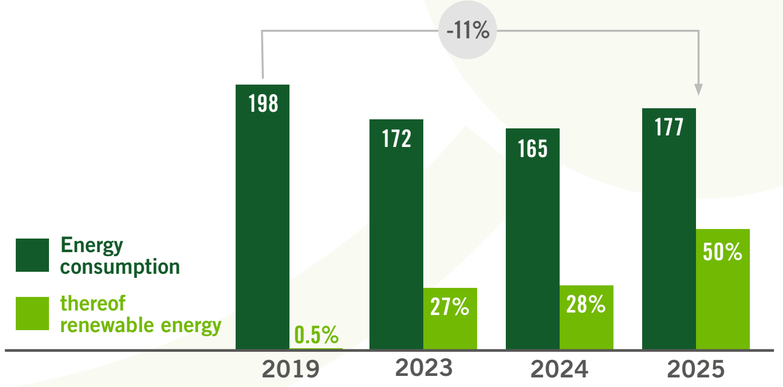
In 2025, we successfully decreased our total Scope 1 and 2 emissions by 35% compared to 2024, and by 64% since our 2019 base year. Looking at our Scope 1 emissions individually, they increased by less than 1% compared to 2024. This was mainly driven by the increase in energy consumption caused by growth effects. In the same period, our Scope 2 emissions decreased by 70%, mainly driven by the greening of our electricity consumption.

These reductions are tied to our progress toward our ambitious milestone targets: By 2025, we aimed to reduce our energy consumption by 20% relative to our 2019 base year. At the end of 2025, our energy consumption had been reduced by 11%, or by 20% if production expansions are excluded. This result is caused by a combination of multiple factors. Volume effects more strongly affected energy consumption than anticipated, some investments in energy efficiency had been delayed, and shifting priorities in the course of 2025 resulted in a slight setback. While we are not planning to set a company-wide follow-up target regarding

Scope 1 and 2 GHG emissions in 1,000 tCO_2e[7]



Energy consumption in GWh



[7] Changes of previous year data resulting from improved data quality and updated emission factors.

GHG emissions and energy

our energy efficiency, we will continue to steer our sites efficiency and decarbonization progress on a site-individual project basis and individual relative KPIs.

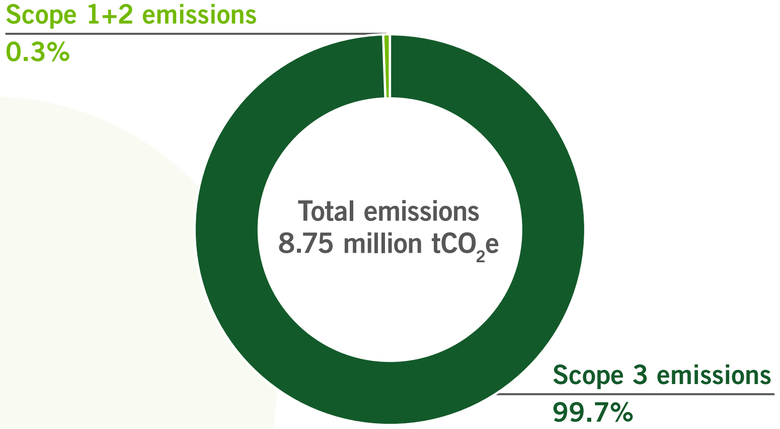
By 2025, we successfully met our target to cover 100% of our electricity demand with green electricity. This was achieved via a combination of own photovoltaic installations, power purchase agreements, contracts with electricity suppliers, and the purchase of energy attribute certificates (EACs). Going forward, we are committed to continuing to cover 100% of our electricity demand with green electricity.

Specific actions supporting this development are described later in this chapter.

Scope 3 GHG emission reduction

We recognize that sustainability is not just about our own operations but extends to our entire value chain. In fact, more than 99% of our total GHG emissions are Scope 3 emissions. Accordingly, already in 2022, we set ourselves the target of achieving a 50% reduction in emissions along our value chain by 2033 compared to our 2020 base year.

Share of Scope 1+2 and Scope 3 emissions in 2025

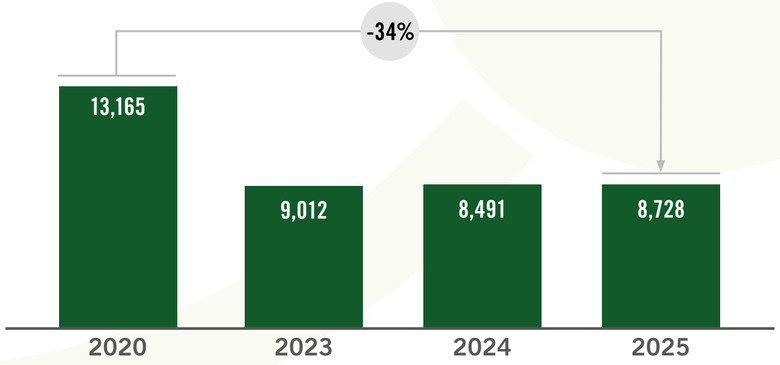


The biggest share of our Scope 3 emissions is associated with the purchase of precious metals. In 2025, we adjusted our methodology to calculate those emissions to successively move from industry emission factors to more supplier-specific factors.

We furthermore introduced weighted emission factors for mixed precious metals material streams. As part of these changes, historical data has also been recalculated where possible. The values disclosed in this Sustainability Update therefore differ from previous publications.

In 2025, precious metals volumes increased strongly compared to 2024 while emission intensity decreased, leading only to a minor increase in our Scope 3 emissions. Compared to our 2020 base year, Scope 3 emissions decreased by 34%. We acknowledge that a part of this development is due to volume effects and the shift from industry emission factors to supplier-specific factors in subsequent years.

Scope 3 GHG emissions in 1,000 tCO_2e



GHG emissions and energy

We can only succeed in the sustainable transformation by working together with our upstream partners. Therefore, we focus on managing our relationships with mines and increasing secondary precious metals volumes. Enhancing data transparency is key. This involves aligning with our mining partners and industry associations and defining internal standards to track and calculate emissions. The shift to more supplier-specific data in particular is a crucial basis for the definition of further measures. We are also utilizing the improved transparency to identify supplier-specific GHG emission reduction targets and supplier-specific decarbonization potentials as well as to measure their progress. We will prioritize working with mines that pursue concrete decarbonization goals as described in our mine engagement roadmap under **Workers and affected communities in our value chain.**

Transitioning to 100% green electricity

Since 2025, we have been meeting 100% of our electricity demand with green electricity—and are committed to continuing this in the future. In realizing this target, we prioritized solutions that add new capacities in green electricity. By the end of 2025, we had installed PV systems with a total power of more than 10 MWp at ten sites. In 2025, these covered 9.9% of our electricity consumption. With additions completed in 2025, we expect the PV systems to cover 10–15% in 2026.

In 2024 and 2025, we completed PV installations at our sites in Hanau, Germany; Gqeberha, South Africa; Santa Fe Springs and Wartburg, USA; and Nanjing and Shanghai, China. A particularly large project was the installation of an additional 7 MWp open-space PV plant at the German Heraeus Group headquarters, of which roughly 4.5 MWp are assigned to Heraeus Precious Metals. Another example is the PV expansion and new energy storage system at our site in Gqeberha, South Africa. The 1.7 MWp photovoltaic system is supported by a 2.4 MWh battery system, making the power supply less dependent on the grid and more efficient.

We also entered into long-term power purchase agreements (PPAs) with renewables developers. In November 2022, the Heraeus Group signed a 20-year PPA for 40 MWp of solar power for our Hanau site, with the majority of it benefiting Heraeus Precious Metals. By the end of 2024, the construction was completed. Over the course of 2025, the plants took up operations stepwise and are now delivering full power.

Lastly, we conclude green electricity supply contracts or purchase energy attribute certificates (EACs). In 2024, we introduced an internal guideline to ensure that the certificates we purchase meet high quality standards, oriented on RE100.

Driving decarbonization and efficiency

To significantly reduce and neutralize our Scope 1 and 2 emissions by 2033, we are driving a variety of measures with a particular focus on our production sites. Measures range from optimizing energy usage to replacing fossil-fuel-powered technologies with green, often electrified alternatives. Over the past few years, as data shows, we have already significantly reduced both our energy consumption and our Scope 1 and 2 emissions while growing our business at the same time.

In 2025, our production sites worldwide investigated, developed, and implemented a wide range of projects. One example is the automated reduction of fan speeds during non-working hours at our site in Gqeberha, South Africa. Another is the heat recovery from cooling water used in the DeNOx process at our site in Nanjing, China. A third example is the recovery of heat from refinery operations and waste treatment processes at our site in Mendrisio, Switzerland. Given the gains already achieved, the impacts of individual measures might appear small, but make a relevant difference combined. In total, more than 40 projects were completed in 2025, representing an estimated future energy-saving potential of roughly 3.5 GWh per year.

Looking forward, phasing out our natural gas usage completely is a particular challenge, as natural gas is indispensable for our recycling operations today, for example as a medium for heating recycling furnaces or for exhaust-gas treatment. The dependency on technological progress and/or availability of green fuel alternatives to power these processes as well as their feasibility pose the biggest uncertainty in our GHG emission reduction ambitions.

Air pollution

Impacts

Heraeus Precious Metals is one of the world's largest recyclers and refiners of precious metals. Depending on the type of incoming recycling material, it is thermally pre-treated in chamber furnaces to burn organic compounds present in the material or is processed in our wet chemical production lines. This treatment also creates air pollutants other than greenhouse gases. The most relevant air pollutant in the context of our operations is NO_X, followed by SO_X and particulate matter.

We are aware of these hazards and commit to operating our production and recycling sites responsibly. Heraeus Precious Metals applies state-of-the-art off-gas treatment and pollutant abatement systems to actively reduce released air pollutants. Accordingly, the off-gas emitted at all our sites lies well below the thresholds defined in the European Pollutant Release and Transfer Register (E-PRTR Regulation).

Ambitions

We operate our production and recycling sites responsibly and in accordance with local laws and regulations. Our priority is to ensure that all our sites continuously stay below E-PRTR thresholds.

Organization and responsibilities

The compliance of our operations with environmental laws and regulations lies within the responsibility of the respective sites' management. Our Environment, Health, and Safety (EHS) department oversees developments of external requirements and ensures our organization is capable of meeting them by defining policies, guidelines, strategies, and targets. Each production and recycling site has at least one dedicated EHS manager to ensure compliance with local laws and company expectations. They have reporting pathways to both the Global Head of EHS and their respective Site General Managers.

Policies and regulations

Heraeus Precious Metals has set up policies and processes to ensure compliance with all relevant environmental laws and regulations. The regions and countries we operate in have individual laws and regulations in place, for example when it comes to acceptable thresholds, measurement frequencies and reporting obligations with respect to pollutants. We continuously monitor changes in legal regulations with an external tool to ensure compliance.

The Heraeus Group addresses air pollution and further EHS-relevant topics in the **Heraeus EHS Policy**, which was updated and reissued in 2025. The revised version places greater emphasis on topics such as air pollution and health and safety, and how to monitor these. Heraeus Precious Metals' commitment to continuously reduce its environmental impact is furthermore addressed in its **QEHS Policy**.

The Heraeus internal EHS Management System is called the Heraeus EHS Development Path. In the area of air pollution, the EHS Development Path requires a detailed inventory and reporting of air emissions, formal management of any change processes for EHS-relevant changes, monitoring of air emissions to ensure compliance with legal requirements, and an inspection program for EHS-critical equipment, including air pollution control equipment. More information about the Heraeus EHS Development Path can be found in the chapter **Occupational health and safety**.

In addition to our internal EHS Management System, our sites in Hanau, Germany; Mendrisio, Switzerland; Shannon, Ireland; Izmir, Turkey; Gqeberha, South Africa; Nanjing, Shanghai, and Hong Kong, Greater China; and Santa Fe Springs and Wartburg, USA, are certified by a third party according to ISO 14001. These represent 77% of Heraeus Precious Metals' production and recycling sites, and account for 94% of our employees.

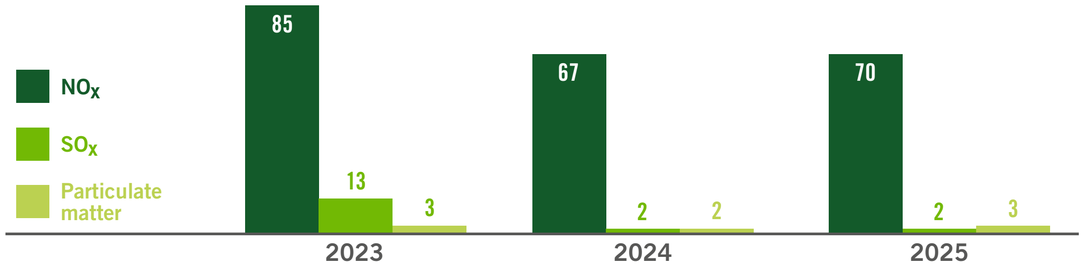
Air pollution

Progress and measures

All our production and recycling sites have measures in place to reduce emissions based on the individual processes. In the thermal preparation of incoming recycling material, it is common practice to heat the exhaust gases to extremely high temperatures in an afterburner to eliminate any remaining organic particles. To effectively reduce NO_X, SO_X, and particulate matter emissions, we use state-of-the-art wet scrubber systems and selective catalytic reduction. Some of our processes furthermore use solid bed absorbents based on activated carbon, for example to reduce the emission of heavy metals.

In 2025, our NO_X, SO_X, and particulate matter emissions increased slightly compared to 2024. This development has been mainly driven by changes in production output. Just as in the years before, all air pollutants emitted at our production and recycling sites lie well below E-PRTR thresholds.[8]

Air pollution in t [9]



[8] The air pollutant emissions of each of our facilities lie below the applicable threshold value specified in Annex II of Regulation (EC) No 166/2006. The threshold values per facility are: 100,000 kg/year for NO_X; 150,000 kg/year for SO_X; 50,000 kg/year for particulate matter.
[9] Data does not include Argor-Heraeus Deutschland GmbH, Argor-Heraeus Italia S.p.A., Heraeus Recycling Technology Canada Ltd., or Heraeus Tokmak Kiymetli Madenler Sanayi A.S.; due to their processes these sites are considered insignificant for the disclosure.

Resources are precious to us

Resources are precious to us

According to UNICEF, 3.3 earths would be needed to keep up with consumption levels of the OECD and EU countries. This rate of resource use is clearly unsustainable. Moreover, the extraction, processing, and disposal of natural resources can have significant environmental impacts.

Our business activities rely on precious resources. We live up to our responsibility by improving our processes and products so that they require fewer and fewer resources and by adopting circular approaches wherever possible. With recycling we recover large quantities of precious metals, which reduces the need for primary extraction.

Along with precious metals resource inflows, which have been identified as material, we also have a strategic focus on waste, water, and biodiversity. In terms of materiality, these topics lie below our threshold.

Ambitions	Status 2025
Circular economy	
Raise intake volumes of secondary PGMs, gold, and silver compared to 2024 base year	Secondary PGMs +8.1%, Secondary gold +22.1%, Secondary silver -18.0%
Analyze NPM waste status at our sites in Santa Fe Springs, USA; in Nanjing, China; and in Hanau, Germany, by end of 2026	Completed
Analyze NPM waste status at all our production sites by end of 2026	New target
Water	
Standardize water reporting approach for global operations by end of 2026	Ongoing
Biodiversity	
Conduct biodiversity analysis for our upstream value chain by end of 2025	Completed for large-scale gold mining partners
Identified drivers of biodiversity loss for our own operations are addressed in the respective other sections: GHG emissions and energy, water, and circular economy	

AI generated

Circlear, products made with 100% recycled precious metals, supports customers' sustainability ambitions by reducing their carbon footprint.

Circular economy

Impacts

As a global leader in precious metals, Heraeus Precious Metals covers the value chain from refining to trading to innovative precious metals products to recycling end-of-life materials. The refining of precious metals from primary sources as well as the recycling and refining of precious metals from secondary sources are among our core businesses and have been well-established business models for many decades. With 12 recycling facilities in eight countries around the world—including associated companies—we recycle and refine all eight precious metals and rhenium. By making new products out of the recycled metal, we are continuously keeping recovered precious metals in the loop.

Our recycling activities and services have a direct positive impact on the responsible use of these scarce materials and the associated footprint. Secondary precious metals have an up to 99% lower carbon footprint compared to primary-sourced precious metals.[10] The freshwater consumption associated with secondary material is also up to 99% lower.

At the same time, the high demand for precious metals significantly exceeds the supply of recycled metals, making mining indispensable. Like other extractive industries, the mining of precious metals is associated with a high energy consumption and carbon footprint. It furthermore poses different actual and potential impacts on the environment, including impacts on **Water**, **Biodiversity**, **Workers and affected communities in our value chain**. These impacts are covered in the respective other chapters of this Sustainability Update.

Our approach is therefore twofold. Firstly, we take action to keep as much precious metals volume in the loop as possible. Secondly, we support an overall sustainable development of the precious metals mining industry.

Ambitions

We consistently improve and expand our processes for recovering precious metals and keeping them in the loop. As recycling is a core business model for us, there is a strong coherence between financial targets and targets for promoting circularity.

To monitor the effectiveness of our initiatives in promoting a circular economy for precious metals, we have established the target to increase intake volumes of secondary platinum group metals (PGMs), gold, and silver compared to the base year 2024.

With regard to non-precious metals (NPM) waste, we aimed to analyze the waste situation more closely at the three sites with the highest waste volumes by the end of 2026. As this analysis was already completed by the end of 2025, we extended the target to all remaining production sites by the end of 2026. We intend to use these insights to define further reduction strategies.

Organization and responsibilities

Responsibility for our precious metals resource management lies within our Business Lines. The respective Business Line Heads are responsible for designing a business strategy that promotes a circular economy, making relevant strategic decisions, approving specific measures, and setting targets. Our Business Lines and regions carry out the measures and report progress to our Leadership Team and the CEO on a regular basis.

Responsibility for non-precious metals waste management lies with our Environmental, Health, and Safety (EHS) department led by the Global Head of EHS, which reports directly to the CEO. Its responsibility is to design our non-precious metals waste management strategy, oversee its implementation, and ensure that we comply with all applicable laws and regulations. Progress and measures are reported to the Leadership Team and the CEO on a regular basis.

[10] Based on data from “The Life Cycle Assessment of Platinum Group Metals” by the International Platinum Group Metals Association (IPA), Reference Year 2022.

Circular economy

Policies and regulations

As one of the largest recyclers and refiners of precious metals, circularity is part of our DNA and one of our core business models. For this reason, we have grown our recycling business for a long time already and considered circularity in major business decisions. In 2024, we formalized our already established approach to supporting a circular economy for precious metals in our **Precious Metals Resource Use and Circularity Policy**, which was made publicly available on our website in the first quarter of 2025.

This new policy outlines our commitment to increasing the intake volumes of secondary precious metals and promoting a circular economy for these materials. A key aspect of this effort is the continuous expansion of our technical recycling capabilities, which includes making more material streams recyclable and further improving recovery rates. We operate our recycling facilities responsibly, adhering to all applicable regulations in the regions where we are located. This encompasses waste management and the systematic decarbonization of our operations.

As the recycling of precious metals is partly considered a waste treatment operation, we operate our recycling facilities in compliance with respective local jurisdiction. This also includes cross-border shipments of precious metals containing waste for recycling.

Given that the demand for precious metals exceeds what can be supplied through recycling alone, we are also committed to enhancing resource efficiency in our industrial precious metals products and supporting the sustainable development of our mining partners. Our **Supply Chain Due Diligence Policy** details the social and environmental criteria we require from our mining partners, explicitly addressing the protection of human rights for workers and affected communities, as well as the prevention of negative environmental impacts caused by improper handling and disposal of hazardous substances like waste.

Heraeus Precious Metals also actively engages in driving the development of standards in the context of precious metals within our industry and beyond, such as Scope 3 accounting methodologies. We strive to improve transparency and establish processes together with our industry partners. For this, we are active in various industry associations and working groups, such as the International Platinum Group Metals Association (IPA), the European Precious Metals Federation (EPMF), the London Bullion Market Association (LBMA), and the Responsible Jewellery Council (RJC).

