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Key Group figures		2025	2024
Orders received	€ mill.	1,398.7	1,364.9
Order backlog	€ mill.	1,034.3	836.2
Income statement data			
Sales revenues	€ mill.	1,343.2	1,209.6
Core Components	€ mill.	560.9	463.4
Customized Modules	€ mill.	600.5	561.2
Lifecycle Solutions	€ mill.	215.7	204.3
EBITDA	€ mill.	179.4	160.3
EBITDA margin	%	13.4	13.3
EBIT	€ mill.	111.9	105.2
EBIT margin	%	8.3	8.7
Net interest result	€ mill.	(23.4)	(14.6)
EBT	€ mill.	88.5	90.6
Net income	€ mill.	79.9	76.5
Earnings per share	€	3.24	3.56
Return on capital employed ¹	%	10.5	10.8
Value added ¹	€ mill.	10.9	13.1
Balance sheet data			
Fixed assets ²	€ mill.	1,299.9	792.8
Capital expenditure	€ mill.	88.3	83.8
Depreciation/amortization	€ mill.	67.5	55.1
Closing working capital	€ mill.	162.9	174.4
Closing capital employed	€ mill.	1,462.8	967.2
Equity	€ mill.	815.7	751.9
Noncontrolling interests	€ mill.	56.2	25.8
Hybrid capital	€ mill.	148.3	148.3
Net financial debt	€ mill.	491.5	88.7
Net financial debt (including lease liabilities)	€ mill.	552.5	137.6
Total assets	€ mill.	2,126.8	1,490.8
Equity ratio	%	38.4	50.4
Cash flow statement data			
Gross cash flow	€ mill.	177.2	166.0
Cash flow from operating activities	€ mill.	167.2	136.4
Cash flow from investing activities	€ mill.	(285.2)	(49.7)
Cash flow from financing activities	€ mill.	164.3	(90.9)*
Free cash flow	€ mill.	98.8	86.0
Workforce data			
Annual average headcount	Number	4,785	4,194
Core Components	Number	1,269	1,023
Customized Modules	Number	2,539	2,319
Lifecycle Solutions	Number	847	739
Vossloh AG/Holding Companies	Number	130	113
Personnel expenses	€ mill.	324.4	283.5
Share data			
Year-end closing price as of December 31	€	76.40	43.05
Closing market capitalization as of December 31	€ mill.	1,476.1	831.8

¹ Based on average capital employed

² Fixed assets = Intangible assets plus property, plant and equipment plus investment properties plus investments in companies accounted for using the equity method plus other noncurrent financial instruments

* Values adjusted

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Letter from the CEO

Dear Shareholders,
Ladies and Gentlemen,

Indispensable, but often invisible: This is how infrastructure usually performs its duties. The technical foundation of our society – energy grids, roads and railways – keeps things running as the operating system of our everyday lives, but is usually only seen by experts. Recently, however, this has changed, and infrastructure has moved from the niche of experts to the center of attention. The term “infrastructure” was mentioned an average of 118 times a day in German newspapers in 2025 – a sharp increase on the previous year, and a trend that can also be observed internationally.

The lifelines of our society are above all the focus of attention as “critical infrastructure”. They are “critical” in three ways: firstly, they are systemically important; secondly, they are in critical condition in many places due to investment backlogs; and thirdly, they are increasingly frequent targets of sabotage as well as physical and digital attacks and therefore require special protection. Politicians around the world are responding to this reality by introducing new investment programs, such as Germany’s “Special Fund for Infrastructure and Climate Neutrality”. Consequently, Deutsche Bahn will receive billions of euros in additional funding to renovate its rail network.

As a rail infrastructure specialist, Vossloh is a key partner in this project. At the end of 2025, we once again concluded a comprehensive framework agreement with Deutsche Bahn for the delivery of large turnout components worth over €100 million. Our company is also the first choice for rail network operators internationally. This is reflected in our order books, which in the past fiscal year recorded major orders for new high-speed connections in the United Kingdom and China, among others. In Sweden, for example, our order situation is also at a high level thanks to the increasing demand from the infrastructure operator Trafikverket.

At the end of 2025, the Vossloh Group’s order backlog stood at €1.034 billion, a new record in our rail infrastructure business. On the whole, orders received reached a new high of €1.399 billion in the reporting year, thus exceeding the already very high level seen in the previous year. These figures already take into account the contribution by the Sateba Group.

The acquisition of Sateba, a European manufacturer of concrete sleepers, was completed on October 1, 2025. This means that, with a single stroke, Vossloh has grown by around a quarter in terms of workforce and sales revenues. This is the largest acquisition in the company’s history, and it can already be described as a complete success. Thanks to a comprehensive integration program, around a thousand new co-workers have quickly become an integral part of our corporate family. With this move, Vossloh is now also one of the market leaders in the railway sleepers sector in Europe and can offer European customers even more comprehensive integrated solutions.

One of the first contracts that Sateba was able to secure as part of Vossloh is a comprehensive framework agreement for the supply of concrete sleepers to the Norwegian rail network operator Bane NOR. One of the main reasons for this achievement was that over 40 % of CO₂ emissions are saved during production compared to conventional manufacturing. Sateba is also strengthening us in terms of sustainability.

On the path to achieving our goal of becoming CO₂-neutral (Scope 1 and 2) in our own business operations by 2030, we made significant progress by reducing our CO₂e intensity by 19.3 % last year.

The first-time consolidation of the Sateba Group also had a positive impact on sales revenues and earnings in the past fiscal year. The Vossloh Group’s sales revenues rose significantly to €1.343 billion in 2025, thus also setting a new record. Major infrastructure projects in Algeria and China resulted in a noticeable increase in sales revenues. Business in Northern and Eastern Europe, for example in Sweden and Poland, also saw particularly dynamic growth.



