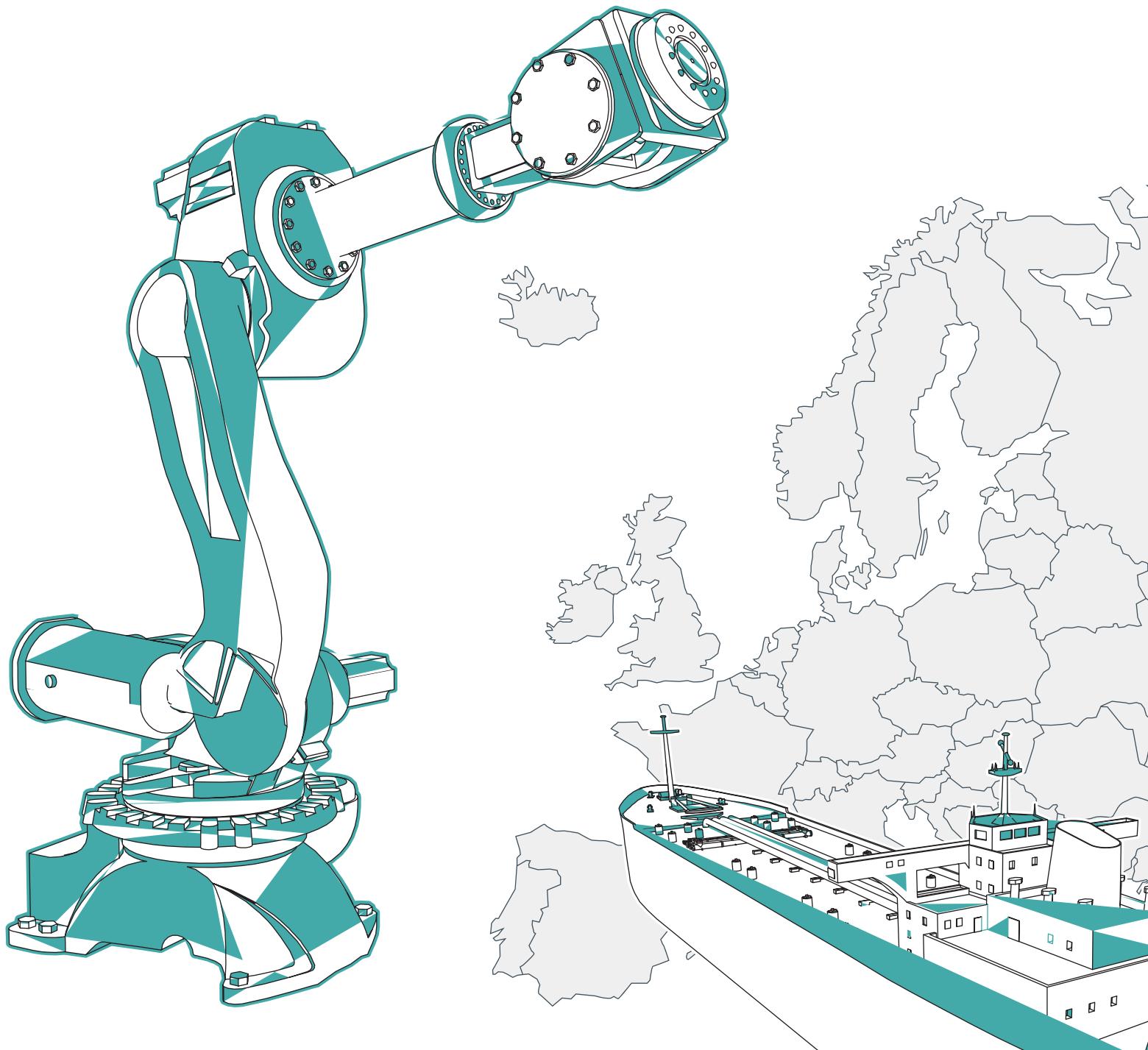




Nabtesco

Sustainability Report - Europe

2024



grow together, grow smart, grow sustainable.

Guided by 'The Nabtesco Way', we are committed to integrity, compliance, respect for human rights, and uncompromising quality. These principles form the foundation of our business and serve as a compass for our decisions, shaping how we operate, engage with our stakeholders, and contribute to society.

We have strengthened collaboration, fostered knowledge sharing, and advanced a more cohesive, group-wide approach to sustainability. In parallel, Nabtesco Corporation and the European entities continue to focus on growing smart, transforming from a component manufacturer into a provider of intelligent, connected, and high-precision engineering solutions that serve industries ranging from robotics and automation to electromobility.

This year marks the first European phase of our ESG journey, building on the baselines and initiatives established by Nabtesco Corporation in Japan, and culminating in our first Sustainability Report for the European entities. Despite a turbulent political landscape affecting sustainability reporting and management - shifting from mandatory CSRD requirements to a voluntary VSME framework - we are proud to have established a robust ESG reporting scheme and laid the foundation for a comprehensive European ESG management system that supports our continued commitment to grow sustainable. In line with this approach, we are embedding environmental, social, and governance considerations across all aspects of our operations, ensuring that growth remains responsible, inclusive, and forward-looking.

This ESG report provides a comprehensive view of our performance, initiatives, and ongoing efforts to embed sustainability across our business. Looking ahead, we remain committed to grow together, grow smart, and grow sustainable - strengthening our capabilities, innovating responsibly, and contributing to a resilient and sustainable world.

Toru Mashiko
Nabtesco Europe GmbH
Managing Director

The Nabtesco Way

Corporate Philosophy

The Nabtesco Group, with our unique motion control technology, will provide safety, comfort and a sense of security in daily lives as well as any form of transportation.

The Principles We Value



See the people.
See the planet.



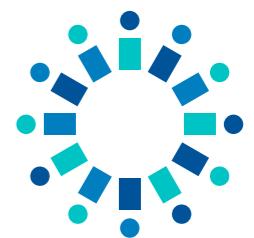
Improve ourselves.
Advance society.



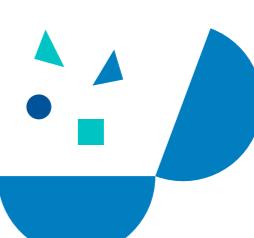
Enjoy the challenge.



Stay curious.
Explore further.



Create together.



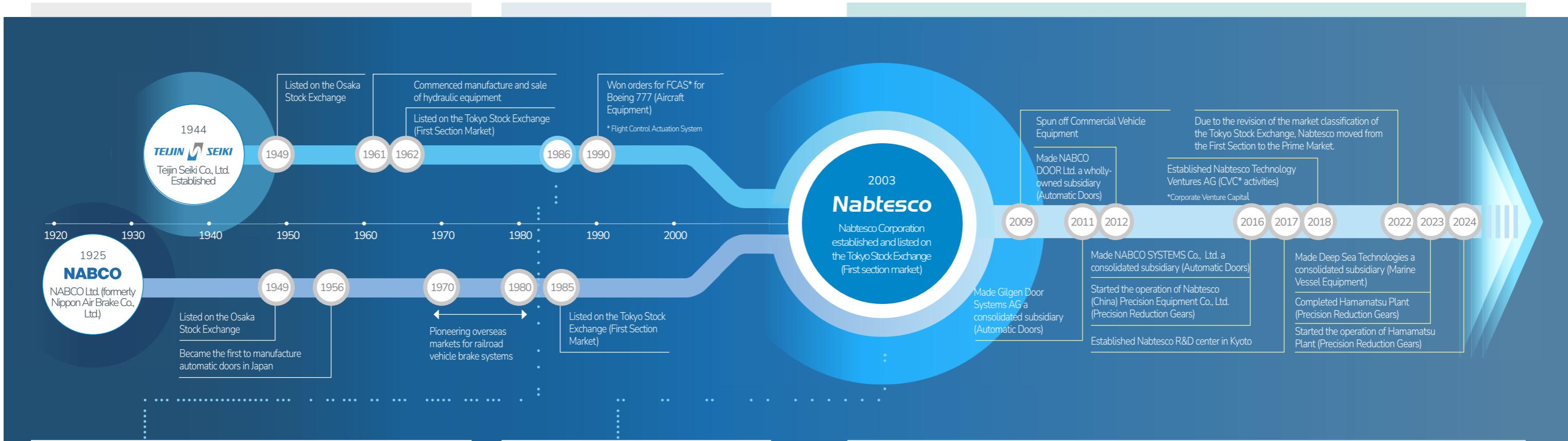
Be open, fair, and
honest.

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Building upon the business foundations inherited from our two predecessors, Nabtesco has continually refined its unique motion control technology.

Nabtesco Corporation was established in 2003 through the merger of Teijin Seiki Co., Ltd. and NABCO Ltd. Since its inception, the Company has consistently met customers' requirements and developed its unique motion control technology. By combining advanced expertise in mechanical components with technologies such as AI and IoT, Nabtesco is evolving its capabilities toward electrification, systematization (integration), and data utilization - realizing smart motion control.



1986

First adoption of precision reduction gears for industrial robots

In the first half of the 1980s, Teijin Seiki's second plant in Gifu (presently Nabtesco's Tarui Plant) primarily manufactured hydraulic traveling units for construction machines. However, as the market for the product reached maturity, the Company sought new opportunities and turned its attention to industrial robots. Despite initial concerns about entering a competitive market, the Company successfully developed the precision reduction gear RV™ by enhancing its technology to produce highly rigid and robust speed



2003

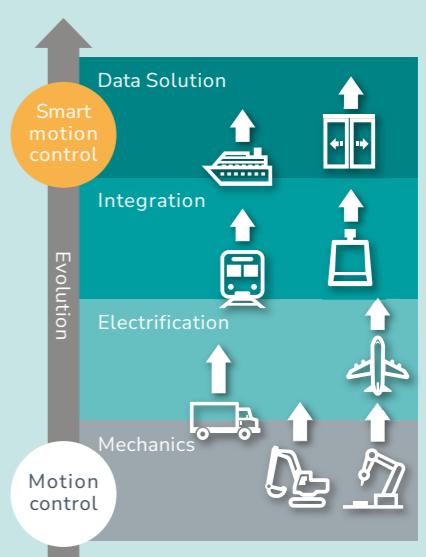
Establishment of Nabtesco Corporation

Teijin Seiki, established with aircraft component manufacturing as its core business, and NABCO, specializing in air brake systems for railroad vehicles, merged in response to a downturn in the hydraulic equipment market affecting both companies. Recognizing the potential to enhance the competitiveness of existing products and create new business opportunities by combining their technological expertise, they decided to pursue management integration.

Establishing smart motion control toward the next stage of growth

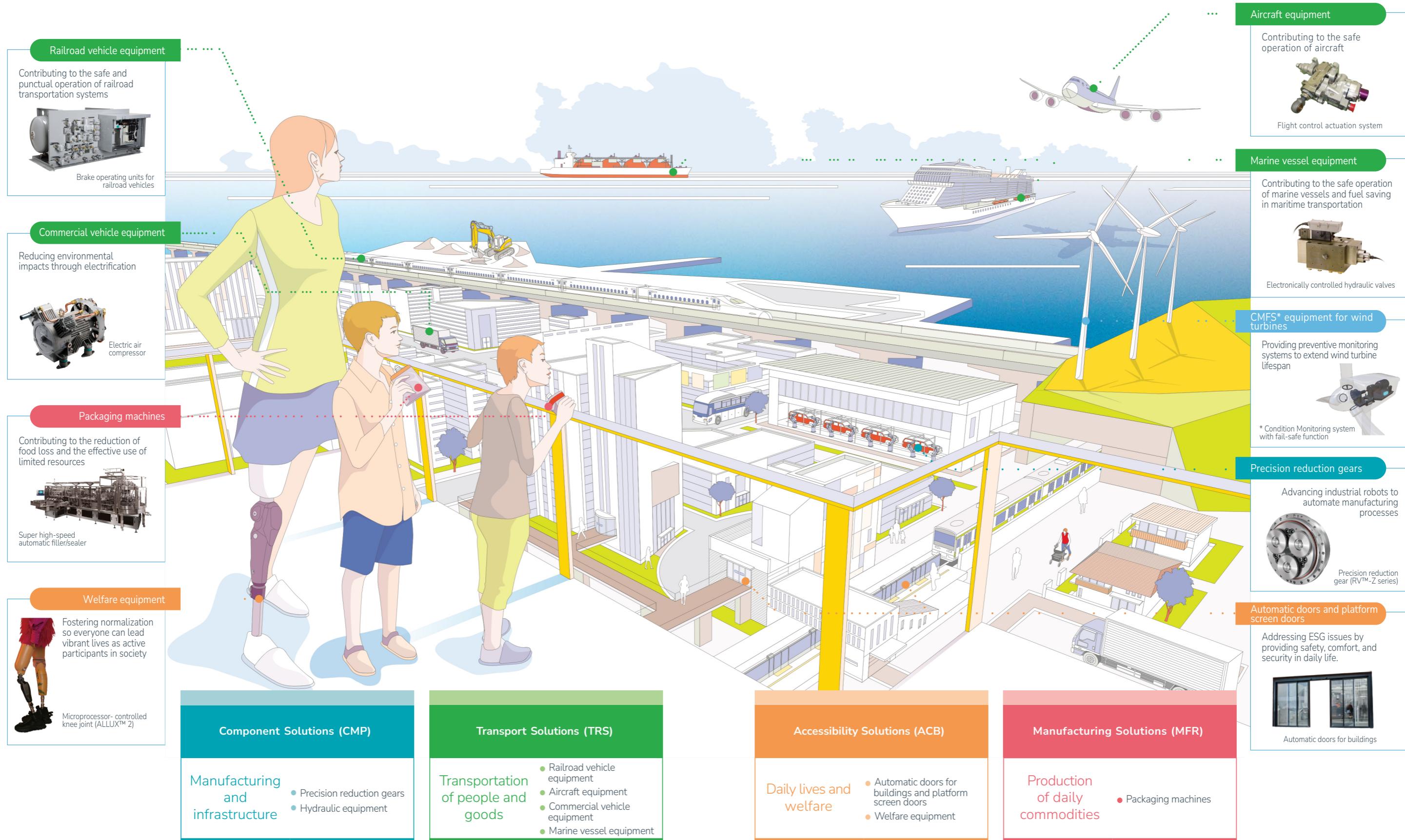
Nabtesco holds significant market share across various niche markets. In addition to having production capacity that can accommodate medium- to long- term demand growth, we are introducing innovative production techniques and enhancing efficiency via high automation to ensure the stable and flexible supply of high-quality products. These manufacturing capabilities form the foundation of its competitive advantage. Moreover, alongside core technologies such as mechanical design, electrical and electronic design, and quality assurance - continuously developed

Innovation In Action
Vision 2030



With its unique motion control technology, Nabtesco strives to provide safety, comfort and a sense of security in daily lives.