Recovery and recycling of iridium from spent mixed metal oxide (MMO) electrodes. MMO electrodes are used as anodes in electrochemical processes, for example in the production of chlorine, copper foils for batteries, water treatment, and the electrowinning of metals.

Circular economy

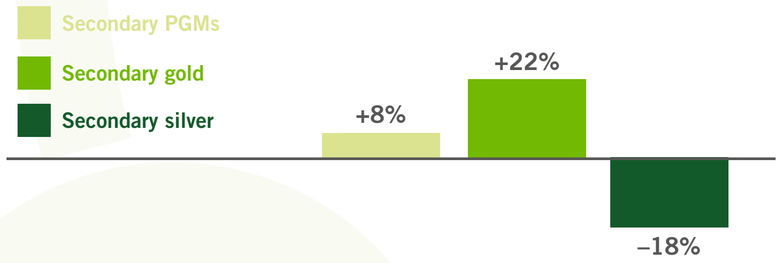
Progress and measures

Increasing secondary precious metals volumes

In 2025, 55% of the PGMs, 38% of the gold, and 23% of the silver we processed in our plants came from secondary sources, including purchased materials and materials treated in our plants on behalf of our customers.

The secondary input quantities for gold and PGMs rose significantly in 2025 compared to the previous year. Accordingly, the secondary share of total processed gold also increased. In the case of PGMs, the secondary share declined slightly, as investment and market mix materials in particular increased disproportionately. Secondary silver volumes declined in 2025. They are dependent to a relevant extent on multi-year cycles, resulting in a limited comparability year-on-year.

Secondary intake volume development in 2025 compared to 2024



Deviations from the percentages disclosed in the previous year are due to a change in methodology aligned with the methodology update of our Scope 3 calculation. The biggest changes are linked to gold and silver investment and market mix material, for which we switched from a conservative 100% primary assumption to applying industry-average secondary shares.

We strive to continuously increase our intake volumes of secondary precious metals. We acknowledge that economic developments, particularly in industries that use precious metals products such as catalysts, glass tools, or sputtering targets, impact the amount of industrial end-of-life material we receive. Therefore, we are always seeking new ways to conserve resources and enhance our technical capabilities for recovering precious metals. This comprises making additional material streams recyclable and further improving our recovery rates. To accomplish this, we engage in research, partnerships, and investments.

We apply strict due diligence processes as described in the chapter **Compliance and anti-corruption** to ensure that secondary material originates from legitimate and ethically acceptable sources.

Expanding recycling capacities

Between 2018 and 2026 Heraeus Precious Metals invested and plans to invest up to €300 million in expanding our recycling and refining capacities.

In 2025, we expanded the wet chemical refining capacities at our site in Santa Fe Springs, USA. At our site in Hanau, Germany, a new chamber furnace for precious metals recycling went into operation, which also allows us to recycle new materials such as fuel cell membranes. The site also invested in a new sieving machine for sampling carrier catalysts. Another highlight was the introduction of a production line for platinum at our Hanau headquarters, allowing the physically segregated processing of customer material.

Already in previous years, we made significant investments in our core regions, such as the ramp-up of our site in Nanjing, China, the introduction of an electrified smelter at our facility in Wartburg, USA, and wet chemical capacity expansions in Gqeberha, South Africa, and Hanau. Moreover, in 2024, we acquired the Canadian recycling company McCol Metals, which specializes in recovering iridium from spent mixed metal oxide electrodes.

Heraeus Precious Metals also collaborates with other companies to extend the offering of recycling services. In September 2024, our associated company in India, Ravindra Heraeus, acquired the Vizag site from Arora-Matthey Ltd., which is specialized in the production and recycling of precious metals catalysts. In 2024 and 2025, Ravindra Heraeus furthermore invested in the expansion of its recycling capacities.

Circular economy

Offering products with a 100% recycled precious metals content

Since 2024, our customers have been able to choose to obtain many of our industrial products with a 100% recycled precious metals content. The offering is available under the brand name Circlear. It enables our customers to reduce their Scope 3 carbon footprint and accurately track their progress toward their own sustainability goals: One kilogram of recycled precious metals saves up to 99%—or 42 metric tons—of CO_2 compared to primary materials.[11]

Circlear's 100% recycled content is based on mass balance and has been verified by TÜV SÜD according to ISO 14021 for seven precious metals: gold, silver, platinum, palladium, iridium, rhodium, and ruthenium. Currently, Circlear is available in the EMEA, Americas, and APAC, excluding China and India. More information about Circlear can be found on **our website**.

In addition to Circlear, we offer to process gold and silver in segregated lines. This way, our customers can be sure that the precious metal is physically of the desired origin, for example purely recycled, from a specific mine or panel of mines, and/or certified according to the RJC Chain-of-custody (COC) standard. In 2025, we also introduced a segregated line for platinum.

Increasing resource efficiency and recyclability in products

We constantly explore ways to reduce the precious metals content in our products for industrial applications, while making sure to meet customer needs, enhance product efficiency and lifespan, and ease of recyclability.

For instance, together with Sibanye-Stillwater, we have developed a ruthenium-based catalyst for the production of green hydrogen via proton exchange membrane water electrolysis. This new catalyst reduces the amount of iridium required to build one gigawatt of capacity from around 400 kg to only 30–150 kg. This product innovation is not only helping to save the precious resource iridium; without it, the green hydrogen economy could not be realized: About 70 GW of this type of electrolysis are expected to be built worldwide by 2030. By contrast, with the former catalyst technology, the iridium needed would be more than double the quantity available.

Encouraging sustainable development of our mining partners

The demand for precious metals by far exceeds available recycled material. We are convinced that true sustainable progress in the precious metals industry can only be achieved by collaborating across the whole supply chain. As one of the leading refiners and recyclers of precious metals, we see ourselves as a link between the mining industry and industries that use precious metals. We leverage this position to encourage and support greater transparency and overall sustainable development of our mining partners.

The steps we are taking to achieve this are described in the chapters **Workers and affected communities in our value chain**, **GHG emissions and energy**, **Water**, and **Biodiversity**.

Waste management

Heraeus Precious Metals has had in place a circularity system for precious metals containing waste for many years. All such waste that arises during all processes, for example development, production, analysis, and filling, is primarily fed into our own recycling system. Our aim is always to recycle as much of this waste as possible ourselves and to only send it to third-party service providers as a last resort. This approach saves cost and minimizes transport and thus carbon emissions.

We differentiate these material streams from the non-precious metals (NPM) waste that we send to external recovery and disposal. For NPM waste from our own operations, Heraeus Precious Metals works globally with certified environmental service providers. The various types of waste are separated for disposal and recovery. We dispose of waste in accordance with legal requirements and standard operating procedures. People in our own workforce who handle hazardous wastes are trained annually on waste separation and disposal.

In our waste management, the prevention of waste has priority. This also includes efforts to identify waste streams that can be utilized as raw materials by other industries, up to taking internal

[11] Based on data from "The Life Cycle Assessment of Platinum Group Metals" by the International Platinum Group Metals Association (IPA), Reference Year 2022.

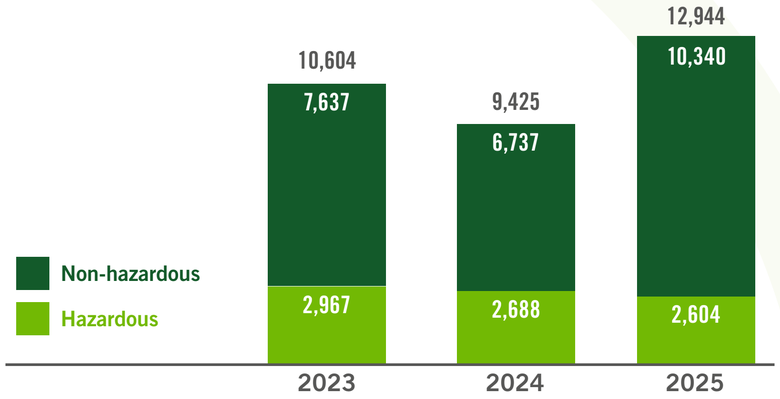
Circular economy

pre-processing steps where necessary. For example, an external partner uses our sodium aluminate waste generated at our site in Hanau, Germany, to produce a highly effective flocculation agent that is used, among other things, in sewage treatment plants to treat water.

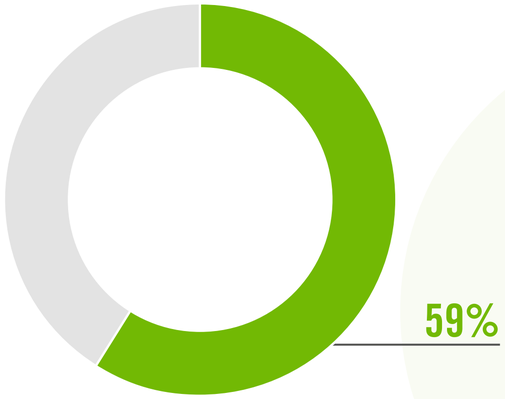
In 2025, we initiated pilot projects to analyze the waste situation more closely at our sites in Santa Fe Springs, USA; in Nanjing, China; and in Hanau, Germany, as these sites were accounting for more than 75% of our total NPM waste volume in 2024. The analysis was completed in 2025 already and revealed further waste streams that could potentially be used as raw materials in other industries, which we will continue to investigate in 2026. In addition, the analysis indicated that previous measures and awareness programs already successfully reduced waste caused by inefficiencies in processes. We extended the analysis to all remaining production sites to be completed by the end of 2026.

Our total NPM waste increased by 37% in 2025 compared to 2024. This development is driven by a strong increase in non-hazardous waste caused by site modernization projects. By contrast, the amount of waste generated in our daily operations has remained largely unchanged. The data for 2025 is therefore only comparable to the previous year's figures to a limited extent. In 2025, 59% of our total NPM waste generated went to recovery operations.

Non-precious metals (NPM) waste in t [12]



Share of NPM waste diverted from disposal for recovery [13]



[12] Data does not include trading operations as they are considered insignificant for the disclosure.

Water

Impacts

Water is an essential resource for the survival of humans, animals, and plants. It also plays an important role in our operations. For example, it is needed for cooling our processes, or as a solvent or absorbent in our precious metals recycling processes. Our operations, especially in areas with water risk, can potentially negatively impact the availability of this resource.

Our recycling and production facilities worldwide aim to use freshwater responsibly and to reduce their consumption and ensure proper wastewater treatment. Heraeus Precious Metals always aims to comply with all applicable laws and regulations for managing and handling water and wastewater. To ensure optimal water use, we conduct on-site wastewater treatment and work closely with local wastewater treatment plants.

Mines in our upstream value chain have significant potential to impact water resources. Mining and related mineral processes usually require large quantities of freshwater. Inadequate mine water management can result in high withdrawal, low rates of water reuse, and the discharge of contaminated water. All of this can adversely impact local water resources as well as surrounding ecosystems and communities.

Ambitions

We aim to reduce the water consumption in our production facilities worldwide. Currently, our priority is to increase internal transparency regarding water use per site. We intend to introduce specific water targets for our own operations in the coming years.

By the end of 2026, we will standardize the reporting approach for our global operations to close gaps identified during analyses conducted in 2024. In parallel, we will work to identify measures to reduce our water withdrawal, prioritizing the sites with the highest water usage.

We furthermore aim to improve our data transparency regarding our upstream mining partners' water management.

Organization and responsibilities

The Sustainability department is responsible for coordinating and monitoring initiatives related to water. Its main responsibility is to design Heraeus Precious Metals' strategy for sustainable water use and to oversee the strategy's implementation. The responsibility to implement the strategy locally and to derive respective measures lies within our Business Lines.

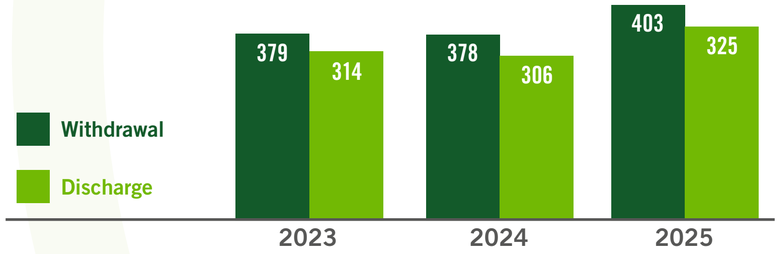
Water

Policies and regulations

Heraeus Precious Metals is committed to reducing the consumption of water and meeting all environmental regulatory requirements. This commitment is formalized in the **Heraeus Group's EHS Policy** and in **Heraeus Precious Metals' QEHS Policy**.

The **Heraeus Supply Chain Due Diligence Policy** addresses our expectations toward suppliers and precious metals partners. In the context of water, it states that we do not tolerate excessive water consumption harmful to the health of humans or constituting a significant impairment of the basis for the preservation or production of food.

Water use in 1,000 m³ [13]



Progress and measures

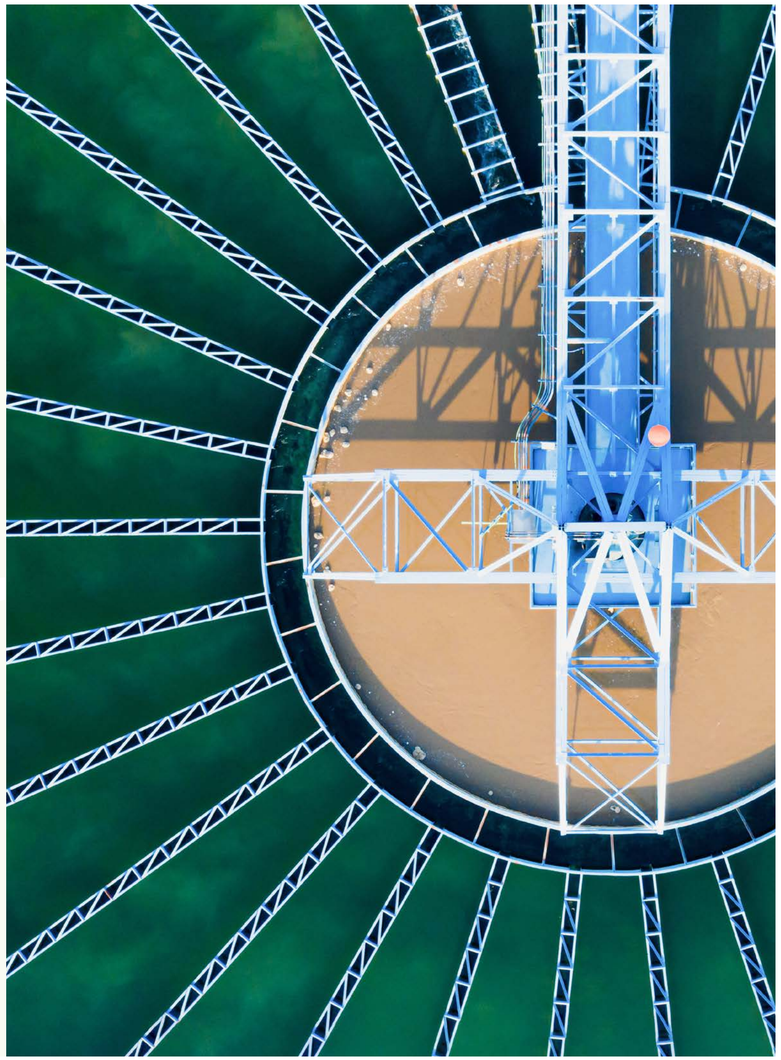
Own operations

In 2025, our total water withdrawal increased by 7%. This slight increase was mainly driven by production and recycling expansions. The mapping of our production and recycling sites with the Aqueduct 4.0 Water Risk Atlas revealed that 46% of the sites are located in areas with high or extremely high water stress, accounting for 40% of 2025 water withdrawal.

Upstream mining partners

The collection of water data for our upstream mining partners is part of a broader project with a dedicated cross-disciplinary task force and is described in more detail in the chapter **Biodiversity**.

While the efforts are ongoing, we had made significant progress by the end of 2025. We collected and assessed data with a focus on our large-scale gold mining partners, representing roughly 75% of the precious metals volumes we sourced from mining partners in 2025. At the current state of our assessment, we have identified that at least 69% of the 2025 volume came from mining partners who disclose water-related data. We are also planning to look into the water targets set by our mining partners.



[13] Data does not include trading operations, Argor-Heraeus Italia S.p.A., or Heraeus Recycling Technology Canada Ltd., as they are considered insignificant for the disclosure. Withdrawal data for 2024 and 2023 differ from previous disclosures as they have been corrected to include demineralized water intake.

Biodiversity

Impacts

Healthy, well-functioning ecosystems are the foundation of all life on our planet. Our business relies heavily on precious metals from primary and secondary sources, as well as other vital resources provided by nature. At the same time, our own operations and our upstream value chain can impact the surrounding environment and biodiversity.

We are currently in the process of understanding the most relevant impacts and dependencies. In this process we specifically look at the five drivers of biodiversity loss defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES): Land/Sea-use change, Climate change, Pollution, Resource extraction, and Invasive alien species.

We used the ENCORE[14] tool to support the analysis, which helped us to identify the drivers that are most relevant to us: For our own operations, we initially identified GHG emissions, Waste, and Water use. In view of a major update of the ENCORE tool in autumn 2024, we decided to repeat the analysis in 2025. The 2025 analysis raised a few further potential impacts, which we will investigate more closely in the course of our next double materiality reassessment.

We furthermore conducted a proximity analysis to identify biodiversity-sensitive areas near our production and recycling sites. The results of this analysis are described later in this chapter.

For our value chain, the analysis has been completed for large-scale gold mining partners. More information on the current status is described later in this chapter.

Ambitions

Heraeus Precious Metals is committed to taking on the challenge to address the drivers of biodiversity loss. We aim to better understand how our business activities contribute to biodiversity loss and to use this understanding to develop strategies to limit and reduce such negative impacts. On this journey, we are oriented on global frameworks, in particular the Global Biodiversity Framework (GBF) and the Sustainable Development Goals (SDG). We furthermore refer to guidance from the Science Based Target Network (SBTN) and the Taskforce on Nature-related Financial Disclosures (TNFD) to assess, measure, and address this topic, taking into account the latest scientific findings. The guidance is partly still in development and continuously evolving. We aim to closely follow these developments, stay informed on the latest updates, and adopt our approach accordingly in the future.

As biodiversity is closely connected to other environmental matters, there is an overlap with already existing sustainability strategies, targets, and measures.

For our own operations, our activities focus on the three initially identified impacts—GHG emissions, Waste, and Water use. More information on our strategies, targets, and measures for these topics can be found in the chapters GHG emissions and energy consumption, Circular economy, and Water.

For upstream mining activities, our current focus lies on further gaining transparency, by collecting mine-specific data on different sustainability-relevant topics and creating a model that allows us to compare such data. More information can be found later in this chapter.

Organization and responsibilities

The topic of biodiversity greatly overlaps with other areas of sustainability. Heraeus Precious Metals' biodiversity approach therefore lies in joint responsibility of the respective ESG Streams Climate and Nature, EHS, and Precious Metals Supply Chain. These ESG Streams are headed by the Global Head of Sustainability, the Global Head of EHS, and the Global Head of Compliance. All three directly report to the CEO. The organization and responsibilities of each are described in more detail in the respective other chapters of this Sustainability Update.

To ensure an aligned and effective approach, the Sustainability department coordinates and oversees initiatives related to biodiversity.

Policies and regulations

Heraeus Precious Metals operates in line with applicable environmental laws. Our commitment to lessen our impact on the local and global environment is formalized in the **Heraeus Group's EHS Policy** and in **Heraeus Precious Metals' QEHS Policy**.

[14] ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure). **https://encorenature.org/en**

Biodiversity

We address our criteria for business relationships with suppliers and precious metals partners in our **Supply Chain Due Diligence Policy**. This also includes our minimum expectations regarding environmental practices. All our suppliers are required to sign our **Supplier Code of Conduct** – in case of precious metals partners an extended Supplier Code of Conduct – or to provide an own standard of similar scope.

When sourcing precious metals, we act in compliance with the strict requirements of the OECD and the precious metals associations LBMA, LPPM, and RMI.