Oliver Schuster
Chief Executive Officer

This is also reflected in the positive development of earnings before interest and taxes (EBIT). Adjusted for the effects of the purchase price allocation for Sateba, EBIT rose to €119.6 million (previous year: €105.2 million). This development was driven both by the contribution to earnings by the recently consolidated Sateba Group and by a strong result in our turnout business.

Last year, we commissioned a new plant in Bendigo, Australia, for the production of turnouts. Australia is one of the countries that is investing heavily in its rail infrastructure and has extensive plans to expand and build new rail links. The new plant sets a global benchmark for precision, automation and sustainability in turnout production.

Investments like the one in Bendigo secure our future business. Total capital expenditure amounted to €88.3 million in the reporting year (previous year: €83.8 million). In this context, the growth of our financial liquidity is encouraging: Free cash flow reached €98.8 million in the past fiscal year, significantly exceeding the already high level of €86.0 million in the previous year. This is a remarkable achievement, given the substantially higher capital expenditures, and was primarily driven by a reduction in working capital and a higher gross cash flow as a result of a strong operating performance. This development continued to be supported by the group-wide Cash4Growth initiative, which has made a significant contribution to strengthening our financial scope for years.

Having financial resources available is important because we aim to continue growing. The rail infrastructure market is undergoing a fundamental transformation. As in other sectors, the driving force is digitalization. It enables the use of artificial intelligence to analyze data on the condition of the infrastructure – collected via an extensive network of sensors – and to develop customized plans for our customers that support condition-based and predictive maintenance. This turns “critical” infrastructure into “intelligent” infrastructure.

Vossloh is a pioneer in this field. In the reporting year, we acquired additional partners for our Vossloh connect cloud platform and further strengthened our in-house capabilities by adding additional expertise. To further expand our digital competencies, we will also continue to focus on acquiring companies in the future. With this in mind, among other considerations, we issued a hybrid note in the amount of €250 million at the beginning of 2026. The issue was oversubscribed several times over, and the considerable demand from institutional investors is an impressive demonstration of confidence in our company’s strategic direction.

Digitalization also means optimizing our own business processes to become even more efficient and competitive. As a railway infrastructure systems and solutions provider offering customers integrated services, cooperation within the group needs to work seamlessly across business units and regions. Everyone has to be able to access comparable data and work according to uniformly defined processes. To this end, we are introducing a standardized enterprise resource planning system that facilitates the joint planning and management of company resources in our business processes. In the reporting year, we

successfully migrated Fastening Systems in Germany, the first management company of a business unit, to SAP S/4HANA software and are now rolling this out across the entire group.

An employee survey conducted in the summer of 2025 presented an extremely positive picture. Overall satisfaction is very high, and the vast majority of staff would recommend Vossloh as an employer. These results are above the benchmark for our industry and make me proud. The high level of participation and impressive number of comments submitted are a clear expression of the fact that our workforce sees Vossloh as their company and wants to make a personal contribution to ensuring that we continue to improve together. This is also demonstrated by the high level of participation in our internal Fit 4 Future ideas competition over the years, which once again saw a record number of proposals in 2025.

Our motivated and highly competent workforce is the foundation of our company's success. I would like to take this opportunity to thank them personally and on behalf of the entire Executive Board for their commitment. Not least because of this most important of all resources, we see our company as being well equipped, now and in the future, to tackle the major challenges in the field of railway infrastructure in collaboration with our customers.

We expect to see further significant growth in 2026, which will be due to the full-year inclusion of the Sateba Group. Overall, we expect sales revenues of between €1.56 and €1.66 billion. EBIT is also set to increase further and is expected to be in the region of €118.5 to €131 million. Given that this key figure is influenced by significant effects from the purchase price allocation for the Sateba Group, additional guidance is provided for earnings before interest, taxes, depreciation, and amortization (EBITDA) for 2026, which allows for a more meaningful assessment of the group's profitability for the year. We anticipate EBITDA of €215 to €230 million (2025: €179.4 million), which corresponds to a margin of 13.5 % to 14.5 % (2025: 13.4 %).

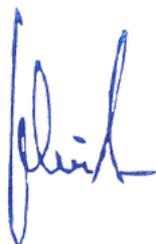
In view of the positive business performance and the favorable order situation, the Executive Board and Supervisory Board will propose to the Annual General Meeting that a further increased dividend of €1.15 (previous year: €1.10) be distributed for the 2025 fiscal year.

Ladies and gentlemen, on behalf of the entire Executive Board, I would like to thank you for the trust you have once again placed in us over the past fiscal year.

Working to ensure a functioning infrastructure and reliable railways is a service to society. The functioning of these lifelines is also crucial to the level of trust people have in our political system – an important building block for the future of our democracy.

This work requires staying power. It is also for this reason that we are very grateful for your often long-standing support of our company.

Yours



Oliver Schuster
Chief Executive Officer, Vossloh AG



Jan Furnivall (COO)

Oliver Schuster (CEO)

Dr. Thomas Triska (CFO)



*Prof. Dr. Rüdiger Grube
Chairman of the Supervisory Board*

Report of the Supervisory Board

Dear Shareholders,

In fiscal year 2025, the Supervisory Board once again performed the duties incumbent upon it in accordance with the law and the Articles of Incorporation with great care. The Supervisory Board continuously monitored the work of the Executive Board and advised the Executive Board on the management of the company. The Executive Board fulfilled its duty to provide information and informed the Supervisory Board regularly, promptly and comprehensively in written and verbal form about all issues of relevance to Vossloh AG and the Group relating to corporate strategy, planning, business development, the risk situation and development, sustainability and compliance. The reporting also included information on deviations in actual development from previously reported targets and deviations in business performance from planning.

