

SUSTAINABILITY REPORT

2024

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Stráž pod Ralskem on 23. 9. 2025

Signature:



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FOREWORD

Dear friends,

After successfully mastering the five-year strategy until 2023, we, as companies in the MEGA group, managed to fulfill the first year of the new Strategy 2024–2028. This result is all the more valuable because it was achieved in the more than difficult conditions in which foreign markets find themselves.

Our goal is to further strengthen our position on a European and global scale, especially in the field of electromembrane processes. In general, water purification and treatment is our long-term priority. We are already at the forefront of Europe in the field of electrodeionization and electrodialysis. In cooperation with Fumatech, we are expanding our application potential to include homogeneous membranes, which allows us to be more stable on the market. In addition, our research and development base is working intensively on so-called special applications of membrane processes, which help to solve serious environmental protection problems.

Other major cornerstones are the distribution of PPG products and the electrophoresis process for surface treatments. In this regard, we can also note further progress, consisting in the implementation of our surface treatment technology abroad. Of course, we will continue to support our activities in the field of ecology and remediation, as our activities and technologies are directly related to environmental protection.

At MEGA, we understand ESG as an integral part of responsible business. We have been guided by these principles in our daily work for a long time and can boast of a number of concrete steps and achievements, although their application is not yet mandatory.

I believe in the strength of the MEGA group of companies. It gives me confidence that we will continue together for years to come, proving that we are a stable and financially strong company, and that we are among the best in our fields.

In Stráž pod Ralskem 14. 4. 2025

Luboš Novák

1 BASIC INFORMATION

1.1 ABOUT THE REPORT

První pokratický holding, as (hereinafter referred to as “PPH”) considers it important that its stakeholders are regularly and transparently informed about all important aspects of business in the MEGA group of companies (hereinafter referred to as “MEGA”). PPH publishes a report on sustainable development with the aim of sharing experiences and information on sustainable business, as well as examples of good practice in this area.

The European Commission's OMNIBUS proposal was taken into account when preparing the 2024 report. The report is prepared on a voluntary basis according to the comprehensive module of the VSME standard.

Upstream and downstream parts of the value chain are considered in chapters covering key sustainability topics where impacts, risks or opportunities occur or may occur, in particular with regard to supplier selection and evaluation, circular economy and anti-corruption measures.

Due to the voluntary nature of reporting, there is no obligation to have the report externally verified by an independent auditor. The indicators for PPH are based on the consolidated financial statements of MEGA, MemBrain and MEGA-TEC, which are verified with a limited level of assurance. The companies MEGA real estate, MEGA-Ukraine, MEGA ProfiLine, Memspin and NOSCO are not included in the Sustainability Report due to the negligible importance of their activities and insignificant materiality.

1.1.1 Risks of the reporting process

The MEGA Group of Companies prepares the Sustainability Report on a voluntary basis according to the VSME standard and is aware of the risks associated with the reporting process and data presentation.

Examples of identified risks:

- The relevant underlying data is incomplete, incorrect or unverified.
- The data processing is incorrect and/or incomplete.
- The calculations or analyses are incorrect.

1.2 MEGA GROUP OF COMPANIES

The history of the joint-stock company První pokratický holding has been written since 2018. Within the holding structure, the company ensures the management and stability of individual subordinate entities. Its main task is to determine the overall strategy of the group of companies and financial stability with regard to the mutual interdependence of the holding's individual activities and the centralization of important management elements. The holding structure allows the implementation of business and economic plans while horizontally diversifying business risks.

The strongest PPH company is MEGA as, which was founded in 1992. The company's profile has gradually developed since 1975, when central laboratories for the uranium industry were established in Stráž pod Ralskem with the aim of providing analytical services, including environmental monitoring of the uranium industry and technological research for the entire industrial sector. With the decline in uranium mining, which began before 1989, the activities and scope of the Research and Development Institute expanded beyond the uranium industry and into all components of the environment.

The company's independence as an independent state-owned enterprise within the Czechoslovak Uranium Industry (ČSUP) in 1991, and the transformation of the state-owned enterprise into a joint-stock company a year later, meant not only separation from ČSUP, but also a qualitative transformation into a company in which the company's management took full responsibility for its further development.

Part of the structural changes was a significant expansion of the production base to include additional activities and directions, which were also reflected in the adjustment of the organizational structure. The company thus gained the opportunity to implement the results of research, development and engineering work on its own.

Today we are a group of technology companies with global reach and more than 30 years of experience.

První pokratický holding as

NACE: CZ-64200; Consolidated balance sheet size: EUR 42,680,000;

Consolidated turnover: EUR 43,790,000; Number of employees within the

consolidation: 259; Activities: Czech Republic; Establishments: Czech Republic

Places	Address	zip code	City	Country	Coordinates
Punch	Ke Klíčovu 191/9	190 00	Praha 9	Czech Republic	50.11468, 14.51334

Subsidiaries:

MEGA as

NACE: CZ-28290; Balance sheet size: 33,070 000 EUR; Turnover: 39,174,000 EUR; Number of employees: 187; Activities: EU and other European countries, Central and East Asia, North and South America; Locations: Czech Republic

Places	Address	zip code	City	Country	Coordinates
Punch	Drahobejlova 1452/54	190 00	Praha 9	Czech Republic	50.10712, 14.49375
Production and warehouses	Pod Vinicí 87	471 27	Stráž pod Ralskem	Czech Republic	50.69439, 14.77910
Production	Na Vršku 434	471 27	Stráž pod Ralskem	Czech Republic	50.69769, 14.83000
Business office	Ke Klíčovu 191/9	190 00	Praha 9	Czech Republic	50.11468, 14.51334
Business office	Průmyslová 1415	593 01	Bystřice nad Perštejnem	Czech Republic	49.51502, 16.24170
Business office	Náměstí Čs. legionářů 565	530 01	Pardubice	Czech Republic	50.03322, 15.76715
Stock	Velkomoravská 87	695 01	Hodonín	Czech Republic	48.85004, 17.10393
Production	Dobrovského 74/II	566 03	Vysoké Mýto	Czech Republic	49.95619, 16.15320
Business office	Pekařská 11	917 01	Trnava	Slovak Republic	48.38031, 17.58609

MEGA-TEC sro

NACE: CZ-711; Balance sheet size: EUR 6,722,000; Turnover: EUR 4,630,000; Number of employees: 29; Activities: EU; Locations: Czech Republic

Places	Address	zip code	City	Country	Coordinates
Headquarters, production	Průmyslová 1415	593 01	Bystřice nad PerštFvšejnem	Czech Republic	49.51502, 16.24170

MemBrain sro

NACE: CZ-72; Balance sheet size: EUR 1,853,000; Turnover: EUR 1,487,000; Number of employees: 50; Activities: EU; Locations: Czech Republic

Places	Address	zip code	City	Country	Coordinates
Headquarters, laboratories	Pod Vinicí 468	471 27	Stráž pod Ralskem	Czech Republic	50.69453, 14.77752

1.2.1 Sustainability certification

The company MEGA as was in the year:

- 2023 awarded by the Association of Social Responsibility and Prague University of Economics and Business in 1st place in RATING ESG,
- 2024 Prague University of Economics and Business ranked among the TOP 5 companies in RATING ESG,
- 2024 audited in the area of sustainability by IVECO through the auditing company SGS Czech Republic, the audit was concluded with one recommendation,
- 2025 awarded a bronze medal on the ECO VADIS platform.

1.3 BUSINESS MODEL AND SUSTAINABILITY

1.3.1 Mission

The mission of the MEGA group of companies is to improve the quality of the environment and human life through research, development and implementation of our technologies with optimal use of material and human resources.

We offer industrial technologies that save resources and the environment to companies operating in the fields of mechanical engineering, agricultural technology, automotive, food, energy, chemical and pharmaceutical industries, and other sectors.

The technologies and products we manufacture, and offer are built on our know-how, the results of our own research and development, and many years of experience. We provide our customers with superior care and service throughout the entire life cycle of our technologies and products.

None of the companies in the MEGA group have income from the exploration, mining, extraction, distribution or refining of hard and brown coal.

1.3.2 Sustainability strategy

The MEGA group of companies is focused on the production and provision of services using ion exchange membranes in various industries and applications. MEGA is a world-class manufacturer of RALEX® membranes with a long tradition and is very aware of global challenges and its responsibility to the environment and society. Sustainability is essential for MEGA's business activities and overall focus. Almost all steps of our business are in the area of the environment. The Ecology Services Division of MEGA is focused on reclamation and sanitation work, the development of membrane applications managed by MemBrain is implemented in industrial applications leading to resource saving and water purification by the Membrane Processes Division with the Water Treatment Division of MEGA.

The 24+ strategy, which defines short-term goals until 2028, assumes the preservation of the business model, provided that key areas are developed. Our business model is built on direct contact with the customer in cooperation with an extensive network of sales agents. MEGA technologies are sold all over the world, their place is in the food, chemical, pharmaceutical, paper and other industries. MEGA-TEC is expanding its business activities beyond the borders of the Czech and Slovak Republics. Cataphoretic paint shops and subsequent service are focused on maximum use of paint baths and extending their service life.

Sustainability supports and is an integral part of the 24+ Strategy. The implementation of the 24+ Strategy is overseen by the board of directors and company executives.

In the environmental pillar, the company continues to innovate in addressing environmental burdens and reusing resources with sustainable solutions. Strategic areas include decarbonization, water and soil purification, and the circular economy.

In the social sustainability pillar, strategic areas include its own employees. The company focuses on employees, education, awareness and diversity. It supports local communities and is involved in humanitarian aid.

In the area of corporate governance, MEGA is convinced that only a transparent company with ethical behavior is sustainable and trustworthy in the long term. An important area is sustainable business relationship management.

