SUSTAINABILITY PERFORMANCE REPORT 2025

KANSAI HELIOS Slovenia Ltd.

KANSAI HELIOS

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ABOUT
KANSAI HELIOS Slovenia Ltd.

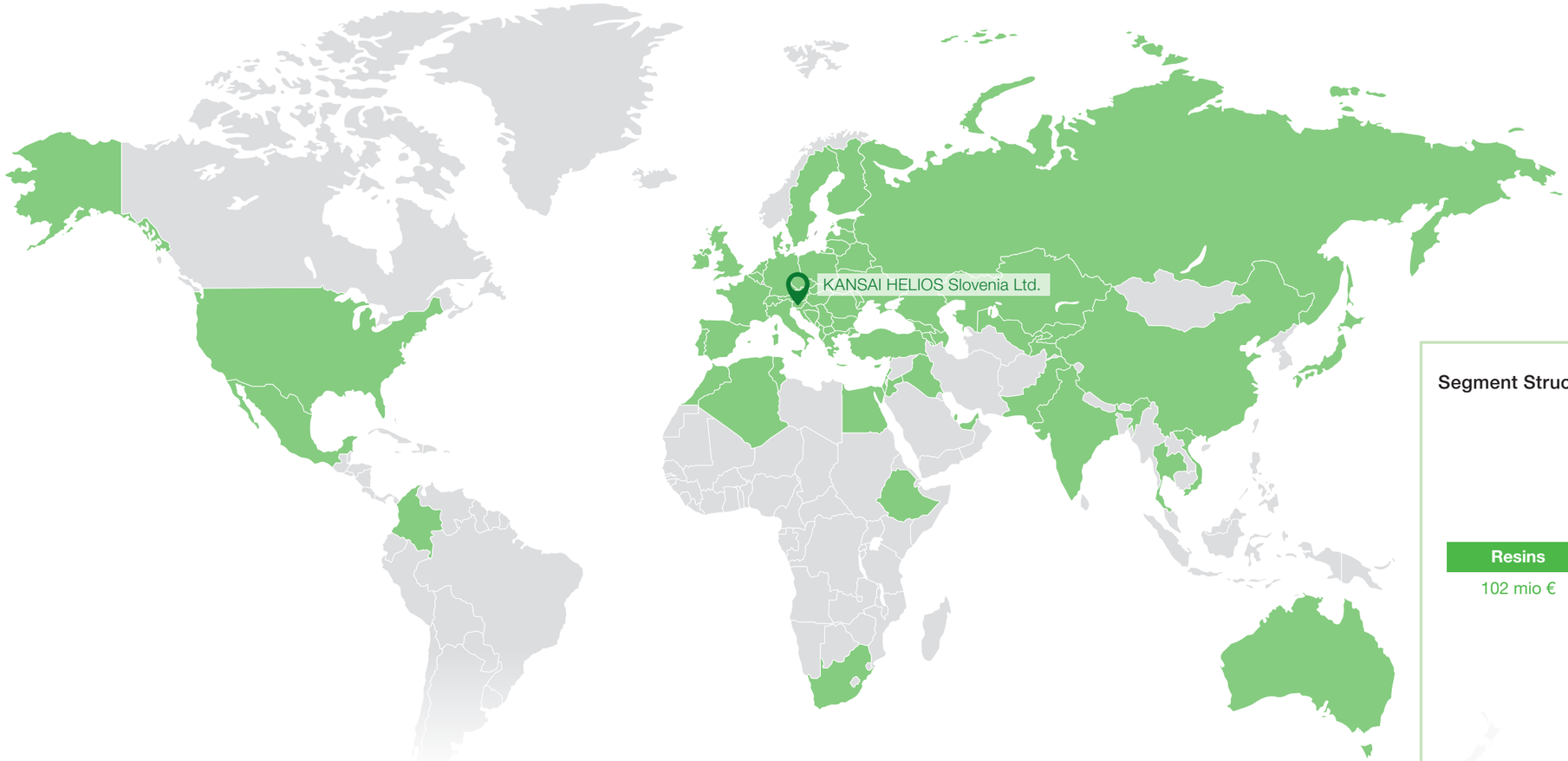
KANSAI HELIOS Slovenia Ltd., based in Količevo, Domžale, employs around 787 people. It was founded in 1924 and today operates with production units in two locations: in Količevo and in Preska.

KANSAI HELIOS Slovenia Ltd. is part of KANSAI HELIOS Group, owned by KANSAI PAINT, one of the world's leading paint and coatings producers that serve a global customer base with manufacturing, distribution, and sales activities worldwide. Contributing to customers and society through sustainably leveraging a superior technology with innovative products and services, and a competent workforce, built on the foundations of customer focus, integrity and respect to all stakeholders is the mission of KANSAI PAINT. This mission is also reflected in the core values of KANSAI HELIOS Slovenia Ltd.

