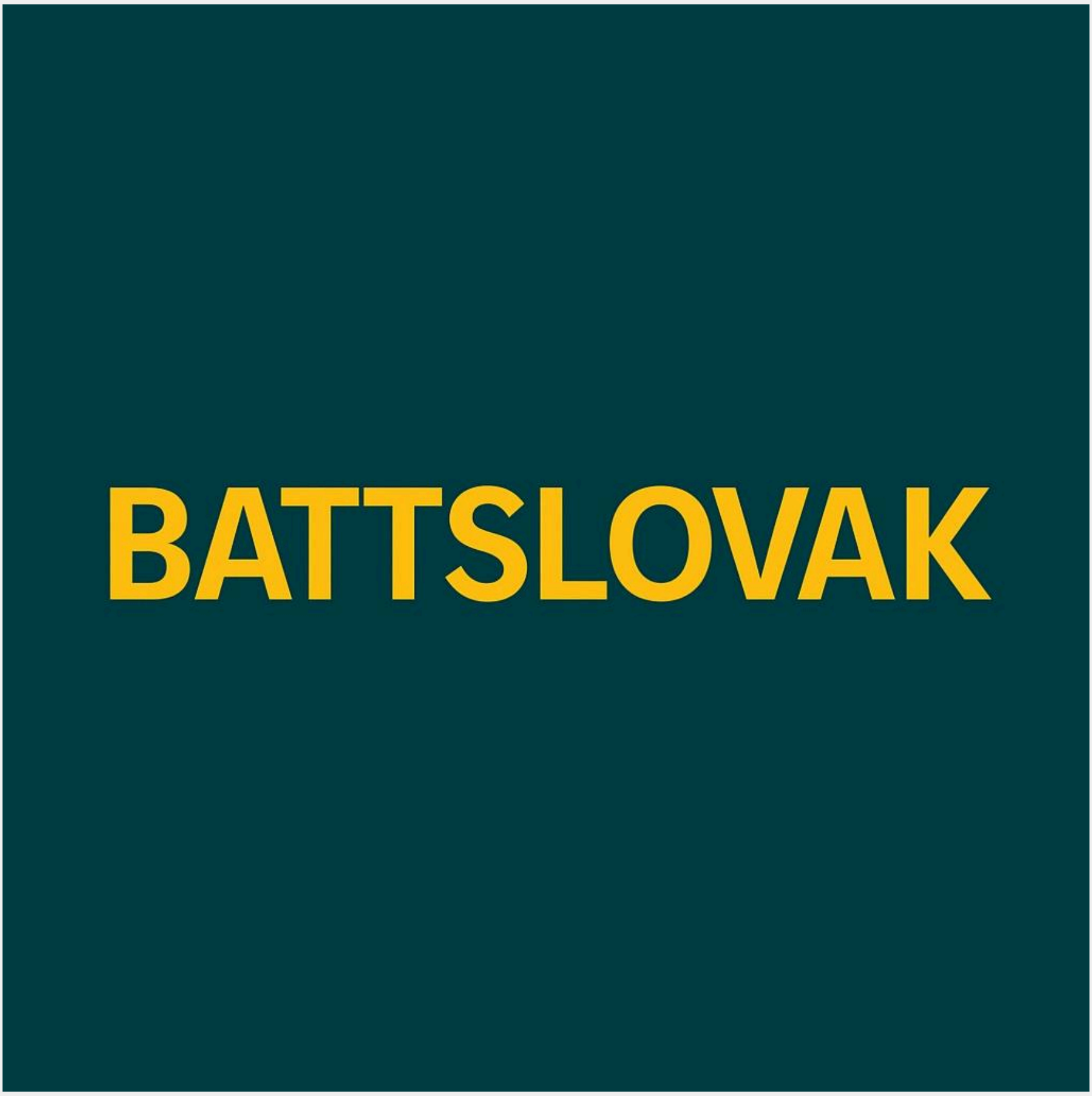
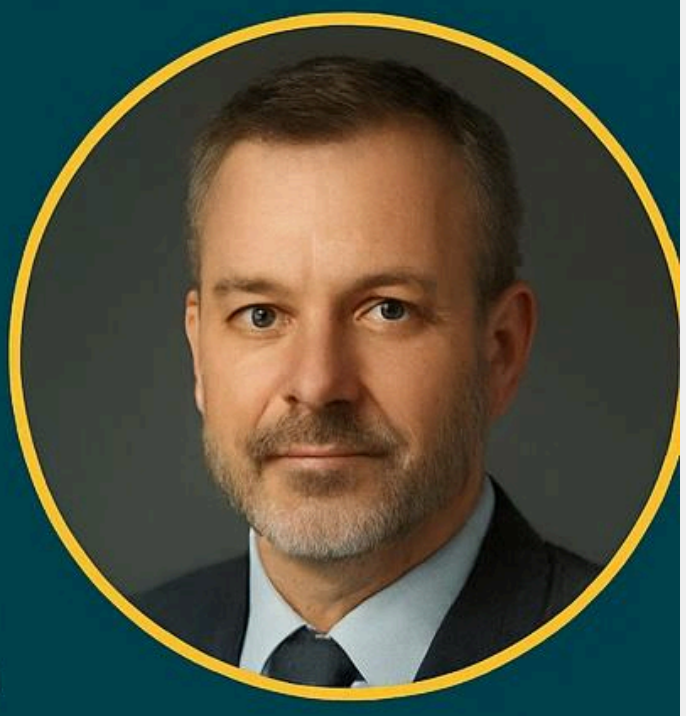