The Supervisory Board discussed the Executive Board's reports in detail and checked the plausibility of the economic situation described in these reports, as well as the development prospects of the Group, the individual divisions and business units and the major subsidiaries in Germany and abroad and discussed them with the Executive Board. The Supervisory Board was involved in all decisions of material importance to the company and was able to satisfy itself in each case of the legality, appropriateness and regularity of

Supervisory Board of Vossloh AG

Prof. Dr. Rüdiger Grube, Chairman, Managing Partner of Rüdiger Grube International Business Leadership GmbH and former Chief Executive Officer (CEO) of Deutsche Bahn AG, Hamburg, Germany

Frank Markus Weber (since May 7, 2025), Deputy Chairman, Chief Financial Officer of Knorr-Bremse AG, Gräfelfing, Germany

Dr. Roland Bosch, Commercial Managing Director of WOLFF & MÜLLER Holding GmbH & Co. KG, Königstein/Taunus, Germany

Martin Klaes, Fitter, Chairman of the Works Council of Vossloh Fastening Systems GmbH and Vossloh AG, Werdohl, Germany

Marcel Knüpfer, Technical Administration Specialist and Shift Supervisor, Chairman of the General Works Council of Vossloh Rail Services Deutschland GmbH and Member of the Group Works Council, Zwenkau, Germany

Dr. Bettina Volkens, Independent Consultant and Member of various Supervisory Boards, Königstein/Taunus, Germany

Ulrich M. Harnacke (until May 7, 2025), Deputy Chairman, Independent Accountant, Tax Advisor and Business Consultant, Mönchengladbach, Germany

the Executive Board's work. The members of the Supervisory Board always had sufficient opportunity to critically examine the reports and proposed resolutions submitted by the Executive Board and to make their own suggestions. Where approval was required for management decisions or measures due to legal regulations, the Articles of Incorporation or the Rules of Procedure, the members of the Supervisory Board examined the draft resolutions and granted the necessary approvals on this basis.

The Supervisory Board was also informed of significant events by the Executive Board between meetings. In addition, there was a regular and close exchange of information between the Chairman of the Supervisory Board and the Chief Executive Officer outside of the meetings. In this way, the Supervisory Board was informed at all times about the intended business policy, corporate planning including financial, investment and personnel planning, profitability and the course of business, the corporate strategy, the sustainability strategy and the situation of the company and the Group as a whole.

Focus of the meetings

A total of nine plenary meetings were held in fiscal year 2025. The Supervisory Board convened five ordinary meetings on March 26, May 6, September 16 and 17 (strategy meeting) and November 18, 2025. Extraordinary meetings were held on March 27, May 7, August 29 and December 15, 2025. Each Supervisory Board meeting was attended by the majority of the members of the Supervisory Board. Mr. Martin Klaes was unable to attend the ordinary meeting in March, while Mr. Frank Markus Weber was unable to attend the extraordinary meeting in May. Attendance at the meetings was therefore 96.3 % overall. With the exception of the extraordinary meetings on March 27, August 29 and December 15, 2025, which were held as video conferences, all meetings were held in person. In addition, the Supervisory Board members met regularly to discuss and prepare for the meetings. The members of the Executive Board attended the majority of Supervisory Board meetings, although individual items on the agenda of such meetings were also discussed without the Executive Board. The Supervisory Board also consulted experts and people who provided information on individual topics, in particular, the auditor at the balance sheet meeting on March 26, 2025.

The Supervisory Board and Executive Board discussed the further development of the Vossloh Group in detail at all meetings in the past fiscal year. In the majority of meetings, particularly in all ordinary meetings, the Executive Board also reported on the business situation with detailed information on sales and earnings performance in the individual business units, as well as on the opportunities and risks of business development and key management measures. The Supervisory Board also dealt with acquisition and sustainability matters, as well as compliance issues on several occasions.

At the individual meetings, the Supervisory Board also focused on the following topics:

The balance sheet meeting on March 26, 2025 focused in particular on the audit and approval of the annual and consolidated financial statements for 2024, the combined management report and the other financial statement documents as well as preparations for the Annual General Meeting on May 7, 2025, along with the agenda and corresponding proposed resolutions. At this meeting, the Supervisory Board also dealt with Group financing and, following in-depth discussions, approved the capital expenditure on a new generation of high-speed grinding trains. The Supervisory Board also dealt in detail with the current status of the closing and integration preparations in connection with the acquisition of the concrete sleeper manufacturer Sateba.

At the extraordinary meeting on March 27, 2025, the Supervisory Board addressed the proposal to the Annual General Meeting for the succession of Mr Ulrich M. Harnacke as shareholder representative on the Supervisory Board and adopted the Supervisory Board's proposed resolutions on the agenda items for the Annual General Meeting.

In addition to the regular reporting topics, the agenda on May 6, 2025, included the status of Group financing and the ongoing acquisition of the Sateba Group. The Supervisory Board also prepared for the

Annual General Meeting that was held the following day. At the extraordinary meeting following the Annual General Meeting on May 7, 2025, the Supervisory Board resolved the new composition of the committees following the election of Mr. Frank Markus Weber to the Supervisory Board.

On August 29, 2025, the Supervisory Board held an extraordinary meeting to discuss auditing matters and resolved to issue a call for tenders for the audit of the annual and consolidated financial statements of Vossloh AG and the Group for the 2026 fiscal year in accordance with the EU Audit Regulation (Regulation (EU) No 537/2014).