KANSAI HELIOS Slovenia Ltd. (paint, varnish and resin factory) is the European development centre of the KANSAI HELIOS Group and is also the largest company in the Group.

Through its activities and achievements, KANSAI HELIOS Slovenia Ltd. has proven itself to be a responsible company that is building its future on sustainable foundations. With specific goals for 2030, including a 30% reduction in greenhouse gas emissions and a 20% reduction in energy consumption, sustainability is woven into the core of their strategy. Energy efficiency, production automation, multimodal transport, and the development of sustainable products are the key pillars of their operations. Through systematic measures, innovation, and cooperation in the value chain, the group is building a future that combines the environmental, social, and economic aspects of sustainability.

Global presence with our products
KANSAI HELIOS Slovenia Ltd. sells to 72 countries around the world.



Sales performance

In 2025, we continued to witness an unstable geopolitical environment. KANSAI HELIOS Slovenia Ltd. continuously monitored developments in international legislation on restrictive measures related to the war in Ukraine.

In 2025, we introduced several important upgrades to our organisational structure, enabling us to focus on our key development areas.

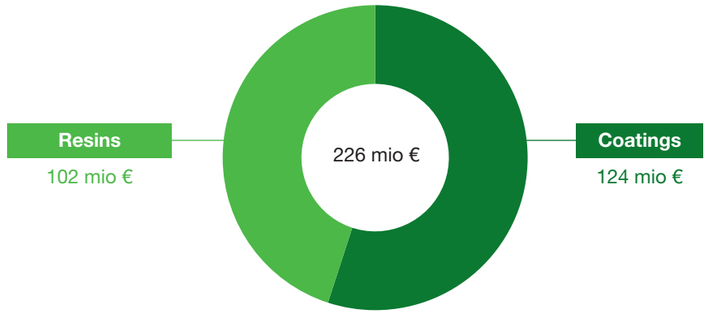
Despite these challenges, we continued our efforts to strengthen sales performance and consolidate our presence in target markets. The company is systematically focusing its attention on activities that enable stable and sustainable long-term operations. Key priorities remain the development of innovative products, the enhancement of modern business models, and the implementation of strategically important investments.

In 2025, KANSAI HELIOS Slovenia Ltd. achieved EUR 226 million in sales revenue and EBITDA of EUR 25 million.

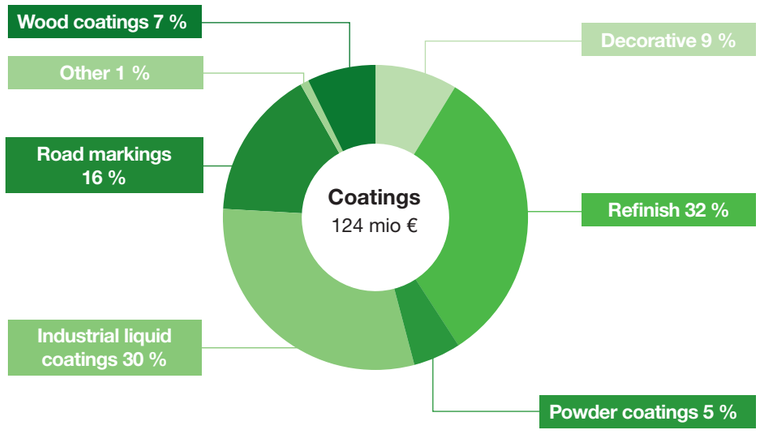
The year 2025 marked the first year of the mid-term management plan for the 2025–2027 period within Kansai Paint's global strategy. Business operations in 2025 were therefore focused on achieving the plan's objectives and on further ensuring the company's long-term growth and competitiveness.

KANSAI HELIOS Slovenia Ltd. will continue to respond responsibly to the challenges of a dynamic and rapidly changing business environment in the coming years. Through the continuous development of our employees and the strengthening of competencies across all key areas, we will continue to ensure sustainable growth and contribute to the development of the company, the local environment, and wider society.

Segment Structure by Value



Coatings Segment Structure by Value



KANSAI HELIOS SUSTAINABILITY GOALS 2030

Sustainability goals for 2030 are set for the entire KANSAI HELIOS Group, which also serves as the basis for our company's objectives.

ESTABLISHING SUSTAINABLE OPERATIONS AND RESPONSIBLE CONSUMPTION

Our aim is to establish sustainable operations and promote responsible consumption for lasting positive impacts on the environment, society, and the economy.

- Achieve a **30%** reduction in scope 1 and scope 2 GHG emissions (baseline 2021)
- Realize a **20%** reduction in water consumption (baseline 2021)
- Accomplish a **30%** reduction in waste generated in our operations (baseline 2021)
- Reach a **20%** reduction in energy consumption (baseline 2021)

ENSURING SAFETY AND HEALTH

We center on ensuring safety and health by designing workplaces and environments to minimize risks and enhance the well-being of both employees and the community.