Progress and measures

Biodiversity aspects in the management of our mining partners

Precious-metals-related organizations such as LBMA, LPPM, and RMI established strict standards several years ago and have continuously improved them. We take all possible steps to meet or surpass these standards when we source precious metals. To ensure these standards are met and open action areas are worked on, we conduct regular on-site mine assessments. We are furthermore supporting the adaption of similar standards in the currently less formalized ASM sector through our engagement with ASM-focused associations such as Fairmined, Fairtrade and Swiss Better Gold. More information can be found in the chapter **Workers and affected communities in our value chain**.

Our initiative includes collecting mine-specific data on various sustainability-relevant topics and developing a model to compare this data. These activities are driven by an internal cross-disciplinary team, comprising internal experts from different departments and sites. Initially, we had been focusing on achieving transparency in data and targets related to GHG emissions, water, and biodiversity. In 2025, during our second annual update, we broadened our focus to also include health and safety and waste. These insights help us understand the sustainability efforts of our mining partners, engage with them, and inform them about our sourcing decisions. They also enable us to offer guidance and to provide best-in-class products to customers with high ambitions in this field.

The efforts of this team are aligned with our goal to ensure that 100% of our mining partners have sustainability-related targets and measures in place, and to track their progress and target achievement, as described in the chapter **Workers and affected communities in our value chain**.

To further improve our understanding of our mining partners' potential biodiversity impacts, we are conducting geospatial analyses of the individual mines we work with. These analyses investigate multiple dimensions, such as ecosystem extent, species extinction risk, and ecosystem connectivity. At the end of 2025, we completed this assessment for our large-scale gold mining partners. We are currently evaluating options to apply a similar approach to PGMs as well as artisanal and small-scale gold mining partners. We intend to use the insights won, together with an ENCORE assessment, in our next double materiality assessment update.

Proximity to biodiversity-sensitive areas

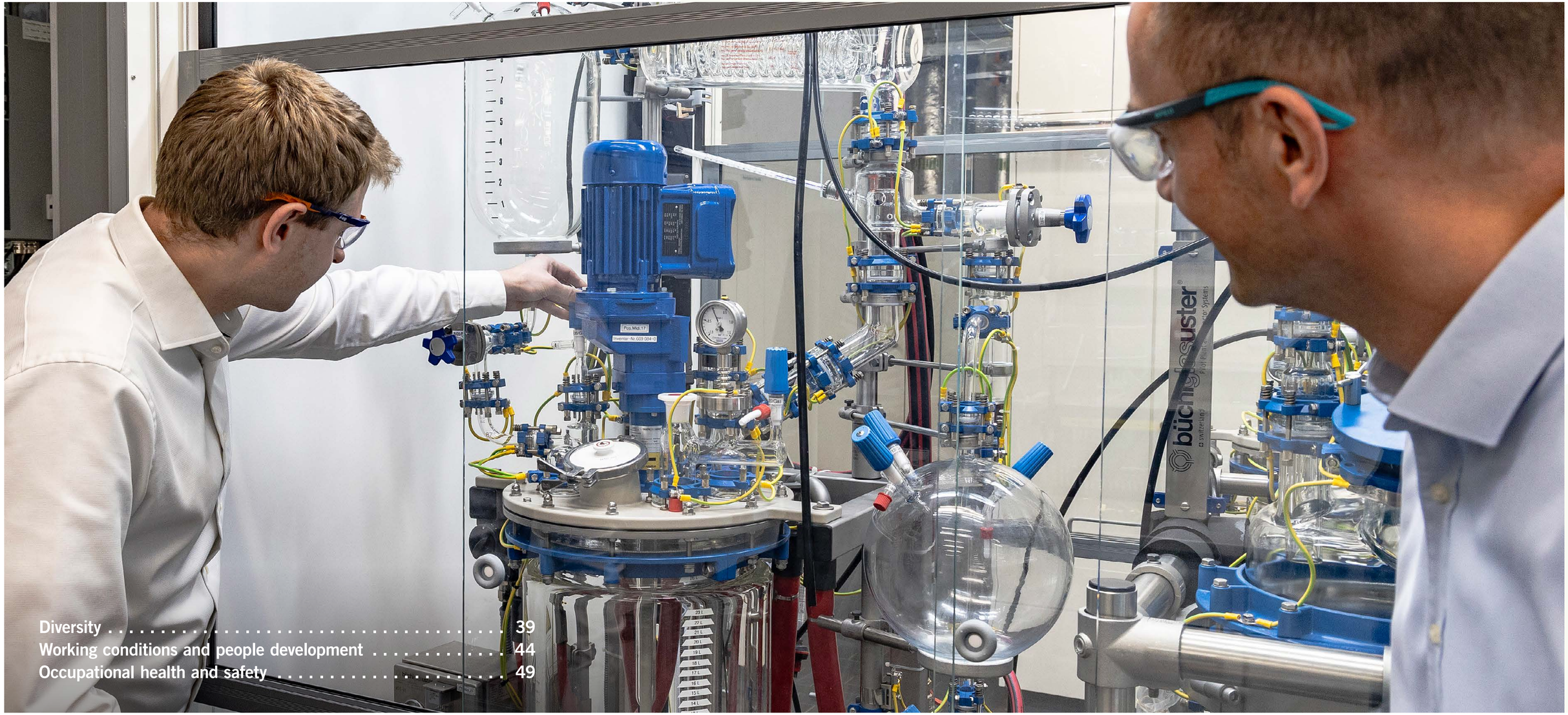
Beyond the already mentioned findings, the assessment of our production and recycling sites in 2024 included a proximity analysis. In 2025, we increased accuracy by switching to a different map projection, allowing for more precise distance measurements based on actual site boundaries. In addition, our site in Pforzheim, Germany, moved to a slightly bigger location in Wurmberg, Germany, at the end of 2025. The results confirm that none of our production and recycling sites are located in a protected area. However, seven of our sites are within a five-kilometer radius of such areas. These sites occupy an area of 46.63 hectares.

Further measures

While land-use change is not among our prioritized action areas for our own operations at the moment, many of our sites are still considering these potential impacts in business decisions.

Our site in Mendrisio, Switzerland, which has one of the highest overlaps with protected areas within a five-kilometer radius, is currently conducting additional analysis to better understand the site's interfaces with nature. In addition, the site experiments with different ways of measuring and improving its biodiversity impact as a pilot for further engagement with our stakeholders in the future. One measure defined is the improvement of the site's urban green spaces by planting native species and implementing better maintenance practices to boost ecological integrity. In 2025, the site renatured an area of 890 m² with native trees, shrubs, and bushes on-site. As a next step, the site plans to identify nature-degraded areas in the vicinity of the site in close alignment with the City of Mendrisio and contribute to its renaturation.

Our people are precious to us



Our people are precious to us

Our employees worldwide are our most important asset. Their skills, knowledge, and dedication—as well as their diverse experiences and personalities—enable Heraeus Precious Metals to hold leading positions in its markets and to be recognized as a responsible company.

We are convinced that the human element is what creates impact, drives innovation, and fosters strong partnerships. These are essential for growth and sustainable transformation.

Ambitions	Status 2025
Diversity	
Increase share of women in our Global Management Team to at least 40% by end of 2025[15]	37% women
Increase share of international employees (non-Germans) in our Global Management Team to at least 50% by end of 2025[15]	46% internationals
Working conditions and people development	
Fill at least 50% of vacant Global Management Team positions with internal candidates every year	83% internal candidates
Ensure that new participants in our talent programs are at least 50% women and 50% international employees (non-Germans) every year[15]	34% women and 41% internationals
Occupational health and safety	
Reduce lost time incidents (LTI) to zero	26 LTIs
Milestone: Reduce lost time incident rate (LTIR) for our own workforce to below 2 by 2030	LTIR of 5.03 (lost time incidents per million hours worked)
Implement occupational exposure limit for chloroplatinates of 100 ng/m³ by 2030	Ongoing

[15] While we fully stand behind our approach to diversity, we also aim to comply with local regulations. We therefore have not applied diversity quotas in our employment practices at our sites in the USA since 2025. However, to provide a complete overview of Heraeus Precious Metals, we continue to include USA-based employees in our target status disclosures.

Diversity

Impacts

Equal opportunity and non-discrimination are enshrined in the constitutions and laws of many countries. Our understanding of diversity goes a good step further: We are convinced that fostering diversity of thought and an inclusive corporate culture not only has a positive impact on our organization's ability to solve problems and generate innovative solutions, but also on our employees. With an inclusive corporate culture, we build confidence, strengthen the sense of belonging, and encourage unique contributions in a supportive environment. We actively encourage different perspectives, put together diverse teams, and provide equal opportunity for everyone.

In the spirit of an inclusive culture, we strive to identify and eliminate systemic biases and structural inequalities in order to create a work environment where everyone has access to the resources and support they need in order to thrive.

We also promote gender equality by recruiting and developing female talents and managers. This empowers women through career advancement and visibility in decision-making roles. It also contributes to reducing the gender pay gap and fostering an inclusive culture.

Ambitions

We acknowledge that our leaders play an important role in creating this inclusive culture. Therefore, we place particular emphasis on achieving greater gender balance at the workplace. For us, diversity starts at the top—with everyone in a leadership position. In 2019, managers and executives at Heraeus Precious Metals formed a very homogeneous group consisting of mostly German men. Our Leadership Team therefore decided to begin a process of change with the goal of creating a diverse management team with a wide variety of perspectives.

We began placing particular emphasis on achieving greater gender balance and also aimed for more international leaders to better reflect the fact that more than half our employees work and the majority of our revenues are generated outside Germany. Therefore, we set targets for our Global Management Team, which includes the Leadership Team and the most senior leaders. By year-end 2025, we aimed for it to consist of at least 40% women and at least 50% international employees (non-Germans).

We narrowly missed our year-end 2025 targets for the share of women and international managers in our Global Management Team. At the same time, we have made clear progress over recent years by significantly increasing diversity within our management population and broadening perspectives at senior levels. Importantly, the targeted development of a more diverse talent pipeline is showing tangible results, indicating that our initiatives are effective and enable long-term change. As we further develop our diversity approach, we are sharpening our focus on anchoring diversity even more firmly in our core people processes.

Details on the diversity share can be found under **Progress and measures** in this chapter.

Diversity

Organization and responsibilities

Our diversity strategy applies to all Heraeus Precious Metals Business Lines and sites worldwide. The Global Human Resources (HR) department takes the lead in developing a strategic roadmap and coordinating its operational implementation, which is typically carried out by HR managers in collaboration with leaders from the Business Lines.

Our diversity strategy as well as new projects are overseen by the CEO and the Global Head of HR. The current status of our diversity KPIs—for Heraeus Precious Metals globally, for each Business Line, and for each site—is reported to the CEO and the Global Head of HR on a quarterly basis. Where necessary, corrective measures are defined to support the Business Lines and facilities.

In addition, the current status of our diversity strategic roadmap is discussed in Leadership Team and management meetings on a regular basis.

Policies and regulations

Heraeus Precious Metals endorses the principles set out in the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the corresponding fundamental Conventions. Our own policies and standards are founded on these internationally recognized declarations and guidelines.

The **Heraeus Code of Conduct** defines the standards of behavior and values, ensuring alignment with the company's goals and culture; it applies to all employees of all Heraeus organizations worldwide. It specifies that the Heraeus Group denounces, and does not tolerate, any form of discrimination, harassment, retaliation, or prejudice (disadvantage) on grounds of age, color, national origin, race, religion, gender, physical or mental disability, or any other legally protected personal characteristics protected by countries where Heraeus is an employer.

The **Heraeus Human Rights Policy** is based on the above-mentioned internationally recognized declarations and supplements the Code of Conduct. In it, Heraeus commits to respecting human rights and treating its employees, including temporary hires and migrant workers, and all individuals in other types of employment relationships, with respect and dignity.

Already in 2007, the Heraeus Group signed the German Diversity Charter ("Charta der Vielfalt"), emphasizing its commitment to promote the recognition, appreciation, and integration of diversity into Germany's business culture.

The power of diverse teams is one of our four **Heraeus Principles** (company values) and thus a core value that shapes the corporate culture at Heraeus Precious Metals.

An internal Anti-Discrimination Policy was rolled out in 2025. It provides a clear global framework that underscores our commitment to combating discrimination and harassment. The policy describes how we intend to prevent, recognize, and expose discriminatory behavior. Together with the policy, anti-discrimination training was introduced, which is mandatory for all employees, excluding the US.

Moreover, Heraeus Precious Metals also has country-specific policies in place. In South Africa, for example, we comply with Broad-Based Black Economic Empowerment (BBBEE) and disability learnerships. BBBEE aims to accelerate the economic participation of historically disadvantaged South African citizens and measures companies' compliance with black economic empowerment in five key areas. While our objective for 2025 was to maintain BBBEE Level 4 status, sustained and targeted efforts enabled us to exceed this ambition and achieve BBBEE Level 3. This achievement represents a significant milestone in our commitment to inclusive growth and economic transformation in South Africa and reflects our continued focus on responsible procurement, diversity, and youth employment. We aim to build on this progress by strengthening partnerships, prioritizing BBBEE compliant suppliers, and creating lasting socioeconomic impact.

Diversity

Progress and measures

Heraeus Precious Metals takes many measures to make its workforce and Leadership Team more diverse. While making progress toward quantifiable targets is important, diversity also has a qualitative aspect that cannot be measured by KPIs—atmosphere and culture. We therefore address this topic from different angles.

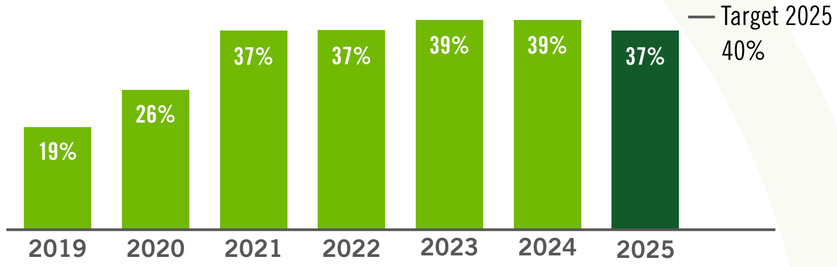
With our measures, we aim to raise awareness for diversity on all levels: the company as a whole, Business Lines, regions, facilities, and teams. We regularly publish educational content, our achievements, status quo as well as individual stories on our global intranet “Heraeus touch”.

Gender and cultural diversity in our Global Management Team

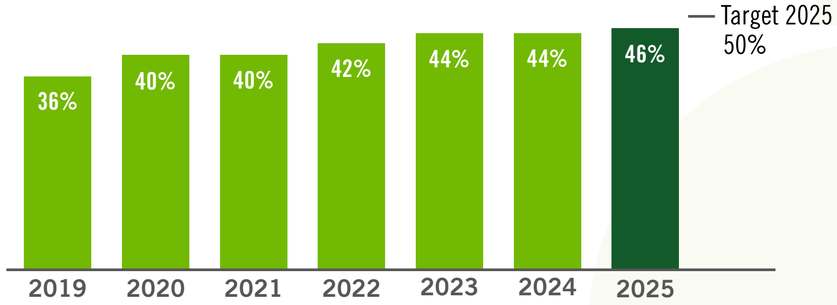
We are focusing in particular on promoting gender and international diversity. To support this approach, we had set ourselves the targets of 40% women and 50% internationals (non-Germans) in our Global Management Team (GMT) by 2025. Our journey toward these targets started in 2019 with 19% women and 36% international (non-German) employees in our GMT. The initial target for women in leadership positions was 35%. As we had exceeded this already in 2021 and 2022, we decided to increase it to 40% for year-end 2025.

Since 2019, we have significantly increased diversity within our management population and broadened perspectives at senior levels. By the end of 2025, we had narrowly missed these targets: Women accounted for 37% and internationals for 46% of the GMT. While we decided not to set a follow-up target, we are fully committed to further developing our diversity approach, with a particular focus on anchoring diversity even more firmly in our core people processes.

Share of women within Global Management Team[16]



Share of non-German employees within Global Management Team[16]



[16] Incl. Leadership Team and CEO.

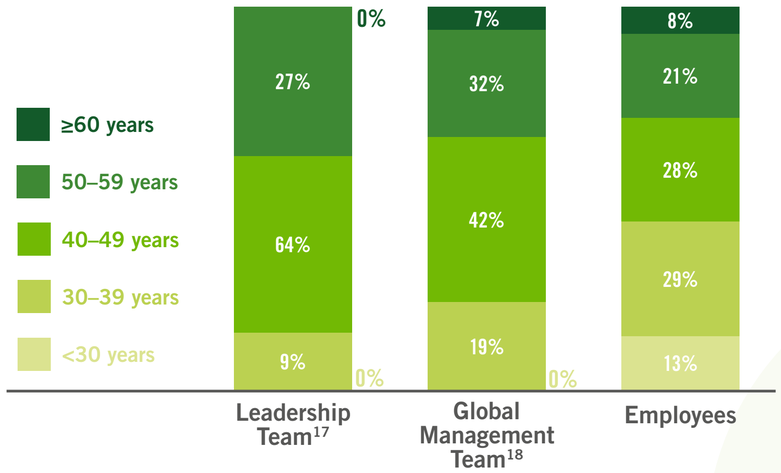
Diversity

Employee diversity

Besides gender and cultural diversity, we also place emphasis on other aspects of diversity.

Our company's age structure, including executives and managers, is well balanced across all age cohorts. We therefore consider our company to be healthy in terms of age diversity. At year-end 2025, the average employee was 43 years old, while the average age in the GMT was 47 years and 46 years in the Leadership Team.

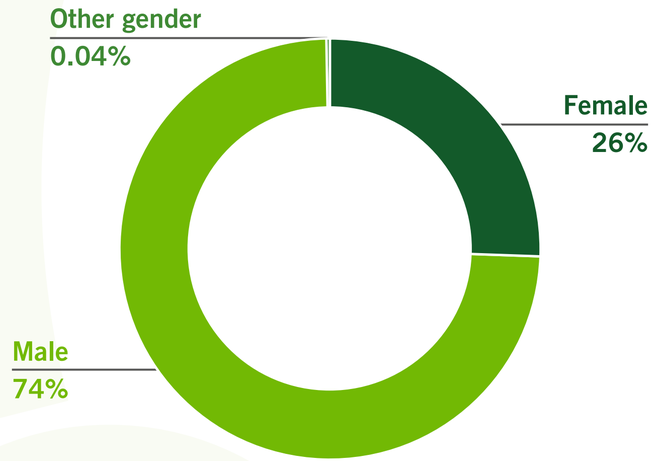
Age distribution in 2025



[17] Incl. CEO.
[18] Incl. Leadership Team and CEO.

We also recognize the importance of gender equality in our industry and place particular emphasis on achieving a better gender balance among our employees. Globally, 26% of our employees are women. We are aware that our industry is traditionally male-dominated and hence are aiming to achieve a more diverse workforce.

Gender distribution in 2025



Recruitment and promotion

In our recruiting and promotion processes, we foster equal access to opportunities. We implemented several measures to obtain a more diverse candidate pool. These include for example

- ensuring that female and international applicants who meet the respective job requirements are represented in the candidate pool,
- placing less emphasis on the ability to speak the local language fluently (German in Germany, for example),
- using gender-neutral language in job advertisements,
- working to enhance our brand as a diverse employer, and requiring search firms to provide us with at least 50% female candidates. Similarly, our trainee and talent programs include 50% women and 50% international (non-German) employees.

Ultimately, we always hire or promote the best candidate for a particular position.

Anti-discrimination

We do not tolerate any form of discrimination, sexual or any other form of harassment, or inappropriate behavior toward individuals or groups. In 2023, we increased our focus on anti-racism and anti-discrimination. We also have been working on an anti-discrimination policy, which was rolled out in 2025. This policy is supplemented by anti-discrimination training for our managers and employees.

We strive to minimize unconscious bias and foster inclusive leadership. In 2022, we started to train our Global Management Team and since have gradually expanded such training from our

Diversity

management teams to our talent development programs. In 2024, the Heraeus Group furthermore introduced a Group-wide internal communications campaign to increase awareness on the topic and offer training and other educational formats to employees worldwide.