1.3.2.1 Sustainability areas

Region	VSME standard	Topic
Environment	B3	Energy and greenhouse gas emissions
	B4	Air, water and soil pollution
	B6	Water resources
	B7	Resource use, circular economy and waste management
Social	B8	Workforce
	B9	Health and safety
	B10	Compensation, collective bargaining and training
Governance	B11	Convictions and fines for corruption and bribery

2 SUSTAINABLE DEVELOPMENT OF GOALS AND POLICIES

In 2015, the UN General Assembly adopted the 2030 Agenda for Sustainable Development. In its 17 Sustainable Development Goals, it is called for ending poverty, protecting the planet, and ensuring peace and prosperity for all people by 2030. As part of its sustainability strategy, MEGA is trying to contribute at least partially to the fulfillment of some of the goals.

MEGA focused on a total of **14 SDGs**, which it reflects in its activities. The remaining three SDGs (1. No Poverty, 2. No Hunger and 11. Sustainable Cities and Towns) were not selected due to limited societal impact. The selected goals are shown at the beginning of each topic.

2.1 SUSTAINABILITY MANAGEMENT

Sustainability management in MEGA is set up in accordance with the responsibilities and powers specified in binding internal documents. The ESG manager is responsible for the processes and communication settings. Decision-making powers lie with the members of the board of directors and company executives. The board of directors and executives are responsible for setting visions, strategies and goals. They are also responsible for allocating resources and evaluating the achievement of Strategy 24+ goals.

2.2 IMPACT, RISK AND OPPORTUNITY MANAGEMENT SYSTEM

In the MEGA group of companies, we work with regular assessment and monitoring of impacts and opportunities. The management of each MEGA company immediately responds to risk reports in direct communication without unnecessary delay. A regular quarterly assessment is carried out to assess and monitor operational risk. This focuses on the financial impacts of risky activities.

Impacts are assessed using a point rating based on their severity and likelihood. Impacts with a value exceeding 4 points are considered significant. After collecting the resulting significance, the company's management assesses each significant impact. These impacts include legislative risks in the area of sustainability (e.g. the use of fossil fuels), risks associated with waste disposal, other environmental risks and risks related to the working environment and flexibility of working hours. Data collection is also supported by consultation and training of all employees. They can discuss all newly identified risks with their managers.

2.2.1 Impacts, risks and opportunities

During the reporting period, MEGA monitored sustainability-related impacts through stakeholder engagement. Impacts and opportunities are assessed using an established risk management system.

The company's business activities are dependent on the environment, social and corporate governance. Our business activities have both positive and negative impacts on the individual ESG pillars. MEGA monitors the development of requirements for assessing the impacts of its activities and plans to fully take into account any future legislative requirements.

	Do you have existing sustainability practices/policies/future initiatives that address any of the following sustainability issues?	Are they publicly available?	Do these policies have any goals?
Climate change	YES	YES	YES
Water and soil pollution	YES	YES	YES
Water and marine resources	YES	YES	YES
Circular economy	YES	YES	YES
Own workforce	YES	YES	YES
Affected communities	YES	YES	YES
Consumers and end users	YES	YES	YES
Business conduct	YES	YES	YES

2.3 ENVIRONMENTAL - POLICY



The company's decarbonization is focused on the construction of photovoltaic power plants, reducing waste generation and introducing the recirculation of industrial water back into processes. MEGA invests in development and innovative applications for more efficient use of raw materials and reducing energy consumption. In cooperation with customers, it seeks optimal solutions to save water, material and energy resources. MEGA places a fundamental emphasis on the safe handling of substances that may endanger the soil or groundwater and surface water in the event of a leak. Whenever technologically possible, substances with a lower impact on the environment and health are chosen.

MEGA regularly evaluates environmental impacts within the framework of an established environmental management system certified according to the ČSN EN ISO 14001 standard. Chemical substances are primarily assessed with regard to the prevention of serious accidents, using the occupational health and safety management system according to ČSN EN ISO 45001.

In order for MEGA to meet its long-term goals, it is necessary to identify, anticipate and effectively manage environmental risks and opportunities caused by climate change. MEGA must be prepared for risks caused by climate change that would affect its own operations, such as shortages of energy, gas and water. In its medium- and long-term goals, MEGA focuses on reducing energy intensity and increasing the use of renewable sources and building retention reservoirs. MEGA is committed to investing in research and development with the aim of finding effective solutions for the recirculation of water and other raw materials.

2.3.1 Decarbonization

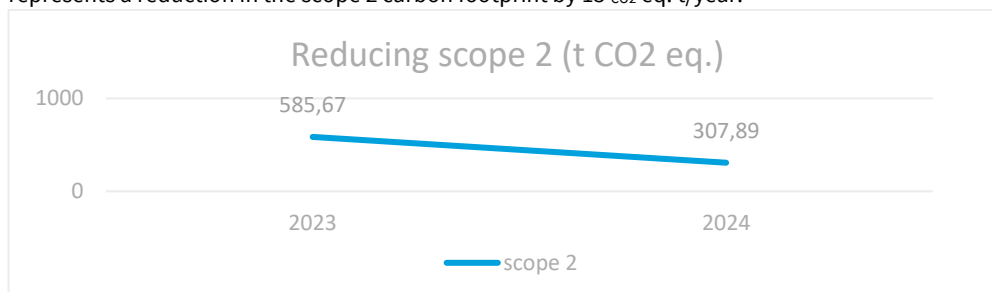
MEGA is committed to contributing to the implementation of the Paris Agreement, which does not allow the increase in global average temperature by more than 1.5 °C. The company is therefore focusing on decarbonization throughout the value chain, increasing the consumption of energy from renewable sources and reducing the amount of waste sent to landfills.

2.3.1.1 The importance of decarbonization measures

- **PREVENT** Effective and sustainable prevention of CO₂ emissions, e.g. through energy efficiency.
- **REDUCE** Transition to renewable energy sources at all stages of the value chain.
- **COMPENSATE** Compensation for residual emissions, e.g. through investments in forest protection and afforestation.

2.3.1.2 Commitments

- By 2028, MEGA will reduce its carbon footprint by 82 t CO₂ equivalent in scope 2.
- By 2030, we will build two PV plants on new buildings (constructions) with an output of 25 kWp, which represents a reduction in the scope 2 carbon footprint by 15 CO₂ eq. t/year.



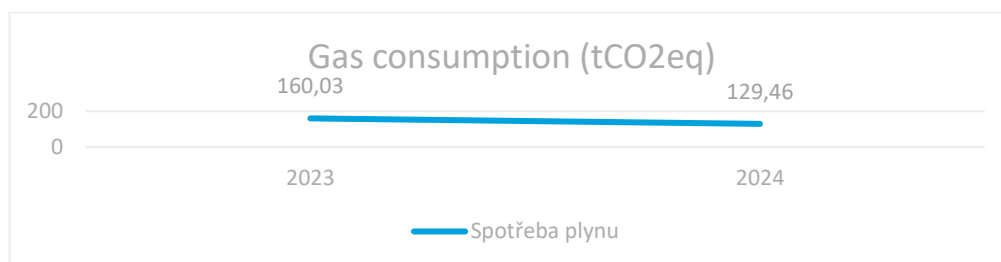
SCOPE 2 reduction for 2024

- We will reduce the volume of landfilled waste by 12 tons (i.e. by 3 tons/year) by 2028 and at the same time reduce the amount of hazardous waste by 28 tons/year.



Reduction of landfilled waste and N waste generation

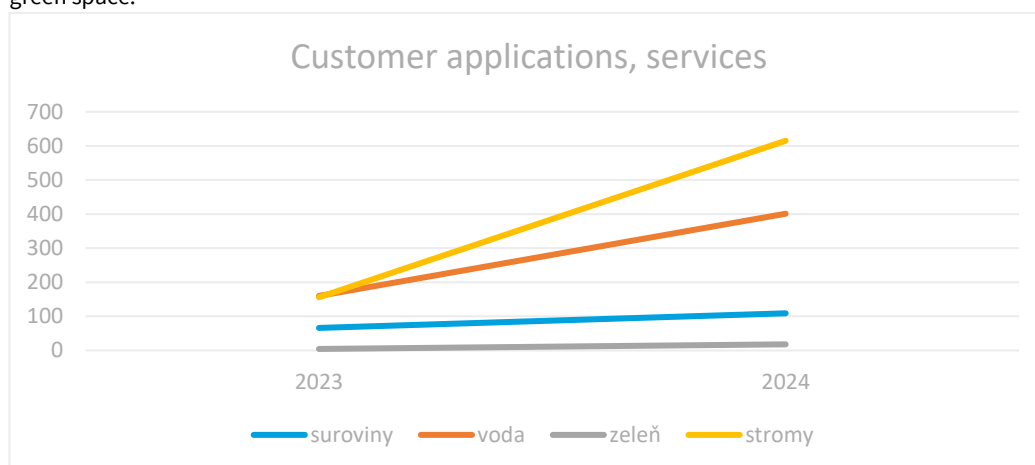
- Heat recovery in the production facility - scope 1; reducing natural gas consumption by 1.78% and reducing greenhouse gas emissions by 19.8 CO₂ eq. t/year, start of operation 09/2028.



Reducing gas consumption

Decarbonization index > than 5 – expresses the reduction of CO₂ in the entire value chain per 1 million CZK of turnover compared to 2023. In 2024, we failed to meet the target.

- The MEGA Group of Companies will launch customer applications that will allow up to 6.4 million m³ of raw materials to be returned to the process. By 2029, we will plant 600 trees and restore 15,000 m² of green space.



Customer application contribution

A supply chain impact index > 1.6 indicates an increase in MEGA activities designed to return input materials to the process in CZK million of turnover compared to 2023. The index for 2024 is 2.7.

- We will take measures to reduce water consumption so that we consume 50% less drinking water by 2033.



Drinking water consumption

soil purification impact index > than 1 – expresses the increase in MEGA's activities in the area of water and soil purification in CZK million of turnover compared to 2023. Although in 2024 we removed more from the water supply system than the previous year, we are managing to meet the impact index on water and soil purification. The index in 2024 reaches a level of 4.0.

