

The following table shows the water consumption within the Vossloh Group, 98.7 % of which is via meters:

Vossloh Group	2024	2023
Water consumption (m³)	156,108	182,988
Water intensity	129.2	150.7

The following table provides further details on group-wide water consumption in the 2024 financial year:

Water consumption 2024			
	In areas without water risks	In areas with high water risks	Consumption of treated and reused water
Water consumption (m³)	64,760	86,887	4,460

Water consumption in the 2024 financial year was measured in all production units or verified by utility bills. The Indian turnout plant has its own natural springs. Their use has been approved by the Indian government, which also controls the specified withdrawal quantities. For office complexes, the Vossloh units only pay flat-rate advance payments to the landlords for their low consumption. This consumption corresponded to 1.3 % of the group-wide volume of water used, whereby assumptions about statistical consumption values per employee were used in accordance with EurEau specifications.

As part of the preparation of this declaration using the ESRS, Vossloh examined for the first time which of its sites worldwide are located in areas with high water stress. Such regions are those in which the percentage of water abstraction from the total water supply is high (40 % to 80 %) or extremely high (more than 80 %), as indicated in the Aqueduct Water Risk Atlas of the World Resources Institute (WRI). According to Aqueduct, 43 % of Vossloh's sites are currently located in areas with high water stress.

Resource outflows related to products and services

The materiality analysis of resource outflows in connection with products and services revealed

- the following significant negative impacts: Environmental impact due to the use of insufficiently sustainable materials and inadequate recycling of concrete ties;
- the following significant positive impacts: Promotion of the circular economy through a high proportion of unpackaged, recyclable products and increasing recycling rates;
- no significant risks for the company;
- no significant opportunities for the company.

The process for identifying material impacts, risks and opportunities (ESRS 2 IRO-1) is described in the section entitled Material sustainability matters at Vossloh (page 71 et seqq.). Vossloh has reviewed its assets and business activities with regard to resource utilization and the circular economy. Here, material flows were analyzed and production processes evaluated. At the relevant sites, the company is in regular contact with local authorities to discuss, for example, potential impacts on regional resource availability, local waste management capacities and possible synergies in the circular economy. The company aims to optimize its use of materials and increase recycling rates.

Vossloh's main products, such as rail fastening and turnout systems or concrete ties, generally have a long service life (ESRS 2 SBM-1, 40 a) i and ii, see pages 26, 28 and 29). This is also generally characteristic of the rail infrastructure sector. Once installed, they remain in the track for years or decades and are largely maintenance-free during their service life. At the end of their service life, the products are also almost completely recyclable. Depending on the load and maintenance, turnouts and turnout crossings, for example, can be in use for 30 years, rail fastening systems for around 40 years. A service life of 40 to 50 years can be assumed for concrete and composite sleepers. Vossloh's services, such as rail grinding and milling or monitoring services, help to ensure that existing rail infrastructure can be used for longer.

However, raw materials are needed to manufacture the products, such as steel and plastic for rail fastenings and turnouts or concrete for sleepers. Grinding wheels are used for rail maintenance. The materiality

analysis negatively assessed the environmental impact caused by the use of insufficiently sustainable materials and the inadequate recycling of concrete ties in particular. Vossloh's existing approaches to promoting the circular economy, such as dispensing with product packaging, which is at least 100 % recyclable, if absolutely necessary, switching to more and more recyclable products and an overall increase in the recycling rate, were evaluated positively. Vossloh's products currently consist of over 97 % recyclable materials. For future product lines, this feature is an integral part of the development requirements right from the start.

Vossloh's Executive Board bears overall responsibility for the careful use of natural resources of all kinds within the company. This is a key aspect of the sustainability strategy pursued by the Executive Board. As part of this strategy, Vossloh has implemented a group-wide sustainability initiative. This initiative aims to reduce the environmental footprint of products and services along the entire value chain. On the one hand, the aim is to use natural resources of all kinds more sparingly. On the other hand, the demand for raw materials is to be reduced through reuse or recycling. Although the company has not yet defined specific, measurable targets for this intention, the determination of uniform group-wide data has been significantly expanded in the course of applying the ESRS in this area, so that local determination is possible. On this basis, and due to the expansion of the determination range of the greenhouse gas emissions volume to include the upstream and downstream value chain (Scope 3), measurable targets are to be defined in future and initiatives developed that can exploit further potential for improvement. This will provide Vossloh with a basis for systematically tracking the effectiveness of the concepts and measures with regard to the material impact in the area of resource outflows in the future. The effectiveness of the measures taken is evaluated on the basis of the expanded data collection. A reference period has not yet been defined.