- Achieve **1.5 or less** frequency of occupational accidents (according to ILO)

STRENGTHENING SOCIETIES

Our focus on strengthening societies is driven by initiatives aimed at promoting social justice, inclusion, and cohesion, all aimed at supporting sustainable and thriving communities.

- Assess **80%** of targeted suppliers through a CSR evaluation
- Attain a minimum of **30%** of all sales derived from sustainable products
- Ensure **50%** or more containers are recycled
- Allocate a **10%** of our annual marketing budget to support local children's development, health, and sports programmes

CREATING SUSTAINABLE VALUE THROUGH KNOWLEDGE, SKILLS AND TALENT

We strive to create sustainable value through knowledge, skills and talent to underline our commitment to innovation and a positive impact on society, the environment and the economy.

- Ensure that **100%** of employees have access to participate in the employee engagement survey
- Ensure **100%** of employees' familiarity with KHEC values
- Strive for **80%** of R&D projects to focus on sustainable products

BUILDING PROFESSIONAL INTEGRITY

Emphasizing ethical standards, honesty, and accountability, we prioritize building professional integrity to foster trust, credibility, and enduring relationships.

- Ensure that **100%** of our employees complete at least one compliance and integrity training annually
- Achieve **0** confirmed incidents of corruption
- Provide an effective and transparent grievance system accessible to all employees

ESTABLISHING SUSTAINABLE OPERATIONS AND RESPONSIBLE CONSUMPTION

Carbon emissions

At KANSAI HELIOS Slovenia Ltd., greenhouse gas (GHG) emissions are monitored and managed in accordance with the GHG Protocol. We track emissions across all three scopes, covering direct emissions from our operations (Scope 1), indirect emissions from purchased energy (Scope 2), and emissions generated throughout our value chain (Scope 3).

As a manufacturer of paints and coatings, a significant share of our climate impact occurs outside our own operations. While Scope 1 and Scope 2 emissions remain an important focus area, understanding Scope 3 emissions is essential for identifying the broader environmental impact of raw materials, transportation, product use, and end-of-life treatment.

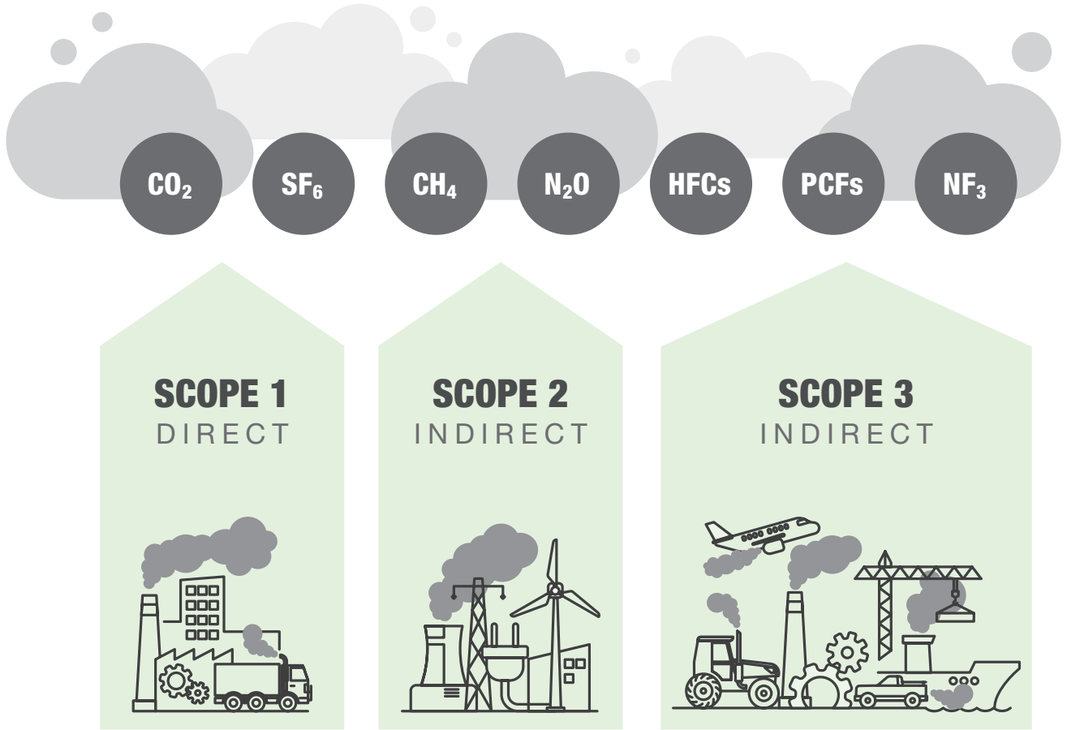
In 2025, KANSAI HELIOS Slovenia Ltd. completed its first comprehensive Scope 3 greenhouse gas emissions calculation. This represented an important milestone in improving our understanding of the full climate impact of our business activities and products.