We contribute to solving social issues in a broad range of fields surrounding us, including 'manufacturing and infrastructure', 'transportation of people and goods', 'daily lives and welfare' and 'production of daily commodities'.



Nabtesco Europe GmbH

Nabtesco Corporation is a Japanese corporation which operates a wide range of businesses in the industrial, daily life-related, and environmental fields, capitalizing on its motion control technology, which moves and stops objects in a precise manner.

Our products are not visible; however, they are hidden champion at each area, fulfilling high-performance functions to enhance the safety and comfort of individuals as well as supporting the infrastructure that societies all over the world depend upon.

We enjoy high market shares both in Japan and worldwide for a range of products and are currently expanding into new growth areas by utilizing our core technology. We will continue to fulfil our mission to be a company that supports society by delivering highly reliable products and services.

Nabtesco Europe GmbH serves as the regional holding and management services entity for the Nabtesco Group in Europe, the Middle East, and Africa. Established in 2017, it provides administrative oversight, intra-group services, and strategic coordination, and supports its subsidiaries with regional management and strategic alignment.

The European group delivers advanced mechatronic and precision gear solutions across a wide range of industries, including industrial automation, robotics, automotive, aerospace, packaging, and medical technology. By combining software and hardware, the group develops embedded control units, motion control systems, precision cycloidal and strain wave gears, and complete electromechanical drive systems. While each entity maintains specialized product portfolios, all share a strong commitment to innovation, engineering excellence, high-quality manufacturing, and product longevity.

Sustainability is fully integrated into the group's strategy and operations, with a focus on energy efficiency, resource conservation, and minimizing environmental impacts throughout the product

lifecycle. Solutions such as electric steering, durable precision gears, and high-efficiency mechatronic drives, combined with predictive maintenance and certified production processes, support long product lifecycles and operational efficiency.

Operations are primarily business-to-business, with customer relationships built on close collaboration, co-development, and long-term partnerships. The companies maintain tightly integrated supply chains, working closely with global suppliers and leveraging synergies across the Nabtesco Group network for engineering, prototyping, and after-sales support.

Together, Nabtesco Europe GmbH and its subsidiaries form a cohesive regional platform that combines technical expertise, global reach, and a commitment to sustainable, high-performance solutions for industrial clients.



ナブテスコ 株式会社
Nabtesco Corporation



Nabtesco
High Precision Gears

Nabtesco
Aerospace

PACRAFT
PACKAGING FOR YOU

adcos[↗]

Nabtesco
Marine Europe B.V.

ENGILICO

GILGEN
DOOR SYSTEMS

Nabtesco
Technology Ventures



deepsea

OVAL(O)
Nabtesco



General Information

This voluntary sustainability report outlines the performance and practices of Nabtesco Europe GmbH and its subsidiaries from 1 January to 31 December 2024. It has been prepared based on both modules of the VSME Standard (Voluntary Sustainability Reporting Standard for non-listed SMEs), to provide a comprehensive and transparent view of our sustainability efforts.

Aligning with the VSME helps us and our customers prepare for future requirements in the face of lingering regulatory uncertainty around the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

The report has been prepared on a consolidated basis by Nabtesco Europe GmbH as the parent company and covers OVALO GmbH, Nabtesco Precision Europe GmbH, and adcos GmbH.

No material information has been omitted based on sensitivity or confidentiality and all data has been prepared to the best of our knowledge. Turnover and balance sheet total are not subject to disclosure.

The main report presents consolidated information for the group, while individual entity-level data is provided in the accompanying appendices.

Certifications and recognitions



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science-based climate targets certified in 2021, aligned with the 'below 1.5 °C' pathway



Contributor of the Keidanren Initiative for Biodiversity Conservation



Signatory since 2014



Member since 2018



Supporter of the TCFD since 2019



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



Continuously listed since 2016



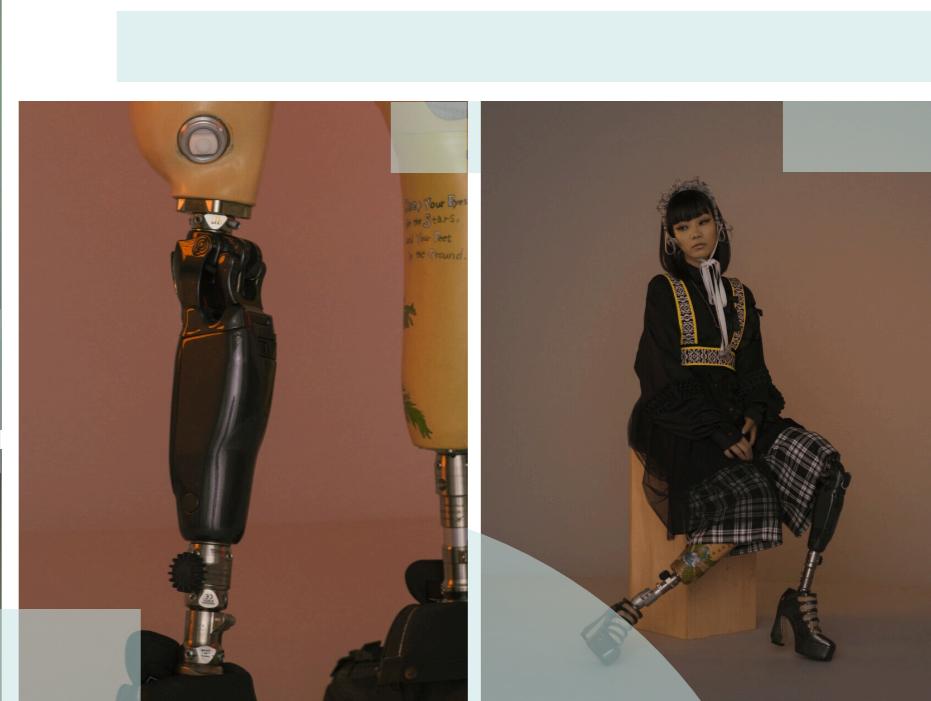
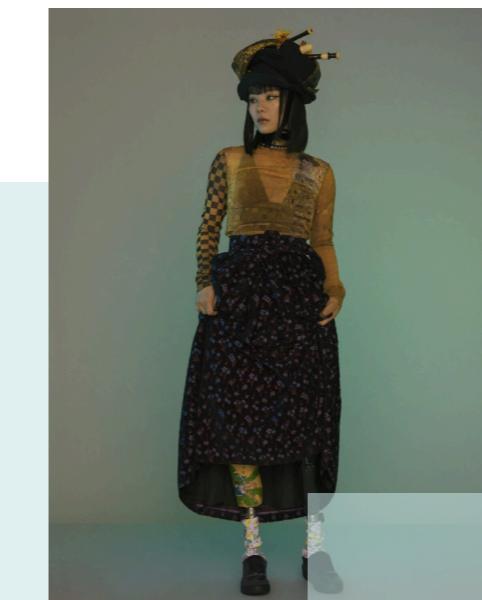
Ranked in Top 10% of S&P Global Sustainability Yearbook for the third consecutive year, ranking 4th globally in 2025 within its sector



Included in the CDP Climate Change A List since 2016



Certified under the Health & Productivity Management Outstanding Organization Recognition Program led by the Japan Health Council since 2024



The High Heel Project, led by artist Mari Katayama, seeks to demonstrate the "freedom of choice" by creating prosthetics and high heels for the artist to wear and perform on stage. The project, which entered its second phase in 2022, broadens the dialogue on social inclusion, bodily autonomy, and accessibility in art and society. Nabtesco Corporation, the manufacturer of the ALLUX™ 2 microprocessor-controlled prosthetic knee and a supporter of Katayama's philosophy and activities, signed onto the project in September 2022. As part of this collaboration, Katayama engaged in in-depth conversations with the engineers and prosthetists behind the ALLUX™ 2, highlighting the intersection of creative practice, technology, and lived experience.



Transition towards a more sustainable economy

Policies

Nabtesco Group has established a comprehensive framework of policies to integrate sustainability across its value chain, all publicly available through its corporate website. The 'CSR-Oriented Procurement Policy' and the 'Human Rights Policy' support responsible supply chain management by addressing ethics, labour practices, occupational safety and human rights, including the prohibition of child and forced labour.

Environmental commitment is guided by the 'Environmental Philosophy and Action Guidelines' and the 'Climate Change Policy', which focus on reducing greenhouse gas emissions, conserving resources, preventing pollution, and protecting biodiversity. Climate governance is overseen at Board level and aligned with international frameworks such as TCFD and CDP.

Product safety and quality are ensured through the 'Quality and PL Policy' and the 'ESH Basic Policy', which embed safety into daily operations and target zero accidents and environmental incidents. Employee well-being and growth are promoted through the 'Health and Productivity Management Policy' and comprehensive Human Capital Development programs, including reskilling, diversity initiatives, and job-based personnel systems.

In addition, the 'Community Investment Policy' supports local economic and social development, while strong governance is ensured through the 'Corporate Governance Basic Policy', a diverse and independent Board structure, and a transparent 'Remuneration System Policy' linking executive pay to performance and sustainability metrics. Ethical business conduct is supported by the 'Global Anti-Bribery Policy' and the 'Group Code of Ethics', which together establish global standards for compliance and integrity.

European subsidiaries apply these group-wide policies and complement them with site-specific measures. Local management handbooks and guidelines address respectful treatment, workplace safety, and complaint mechanisms,

while purchasing terms embed ESG requirements into quality, environmental, health & safety, and supply chain management processes.

Together, these group-wide and subsidiary-level policies create a consistent governance framework for environmental, social, and ethical business conduct across European operations, providing a clear roadmap for transitioning towards a more sustainable economy and creating long-term value for stakeholders.

Practices and Initiatives

Nabtesco Group has put in place a broad set of sustainability-related practices, aimed at accelerating its transition to a more sustainable business model. These include initiatives to reduce GHG emissions through energy efficiency upgrades, expansion of renewable energy use across operations, water consumption reduction, pollution prevention, and waste management improvements. Product-related initiatives focus on improving safety and reliability through robust quality management systems and developing solutions that enable customers to reduce their environmental footprint.

The Group is also strengthening supplier sustainability assessments and engagement, enhancing diversity, equity and inclusion measures with a focus on increasing female management representation, and expanding employee training programs on sustainability topics.

At the European level, subsidiaries are testing sustainable packaging solutions such as reusable materials, introducing further circular economy measures in logistics and production, expanding e-mobility and energy-efficient equipment, and constantly monitoring and improving energy, water, and waste KPIs.

Additionally, entities have adopted site-specific practices, such as Nabtesco Precision Europe GmbH's use of photovoltaic electricity, e-mobility promotion, and plastic-free purchasing initiatives. Ovalo GmbH conducts energy audits (ISO 16247) and has not only implemented heat recovery



DeepSea Technologies develops advanced AI solutions for the shipping industry to improve vessel efficiency, reduce emissions, and optimize operational costs.

Cassandra, DeepSea's flagship AI platform, uses digital twins of ship machinery and high-frequency data to provide real-time performance monitoring. It delivers actionable insights, flags anomalies, and supports decisions that lower fuel consumption, reduce greenhouse gas emissions, and support decarbonization compliance.

Phytia, the complementary AI-powered voyage planning tool, uses real-time data such as wind and wave patterns together with AI modelling to dynamically optimize speeds and routes, enabling more efficient and environmentally responsible voyages across global shipping routes.



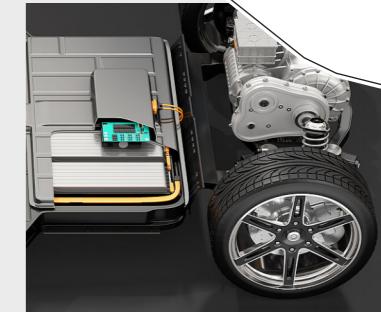
Cassandra platform



PUMA - Rapid Control Prototyping Platform



Thermal management



Electric drive system



adcos GmbH is an engineering and development company specialized in advanced mechatronic systems. The company combines mechanical, electrical, and software engineering to design and develop high-performance components such as electromechanical actuators, steering systems, control electronics, and motion-control solutions. adcoss supports customers across automotive, mobility, robotics, aerospace, and industrial machinery sectors. Their core business focuses on delivering customised, technology-driven solutions using modern, model-based development methods and quality standards.

The PUMA hardware and software solutions form the centrepiece of adcoss's comprehensive engineering services, which include model-based system design, simulation, testing, and rapid control prototyping, supporting clients from concept and prototype development through to series production.



measures throughout its facility, but also an improved compressed air management.