- MEGA is committed to minimizing emissions from both production and business activities. Therefore, residual emissions that cannot be reduced or prevented can be offset by purchasing carbon credits from high-quality projects.

2.3.2 Decarbonization activities

1. MEGA has started decarbonization in the fall of 2023 by replacing lighting with LED lighting in all production areas and planning the construction of the first PV plant on the production site. Both projects will significantly contribute to the decarbonization of DMP products.
 - Replacement of lighting fixtures in production halls, reduction of 62.83% of installed power, i.e. 74,950 kWh/year, or 32.23 t CO₂ /year
 - kWp PV plant in 2024 and will put the PV plant into operation in July 2025. The total production will be consumed by the production operations of the 974th center. We expect an increase in net energy to 15%.
 - Replacing lighting fixtures in offices will ensure a reduction of 58.14% of installed power consumption, i.e. 29,667 kWh/year, or 12.76 t CO₂ /year.
 - By conducting an energy audit in accordance with Act No. 406/2000 Coll., we obtained an assessment of overall energy efficiency and an overview of possible savings.
 - Logistics workers, in cooperation with carriers, optimize the transportation of products to our customers using "carbon" calculators.
 - In 2024, we partially offset fuel emissions of 28.6 tons of CO₂ with the DKV Card project Climate controlled by the non-profit organization myclimate Deutschland gGmbH.
2. MEGA has approved funding for research and development in the field of CO₂ reduction from air and water.

2.3.3 Pollution activities

MEGA is committed to reducing not only water and energy consumption, but also chemical consumption and production of waste destined for landfill. The goal is to reduce landfilled waste by 12 tons by 2028 compared to 2023. MEGA will maintain reclamation and remediation work at 100% of the volume of the period 2019-2023 by 2028.

At the same time, we regularly invest in development and innovative applications for remediation work and water purification. In 2024, we invested more than 3% of the company's total sales in science and research from our own resources. As in our own processes, we progress in the supply chain with our customers. Together, we are looking for solutions for energy savings in paint shops, replacing classic VOC afterburning with biofilters, and designing effective water management. In 2024, MEGA completed the renovation of 18,200 m² of greenery and planted 615 trees.

The goal of reducing the volume of waste ending up in landfills by 12 tons by 2028 is being met, in the first year we reduced the volume of waste by 11 tons in favor of recycled waste. The volume of N waste has not yet been reduced, but the goal remains.

2.3.4 Resource utilization activities

MEGA consistently reviews the management of waste generated by its own activities. MEGA strives to prevent waste generation and maximize the use of raw materials. If waste is generated, its material and energy recovery always takes priority over landfilling.

An example is a project to reuse selected IBCs (intermediate bulk container) containers, which MEGA hands over to the facility operator, who will ensure their cleaning and prepare them for reuse. Once manufactured, IBC containers can thus serve their original purpose repeatedly. Another example is packaging-free deliveries, when the original deliveries in IBC containers are replaced by tanker trucks, the construction of a closed cooling circuit, the installation of "smart" water meters or remote monitoring of the Neutralization Station, both on a PC and on a mobile phone, allows the water manager to receive immediate information about the quantity and quality of the inflow, the amount of water discharged, and obtain information about non-standard amounts of the immediate inflow.

We have managed to establish cooperation with a customer for recycling working foil in an approximate annual volume of 14 tons and polypropylene chips and offcuts in a volume of 0.3 tons per year. Another example is cooperation with an electrode supplier, to whom we send used electrodes back for use in platinum surfaces. In this way, we saved 4,992 kg of platinum in 2024.

In 2024, MEGA installed technologies at its customers that secured 109 thousand m³ of input raw materials for further use, cleaned 4 million m³ of water, and treated 9.7 million m³ of process water for industrial use.

2.4 SOCIAL - POLITICS



The personnel strategy of MEGA is part of the Sustainability Strategy and determines the principles and procedures in the field of human resources management. The main principle of the strategy is respect for human rights and freedom. It includes aspects such as selection and recruitment of employees, remuneration, benefits, working conditions, performance evaluation, development and talent management, HR marketing, leadership, communication and employee relations. The aim of the personnel policy is to ensure compliance between the needs of the organization and the needs of employees, in accordance with legal regulations and ethical standards. The correct setting of the personnel policy significantly affects the efficiency of the company and its results.

The main objective of our personnel strategy is to define the company's medium-term goals in the area of personnel and organizational development and to determine appropriate measures leading to their achievement. We emphasize creating a positive working environment where employees feel motivated and engaged. The recruitment strategy is set according to predetermined criteria ensuring objectivity with the aim of maximum efficiency and talent search. High-quality human resources thus provide MEGA with stability and competitive advantage. The company pays attention to ethics both in the workplace and towards business partners and the public. MEGA's code of ethics sets out basic corporate values and defines desirable behavior both outside and inside the company. It supports trust in the company and demonstrates high professionalism. The systematic development of corporate culture creates a positive environment and maintains a consistent direction of the organization. Our company is committed to supporting a diverse, fair and inclusive environment, which is why the HR strategy also includes a Diversity and Inclusion Strategy, which clearly defines procedures and standards in this area, including awareness-raising, diverse recruitment practices, an inclusive work environment, regular monitoring and involvement of top management.

MEGA, MemBrain and MEGA-TEC develop communication with local communities in all regions and fields of their operations by supporting sports, culture and their charitable activities.

MEGA, as one of the world leaders in the field of ion exchange membranes, is a member of the European Membrane Society (EMS). In the field of membrane processes, it is a respected company on foreign markets. The CEO of MEGA, as the founder of electromembrane processes in the Czech Republic, is also the president of the Czech Membrane Platform (CZEMP). MEGA has long-term cooperation with universities and professional institutions, specifically with the University of Chemical Technology in Prague, the University of Pardubice, the Institute of Macromolecular Chemistry of the Academy of Sciences of the Czech Republic, the Technical University of Liberec, the University of Mining in Ostrava and Palacký University in Olomouc. Through its subsidiary MemBrain, it offers student internships every year, organizes student scientific conferences and workshops.

Communication with employees is very important to us, as is the feedback they provide us. We regularly inform employees about what is happening in the company through regular departmental meetings, the company magazine, or MS TEAMS, where we have a very well-developed shared information system for employees.

2.4.1 Basic points

- respect for human rights and freedoms.
- equal and transparent conditions and opportunities.
- compliance with legal regulations and the code of ethics regarding human relations, environmental protection, occupational safety and personal data protection.
- safety and health protection of employees in the workplace.
- support for education and career development.

- creating a system of communication, information and involvement of employees in the organization's decision-making processes.
- communication with communities.
- ensuring employee motivation, satisfaction and loyalty through an appropriate remuneration system, benefits, training, career development, flexible working conditions and a suitable working environment.
- support teamwork, self-realization and responsibility for the results of one's work.
- diversity and inclusion.

2.5 GOVERNANCE – POLITICS



MEGA builds its brand on an open and responsible approach to its commitments to all stakeholders. It constantly improves its processes, procedures for corporate governance and management. MEGA ensures compliance with legal requirements, assesses risks, and supports corporate culture.

The management of the companies in the MEGA group of companies has committed itself in the Code of Ethics to adhering to fair business practices, to establishing business relationships with customers and suppliers based on mutual respect and understanding. It condemns corruption, which is a serious problem in business competition and leads to decisions for reasons other than objective ones, often hinders development and innovation, distorts competition and harms the MEGA group of companies. MEGA is based on expertise, belonging and transparency. MEGA companies have clear management and control structures, have defined rights and obligations between owners and company bodies, employees, customers and suppliers. MEGA maintains balanced relations with stakeholders.

We do not tolerate discrimination based on gender, race, skin color, religion, ethnic origin, age, nationality, sexual orientation, social status, function or political affiliation in any area of our activity, whether it is cooperation with customers, business partners, in the selection and employment of employees, or in the remuneration, assignment and evaluation of work tasks.

2.5.1 Human rights

The MEGA Group of Companies is aware of its responsibility to comply with and respect the laws and legal systems within which we operate. The basis of our social responsibility is due care for human rights enshrined in international conventions:

- UN Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- UN Convention on the Rights of the Child
- UN Convention on the Rights of Women
- Core labour standards of the International Labour Organization (ILO)
- OECD Guidelines for Multinational Enterprises
- Ten Principles of the UN Global Initiative Compact
- European Convention for the Protection of Human Rights and Fundamental Freedoms

Every employee contributes to the protection of human rights by setting an example, not remaining indifferent to the violations of rights that occur in their surroundings. They are aware of rights and freedoms without any discrimination.

We adhere to our own Code of Ethics, which is binding for all employees in the MEGA group of companies, and which sets out in particular the following principles:

- Compliance with the prohibition of children and forced labor.
- Equal treatment of all employees and zero tolerance for discrimination.
- Ensuring safety and health protection at work.
- Providing remuneration at least equal to the statutory minimum wage for working hours in accordance with applicable standards.
- Personal data protection.
- Recognition of the right of all employees to establish employee representative bodies and to conduct collective bargaining for the purpose of regulating working conditions.

These principles are also enshrined in the MEGA Supplier Code, which is an integral part of our contractual arrangements with business partners.

Each of the companies has processes in place to monitor the value chain and there were no confirmed incidents involving workers, communities, consumers or end users during the period under review.

Employees of the MEGA Group of Companies have the opportunity to report violations of rights using an internal anonymous reporting system. In 2023 and 2024, no incidents related to child or forced labor, human trafficking or discrimination were recorded in the MEGA Group of Companies.

3 GREENHOUSE GAS EMISSIONS

3.1 ENERGY CONSUMPTION

Although electricity and gas consumption account for around 2% of a company's costs, it is an item we can influence. That is why MEGA is committed to sustainable energy management.