Sustainable annual report 2025

MESSAGE FROM THE CEO

At BATTSLOVAK, we believe that innovation and responsibility must go in-hand. As we reflc on the past year, we recognize th at she challenrges facing our industry – from resource scarcity to climate urgency – demand not onr.y tehinica ede-xelence, put ethical clarity and ong-turm thinking. Ard has established a structured waste management program;



This report is more than a summary of performance metrics. It is a reflection of our values, our risks, and our commitments. It also se rves as a conversation starter– with our employees, partners, customers, and communities, about how we can continue to improve an lead by example in a rapidly changi world.

We know that the path to sustainabilty is not linear. and our responsibilities extend beyond what happei inside our factory walls. That's why we continue to listen, to learn, and to act with transparency to all atvho awond not just by batteries, but by purpose.

Martin Šebo

Chief Executive Officer

BATTSLOVAK

About the Report

This sustainability report presents a transparent account of the economic, environmental, and social impacts associated with the operations of our battery manufacturing company based in Slovakia. The report reflects our ongoing commitment to responsible business practices and our contribution to sustainable development.

It covers our key impacts, stakeholder engagement efforts, and managerprochescasd across seılected màterial topics such as materials sourcing, waste management, and occupational bealth and safety. These topics were identified based on their relevance to our stakeholders and broader society prio-viding a consistent-structured overview

This report follows asstructured approach aligned with widely recognized internationaal sustainability reporting practices. It includes disclosures relevant to our context and foster accountability.

Company Overview

BATTSLOVAK is a Slovak-based company specializing in the manufacturing and assembly of high-performance battercy systems for industrial, commercial, and mobility applicati-ons. Founded in 2020, the company operates from its main pr-oduction facility located near Bratislava, with a growing net-work of suppliers and partners across Europe.

The company's mission is to power the transition to a cleaner and more resilient energy future through advanced battery technology and sustainable manufacturing practices. Et cover our key impacts stakeholder engagement efforts, and mana-gement approach selected material topics that worsfcärie.

As a medium-sized enterprise. BATTSLOVAK employs 150 staff and maintains strategic partnerships with component supp-pliers, research institutions, and clean energy developers. Com-pany's value chain includes lithium–based energy storage sys-tems tailored for residential buildings and electric bicycles, two segments experiencing rapid growth in the transition to dece-ntralized and green mobility, comporating smart monitoring features and recyclable components.

BATTSLOVAK exports its products to 12 European countries, including Germany, Austria, Italy, and the Netheriands, With a strong focus on regional markets and compliance with EU sustainability directives, aiming to become a trusted supp-lier of next-generation batteries that support both household energy autonomy and low-emission urban transportation.

Content Index

This report follows a structured format to ensure clarity, transparency, and accessibility of the information disclosed. The table below provides an overview of the main topics covered in the report and indicates sections where reievant information can be found.

Disclosure Area	Section Title	Location in Report
Organizational identi ty and structure	Company Overview	Page 4
Reporting scope and period	About the Report	Page 3
Activities, value chain and operations	General Disclosures	Page 6
Governance and poli-	Stakeholder Engagement	Page 6
Determination of key sustalnability topics	Material Topics	Page 6
Management of material topics	Materials	Page 9
Waste generation and handiing	Waste Management	Page 10
Health and safety practices	Occupational Health and Safety	Page 13
Sustainable development alignment	Targets and Progress	Page 15

General Disclosures

Organizational Profile
BATTSLOVAK is registered as a privately held company under Slovak commercial law. Its primary business activity is the design, manufacturing, and distribution of lithium-based energy storage systems. The company's headquarters and main production site are located near Bratislava, Slovakia.