To support sustainability reporting and environmental data management, the KANSAI HELIOS Group implemented the Sphera platform. The platform supports a harmonized approach to sustainability data collection, calculation, and reporting across all entities of Kansai Helios European Coatings, of which KANSAI HELIOS Slovenia Ltd. is a member, improving the consistency and comparability of reported data.

The introduction of Sphera also enabled the use of standardized methodologies, emission factors, and calculation principles across the Group. As part of this transition, historical energy and emissions data were recalculated using the same methodology to ensure consistency over time. Consequently, some values may differ from those reported in previous years.

By continuously improving data quality and expanding the scope of emissions reporting, we are building a stronger foundation for identifying reduction opportunities, supporting informed decision-making, and achieving our long-term target of reducing Scope 1 and Scope 2 emissions by 30% by 2030 (baseline year 2021).

GREENHOUSE GAS EMISSIONS (SCOPE 1, SCOPE 2 AND SCOPE 3)



GRI 305-1
Direct (Scope 1) GHG emissions

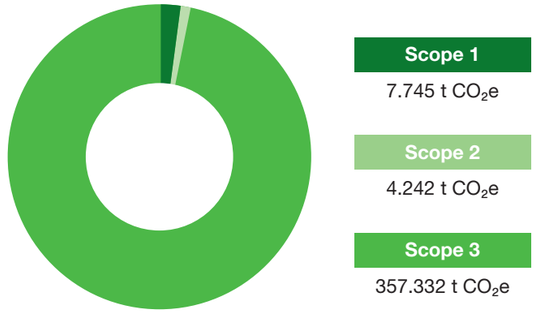
GRI 305-2
Energy indirect (Scope 2) GHG Emissions

GRI 305-4
GHG emissions intensity

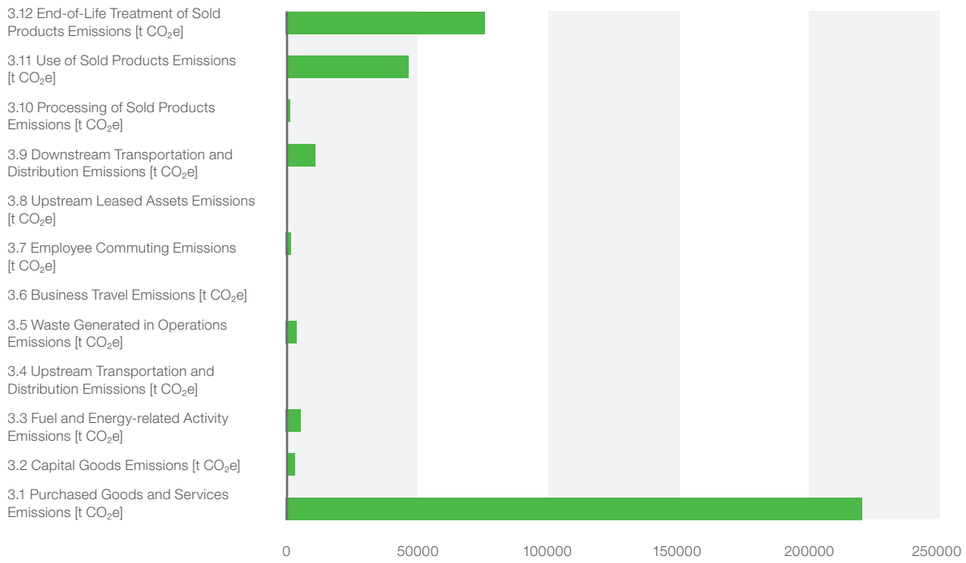
ESRS E1-6
Gross Scopes 1, 2, 3 and Total GHG emissions

	Unit	2021 (baseline)	2022	2023	2024	2025
Scope 1	t CO_2e	9150,2	8516,8	7664,8	8309,0	7744,5
Scope 2 (location based)	t CO_2e	5419,9	4398,5	4620,2	3645,1	4242,0
Scope 2 (market based)	t CO_2e	0,0	8087,1	0,0	0,0	6561,8
Scope 3	t CO_2e					337332,8
Scope 1+ Scope 2 (location based)	t CO_2e	14570,1	12915,2	12285,0	11954,1	11986,5
GHG Intensity - Production	t CO_2e/t	0,13	0,13	0,13	0,12	0,138
GHG Intensity - Net Revenue	t CO_2e/mill	56	44	47	48	53,0