	2023	2024
Total energy consumption (MWh)	1810.96	1613.32
Total consumption from non-renewable sources (MWh)	1756.91	1515.24
Electricity from non-renewable sources (MWh)	935.96	807.48
Gas from non-renewable sources (MWh)	820.95	707.76
Total consumption from renewable sources (MWh)	54.05	98.08
Electricity from renewable sources (MWh)	54.05	98.08
Renewable gas (MWh)	0	0
Share of renewable resources in total consumption	2.98%	6.08%

3.2 GREENHOUSE GAS EMISSIONS

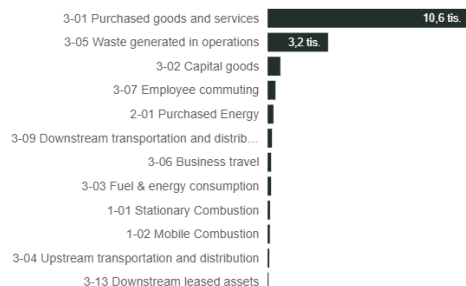
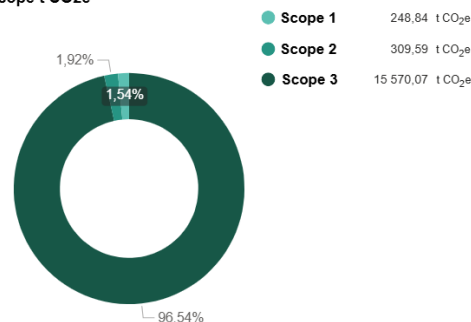
Scope 1, 2, 3 emissions and total greenhouse gas emissions

According to the GHG protocol, the Greenhouse Gas Protocol (Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard), greenhouse gas emissions are reported in three main areas as the total carbon footprint for the year.

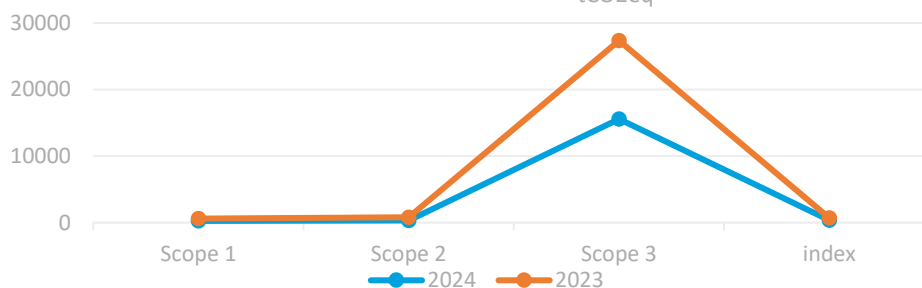
The carbon footprint verification was verified by GREENOMETER based on the certification granted by the CI2 certification authority. The environmental management system in the group of companies is regularly certified by TÜV SÜD Czech.

The starting point for the calculations is the data collected in the environmental data management system. In this sustainability report, the emissions for MEGA as, MEGA-TEC sro and MemBrain sro are calculated in tonnes of CO₂ equivalent (CO₂ eq.). This means that the presented values include other greenhouse gas emissions such as methane (CH₄), nitrogen dioxide (NO₂), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) or sulphur trifluoride (SF₆).

Scope 3 refers to other indirect greenhouse gas emissions caused by activities in the MEGA group of companies. The company reports CO₂ emissions in nine out of the total fifteen Scope 3 categories. The total scope 3 accounts for 96.5% of emissions. Almost 50% of all emissions in Scope 3 are in the “purchased products and services” emission category, materials and waste account for less than 36%, while 2% is part of the logistics emission category. In the overview below, the greenhouse gas intensity index is converted to 1 million CZK, if we convert it to EUR (see the Carbon Footprint graph) it reaches 366 t CO₂e, which is 50 t CO₂e more than in 2023. This year, thanks to the acquisition of the GREENOMETER software, some items were refined and, above all, supplemented, which was reflected in an increase in the carbon footprint index.

Total emissions t CO₂e**16 128,50**Emissions per Employee t CO₂e**61,09**t CO₂e per 1 Million of Revenue *****13,65**Total t CO₂e emissions by GHG categoryGHG Scope t CO₂e

①

Carbon footprint (tCO₂eq)

3.3 CLIMATE-RELATED RISKS

In the MEGA group of companies, we work with regular assessment and monitoring of impacts and opportunities. The management of each company immediately responds to risk reports in direct communication without unnecessary delay. For the assessment and monitoring of operational risk, a regular quarterly assessment is carried out. This focuses on the financial impacts of risky activities.

Impacts and opportunities are assessed using an established risk management system based on their severity and likelihood. After gathering the resulting significance, the company's management assesses each significant impact. These impacts include legislative risks in the area of sustainability (e.g. the use of fossil fuels), risks associated with landfilling waste, other environmental risks and risks related to the working environment and flexibility of working hours.

When analyzing risks, we find many opportunities for our business model in the areas of innovative solutions:

- to save resources of input raw materials,
- to protect and effectively use water resources,
- to intensify the treatment of industrial wastewater,
- for the rehabilitation of old burdens and the reclamation of green areas.

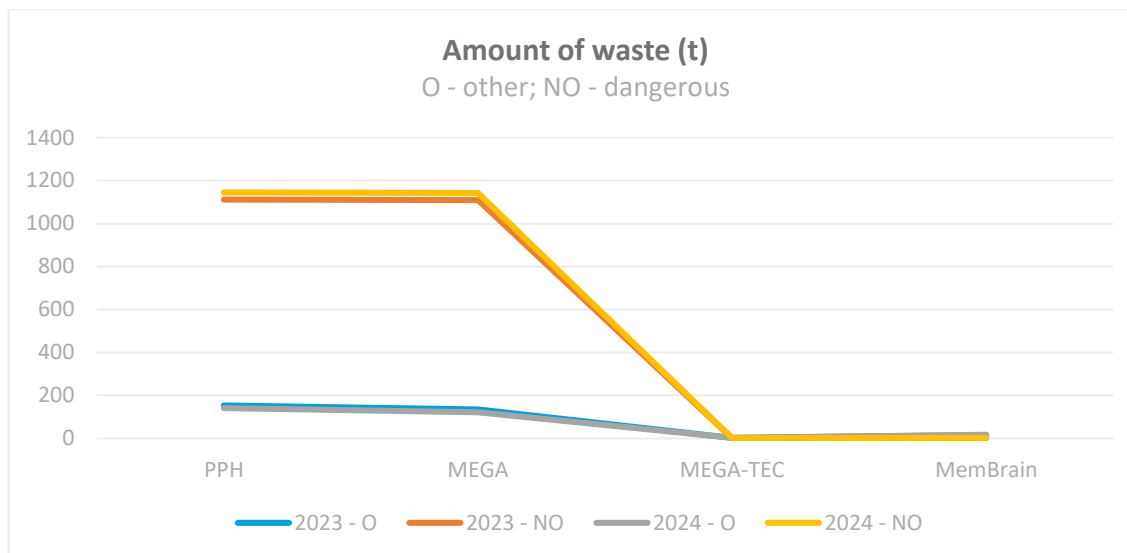
4 AIR, WATER AND SOIL POLLUTION

Companies in the MEGA group use water from the public water supply system in their laboratory and production operations for mixing test solutions. Also, in the production processes of wet preparation or washing of input material. The Water Authority of the Liberec Region has issued a decision on the discharged quantity and quality of industrial waters, which we first process at the neutralization station. Industrial waters polluted with organic substances are processed at the municipal wastewater treatment plant.

Our companies use stationary gas boilers for heating, which meet the parameters of unlisted sources and there is no need to report the quantity and quality of emissions to state authorities.

We are aware that this topic is an opportunity for us and we provide our customers with a range of services in the field of water recycling, sanitation, reclamation and revitalization. We are working on projects to map old ecological burdens in the Liberec and Ústí nad Labem regions.

Activity	Environmental aspects	Significance
Manufacturing activities	wastewater, CHLaS, waste (O, N)	medium
Heat production	gas combustion	medium
Transport	fuel emissions, tire abrasion, fuel	low
Administrative	paper consumption, electrical appliances, batteries	low



A more detailed analysis of waste is given in the chapter 6 Resource utilization.

4.1 POLLUTION PARAMETERS

4.1.1 Water discharged into the watercourse

Amount 2024	Discharged pollution									
	COD Cr	NL	N-NH ₄	pH	N-NO ₃	RL-105	Zn	Cl	SO ₄	C10-C40
(m ³)	(mg/l)	(mg/l)	(mg/l)		(mg/l)	(mg/l)	(mg/l)	(mg/l)	(mg/l)	(mg/l)
3241	12.6	3.13	1.08	7.16	0.42	463.27	0.02	159.85	54.51	0.1

4.1.2 Special waters entering the WWTP

Amount 2024	Pollution produced											
	COD Cr	NL	PL	P2O ₅	MON ³⁻⁴	pH	N-NO ₃	N (Kjel)	RL-105	NL-105	RAS-550	You
(m ³)	(mg/l)	(mg/l)	(mg/l)	(mg/l)	(mg/l)		(mg/l)	(mg/l)	(mg/l)	(mg/l)	(mg/l)	(mg/l)
46.5	8508	862.75	63.99	146.35	195.83	7.09	6.14	274.2	26325	862.75	19575	<6

5 WATER RESOURCES

The company does not use any other water source than the public water supply. MEGA and MemBrain also use the withdrawn water for industrial processes. MEGA consumes the largest amount, 6258 m³, which is 5% less compared to 2023.

direction	species	units	PPH	of which MEGA
Removed	Drinking water	m ³ / 2024	6,726	6258
Dropped	Sewage		2,500	1547
	Industrial		3,241	2716