For economic reasons alone, all Vossloh units strive to use resources as sparingly as possible. Material consumption and disposal volumes are recorded and monitored in the individual units. The documentation was standardized across the Group in 2024. Where technically possible and sensible, closed cycles and reprocessing plants reduce the consumption of valuable new raw materials to a minimum. Sustainability criteria have been incorporated into the development and design of new products and services for years. Since 2021, a group-wide innovation guideline (Innovation Playbook) has been in use, which harmonizes all innovation processes across business units and aligns the existing approaches and criteria for the sustainable design of products and services in the business units and links them to concrete recommendations for action. In particular, the sustainability aspects of low energy consumption (and therefore lower CO₂e emissions) or the non-use of problematic raw materials (see the explanations in the Sustainable supply chains and operations section on pages 135 et seqq.) are of central importance. The entire life cycle of a product, including recycling and/or disposal, is also considered from the outset. The same applies to the long-term impact of a service in the form of life cycle assessments in accordance with international standards such as ISO 14040, ISO 14044 or ISO 14067.

In all three divisions, Vossloh is preparing life cycle assessments (LCAs) for more and more products and services in line with the cradle-to-grave approach. The findings are integrated into the innovation and development process of products and services as EcoDesign principles in order to minimize their impact on the environment. Since December 2023, a group-wide guideline for the ecological design of products and services has supplemented the innovation guideline. When drawing up the EcoDesign guidelines, the interests of the most important stakeholders, in particular customers and suppliers, were taken into account through regular dialog. The guidelines are accessible to all employees via the intranet in order to support implementation in all relevant areas of the company. The focus of the guideline is on the design and construction phase, as these have the greatest influence on the ecological footprint of a product. The life cycle analyses carried out since then have shown that the following ecological design principles have the greatest impact on the ecological footprint of Vossloh's portfolio: The use of renewable and/or recycled materials, efficient use of materials, energy efficiency and efficient logistics/packaging. The development departments therefore pay particular attention to these four principles. In view of the product strategies of Vossloh's individual divisions, it is to be expected that these four principles will be confirmed by further LCAs. The views of customers and suppliers and their needs with regard to sustainability aspects are also

incorporated into the development process at an early stage in order to achieve a high product-market fit. Through the Fit 4 Future initiative and the Sustainability Awards, Vossloh employees' ideas and suggestions on sustainability are also systematically incorporated into research and development.

Key examples of products developed in-house with a focus on sustainability are the Engineered Polymer Sleeper (EPS), the M-generation tension clamps and the world's first crossing made of recycled manganese steel, with which Vossloh attracted a lot of attention at InnoTrans 2024 industry trade fair. The EPS consists of amalentic, an innovative material mix of secondary raw materials in industrial quality and additives, which is recyclable. Only green electricity is used to manufacture the EPS composite sleepers. One of the features of the M-clamps is their innovative, compact design, which reduces transportation costs. A new micro-steel alloy reduces CO₂ emissions in the manufacture of these clamps by up to 65 %. For the new turnout crossing, a circular economy model was developed together with customers, through which old manganese crossings can be reused. Recycling the material not only reduces CO₂e emissions, but also mitigates the environmental, health and social impacts associated with manganese extraction, therefore meeting Vossloh's sustainability goals. All the products mentioned are also maintenance-free.

Vossloh sees the Engineered Polymer Pads (EPP) presented for the first time at InnoTrans 2024 as a key sustainable product of the future. This is a new type of sleeper pad for heavily used tracks in the ballast bed. As an elastic layer between the concrete sleeper and superstructure, it enables a more even distribution of force and load on the ballast and improves track stability, which means that the ballast wears less quickly. The pads are made almost exclusively from recycled and recyclable plastics. Green electricity from solar energy is used for production in an extrusion process. At the end of their service life, the pads can be separated from the threshold again and completely recycled.