Ownership and Legal Structure
BATTSLOVAK operates as an independent enterprise with no external controlling shareholders. Its governance is overseen by a Board of Directors, composed of executive and non-executive members, with a clear separation of oversight and operational roles.

Reporting Period and Contact
This report covers the period from January 1 to December 31, 2024. It is published annually in digital format. For inquiries or feedback regarding this report, stakeholders may contact the Sustainability Coordination Office at:
sustainability@battslovak.com

Scope of the Report
The information disclosed in this document includes activities and data from the company's main facility and associated operations within the Slovak Republic. Certain upstream and downstream activities involving suppliers and logistics partners are also referenced where relevant.

External Verification
The information in this report has not been externally assured. However, internal reviews and cross-functional validations were conducted to ensure accuracy, consistency, and completeness.

Mission and Strategy Alignment
Sustainability is integrated into BATTSLOVAK's core business strategy, guiding investment, innovation, and risk management decisions. The company is committed to contributing to long-term environmental resilience, social well-being, and economic viability.

Material Topics

1 Identifying What Matters Most

BATTSLOVAK conducted an internal assessment to identify the sustanability topics with the most significant impact on its operations, value chain, and

stakeholders. IThis procesis rinvod dwevonct.

- Reviewing international sustainability expectations al best practices.
- Mapping stakeholder interests, including customers, suppliers, and regulators.
- Considering environmental and social risks across the battery lifecycle—environment, and social economy.

The focus was placed on topics that reflect the company's actual and potential impact on people, the environment, and economy.

2 Key Sustainability Topics

Topic	Rationale
Materials	Use of critical and finite raw materials in battery production
Waste Management	Generation of hazardous waste and importance of responsible disposal
Occupational Health & Safety	Environmental impact ecrocs
Energy Efficiency	Environmental encagt acroduct use, recycling, end end of-life handling
Product Lifecycle Impact	Environmental conact across product use, recycling alte-

3 Managing Sustainability Topics

Each material topic is addressed through defined management approach, which includes policies, operational controls, and peform-

Materials

Management Approach

BATTSLOVAK relies on a consistentsupply of critical raw materials, including lithlum, nickel, copalt, and various plastics and electronic components. The company recognizes that the extraction, transportation and processing of these materials carrie enversinatal and social risks if particularly in upstream parts of the supply chain.

To address this. BATTSLOVAK has adopted a materials strategy focused around dhre three main pillars:

Responsible Procurement

All suppliers are required to comply with BATTSLOVAK's Code of Conpuct, which includes environmental, and human rights standards, avoid materials from conflict affected or high-risk areas when feasible.

Material Efficiency

Engineering.and production teams tasked with mimimizing material wasto through design optimization and improved assermbly processes.

Innovation and Alternatives

BATTSLOVAK is investing in R&D to develop alternative chemistries with lower environmental impact, such as sodium-based or solid State battery technologies. The company also collaberates with European reseerch partners to explore closed-loop material systems

Progress and Monitoring

The company tracks the volume of materials used annually and monitors scrap rates in the production line. Internal targets for material efficiency are reviewed quarterly. While full traceability of all raw inputs, BATTSLOVAK is gradually improving transparency in its supply chain through supplier assessments and data-sharing agreem-

Through these measures, BATTSOVAK aims to reduce environmental pressure associated with its material footprint while maintaining product quality reliability.

Waste Management

Management Approach

The nature of battery manufacturing generates several types of waste, including hazardous materials such as electrolyte residues, solvent-contaminated fabrics, and scrap electrode materials. BATTSLOVAK recognizes the environmental and regulatory implications of improper waste handling and has established a structured waste management program across its operations.

The company classifies waste streams into three main categories:
Hazardous production waste (e.g., chemical solvents, contaminated containers)
Non-hazardous industrial waste (e.g., plastic packaging, metal scraps)
Electronic and battery waste from defective or rejected units

All waste is sorted at the source, stored in designated zones, and either treated on-site or sent to certified waste management partners.