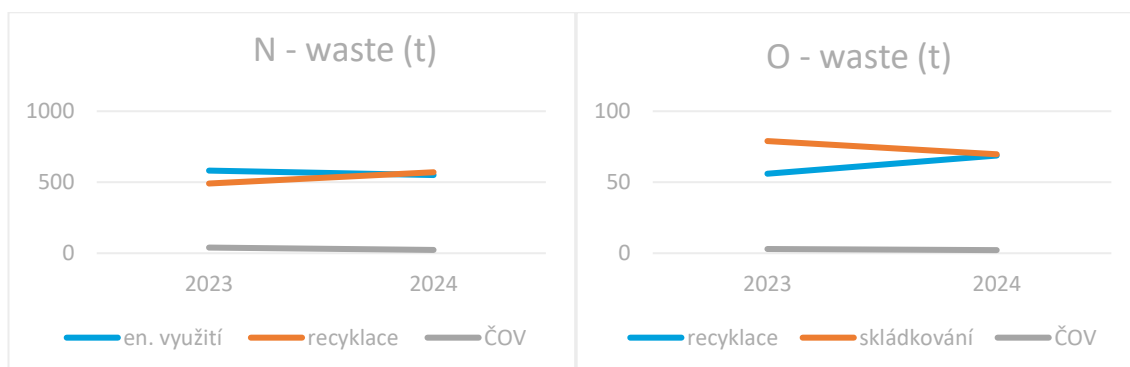
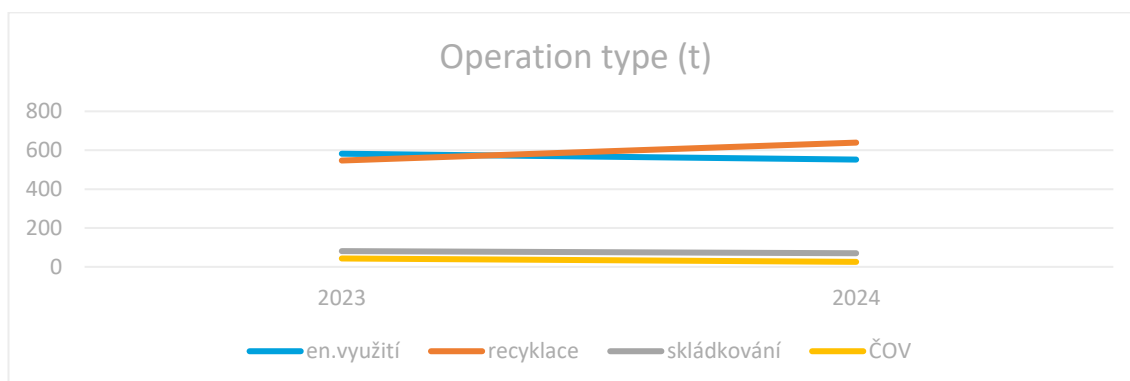
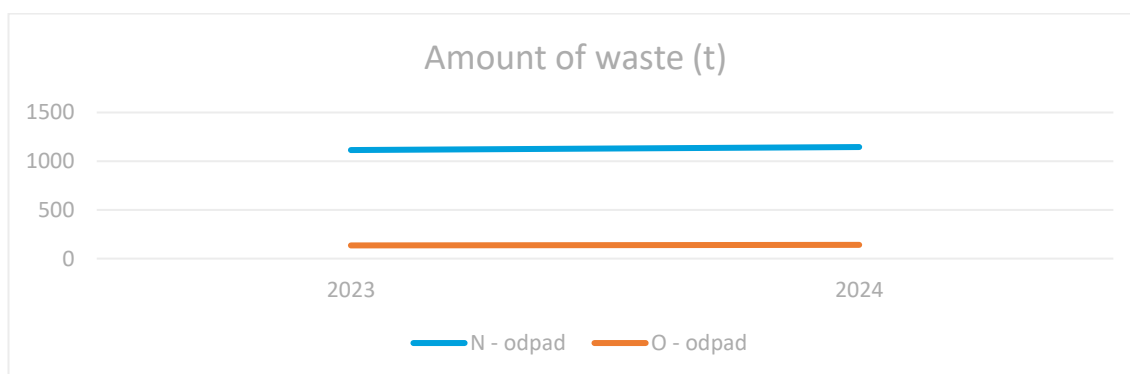
6 RESOURCE USE, CIRCULAR ECONOMY AND WASTE

MEGA sees the circular economy as a way to reduce environmental impact and manage resources wisely. A sustainable approach to the use of resources and materials is enshrined in the MEGA Mission. The goal of almost all activities is to protect the environment while using the circular economy. The sustainable approach is further reflected in the 24+ Strategy.

6.1.1 Waste value scale

1. Waste prevention
2. Reuse
3. Recycling
4. Energy use
5. Landfilling

The total amount of waste has increased slightly due to the growth in production volume, we are managing to change the final disposal method. The 14% decrease in landfilling and the increase in recycling by almost 17% in the entire group are positive. In the MEGA company itself, which generates the largest volume of waste, there is a decrease in landfilling by 15% and an increase in recycling by 23%.



7 SOCIAL METRICS

7.1 OWN WORKFORCE

7.1.1 Diversity index

Diversity Index > than 0.5 – is an indicator of the level that the MEGA Group of Companies achieves in setting and managing diversity and inclusion (D&I). The index helps to comprehensively assess the level of D&I integration into the corporate culture in individual companies and in the MEGA Group of Companies. The rating range is from 0 to 1, where a higher score (close to 1) indicates high diversity. The formula used to calculate the overall diversity and inclusion index for the MEGA Group of Companies is: $D\&I \text{ Index} = (\text{Access to education} + \text{Employment rate} + \text{Gender diversity} + \text{Inclusion rate}) / 4$. Factors:

- **Access to education**, the value is normalized on a scale of 0 to 1 with a value of 1 across all our companies.
- **Minority Employment Rate**, this value represents the percentage of employees who belong to minority groups and will also be normalized on a scale of 0 to 1, where a higher score close to 1 indicates a high minority employment rate. We monitor the number of employed pensioners, employees with health limitations, employed women on parental leave, part-time employees and foreigners in proportion to the total number of employees on the main employment contract as of the last day in the year under review.
- **Gender diversity**, this value is calculated as the difference between the number 1 and the sum of the squares of the shares of employees in the total number by gender using the Herfindahl-Hirschman index (hereinafter referred to as HHI). The HHI is calculated as follows: $1 - (\text{number of men} / \text{total number of employees})^2 - (\text{number of women} / \text{total number of employees})^2$. We monitor the number/ratio of women and men in society and in the management of the company.
- **Rate from satisfaction surveys**, this value expresses the average employee satisfaction with inclusion. The value is normalized on a scale of 0 to 1, where a value of 1 indicates a high level of satisfaction with the possibility of smooth integration into work teams and the company. Satisfaction surveys from all companies show that employees feel good, are fully integrated and have the necessary support.

Factors evaluated in the D&I index in individual years	MEGA as	MemBrain sro	MEGA-TEC sro
Access to education in 2023	1	1	1
Access to education in 2024	1	1	1
Minority Employment Rate 2023	0.079	0.238	0.173
Minority Employment Rate 2024	0.098	0.267	0.074
Gender diversity in 2023	0.47	0.5	0.34
Gender diversity in 2024	0.454	0.477	0.302
Inclusion rate in 2023	1	1	1
Inclusion rate in 2024	1	1	1
D&I Index for 2023	0.63	0.68	0.63
D&I Index for 2024	0.644	0.686	0.594

Diversity index for the MEGA group of companies in 2023	0.646
Diversity index for the MEGA group of companies in 2024	0.641

7.1.2 Satisfaction index

Satisfaction index > 0.7 – determined using an employee survey containing approximately 60 questions regarding overall satisfaction, communication, employee involvement in the decision-making process,

evaluation of working conditions, motivation, performance evaluation, development, training, occupational health and safety, ERP, automation and sustainability. The index is based on the average of the results of 10 selected questions. The rating range is from 0 to 1, where a higher score (close to 1) indicates high satisfaction.

	MEGA	MemBrain	MEGA-TEC
Satisfaction Index for 2023	0.8	0.7	0.8
Satisfaction index for 2024	0.9	0.9	0.8

Satisfaction index for the MEGA group of companies in 2023	0.76
Satisfaction index for the MEGA group of companies in 2024	0.87

7.2 SUSTAINABILITY-RELATED PERFORMANCE EVALUATION

For management members, the fulfillment of strategic topics and key indicators of the company is reflected in the performance evaluation. In the area of sustainability, they reflect the topics of decarbonization, diversity and customer perception of sustainability.

8 OWN EMPLOYEES

The overall social strategy is focused on supporting employees, developing an inclusive and safe working environment, ethical business practices, and active involvement in public social events.

- We ensure safe, healthy and inclusive working conditions
- We support equal opportunities and diversity
- We invest in employee training and education
- We provide a rich incentive benefit program that is regularly updated in relation to employee needs and feedback evaluation.
- We actively collaborate with local communities and support projects that bring positive social impact
- We involve employees in volunteer activities and corporate charity work
- We adhere to high standards of ethical behavior and respect human rights in the supply chain
- We regularly assess social risks and take appropriate measures to minimize them.

Our employees are the cornerstone of our company's success. In this section, we present an overview of our workforce, including its structure, development, safety and satisfaction. We focus on promoting diversity, inclusion and equal opportunities, flexible working hours, a healthy and safe working environment and creating conditions that allow our people to grow professionally and fully develop their potential. Transparent monitoring of these indicators allows us not only to meet regulatory requirements, but also to continuously improve working conditions and contribute to the sustainable growth of the company.