Social initiatives range from preventive health check-ups, back health and sleep awareness workshops, zero-accident workplace programs to community engagement projects, and activities that promote teamwork and employee well-being.

Nabtesco Precision Europe is deeply engaged in its community, supporting a variety of initiatives through donations. Beneficiaries include Stups Children's Centre in Krefeld, German Children's Cancer Aid, the Strolchi Animal Welfare Association, and the Goodnight Bus in Düsseldorf, a mobile service assisting homeless people.

Climate-Related Physical and Transition Risk

Each undertaking conducted a structured risk assessment and identified both climate-related transition events and physical hazards that may create gross climate-related risks for their operations, assets, and value chains.

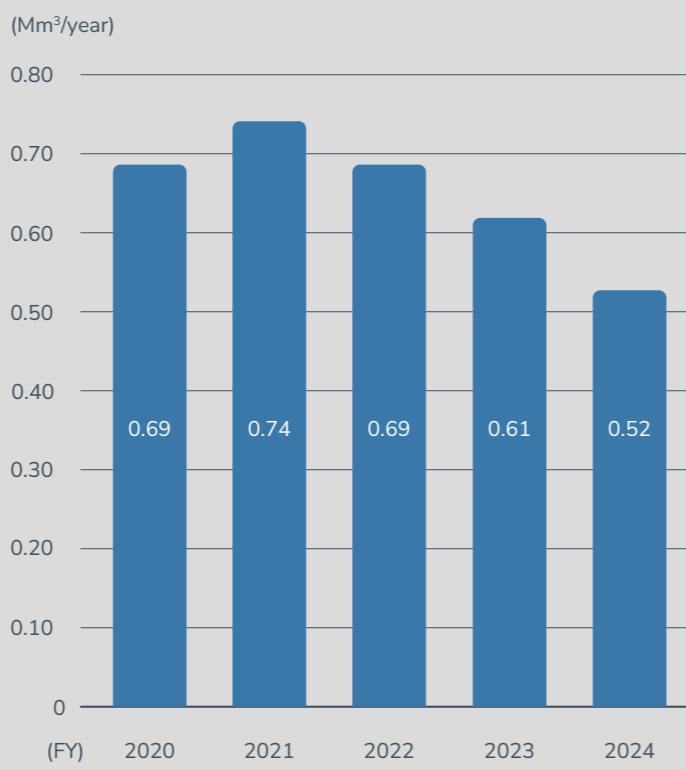
Transition risks include regulatory and legal changes (e.g., disclosure laws, carbon pricing, emission caps), technological shifts toward cleaner products, and evolving market or customer preferences, all of which may influence costs and competitiveness. Physical hazards include heat and cold waves affecting employees and operations, heavy precipitation leading to flooding, water ingress, and supply chain disruptions, as well as changing humidity that can affect production processes and storage conditions.

The assessment evaluated exposure and sensitivity across employees, buildings, production processes, and supply chains. Likelihood and impact ratings were assigned to generate risk scores based on both historical incidents and forward-looking assumptions. Risk horizons were categorized as short-term (current period), medium-term (0–5 years), and long-term (>5 years), with most hazards and transition events expected to materialize in the medium term.

Amount of global CO₂e emissions (Scope 1+2) and CO₂e emissions per unit of sales



Global Water Intake



Overall, risks are assessed as low to medium for employees, buildings, and operations, with no high-risk events currently identified. Medium- to long-term transition risks - particularly regulatory and compliance obligations - and supply chain vulnerabilities represent the areas with the highest potential impact.

Adaptation measures are already in place across subsidiaries, including air conditioning and heating system maintenance, flexible home office policies, sunshades, drainage and eco-paving for building resilience, and proactive preparation for regulatory compliance. The undertakings continue to monitor emerging hazards and transition events to mitigate adverse effects on financial performance and operational continuity.

Targets

Nabtesco has established clear and measurable targets to monitor the implementation of its sustainability policies and to track progress over time. In line with its broader climate ambitions, the Nabtesco Group in Japan has committed to achieving net-zero CO₂e (CO₂ equivalent) emissions by 2050, consistent with the 1.5°C scenario. The Group's targets, validated by the Science Based Targets initiative (SBTi), include a 63% reduction in Scope 1 and 2 GHG emissions by FY2030 (relative to FY2015) and a 100% reduction by FY2050.

For FY2024, we set an interim target to reduce our emissions by 25% - and achieved an actual reduction of 29%, demonstrating steady and meaningful progress. CO₂e emissions per unit of

Global long-term CO₂ emissions reduction targets *

FY2030 **63%** reduction

FY2050 **100%** reduction

* Baseline: FY2015; aligned with SBTi 1.5°C target

sales (t CO₂e per million yen) show a similar positive trajectory, meeting or exceeding the annual targets each year.

FY2025 is the first year of our medium-term management plan, and we will continue to work towards our new interim goal of a CO₂e emissions reduction of -50% by 2027.

Based on its first consolidated European baseline year (2024), Nabtesco Europe has set absolute Scope 1 and Scope 2 (market-based) GHG reduction targets fully aligned with these reduction pathways.

The total volume of water used by the Nabtesco Group in FY2024 amounted to 519,000 m³, showing a significant decrease from the previous year. Through efforts to recycle water used in plant facilities, the amount of global water use per unit of sales in FY2024 was 1.61 m³/million yen, greatly surpassing the target of 1.85 m³/million yen.

In FY2025, the Nabtesco Group established a new mid-term target with FY2027 as the target year. We aim to reduce water withdrawal per unit of sales by 4.3% compared with FY2023.

At the European level, additional operational targets have been set by each subsidiary individually. These include limits on electricity consumption (< 5 kWh per part), water consumption (< 3 litres per part), and residual waste (< 65 kg per employee per year) with a separate waste collection rate above 90%, as well as a zero-accident target for occupational health and safety.

Target set in medium-term management plan

FY2027 **50%** reduction

FY2024:
29% reduction achieved

Environmental Metrics

Energy and greenhouse gas emissions

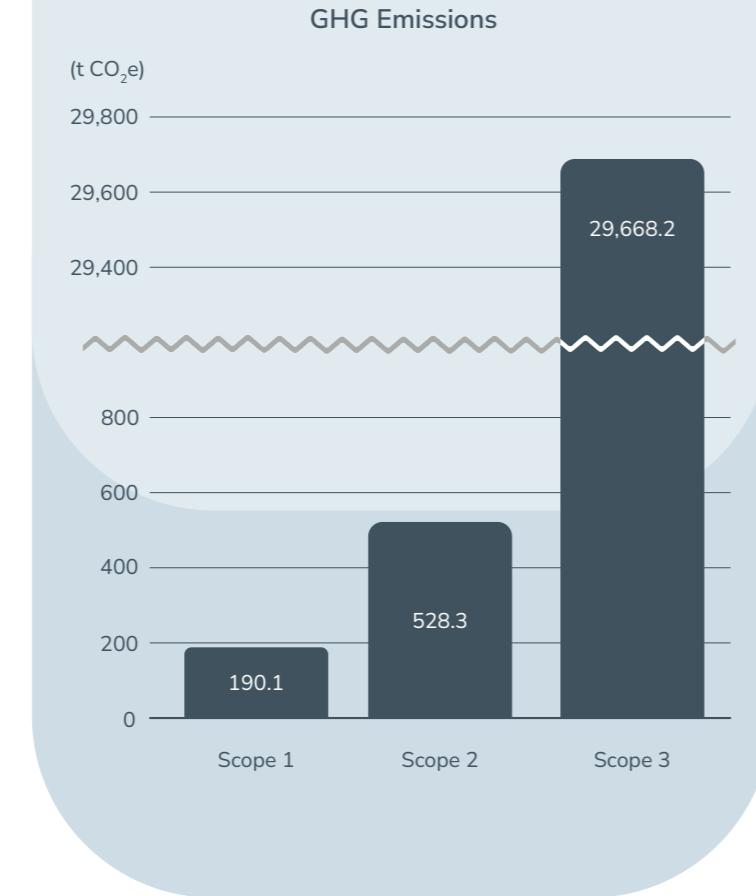
Nabtesco Europe GmbH recognizes its responsibility to address climate change and is actively taking steps to define a comprehensive climate strategy. In 2025, we initiated a Corporate Carbon Footprint (CCF) assessment covering Scope 1, 2, and 3 emissions across selected European entities. The emissions are estimated based on internationally recognised methodologies, including the GHG Protocol and country-specific emission factors.

Based on its first consolidated European baseline year (2024), Nabtesco Europe has established absolute greenhouse gas reduction targets for Scope 1 and 2 emissions (market-based) fully aligned with Nabtesco Japan and the European Union reduction targets. The European group aims to reduce these emissions by 50 % by 2027, by 63 % by 2030, and by 90% by 2040 with the long-term goal of achieving net-zero Scope 1 and 2 emissions by 2050. In addition to absolute emission reductions, emission intensity per € revenue is monitored as a performance indicator.

The targets will be reviewed on a regular basis as data quality improves and decarbonisation measures are further implemented. Key decarbonisation levers include the procurement of renewable electricity, improvements in energy efficiency, and the gradual electrification of heating systems and production processes.

In 2024, our Scope 1 emissions amounted to 190.1 tonnes of CO₂ equivalent (t CO₂e), primarily from using heating oil for heating and emissions from refrigerants in cooling devices as well as from mobile combustion in company vehicles. Scope 2 emissions were 528.3 t CO₂e (market-based) and 570.3 t CO₂e (location-based). GHG intensity is calculated as CO₂e emissions per unit of sales (t CO₂e per million yen). For FY2024, the Nabtesco Europe Group reports an intensity of 0.04 t CO₂e per million yen or 7.06 t CO₂e per million Euro.

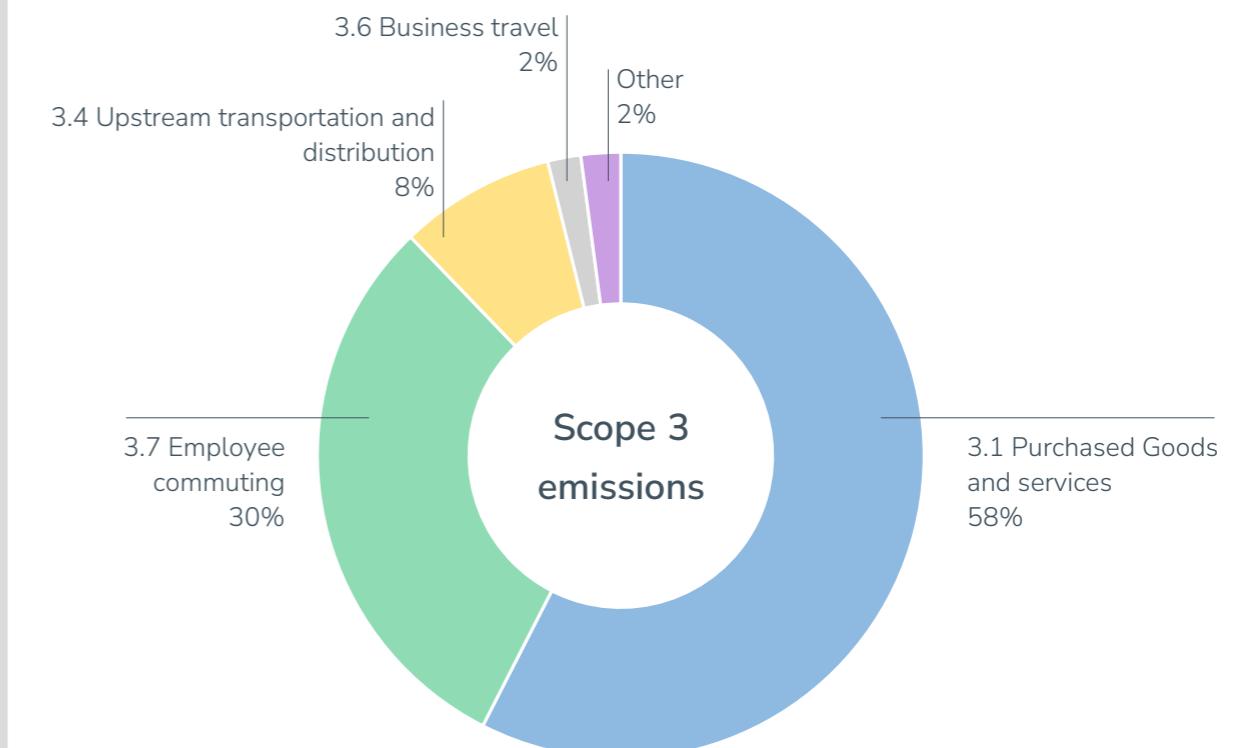
Total energy consumption across all entities - covering the major share of our Scope 1 and 2 emissions - amounted to 2,221.7 MWh in 2024.



This includes electricity and fuels used in offices, warehouses, and company vehicles.

Heating systems vary by site: OVALO operates heat pumps and uses electricity for space heating, while adcos and Nabtesco Düsseldorf rely on natural gas and heating oil respectively.

Scope 3 emissions represent 97.6% of our total footprint, with purchased goods and services as the dominant category. As a manufacturing company, OVALO relies heavily on pre-processed steel materials, which drive its Scope 3 emissions. For Nabtesco Düsseldorf - primarily a sales entity handling products manufactured by OVALO and Nabtesco in Japan - purchased goods also constitute the largest share. As a European group, our total Scope 3 emissions reached 29.67 thousand tonnes CO₂e in 2024.