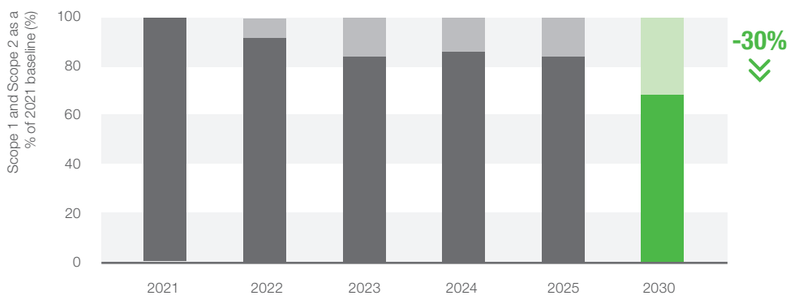
Our Greenhouse Gas Emissions



Scope 3 emissions by category



Goal for 2030 is 30% Reduction in Scope 1 and Scope 2 Emissions



ENERGY CONSUMPTION AND MIX

GRI 302-1
Energy consumption within the Organization

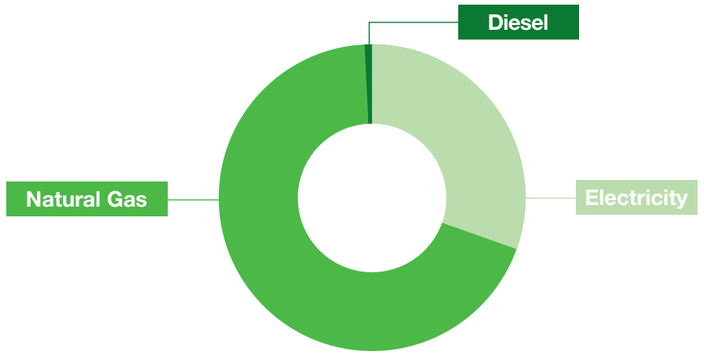
ESRS E1-5
Energy consumption and mix

	Total Energy Consumption (MWh)
2021 (baseline)	61,069
2022	57,066
2023	53,533
2024	56,219
2025	53,765

GRI 302-1
Energy consumption within the Organization

ESRS E1-5
Energy consumption and mix

2025	(MWh)
Diesel	402
Natural Gas	36.624
Electricity	16.262

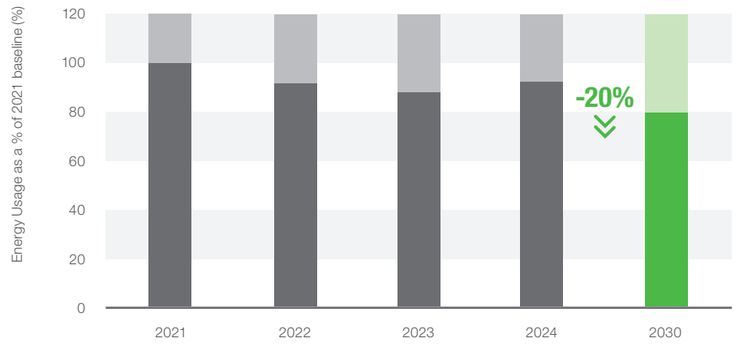


Energy Intensity

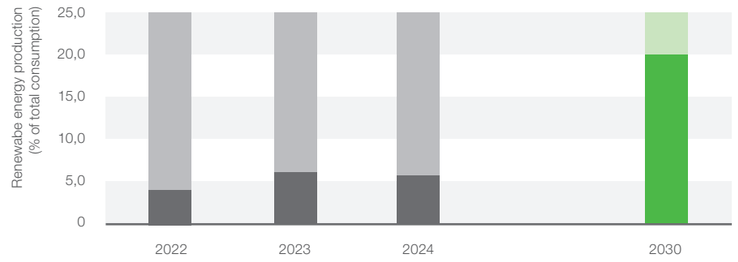
GRI 302-3
Energy intensity

	Total Energy Consumption (MWh)	Energy Intensity (MWh/t)
2020	**59.531**	0,59
2021 (baseline)	**65.994**	0,61
2022	**59.968**	0,60
2023	**57.493**	0,60
2024	**60.548**	0,63

Goal for 2030 is 20% reduction in energy consumption based on 2021 level



Renewable Energy Own Production



WATER

GRI 303-5
Water consumption

GRI 303-4
Water discharge

ESRS E3-4
Water consumption

	Unit	2021 (baseline)	2022	2023	2024	2025
Total water consumption (with well)	m^3	190.195	159.592	177.497	163.030	139.788
Total water consumption (without well)	m^3	31.719	32.797	47.071	40.229	24.584
Industrial wasterwater discharge	m^3	78.800	55.127	75.958	49.068	66.323
Municipal wastewater discharge	m^3	16.704	18.906	13.846	14.299	12.120
Water for returning to groundwater	m^3	67.340	59.460	67.909	80.485	56.837
Water intensity	m^3/mio EUR	840	648	817	650	

WASTE

GRI 306-5
Waste directed to disposal

ESRS E 5-5
E5-5
Resource outflows

		Unit	2021 (baseline)	2022	2023	2024	2025
Waste	Hazardous	t	**3659**	3126	4119	4510	4834
	Non-Hazardous	t	**2744**	2515	1743	1591	2487

AIR POLLUTION

GRI 305-7
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

ESRS E2-4
Pollution of air, water and soil

	Unit	2021 (baseline)	2022	2023	2024	2025
SO_2	t	0	0	0	0	0
NOx	t	4,1	1,3	2,7	2,7	2,7
VOC	t	2,3	2,3	1,9	1,5	2,5
HFC	t	0	0	0	0	0

ENSURING SAFETY AND HEALTH

Personal Protective Equipment (PPE)
Personal protective equipment (PPE) is a key element in ensuring a safe and healthy working environment and represents the final layer of protection where risks cannot be fully eliminated through other measures.