8.1 SOCIAL INDICATORS

Year 2024 (men/women)	MEGA	MemBrain	MEGA-TEC
Average number of employees	185.90	51.51	27.33
Average converted number of employees	183.68	50.79	26.84
Number of main employment relationships as of December 31, 2024 (men/women)	192 (125 men / 67 women) 65% men and 35% women	56 (34 men/22 women) 61% men and 39% women	27 (22 men/ 5 women) 81% men and 19% women
Number of employees with a main employment contract for the whole year (men/women)	207 (135 / 72) 65.2% / 34.8%	64 (38 / 26)	27 (22 / 5)

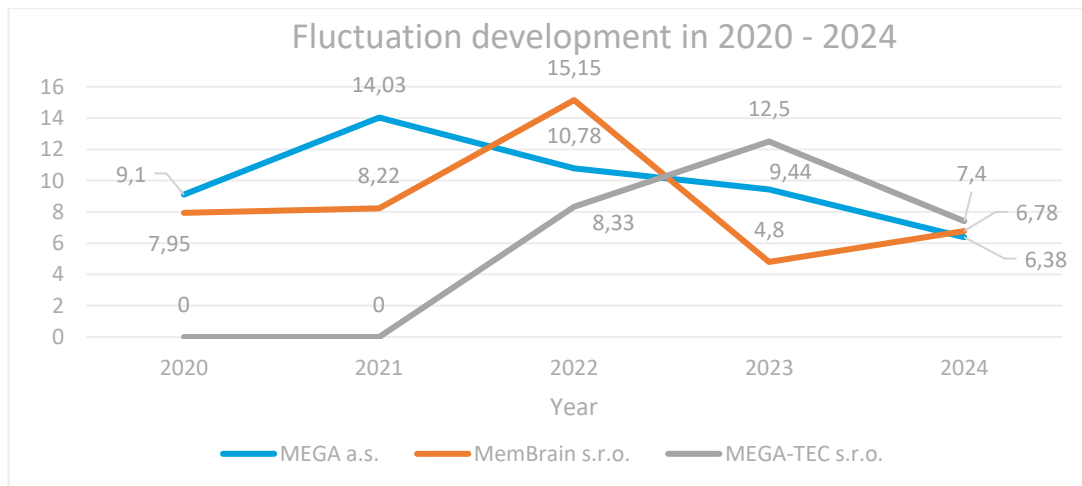
Year 2024 (men/women)	MEGA	MemBrain	MEGA-TEC
Number of employees with a fixed-term contract	9 (7 men, 2 women) 5.2% / 2.8%	2	1
permanent employment contract	198 (128 men, 70 women) 94.8% / 97.2%	62	26
Number of agreements outside of employment for the whole year (men/women)	23 (16 men / 7 women)	13 (8/5)	5 (3 / 2)
Employees working in the Czech Republic	100%	100%	100%
Number of employees permanently working abroad	0	0	0
Number of agency employees	0	0	0
Statutory body contracts (men/women)	9 (6 men / 3 women)	2 (2/0)	2 (2 / 0)
Number of technical and economic workers (men/women) as of 31.12.	118 (74 / 44)	52 (34/18)	17 (13 / 4)
Number of workers (men/women) as of 31.12.	74 (51/23)	4 (0/4)	10 (9 / 1)
Number of managers (male/female)	38 (25 / 13)	9 (6 / 4)	5 (4/1)
Number of employees with a different gender identity in their main employment for the entire year	0	0	0
Full-time employees	204 (134 men and 70 women) 99.2% / 97.2%	53	26
Part-time employees	3 (1 male, 2 female) 0.8% / 2.8%	3	1
Employees with flexible working hours throughout the year	100 (63 men / 37 women) 46.7% / 51.4%	61	15
Employees with the option to use home office	98	48	5
Turnover rate (new methodology)	6.4	6.7	7.3
Number of disabled pensioners in main employment	5	1	1
Number of old-age pensioners per main employment relationship	5	4	0
Number of old-age pensions for work or work activity agreements	4	3	2
Foreigners (male/female)	5 (1/4)	7 (5 / 2)	0
Number of employees on maternity or parental leave (men/women)	5 (0/5)	11 (1/10)	0

Year 2024 (men/women)	MEGA	MemBrain	MEGA-TEC
Number of recruitments for main employment in 2024 (men / women)	22 (13 / 9)	2 (2 / 0)	5 (4 / 1)
Number of terminated main employment relationships (men/women)	18 (13 / 5)	8 (4 / 4)	2 (1 / 1)
Number of employees with a qualification agreement	4	1	0

Seniority in MEGA as for 2024: 7.5 (for 2023 7.2). In MemBrain it was 9 years. Seniority in MEGA-TEC s.r.o. was 7 years. For the MEGA group of companies, the average seniority is 7.8 years.

The MEGA Group is committed to adhering to the principle of equal pay regardless of gender, age, ethnic origin or other personal characteristics. In accordance with the requirements of the EU Directive on Transparent Remuneration and VSME standards, we regularly evaluate the wage gap between men and women in comparable positions. In case of differences exceeding 5%, we conduct an internal audit and take corrective measures. All employees are fairly remunerated according to pre-established rules (Wage Regulation and Human Resources Management Directive). All wages are higher than the minimum wage set by legislation in the Czech Republic for a given year. The Gender Pay Gap for 2024 in MEGA as reaches 19 (average wage of men vs. average wage of women regardless of position).

In the area of human resources management, the goal is to keep turnover below 15%, adhere to the recruitment plan and set budgets, and ensure a stable, professionally competent, motivated, and committed team.



8.2 YOUTH WORK

In the Czech Republic, there is a ban on child labor, which MEGA strictly adheres to. Minors may only be employed in jobs that correspond to their physical and mental development and under the conditions set out in the Labor Code. Only adult candidates, students in summer jobs and internships after completing compulsory schooling and reaching the age of 15 are employed for the main employment relationship. Age is checked by the HR manager before concluding an employment relationship. Temporary jobs are offered in accordance with Czech legislation. In 2024, 100% of all accepted candidates passed the inspection. The rules for the work of minors are regulated by the Labor Code. Before starting work, each minor employee undergoes an occupational medical examination by a company doctor, who assesses their health. We process a risk register.

8.3 EMPLOYEE INVOLVEMENT

As part of various HR challenges, employees participated in several charity projects during the year:

- We honored bone marrow donors in cooperation with Hospital in Česká Lípa
- We participated in the handover of a social car to the Nursing Home in Mimon
- Employees actively participated in the People in Need Flood Fundraiser

- MemBrain employees supported the Life for Children charity as part of the MemBrain in Motion collection.
- We financially supported the Emil Votoček Foundation, the sports complex in Bystřice nad Pernštejnem, the Czech Karate Association FSKA, the Athlete of Českolipsko event
- In the field of culture, we contributed to the Křižanské léto Festival and Lípa Musica
- We support student scientific conferences and help graduates navigate the job market (Door to professional life)
- The May Health Days in the MEGA group of companies also included a fundraiser for the League Against Cancer Czech Cancer Day. We also actively participated in the events “Cycle to Work” and “Help with Movement”, in which 19 employees participated. Subsequently, the ČEZ Foundation converted the points into financial support for selected charity projects,
- We organize a Christmas party every year with the help of employees of the sheltered workshop [at MCU Koloseum Liberec](#). The main mission of MCU KOLOSEUM, ops is to provide sheltered jobs for people with disabilities, offer them inclusion in the work process and much-needed self-realization.
- MEGA-TEC financially supported the Onko club, small animal breeders, volunteer firefighters and the municipality in organizing cultural events.
- In cooperation with the town of Stráž pod Ralskem, we provided stands, competitions and prizes for the event Journey to the Fairy Tale.

The company also organized several other events for employees during the year:

- Health Days – as part of the health prevention program, the HR department prepared a lot of interesting activities for employees in May, such as consultations with health specialists, massages, healthy eating in the company cafeteria, a fruit and vegetable day, where we distributed over 80 kilos of healthy food to employees, vitamin packages for remote workplaces, first aid training and competitions related to exercise and charity work. The stress training had a positive response and confirmed to us that psychohygiene is a topic that requires increased attention. The day with health specialists was dedicated to spirometry, optometry, nutritional counseling, hand hygiene review, foot diagnostics, saturation measurement, BMI, blood pressure measurement, healthy breathing course, blood group determination and support for blood donation.
- increased attention to the ergonomics of workplaces, which are gradually being equipped with height-adjustable elements.
- International Women's Day – we celebrated it on March 8th with a little attention for all girls and women.
- Meeting of jubilarians – takes place regularly once every six months with the participation of members of the company's management, who thank employees celebrating a milestone work anniversary or a significant life anniversary for their many years of work and present them with a small gift.
- First-graders – for little schoolchildren who will sit down at school desks, the personnel department has a gift in the form of school supplies.
- Competition for employees' children – the best drawings won prizes.
- Křižanské léto 2024 - we offer employees discounted tickets to theater and music programs and thus support local culture.
- Megallica – our own music band made up of company employees.
- We help with debt relief and difficult financial situations - even in 2024, employees took advantage of the opportunity for preferential corporate loans or assistance with debt relief provided by the human resources department.
- Best improvement idea – as part of the competition for the best improvement idea, employees can submit their ideas for improvement to management, and the best ideas were awarded financially.

Our goal is to implement at least 3 community challenges and involve at least 5% of employees. The employee survey shows that at least 37 employees participated in charity challenges in 2024 at MEGA and 17 at MemBrain . The employee involvement rate is therefore 20% at MEGA and 33% at MemBrain .

9 EDUCATION

MEGA, MemBrain and MEGA-TEC support the education and career growth of their employees, and therefore provide them with regular appropriate training. Education plans are designed as annual and are compiled individually for each department and employee according to the needs in a given calendar year. We then evaluate the plans once a year. We are looking for new talents, which we try to develop appropriately. Employees can, in agreement with their manager, use a wide range of prepared educational activities, including "tailor-made" training. We support the improvement of qualifications and offer employees qualification agreements or career

plans. Employees have the opportunity to deepen or increase their qualifications throughout the year through professional training and soft skills training. We support students who can use study leave, or in TH positions, flexible working hours or reduced hours. Employees also have the opportunity to regularly participate in foreign fairs and conferences. In 2024, MEGA employees participated in 20 trade fairs and conferences, MemBrain employees in 13 events, and MEGA-TEC employees in 1 foreign trade fair in Italy and 1 conference in the Czech Republic.