Total Scope 3 emissions

29,668.2 t CO₂e

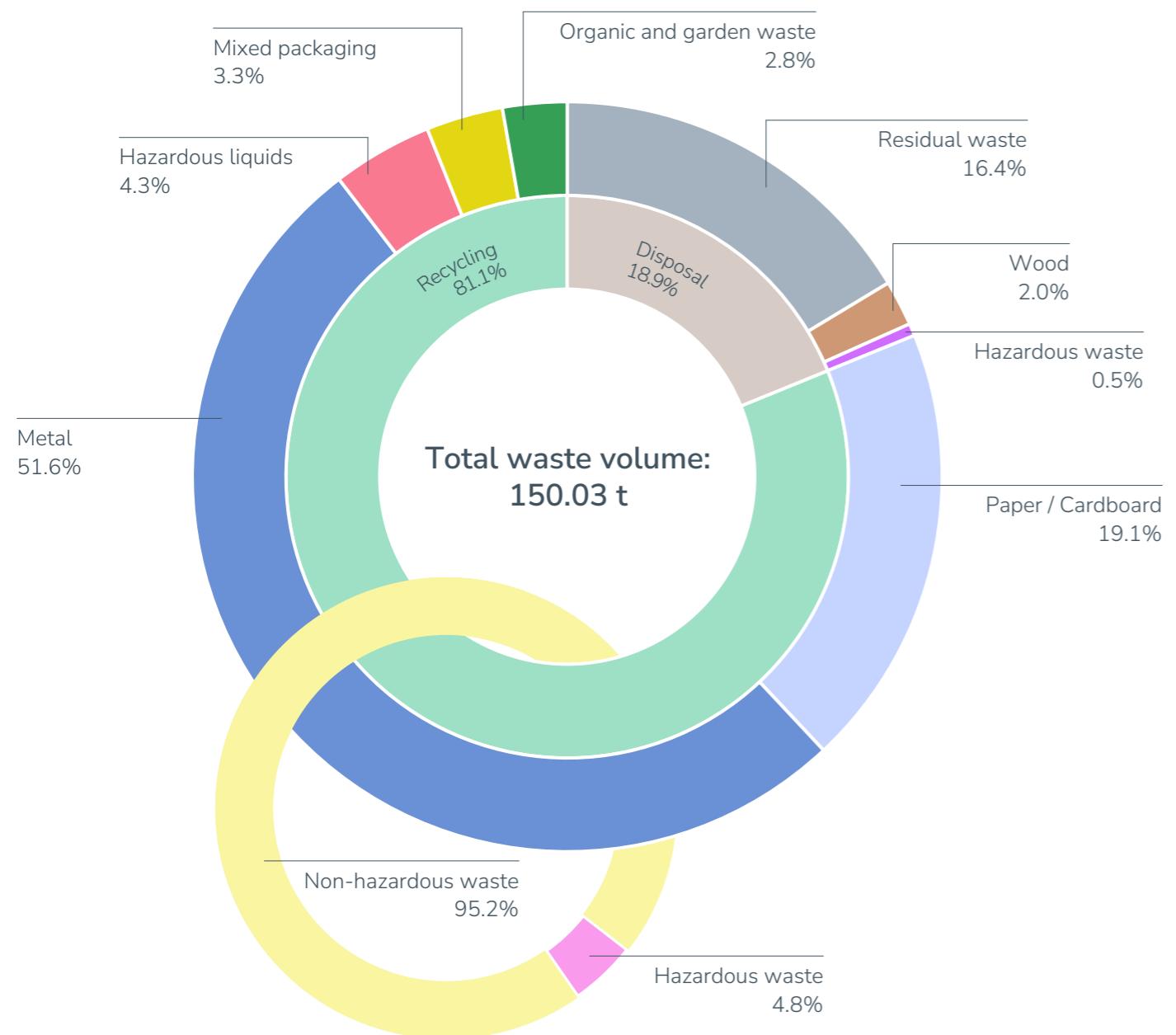
3.1 Purchased Goods and services	17,065.1 t CO ₂ e
3.7 Employee commuting	8,988.5 t CO ₂ e
3.4 Upstream transportation and distribution	2,466.2 t CO ₂ e
3.6 Business travel	523.2 t CO ₂ e
Other	625.2 t CO ₂ e

Non-renewable electricity
1,674.5 MWh

Fossil fuels (vehicles, heating)
519.2 MWh

2,221.7 MWh total energy

Renewable electricity
28.0 MWh



Resource use, circular economy and waste management

Total waste generated across all our entities amounted to 150.03 t in the reporting year. Although recycling rates differ by location, the group-wide average stands at 81.1%, with OVALO achieving the highest rate at 94.1%.

Due to the diverse nature of our operations, waste streams and volumes vary significantly. Nabtesco Düsseldorf, adcos, and Nabtesco Europe predominantly operate office settings, whereas OVALO is the only production-focused entity in the current reporting scope. Across all locations,

we apply circular economy principles through structured waste management, material reuse and recycling, and resource-efficiency measures. Our objectives include further increasing recycling rates, reducing plastic waste, and prioritizing eco-friendly materials and equipment wherever feasible.

Waste is carefully separated at all sites, with dedicated collection systems for paper, plastics, and residual waste to maximize recycling and minimize environmental impact. OVALO GmbH has implemented additional initiatives to reduce material use and close resource loops, including the introduction of digital workflows to reduce

1,162 m³
of water withdrawn



Pollution of air, water and soil

Even though Nabtesco Europe or any of its subsidiaries is not subject to any legal or national regulatory requirements regarding emissions to air or water, we voluntarily assessed our environmental impacts as part of our Double Materiality Assessment.

Regarding emissions to air, the European entities do not operate on-site combustion installations and therefore do not emit SO₂ (sulphur dioxide), NO_x (nitrous oxides) nor particulates.

In addition, we actively minimize the use of harmful chemicals. Guided by the global Nabtesco ESH Basic Policy, we ensure proper controls are in place for safe handling of such substances.

Biodiversity

Across all its sites in Germany, the European Nabtesco Group neither owns, leases, nor manages any areas located within or adjacent to biodiversity-sensitive zones listed in the World Database on Protected Areas (WDPA).

paper consumption, double-sided printing, and the use of reusable packaging and filler materials in internal and external logistics. Corrugated boxes and packing materials are systematically reused, and employees receive training to ensure proper waste separation and high recycling rates.

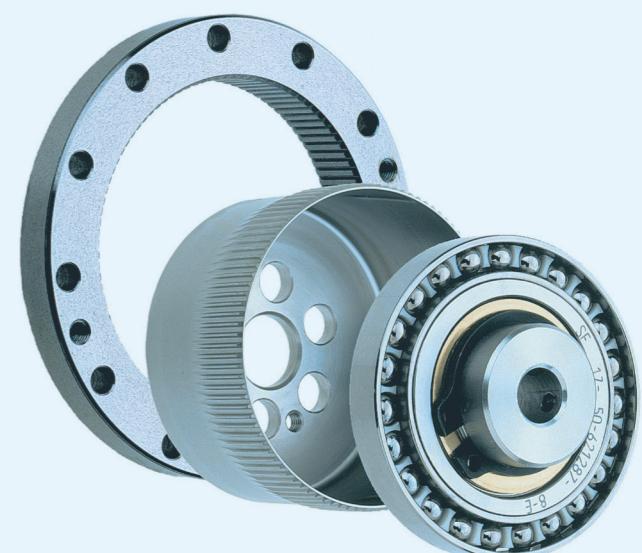
Water

The primary use of water in our operations is for domestic purposes. In the reporting year, the total water withdrawal of Nabtesco Europe and its subsidiaries in scope amounted to 1,162 m³. No water was consumed but discharged back to the system as wastewater.

Nabtesco Europe does not operate in areas of high water-stress. Our operations are located in Limburg, Cologne and Düsseldorf in Germany, areas which present a low risk of water-stress according to the WRI Aqueduct Water Risk Atlas. This means that the Group does not contribute to the strain on regions with scarce water resources.

OVALO OVALO GmbH specializes in the development, production, and industrialization of advanced mechatronic drive systems, with a core focus on high-reduction strain wave gears and customized high-precision drives. These compact precision gearboxes provide zero backlash, outstanding repeatability, and high torque capacity despite their low weight and minimal installation space. This makes them particularly suitable for applications that demand high performance in confined environments.

Typical areas of application include industrial and collaborative robotics, automation technology, machine tool construction, and medical engineering.



Social Metrics

Workforce characteristics

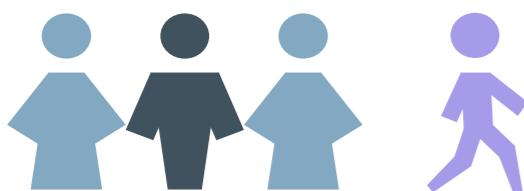
Equality and diversity are deeply rooted in our corporate culture. We believe that diverse teams are better equipped to address complex challenges, and we therefore see it as our responsibility to create structures that ensure equal opportunities for development for all employees.

In 2021, Nabtesco outlined its commitment to fostering diversity in the workplace. Since then, we have actively promoted the utilization of diverse talent by advancing the role of women, strengthening digital transformation and global leadership capabilities, leveraging the experience of senior employees, and implementing various measures that support equal opportunities – regardless of age, gender, nationality, or employment type.

Across the European group, we have 15% women among our workforce of 176 employees with Nabtesco Düsseldorf and Nabtesco Europe leading with a rate of 33%. Most employees are between 30 and 50 years old, reflecting a stable mid-career workforce. Younger employees under 30 represent a smaller share, while the proportion of employees over 50 varies by entity, indicating different workforce structures depending on the operational context.

Employment

In 2024, the vast majority of employees across our entities held permanent employment contracts, with temporary contracts accounting for only 4.5%. None of these positions were covered by collective bargaining agreements and all



Employee Turnover Rate: 13%



employees receive pay equal or above the minimum wage level. During the reporting period, the average employee turnover rate across the Nabtesco Group entities was around 13%.

Health and safety

Occupational health and safety are a key pillar, with strict measures to prevent workplace accidents and promote a safe working environment. Our approach is grounded in compliance, care, emerging risks, and individual needs.

In 2024, there were no reported work-related ill health or physical injuries across the Group's workforce. There were also no reported work-related fatalities.

Employee training remains a cornerstone of our safety culture. Annual trainings cover incident prevention, emergency procedures, and stress management. In addition to formal systems, our entities organise a variety of health and wellbeing initiatives throughout the year. These include awareness campaigns, health screenings, and trainings on posture, mental health, better sleep and psychological resilience.

Human rights policies and processes

The Nabtesco Group has established a comprehensive 'Code of Ethics' and a dedicated 'Human Rights Policy', which together define the Group's commitment to upholding fundamental human rights across all operations and business

relationships. These policies explicitly prohibit child labour, forced labour, and human trafficking and safeguard against discrimination, harassment, and any actions that undermine personal dignity. Employment is always freely chosen, and workers are protected from coercion or exploitation.

The 'Human Rights Policy' and 'Code of Ethics' also cover a wide range of workforce protections, including freedom of association, collective bargaining, compliance with legal standards on working hours and rest periods, fair wages, prevention of inhumane treatment, protection of employee privacy, and safeguarding whistleblowers.

These standards extend to business partners and suppliers, whose labour practices and compliance are verified prior to engagement. The Group has implemented a global whistleblowing system, ensuring confidential reporting and protection against retaliation for all employees, officers, and directors.

Severe negative human rights incidents

As of the reporting period, no confirmed incidents of child labour, forced labour, human trafficking, discrimination, or other human rights violations have been identified within Nabtesco's workforce or across its value chain.



Governance Metrics

Code of Ethics

The Nabtesco Group is firmly committed to the highest standards of legal compliance and business ethics. These compliance principles are a core foundation of our success and an essential part of implementing our corporate philosophy, 'The Nabtesco Way'.

To support this commitment, we established the Nabtesco Group 'Code of Ethics' in December 2016. The Code defines clear standards for employee conduct, emphasizing compliance with laws, regulations, and ethical principles. It addresses key areas such as human rights, non-discrimination, fair business practices, and safe working conditions, and promotes transparency in our interactions with governments, customers, and society. It also sets expectations for the responsible handling of company assets, financial information, and confidential data.

Anti-corruption and anti-bribery policy

The Nabtesco Group 'Global Anti-Bribery Policy' reinforces our zero-tolerance stance toward bribery in all forms, including facilitation payments. It applies to all employees and requires strict adherence to applicable anti-bribery and anti-corruption laws. The policy prohibits offering improper benefits to public officials or private individuals and defines clear internal rules for gifts, entertainment, and the engagement of third parties. It also mandates accurate record-keeping, regular employee training, and provides whistleblowing channels for reporting concerns.

Nabtesco Europe GmbH and its entities did not incur any convictions or fines related to breaches of anti-corruption or anti-bribery legislation.

Whistleblowing System

The Nabtesco Group operates a global whistleblowing system to support compliance and address issues such as bribery, harassment, and other legal or ethical violations. The anonymous reporting system is available to all employees, and reports can be submitted by email or via the

website 24 hours a day, 365 days a year. Awareness is promoted through internal communication channels, posters, and newsletters.

Furthermore, a hotline for business partners has been installed to report unfair practices or misconduct, helping to ensure transparency, fairness, and sustainable business relationships.

Corporate Ethics Month

Every October is Nabtesco Group Corporate Ethics Month, a campaign to strengthen compliance awareness across all workplaces of Nabtesco Corporation and its group companies.

In addition, Nabtesco Group and its individual entities provide annual compliance training for all employees, covering key topics such as ethical principles, anti-bribery, and harassment prevention. Training is delivered through a combination of on-site sessions and e-learning.