Job sharing and family-related leave

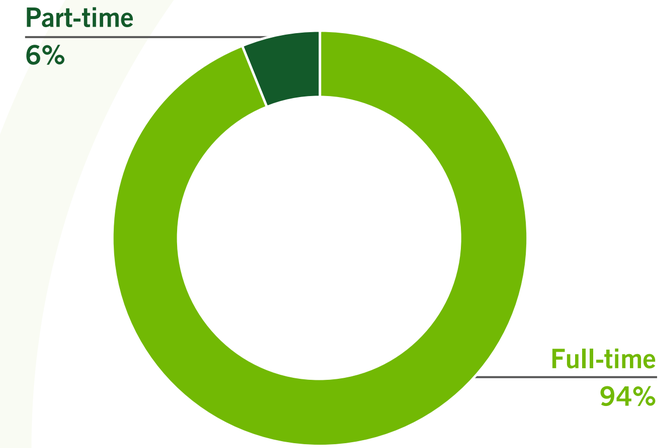
Offering employees flexible work arrangements is essential for improving gender diversity. We therefore offer part-time leadership and job-sharing opportunities at all our sites. We also guarantee that after parental leave, employees including management staff, regardless of gender, can return to the same or a comparable role, also in part time. We are also committed to promoting and hiring employees during pregnancy and/or parental leave and provide support to new parents (mothers, fathers, domestic partners, adoptive parents).

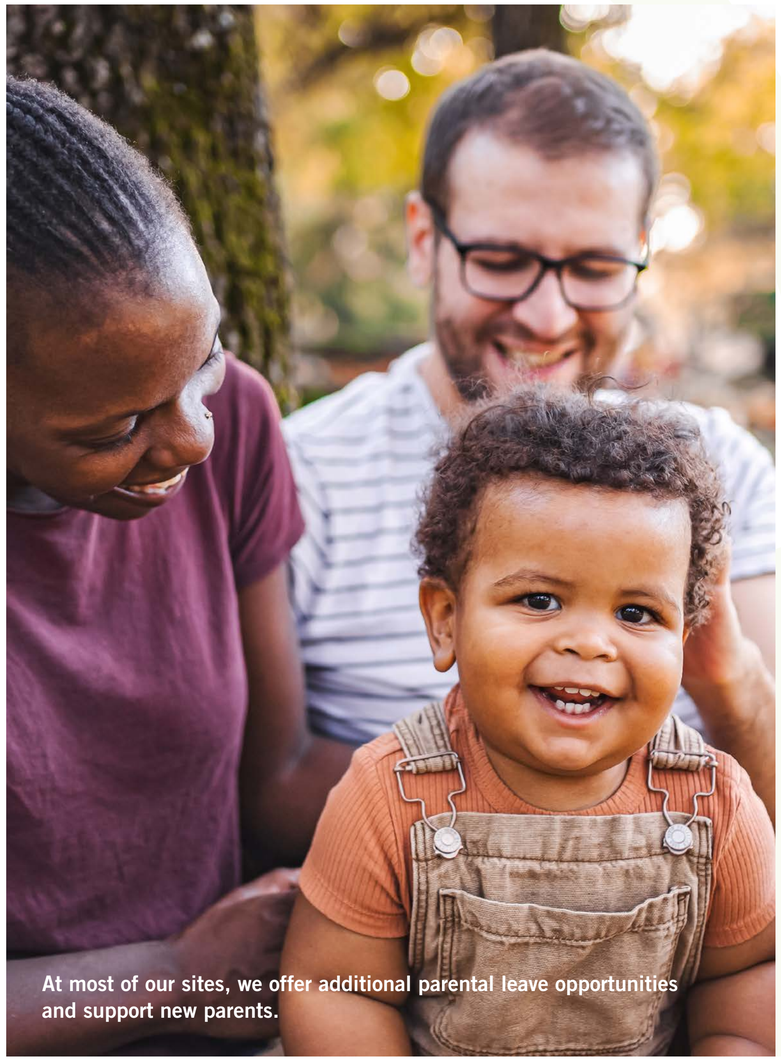
In the United States, Heraeus Precious Metals employees receive six weeks of paid parental leave, going beyond the statutory requirement and underscoring our commitment to family-friendly employment practices.

In China, we offer new fathers 10 or 15 days of paid paternity leave, depending on the location.

In South Africa, we increased the paid maternity leave from 50% to 100% in 2023 for a duration of four months and offer paid leave for fathers for 10 days, which goes beyond the legal requirements.

Full- and part-time distribution in 2025





At most of our sites, we offer additional parental leave opportunities and support new parents.

Working conditions and people development

Impacts

Employment practices may bear risks of human rights violations or non-compliance with respective local labor laws such as unregulated working hours or compensation below the minimum wage. Heraeus Precious Metals has policies and guidelines in place for all its Business Lines and facilities worldwide to identify and assess such risks and prevent or mitigate potential negative impacts. We comply with all relevant labor laws and offer competitive and attractive salaries and benefits worldwide as well as opportunities for development.

At Heraeus Precious Metals, we see our employees worldwide as our most important asset. Their skills, knowledge, and dedication—as well as their diverse experience and personalities—shape our company and its success. Accordingly, we invest in the training and skills development of our employees, including upskilling and reskilling as well as providing continuous learning opportunities. Empowering our employees to navigate evolving job demands enhances job security, supports career growth, and strengthens individual adaptability.

Ambitions

We aim to attract and retain the best talent in a continually evolving labor market amid global challenges. One way we do this is by setting high standards for working conditions worldwide and adjusting them as necessary.

In 2024, we established a target to show our ongoing commitment to fostering a culture of growth and development: Going forward, we aim to fill at least 50% of all vacant Global Management Team positions with internal candidates.

For our talent program, we continue to aim for 50% women and 50% international employees (non-Germans).

Organization and responsibilities

The Global Head of HR oversees the development of our employment, training, and education strategies and coordinates the implementation of all related measures. Strategic developments are periodically communicated to and discussed with the CEO, the Leadership Team, and business executives at the Business Lines. Depending on the project and location, the Business Lines' executives and their HR managers together oversee operational implementation. The Business Lines and facilities also develop individual strategies, taking into account their particular business situation and thus enabling their employees to gain additional functional knowledge and acquire necessary skills.

Working conditions and people development

Policies and regulations

Heraeus Precious Metals follows the Heraeus Group employment principles laid down in the **Heraeus Human Rights Policy**, standard processes, and systems. In addition, we have also adopted many policies specific to Heraeus Precious Metals' own business needs, taking into account local regulations and interests. These policies are published internally in each region to provide guidance both to us as an employer and to our employees. Prior to policies being implemented, the feedback from local works councils as well as employee representatives is taken into consideration and is an integral part of the policy development process.

In Germany, for example, we are a member of the Employers' Association of the Chemical Industry **Hessenchemie**, which has 310 member companies with 105,000 employees. Its mission is to create competitive and flexible working and economic conditions, safeguarding Germany as an industrial location while offering attractive tariff conditions to employees.

Progress and measures

Employee turnover and tenure

We offer competitive and attractive salaries and benefits. The aim is not only to show our appreciation but also to enhance employee retention. We monitor two key indicators: tenure and turnover rate, which is the proportion of employees leaving our organization compared to the total workforce.

The numbers indicate that we are having success: Overall, the average tenure in our company is 12 years, and we have a global voluntary turnover rate of 6.5%. We are aware that this rate varies widely from site to site. In Germany, for example, it is significantly lower than our average, with 4.1% in 2025. We investigate the reasons for high turnover rates to address possible measures to reduce them.

Salary

Heraeus Precious Metals pays fair salaries that consider not only employees' location but also their job profile, qualifications, and experience. We always meet or surpass the legal standards of the countries where we operate. Management staff's base salary is supplemented by a global bonus scheme that enables participation in the company's financial success.

Average tenure
12 years

Global voluntary turnover rate
6.5 %

We have a structured yearly merit increase process in place at all our sites to adapt salaries to market developments, such as rising inflation if applicable. Therefore, we perform local benchmarks and conduct annual surveys on salaries and pay increases.

Where applicable, we establish a uniform salary and benefits scheme based on collective bargaining agreements. In Germany, for example, our employees are covered by collective bargaining agreements that reflect the chemical industry tariff. This ensures that the lowest wage paid is higher than the living wage and the legally required minimum wage in Germany.[19] We work closely with works council representatives to ensure that compensation remains objective and equal. Also, in various further countries such as Switzerland, South Africa, China, and the United States, our lowest wage is higher than the legally required minimum to ensure that we pay a fair living wage.

Gender equality is an essential cornerstone to foster a diverse and inclusive environment. In this context, we are preparing to comply with the EU Pay Transparency Directive and plan to introduce a transparent and non-discriminatory job grading framework for positions not covered by collective bargaining agreements in 2026. With this structured approach, we intend to enhance fairness, promote equal opportunities, and mitigate the gender pay gap.

[19] According to **www.wageindicator.org** (living wage benchmark) the German minimum wage is higher than the living wage.

Working conditions and people development

Benefits

Alongside competitive salaries, Heraeus Precious Metals offers a variety of benefits that differ by country. The objective is to provide the best possible work conditions at all our sites. Here are a few selected examples:

- **China:** commercial insurance that covers term life, accident, critical illness, and medical insurance for all employees and their children; a housing fund to help employees save for the purchase of an apartment; fully paid sick leave; more annual leave days than required by law; annual physical checks; free lunch for all employees
- **Germany:** subsidized public transport and fitness-club memberships; bike leasing arrangements; a Heraeus Family Center with integrated kindergarten and after-school care; free on-site medical advice and health maintenance measures; long-term care insurance for all tariff employees; additional annual leave days for non-tariff employees (numbers vary depending on year and public holidays)
- **South Africa:** retirement funding; subsidized transportation; more annual leave than required by law; four months of paid maternity leave at 100% of salary although not required by law (this was increased from 50% to 100% in 2023); health insurance that is paid to 50% by the company
- **Switzerland:** subsidized public transport; 50% share of non-occupational accident insurance; maximum contributions to the pension fund and risk and administrative costs fully paid by the company; fully paid sick leave for one month of absence
- **United States:** short-term or long-term disability (70% of salary for six months); leave for military service; additional paid parental leave for male employees; the option of working remotely whenever necessary

Part-time as well as full-time employees qualify for all benefits offered. Staff who work for us through a temporary employment agency receive the benefits offered by their employer.

Training and education

Heraeus Precious Metals is committed to offering professional development opportunities to all employees throughout their career. We are aware that continuous learning and development are instrumental for attracting new employees, retaining them, and ensuring our workforce remains agile in a dynamic, global work environment.

We therefore invest in the professional and personal development of all our employees and ensure that our workforce is well prepared to meet future challenges. Our aim is to create an environment where learning is not only encouraged but is an essential part of our daily work.

The 70:20:10 model lies at the heart of our learning and development approach. This framework reflects our belief that professional development occurs mostly on the job (70%), through interactions with peers (20%), and to a significantly lesser extent via formal education (10%).

We encourage our employees to use a variety of learning solutions ranging from on-the-job learning, to mentoring programs, best practice sharing, and traditional formats of learning such as conferences, in-person seminars, workshops, or online training courses. All our employees have access to our learning platform with more than 1,200 online training modules on a multitude of topics. We also offer leadership training to new and experienced managers worldwide to further develop their skills.

In 2025, our employees globally had an average of 5.5 hours of training tracked in our learning system. However, this number only represents a small portion of the training conducted.

In addition, we regularly conduct performance and development feedback with our employees as part of our annual performance management process. We also offer 360° feedback, a proven well-known method for giving employees feedback from different angles and from different groups of people, including supervisors, direct reports, colleagues, and customers.

Globally, we attract talents and invest in our future workforce by offering many apprenticeship programs right after finishing school, a management trainee program for graduates, internships during university programs, work-study schemes, and scholarships. A wide range of degree programs are relevant to our business, from business administration to chemistry and physics.

Working conditions and people development

For instance, we had 90 apprentices and work-study students in Germany at year-end 2025. 33 graduated in 2025, and we hired 25 of them as employees. We also support community initiatives to reduce unemployment and enhance job prospects in Germany—such as **Joblinge**.

Talent management

Heraeus Precious Metals has conducted global talent programs for many years. Their purpose is to identify talented employees throughout our company and enable them to take on more responsibility in senior roles and to fill key positions internally while providing attractive global development opportunities. In 2025, 83% of our vacant Global Management Team positions were filled with employees of the Heraeus Group, with the majority having previously participated in our talent programs. This number is well above our ambition of filling at least 50% of the vacant positions internally.

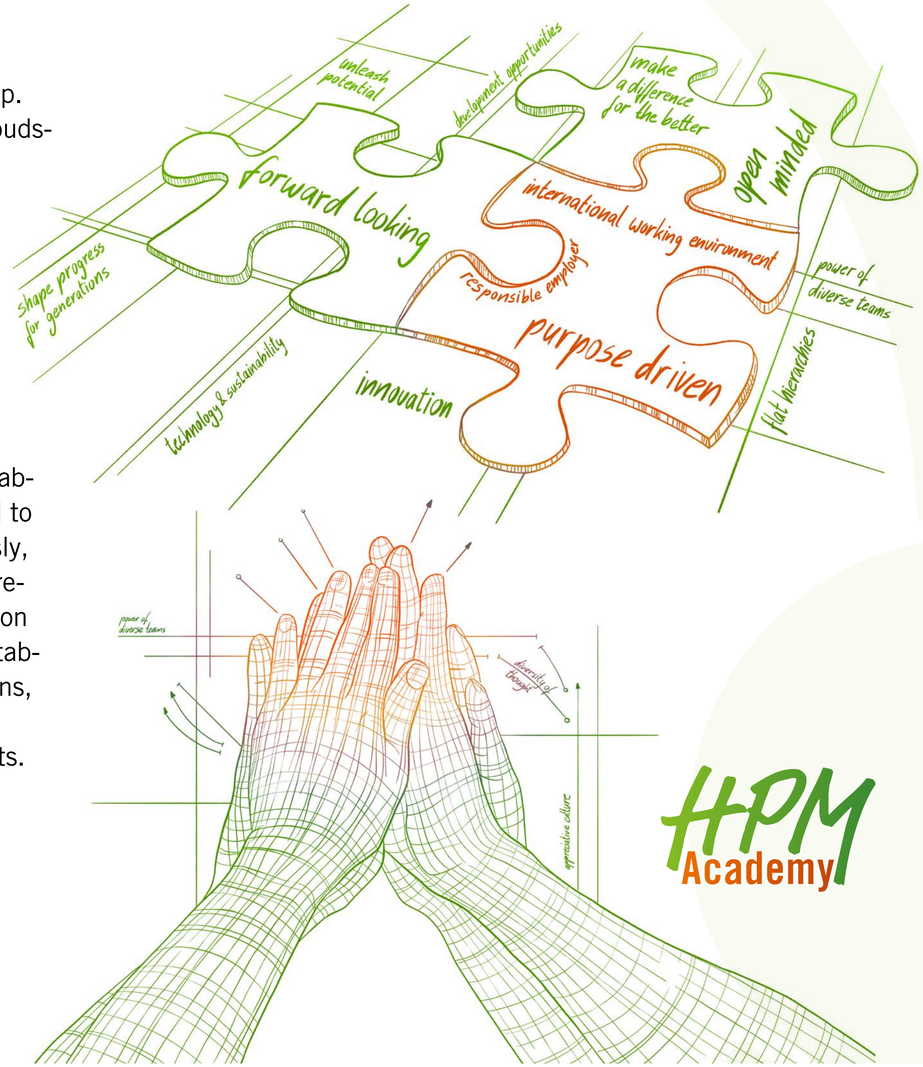
We operate two global talent programs: one designed to support high-potential employees, many of whom are in their first leadership role, and an advanced program tailored for senior executives worldwide. In addition to manager nominations, both programs offer a self-nomination option to help reduce bias and promote equal access in the selection process. The programs focus on three core areas: personal development, leadership capabilities, and our organization and business model. Learning is delivered through a blended approach that combines primarily virtual instructor led sessions, self-directed learning, and practical transfer tasks, while peer groups and mentoring strengthen social learning and knowledge exchange.

Raising concerns and complaints

Anyone can report compliance-related concerns or complaints through the Group-wide grievance mechanism Heraeus SpeakUp. Additionally, reports can also be submitted to a third-party ombudsperson. Reports can be made anonymously and are thoroughly checked and followed up. Whistleblowers are protected from retaliation. More information under **www.herae.us/speakup**

For reports of misconduct by colleagues or superiors not directly related to Heraeus' business activities, for labor law conflicts, or for social conflicts with superiors or colleagues, may instead be directed to the works council, where available.

Employee representation and dialogue are elements of our collaborative and trust-based relationship with employees. We intend to ensure that employee perspectives are heard and taken seriously, while specific formats may vary depending on local legal requirements and established practices. Where employee representation is regulated by law, such as in Germany, works councils are established in line with applicable legislation. At many other locations, employee committees or comparable dialogue formats meet regularly to discuss workplace topics and propose improvements. We value this exchange and carefully review all suggestions.



Working conditions and people development

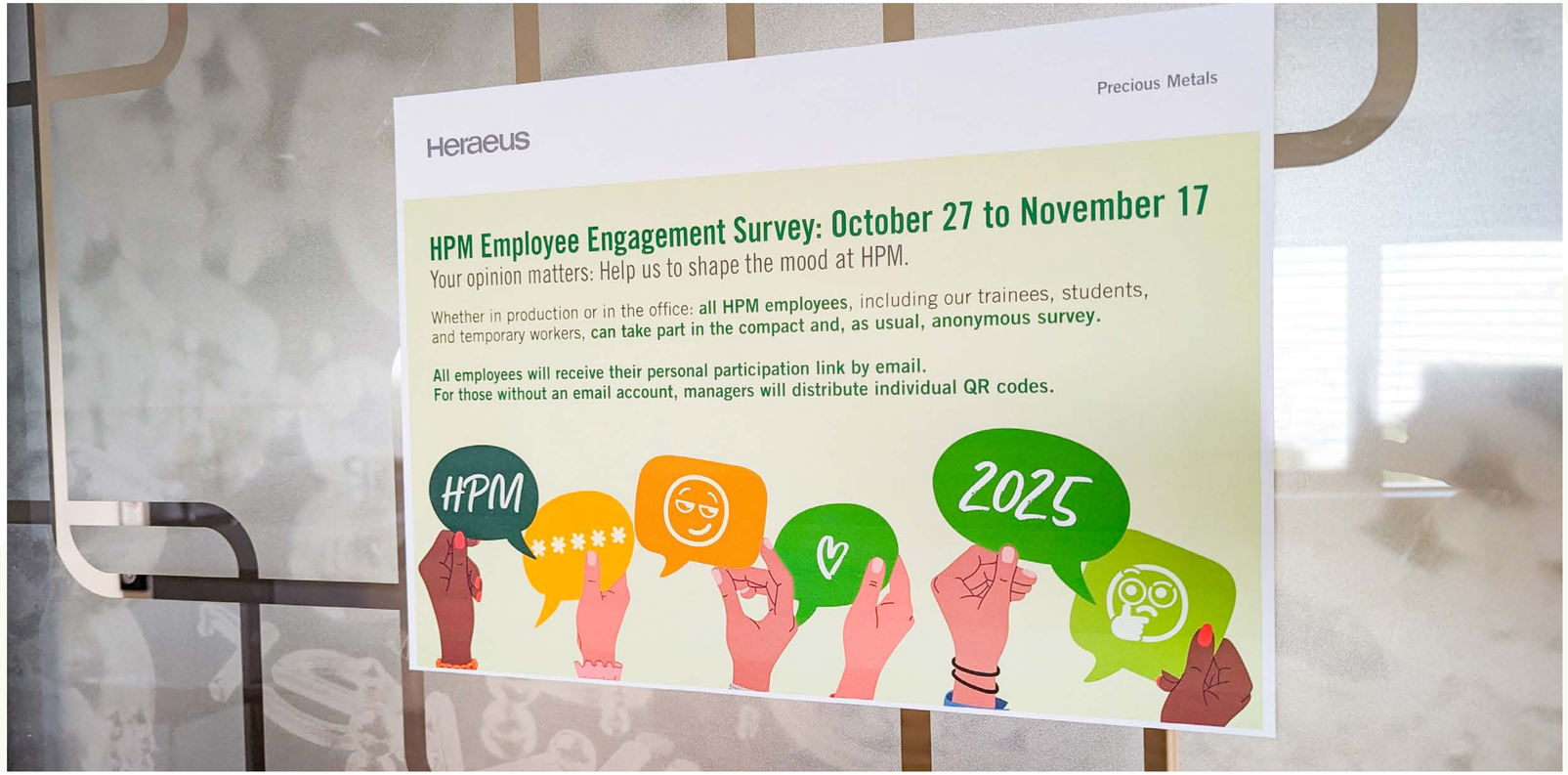
Employee Engagement Survey

The well-being of our employees is a matter of high priority for us. In 2025, we again conducted an Employee Engagement Survey to better understand employee sentiment and identify areas for improvement. By fostering positive existing aspects as well as addressing concerns, we strive to enhance the satisfaction of our employees and thus increase our productivity and effectiveness. Among other aspects, the survey included the Employee Net Promotor Score, measuring how likely our employees are to recommend the company to a friend as a great place to work. We were pleased to see that this value further improved in 2025 compared to an already good result in 2024.