Our strategy includes working not only with our own employees, but also with students. We actively and regularly participate in career days at chemically focused universities, such as Chem-iK at the University of Chemical Technology and Kontakt at the University of Pardubice, TU Liberec and others. We also actively cooperate with foreign universities, such as STU Bratislava or universities involved in the ERASMUS program. We have implemented the field of electromembrane processes into the curriculum and are authors or co-authors of several professional publications. We offer secondary schools and universities excursions to the parent and subsidiary companies (scientific and research Membrane Innovation Center MIC I) combined with professional explanations. We offer university students a long-established student program and annually organize a student work workshop. We regularly organize professional conferences and lectures on the topic of electromembrane processes. At the same time, we occasionally publish the results of our activities in professional journals.

We have an established student program www.membrain.cz/student for Czech and foreign students from technical fields. In 2024, 9 student internships took place at MEGA as (6 high school and 3 university). 7 university internships took place at MemBrain s.r.o. In 2024, we concluded an agreement with the University of Pardubice to provide internships for newly accredited study fields, namely Innovative Polymer Materials and Coatings and also for the field of Environmental Chemistry and Sustainability. MemBrain financially supported the Student Scientific Conferences at the University of Chemical Technology, Section of the Institute of Chemical Engineering and the Institute of Inorganic Technology.

Regular events also include a student work workshop at MemBrain s.r.o. and the MEMPUR conference organized at the University of Pardubice.

We also regularly organize excursions for students; in 2024, 7 of them took place at MEGA and MemBrain, mainly for high schools and colleges; one excursion took place at MEGA-TEC for a local grammar school.

In September 2024, we signed a Memorandum of Cooperation between MEGA as and Junior Achievement, which declares our will to develop activities based on mutual cooperation, which is intended for the development of talents and skills of young refugees from Ukraine aged 15-24, their preparation for the labor market and their employment with the possibility of further education. Employees with a qualification agreement can take study leave and the company covers the costs of increasing or deepening their qualifications.

Extensive : MEGA published 8 papers and delivered 3 lectures. In 2024, the research team of the subsidiary MemBrain published 17 papers (8 professional articles, 4 posters and delivered 9 lectures) and MEGA-TEC published 1 article abroad.

Employee training 2024	MEGA	MemBrain	MEGA-TEC
Total number of educational events per year	115	48	11
Number of subsidized courses	6	7	0
Total education costs	481,596,-	294,816,-	47,188,-
Training costs per employee (note: average converted number of employees per year)	2.622,-	5.805,-	1,758,-

Average number of hours of annual training per employee, broken down by gender:

Average annual number of training hours per employee by gender 2024	MEGA	MemBrain	MEGA-TEC
Men	1317 hours for 129 participants, average 10.21 hours	942 hours for 40 employees, 23.55 hours	299 hours for 23 men, average 13 hours

Women	636.50 hours for 67 women, average 9.5 hours	332.5 hours for 16, average 20.8 hours	52 hours for 6 women, average 8.67 hours
Both sexes	1953.50 hours for 196 employees, average 9.97 hours per year	1275 hours for 56 employees, average 21.98 hours per year	324 hours, average 10.8 hours per year

Employee training in 2023	MEGA	MemBrain	MEGA-TEC
Total number of educational events per year	91	39	11
Number of subsidized courses	35	6	0
Total education costs	551,038	95,967	191,536
Training costs per employee (note: average converted number of employees per year)	3,127	1,851	8,328

We regularly monitor and evaluate training costs. The goal is to provide employees with the widest possible choice of tailored training, and continuous improvement of employee expertise. In 2024, we launched a follow-up educational subsidy project financed by the European Union within the Operational Programme OP Employment Plus called We Innovate through Education 2 focused on soft and managerial skills training, economic and legal courses, technical and other vocational training. A total of 6 courses were implemented in MEGA as for 18 employees (the costs were covered by De minimis support in the amount of CZK 59,238). 17 employees participated in MemBrain, for whom 7 courses were implemented.

10 HEALTH AND SAFETY

The company financially rewards improvement suggestions and initiatives in the area of prevention within the scope of OSH (safety and health protection in the workplace). We have a program to support employee health and satisfaction. In 2024, we implemented Health Days for employees, which focused on healthy company nutrition, disease prevention, consultations with health specialists (dermatologist, physiotherapist), professional lectures and training (taping, smoking cessation), psychohygiene and body care (ergonomics, workplace exercises, massages). We invest in the area of OSH in the long term, whether it is PPE, prevention of infectious diseases, health examinations, adjustments to the working environment or equipment for easier handling or reducing loads. In 2024, another part of the workplace adjustment took place so that it meets ergonomic requirements (height-adjustable work desks). We regularly evaluate occupational risks and take appropriate measures. We hold ISO 45001 certification in the area of OSH.

We regularly monitor the incidence of illness and injury, which has been at a low level for a long time. We pay attention to the work-life balance of employees (see benefits, flexible working hours, combining work and childcare, or studies). The goal of prevention in the area of employee health is to reduce the number of hours missed due to illness, prevent work-related injuries, improve the health condition of employees, increase satisfaction, expertise, maintain high quality preventive health programs, leading to workforce stability.

10.1 DATA ON WORK-RELATED ACCIDENTS

The occupational accident record is kept by an occupational health and safety technician. The goal is zero fatal accidents and the minimization of any occupational accidents. Companies have elected employee representatives for occupational health and safety.

Year 2024	MEGA	MemBrain	MEGA-TEC
Employee deaths as a result of work-related accidents or occupational diseases	0	0	0
Work-related injuries requiring incapacity for work	2	0	0
Registered cases of occupational diseases	0	0	0
Days missed due to work-related injuries	18	0	0

Year 2023	MEGA	MemBrain	MEGA-TEC
Employee deaths as a result of work-related accidents or occupational diseases	0	0	0
Work-related injuries requiring incapacity for work	2	0	0
Registered cases of occupational diseases	0	0	0
Days missed due to work-related injuries	55	0	0

The rate of registered work-related accidents for MEGA as is calculated as the ratio of the number of work-related accidents to the number of working hours of the annual fund excluding holidays of all employees on the main employment contract in the year (or the average annual converted number) multiplied by the annual fund of working hours x 100 (i.e. FPD excluding holidays in 2024 = 1890 hours). Calculation: $2 / (1890 \times 183.68) \times 1890 \times 100$. The rate indicates the number of accidents per 100 full-time employees, for 2024 it is 1.08 in MEGA, 0 in other companies. In 2023, MEGA had an index of 1.13.

Sickness	MEGA	MemBrain	MEGA - TEC
Number of hours missed due to sick leave in 2023 / average by sick leave / average per converted number of employees per company	10,133.5 / 131.6 / 58.84	1,864.5 / 98.13 / 35.96	1367 / 151.88 / 50.62
Number of hours missed due to sick leave in 2024 / average by sick leave / average per converted number of employees per company	10,984.5 / 133.95 / 59.8	1,452 / 76.42 / 28.58	2220 / 253.33 / 96.52

11 EMPLOYEE BENEFITS

The benefit program of the MEGA group of companies includes financial and non-financial benefits, including: 5 days of vacation beyond the Labor Code, 2 free days, support for education and career plans, cafeteria Edenred, bonuses for work and life anniversaries, own company meals and contributions to meals, contributions to pension and supplementary life insurance, the Recommend a Friend program, recruitment contributions, tutor bonuses, provision of preferential banking products at cooperating banking institutions, the Vodafone employee program for family members, support for managing difficult life situations - resolving executions or insolvency and employee loans, support for leisure activities, bonuses for improvement suggestions, work-life balance, home office, company events, competitions, surveys, etc. Beyond the law, the company provides bonuses for afternoon shifts, bonuses for departure and return from/to a business trip on the weekend or a holiday, emergency service on the weekend or a holiday, bonuses for longer business trips in connection with implementation orders. Employees in technical and economic positions (THP) have a laptop and a mobile phone at their disposal, which they can also use for private purposes. For selected positions, a company apartment or company vehicle is available, which employees can also use for business and private purposes. The company offers the possibility of using flexible working hours. The remuneration system, including target and annual bonuses, is regulated by the organizational directive Wage Regulation. At the request of employees, the company added the option to use the Multisport Card to the benefit program. The goal in the area of benefits is to maintain the maximum scope so that the benefit program is competitive and regularly updated in relation to employee motivation and satisfaction. At the same time, we want it to support segments related to health, old-age security and enable flexibility.

11.1 DIVERSITY, FLEXIBILITY AND EQUALITY

The MEGA Group of Companies is committed to supporting a diverse, fair and inclusive environment, therefore the HR strategy also includes a Diversity and Inclusion Strategy, which clearly defines procedures and standards in this area, including awareness-raising, diverse recruitment practices, an inclusive work environment, regular

monitoring and involvement of top management. Supporting diversity, equal opportunities and inclusion is a cornerstone of the company's strategy. Access to equal opportunities is defined in the Code of Ethics.

We are on the path of continuous improvement of working conditions, fair remuneration with clear rules and maximum effort to be competitive in the labor market. None of the companies makes any differences in job classification between women and men from the very beginning. The primary criterion is always qualifications, skills and work commitment. Nevertheless, we monitor whether there are any differences in the average salary of men and women in the organization for the same job classification. Our goal is balance in the area of diversity at all levels.

In the group of companies, we employ workers of various nationalities, maintain and constantly expand a global network of sales agents, and provide internships to foreign students, so it is natural for other employees to work in a multinational team.

We also focus on flexible working hours and work-life balance. THP employees can use part-time or full-time home office where the nature of the work allows, or they can use flexible working hours. We set up suitable working conditions or part-time work for employees with health limitations, and we enable employees on parental leave to combine work and private life (work performance agreements, individual shorter work schedules).

We are strongly committed to social care for employees, within which employees can benefit from a rich a benefit program aimed at attracting new employees, as well as motivating and retaining existing ones employees in the long term, to support their positive relationship with the employer and sense of belonging in teams.