Prevention and Reduction Measures

BATTSLOVAK follows the waste hierarchy approach — prioritize prevention, then reduction, reuse, recycling, and only as a last resort, disposal. Specific practices include:
Optimizing production batches to reduce overstock and material expiration.
Reusing shipping containers and protective packaging wherever possible.
Partnering with local recyclers for metal recovery from battery scrap.
Ensuring safe handling and removal of chemical residues by trained personnel.

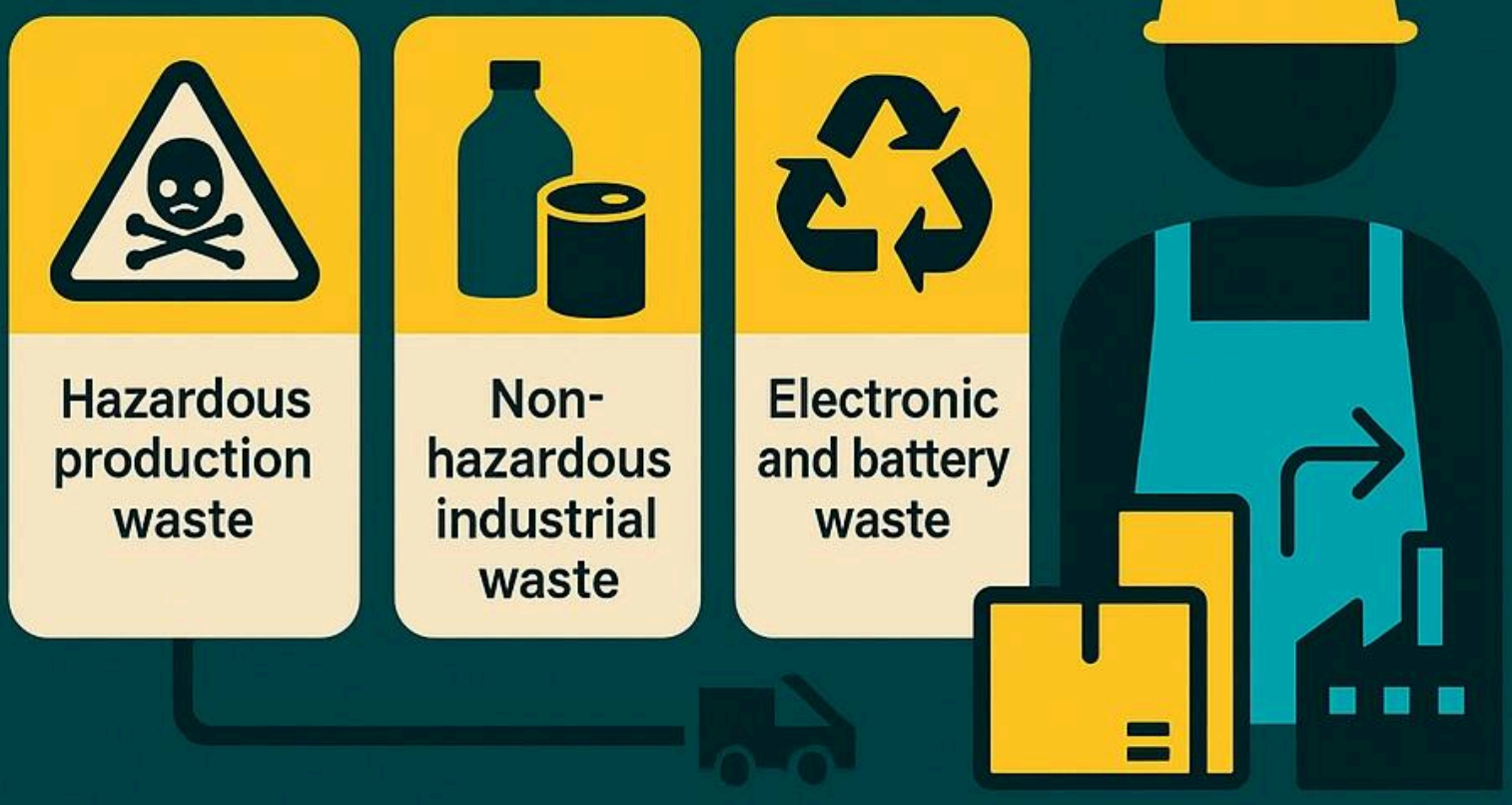
Monitoring and Compliance

Waste volumes are monitored monthly, and hazardous waste is tracked through a national reporting system in compliance with Slovak and EU regulations. Employees receive periodic training on safe handling procedures and emergency response related to spills or leaks.

