

DOUBLE MATERIALITY

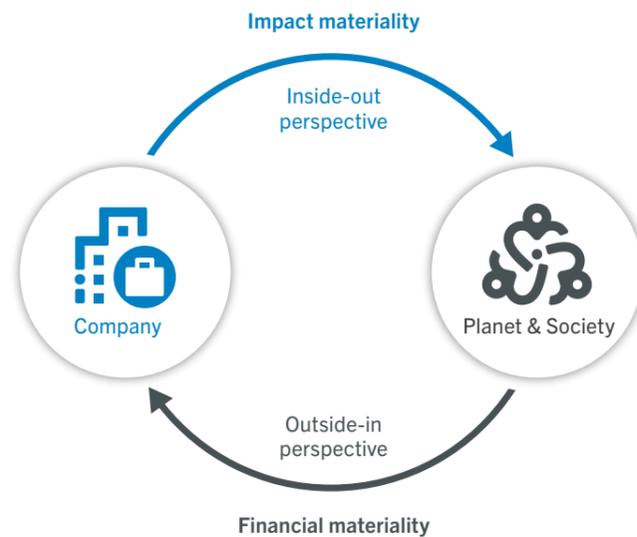
Understanding the correlation between sustainability considerations and business performance has long been an integral part of our ESG strategy. To strengthen this approach, we implemented an evaluation process to identify and assess our IROs to inform our business's material topics. This framework deepens our understanding of how our operations both influence, and are influenced by, environmental, social, and governance factors, helping us align long-term strategic priorities with evolving global standards and stakeholder expectations.

Methodology

Our evaluation process began by building on the results of our stakeholder engagement. We analyzed recurring themes and concerns across our value chain to identify the sustainability topics most relevant to our business and external stakeholders. This process reflected a diverse cross-section of perspectives, informed by internal expertise, risk assessments, and industry benchmarking.

Guided by the European Sustainability Reporting Standards (ESRS), we identified a comprehensive set of potential IROs based on the key concerns of our stakeholders. These IROs spanned our products, operations, supply chain, and broader business ecosystem. Each IRO was assessed holistically and through scenario analyses.

Each IRO was evaluated through a structured process that considered its likelihood, severity, potential financial impact, and overall business relevance. The analysis examined the scale of impact ranging from low to very high, the geographic scope at local, regional, or global levels, and the extent to which impacts could be reversed. For each IRO, we determined whether it represented an actual or potential effect as well as whether it was positive or negative. These parameters provided a consistent basis for rating significance and prioritizing issues for further assessment.



Following this evaluation, we analyzed each IRO through two complementary lenses, impact materiality and financial materiality. This approach reflects both the inside-out and outside-in perspectives that form the foundation of our double materiality framework.

By integrating stakeholder insights with internal risk assessments, we consolidated and summarized our IROs into key topic areas, forming the foundation of the topics most material to our business.

A summary of our findings is presented on pages 12-13 under the "Impacts, Risks, and Opportunities" section. This chart provides an overview of the IROs identified through our assessment, grouped across our four key sustainability dimensions: Product, Environment, Social, and Governance. Each category highlights the most relevant issues and explains why they are material to our business.

Double Materiality Results

After evaluating the results of our IRO assessment, we mapped the findings to key topics to assess their significance, providing a comprehensive view of the issues most material to both our stakeholders and our business. This step provided deeper insight into where sustainability topics hold relevance from both an impact and financial perspective. The assessment resulted in seven material

topics, which are illustrated in the chart below, with the size of each bubble representing its relative significance to our stakeholders. Our double materiality assessment was conducted in close coordination with internal and governance stakeholders, including the Board's Sustainability Sub-Committee. Their insights helped ensure alignment between enterprise-level priorities and stakeholder concerns.