Revenues from certain sectors and exclusion from EU reference benchmarks

Nabtesco Europe GmbH and its entities are not active in any of the controversial sectors listed in the VSME standard, including:

- the production or trade of controversial weapons
- the cultivation and production of tobacco
- the fossil fuel sector
- the manufacturing of pesticides and other agrochemical products

Global Whistleblowing System



Furthermore, Nabtesco Europe GmbH as well as its subsidiaries are not excluded from any EU reference benchmarks aligned with the Paris Agreement.

Gender diversity ratio in the governance body

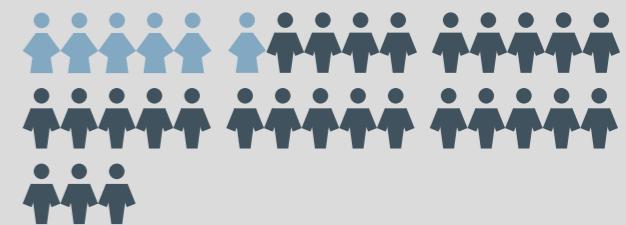
In 2024, the gender diversity ratio throughout Nabtesco Europe GmbH and subsidiaries stands at 18% on management level, with 6 women among our 33 leadership members. No women are currently at the executive level, while overall, we have 15% women among our total staff.



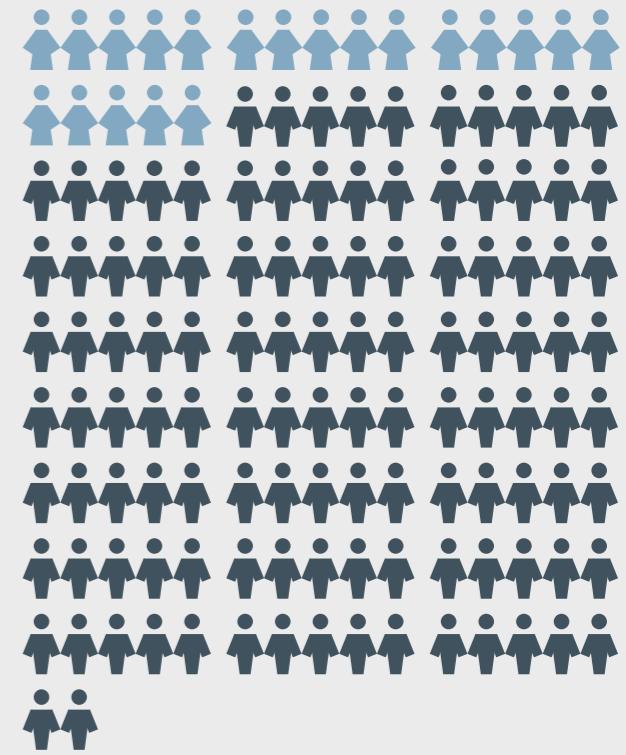
Executive



Management



Workforce



Female

Male

Nabtesco

Nabtesco Europe GmbH

Anna-Ohl-Straße 2, 65555 Limburg an der Lahn, Germany
(N 50° 24' 39.1464 E 8° 4' 22.3284)

Managing Director: Toru Mashiko, Hiroshi Usai, Tomohiro Kiriyama
NACE Code: 64.20 / 70.10

General Information

Nabtesco Europe GmbH is a wholly owned regional subsidiary of Nabtesco Corporation (Japan), established to provide management, holding and intra-group services for the Group's businesses across Europe, the Middle East and Africa (EMEA).

Operating as a holding and administrative entity, Nabtesco Europe GmbH carries out functions such as asset control, corporate governance oversight, and regional management support for the diverse portfolio of European subsidiaries.

In parallel, through its affiliated companies across EMEA, Nabtesco serves multiple industrial sectors - including automotive, aerospace, robotics, and energy - by delivering advanced control solutions such as hydraulic and pneumatic cylinders, motion-control systems, linear drives, electric actuators and precision-gear and drive systems.

As part of the broader Nabtesco Group, Nabtesco Europe helps bridge global innovation - from the Group's technological developments in Tokyo - with local European operations, thereby enabling tailored, high-precision mechatronic and motion-control solutions that meet the requirements of European industrial markets.



Environmental Metrics

Energy and greenhouse gas emissions

I)	Non-renewable electricity	127.42	MWh
	Renewable electricity	0	MWh
	Fossil fuels (vehicles, heating)	38.99	MWh
	Total energy	166.41	MWh
II)	Total Scope 1 emissions	9.83	t CO₂e
	Total Scope 2 emissions (market based)	39.76	t CO₂e
	Total Scope 2 emissions (location based)	42.69	t CO₂e
	Total Scope 3 emissions	233.73	t CO₂e
			100%
	3.1 Purchased Goods and services	24.94	t CO ₂ e
	3.4 Upstream transportation and distribution	5.45	t CO ₂ e
	3.6 Business travel	152.25	t CO ₂ e
	3.7 Employee commuting	36.58	t CO ₂ e
	Other	14.51	t CO ₂ e
III)	CO₂e Intensity (Scope 1+2)	0.22	t CO₂e / million yen
		39.09	t CO₂e / million euro

GHG emission reduction targets

The Nabtesco Europe group recognizes its responsibility to address climate change and in 2025, we initiated a Corporate Carbon Footprint (CCF) assessment covering Scope 1, 2, and 3 emissions. Based on this baseline year (2024), Nabtesco Europe has established GHG reduction targets for Scope 1 and 2 emissions for the whole European group with individual targets set for each entity, fully aligned with Nabtesco Japan and the European Union reduction targets. The European group aims to reduce emissions 50 % by 2027, by 63 % by 2030, and by 90% by 2040, pursuing net-zero Scope 1 and 2 emissions by 2050. In addition to absolute emission reductions, emission intensity per € revenue is monitored as a performance indicator. Targets will be reviewed regularly, with key measures including renewable electricity, energy efficiency improvements, and gradual electrification of heating and production processes.

Climate-Related Physical and Transition Risk

Nabtesco Europe GmbH has identified several climate-related hazards and transition events that may create gross risks for the undertaking. Transition risks mainly stem from increasingly stringent climate-related disclosure laws, which are expected to create additional administrative burdens and higher compliance costs over the medium term. Physical risks include heat waves that can affect employee health and productivity, as well as storms and heavy precipitation that may disrupt commuting and workplace accessibility.

Several adaptation measures have already been implemented. Cooling systems, sunshades, flexible home-office arrangements, and free drinks help mitigate heat-related risks, while remote-work options reduce exposure to storms and heavy precipitation. To address transition risks, Nabtesco Europe is proactively preparing for upcoming disclosure requirements in close coordination with related entities.

The assessment evaluated exposure and sensitivity across employees, buildings, production processes, and supply chains. Likelihood and impact ratings were assigned to generate risk scores based on both historical incidents and forward-looking assumptions. Risk horizons were categorized as short-term (current period), medium-term (0–5 years), and long-term (>5 years), with most hazards and transition events expected to materialize in the medium term, while short-term impacts remain limited.

Likelihood and impact scores indicate that risks to employees are low to medium. Overall, financial and operational impacts are assessed as manageable in the short- to medium-term, and no high-risk events have been identified.

Pollution of air, water and soil

Even though Nabtesco Europe or any of its subsidiaries is not subject to any legal or national regulatory requirements regarding emissions to air or water, we voluntarily assessed our environmental impacts as part of our Double Materiality Assessment.

Regarding emissions to air, the European entities do not operate on-site combustion installations and therefore do not emit SO₂ (sulphur dioxide), NO_x (nitrous oxides) nor particulates. In addition, we actively minimize the use of harmful chemicals. Guided by the global Nabtesco ESH Basic Policy, we ensure proper controls are in place for safe handling of such substances.

Biodiversity

Across all its sites in Germany, the European Nabtesco Group neither owns, leases, nor manages any areas located within or adjacent to biodiversity-sensitive zones listed in the World Database on Protected Areas (WDPA).

Water

Water withdrawal	75.74	m ³
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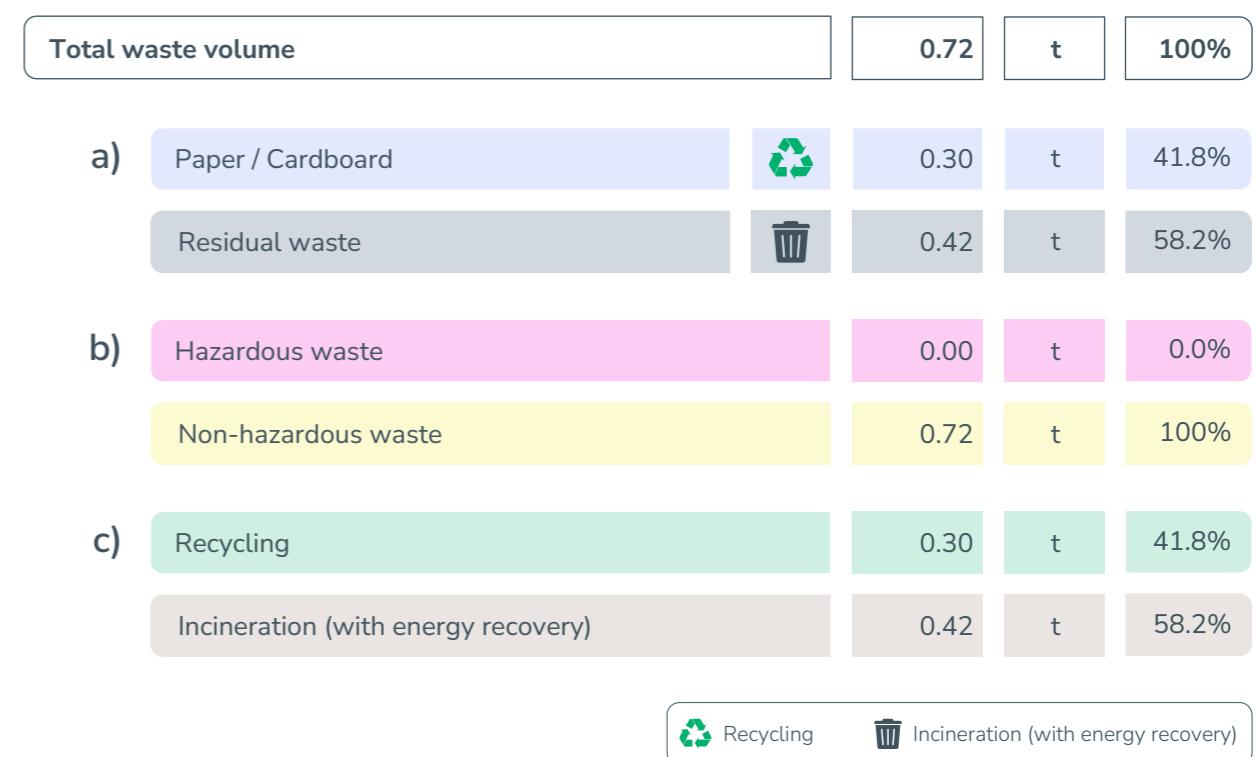
Withdrawal in areas of high water-stress	0	m ³
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Water discharge	75.74	m ³
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Water consumption	0	m ³
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Resource use, circular economy and waste management

Nabtesco Europe GmbH ensures systematic waste separation to promote recycling and minimize environmental impact. Dedicated collection systems are in place for paper and residual waste, supported by reduction initiatives such as digital workflows and double-sided printing. Regular in-house training reinforces proper waste-sorting practices, helping employees contribute to higher recycling rates and more efficient resource use.



Social Metrics

Employment

In 2024, all employees of Nabtesco Europe GmbH were employed on permanent contracts. None of these positions were covered by collective bargaining agreements, and all employees received compensation at or above the statutory minimum wage. During the reporting period, the employee turnover rate was 11.1%.

Health and safety

Occupational health and safety are a key pillar, with strict measures to prevent workplace accidents and promote a safe working environment. Our approach is grounded in compliance, care, emerging risks, and individual needs. In 2024, there were no reported work-related ill health or physical injuries across the Group's workforce. There were also no reported work-related fatalities.

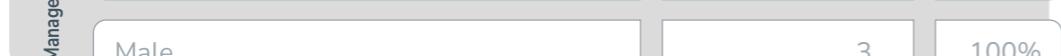
Human rights policies and processes

The Nabtesco Group has established a 'Code of Ethics' and a 'Human Rights Policy' that define its commitment to respecting fundamental human rights across all operations and business relationships. These policies prohibit child and forced labour, human trafficking, discrimination, and harassment, and ensure that employment is freely chosen and conducted with dignity.

They also safeguard freedom of association, fair wages, lawful working hours, employee privacy, and whistleblower protection. These standards apply equally to business partners and suppliers, whose compliance is reviewed prior to engagement, and are supported by a global whistleblowing system that enables confidential reporting without fear of retaliation.

Workforce characteristics

I)	Total number of employees	9	100%
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II)	Number and rate of recordable work-related accidents	0	0%
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Number of fatalities as a result of work-related injuries and work-related ill health	0	0%
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Severe negative human rights incidents

As of the reporting period, no confirmed incidents of child labour, forced labour, human trafficking, discrimination, or other human rights violations have been identified within Nabtesco's workforce or across its value chain.

Governance Metrics

Anti-corruption and anti-bribery policy

The Nabtesco Group 'Global Anti-Bribery Policy' reinforces our zero-tolerance stance toward bribery in all forms, including facilitation payments. It applies to all employees and requires strict adherence to applicable anti-bribery and anti-corruption laws. The policy prohibits offering improper benefits to public officials or private individuals and defines clear internal rules for gifts, entertainment, and the engagement of third parties. It also mandates accurate record-keeping, regular employee training, and provides whistleblowing channels for reporting concerns.