BATTSLOVAK is also exploring opportunities to participate in extended producer responsibility (EPR) programs related to end-of-life battery collection and recycling, with the aim of increasing the circularity of its products and reducing long-term waste liabilities.

Waste Management

MANAGEMENT APPROACH



PREVENTION AND REDUCTION MEASURES

- Optimize production batches
- Reuse packaging materials
- Partner with recyclers

MONITORING AND COMPLIANCE

Occupational Health & Safety

Management Approach

BATTSLOVAK operates in an industrial setting where employees may be exposed to risks such as chemical handling, electrical components, high-temperature processes, and repetitive mechanical tasks. Ensuring the health and safety of all workers is a top operational priority and a foundational part of the company's culture.

The company has established an Occupational Health and Safety (OHS) management system based on international best practices and aligned with national labor regulations. This system is overseen by a dedicated Safety Officer and supported by trained safety representatives in each operational unit.

Preventive Measures and Risk Management

Key elements of the company's health and safety approach include:
Regular risk assessments of equipment, materials, and workstations.
Mandatory safety training for all employees and contractors, updated annually.
Personal Protective Equipment (PPE) provided based on task-specific needs.
Ventilation and containment systems in areas handling solvents and chemicals.
Strict lockout/tagout procedures for equipment maintenance.

In addition, BATTSLOVAK implements safety drills for fire, chemical spills, and electrical incidents on a quarterly basis, and maintains a 24/7 incident reporting channel accessible to all workers.

Monitoring and Continuous Improvement

The company maintains a digital log of all workplace incidents, near-misses, and safety observations. Data is reviewed monthly to identify patterns, implement corrective actions, and share lessons learned across departments.

In 2024, BATTSLOVAK recorded zero fatalities and achieved a 40% reduction in lost-time injuries compared to the previous year. The company continues to invest in ergonomic workstations, mental health awareness campaigns, and feedback mechanisms that promote a culture of shared responsibility and continuous improvement in workplace safety.

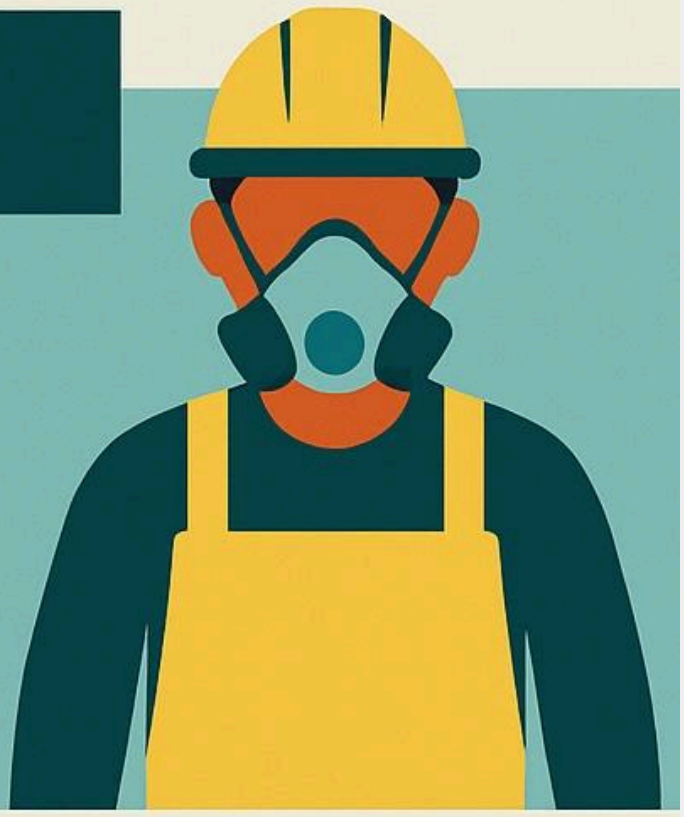
Occupational Health & Safety

MANAGEMENT APPROACH

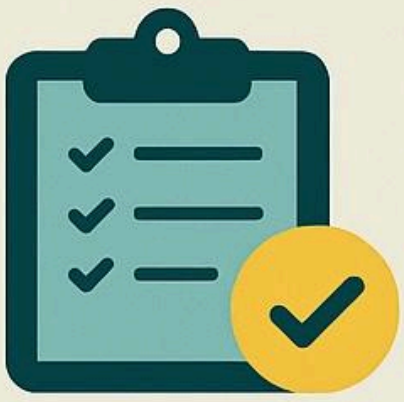
BATTSLOVAK has an Occupational Health and Safety (OHS) management system based on international best practices and overseen by a dedicated Safety Officer