At the ordinary Supervisory Board meeting on September 16, 2025, in addition to the regular reporting topics, the Supervisory Board dealt in detail with the positive results of the global employee survey and the status of the One.ERP project to introduce a globally standardized ERP (Enterprise Resource Planning) system. Other topics discussed at the meeting included succession planning for the Executive Board, updating the Supervisory Board's skills matrix and adopting amended rules of procedure for the Executive Board. At the annual strategy meeting on September 17, 2025, the Supervisory Board dealt in detail with the Group strategy and discussed it with the Executive Board.

At its final ordinary meeting for the year on November 18, 2025, the Supervisory Board dealt in detail with business development in the reporting year and planning for 2026 to 2028 in addition to various other regular reporting topics. Following an in-depth review and discussion with the Executive Board, the Supervisory Board approved the budget presented for the 2026 fiscal year and took note of and approved the medium-term planning for 2027 and 2028. Following the successful completion of the Sateba acquisition on October 1, 2025, the Supervisory Board also dealt in detail with the new, expanded Tie Technologies business unit, the status of the integration and sustainability goals within the Vossloh Group. The results of the latest successful audit of the appropriateness and effectiveness of the compliance management system in accordance with IDW PS 980 as amended and the successful issue of the promissory note loan were also presented and discussed.

At the extraordinary meeting of the Supervisory Board on December 15, 2025, the Supervisory Board addressed the results of the tender for the audit and the proposal to the Annual General Meeting for the election of the auditor for the 2026 fiscal year and, together with the Executive Board, adopted the 2025 Declaration of Conformity with the German Corporate Governance Code. In addition, the Supervisory Board approved the issuance of a new hybrid bond to further finance the company's growth.

The Supervisory Board and the company are committed to the great importance of continuous training and further education of Supervisory Board members. Following the strategy meeting on September 17, 2025, an AI training session was held for the Supervisory Board. A comprehensive onboarding meeting with the entire Executive Board was also held with the new member, Mr. Frank Markus Weber.

Committees of the Supervisory Board

The Supervisory Board has established three permanent committees to perform its duties efficiently: the Personnel Committee, the Audit Committee and the Nomination Committee. The committees focus on the topics assigned to them and prepare decisions for the plenary meetings as required. To the extent permitted by law and deemed reasonable by the Supervisory Board, the Supervisory Board has also delegated decision-making powers to the committees in certain cases. The Chairs of the committees report on relevant topics and discussion results at the meeting of the plenary Supervisory Board following the respective committee meeting. The Chair of the relevant committee also regularly informs the other members of the Supervisory Board of the key points of the committee meeting immediately after the respective committee meeting. The minutes of the Audit Committee meetings are also made available to the Chairman of the Supervisory Board.

The Audit Committee held eight meetings in the reporting year. Almost all of the members attended the Audit Committee meetings. Due to scheduling reasons, Mr. Frank Markus Weber was the only member unable to attend the extraordinary meeting in May. This meant that attendance at meetings was 95.8 %. Three meetings were held in person, and five were held via video conference. In addition, representatives of the auditor and staff in charge of accounting, legal, and compliance at Vossloh AG attended almost all meetings. At some meetings, discussions were also held with the auditor without members of the Executive Board being present. The heads of relevant central divisions were also called on to provide reports and answer questions. Other experts were consulted for selected items on the agenda.

The main focus of the Audit Committee's activities includes examining the company's financial accounting and the annual and consolidated financial statements prepared by the Executive Board, the combined management report, the remuneration report, the report on relationships with affiliated companies (Section 312 of the German Stock Corporation Act [AktG]) and the proposal for the appropriation of net profit, as well as the company's transactions with related parties, the monitoring of which the Supervisory Board has delegated to the Audit Committee.

At the meeting on March 26, 2025, the auditor explained the audit of the annual financial statements of Vossloh AG and the Vossloh Group, as well as the combined management report and the remuneration report to the Audit Committee. Following a detailed discussion, the Audit Committee resolved to propose to the Supervisory Board to approve the consolidated financial statements, the annual financial statements of Vossloh AG and the combined management report for fiscal year 2024 and to adopt the remuneration report. At its meetings on April 22, July 23 and October 29, 2025, the Audit Committee discussed the half-yearly financial report and the quarterly statements with the Executive Board, in each case prior to their publication.

On March 26, 2025, the Audit Committee submitted a proposal for the election of the auditor to the full Supervisory Board, issued the audit mandate to the auditor elected by the Annual General Meeting on May 7, 2025 and agreed the remuneration. The Committee also monitored the independence of the auditor and assessed the quality of the audit. The engagement of the auditor for non-audit services is generally subject to the approval of the Audit Committee.

At all of its ordinary meetings, the Audit Committee also addressed main risks as well as legal and compliance issues. The Audit Committee discussed the material risks identified within the Group in detail with the Executive Board, as well as the necessity and appropriateness of the recognized risk provisions, particularly those relating to legal disputes arising from previous anti-competitive agreements. The Audit Committee also dealt intensively with compliance issues on an ongoing basis and obtained comprehensive information on relevant matters and their treatment, including via an annual compliance report, as well as on the ongoing review and improvement of the Compliance Management System. The Audit Committee dealt in detail with the Internal Control System and the Risk Management System and their appropriateness and effectiveness. The Audit Committee also discussed sustainability issues and their associated

potential effects, opportunities and risks for the Group and, in this context, addressed the corresponding CSRD reporting issues, in particular. At the meeting on November 18, 2025, Internal Audit reported to the Audit Committee on its activities in fiscal year 2025 as scheduled.

At the extraordinary meetings on July 25 and December 15, 2025, the Audit Committee also addressed the invitation to tender for the auditor's mandate and the recommendation on the election proposal for the auditor for the 2026 fiscal year.