Nabtesco Europe GmbH and its entities did not incur any convictions or fines related to breaches of anti-corruption or anti-bribery legislation.

Whistleblowing System

The Nabtesco Group operates a global whistleblowing system to support compliance and address issues such as bribery, harassment, and other legal or ethical violations. The anonymous reporting system is available to all employees, as well as former employees for up to one year after leaving the company. Awareness is promoted through internal communication channels, posters, and newsletters.

Furthermore, a hotline for business partners has been installed to report unfair practices or misconduct, helping to ensure transparency, fairness, and sustainable business relationships.

Revenues from certain sectors and exclusion from EU reference benchmarks

Nabtesco Europe GmbH and its entities are not active in any of the controversial sectors listed in the VSME standard, including:

- a) the production or trade of controversial weapons
- b) the cultivation and production of tobacco
- c) the fossil fuel sector
- d) the manufacturing of pesticides and other agrochemical products

Furthermore, Nabtesco Europe GmbH as well as its subsidiaries are not excluded from any EU reference benchmarks aligned with the Paris Agreement.



Nabtesco Precision Europe GmbH

Tiefenbroicher Weg 15, 40472 Düsseldorf, Germany
(N 51° 17' 16.7568 E 6° 47' 38.5836)

Managing Director: Marcus Löw
NACE Code: 46.69

General Information

Nabtesco Precision Europe GmbH, headquartered in Düsseldorf, is a leading specialist in advanced high-precision motion-control technologies. It brings together mechanical, electronic, and digital expertise across the Nabtesco corporate family and offers one of the most comprehensive product portfolios in the global market for cycloidal precision gears and strain wave gears. Its portfolio also includes complete electromechanical drive systems, custom-engineered drive solutions, installation kits, turntables, and dedicated lubricants for industrial applications.

In addition to its extensive product range, Nabtesco Precision Europe delivers a full suite of engineering services. These include custom modifications tailored to specific customer requirements as well as prototyping. A local production shop enables final assembly, finishing, and the development of customer-specific solutions directly in Europe. The company also maintains a robust after-sales infrastructure, supported by fast-response service teams, a large onsite warehouse for short delivery times, and advanced maintenance concepts based on digital monitoring - such as condition monitoring and digital gear twins for predictive maintenance.

Nabtesco Precision Europe GmbH operates primarily in the B2B sector, serving leading global manufacturers of industrial robots, machine tools, packaging machinery, automation systems and - increasingly - medical technology, the food industry, and electromobility. From its headquarters in Düsseldorf, the company oversees sales, engineering support, and customer service across Europe, the Middle East, and Africa. Products are distributed through direct sales channels, a European distributor network, and active participation in major industry fairs and events.



The company places particular emphasis on product longevity and resource efficiency: its precision gears are designed for long service life, reduced maintenance needs, minimal material consumption, and



RVW Mecanum wheel
Compact, mobile drive units



RV-N Cycloidal gear
Solid shaft component set



Neco® & Neco®HT
Plug&Play precision gearbox
with solid shaft

sustained operational efficiency. Through digitalized maintenance solutions and predictive wear analytics, Nabtesco enables customers to keep gears in operation for as long as technically viable, helping reduce waste, conserve resources, and optimize lifecycle costs.

Environmental Metrics

Energy and greenhouse gas emissions

I)	Non-renewable electricity	74.61	MWh
	Renewable electricity	15.16	MWh
	Fossil fuels (vehicles, heating)	410.05	MWh
	Total energy	499.82	MWh

II)	Total Scope 1 emissions	117.47	t CO₂e
	Total Scope 2 emissions (market based)	29.10	t CO₂e
	Total Scope 2 emissions (location based)	30.07	t CO₂e
	Total Scope 3 emissions	18,148.25	t CO₂e

3.1 Purchased Goods and services	13,625.74	t CO ₂ e	75%
3.4 Upstream transportation and distribution	2,361.12	t CO ₂ e	13%
3.6 Business travel	210.07	t CO ₂ e	1%
3.7 Employee commuting	1,546.13	t CO ₂ e	9%
Other	405.19	t CO ₂ e	2%

III)	CO₂e Intensity (Scope 1+2)	0.01	t CO₂e / million yen
		1.79	t CO₂e / million euro

GHG emission reduction targets

The Nabtesco Europe group recognizes its responsibility to address climate change and in 2025, we initiated GHG assessment covering Scope 1, 2, and 3 emissions. Based on this baseline year (2024), Nabtesco Europe has established GHG reduction targets for Scope 1 and 2 emissions for the whole European group with individual targets set for each entity, fully aligned with Nabtesco Japan and the

European Union reduction targets. The European group aims to reduce emissions 50 % by 2027, by 63 % by 2030, and by 90% by 2040, pursuing net-zero Scope 1 and 2 emissions by 2050. In addition to absolute emission reductions, emission intensity per € revenue is monitored as a performance indicator. Targets will be reviewed regularly, with key measures including renewable electricity, energy efficiency improvements, and gradual electrification of heating and production processes.

Climate-Related Physical and Transition Risk

Nabtesco Precision Europe GmbH has identified climate-related transition risks and physical hazards affecting its operations, supply chain, and workforce. Transition risks relate to regulatory changes (e.g. carbon pricing, disclosure and efficiency standards), technological shifts, and raw material price volatility, while physical hazards include heat and cold waves and heavy precipitation.

A structured risk assessment was conducted using likelihood and impact scores (0–5), combined into risk classifications. Risks were evaluated based on historical data, planned regulations, and forward-looking assumptions. Sensitivity is highest where operations rely on external supply chains and energy, while direct processes such as sales, administration, and logistics are less vulnerable. Risk horizons were categorized as short-term (heat waves), medium-term (carbon pricing, compliance costs, price volatility, heavy precipitation, stricter disclosure laws), and long-term (gradual heat stress and cold waves).

Adaptation measures include air conditioning, home-office policies, elevated storage for vulnerable goods, heating system maintenance, emergency air freight, collaboration with the Nabtesco Group on compliance, and supplier diversification. Medium-risk events include carbon pricing, compliance costs, and price volatility, while other physical and transition hazards are considered low risk. Overall, climate-related risks are assessed as manageable in the short- to medium-term, with no high-risk events identified.

Pollution of air, water and soil

Although Nabtesco Europe and its subsidiaries are not subject to specific legal or national requirements on emissions to air or water, environmental impacts were voluntarily assessed as part of the Double Materiality Assessment. The European entities do not operate on-site combustion installations and therefore do not emit SO₂, NO_x, or particulate matter. The use of harmful chemicals is minimized and managed in line with the global Nabtesco ESH Basic Policy, ensuring appropriate controls for safe handling.

Biodiversity

Across all sites in Germany, the European Nabtesco Group neither owns, leases, nor manages any areas located within or adjacent to biodiversity-sensitive zones listed in the World Database on Protected Areas (WDPA).

Water

Water withdrawal	110.53	m ³
Withdrawal in areas of high water-stress	0	m ³
Water discharge	110.53	m ³
Water consumption	0	m ³

Resource use, circular economy and waste management

Nabtesco Precision Europe GmbH implements systematic waste management practices to promote recycling and reduce environmental impact. Waste is carefully separated using dedicated collection systems, supported by initiatives that reduce paper consumption through digital workflows and double-sided printing.

In addition, the company is taking steps to minimize plastic and general waste by purchasing only plastic-free cleaning agents and soaps and by testing sustainable packaging solutions made from renewable, biodegradable materials.

Total waste volume	28.13	t	100%
a) Residual waste	10.70	t	38.0%
Wood	2.95	t	10.5%
Hazardous waste	0.13	t	0.5%
Paper / Cardboard	8.29	t	29.5%
Metal	1.91	t	6.8%
Mixed packaging	4.15	t	14.7%
b) Hazardous waste	0.13	t	0.5%
Non-hazardous waste	28.00	t	99.5%
c) Recycling	14.35	t	51.0%
Incineration (with energy recovery)	13.78	t	49.0%

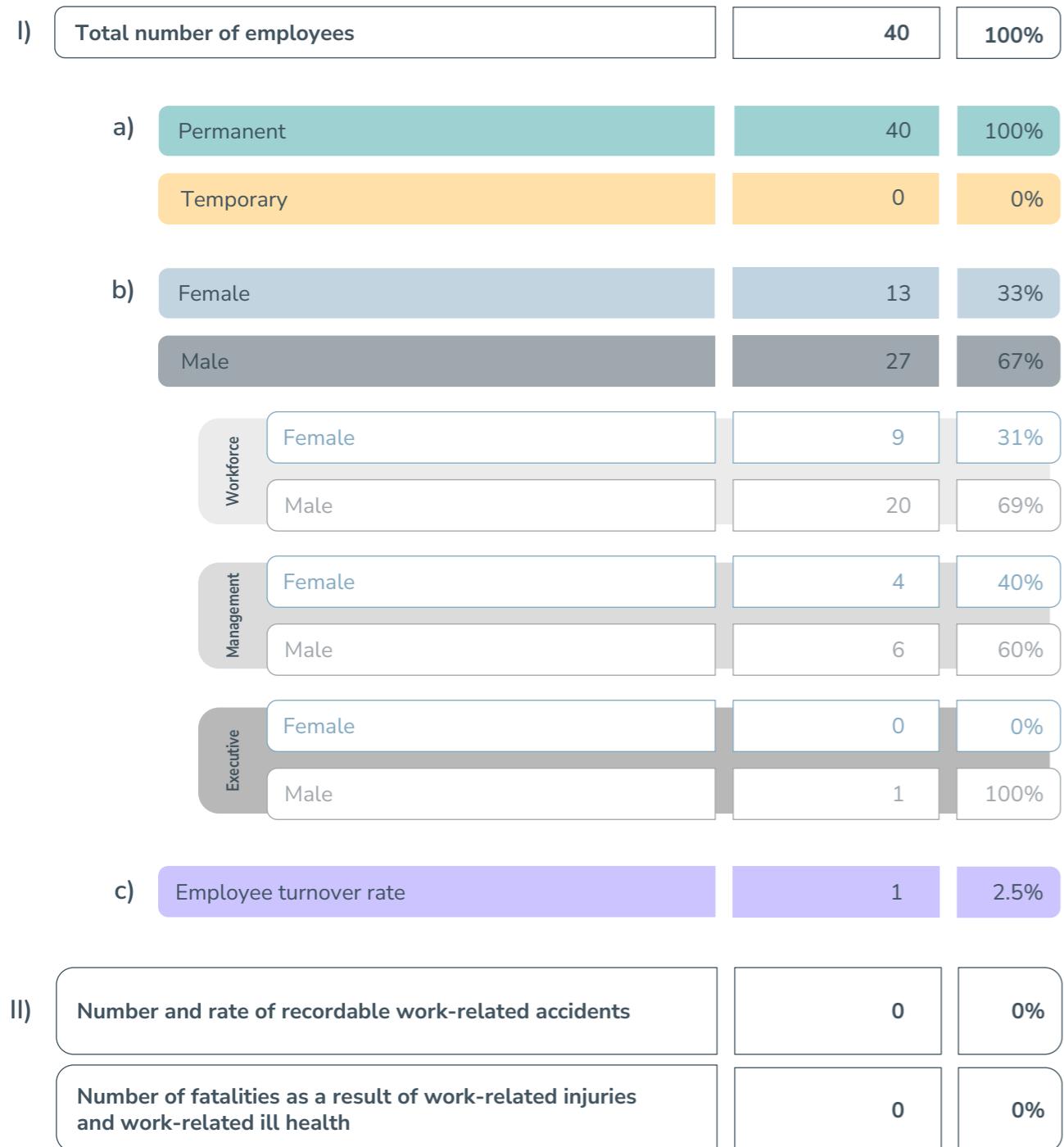
 Recycling  Incineration (with energy recovery)

Social Metrics

Employment

In 2024, all employees of Nabtesco Precision Europe GmbH were employed on permanent contracts. None of these positions were covered by collective bargaining agreements, and all employees received compensation at or above the statutory minimum wage. During the reporting period, the employee turnover rate was 2.5%.

Workforce characteristics



Health and safety

Occupational health and safety are a key pillar, with strict measures to prevent workplace accidents and promote a safe working environment. Our approach is grounded in compliance, care, emerging risks, and individual needs. In 2024, there were no reported work-related ill health or physical injuries across the Group's workforce. There were also no reported work-related fatalities.

Human rights policies and processes

The Nabtesco Group has established a 'Code of Ethics' and a 'Human Rights Policy' that define its commitment to respecting fundamental human rights across all operations and business relationships.

The Nabtesco Group has established a Code of Ethics and a Human Rights Policy that define its commitment to respecting fundamental human rights across all operations and business relationships. These policies prohibit child and forced labour, human trafficking, discrimination, and harassment, and ensure that employment is freely chosen and conducted with dignity.

They also safeguard freedom of association, fair wages, lawful working hours, employee privacy, and whistleblower protection. These standards apply equally to business partners and suppliers, whose compliance is reviewed prior to engagement, and are supported by a global whistleblowing system that enables confidential reporting without fear of retaliation.

Severe negative human rights incidents

As of the reporting period, no confirmed incidents of child labour, forced labour, human trafficking, discrimination, or other human rights violations have been identified within Nabtesco's workforce or across its value chain.

Governance Metrics

Anti-corruption and anti-bribery policy

The Nabtesco Group Global 'Anti-Bribery Policy' reinforces our zero-tolerance stance toward bribery in all forms, including facilitation payments. It applies to all employees and requires strict adherence to applicable anti-bribery and anti-corruption laws. The policy prohibits offering improper benefits to public officials or private individuals and defines clear internal rules for gifts, entertainment, and the engagement of third parties. It also mandates accurate record-keeping, regular employee training, and provides whistleblowing channels for reporting concerns.