PREVENTIVE MEASURES AND RISK MANAGEMENT

- Regular risk assessments
- Mandatory safety training
- Personal protective equipment (PPE)
- Ventilation and containment systems



MONITORING AND CONTINUOUS IMPROVEMENT



In 2024, zero fatalities were recorded and a 40% reduction in lost-time injuries was achieved

BATTSLOVAK

Targets and Progress

BATTSLOVAK views sustainability as a continuous improvement journey, supported by measurable goals across its environmental and social impact areas. In 2022, the company began setting annual and mid-term targets aimed at reducing risks, improving operational efficiency, and aligning with broader sustainability expectations in the battery manufacturing sector.

Key Objectives and Current Status

1. Reduce hazardous waste by 20% by 2025
To achieve this, BATTSLOVAK is improving precision in chemical dosing during cell assembly and expanding partnerships with specialized recyclers. As of the end of 2024, a 12% reduction had been achieved compared to the 2021 baseline.

2. Increase the share of recycled materials in production to 30% by 2026
The company is currently at 18% recycled input materials, with R&D efforts underway to integrate secondary-use components into more product lines without compromising safety or performance.

3. Achieve zero lost-time injuries annually
While complete elimination of workplace injuries remains challenging, BATTSLOVAK has implemented stricter safety protocols and achieved a 40% year-over-year improvement in injury rates in 2024.

4. Launch a take-back program for used batteries by 2025
Preparations are ongoing for a pilot program in two EU countries, focusing on residential battery systems. Legal and logistical frameworks are being finalized.

Looking Ahead

BATTSLOVAK plans to publish an annual progress update on its sustainability targets. The company is also exploring science-based targets for emissions and lifecycle carbon footprint, to better align with EU climate policy and customer expectations.

Targets and Progress

BATTSLOVAK views sustainability as a continuous improvement journey, supported by measurable goals across its environmental and social impact areas.

1. **Reduce hazardous waste by 20%**
   by 2025 reduction as of 2024

2. **Increase the share of recycled materials in production to 30%**
   by 18 % achieved in 2024

3. **Achieve zero lost-time injuries annually**
   40% reduction in 2024

4. **Launch a take-back program for used batteries by 2025**
   Preparations ongoing

Looking Ahead

BATTSLOVAK plans to publish an annual progress update on its sustainability targets.

SDG Mapping

BATTSLOVAK recognizes the importance of aligning its operations and values with the United Nations Sustainable Development Goals (SDGs). While the company is not directly accountable to the UN framework, it voluntarily identifies and supports a selected number of global goals that are most relevant to its business model, products, and stakeholder expectations.

The following SDGs are particularly reflected in BATTSLOVAK's sustainability actions:

Goal 7 – Affordable and Clean Energy
Through its residential battery systems, BATTSLOVAK enables households to store solar energy, reduce dependence on fossil fuels, and increase resilience to energy fluctuations. The company's technology supports the decentralization and democratization of clean energy.

Goal 9 – Industry, Innovation and Infrastructure
By investing in battery innovation and local European supply chains, the company contributes to building more resilient and sustainable industrial systems. Collaborations with research institutions further promote knowledge transfer and responsible innovation.