The global participation rate was 69%. This is on the same level as in 2024 and a satisfactory result for a company of our size. We strive to increase this in the coming years. We have noted that participation among employees without e-mail addresses, predominantly in operations, is substantially lower. We aim to pay particular attention to this in 2026 to facilitate and encourage participation among this part of the population. This is highly relevant to us to ensure the results are as representative as possible.

We are aware that the engagement survey can only be effective if we translate the results—especially in the case of identified improvement areas—into clear actions: The results were shared with our Leadership Team and carried into the organization by our managers and team leads by sharing, discussing, and defining measures where applicable. Requested bottom-up communication ensured that results from individual business areas were reported back to our CEO in Business Review Meetings.

Overall, the survey presented a positive picture and trend with a certain heterogeneity of results for sites and Business Lines which are individually addressed. For the whole of Heraeus Precious Metals we identified the topics ‘Fairness’ and ‘Trust in action,’ relating to concerns raised, as improvement areas. We will repeat the survey annually to continuously develop our organization and to ensure that our employees feel heard and valued at their workplace.



Occupational health and safety

Impacts

The recycling and refining of precious metals as well as the manufacturing of products comes with different potential hazards, such as working with extreme temperatures, dangerous materials, and mechanical processes that apply high forces. Since we handle platinum group metals, some processes can come with potential exposure to chloroplatinates, which can lead to different allergy-like reactions.

The health and safety of the people in our workforce is of high priority to us. At the end of the workday, we want them to leave in at least the same state of health they came to work with. Therefore, we apply high safety standards all around the world. With a sound health and safety management system in place, we are continuously working to maintain and improve safe work environments for all employees.

Ambitions

Our ultimate objective is that no one in our workforce experiences work-related incidents or health issues. We acknowledge that this journey will take time and effort. We continuously analyze occurring incidents, make reasons for incidents transparent to our workforce and the entire management, and define measures to prevent similar incidents from occurring in the future.

On our way to zero lost time incidents, we have set ourselves ambitious milestone targets. We aim to reduce the lost time incident rate (LTIR) for our own workforce to below 2 by 2030.

Furthermore, we are committed to implementing an occupational exposure limit for chloroplatinates (Pt sol.) of 100 ng/m³ by 2030, which is well below the regulatory limit of 2,000 ng/m³.

Organization and responsibilities

At Heraeus Precious Metals, the Global Head of EHS is responsible for defining our health and safety (H&S) strategy, establishing policies and procedures, overseeing their implementation, and monitoring progress. The Global Head of EHS reports directly to the CEO and is part of the Extended Leadership Team, underscoring the importance we attach to H&S. Our CEO as well as the Leadership Team have the overall responsibility for H&S performance and steering of progress.

Our global EHS organization is deeply integrated into the workforce from top management down to operator level. There is at least one dedicated EHS manager at each site, supported by several dedicated safety champions on each shop floor. EHS managers and experts from all sites are engaged in a continuous process of best practice sharing with each other. The further development of the initiatives and tools is constantly being driven forward by the global EHS organization.

The senior managers of our facilities in the Business Lines and sites are accountable for the operational execution of our strategy, maintaining a safe and healthy work environment for their workforce. They are supported in this by their dedicated EHS managers.

Occupational health and safety

Policies and regulations

Our **Code of Conduct** states that we preserve and promote our employees' health and aim to maintain a high level of occupational safety at all our production facilities. The Code also ensures that our employees, especially our executives, are committed to always upholding occupational safety.

The **Heraeus EHS Policy** and the **Heraeus Precious Metals QEHS Policy** make occupational H&S and health protection a high priority company-wide. We aim to establish a safe and secure working environment for everyone working at a Heraeus site. The policies task managers with identifying, assessing, and eliminating potential H&S hazards in all workplaces over which they have responsibility or, where this is not possible, putting in place appropriate mitigation measures. They require all employees to fully understand the H&S requirements of the work they perform, to carefully follow related instructions, and to report unsafe conditions. Compliance with safety regulations is also mandatory for temporary workers and other third parties working at a Heraeus site.

Heraeus has an internal EHS Management System called the Heraeus EHS Development Path, which provides the foundation for systematically implementing environment-, health-, and safety-related actions and processes throughout the Group. It has been verified by a variety of certification bodies such as SGS, TÜV Rheinland, TÜV SÜD, and DEKRA.

The EHS Development Path is continuously reviewed, further developed, and adjusted accordingly where necessary. It is overseen at Group level by Corporate EHS. All production sites where Operating Companies of the Heraeus Group have management control are required to apply this framework. These sites are required to undergo internal assessments regularly to determine their compliance with the management system.

By the end of 2025, the EHS Management System had been implemented at 77% of Heraeus Precious Metals' production and recycling sites, accounting for 95% of our own workforce. We regularly conduct internal audits to verify its implementation and identify improvement potentials. In addition, our sites in Hanau, Germany; Mendrisio, Switzerland; Gqeberha, South Africa; Shanghai and Nanjing, China; Shannon, Ireland; and Izmir, Turkey, were certified by a third party according to ISO 45001.

Progress and measures

Heraeus Precious Metals applies a comprehensive approach to ensure a safe work environment for all people working at a Heraeus site. We continually review our policies and practices—and those of our industry peers—to look for ways to make our operating facilities and offices even safer.

Assessing risks and identifying hazards

We conduct H&S risk assessments for each workplace, process, machine, and hazardous material. These assessments take routine and non-routine activities into account and encompass all applicable H&S hazards: mechanical and electrical hazards, hazardous substances, and fire and explosion risks, to name just a few. They also consider special needs of certain employees, such as those who are pregnant or minors. Risk assessments are conducted at least every three years and more frequently in the case of relevant operational changes, major incidents, or high-potential events.

All occupational health exposures are documented and managed in an industrial hygiene (IH) matrix, which documents compliance with statutory exposure thresholds for air contaminants, chemicals, biological agents, radiation, noise, and other parameters. H&S risk assessments define which exposures are relevant for each facility. We assess our compliance with statutory exposure thresholds in one of two ways. The first is by carrying out IH monitoring, such as measuring indoor air quality and noise. If exposure exceeds the applicable threshold in one area of a facility, IH monitoring is conducted at other similar locations. The second method is by making qualitative or similar estimates. These are based on a worst-case scenario; that is, all adverse parameters are assumed to be maximally unfavorable. If a worst-case scenario indicates compliance with the applicable statutory threshold, we assume that IH monitoring is not necessary.

Occupational health and safety

Implementing preventive measures

The assessments' risk evaluation is used to define and implement preventive actions, whose effectiveness is monitored periodically. We aim to eliminate potential hazards directly at their source. If this is not feasible, we put in place technical, organizational, and/or personal measures to effectively mitigate hazards. The findings and actions are also checked by the manager in charge, who ensures that they are communicated to the workforce.

We are also investigating ways to reduce unhealthy working postures or repetitive stresses, such as heavy lifting or carrying, for example by automizing certain processes or improving equipment. One example is the introduction of exoskeletons at our melting department in Hanau, Germany, in 2024. In the melting department, hot precious metals ingots are processed, requiring a great deal of physical effort, especially when transferring the ingot to the forging hammer and during forging. In 2025, we additionally introduced a rail system that helps our employees lift and transport heavy equipment from one workstation to the next. Employees report a noticeable relief and improved quality of work.

Furthermore, in 2021 we voluntarily committed to introducing an exposure limit of 100 ng/m³ chloroplatinates by 2030. This goes significantly beyond the regulatory limit of 2,000 ng/m³. In the past years, we successfully analyzed the current situation and hotspots at all affected processes and introduced initial measures.

Fostering a strong health and safety culture

We know that our workplaces can only be safe and healthy if everyone understands and embraces their responsibilities toward themselves and their colleagues. We therefore carry out systematic H&S communication measures to engage with our workforce. We communicate H&S policies and targets as well as the findings of air monitoring and risk assessments. We also provide a wide variety of information aimed at reinforcing H&S awareness and instilling safe practices. We integrate health protection, occupational safety, and process safety into our daily routines and place emphasis on behavior-based safety to improve workplace safety. We are convinced that motivation plays an integral part in reducing unsafe behavior and ultimately reduces work-related incidents. One example is our safety moments, which aim to provide safety impulses on specific topics.

Each facility maintains an up-to-date training plan to identify H&S training mandated by law or required by company policies, training frequency, training methods, and individual qualifications. This enables us to plan H&S training, monitor the steps along the way, and thus ensure transparency regarding what training has been completed and what remains to be done. Facilities provide H&S training for our workforce and contractor employees. Employees and temporary workers who are new, are changing roles, or will work on new processes complete all necessary training prior to performing any new tasks. Our H&S experts at each site are always up to date on the latest qualifications and are available to give advice regarding questions as well as training programs and educational materials.

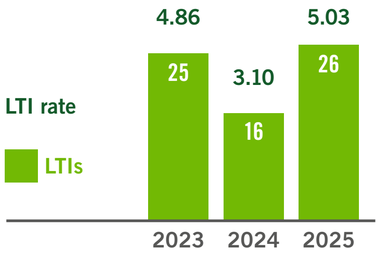
Every single day at a Heraeus Precious Metals facility begins with a team dialogue that specifically addresses the H&S issues involved in the tasks to be performed that day.

Reducing work-related injuries

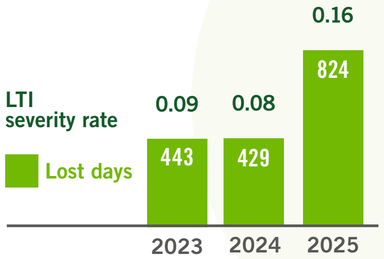
We report, investigate, and address all H&S incidents. Reportable incidents include injuries, illnesses, and process safety incidents (such as spills, fires, explosions, or loss of primary containment), but also unsafe situations and near-miss incidents. We investigate reported matters to conduct preventive and corrective actions. The findings are shared with everyone at the facility and with all H&S managers at our other sites.

In 2025, the number of lost time incidents (LTIs) and the number of lost days among our own workforce, including employees and temporary workers, increased significantly. In 2025, five of the lost time incidents accounted for almost 80% of the lost days.

Lost time incidents (LTIs) related to own workforce[20]



Lost days related to own workforce[21]



[20] LTI rate is calculated as the number of LTIs per 1,000,000 hours worked.
[21] LTI severity rate is calculated as the number of lost days per 1,000 hours worked.

Occupational health and safety

As in previous years, there were no cases of fatalities. The most common type of incident was hand injuries.

In response to this increase, we have already improved our processes for assessing accidents and high-potential events and deriving measures: In addition to sharing those incidents and learnings with all sites, we now actively require all other sites to assess the probability and existing prevention and mitigation measures if these accidents and high-potential events are relevant to their operations.

The attention given to health and safety in the Heraeus Precious Metals Leadership Team has increased. The H&S status is discussed on a quarterly basis in the Leadership Team meetings. The Leadership Team and site leadership teams furthermore actively support increasing attention throughout the organization, e.g. by participating in EHS walks and workshops. This is supported by an internal communication campaign, which was launched in the first quarter of 2026.

Promoting employee health

Beyond our ambitions to reduce work-related safety and health issues, we are actively supporting our employees' health in general. Our sites around the world offer individual programs according to need and a country's healthcare landscape.

Here are some examples:

- **China and Hong Kong region:** annual sports day; annual physical checks for all employees; access to Employee Assistance Program (EAP); at Hong Kong site: annual flu vaccinations
- **Germany:** annual sports day; on-site medical service, incl. physical therapist; annual flu vaccinations and physical health checks; skin and colon cancer screening; back risk screening; smoking cessation workshops; various sports activities; reduced-fee gym memberships
- **Ireland:** access to EAP and online medical professionals; annual flu vaccinations and medical reviews, for example for blood pressure, blood sugar, and body mass index
- **South Africa:** Employee Wellness Program giving confidential access to counselors and psychologists for mental health support, general health and financial advice; annual wellness day, at which employees receive free tests (such as blood pressure and cholesterol levels) along with a lifestyle survey and advice on healthy choices for food and exercise
- **Switzerland:** internal sports group organizing sports and recreational activities; customized personal protective equipment; ergonomics campaign
- **Turkey:** wellness campaign including annual medical review with comprehensive blood and urine tests; tetanus vaccinations for all employees
- **United States:** annual sports day; annual flu vaccinations; annual physical checks for all employees with comprehensive blood and urine tests; access to EAP and a third-party health advocate service that provides employees and their families with up to eight counseling sessions per year for rehab or emotional issues

In 2025, a table tennis tournament was held in Germany as part of International Sports Day.

People in our value chain are precious to us

Workers and affected communities in our value chain 55

People in our value chain are precious to us

One central and core element of our philosophy is to treat everyone in our workforce with dignity and respect. However, our sphere of influence extends far beyond. We are aware of the significant impact our business has on many individuals along our value chain and recognize our responsibility for their welfare, and especially for the protection of their human rights. Therefore, our value chain management systematically assesses our suppliers' and business partners' social and environmental performance. We want to constantly strengthen our governance processes and our due diligence practices in the years ahead.

Ambitions	Status 2025
100% of our sites refining precious metals undergo third-party audits based on the strict requirements of LBMA, LPPM, RMI, and/or RJC	100% audited
100% of our mining partners have sustainability-related targets, measures, and progress	Ongoing
Milestone: By end of 2026, 80% of the precious metals we source from mining partners come from those with targets to reduce GHG emissions	64%

Workers and affected communities in our value chain

In line with the outcomes of our double materiality analysis, the focus of this chapter lies on workers and affected communities in the context of upstream mining activities. As one of the leading precious metals refiners, we do not only source primary and secondary precious metals for the manufacturing of our products, but also refine and recycle materials provided to us as a service for others. Therefore, providers of precious metals can be our suppliers, our customers, or both. We refer to them as precious metals business partners. The term mining partners as used in this Sustainability Update includes mines and smelters that supply mining material or mining by-products. The principles and processes described in this chapter apply to precious metals business partners and mining partners of our recycling and refining business.

Impacts

Mining has a complex relationship with communities, culture, and society. Mining brings employment and enhances services and infrastructure, and draws investment to the country. Often, this also gives rise to associated socio-economic improvements, such as education, health, securing livelihoods, and food security for the community.

At the same time, mining comes with potential and actual negative impacts. Working conditions and work-related rights in extractive industries are particularly challenging. For example, artisanal and small-scale mining (ASM) in the gold sector remains largely informal. Its workers are therefore particularly vulnerable, and there is an increased risk of a lack of labor rights, including child and forced labor, and negative impacts to their health and safety. But even at large-scale mines (LSM) operated by corporations, working conditions and human rights, especially in conflict-affected and high-risk areas (CAHRA), may not fully comply with our standards. A further major topic regarding mining operations is their impact on the surrounding environment.

The impacts of the mining industry also extend to the basic economic, social, environmental, and/or cultural rights and the interests of affected communities. The emissions and pollution caused by mining can potentially impact nearby communities. Improperly handled mining waste, including tailings, can contaminate agricultural land and drinking water. The setup of new or the expansion of existing mining activities can furthermore lead to the displacement of affected communities.

We are fully aware of the underlying risks and therefore have had policies and procedures in place for many decades to avoid potential negative impacts as far as possible, whilst maximizing the positive impacts. We do not work with mines that are linked to the worst forms of child labor, forced labor, or other violations of human rights according to the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. In line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRA), we immediately seek for clarification with a precious metals business partner at the first sign of suspicion. If the suspicion cannot be clarified within a reasonable timeframe, we suspend the business relationship until the clarification has been completed.

If necessary, we will then develop a corrective action and remediation plan with our precious metals business partner. If there is neither the possibility nor the will to take corrective action, we terminate the business relationship with zero tolerance.

However, terminating business relationships has a potentially adverse impact on people in immediate surroundings, as it cuts off the above-mentioned positive impacts of mining. Actively engaging with our stakeholders on the spot as well as implementing corrective measures in line with our zero-tolerance policies and practices is the only way to make a positive impact.

Workers and affected communities in our value chain

Ambitions

Heraeus Precious Metals applies strict industry standards for precious metals, regions, and primary and secondary precious metals business partners worldwide. These go beyond regulatory requirements. As conducting a thorough due diligence process is of utmost priority to us, we ensure that all of our sites refining precious metals undergo third-party audits based on the strict requirements of LBMA, LPPM, RMI, and/or RJC.[22]

Our mining partners are aware of their impacts and have been taking measures for decades to address and reduce them. We believe that our mining partners themselves have the greatest potential to continue improving the conditions for their workers and nearby communities and encourage them in their progress, supporting them where necessary. Our central aim is that 100% of our mining partners have sustainability-related targets and measures in place and track their progress and target achievement. By the end of 2024, we successfully completed the first milestone and gained transparency on where our mining partners stand in their ESG journey. We are now working toward the next milestone: that by the end of 2026, 80% of the precious metals we source from mining partners come from those with sustainability-related targets. In the first instance, the focus lies on greenhouse gas (GHG) emission reduction targets. Heraeus Precious Metals intends to explore the possibility of widening the target scope to include additional ESG topics after 2026.

In 2025, 64% of the sourced volume came from mining partners that have GHG emission reduction targets in place.

Timeline

since 2024 ✓
Transparency on sustainability targets for all our mining partners

by 2026
80% of our mining partners have GHG reduction targets in place

100% of mining partners with sustainability targets, measures, and progress

[22] London Bullion Market Association (LBMA), London Platinum and Palladium Market (LPPM), Responsible Minerals Initiative (RMI), Responsible Jewellery Council (RJC).

Workers and affected communities in our value chain

Organization and responsibilities

The responsibility for precious metals compliance, including the monitoring of human rights violations, lies with the management of the respective legal entities and is guided and supported by our global and local compliance departments, headed by the Global Head of Compliance. The compliance organization is responsible for defining our precious metals compliance strategy, establishing policies and procedures for governance, and overseeing their implementation. They furthermore make recommendations for strategic sourcing decisions such as blacklisting and selectively accepting high-risk precious metals business partners. In the latter case, they also approve specific measures to mitigate the associated risks and oversee their implementation.

The compliance organization is independent of business functions such as sales and reports quarterly to the Sourcing Committee, which is composed of the CEO, Business Line Heads, Region Heads, and further sourcing-relevant internal stakeholders. In this format, the Global Head of Compliance presents the latest procedural, organizational and regulatory developments in the context of precious metals sourcing, informs about recent challenges in the compliance process and seeks approval for major high-risk precious metals business partner relations and/or specific business models.

Policies and regulations

The Heraeus Group's requirements toward its suppliers and precious metals business partners are laid down in the **Heraeus Supply Chain Due Diligence Policy**, which takes up the principles of the **Heraeus Human Rights Policy**. It specifies that we only source from suppliers and precious metals business partners that are not associated with human rights violations. Among other things, it explicitly prohibits the worst forms of child labor and the employment of minors for hazardous work, forced or compulsory labor, human trafficking, inadequate labor and safety standards, direct or indirect support of non-state armed groups, and the involvement of public or private security forces resulting in cruel or inhumane treatment or injury. With a particular view to the human rights of nearby communities and indigenous peoples, the policy addresses unlawful eviction or land seizure. Additionally, it covers harmful environmental emissions like soil contamination or pollution of water sources.