In the MEGA group of companies, everyone has the same opportunities. We promote the principle of equal access to employees and the remuneration of all employees in terms of their working conditions, remuneration for work and the provision of other monetary benefits and benefits of monetary value, professional training and the opportunity to achieve career advancement. For the same work or work of equal value, all employees, regardless of gender, are entitled to the same wage or remuneration from the agreement, which means work of equal or comparable complexity, responsibility and effort, which is carried out in the same or comparable working conditions, with the same or comparable work performance and results of work and with the same job classification. In the MEGA group of companies, we are committed to providing all our employees with a fair and dignified wage that reflects the standard of living in the Czech Republic.

We pay attention to education and the improvement of knowledge and skills, which leads to the development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. No one may be discriminated against on the grounds of sex (pregnancy, maternity, paternity or gender identity), sexual orientation, racial or ethnic origin, nationality, citizenship, social origin, gender, language, health status, age, religion or belief, property, marital and family status, political opinion, membership and activity in political parties or political movements, in trade unions or employers' organizations.

If an employee notices a violation of the principles of equal treatment (disadvantage, harassment, bullying, etc.), he or she will warn the person concerned about the incorrect behavior. If he or she cannot directly influence the behavior, he or she will report the incident to the Human Resources Department. Employees are trained in the area of violence prevention and internal rules are set. An anonymous incident reporting system has also been introduced.

We clearly declare zero tolerance for child or forced labor (including in the supply chain). We provide employees with adequate housing in fully equipped service apartments within the MEGA group of companies, especially for relocated foreigners, professionals or students.

We protect employee privacy – we use and store personal data in accordance with currently applicable legislation. We manage information systems and access to stored data with regard to cybersecurity requirements.

11.2 SOCIAL PROTECTION

Companies from the MEGA group of companies based in the Czech Republic, which has an established social policy system, provide employees with support during maternity and parental leave, retirement, unemployment, but also in the event of illness or incapacity for work due to an accident.

- Benefit system and support – we provide our employees with pension and life insurance contributions, organize appropriate training on retirement security, provide meal allowances and offer accommodation in company apartments on favorable terms. We alleviate the financial burden on parents of first-graders. We recognize jubilarians at regular meetings and invite retired employees to company events.

- Safe and healthy working environment – we have an established health and safety policy, we record work-related injuries and illnesses and take measures to reduce risks. As part of prevention, we provide medical examinations, vaccinations, ensure workplace ergonomics and organize Health Days and consultations with health specialists.
- Equal conditions and inclusion – we have an established DEI (Diversity, Equity, Inclusion) strategy, we actively help disadvantaged groups, ensuring they have equal access to opportunities
- We support work-life balance – by introducing flexible working hours and remote work, supporting parents during parental leave, and offering the possibility of part-time work.
- Support in crisis situations – we actively help employees in crisis situations both financially and materially, we offer preferential employee loans and help with debt relief in the event of foreclosures or insolvency
- As part of our cooperation with local communities, we focus on charity projects and support for non-profit organizations in the area, we regularly organize activities for employees in which they can participate, and we cooperate with cities in organizing some events for the public.
- The MEGA group of companies provides its employees with time off in case of personal obstacles at work in accordance with applicable legislation.
- We regularly conduct a comparative analysis of salaries in relation to the national average for given positions according to [ISPV](#), comparing the remuneration of men and women in the organization (GPG). The valorization of salaries is based on an annual basis.
- The minimum wage in the Czech Republic for 2024 was CZK 18,900. 100% of employees receive a wage above this wage level. We adhere to the concept of a living wage in the context of living wage and we provide all employees with a wage that allows them to achieve a decent standard of living, taking into account the costs of housing, food, education, healthcare and other basic needs.
- None of the companies has a collective agreement.

11.3 SOCIAL DIALOGUE

Employees have the opportunity to participate in decision-making in the company through meetings. As part of the regular Satisfaction Survey or trust boxes, employees have the opportunity to communicate with the employer anonymously. The boxes are physical and electronic. We always adopt conclusions from the received suggestions, which the management publishes. We have an established system for the protection of whistleblowers in accordance with Act No. 171/2023. We regularly inform employees about events in the company through regular departmental meetings, a semi-annual company magazine, or MS TEAMS, where we have a very well-developed information system. Regular operational meetings and (usually quarterly) interviews between managers and employees with feedback are a matter of course. As part of social dialogue, the company's management regularly organizes a meeting with employees at least once a year, at which strategic goals, their fulfillment, organizational changes, working conditions, employee suggestions are presented and any questions are answered. Employees are entitled to collective bargaining. The company has elected employee representatives. Our goal is to maintain a positive Employee Net Promoter Score (eNPS) in the long term and continuous improvement of working conditions. We want to involve at least 5% of employees in community initiatives annually and organize at least 3 challenges per year.

12 CORPORATE GOVERNANCE

Preventing conflicts of interest and corruption serves to protect companies and their employees. MEGA has anchored the rules in internal documents such as the organizational guideline Crime Prevention and Protection of Whistleblowers or the Code of Ethics, which contains sections dedicated to conflicts of interest, corruption, but also the process regarding the acceptance and provision of courtesy gifts and invitations. In 2023, MEGA introduced rules and conditions for the protection of whistleblowers.

MEGA, MemBrain, and MEGA-TEC did not record any corruption cases in 2024. No member of the statutory body was prosecuted or convicted in connection with corrupt conduct.

12.1 METRICS

Corporate affiliation > than 1 – the index expresses the level of employee loyalty and satisfaction. The metric used is Employee Net Promoter Score (eNPS), which we measure once every two years using the Employee Satisfaction Survey. Respondents answer on a scale from 0 to 10 how likely they are to recommend the company to their friends.

eNPS calculation = % Promoters – % Critics.

Interpretation of assessment results:

- **Rating 0–6 = Critics group**, which are dissatisfied employees who may spread negative experiences.
- **Rating 7–8 = Neutral group**, which are satisfied but not enthusiastic employees who can easily switch to a competitor.
- **Rating 9–10 = group of Promoters**, which are loyal and enthusiastic employees who recommend the company and are satisfied.

eNPS > 0 means more satisfied than dissatisfied, but is still a positive result;

eNPS > 50 means excellent results and high employee loyalty,

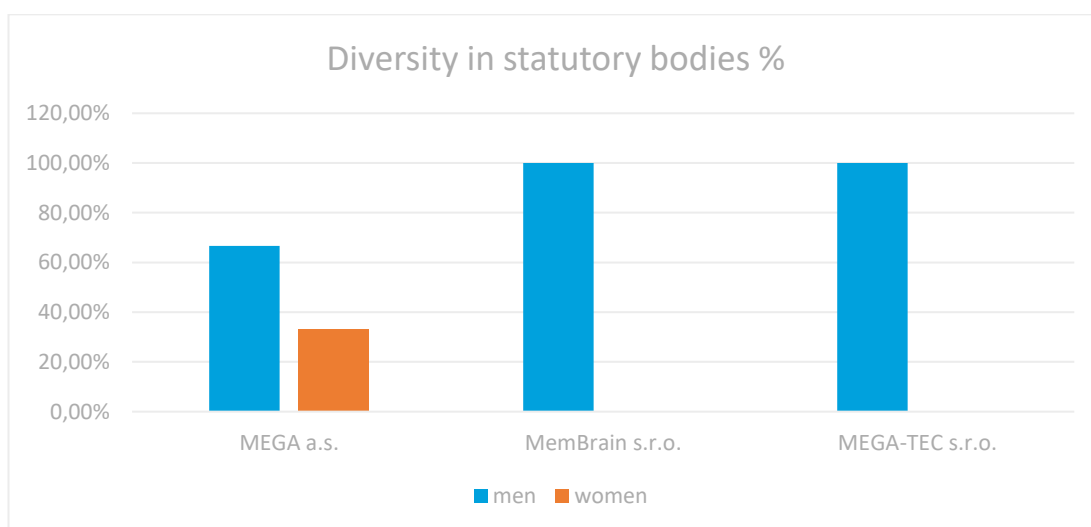
eNPS < 0 is a warning sign that improvement is needed.

The eNPS for the MEGA group of companies is the average of the eNPS of individual companies.

eNPS for the MEGA group of companies in 2023 was -2, in 2024 + 26.5 (of which MEGA + 31).

12.2 GENDER DIVERSITY RATIO IN THE MANAGEMENT BODY

MEGA – Board of Directors 2024	MemBrain – Executives 2024	MEGA-TEC – Executives 2024
2:1	2:0	2:0
4 men and 2 women	2 men	2 men



Our goal is to maintain a balanced ratio between men and women in leadership positions.

MEGA– Board of Directors 2023	MemBrain – Executives 2023	MEGA-TEC – Executives 2023
4:1	2:0	2:0
4 men and 1 woman	2 men	2 men

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14 LIST OF ABBREVIATIONS

OHS	occupational safety and health protection
CO ₂ <small>carbon</small>	dioxide
ČSN EN ISO 14001	environmental management system
ČSN EN ISO 45001	occupational health and safety management system
ČSÚP	Czechoslovak Uranium Industry
CO ₂ eq amount of	CO ₂ that has the same equivalent contribution to the greenhouse effect of the atmosphere as a given amount of the relevant gas, usually related to a time horizon of 100 years
ESG	assessment of a company's responsibility in the area of social, environmental factors and risk management
VSME	European sustainability reporting standards for small and medium-sized enterprises
EU	European Union
FVE	photovoltaic power plant
HPP	main employment relationship
IBC	liquid transport container
LED	light-emitting diode
MD	maternity leave
OECD	Organization for Economic Co-operation and Development
UN	United Nations
PWD	person with a disability
Family home	parental leave
SDG	Sustainable Development Goals
Secondary	school
THP	technical and economic worker
University	college

15 LIST OF RELATED DOCUMENTS

EN ISO 14001
 EN ISO 45001
 Code of Ethics
 Supplier Code
 Wage regulation
 Waste management
 Air protection
 Water protection
 Decarbonization plan
 Health and safety management and control
 Human resource management
 Strategies to promote diversity and inclusion
 Crime prevention and whistleblower protection