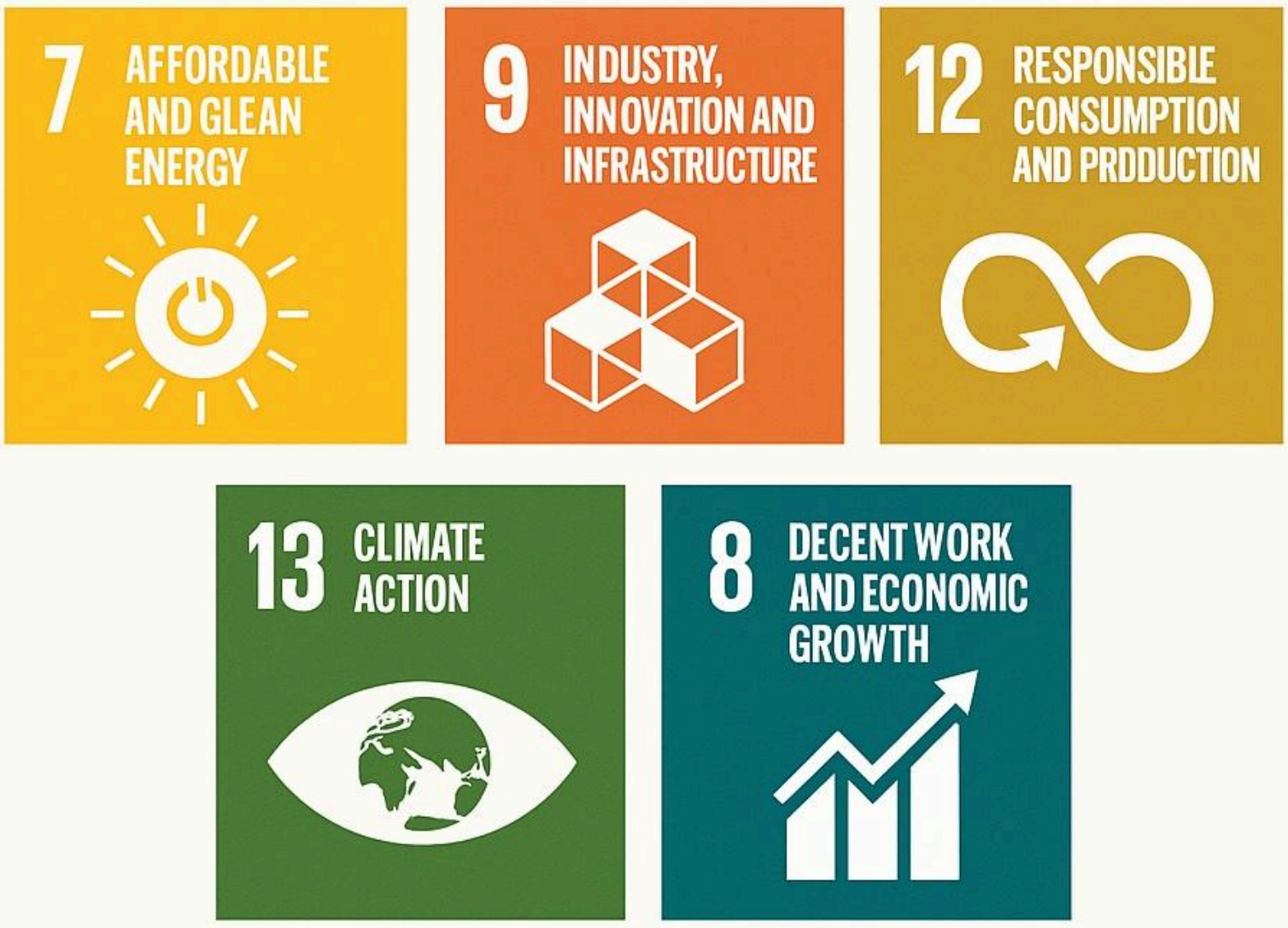
Goal 12 – Responsible Consumption and Production
BATTSLOVAK works to minimize waste, increase recycling, and improve material traceability throughout its production processes. The company promotes a circular approach to battery design and end-of-life management.

Goal 13 – Climate Action
While not a direct emitter at scale, the company indirectly contributes to climate mitigation by enabling low-carbon technologies, such as solar systems and e-bikes. Efforts to reduce its own energy consumption and material impact further enhance its climate contribution.

Goal 8 – Decent Work and Economic Growth
The company provides stable employment in the region, prioritizes worker health and safety, and encourages upskilling in the field of green technology manufacturing.

SDG Mapping

The following SDGs are ticullarly rections with Sustainability actions particularely in