The Heraeus Supply Chain Due Diligence Policy furthermore outlines our due diligence process, applicable to our suppliers and precious metals business partners. The details of our due diligence processes are described by internal guidelines. More information on our due diligence process is provided later in this chapter.

All suppliers are requested to either sign the **Heraeus Supplier Code of Conduct** or provide an own standard with equivalent scope. The terms of the Heraeus Supplier Code of Conduct require our suppliers to also require their sub-suppliers in a risk-appropriate manner to comply with the human rights and environmental standards which guide our own business activities. Precious metals business partners must confirm compliance with an extended Code of Conduct, which includes the requirements defined in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRA, regardless of whether the business partner operates in a CAHRA region or not.

Adherence with regulations and standards

The Heraeus Human Rights Policy and the Heraeus Supply Chain Due Diligence Policy are aligned with the following internationally recognized laws and regulations:

- the Universal Declaration of Human Rights
- the International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- the United Nations Guiding Principles on Business and Human Rights
- the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRA
- the German Supply Chain Due Diligence Act
- the EU Conflict Minerals Regulation 2017/821

In addition, the Heraeus Supply Chain Due Diligence Policy and the supplementing internal guidelines at a minimum meet, and in most cases surpass, internationally recognized industry standards, including but not limited to those of:

- the **London Bullion Market Association (LBMA)**
- the **London Platinum and Palladium Market (LPPM)**
- the **Responsible Minerals Initiative (RMI)**
- the **Responsible Jewellery Council (RJC)**

Workers and affected communities in our value chain

In the context of ASM, we only work with mines which are certified by **Swiss Better Gold**, **Fairmined** or **Fairtrade**.

We constantly strive to ensure our due diligence processes comply with regulations and industry standards. All our sites that refine precious metals undergo at least one yearly supply chain due diligence audit performed by an independent third party based on the requirements of LBMA, LPPM, RMI and/or RJC. In 2025, 100% of our sites that refine precious metals were successfully audited.

Progress and measures

Heraeus Precious Metals follows strict processes and utilizes state-of-the-art tools with the aim to ensure that the precious metals in its value chain originate from legitimate and responsible sources. We do the same to check that these metals are not associated with crime, armed conflict, or human rights abuses, and that they are not connected with money laundering, terrorism financing, tax evasion, fraud, or any other crime. We put a particular focus on the latter in the chapter **Compliance and anti-corruption**.

The objective of our due diligence process is to prevent the violation of human rights and ensure compliant business conduct. It therefore puts a clear focus on identifying and assessing associated risks and, if any are identified, the management of such—either by engaging in mitigation and corrective measures or, as a last resort, by terminating business relationships.

General precious metals due diligence process

Before entering into a new business relationship and accepting any materials, we engage in a detailed Know Your Business Partner (KYBP) check, obtaining detailed information to verify potential precious metals business partners. We check all information for irregularities, for example regarding the company's ownership, general plausibility, and the origin of the precious metals. We also screen against sanction lists and adverse media publications. In case of doubt, we request further information from the business partner. For every business partner, we create a profile in our KYBP database and allocate a risk profile according to internal compliance criteria. For the acceptance of small quantities of secondary-precious-metals-containing materials from private individuals on-site in the Hanau Goldstore we apply a simplified procedure, fully meeting the requirements of the German Anti-Money Laundering Act (GwG).

We conduct regular KYBP checks, including social and environmental criteria. All risk profiles of all existing precious metals business partners are reviewed and updated continuously according to new developments and findings. In-depth questionnaires are sent out in a manner and frequency based on risk. The process is supported by ongoing tool-supported monitoring of sanction lists and adverse media publications for all precious metals business partners.

Depending on the risk identified, we initiate risk-mitigating measures. These can for example range from transmitting and evaluating additional questionnaires, to collecting external data, to committing the business partner to specific measures, and to on-site assessments.

If precious metals partners do not meet our standards, we refuse to enter into a business relationship with them. We terminate existing relationships as a last resort if violations are detected that cannot be resolved or corrected.

Enhanced due diligence process for mining business partners

When starting a new business relationship with a mine, we additionally require an on-site assessment conducted by us or a third-party due diligence assessment that complies with OECD guidelines. Even after the business relationship is established, these mines need to undergo regular on-site assessments. The frequency is typically every three years, depending on the risk categorization of the mine. The intervals between audits may be extended if certifications have been obtained through recognized mine assessment programs such as the International Council on Mining and Metals (ICMM), Towards Sustainable Mining (TSM), or the Initiative for Responsible Mining Assurance (IRMA). The on-site assessments are based on LBMA's or LPPM's questionnaire on mined materials and, among further aspects, explicitly address work safety and human rights of workers in affected communities. If possible, during these on-site visits we or the third-party auditor also directly speak to representatives of workers, affected communities, and local governments.

Workers and affected communities in our value chain

When starting a business relationship with a smelter that delivers a mining by-product, our recycling and refining business requires them to conduct due diligence assessments in compliance with OECD guidelines and to provide a valid external certification. The validity of such certification is regularly verified as part of our KYBP checks. Wherever this certification does not exist, we conduct on-site assessments as we would for mines.

Where issues are identified, they are openly addressed with the mining partner. Appropriate corrective action plans are individually defined together with the mining partner and, where applicable, with the affected people. These action plans typically include a timeline, defined deliverables, and how implementation will be checked. Examples of corrective actions are the introduction of grievance mechanisms, the creation of community engagement plans, improvements in tailings management, the elimination of health and safety risks, or conducting water analyses. Implementation of the agreed actions is re-assessed, either by us or a third-party auditor. In 2025, we agreed on corrective action plans with six mining partners. Two of these were already successfully completed in the same year.

We also apply an enhanced due diligence process for all other precious metals business partners with a high-risk rating according to our internal guidelines and external frameworks such as OECD, LBMA, and LPPM. This is described in more detail under **Compliance and anti-corruption**.

Channels to raise concerns

Heraeus Precious Metals takes suspected violations of human rights, criminal law, environmental law, other laws and regulations, and our internal guidelines very seriously. We therefore encourage internal and external stakeholders to report suspected violations and concerns via our external ombudsman or our compliance channel Heraeus SpeakUp. Heraeus SpeakUp offers the possibility to report a compliance violation via internet, app, or by phone in more than 60 local languages and allows anonymous communication between the whistleblower and the person handling the incident. These channels are available to everyone inside and outside of our organization. Heraeus strictly prohibits any retaliation against whistleblowers who report compliance violations in good faith, even if a report later proves to be unfounded. More information under **www.herae.us/speakup**

Grievances can also be addressed via the applicable industry associations, such as LBMA, LPPM, RMI, and RJC. In addition, we require our mining partners to offer publicly available grievance channels themselves in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRA. The existence of such mechanisms is checked during on-site assessments; if mechanisms are found not to exist, the introduction of such a channel is required.

We also engage with different industry associations and NGOs that are active in specific regions and industries. Thanks to their local presence and networks, these organizations have in-depth insights into working conditions and potential impacts on affected communities. In some cases, they receive concerns or reports from local residents or other stakeholders, which are then forwarded to Heraeus and investigated.

Grievance cases

No new grievance cases were reported to us in 2025.

Argor-Heraeus concluded the processing of one grievance case from previous periods. In 2023, we were approached by the NGO Fastenaktion with regard to alleged negative impacts of activities at a Columbian mine. After a detailed exchange, Fastenaktion publicly corrected the analysis and the report. The main aspect of the grievance case was withdrawn. We continued to maintain open dialogue with the stakeholders over the course of 2024 and 2025 to resolve the remaining aspects, and we increased transparency on water analysis results. Following an in-person meeting in Columbia with representatives from the local communities and Fastenaktion, the case was resolved.

Engaging with NGOs and industry associations

We value the important role of NGOs, civil society, academia, and industry associations in improving the conditions for workers and communities in our upstream value chain. Therefore, we actively engage with a broad group of different stakeholders.

For example, a member of our management team at Argor-Heraeus is a Board Member of the Alliance for Responsible Mining (ARM) and the London Bullion Market Association (LBMA). Heraeus Precious Metals participates in the Processors Working Group of the Initiative for Responsible Mining Assurance (IRMA).

Workers and affected communities in our value chain

We have thereby committed to upholding IRMA's Principles of Engagement, contributing to the finalization of IRMA's Standard for Responsible Mineral Processing, and encouraging mining suppliers to engage in IRMA through a third-party assessment.

Our Business Line Argor-Heraeus is a founding member of the Swiss Better Gold Association. This non-profit foundation seeks to bring together the different agents of the gold mining value chain in formalizing and supporting artisanal and small-scale mining (ASM). We also support the Fairmined and Fairtrade initiatives to advocate for more sourcing from responsible ASM, to help mines phase out the use of mercury, and to improve working and living conditions. We are furthermore part of the LBMA's refiners committee, the compliance working group, and the ASM working group and are actively participating in the continuous improvement of their Responsible Gold Guidance. Similarly, we are strengthening such standards in the jewelry industry as part of the RJC's standards committee.

While gold mining forms the basis of income for millions of people, it comes with a higher likelihood of adverse impacts. As part of our risk mitigation efforts, we put a particular focus on exchange with civil society and academia from the gold mining environment. For more than ten years, we have established a regular exchange and invite civil society to address and discuss their concerns with us. Due to the exposed position of the gold value chain, Argor-Heraeus established a Sounding Board in 2017, composed of representatives from the corporate, academic, and NGO sectors; their names and roles can be found on the Argor-Heraeus website. Issues relating to sustainability and responsibility are discussed together with the Sounding Board with the aim of fine-tuning our practices and ensuring continuous efforts toward excellence in business conduct.

Supporting social development projects

To foster positive change within the gold supply chain, Argor-Heraeus introduced "Traceable Gold" in 2019 in collaboration with a Swiss bank. This investment product allows customers to trace each piece back to its mine of origin. The product is sold at a premium, and the profits are accumulated in a fund dedicated to financing social and environmental development projects in countries of gold extraction. The allocation of these funds is decided upon by a Sounding Board, consisting of seven independent experts from various sectors of society.

In 2023, the Sounding Board awarded the "Emprende Pallaquera" initiative. "Pallaqueras" are women who manually sort gold in Peru's ASM communities. Emprende Pallaquera strives to promote gender equality by supporting the economic independence of these women. It equips them with essential business skills and knowledge to launch their own microenterprises. This initiative was executed in 2024 and 2025 and made possible by the non-profit organizations Solidaridad and FUNDES. In 2026, we are continuing to support the founded microenterprises in case of need.

In 2025, the Sounding Board awarded two new projects in Colombia.

The first project, called "Pathway to a green transition in Cauca," aims to provide immediate relief to affected communities in the Cauca region regarding urgent issues of contaminated and unreliable drinking water caused by informal ASM and mine-unrelated activities. It furthermore aims to support the development of a post-mining transition plan that includes environmental remediation measures and sustainable economic prospects. The project was launched in December 2025 and is scheduled to run for 24 months. It is facilitated by Savimbo, a social enterprise founded by and for indigenous peoples and local communities.

The second project addresses the environmental impacts of traditional mining in the Cañamomo-Lomaprieta Indigenous Reserve, home to 32 indigenous communities. It is intended to run for 24 months and aims to develop local ASMs so that they become more socially and environmentally responsible, by improving waste management and reducing the disposal of tailing into water sources. It is being developed jointly with the Indigenous authorities and ASM miners and is facilitated by the Alliance for Responsible Mining, an NGO that works to transform the ASM sector into a socially and environmentally responsible activity while improving the quality of life of artisanal miners, their families, and their communities.

Guided by integrity

AI generated

Compliance and anti-corruption

Impacts

Recycling and refining precious metals carry the risk of being misused for or involuntarily involved in corrupt activities, such as money laundering. In particular gold and silver that origins from or passes through conflict-affected and high-risk areas (CAHRA) can potentially contain material from questionable sources.

Heraeus Precious Metals is aware of these hazards, does not tolerate such behavior, and has established policies and procedures to combat corruption as well as violations of human rights and other unethical practices. While this chapter puts a focus on anti-corruption, more information on human rights aspects can be found in the chapter **Workers and affected communities in our value chain**.

We understand that the trust our stakeholders place in us is based on our high standards of integrity, forthrightness, and responsibility. To live up to our standards, we foster a corporate culture that ensures responsible business practice. We continuously improve our compliance practices to ensure that they are effective and up to date.

Ambitions

At Heraeus Precious Metals, we aim to ensure—by following strict processes and utilizing state-of-the-art tools—that the precious metals in our supply chain originate from legitimate and ethical sources, that the precious metals are not associated with crime, armed conflict, or human rights abuses, and that Heraeus Precious Metals will not be misused for money laundering, the financing of terrorism, tax evasion, fraud, or any other crime.

Organization and responsibilities

The Heraeus Group's Integrity Office has defined a Compliance Management System for all business activities, which also applies to Heraeus Precious Metals. The responsibility for operational implementation of, and adherence to, the Group's and Heraeus Precious Metals' compliance rules lies with the CEO of Heraeus Precious Metals. He is supported by the Heraeus Precious Metals Compliance Officers and the respective management of the individual entities. The responsibility to comply with applicable laws and regulations lies with each entity and its respective management. All management levels and employees are required to combat corruption and money laundering, safeguard human rights, and ensure fair competition. Internal communications, company guidelines, and periodic training reinforce employees' awareness of anti-corruption and their responsibility to report suspected violations as well as concerns.

If a compliance issue is reported, for example via Heraeus Speak-Up, the person or department responsible under the **Rules of Procedure** takes appropriate investigative measures. Depending on the case, this can be a Compliance Officer on the level of the individual site, Heraeus Precious Metals, or the Heraeus Group. The reporting offices act independently and without receiving instructions when handling reports.

With regard to the sourcing of precious metals and as described in the chapter **Workers and affected communities in our value chain**, our compliance department, headed by Heraeus Precious Metals' Global Head of Compliance, reports quarterly to the Sourcing Committee, which is composed of Heraeus Precious Metals' CEO, Business Line Heads, Region Heads, and further sourcing-relevant internal stakeholders. In this format, the Global Head of Compliance presents the latest procedural, organizational, and regulatory developments in the context of precious metals sourcing, informs about recent challenges in the compliance process, and seeks the approval of major high-risk precious metals business partners.

In the summer of 2025, the Heraeus Group began to further develop its compliance organization. As part of this process, the compliance function was organizationally separated from the Legal Department. The former Legal & Responsibility function was split into two independent functions. The former Responsibility Office was renamed Integrity Office. The Chief Compliance Officer, as head of the Integrity Office, reports directly to the Group's CEO and has the right to address the Supervisory Board. The compliance organization within the decentralized business units is currently being further developed in collaboration with the Operating Companies. More information on the reorganization on Group level can be found in the **Heraeus Group's Sustainability Report 2025**.

Compliance and anti-corruption

Policies and regulations

The Heraeus **Code of Conduct** is the central framework for compliance within our Group. It establishes binding rules for our business conduct, addressing issues such as the prevention of corruption, money laundering, and antitrust violations, as well as managing conflicts of interest and ensuring the accuracy of financial documentation. These rules are supplemented by topic-specific guidelines where necessary. The Code of Conduct is issued to all new employees, and employees in Germany and many other locations are required to formally acknowledge their commitment to its provisions. Its principles reflect our high standards of integrity, forthrightness, and responsibility, which we believe are essential for our long-term business success. Heraeus aims to comply with all applicable national and international laws and regulations. Violations of the Code are taken very seriously and may result in disciplinary action, including termination.

We also require our business partners to comply with similarly high standards. Our expectations toward suppliers, including mining and secondary precious metals business partners, are laid down in our **Supply Chain Due Diligence Policy**. Beyond the aspects already described under **Workers and affected communities in our value chain**, it also addresses compliance with responsible business standards and prevention of illegal activities such as bribery or money laundering, fraudulent misrepresentation of the origin of minerals, and non-payment of taxes, fees, or royalties to governances. We furthermore expect all suppliers to either sign the **Heraeus Supplier Code of Conduct** or provide their own standard of similar scope.

Additionally, internal guidelines cover topics such as dealing with suppliers and service providers in the procurement of goods and services, sustainable sourcing, prevention of bribery (including entertainment and gifts), consultancy and distribution agreements, prevention of money laundering, and antitrust compliance.

Adherence to regulations and standards

Heraeus Precious Metals' policies and processes aim to ensure compliance with all applicable national and international laws and regulations. This applies to all national, multinational, and supranational foreign trade regulations as well. All employees are obliged to comply with applicable export and import prohibitions, official approval requirements as well as relevant duty and tax requirements. In addition, we endorse the Universal Declaration of Human Rights and abide by the regulations of the organizations of which we are a member. Our memberships are listed under **Memberships and ratings.**

We comply with the German Supply Chain Due Diligence Act. Our precious metals business all around the world is furthermore governed by strict local and international legislation. For example, our gold and silver business in Switzerland is subject to the laws defined by the State Secretariat for Economic Affairs (SECO) and the Precious Metals Control Act (PMCA), which are among the strictest in the world.

Progress and measures

Ensuring compliant business conduct

To cultivate a corporate culture of compliance that is consistently practiced and respected, Heraeus Precious Metals provides extensive training for its employees on compliance processes in alignment with the Heraeus Group-wide training concept developed by the Group's Integrity Office. This ensures that relevant employees receive targeted training on important compliance topics and are kept informed about new regulations. Depending on the topic, training is provided in the form of face-to-face or live online seminars, interactive e-learning modules or video tutorials. Compliance training is also an integral part of the onboarding process for new employees. The Heraeus Learning Management System is used to assign training courses as needed and to track and monitor training attendance.

As part of a Group-wide monitoring and control process, the Heraeus Precious Metals sites are regularly asked about the existence of incidents and violations. Furthermore, as part of this review, an assessment is made as to whether they have appropriately addressed and resolved reported incidents and identified violations. In the course of internal audits, Corporate Audit also uses data-driven analyses to identify potential anomalies or risks of compliance violations. If there are signs of potential non-compliance, ad hoc audits are also conducted.

Compliance and anti-corruption

Heraeus also maintains its own channels to raise concerns anonymously. These channels are available to everyone inside and outside of our organization and are a central component of the Compliance Management System at Heraeus. More information can be found under **Workers and affected communities in our value chain**.

Irregularities in the recycling process and measures taken

Via the internal whistleblowing system, irregularities in the recycling process at Heraeus Precious Metals were identified. At the instigation of Heraeus, a law firm was commissioned to conduct a comprehensive independent investigation of the topic. The investigation comprises two parts. The first part of the investigation is completed. Irregularities were identified at the Hanau site that were to the detriment of certain customers. The affected customers were not compensated for the full amount of precious metals they had delivered. These customers were proactively informed and the resulting damages were fully compensated. Immediately after the irregularities came to light, the relevant processes were revised and personnel measures were taken. The investigation was subsequently expanded to include process steps related to the first phase of the investigation as well as other product areas. There was a suspicion that irregularities in the handling of precious metals had also occurred in process steps related to the first phase of the investigation. The investigation was still ongoing at the time of this Sustainability Update's publication. According to a preliminary assessment, no violations were identified in some of the process steps now under investigation that would have led to any losses for customers. In this respect, some indications from the previous year were not confirmed.

Based on the irregularities identified in the recycling process, Heraeus had already taken extensive personnel and organizational measures in 2025. These measures underscore the clear commitment of the Supervisory Board and Board of Managing Directors of Heraeus Holding to enforce a binding standard of integrity within the company ("Tone from the Top"). Specifically, the measures include, in particular, the immediate rectification of the identified irregularities, as well as the further development and strengthening of the compliance organization with a direct reporting line to the CEO of Heraeus Holding. Furthermore, as part of a broad-based integrity campaign, the Board of Managing Directors of Heraeus Holding and the shareholders have made it unequivocally clear that integrity and compliance at Heraeus are non-negotiable and form part of the company's shared core values. The measures described are embedded in Heraeus' Compliance Management System and are being rolled out across the Group worldwide.

Applying strict due diligence to precious metals

Heraeus Precious Metals is determined to prevent itself from being exploited for illegal purposes, such as money laundering, criminal tax evasion, or other fiscal offenses. We apply a strict due diligence process for all primary and secondary precious metals suppliers of our recycling and refining business, regardless of whether we are purchasing the material from them or are processing it for them. Our general due diligence process for precious metals and our specific process for mining partners are described in the chapter **Workers and affected communities in our value chain**.