Nabtesco Precision Europe GmbH did not incur any convictions or fines related to breaches of anti-corruption or anti-bribery legislation.

Whistleblowing System

The Nabtesco Group operates a global whistleblowing system to support compliance and address issues such as bribery, harassment, and other legal or ethical violations. The anonymous reporting system is available to all employees, as well as former employees for up to one year after leaving the company. Awareness is promoted through internal communication channels, posters, and newsletters. Furthermore, a hotline for business partners has been installed to report unfair practices or misconduct, helping to ensure transparency, fairness, and sustainable business relationships.

Revenues from certain sectors and exclusion from EU reference benchmarks

Nabtesco Precision Europe GmbH is not active in any of the controversial sectors listed in the VSME standard, including:

- a) the production or trade of controversial weapons
- b) the cultivation and production of tobacco
- c) the fossil fuel sector
- d) the manufacturing of pesticides and other agrochemical products

Furthermore, Nabtesco Precision Europe GmbH is not excluded from any EU reference benchmarks aligned with the Paris Agreement.



OVALO GmbH

Anna-Ohl-Straße 2, 65555 Limburg an der Lahn, Germany
(N 50° 24' 39.1464 E 8° 4' 22.3284)

Limburger Straße 63, 65555 Limburg an der Lahn, Germany
(N 50° 24' 17.2008 E 8° 4' 0.1848)

Managing Director: Toru Mashiko, Tim Wallner (Operations & Engineering)
NACE Code: 28.15 / 29.32

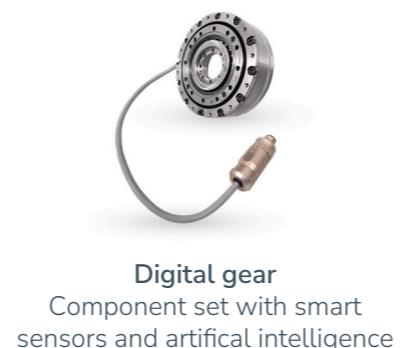
General Information

OVALO GmbH is an engineering company specializing in the development, production, and industrialization of high-precision mechatronic drive systems. The portfolio includes custom high-precision drives and high-reduction strain wave gears - known for their zero backlash, high transmission accuracy, compact and lightweight design, high torque capacity, and efficiency - as well as fully customized mechatronic drive systems that integrate motors, sensors, gearing, and software. OVALO also develops application-specific components, modules, and complete systems, offering everything from prototyping to testing and validation.

Operating exclusively in the B2B sector, OVALO serves industries that require precise and reliable drive technology. Its key markets include industrial automation and robotics, the automotive sector - as a Tier 1 supplier to leading OEMs - machine tool manufacturing, medical technology, and automated material handling. OVALO, located in Limburg an der Lahn, Germany, benefits from close integration with the wider Nabtesco networks, which extend its reach across Europe and Asia. OVALO sources high-grade materials and specialized components through Nabtesco's global supply chain, ensuring consistent quality and reliability. Since 2024, all sales and marketing activities have been fully consolidated within Nabtesco Precision Europe GmbH, providing customers with a single point of contact and seamless access to both cycloidal and strain wave drive technologies.

Sustainability is central to OVALO's engineering and production philosophy. Its products are designed for high efficiency and long service life, reducing energy and resource consumption over their lifecycle. Highly automated manufacturing processes, certified to ISO 9001, ISO 14001, ISO 45001, and IATF 16949, ensure consistent quality and compliance with environmental and safety standards. By

 tailoring solutions to specific applications and integrating advanced software, sensors, and control technologies, OVALO helps customers optimize their systems for greater efficiency and sustainability.



Digital gear
Component set with smart sensors and artificial intelligence



Actuator
Plug&Play automation solution (gearbox component set)



Gear sets Plus
Precision gearbox component set with solid & hollow shaft

Environmental Metrics

Energy and greenhouse gas emissions

I)	Non-renewable electricity	1,472.43	MWh
	Renewable electricity	0.20	MWh
	Fossil fuels (vehicles, heating)	44.20	MWh
	Total energy	1,516.83	MWh
II)	Total Scope 1 emissions	58.12	t CO₂e
	Total Scope 2 emissions (market based)	459.40	t CO₂e
	Total Scope 2 emissions (location based)	493.33	t CO₂e
	Total Scope 3 emissions	10,746.93	t CO₂e
			100%
	3.1 Purchased Goods and services	3,253.93	t CO ₂ e
	3.4 Upstream transportation and distribution	75.10	t CO ₂ e
	3.6 Business travel	82.33	t CO ₂ e
	3.7 Employee commuting	7,142.23	t CO ₂ e
	Other	193.34	t CO ₂ e
III)	CO₂e Intensity (Scope 1+2)	0.23	t CO₂e / million yen
		41.39	t CO₂e / million euro

GHG emission reduction targets

The Nabtesco Europe group recognizes its responsibility to address climate change and in 2025, we initiated a Corporate Carbon Footprint (CCF) assessment covering Scope 1, 2, and 3 emissions. Based on this baseline year (2024), Nabtesco Europe has established GHG reduction targets for Scope 1 and 2 emissions for the whole European group with individual targets set for each entity, fully aligned with Nabtesco Japan and the European Union reduction targets. The European group aims to reduce emissions 50 % by 2027, by 63 % by 2030, and by 90% by 2040, pursuing net-zero Scope 1 and 2 emissions by 2050. In addition to absolute emission reductions, emission intensity per € revenue is monitored as a performance indicator. Targets will be reviewed regularly, with key measures including renewable electricity, energy efficiency improvements, and gradual electrification of heating and production processes.

Climate-Related Physical and Transition Risk

OVALO GmbH has identified climate-related hazards and transition events that may affect employees, operations, supply chains, and facilities through a structured risk assessment. Transition risks include regulatory and legal changes such as carbon pricing, climate-related disclosure laws, and compliance costs, as well as technological shifts and market volatility. Physical hazards include heat and cold waves, storms, heavy precipitation, and changing humidity, which could disrupt production processes, material supply chains, accessibility, and employee working conditions.

A structured risk assessment was conducted using likelihood and impact scores (0–5), combined into risk classifications across employees, buildings, production processes, and supply chains. Risks were evaluated based on historical data, planned regulations, and forward-looking assumptions. Short-term risks primarily affect employees during heat or cold waves. Medium-term risks include supply chain disruptions, accessibility challenges, and moderate operational impacts from precipitation, and regulatory changes. Long-term risks involve increasing compliance costs, operational adjustments from changing humidity, and climate-related disclosure requirements. Risk scores indicate medium to high exposure for transition events, material supply and employee commuting.

OVALO has implemented adaptation measures across buildings, accessibility, production processes, supply chains, and employee well-being. Measures include stormwater management, heated parking and winter maintenance, humidity control, supplier diversification, air conditioning, flexible home-office policies, and proactive energy, waste, and compliance management in collaboration with Nabtesco Europe GmbH, ensuring resilience and continuity in the face of climate-related risks.

Pollution of air, water and soil

Even though Nabtesco Europe or any of its subsidiaries is not subject to any legal or national regulatory requirements regarding emissions to air or water, we voluntarily assessed our environmental impacts as part of our Double Materiality Assessment.

Regarding emissions to air, the European entities do not operate on-site combustion installations and therefore do not emit SO₂ (sulphur dioxide), NO_x (nitrous oxides) nor particulates. In addition, we actively minimize the use of harmful chemicals. Guided by the global Nabtesco ESH Basic Policy, we ensure proper controls are in place for safe handling of such substances.

Biodiversity

Across all its sites in Germany, the European Nabtesco Group neither owns, leases, nor manages any areas located within or adjacent to biodiversity-sensitive zones listed in the World Database on Protected Areas (WDPA).

Water

Water withdrawal	875.26	m ³
Withdrawal in areas of high water-stress	0	m ³
Water discharge	875.26	m ³
Water consumption	0	m ³

Resource use, circular economy and waste management

OVALO GmbH applies standardized waste collection and disposal procedures to ensure that all waste streams are clearly separated, responsibly disposed of, or prepared for reuse where possible. To reduce paper and cardboard consumption, the company has implemented digital workflows, double-sided printing, and a shift toward reusable packaging and filler materials. Corrugated paper boxes, wooden pallets, and packaging materials are reused in both internal and external logistics, supporting circular material use. Regular in-house training reinforces correct waste separation practices among employees, contributing to higher recycling rates and more efficient resource management.

Total waste volume	94.60	t	100%
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a)	Residual waste		4.90	t	5.2%
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Hazardous waste		0.66	t	0.7%
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Paper / Cardboard		3.56	t	3.8%
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Metal		75.56	t	79.9%
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Hazardous liquids		6.50	t	6.8%
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Organic and garden waste		3.42	t	3.6%
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b)	Hazardous waste		7.16	t	7.6%
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Non-hazardous waste		87.44	t	92.4%
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c)	Recycling		89.00	t	94.1%
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Incineration (with energy recovery)		5.60	t	5.9%
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Recycling Incineration (with energy recovery)

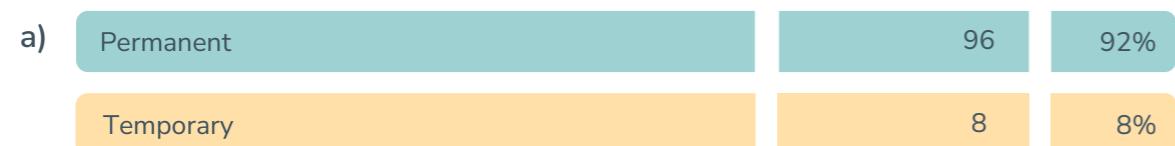
Social Metrics

Employment

In 2024, the majority of employees at OVALO GmbH were employed on permanent contracts, with only 8% in temporary positions. None of the roles were covered by collective bargaining agreements, and all employees received compensation at or above the statutory minimum wage. During the reporting period, the employee turnover rate was 17.9%.

Workforce characteristics

I)	Total number of employees	104	100%
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c)

Employee turnover rate	20	17.9%
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II)	Number and rate of recordable work-related accidents	0	0%
	Number of fatalities as a result of work-related injuries and work-related ill health	0	0%

Health and safety

Occupational health and safety are a key pillar, with strict measures to prevent workplace accidents and promote a safe working environment. Our approach is grounded in compliance, care, emerging risks, and individual needs. In 2024, there were no reported work-related ill health or physical injuries across the Group's workforce. There were also no reported work-related fatalities.

Human rights policies and processes

The Nabtesco Group has established a 'Code of Ethics' and a 'Human Rights Policy' that define its commitment to respecting fundamental human rights across all operations and business relationships.

The Nabtesco Group has established a Code of Ethics and a Human Rights Policy that define its commitment to respecting fundamental human rights across all operations and business relationships. These policies prohibit child and forced labour, human trafficking, discrimination, and harassment, and ensure that employment is freely chosen and conducted with dignity.

They also safeguard freedom of association, fair wages, lawful working hours, employee privacy, and whistleblower protection. These standards apply equally to business partners and suppliers, whose compliance is reviewed prior to engagement, and are supported by a global whistleblowing system that enables confidential reporting without fear of retaliation.

Severe negative human rights incidents

As of the reporting period, no confirmed incidents of child labour, forced labour, human trafficking, discrimination, or other human rights violations have been identified within Nabtesco's workforce or across its value chain.

Governance Metrics

Anti-corruption and anti-bribery policy

The Nabtesco Group Global 'Anti-Bribery Policy' reinforces our zero-tolerance stance toward bribery in all forms, including facilitation payments. It applies to all employees and requires strict adherence to applicable anti-bribery and anti-corruption laws. The policy prohibits offering improper benefits to public officials or private individuals and defines clear internal rules for gifts, entertainment, and the engagement of third parties. It also mandates accurate record-keeping, regular employee training, and provides whistleblowing channels for reporting concerns.

OVALO GmbH did not incur any convictions or fines related to breaches of anti-corruption or anti-bribery legislation.

Whistleblowing System

The Nabtesco Group operates a global whistleblowing system to support compliance and address issues such as bribery, harassment, and other legal or ethical violations. The anonymous reporting system is available to all employees, as well as former employees for up to one year after leaving the company. Awareness is promoted through internal communication channels, posters, and newsletters.

Furthermore, a hotline for business partners has been installed to report unfair practices or misconduct, helping to ensure transparency, fairness, and sustainable business relationships.

Revenues from certain sectors and exclusion from EU reference benchmarks

OVALO GmbH is not active in any of the controversial sectors listed in the VSME standard, including:

- the production or trade of controversial weapons
- the cultivation and production of tobacco
- the fossil fuel sector
- the manufacturing of pesticides and other agrochemical products

Furthermore, OVALO GmbH is not excluded from any EU reference benchmarks aligned with the Paris Agreement.



adcos GmbH

Zollstockgürtel 67, 50969 Köln, Germany
(N 50° 54' 14.4252 E 6° 56' 2.1804)

Managing Director: Stephan Klotzbach, Daniele Pagin
NACE Code: 72.19 / 62.01

General Information

adcos GmbH is an engineering company specialized in the development of hardware and software for advanced mechatronic systems. Based in Cologne, Germany, the company focuses on embedded control units, motion control systems, inverters, and electromechanical actuators, supporting customers from the initial concept phase through prototyping and into series production. Its expertise includes model-based system design, simulation, rapid control prototyping - most notably through its proprietary PUMA platform - and comprehensive testing services. The company's portfolio includes high-end steering systems, electromechanical actuators, custom ECUs, and control software tailored to demanding use cases in mobility, automation, and robotics.