At our company, PPE is managed through a comprehensive and systematic approach based on risk assessments, legal requirements, and high internal standards. Its use is mandatory for all employees, external contractors, and visitors.

We place strong emphasis on consistent usage, regular training, and ongoing supervision to maintain a high level of safety and strengthen our safety culture. In higher-risk environments, additional protective measures are implemented to further reduce the likelihood of incidents.

Through careful lifecycle management—including regular maintenance, timely replacement, and responsible handling of end-of-life equipment—we also contribute to reducing environmental impacts.

We continue to strengthen occupational health and safety and encourage employees to actively contribute to creating a safe, responsible, and caring working environment.

Health & Safety

ESRS S1-14
Health and safety indicators

GRI 403-9
Work-related injuries

Year	2021	2022	2023	2024	2025
The number of fatalities as a result of work-related injuries and work-related ill health	0	0	0	0	0
Number of work related injuries	11	11	13	20	16
Lost time injury frequency rate	6,67	7,76	9,59	14,98	7,76
Accident severity rate	0,21	0,18	0,26	0,71	0,11

STRENGHTENING SOCIETIES

SUSTAINABLE PROCUREMENT

At KANSAI HELIOS Slovenia Ltd., we are committed to complying with applicable laws and regulations, implementing honest and fair corporate governance practices, and strengthening integrity across all business processes. We aim to build long-term, fair partnerships with suppliers and business partners while actively promoting environmental responsibility and sustainability throughout our supply chain. These commitments are reflected in our Procurement Policy and related supplier management processes.

We expect our suppliers and business partners to align with our values and ethical standards. Our Supplier Code of Conduct defines the key standards and principles we uphold, based on the Ten Principles of the United Nations Global Compact. It covers four main areas: Human Rights and Labour, Health, Safety and Quality, Compliance and Integrity, and Environmental Stewardship.

Over the past two years, we have strengthened our sustainable procurement approach through several initiatives:

- Sustainability criteria were integrated into our supplier evaluation process and are now reflected in supplier assessments.
- Environmental, Health and Safety (EHS) requirements were incorporated into contracts with raw material suppliers.
- Sustainability topics were further integrated into collaboration with key strategic suppliers, including BASF, Allnex, BYK and Covestro.
- We prepared our first internal Conflict Minerals Report, identifying potentially relevant raw materials and suppliers, and initiated supplier engagement through CMRT requests and formal declarations.
- We completed our first comprehensive calculation of Scope 3.1 emissions related to purchased raw materials and packaging, providing a baseline for future supplier engagement and emission reduction initiatives.
- We further improved our EcoVadis performance, contributing to our positioning among the top 3% of evaluated companies globally.
- We actively engaged suppliers on emerging regulatory requirements, including microplastics restrictions and new EU legislation, helping to improve supply chain preparedness and regulatory compliance.

ESRS G1-2
Management of relationships with suppliers

ESRS S2-1
Policies related to value chain workers

GRI 414-1
New suppliers that were screened using social criteria

	2030 goal	2023	2024	2025
Percentage of targeted suppliers	80%	84,30%	82,60%	87,02%
Percentage of targeted suppliers who have signed the supplier code of conduct	80%	40,20%	39,40%	48,62%
Percentage of targeted suppliers covered by a CSR assessment	80%	71,70%	83,80%	84,40%
Percentage of all buyers who received training on sustainable procurement	100%	100%	100%	100%
Number of formal supplier contracts with EHS clauses	*	-	17	15
Number of strategic suppliers engaged in regular sustainability dialogues and activities	*	-	4	4

*To be determined at a later date

SOCIAL RESPONSIBILITY

Corporate social responsibility is embedded in numerous programmes and processes at KANSAI HELIOS Slovenia Ltd.. Responsibility is also one of the four core values of both the KANSAI HELIOS Group and KANSAI HELIOS Slovenia Ltd., reflecting a respectful attitude towards nature and the environment, as well as care for the safety and health of our employees. Our responsibility towards nature and the environment is also reflected in our products, as we follow the strictest environmental standards and guidelines in their development and production. In developing new advanced products, we are committed to the principles of sustainable development, such as reducing energy consumption and environmental impact.