If we are offered any metals originating from or transiting through CAHRA or with non-transparent origins, we conduct an enhanced due diligence check. In this case, further risk-based measures complement our standard due diligence check to prevent acceptance of precious metals that are of unknown or conflict-affected origin or are misused in corrupt activities.

Depending on the individual situation, these measures can range from requiring third-party assessments or certifications to providing increased transparency, for example by providing detailed transaction lists or video documentation of the incoming material. The primary objective is to obtain transparency and proof of the metals' origin.

In addition, Heraeus Precious Metals reviews and monitors all transactions undertaken in the course of relationships with its business partners. Heraeus Precious Metals has a robust inspection process for each incoming lot, and specific documents must be received and transactional details entered before any material containing precious metals is processed.

The regions we classify as CAHRA are documented in our internal standard operating procedure as assessed on the basis of internationally recognized indices such as the Heidelberg Institute for International Conflict Research's Conflict Barometer, the Corruption Perceptions Index as well as the EU's CAHRA List and sanctions lists from the EU, USA, and UN.

Compliance and anti-corruption

Improving traceability

Knowing the origin of the precious metals we source is essential for us and for our customers and their customers, as well as ensuring that they are not associated with conflict. Across the value chain, transparency and responsible sourcing of precious metals are increasingly expected. This is particularly true for gold, which is associated with higher risks. Therefore, our subsidiary Argor-Heraeus has taken substantial steps to enable full traceability of gold from primary sources and to provide customers with reliable proof of origin.

For all primary gold entering our refining facility in Mendrisio, Switzerland, we conduct thorough geoforensic analyses, including X-ray fluorescence (XRF) scanning, measuring the characteristic composition of 36 different minerals. The resulting “chemical fingerprint” is unique to each mine and allows each doré bar to be precisely assigned to its mine of origin.

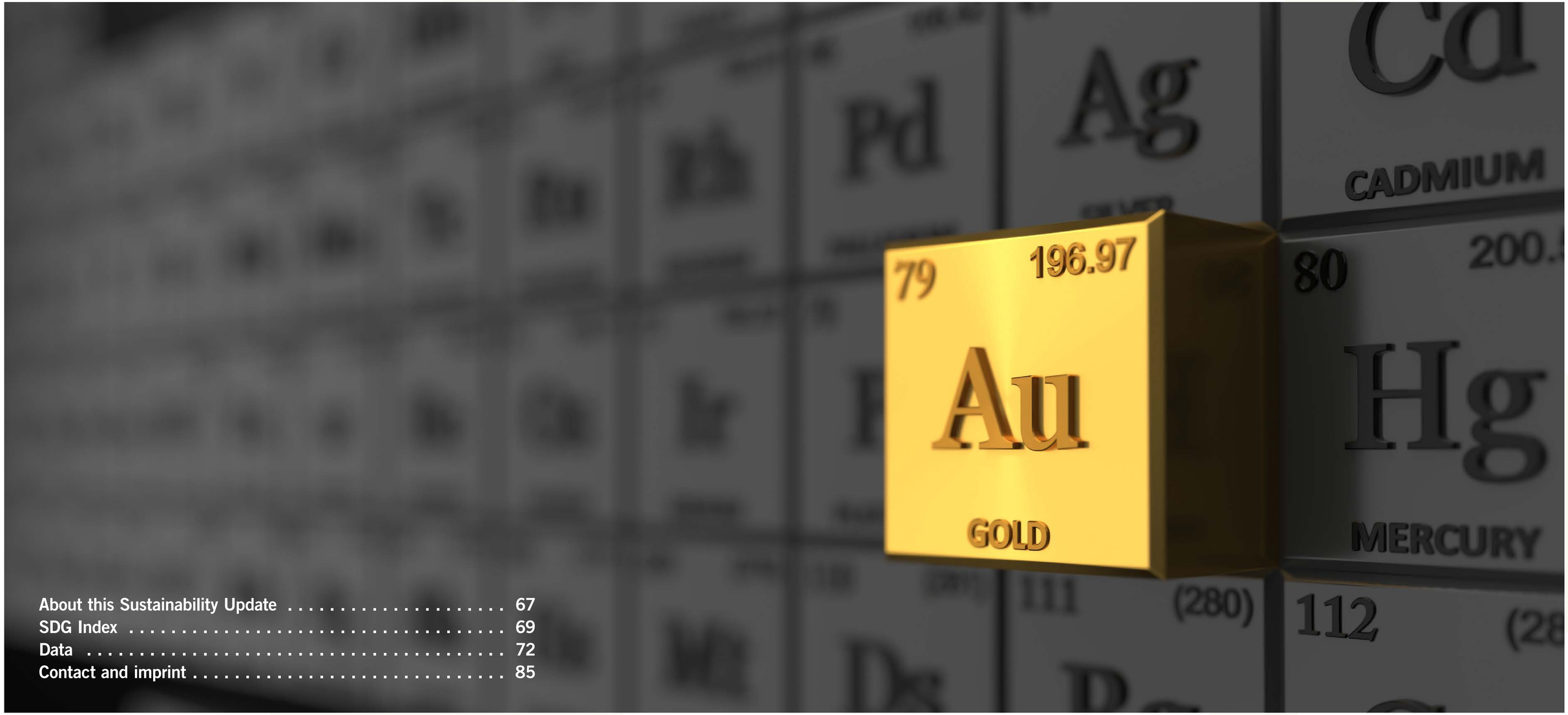
Throughout the site’s refining process, every step—from melting and electrolysis to final bar production—is fully documented in our enterprise resource planning (ERP) system. Batch composition remains traceable at all times, including for gold used in luxury semi-finished products.

In addition, each gold bar receives a digital fingerprint created using Alitheon’s AI-based technology. Microscopic surface features unique to each bar are captured in an image at the end of production, enabling secure identification. Mine data, batch information, and the digital fingerprint are combined into an Integrity Certificate and can be stored on a blockchain in partnership with aXedras, a distributed ledger technology provider specialized in the gold supply chain. This ensures data integrity and creates a trusted digital record from mine to product.

While this end-to-end traceability relies on advanced technologies and specialist expertise, Argor-Heraeus’ vision was to make the benefits tangible and accessible for end consumers. This vision led to the development of IdentiTrace. The smartphone-based solution requires only the gold bar itself without any alteration, QR codes, labels, or packaging. By scanning the bar, users can access a clear overview of its journey from mine to vault.

Following the development of a first minimum viable product in 2025, we are finetuning the user experience and storytelling features in 2026. IdentiTrace is planned for release in major app stores by year-end, with an official launch at the World Money Fair 2027.

Facts and figures



About this Sustainability Update

This Sustainability Update is a voluntary publication to communicate our sustainability strategy, targets, and progress transparently. This document is aimed at our various internal and external stakeholders, including our employees, customers, contractors, business partners, and suppliers as well as policymakers, non-governmental organizations, and the public at large. It does not constitute a sustainability report as defined by regulatory reporting standards and serves as a supplement to the Heraeus Group's Sustainability Report.

Structure and scope

This Sustainability Update's purpose is to describe our most important sustainability topics, our approach to managing them, and the progress we made in the 2025 financial year (January 1 to December 31). It presents our sustainability targets and the key performance indicators (KPIs) and data points we use to measure progress toward them.

We conducted a double materiality analysis using the method prescribed by the Corporate Sustainability Reporting Directive (CSRD). The results provide the framework for the contents of this Sustainability Update. Further information on the process and methodology applied in the double materiality analysis can be found in the Heraeus Group's Sustainability Report 2025, which is publicly available on the **Heraeus website**.

Unless otherwise stated, this Sustainability Update includes data of Heraeus Precious Metals in the subsidiaries listed on this page based on the following two approaches:

In default, we utilize an operational control approach. This extends to data from our production, recycling, and trading operations, and is applied to climate, resources, and health and safety disclosures.

For topics where our business has a holistic relevance, we apply a financial consolidation approach. This also extends to data from sales offices over which we have no operational control, but which are consolidated in our financial reporting. It is applied to all other data disclosures related to our employees and our own workforce.

Subsidiaries under operational control:

- Argor-Heraeus Deutschland GmbH
- Argor-Heraeus Italia S.p.A.
- Argor-Heraeus SA
- Heraeus Ltd.
- Heraeus Materials Technology Shanghai Ltd.
- Heraeus Metal Processing Ltd.
- Heraeus Metals Germany GmbH & Co. KG
- Heraeus Metals Hong Kong Ltd.
- Heraeus Metals New York LLC
- Heraeus Metals (Shanghai) Co., Ltd.
- Heraeus PGM SA (Pty.) Ltd.
- Heraeus Precious Metal Technology (China) Co., Ltd.
- Heraeus Precious Metals GmbH & Co. KG
- Heraeus Precious Metals North America LLC
- Heraeus Recycling Technology Canada Ltd.[23]
- Heraeus SAH (Pty.) Ltd.
- Heraeus South Africa (Pty.) Ltd.[24]
- Heraeus Tokmak Kiymetli Madenler Sanayi A.S.

Sales office subsidiaries without operational control:

- Heraeus K.K.
- Heraeus Korea Corporation
- Heraeus Materials Singapore Pte. Ltd.
- Heraeus Materials Technology Taiwan Ltd.
- Heraeus S.A.S.
- Heraeus S.p.A.

Joint ventures and associated companies without operational control, not included in this Sustainability Update except for Scope 3 category 15:

- Argor-Aljba SA (50% shareholding)
- BASF Heraeus Metal Resource Co., Ltd. (50% shareholding)[25]
- Choksi Heraeus Private Ltd. (50% shareholding)
- Ravindra Heraeus Private Ltd. (50% shareholding)

[23] Acquired in June 2024; formerly McCol Metals Canada Ltd.
[24] By the end of 2024 all Heraeus South Africa (Pty.) Ltd. business activities had been transferred to Heraeus PGM SA (Pty.) Ltd.
[25] The process of dissolving this joint venture was initiated in April 2025.

About this Sustainability Update

Definitions and methodologies applied

Corporate Carbon Footprint

Our GHG emission reporting is aligned with the Greenhouse Gas Protocol.

For Scope 1 emission calculations, we use constant/physical factors. These are stable over time and can be applied to all years. To reflect the individual composition of the energy types, site-specific constant factors can be applied, if available. If no site-specific factor is available, a global average is applied.

We separately disclose our Scope 2 emissions calculated with market-based factors and calculated with location-based factors. Market-based factors are supplier-specific factors of our energy providers, e.g. our electricity suppliers, and vary over time. Emission factors are updated annually or, if unavailable, the latest available factors are used. Location-based factors represent a country average and are updated once per year using the figures of the International Energy Agency (IEA). We also apply location-based factors if a local energy supplier does not disclose a market-based factor.

Scope 3 emission calculations are based on activity-based data. If no primary emission factor is available, a matching emission factor from the Ecoinvent or Exiobase database is applied. In 2025, we adjusted our methodology to calculate emissions associated with the purchasing of precious metals to gradually increase the share of supplier-specific factors. We furthermore introduced weighted emission factors for mixed precious metals material streams. As part of these changes, historical data has also been recalculated where possible. The values disclosed in this Sustainability Update therefore differ from previous publications.

The corporate carbon footprint of Heraeus Group, including Heraeus Precious Metals, was prepared in accordance with the DIN EN ISO 14064-1 standard and the GHG Protocol Corporate Accounting and Reporting Standard. TÜV SÜD Industries GmbH has verified the corporate carbon footprint of Heraeus Group at Group level with reasonable assurance in accordance with DIN EN ISO 14064-3 and with materiality thresholds applied at the consolidated Group level. The verification applies exclusively to greenhouse gas emissions: Scope 1, Scope 2, and the defined Scope 3 categories. The other information and key figures presented in this Sustainability Update have not been externally verified.

More details on the methodology can be found in the **Heraeus Group Sustainability Report 2025**.

Own workforce

Our own workforce consists of employees and non-employees. The definition of employees in this Sustainability Update is aligned with the Heraeus Group's financial reporting and represents all active employees of Heraeus Precious Metals. Unless stated otherwise, all employee data disclosed represents year-end headcount (HC) figures. Non-employees only consist of temporary workers. Due to data availability reasons, figures relating to non-employees are year-end full-time equivalent (FTE) values.

In addition to the definition of our own workforce, the employee figures related to health and safety disclosures also comprise vocational trainees/apprentices, working students, and interns in order to account for Heraeus' responsibility for their health and safety at the workplace.

Other

All references to tons mean metric tons.

Discrepancies in totals may be caused by rounding in disclosed data.

SDG Index

In 2015, the United Nations Member States adopted the 2030 Agenda for Sustainable Development. It sets out 17 Goals, which aim to transform our world: They are the call to action to end poverty and inequality, protect the planet, and ensure that all people enjoy health, justice, and prosperity.

We support the United Nations Sustainable Development Goals (SDGs) and continuously review, adapt, and examine our own contributions, actions, and measures toward achieving them. The Heraeus Group is a member of the United Nations Global Compact (UNGC). By joining the initiative, Heraeus has committed to the ten principles for sustainable corporate governance and the United Nations' Sustainable Development Goals (SDGs), and to communicate progress on the commitment annually.

By thoroughly reviewing our value chain and business activities, Heraeus Precious Metals has identified areas where we can make a positive impact on the SDGs:

	SDG goal		Chapter
3 GOOD HEALTH AND WELL-BEING	**GOAL 3. Ensure healthy lives and promote well-being for all at all ages**		
	3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	Our sustainability approach > Our pledge to sustainability > Precious metals foster a better world Our people > Occupational health and safety > Promoting employee health
	3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	Our people > Working conditions and people development Our people > Occupational health and safety > Promoting employee health
4 QUALITY EDUCATION	**GOAL 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**		
	4.4	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Our people > Working conditions and people development
5 GENDER EQUALITY	**GOAL 5. Achieve gender equality and empower all women and girls**		
	5.1	End all forms of discrimination against all women and girls everywhere	Our people > Diversity
	5.4	Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate	Our people > Diversity
	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Our people > Diversity
6 CLEAN WATER AND SANITATION	**GOAL 6. Ensure availability and sustainable management of water and sanitation for all**		
	6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	Resources > Water

SDG Index

	SDG goal		Chapter
	**GOAL 7. Ensure access to affordable, reliable, sustainable and modern energy for all**		
	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix	Climate > GHG emissions and energy
	7.3	By 2030, double the global rate of improvement in energy efficiency	Climate > GHG emissions and energy
	**GOAL 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**		
	8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services	People in our value chain > Engaging with NGOs and industry associations People in our value chain > Supporting social development projects
	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Our people > Diversity Our people > Working conditions and people development
	**GOAL 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**		
	9.3	Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	People in our value chain > Engaging with NGOs and industry associations

SDG Index

	SDG goal		Chapter
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**GOAL 12. Ensure sustainable consumption and production patterns**		
	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	Our sustainability approach > Precious metals foster a better world Resources > Circular economy Resources > Water Resources > Biodiversity
	12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Our sustainability approach > Precious metals foster a better world Climate > Air pollution Resources > Circular economy (Waste) Resources > Biodiversity > Biodiversity aspects in the management of our mining partners People in our value chain > Supporting social development projects
13 CLIMATE ACTION	**GOAL 13. Take urgent action to combat climate change and its impacts**		
	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Our sustainability approach > Precious metals foster a better world Climate > GHG emissions and energy
	13.2	Integrate climate change measures into national policies, strategies and planning	Climate > GHG emissions and energy
17 PARTNERSHIPS FOR THE GOALS	**GOAL 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development**		
	17.16	Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	About us > Memberships and ratings > Memberships Resources > Circular economy > Policies and regulations People in our value chain > Engaging with NGOs and industry associations

Data

Sites[26]

	Unit	2023	2024	2025
Total operative sites[27]	**#**	**13**	**14**	**14**
Thereof production and recycling sites	#	12	13	13
Thereof trading sites	#	5	5	5
Countries with operative sites	#	8	9	9

[26] Not incl. joint venture sites as we do not have operational control.
[27] A few operative sites are considered both a production and recycling site and a trading site.

Data

Energy consumption

Energy consumption and mix	Unit	2019 Base year (BY)	2023	2024	2025	Change 2024 to 2025	Change BY to 2025
Total energy consumption	**MWh**	**198,072**	**172,499**	**165,105**	**176,639**	**7.0%**	**-10.8%**
	%	**100%**	**100%**	**100%**	**100%**		
Consumption from fossil sources							
Total consumption from fossil sources	MWh	186,957	125,247	117,752	87,625	-25.6%	-53.1%
	%	94.4%	72.6%	71.3%	49.6%		
Fuel consumption from fossil sources	MWh	88,752	78,327	67,927	68,924	1.5%	-22.3%
Thereof coal and coal products	MWh	0	0	0	0	/	/
Thereof crude oil and petroleum products	MWh	1,297	1,158	1,164	1,198	2.9%	-7.6%
Thereof natural gas	MWh	87,455	77,169	66,763	67,726	1.4%	-22.6%
Thereof other fossil sources	MWh	0	0	0	0	/	/
Consumption of purchased or acquired energy from fossil sources	MWh	98,205	46,920	49,825	18,701	-62.5%	-81.0%
Thereof electricity[28]	MWh	66,101	25,598	32,709	0	-100%	-100%
Thereof heat/district heating	MWh	22,750	12,613	11,555	12,263	6.1%	-46.1%
Thereof cooling	MWh	926	693	0	0	/	-100%
Thereof steam	MWh	7,004	6,050	4,624	5,401	16.8%	-22.9%
Thereof compressed air	MWh	1,423	1,965	936	1,038	10.8%	-27.1%
Consumption from nuclear sources							
Consumption from nuclear sources[28]	MWh	10,161	624	779	0	-100%	-100%
	%	5.1%	0.4%	0.5%	0.0%		
Consumption from renewable sources							
Total consumption from renewable sources	MWh	954	46,628	46,574	89,014	91.1%	9,229.1%
	%	0.5%	27.0%	28.2%	50.4%		
Fuel consumption from renewable sources	MWh	0	0	0	0	/	/
Consumption of purchased or acquired energy from renewable sources	MWh	75	44,092	42,005	80,459	91.5%	107,577.8%
Thereof electricity	MWh	75	44,092	40,056	78,731	96.6%	105,265.9%
Thereof heat/district heating	MWh	0	0	0	0	/	/
Thereof cooling	MWh	0	0	705	529	-24.9%	/
Thereof steam	MWh	0	0	0	0	/	/
Thereof compressed air	MWh	0	0	1,245	1,198	-3.7%	/
Consumption of self-generated non-fuel renewable energy	MWh	879	2,535	4,569	8,555	87.3%	872.7%
Thereof electricity from photovoltaics	MWh	879	2,535	4,569	8,555	87.3%	872.7%

Electricity consumption	Unit	2019 Base year (BY)	2023	2024	2025	Change 2024 to 2025	Change BY to 2025
Total electricity consumption	**MWh**	**77,217**	**72,850**	**78,113**	**87,286**	**11.7%**	**13.0%**
	%	**100%**	**100%**	**100%**	**100%**		
Electricity consumption from renewable sources	MWh	954	46,628	44,624	87,286	95.6%	9,048.0%
	%	1.2%	64.0%	57.1%	100%		
Thereof self-generated renewable electricity	MWh	879	2,535	4,569	8,555	87.3%	872.7%
Thereof purchased or acquired electricity from renewable sources[29]	MWh	75	44,092	40,056	78,731	96.6%	105,265.9%

[28] The energy mix is based on the latest available data published by the International Energy Agency (IEA).
[29] Sourced via verifiable procurement methods that support a credible claim of renewable electricity, such as contacts with electricity suppliers, PPAs, and EACs.