Operating exclusively in B2B markets, adcos serves as a specialized development partner for OEMs and tier-1 suppliers, primarily in the automotive, commercial vehicle, industrial robotics, and aerospace sectors. Rooted in Germany, adcos works on international projects and benefits from its integration within the Nabtesco Group and its close partnership with OVALO GmbH, which became its majority shareholder in 2017. This collaboration enables cross-company innovation, shared engineering resources, and joint development of mechatronic systems for global markets. The company sources specialized components - such as controllers, power electronics, and sensors - from selected suppliers typical for advanced R&D-driven engineering, although specific supplier information is not publicly disclosed.

Sustainability plays an important role in adcos's engineering philosophy. The company emphasizes the development of innovative, energy-efficient control and regulation systems that help customers exploit efficiency gains and support the broader transition toward electrified and automated mobility. Many of its

projects - such as fully electric steering systems and compact electromechanical actuators that replace hydraulic solutions - directly contribute to reducing environmental impacts, improving energy use, and enabling cleaner technologies.



PUMA
Rapid Control Prototyping Platform



Power electronics
for the operation of an electric
drive



Software and hardware (RCP)
for brake, clutch and transmission
systems

Environmental Metrics

Energy and greenhouse gas emissions

I)	Non-renewable electricity	0	MWh
	Renewable electricity	12.68	MWh
	Fossil fuels (vehicles, heating)	25.98	MWh
	Total energy	38.66	MWh

II)	Total Scope 1 emissions	4.68	t CO₂e
	Total Scope 2 emissions (market based)	0	t CO₂e
	Total Scope 2 emissions (location based)	4.25	t CO₂e
	Total Scope 3 emissions	539.34	t CO₂e
			100%

3.1 Purchased Goods and services	160.51	t CO ₂ e	30%
3.4 Upstream transportation and distribution	24.58	t CO ₂ e	4%
3.6 Business travel	78.55	t CO ₂ e	15%
3.7 Employee commuting	263.58	t CO ₂ e	49%
Other	12.12	t CO ₂ e	2%

III)	CO₂e Intensity (Scope 1+2)	0.00	t CO₂e / million yen
		0.77	t CO₂e / million euro

GHG emission reduction targets

The Nabtesco Europe group recognizes its responsibility to address climate change and in 2025, we initiated a Corporate Carbon Footprint (CCF) assessment covering Scope 1, 2, and 3 emissions. Based on this baseline year (2024), Nabtesco Europe has established GHG reduction targets for Scope 1 and 2 emissions for the whole European group with individual targets set for each entity, fully aligned with Nabtesco Japan and the European Union reduction targets. The European group aims to reduce emissions 50 % by 2027, by 63 % by 2030, and by 90% by 2040, pursuing net-zero Scope 1 and 2 emissions by 2050. In addition to absolute emission reductions, emission intensity per € revenue is monitored as a performance indicator. Targets will be reviewed regularly, with key measures including renewable electricity, energy efficiency improvements, and gradual electrification of heating and production processes.

Climate-Related Physical and Transition Risk

adcos GmbH has identified both transition and physical climate-related risks that may affect its operations. Transition risks include climate-related disclosure laws and compliance costs, which are expected to increase administrative and managerial burdens over the medium term, while longer-term shifts in competitive advantage or customer preferences remain possible but low risk. Physical hazards primarily involve heat waves, storms, and heavy precipitation, which could affect employee well-being, productivity, and building integrity, with past incidents such as water ingress during flash rains highlighting potential vulnerabilities.

A structured risk assessment was carried out using likelihood and impact scores on a 0–5 scale, generating risk scores that reflect exposure and sensitivity across buildings, facilities, employees, supply chains, and operational processes. Short-term risks are limited, mainly reflecting awareness of upcoming disclosure requirements. Medium-term risks, expected over the next five years, include regulatory exposure as well as physical impacts from heat waves, storms, and heavy precipitation. Long-term risks relate to potential market and technological shifts in energy efficiency, currently assessed as low.

adcos has implemented several adaptation measures. Employee heat exposure is mitigated through efficient cooling systems, sunshades, optimal building orientation and tree shading, flexible home-office policies, and provision of free drinks. Storm- and precipitation-related commuting risks are addressed through company-wide home-office arrangements. Transition risks are managed via proactive planning, process standardization, and collaboration with Nabtesco Europe GmbH. Building resilience measures against storm damage or water ingress remain under consideration, with drainage and infiltration solutions potentially planned for the future.

Pollution of air, water and soil

Even though Nabtesco Europe or any of its subsidiaries is not subject to any legal or national regulatory requirements regarding emissions to air or water, we voluntarily assessed our environmental impacts as part of our Double Materiality Assessment.

Regarding emissions to air, the European entities do not operate on-site combustion installations and therefore do not emit SO₂ (sulphur dioxide), NO_x (nitrous oxides) nor particulates. In addition, we actively minimize the use of harmful chemicals. Guided by the global Nabtesco ESH Basic Policy, we ensure proper controls are in place for safe handling of such substances.

Biodiversity

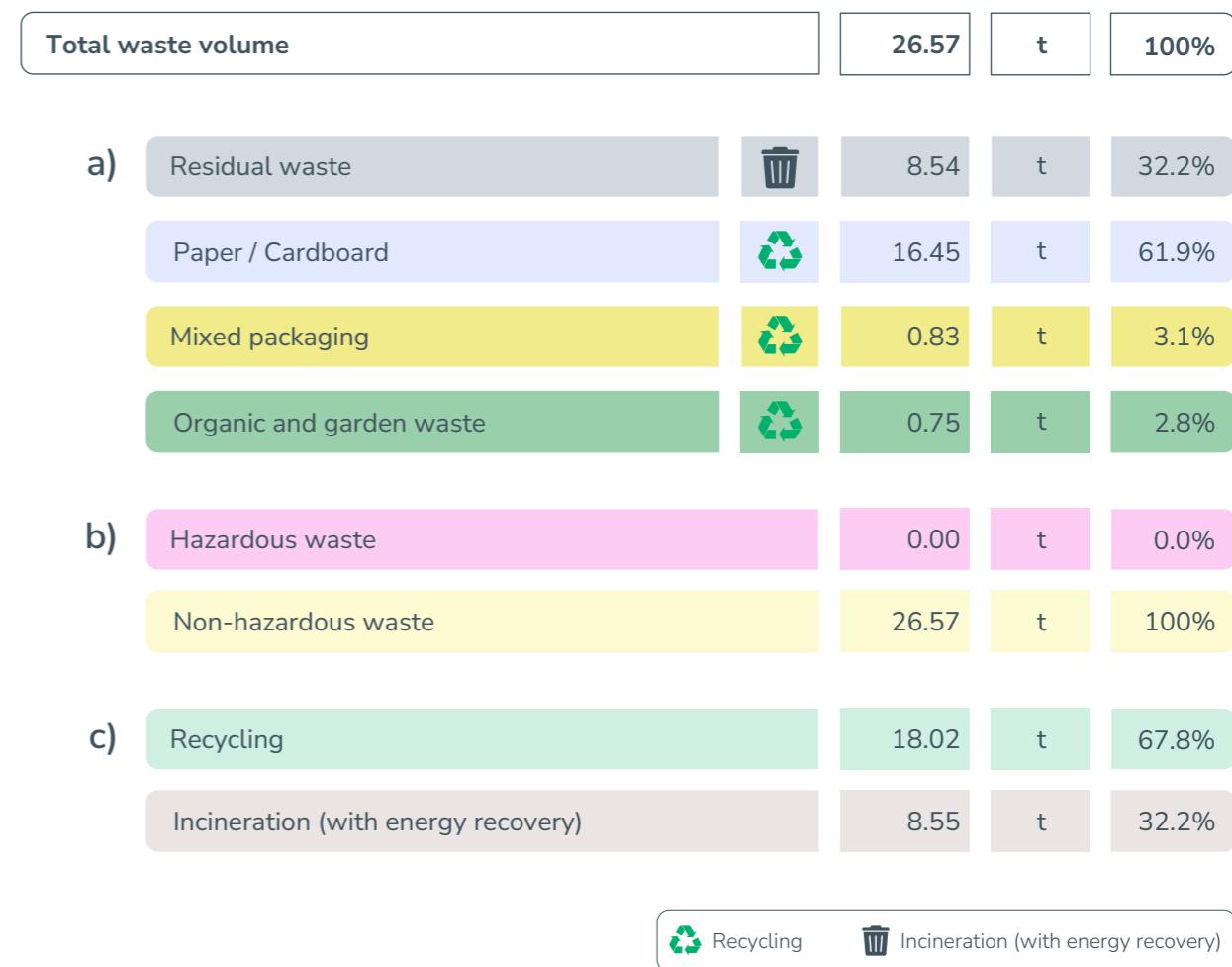
Across all its sites in Germany, the European Nabtesco Group neither owns, leases, nor manages any areas located within or adjacent to biodiversity-sensitive zones listed in the World Database on Protected Areas (WDPA).

Water

Water withdrawal	100.50	m ³
Withdrawal in areas of high water-stress	0	m ³
Water discharge	100.50	m ³
Water consumption	0	m ³

Resource use, circular economy and waste management

adcos GmbH implements systematic waste management practices to promote recycling and reduce environmental impact. Waste is carefully separated using dedicated collection systems for paper, plastics, biowaste, and residual waste, ensuring responsible disposal and efficient recycling. These practices are supported by initiatives to reduce paper consumption, including the use of digital workflows. Together, these measures contribute to lower waste volumes, higher recycling rates, and more sustainable resource use.



Social Metrics

Employment

In 2024, all employees at adcos GmbH were employed on permanent contracts. None of the roles were covered by collective bargaining agreements, and all employees received compensation at or above the statutory minimum wage. During the reporting period, the employee turnover rate was 8.7%.

Health and safety

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grow together, grow smart,
grow **sustainable**.

Contact

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Photography: Taro Mizutani
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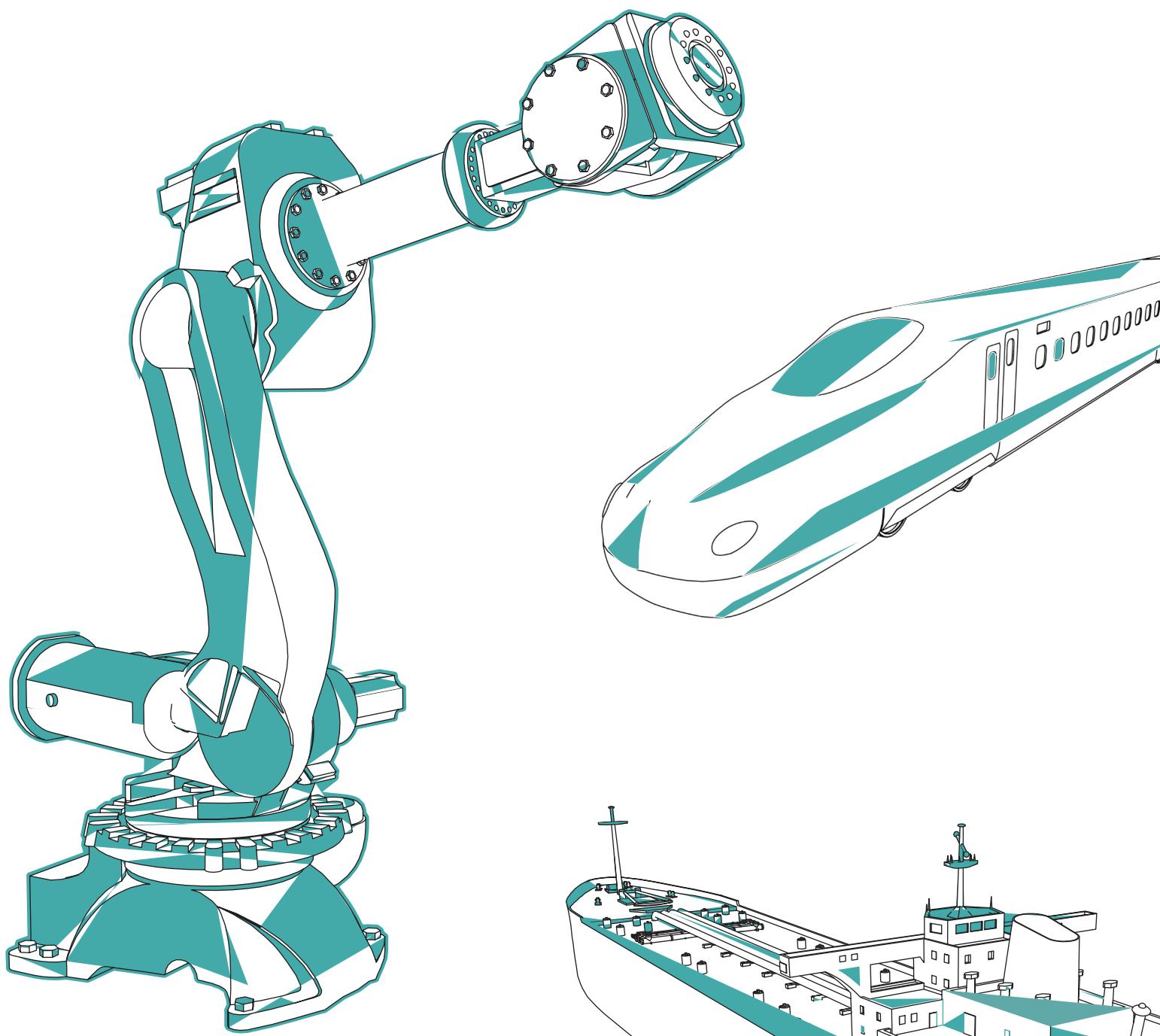
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Nabtesco

moving it. stopping it.