At the meeting on March 27, 2025, the Nomination Committee discussed the composition of the Supervisory Board and resolved to propose Mr. Frank Markus Weber for election as a new shareholder representative at the Annual General Meeting.

The Personnel Committee did not meet in the reporting year.

Corporate governance and Declaration of Conformity

The Supervisory Board attaches great importance to ensuring good corporate governance. At its meetings in November and December 2025, the Supervisory Board addressed the recommendations of the German Corporate Governance Code (GCGC) and, together with the Executive Board, issued the Declaration of Conformity in accordance with Section 161 German Stock Corporation Act (AktG). Since issuing the last Declaration of Conformity in December 2024, Vossloh AG has complied with all recommendations of the GCGC in the version dated April 28, 2022, with two exceptions, and will continue to comply with these in the future. Details on the company's corporate governance can be found in the corporate governance declaration and the corporate governance report (page 32 et seqq. of the Annual Report).

Annual and consolidated financial statements 2025

The separate financial statements of Vossloh AG prepared in accordance with German GAAP, the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) applicable in the EU and the combined management report for Vossloh AG and the Group for the 2025 fiscal year, including the accounting, were audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, Düsseldorf branch, elected as auditor by the Annual General Meeting on May 7, 2025, and were each issued with an unqualified audit opinion. In doing so, the auditor also determined that the Executive Board had taken the measures required under Section 91 (2) German Stock Corporation Act (AktG) to establish a risk monitoring system in an appropriate form and that the system is suitable for identifying developments that could pose a threat to the company's continued existence in a timely manner.

In addition, the report prepared by the Executive Board on relationships with affiliated companies (Section 312 German Stock Corporation Act [AktG]) was audited by the auditor in accordance with Section 313 German Stock Corporation Act (AktG). The auditor has issued the following opinion on the report: "Following our audit and assessment in accordance with professional standards, we confirm that 1. the factual information in the report is correct and 2. the consideration paid by the company for the legal transactions listed in the report was not inappropriately high." Furthermore, the Executive Board and Supervisory Board have prepared the remuneration report for 2025 in accordance with Section 162 (1) German Stock Corporation Act (AktG). This report was also audited by the auditor and issued with an unqualified audit opinion.

The financial statement documents, including the Group sustainability declaration (Section 315b German Commercial Code [HGB]) and the auditor's reports, were distributed to the members of the Supervisory Board in good time before the Supervisory Board meeting on March 16, 2026 to approve the financial statements. At this meeting, the auditors reported on the key findings of their audit and provided additional information. Following preparation by the Audit Committee and in the presence of the auditor, the Supervisory Board discussed all issues arising in connection with these documents in detail. The auditor also reported on the Vossloh Group's Risk Early Warning System. The auditor also read and assessed the other information,

which includes the Declaration of Conformity in accordance with Section 161 German Stock Corporation Act (AktG), the Declaration on Corporate Governance/ Corporate Governance Report and the Group sustainability declaration (Section 315b German Commercial Code [HGB]), and did not identify any material misstatements. The Supervisory Board also commissioned Deloitte GmbH Wirtschaftsprüfungsgesellschaft to conduct a voluntary limited assurance engagement on the content of the Group sustainability declaration (Section 315b German Commercial Code [HGB]) in accordance with ISAE 3000 (Revised), which did not give rise to any objections.

The Supervisory Board also reviewed the separate financial statements, the consolidated financial statements and the combined management report of Vossloh AG and the Vossloh Group for fiscal year 2025 presented by the Executive Board, including the Group sustainability declaration (Section 315b German Commercial Code [HGB]), the report on relations with affiliated companies, including the final declaration by the Executive Board, and the proposal for the appropriation of net profit. Based on the final result of its own assessment, no objections were to be raised. The Supervisory Board approved the annual financial statements and the consolidated financial statements as at December 31, 2025. The annual financial statements as at December 31, 2025 were thus adopted. The Supervisory Board approved the combined management report, in particular, the statements on the further development of the company and the disclosures pursuant to Sections 289a and 315a German Commercial Code (HGB), as well as the report on relationships with affiliated companies. The Supervisory Board has approved the Executive Board's proposal for the appropriation of net profit for 2025, which provides for the distribution of a dividend of €1.15 per dividend-bearing share.

The Supervisory Board would like to thank the Executive Board and all employees of the Vossloh Group for their extraordinary commitment and contribution to another very successful fiscal year 2025. Despite the many challenges in the past fiscal year, Vossloh once again made excellent progress.

Werdohl, Germany, March 16, 2026

The Supervisory Board
Prof. Dr. Rüdiger Grube
Chairman

Combined management report

of the Vossloh Group and Vossloh AG as of December 31, 2025

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Business and market environment

Preliminary remark

As in previous years, the management report of Vossloh AG has been combined with the Group management report in accordance with Section 315 (5) German Commercial Code (HGB). In principle, the statements refer to Vossloh AG and the Group, unless explicitly stated otherwise. In particular, the section "Vossloh AG – Analysis of the annual financial statements" refers solely to Vossloh AG. In addition, separate explanations regarding Vossloh AG are provided, among other things, in the Outlook.

As in the previous year, Vossloh reports on significant intangible resources in the combined management report. The Declaration on Corporate Governance (Corporate Governance Report) pursuant to Sections 289f and 315d HGB has been integrated into the combined management report, but is not included in the auditing in accordance with Section 317 (2) sentence 6 HGB.

The Group sustainability statement included in the combined management report relates to the entire Group. The EU Corporate Social Responsibility Directive has not yet been implemented in Germany. Nevertheless, as in the previous year, Vossloh reports in accordance with the relevant European Sustainability Reporting Standards.