At KANSAI HELIOS Slovenia Ltd., we closely monitor our surroundings and current developments, and we strive to act in a socially responsible manner wherever our support is needed most. Through donations in the form of financial resources or materials, we support charitable organisations, schools, kindergartens, sports and creative projects, and offer assistance whenever it is needed. Traditionally, we support schools, kindergartens, and programmes run by associations that care for the well-being of children.

Employee engagement also plays an important role in fulfilling our social responsibility. As part of the traditional initiative “Cycling to Work for a Good Cause”, employees contributed to a charitable cause with every kilometre cycled. For each kilometre, the company donated the equivalent of one square metre of interior wall paint, which was received by the Medvode Centre for the Elderly and the Domžale Home for the Elderly. The initiative combines environmental responsibility, physical activity, and social solidarity, and strongly supports the company’s broader commitment to achieving the sustainable development goal of “Strengthening Societies”.

We also continued our activities in the area of cooperation with educational institutions. Through school visits, career events, and guided company tours, we present young people with employment opportunities and strengthen the link between education and industry.

Within the company, we promote well-being, inclusion, and cooperation, while supporting both the physical and mental health of employees. We see diversity as an important advantage that enriches our working environment and strengthens a culture of mutual respect.

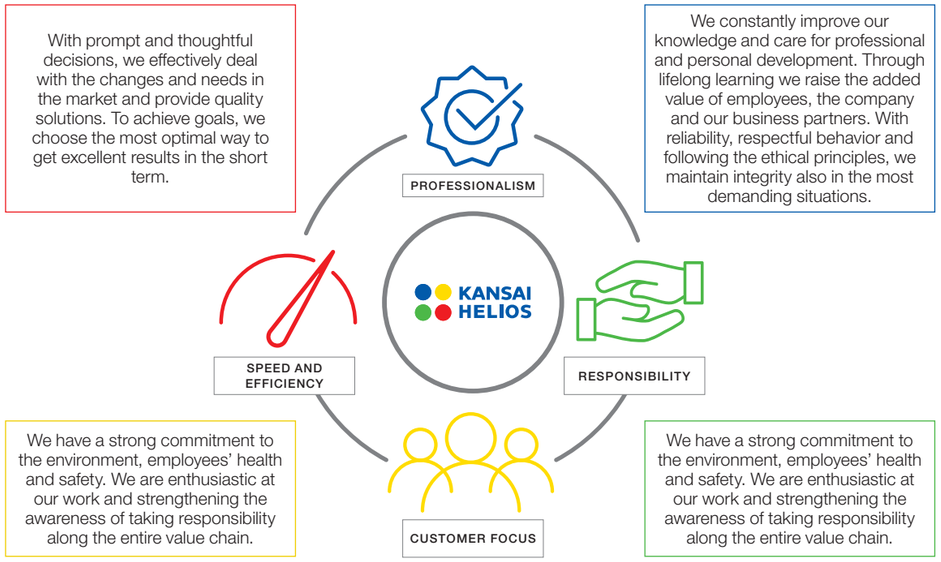
Through these activities, we are building a company culture that goes beyond business objectives and actively contributes to the development of society, people, and the environment.

CREATING SUSTAINABLE VALUE THROUGH KNOWLEDGE, SKILLS AND TALENT

At KANSAI HELIOS Slovenia Ltd., we continuously improve our operations to meet the expectations of employees, customers, and the wider community. Our activities are guided by the KANSAI HELIOS Group Values, which provide a clear framework for responsible and efficient business practices.

Our Policy on Employee and Stakeholder Relations defines our commitment to social responsibility and ensures respect for the rights and well-being of employees, business partners, and the communities in which we operate. The policy is aligned with internationally recognized standards, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact, the UN Sustainable Development Goals, and the Responsible Care Program.

Our commitment to sustainable development and employee well-being is also reflected in external recognition. In 2024, we were awarded the Reputable Employer title in the chemical industry, based on a survey conducted by Slovenia’s largest employment portal. We continue to place strong emphasis on understanding employee perspectives and improving engagement.



EMPLOYEES

GRI 2-7 Employees

ESRS S 1-6 Characteristics of the undertaking's employees

		2021	2022	2023	2024	2025
Total employees	**Total**	**858**	**859**	**850**	**841**	**787**
	Female	261 (30%)	267 (31%)	265 (31%)	280 (33%)	263 (33%)
	Male	597 (70%)	592 (69%)	585 (69%)	571 (67%)	524 (67%)
Permanent	**Total**	**770**	**771**	**781**	**789**	**748**
	Female	246	245	252	262	250
	Male	524	526	529	527	498
Temporary	**Total**	**88**	**88**	**48**	**41**	**39**
	Female	15	22	11	16	13
	Male	73	66	37	25	26
Non-guaranteed hours employees (contract, agency workers)	**Total**			**21**	**11**	**1**
	Female			2	1	
	Male			19	10	1