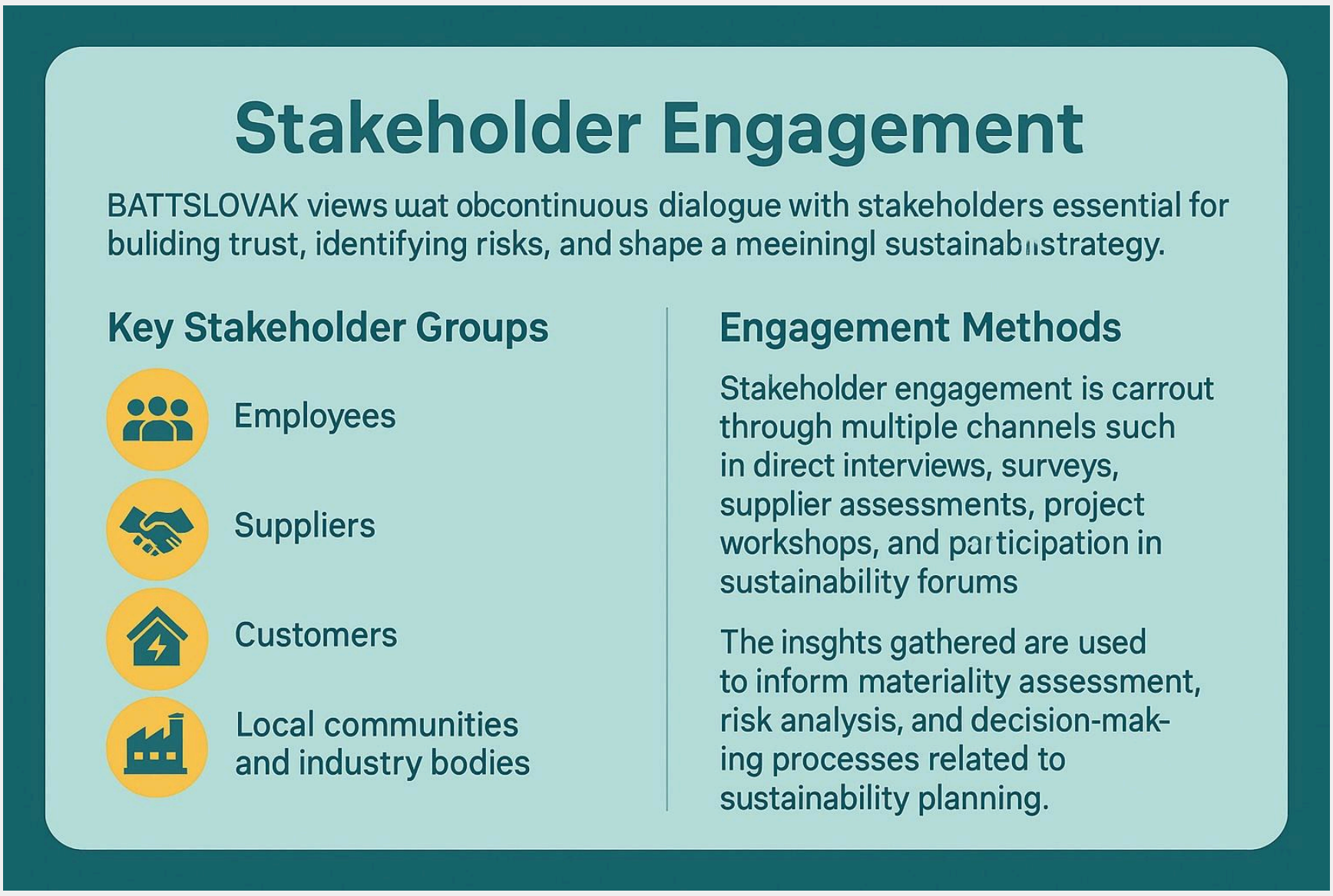
The following SDGs apr prticularly reflected in BATTSLOVAK's sustainability act-ons with five emhutances golshat ⁄/SDs\ emsstions

BATTSLOVAK

Stakeholder Engagement

BATTSLOVAK believes that open and continuous dialogue with stakeholders is essential for building trust, identifying risks, and shaping a meaningful sustainability strategy. The company engages with a diverse range of stakeholders who are affected by, or can influence, its operations and sustainability performance.

Key Stakeholder Groups
Employees: Engagement takes place through internal communication channels, safety meetings, and periodic surveys to assess working conditions and gather suggestions.
Suppliers: The company collaborates with suppliers to promote responsible sourcing and ensure compliance with ethical and environmental standards.
Customers: Direct feedback from users of residential batteries and e-bike systems helps inform product design and service improvement.
Local communities: As an industrial employer, BATTSLOVAK maintains open lines of communication with local authorities and community representatives regarding environmental impact and employment opportunities.
Regulators and industry bodies: The company monitors regulatory developments and participates in consultations to ensure alignment with evolving standards.
Academic and technical partners: Collaboration with research institutes supports innovation and knowledge exchange in battery technologies and sustainability practices.



Engagement Methods

Stakeholder engagement is carried out through multiple channels, including direct interviews, surveys, supplier assessments, project workshops, and participation in sustainability forums. The insights gathered are used to inform the materiality assessment, risk analysis, and decision-making processes related to sustainability planning.

BATTSLOVAK is committed to improving the inclusiveness and effectiveness of its engagement approach, with a goal to establish more formal feedback loops and stakeholder panels in the near future.