Segmentation and competitive position

Vossloh operates in rail infrastructure markets worldwide. The Group provides a wide range of services for the rail track from a single source: rail fastening systems, concrete ties, turnout systems and crossings, as well as increasingly innovative and digitally based services for the entire life cycle of rails and turnouts. Vossloh's customers are publicly and privately-owned regional, long-distance and freight transport operators whose investments are based on predominantly long-term decision-making processes within the scope of longer-term funding. Vossloh has long-standing customer relationships. Together with its customers, the company plans and develops solutions for their individual product and service requirements. This usually leads to delivery and project periods of several months to several years, with long-term framework agreements often being agreed with customers. Vossloh is committed to sustainable governance and climate change mitigation, and its products and services play an important role in promoting sustainable passenger and freight mobility.

The company's operations are divided into three divisions: Core Components, Customized Modules and Lifecycle Solutions. The Core Components division is made up of two business units, Vossloh Fastening Systems and Vossloh Tie Technologies. The other two divisions each comprise one business unit: Vossloh Switch Systems in Customized Modules and Vossloh Rail Services in Lifecycle Solutions. For detailed descriptions of the individual divisions, please see page 26 et seqq.

Vossloh holds the following competitive positions within the rail infrastructure sector:

- Vossloh is a leading global supplier of rail fastening systems and a technological leader in this field.
- Vossloh is a leading manufacturer of concrete ties in North America, Australia and Europe.
- Vossloh is a global market and technology leader in the turnouts and crossings segment.
- Vossloh is a leading provider of innovative technologies and services for the entire life cycle of rails and turnouts.

Organization

The Vossloh Group operates around the world. Local presence and customer proximity are integral components of our business activities. Important production sites for the rail fastening systems produced by the Fastening Systems business unit are located in Germany, China, Poland and the USA. To date, the Tie Technologies business unit has manufactured concrete ties in the USA, as well as Mexico, Canada and Australia. The acquisition of Sateba in the reporting year also added production sites in ten European countries, including France, the United Kingdom, Norway, Poland, Belgium, Portugal and Sweden. The turnout systems in the Customized Modules division are manufactured primarily in France, Sweden, Luxembourg, Poland, Australia, India, Finland, Portugal, the United Kingdom, the Netherlands, Serbia and China. The majority of rail services in the Lifecycle Solutions division are provided in Western and Northern Europe, in addition to China.

Vossloh maintains sales companies and branches worldwide. The company enters into joint ventures and cooperation agreements with local partners on a case-by-case basis. Management companies comprise:

- Vossloh Fastening Systems GmbH, Werdohl, Germany, and Vossloh Tie Technologies GmbH, Werdohl, Germany, for the Core Components division,
- Vossloh Switch Systems France SA, Rueil-Malmaison, France, for the Customized Modules division, and
- Vossloh Rail Services GmbH, Hamburg, Germany for the Lifecycle Solutions division.

Controlling system

The most significant financial performance indicators for the Vossloh Group are value added, sales revenues, EBIT (earnings before interest and taxes) and the EBIT margin (EBIT/sales revenues). While the company uses sales revenues, EBIT and EBIT margin as key performance indicators for short-term planning, the long-term management of the business units within the scope of the value-oriented growth strategy focuses on value added. Within the scope of external reporting, value added is the key earnings indicator for the divisions and business units.

Positive value added is generated when a premium is earned on top of the return claimed by investors and lenders (cost of capital). This premium is the difference between the return on capital employed (ROCE, calculated as EBIT/average capital employed) and the cost of capital, which is calculated as the weighted average cost of equity and borrowing. Multiplying the premium by the average amount of capital employed (working capital plus fixed assets) yields the absolute value added over a given period. For internal management purposes, ROCE and value added are calculated before taxes.

Cost of equity is largely composed of a risk-free interest rate plus a market risk premium. The interest rate factor is adjusted in order to take input tax into account. The cost of debt is the result of average financing conditions. The ratio of equity to interest-bearing debt used to determine the weighted average cost of capital is not derived from the balance sheet since it is based on a target figure for the financing structure. In addition, equity is not recognized at the carrying amounts in the balance sheet, but at target market values. As in the previous year, a weighted average cost of capital before taxes (WACC) of 9.5 % was used as the yield expected by investors and lenders for the purposes of intragroup financial management in fiscal year 2025.

There are basically two levers for increasing value added: Increase in EBIT and optimization of capital employed. ROCE is derived from both values. Vossloh seeks to improve the parameters it can influence to optimize this performance indicator. As a result, the company also focuses on working capital, working capital intensity (average working capital/annual revenue) and free cash flow.

Management uses nonfinancial performance indicators for the purpose of managing the company and making long-term strategic decisions. However, nonfinancial performance indicators are not primarily used to manage the company and do not, therefore, constitute key performance indicators within the meaning of Sections 315 (3) and 289 (3) HGB. Instead, they provide information about the situation within the Group and are used as a basis for making decisions. Nonfinancial performance indicators that are not primarily relevant to management are explained in the Group sustainability statement starting on page 69.

The management of Vossloh AG considers monthly financial reporting to be a key element in the ongoing analysis and management of the divisions, business units and the Group itself. To this end, the financial statements and key performance indicators prepared by the group companies are consolidated and analyzed in the same way as the annual forecast updated each month. Deviations are investigated in relation to their impact on the financial targets. The monthly updates to the annual projections are supplemented by risk reports that aim to identify any potential reductions or increases in assets. The effectiveness of the measures aimed at ensuring that the targets are met is analyzed on an ongoing basis. The figures of the operating units are intensively discussed by their respective management and the Executive Board with the involvement of the relevant central departments of Vossloh AG.

Intangible resources

Vossloh reports below on significant intangible resources. The importance of the individual intangible assets results from their fundamental significance for Vossloh's business model and their role as key sources of value creation for the company. The impact of the most important intangible resources on the business model and the company's success is short, medium, and long-term.