DIVERSITY

GRI 405-1 Diversity of governance bodies and employees

ESRS S1-9 Diversity indicators

		2020	2021	2022	2023	2024
Top management *	Female number	24	23	22	22	23
	Female percentage	41%	39%	38%	37%	38%
Age	<30	88	99	101	81	91
	30-50	463	439	432	405	409
	>50	315	320	326	343	330

* one and two levels below the administrative and supervisory bodies

TRAINING AND EDUCATION

	2021	2022	2023	2024	2025
The percentage of employees that participated in regular performance and career development reviews	100	100	100	100	100
The average number of training hours per person for employees, by employee category and by gender.	9,7	9,7	9.1	9,0	13,7

GRI 404-1 Average hours of training per year per employee

GRI 404-3 Percentage of employees receiving regular performance and career development reviews

ESRS S1-13 Training and skills development indicators

COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

The percentage of total employees covered by collective bargaining agreements (KANSAI HELIOS Slovenia Ltd.)				
2021	**2022**	**2023**	**2024**	**2025**
92,7%	92,7%	92,30%	92,2%	91,5%

GRI 2-30 Collective bargaining agreements

ESRS S1-8 Collective bargaining coverage and social dialogue

R&D AND INNOVATION

Innovation remains an important part of our sustainability journey. In 2025, KANSAI HELIOS Slovenia Ltd. once again received recognition from the Chamber of Commerce and Industry of Slovenia (GZS) for its innovation achievements. Our innovation "Synthetic Resin for Aluminium-Based Packaging Coatings" received a Gold Award at the regional level and a Silver National Innovation Award.

Developed within our Synthetic Resins business unit, the innovation helps reduce consumer exposure to hazardous chemicals in food packaging applications. By combining innovative raw materials with an advanced industrial process, we developed a polymer binder for aluminium-based flexible packaging coatings that meets demanding performance requirements while supporting safer packaging solutions.

We also received a Golden Innovation Award within the SRIP Circular Economy programme for the development of a sustainable resin based on 2,5-furandicarboxylic acid (FDCA) for coil coatings. This innovation replaces fossil-based raw materials with a bio-based alternative, increasing the share of renewable resources while maintaining the performance characteristics required for demanding applications such as building panels, metal roofs and garage doors.

The innovation was also presented at the European Coatings Show (ECS) 2025 in Nuremberg, one of the world's leading events for coatings innovation, highlighting the international relevance of our research efforts.

Through continuous investment in research, innovation and sustainable product development, we create solutions that support safer products, increased use of renewable resources and a more sustainable future for our customers and society.

Certifications

Responsible Care® OUR COMMITMENT TO SUSTAINABILITY

ISO 9001 BUREAU VERITAS Certification

ISO 14001 BUREAU VERITAS Certification

ISCC International Sustainability & Carbon Certification

BUILDING PROFESSIONAL INTEGRITY

At KANSAI HELIOS Slovenia Ltd., we are committed to the highest ethical standards by strictly adhering to both national and international laws, as well as our internal Code of Conduct, while fostering a speak-up culture that promotes personal accountability among employees.

Excelling at doing what is right

Through our Compliance Program, which embodies the motto “Excelling at doing what is right,” we ensure that every decision and action aligns with our core values and standards. The Program provides a user-friendly framework of key documents to support employees in navigating complex ethical dilemmas.

We continuously strengthen employees’ understanding of their roles and responsibilities through a structured and comprehensive Training Program tailored to different levels of the organization. This is further supported by clear and consistent leadership communication.

Our Group Compliance Department actively promotes awareness of compliance and integrity through a variety of initiatives. To emphasize the importance of these principles, November is designated as Compliance and Integrity Month. During this period, employees are engaged in activities that reinforce our conduct guidelines and strengthen our commitment to compliance.

The Speak Up Policy is an integral part of our Compliance Program. It fosters open and honest communication and ensures accessible and reliable channels for reporting concerns. In this way, we strengthen trust in the work environment and empower employees to speak up.

	2021		2022		2023		2024		2025		2030 goal
	No.	%	No.	%	No.	%	No.	%	No.	%	%
Total number and percentage of employees undergo at least one Compliance and Integrity Training per year.	35	4	66	8	470	57	683	84	573	76	100
Total percentage of employees signing Declaration of Understanding of the Code of Conduct.	-	-	-	-	-	57	-	84	-	76	100
Total number of confirmed corruption incidents.	0		0		0		0		0		0
Number of new cases reported through Speak Up Channels.	0		0		1		2		2		*

* to be defined after observing trend in the following years.

GRI 205-2
Communication and training about anti-corruption policies and procedures

ESRS G1-3
Prevention and detection of corruption or bribery

GRI 205-3
Confirmed incidents of corruption and actions taken

ESRS G1-4
Confirmed incidents of corruption or bribery

KANSAI HELIOS Slovenia Ltd. | V3 07/2026

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Part of KANSAI PAINT