Data

GHG emissions

	Unit	2019 Scope 1 and 2 Base year (BY)	2020 Scope 3 Base year (BY)	2023	2024	2025	Change 2024 to 2025	Change BY to 2025
Total GHG emissions[30] (market-based)	**tCO_2e**		**13,221,454**	**9,048,284**	**8,524,958**	**8,750,597**	**+2.6%**	
	%		**100%**	**100%**	**100%**	**100%**		
Total GHG emissions (location-based)	tCO_2e		13,219,959	9,061,219	8,537,757	8,776,715	+2.8%	
Scope 1+2 emissions (market-based)	tCO_2e	61,640	56,143	36,179	34,236	22,182	-35.2%	-64.0%
	%		0.4%	0.4%	0.4%	0.3%		
Scope 1+2 emissions (location-based)	tCO_2e	59,885	54,647	49,115	47,035	48,301	+2.7%	-19.3%
Scope 1 GHG emissions								
Scope 1 emissions	tCO_2e	20,522	18,492	18,948	16,899	17,015	+0.7%	-17.1%
	%		0.1%	0.2%	0.2%	0.2%		
Scope 2 GHG emissions[27]								
Scope 2 emissions (market-based)	tCO_2e	41,118	37,650	17,231	17,337	5,167	-70.2%	-87.4%
	%		0.3%	0.2%	0.2%	0.1%		
Scope 2 emissions (location-based)	tCO_2e	39,363	36,155	30,167	30,136	31,286	+3.8%	-20.5%

	Unit	2019 Scope 1 and 2 Base year (BY)	2020 Scope 3 Base year (BY)	2023	2024	2025	Change 2024 to 2025	Change BY to 2025
Scope 3 GHG emissions[31]								
Scope 3 emissions	tCO_2e		13,165,311	9,012,104	8,490,722	8,728,415	+2.8%	-33.7%
	%		99.6%	99.6%	99.6%	99.7%		
Upstream Scope 3 emissions	tCO_2e		13,147,644	8,993,209	8,477,522	8,716,336	+2.8%	-33.7%
Thereof purchased goods—PM (category 1)	tCO_2e		12,902,913	8,827,616	8,341,015	8,580,093	+2.9%	-33.5%
Thereof purchased goods—NPM (category 1)	tCO_2e		108,455	72,846	61,850	61,550	-0.5%	-43.2%
Thereof capital goods (category 2)	tCO_2e		42,770	17,978	14,189	10,663	-24.8%	-75.1%
Thereof fuel and energy-related activities (category 3)	tCO_2e		41,790	10,664	10,136	10,782	+6.4%	-74.2%
Thereof upstream transport (category 4)	tCO_2e		35,085	41,264	28,684	29,305	+2.2%	-16.5%
Thereof waste generated in operations (category 5)	tCO_2e		12,726	13,706	11,984	15,269	+27.4%	+20.0%
Thereof business traveling (category 6)	tCO_2e		965	2,134	2,281	1,194	-47.7%	+23.7%
Thereof employee commuting (category 7)	tCO_2e		2,873	6,691	7,233	7,184	-0.7%	+150.1%
Thereof upstream leased assets (category 8)	tCO_2e		67	310	150	297	+98.3%	+343.2%
Downstream Scope 3 emissions	tCO_2e		17,667	18,895	13,200	12,079	-8.5%	-31.6%
Thereof downstream transport (category 9)	tCO_2e		6,058	3,625	2,543	2,516	-1.0%	-58.5%
Thereof processing of sold products (category 10)	tCO_2e		9,701	12,727	7,134	5,775	-19.1%	-40.5%
Thereof investments (category 15)	tCO_2e		1,908	2,544	3,523	3,788	+7.5%	+98.5%

[30] Changes of previous year data resulting from improved data quality, updated emission factors, and an adjusted calculation methodology.
[31] Scope 3 GHG emissions of the Heraeus Precious Metals sales offices are not material and are included in this report for practicability reasons in line with the Heraeus Group's reporting.

Data

Air pollution[32]

	Unit	2023	2024	2025
NO_X emissions	t	85	67	70
SO_X emissions	t	13	2	2
Particulate matter emissions	t	3	2	3

Circular economy

Precious metals inflows	Unit	2023	2024	2025
Secondary share of platinum group metals (PGMs) processed in our plants	%	56.1%	57.4%	55.4%
Secondary share of gold processed in our plants	%	31.8%	32.4%	37.5%
Secondary share of silver processed in our plants	%	23.8%	33.3%	22.6%

Non-precious metal (NPM) waste generated[33]	Unit	2023	2024	2025
Total amount of NPM waste generated	**t**	**10,604**	**9,425**	**12,944**
	%	**100%**	**100%**	**100%**
Non-hazardous waste	t	7,637	6,737	10,340
	%	72.0%	71.5%	79.9%
Hazardous waste	t	2,967	2,688	2,604
	%	28.0%	28.5%	20.1%

Water[34]

	Unit	2023	2024	2025
Production and recycling sites located in areas at water risk[35]	%		46.2%	46.2%
Water withdrawal	m^3	379,210	377,635	403,317
Thereof in areas at water risk	m^3		153,352	162,398
	%		40.6%	40.3%
Water discharge	m^3	314,384	305,587	325,045

Biodiversity[36]

	Unit	2024	2025
Production and recycling sites located in or near biodiversity-sensitive areas	#	7	7
	%	53.8%	53.8%
Area of production and recycling sites located in or near biodiversity-sensitive areas[37]	ha	46.4	46.6

[32] The air pollutant emissions of each of our facilities lies below the applicable threshold value specified in Annex II of Regulation (EC) No 166/2006. The threshold values per facility are: 100,000 kg/year for NO_X; 150,000 kg/year for SO_X; 50,000 kg/year for particulate matter. Data does not include Argor-Heraeus Deutschland GmbH, Argor-Heraeus Italia S.p.A., Heraeus Recycling Technology Canada Ltd., or Heraeus Tokmak Kiymetli Madenler Sanayi A.S.; due to their processes these sites are considered insignificant.

[33] Data does not include trading operations as they are considered insignificant for the disclosure.

[34] Data does not include trading operations, Argor-Heraeus Italia S.p.A., or Heraeus Recycling Technology Canada Ltd as they are considered insignificant for the disclosure.

[35] Based Aqueduct 4.0 Water Risk Atlas.

[36] Near refers to a five-kilometer proximity.

[37] In 2025, our Site in Pforzheim, Germany, moved to a slightly bigger site in Wurmberg, Germany.

Data

Characteristics of own workforce

Composition of own workforce	Unit	2023	2024	2025
Total own workforce	**HC**	**2,734**	**2,782**	**2,812**
	%	**100%**	**100%**	**100%**
Employees	HC	2,659	2,716	2,727
	%	97.3%	97.6%	97.0%
Non-employees	FTE[38]	75	66	85
	%	2.7%	2.4%	3.0%
Most common type of non-employee		Production workers	Production workers	Production workers
Contractual relationship with non-employees in own workforce		Temporary workers	Temporary workers	Temporary workers
Type of work most commonly performed by non-employees in own workforce		Supporting activities in production	Supporting activities in production	Supporting activities in production

Governance bodies' characteristics and diversity metrics

Governance bodies by gender and age	Unit	2023	2024	2025
Leadership Team[39]				
Ø years of service	years	15.2	13.6	13.3
Total	**HC**	**13**	**13**	**11**
	%	**100%**	**100%**	**100%**
Women	HC	4	4	2
	%	30.8%	30.8%	18.2%
Men	HC	9	9	9
	%	69.2%	69.2%	81.8%
Other gender	HC	0	0	0
	%	0%	0%	0%
Gender diversity rate[40]	rate	0.44	0.44	0.22
<30 years	HC	0	0	0
	%	0%	0%	0%
30-39 years	HC	2	2	1
	%	15.4%	15.4%	9.1%
40-49 years	HC	4	6	7
	%	30.8%	46.2%	63.6%
50-59 years	HC	6	5	3
	%	46.2%	38.5%	27.3%
≥60 years	HC	1	0	0
	%	7.7%	0%	0%
Ø age	years	48	47	46

[38] Due to data availability reasons, figures relating to non-employees are year-end FTE values. For the sake of disclosing a total of people in our own workforce, we assume FTE equals HC.
[39] Incl. CEO
[40] Calculated as sum of women divided by sum of men.

Data

Governance bodies' characteristics and diversity metrics

Governance bodies by gender and age	Unit	2023	2024	2025
Global Management Team[41]				
Total	**HC**	**106**	**113**	**110**
	%	**100%**	**100%**	**100%**
Women	HC	41	44	41
	%	38.7%	38.9%	37.3%
Men	HC	65	69	69
	%	61.3%	61.1%	62.7%
Other gender	HC	0	0	0
	%	0%	0%	0%
Gender diversity rate[42]	rate	0.63	0.64	0.59
<30 years	HC	1	1	0
	%	0.9%	0.9%	0%
30–39 years	HC	23	25	21
	%	21.7%	22.1%	19.1%
40–49 years	HC	47	48	46
	%	44.3%	42.5%	41.8%
50–59 years	HC	28	32	35
	%	26.4%	28.3%	31.8%
≥60 years	HC	7	7	8
	%	6.6%	6.2%	7.3%
Ø age	years	44	46	47

Diversity in Global Management Team	Unit	2019 Base year (BY)	2023	2024	2025
Share of women	%	19%	38.7%	38.9%	37.3%
Share of internationality (non-German)	%	36%	44.3%	44.2%	46.4%

[41] Incl. Leadership Team and CEO.
[42] Calculated as sum of women divided by sum of men.

Data

Employee characteristics and diversity metrics

Employees by region, gender, and age	Unit	2023	2024	2025
Total	**HC**	**2,659**	**2,716**	**2,727**
	%	**100%**	**100%**	**100%**
By region, incl. countries with significant employment[43]				
Africa	HC	75	73	69
	%	2.8%	2.7%	2.5%
Asia	HC	593	590	591
	%	22.3%	21.7%	21.7%
China	HC	442	435	437
	%	16.6%	16.0%	16.0%
Europe	HC	1,732	1,749	1,752
	%	65.1%	64.4%	64.2%
Germany	HC	1,189	1,199	1,185
	%	44.7%	44.1%	43.5%
Switzerland	HC	453	471	483
	%	17.0%	17.3%	17.7%
North America	HC	259	304	315
	%	9.7%	11.2%	11.6%
USA	HC	259	293	304
	%	9.7%	10.8%	11.1%
By gender				
Women	HC	709	695	705
	%	26.7%	25.6%	25.9%
Men	HC	1,948	2,020	2,021
	%	73.3%	74.4%	74.1%
Other gender[44]	HC	2	1	1
	%	0.08%	0.04%	0.04%

Employees by region, gender, and age	Unit	2023	2024	2025
By age				
<30 years	HC	349	376	358
	%	13.1%	13.8%	13.1%
30–39 years	HC	839	808	796
	%	31.6%	29.7%	29.2%
40–49 years	HC	711	745	777
	%	26.7%	27.4%	28.5%
50–59 years	HC	576	585	571
	%	21.7%	21.5%	20.9%
≥60 years	HC	184	202	225
	%	6.9%	7.4%	8.3%
Ø age	years	42	42	43

[43] Incl. countries with significant employment: all countries in which min. 50 employees and min. 10% of total employees were employed in reporting year.
[44] Due to the small number of people and in line with our data protection principles, we disclose further gender breakdowns without other gender and in percentage values only.

Data

Employee characteristics and diversity metrics

Employees by permanent and fixed-term contract	Unit	2023	2024	2025
Total	**HC**	**2,659**	**2,716**	**2,727**
	%	**100%**	**100%**	**100%**
on permanent contract	HC	2,278	2,427	2,488
	%	85.7%	89.4%	91.2%
on fixed-term contract	HC	381	289	239
	%	14.3%	10.6%	8.8%
Employees on permanent contract				
Total	**HC**	**2,278**	**2,427**	**2,488**
	%	**100%**	**100%**	**100%**
Africa	HC	74	72	69
	%	3.2%	3.0%	2.8%
Asia	HC	299	355	394
	%	13.1%	14.6%	15.8%
Europe	HC	1,653	1,701	1,711
	%	72.6%	70.1%	68.8%
North America	HC	252	299	314
	%	11.1%	12.3%	12.6%
Women	%	27.0%	25.7%	25.9%
Men	%	73.0%	74.3%	74.1%

Employees by permanent and fixed-term contract	Unit	2023	2024	2025
Employees on fixed-term contract				
Total	**HC**	**381**	**289**	**239**
	%	**100%**	**100%**	**100%**
Africa	HC	1	1	0
	%	0.3%	0.3%	0%
Asia	HC	294	235	197
	%	77.2%	81.3%	82.4%
Europe	HC	79	48	41
	%	20.7%	16.6%	17.2%
North America	HC	7	5	1
	%	1.8%	1.7%	0.4%
Women	%	24.9%	24.6%	25.1%
Men	%	75.1%	75.4%	74.9%

Data

Employee characteristics and diversity metrics

Employees by full-time and part-time contract	Unit	2023	2024	2025
Total	**HC**	**2,659**	**2,716**	**2,727**
	%	**100%**	**100%**	**100%**
on full-time contract	HC	2,501	2,546	2,557
	%	94.1%	93.7%	93.8%
on part-time contract	HC	158	170	170
	%	5.9%	6.3%	6.2%
Employees on full-time contract				
Total	**HC**	**2,501**	**2,546**	**2,557**
	%	**100%**	**100%**	**100%**
Africa	HC	73	70	66
	%	2.9%	2.7%	2.6%
Asia	HC	593	590	591
	%	23.7%	23.2%	23.1%
Europe	HC	1,577	1,583	1,585
	%	63.1%	62.2%	62.0%
North America	HC	258	303	315
	%	10.3%	11.9%	12.3%
Women	%	23.6%	22.3%	22.5%
Men	%	76.4%	77.7%	77.5%

Employees by full-time and part-time contract	Unit	2023	2024	2025
Employees on part-time contract				
Total	**HC**	**158**	**170**	**170**
	%	**100%**	**100%**	**100%**
Africa	HC	3	3	3
	%	1.9%	1.8%	1.8%
Asia	HC	0	0	0
	%	0%	0%	0%
Europe	HC	154	166	167
	%	97.5%	97.6%	98.2%
North America	HC	1	1	0
	%	0.6%	0.6%	0%
Women	%	75.9%	74.7%	76.5%
Men	%	24.1%	25.3%	23.5%

Data

Employee characteristics and diversity metrics

Employee turnover[45]	Unit	2023	2024	2025
Employees who have left				
Total	**HC**	**202**	**221**	**262**
	Rate in %[46]	**7.7%**	**8.2%**	**9.7%**
Thereof left voluntarily	HC	167	152	175
	Rate in %[46]	6.3%	5.6%	6.5%
New hires				
Total	**HC**	**256**	**221**	**256**
	%	**100%**	**100%**	**100%**
Africa	HC	7	3	0
	%	2.7%	1.4%	0%
Asia	HC	74	50	64
	%	28.9%	22.6%	25.0%
Europe	HC	114	82	101
	%	44.5%	37.1%	39.5%
North America	HC	61	86	91
	%	23.8%	38.9%	35.5%
Women	HC	65	42	56
	%	25.4%	19.0%	21.9%
Men	HC	191	179	200
	%	74.6%	81.0%	78.1%
Other gender	HC	0	0	0
	%	0%	0%	0%

[45] Data relates to employees who left/joined the Heraeus Group. Transfers within the Heraeus Group are not considered.
[46] The turnover rate is calculated as the number of employees who left divided by the average month-end employee headcount.

Data

Collective bargaining coverage and social dialogue

Employees covered by collective bargaining agreements[47]	Unit	2023	2024	2025
Covered employees worldwide	**HC**	**1,195**	**1,202**	**1,194**
	%	**44.9%**	**44.3%**	**43.8%**
Covered employees in the European Economic Area (EEA)	HC	1,195	1,202	1,194
	%	96.1%	96.2%	96.3%
Covered employees in Germany	HC	1,173	1,180	1,170
	%	98.7%	98.4%	98.7%
Covered employees outside the EEA	HC	0	0	0
	%	0%	0%	0%

Employees covered by workers' representatives	Unit	2023	2024	2025
Covered employees worldwide	**HC**	**2,205**	**2,227**	**2,144**
	%	**82.9%**	**82.0%**	**78.6%**
Covered employees in the European Economic Area (EEA)	HC	1,194	1,204	1,188
	%	96.1%	96.3%	95.8%
Covered employees in Germany	HC	1,172	1,182	1,164
	%	98.6%	98.6%	98.2%
Covered employees outside the EEA	HC	1,011	1,023	956
	%	71.4%	69.8%	64.3%

Training and skills development

Training hours[48]	Unit	2023	2024	2025
Average number of training hours per employee	**Ø hours**	**5.7**	**5.2**	**5.5**
per female employee	Ø hours	5.5	5.8	6.7
per male employee	Ø hours	5.7	5.0	5.1

[47] Incl. agreements on national, industry, or company level.
[48] Incl. all training tracked in the Heraeus myLearning platform; differs from previous reporting, which only included e-learnings.

Data

Family-related leave

	Unit	2023	2024	2025
Employees entitled to maternity/paternity leave				
Entitled employees	HC	1,615	1,729	1,829
	%	60.7%	63.7%	67.1%
Entitled employees who took maternity/paternity leave	HC	41	56	55
Thereof women	%	56.1%	62.5%	50.9%
Thereof men	%	43.9%	37.5%	49.1%
Employees entitled to parental leave				
Entitled employees	HC	2,013	2,022	2,068
	%	75.7%	74.4%	75.8%
Entitled employees who took parental leave	HC	135	139	99
Thereof women	%	40.0%	38.1%	39.4%
Thereof men	%	60.0%	61.9%	60.6%
Employees entitled to carer's leave				
Entitled employees	HC	1,711	1,729	1,795
	%	64.3%	63.7%	65.8%
Entitled employees who took carer's leave	HC	6	11	7
Thereof women	%	66.7%	45.5%	0%
Thereof men	%	33.3%	54.5%	100%

Health and safety

Health and safety (H&S) management systems	Unit	2023	2024	2025
People in own workforce covered				
by an H&S management system	HC	2,589	2,627	2,649
	%	95.8%	95.3%	95.0%
by an H&S management system, externally audited according to ISO 45001	HC	2,238	2,240	2,251
	%	82.8%	81.2%	80.8%

Data

Health and safety

Work-related injuries and work-related ill health among own workforce	Unit	2023	2024	2025
Fatalities	**#**	**0**	**0**	**0**
Recordable work-related incidents leading to injuries and/or ill health[49]	**#**	**51**	**37**	**63**
	Rate[50]	**9.92**	**7.17**	**12.2**
Thereof with regard to employees	#	49	37	61
	Rate[50]	9.81	7.33	12.20
Thereof with regard to non-employees	#	2	0	2
	Rate[50]	13.64	0	16.11
Recordable work-related lost time incidents (LTI)[51]	**#**	**25**	**16**	**26**
	Rate[50]	**4.86**	**3.10**	**5.03**
Thereof with regard to employees	#	24	16	25
	Rate[50]	4.80	3.17	4.96
Thereof with regard to non-employees	#	1	0	1
	Rate[50]	6.82	0	8.05
Lost days[52]	**Days**	**443**	**429**	**824**
	Rate[52]	**0.09**	**0.08**	**0.16**
Thereof with regard to employees	Days	341	429	796
	Rate[53]	0.07	0.08	0.15
Thereof with regard to non-employees	Days	102	0	28
	Rate[53]	0.02	0	0.01
Working hours	**Million hours**	**5.14**	**5.16**	**5.17**
Thereof with regard to employees	Million hours	5.00	5.05	5.04
Thereof with regard to non-employees	Million hours	0.15	0.11	0.12

[49] Two incidents from 2024 were not included in the originally published figures due to late reporting. This results in minor discrepancies from the previously reported figures.
[50] Calculated as number of incidents per 1,000,000 working hours.
[51] Incidents with lost time of one day or more.
[52] Calculated for each LTI as calendar days from the first full day of absence to the last full day of absence.
[53] Calculated as number of lost days per 1,000 working hours (LTI severity rate).

People in our value chain

Grievance cases	Unit	2023	2024	2025
Grievance cases newly identified in reporting year	#	2	0	0
Grievance cases processed in reporting year[54]	#	3	2	1

[54] Incl. grievance cases reported in previous periods.

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Publisher

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Adobe Stock (pages 1, 5, 11, 12, 34, 43, 66)
Generated with Adobe Firefly AI (pages 27, 61)
Swiss Better Gold Association (pages 53, 54)
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Published in July 2026