Vossloh's human capital is one of the most important intangible resources identified. This refers not only to skills and specialist knowledge, but also to employees' innovative ability, commitment and loyalty to the company. Human capital is crucial for the development and implementation of innovative solutions and products and for ensuring operational excellence and can have an impact on the business model, value creation and the company's success. A loss of key qualifications or the limited availability of skilled workers could significantly impair Vossloh's competitiveness.

The Vossloh brand is also an important intangible resource. The brand is perceived as a guarantee of reliability, quality, and innovation in the market. National and international customers also choose Vossloh because of its brand reputation. This even extends to integrated products that consist of both in-house and purchased components. The brand, therefore, makes a significant contribution to the positioning of the company in the target markets and, as a source of value added, aids market penetration as well as customer acquisition and retention. In addition to the brand strength, the established customer relationships contribute to the successful development of the company. These relationships, which are based on many years of cooperation, enable a deeper understanding of customer needs and support the targeted development of products and solutions that are tailored precisely to the requirements of the market and customers.

Furthermore, approvals and patents are of key importance in the rail infrastructure industry. Vossloh's products and services are subject to strict safety standards. Approvals guarantee that these stringent requirements are met; without approvals, market entry is generally not possible. Patents protect Vossloh's technological innovations, which are necessary to fulfill these standards. As these open up opportunities to secure competitive advantages and tap into new markets, they are an integral part of the Group's business model and value creation.

Economic report

Macroeconomic and industry-specific conditions

Investments in rail infrastructure around the world are generally made on the basis of long-term decision-making processes. Short-term economic developments are, therefore, only partially reflected in the sales markets for rail technology. More significant is the development of debt levels in Vossloh's sales markets, as the overwhelming majority of the Group's clients are public-sector customers. According to the statistical office of the European Union (Eurostat), the debt ratio (the ratio of public debt to GDP) of the euro countries at the end of the third quarter of 2025 was 88.5 %. This was the most recent figure available when this annual report was prepared. The figure was 87.7 % at the same time in the previous year. At the end of September 2025, the debt ratio for the EU as a whole was 82.1 %, compared with 81.3 % in the previous year.

This is the result of the growing global demand for environmentally friendly, safe and economical mobility solutions for people and goods. This development is driven by megatrends such as population growth, urbanization, and most significantly, increasing environmental awareness. No other means of mass transportation has a better eco-balance than rail. In the interest of combating climate change, both passengers and freight need to be shifted onto the rail network if the aim is to increase their mobility while also reducing their environmental footprint.

There are numerous investment programs around the world to promote rail as a mode of transport. These programs play an important role for Vossloh since they generally affect markets in which Vossloh holds a strong competitive position with at least one business unit. As part of the Green Deal, for example, the European Union continues to pursue the goal of reducing transport-related CO₂ emissions by 90 % by 2050 (by 55 % by 2030). To accomplish this goal, the European Commission has set a target of doubling passenger rail traffic in the high-speed sector by 2030 and tripling it by 2050. Rail freight transport is set to increase by 50 % by 2030 and double by 2050. The objectives of the European Green Deal will have a positive impact on the rail industry in the coming years and decades. Another example of large-scale investment programs is the €500 billion special fund for infrastructure and climate neutrality set up in Germany in 2025. This will create further financial leeway, a significant portion of which will be used to modernize and expand the rail infrastructure. Deutsche Bahn's capital expenditure is already at a high level: According to newspaper reports, Deutsche Bahn is planning to spend around €23 billion on its rail network in 2026, up from around €19 billion in 2025. Capital expenditure in rail projects is also increasing in Africa. Morocco, for example, is planning to expand its high-speed network by over 1,000 kilometers. A key project is the construction of a fast train link between the two major cities of Casablanca and Marrakesh. Indian Railways also aims to be climate-neutral by the end of 2030. To this end, the Indian state railroad is investing heavily in the expansion of the huge rail network on the subcontinent, in the modernization of rolling stock and in wind and solar parks to electrify the lines. Beyond this, the railway industry is also undergoing a profound transformation. Digitalization and automation, artificial intelligence and the standardization and liberalization of rail transport are changing the framework conditions significantly. Innovation is becoming increasingly important.

A number of studies regularly analyze developments in the global rail technology market. The most important publication is the "World Rail Market Study", published by the European rail industry association UNIFE. The study is updated every two years. The findings from the most recent study were published in September 2024 in Berlin at InnoTrans, the world's largest exhibition for rail transport technology.

UNIFE puts the global volume of the rail market at around €202 billion per year. Based on the study, the European industry association classifies around 59 % of the total volume of the rail market – i.e. around €119 billion – as accessible. This means that this market is, in principle, open to European suppliers and market demand is not exclusively met by domestic manufacturers.

Company acquisitions

The agreement to acquire the shares in Villé Participation Holding SAS, Paris, France, was concluded on October 1, 2025. Villé Participation Holding SAS is the parent company of the Sateba Group, a conglomerate of companies operating across Europe. The companies are assigned to the Tie Technologies business unit. The acquisition significantly expanded the regional market coverage in the concrete ties business, which previously extended to North America and Australia. In addition to concrete ties, the Sateba Group's product portfolio also includes concrete elements for other infrastructure areas. As part of this expansion of the business unit, a new management company, Vossloh Tie Technologies GmbH, was established. The significantly expanded business unit is now managed from Germany, whereas previously it was managed from North America.

Results of operations

Vossloh divisions – Orders received and order backlog

€ mill.	Orders received		Order backlog	
	2025	2024	2025	2024
Core Components	605.9	532.5	494.6	293.8
Customized Modules	582.2	662.8	500.2	525.6
Lifecycle Solutions	243.8	198.1	50.9	28.9
Consolidation	(33.2)	(28.5)	(11.4)	(12.1)
Group	1,398.7	1,364.9	1,034.3	836.2

In fiscal year 2025, Vossloh achieved record levels of both orders received and order backlog in its rail infrastructure business. Orders received exceeded the previous year's already high figure by 2.5 % and benefited in particular from the Core Components division, which increased its orders received by 13.8 %. This significant increase is mainly due to the first-time consolidation of the Sateba Group (Sateba) following the completion of the acquisition on October 1, 2025. The Lifecycle Solutions division also recorded a significant increase in orders, with a rise of 23.1 % compared to the previous year. Higher order volumes in Sweden and Germany in particular had a positive impact in this context. By contrast, orders received in the Customized Modules division were down 12.2 % on the exceptionally high level recorded in the previous year, which was largely due to major orders acquired in the Africa region. At 1.04 (previous year: 1.13), the book-to-bill ratio at Group level remained at a very solid level.

Consolidation of Sateba and continuing positive market environment lead to new highs

The Vossloh Group's order backlog also reached a new record level as of December 31, 2025, exceeding the billion euro mark for the first time. The 23.7 % increase is primarily attributable to the Core Components division. In the Tie Technologies business unit, the first-time inclusion of Sateba and higher order backlogs in Mexico and Australia also had a positive effect. At the same time, the reported order backlog is of limited informational value because the volume of framework agreements secured is only recorded in the orders received when the respective call-offs are made. This means that it is not included in the order backlog.

Sales revenues
advance to new
record

In fiscal year 2025, the Vossloh Group saw a substantial rise in sales revenues, reaching a new peak in the rail infrastructure business. After €1,209.6 million in the previous year, sales revenues amounted to €1,343.2 million in the reporting period. The negative impact of translation effects arising out of exchange rate changes amounted to €11.7 million compared to the previous year. Sales revenues were within the most recently communicated guidance range of €1.33 billion to €1.4 billion. The originally published forecast range of €1.25 billion to €1.325 billion was based on a group structure without Sateba and was no longer relevant due to the acquisition completed on October 1, 2025. The guidance range of €1.475 billion to €1.575 billion with the inclusion of Sateba set out in the 2024 Annual Report cannot be used for comparison purposes either since it assumed first-time consolidation by the beginning of May 2025.

Vossloh Group – Sales by region¹

	€ mill.		%	
	2025		2024	
Western Europe	174.1	13.0	151.6	12.5
thereof France	129.6	9.6	118.6	9.8
Central Europe	227.9	17.0	229.6	19.0
thereof Germany	165.4	12.3	171.4	14.2
Northern Europe	247.4	18.4	184.0	15.2
Southern Europe	126.3	9.4	156.8	13.0
Eastern Europe	82.2	6.1	51.0	4.2
Total Europe	857.9	63.9	773.0	63.9
Americas	121.8	9.0	146.5	12.1
Asia	175.6	13.1	135.3	11.2
Africa including the Middle East	118.7	8.8	75.3	6.2
Australia	69.2	5.2	79.5	6.6
Total	1,343.2	100.0	1,209.6	100.0

¹ The regions have been reassigned in line with the current internal sales structure. The previous year's figures have been adjusted accordingly and may therefore differ from the figures published in the previous year.

Sales revenues
increased significantly,
especially in Northern
and Eastern Europe,
Africa and Asia

Sales revenues in Europe increased by 11.0 % in fiscal year 2025. Eastern and Northern Europe saw particularly dynamic growth of 61.3 % and 34.5 % respectively. In Eastern Europe, the significant increase is mainly due to higher sales revenues in Poland and Ukraine. In Poland, in addition to the sales revenues of the Sateba Group, which was consolidated for the first time, increased delivery volumes of rail fastening systems and turnouts to the state railways operator PKP also contributed to growth. In Ukraine, the increase in sales revenues resulted exclusively from the Fastening Systems business unit, in particular from higher deliveries of rail fastening systems to the Ukrainian state railways operator. Most of the sales revenue growth in Northern Europe is attributable to the first-time consolidation of Sateba. The Customized Modules division also made a significant contribution to the increase in sales revenues. In Sweden and Denmark in particular, there was a noticeable increase in deliveries of turnout systems and components to the state infrastructure operators Trafikverket and Banedanmark.

In Western Europe, the Vossloh Group achieved rising sales revenues, particularly in France, Portugal and Belgium. The increase of 14.8 % is mainly due to the inclusion of the Sateba Group, whose contribution more than compensated for the lower sales revenues in the Customized Modules division in France – particularly with SNCF. In Central Europe, total sales revenues remained at the previous year's level. While a decline was recorded in Germany, in particular due to lower sales revenues in the Customized Modules division with Deutsche Bahn, the Lifecycle Solutions division increased its sales revenues in the one-stop shop business in the Netherlands. In Southern Europe, on the other hand, sales revenues were 19.5 % lower than in the previous year. This was primarily due to lower revenues in Italy in the business with turnouts and rail fastening systems. In addition, the turnout business in Serbia also recorded a decline in sales revenues, after the previous year's figure had still included revenues in connection with the completion of a high-speed line.

In the sales region Africa including the Middle East, sales revenues increased by 57.4 %. This strong growth is primarily due to extensive deliveries of turnout and rail fastening systems for major railroad projects in Algeria. In addition, increased sales revenues in Egypt also made an important contribution, mainly resulting from higher deliveries of rail fastening systems for a high-speed line.

In Asia, sales revenues were 29.8 % higher than in the previous year. The significant increase is mainly due to higher deliveries of rail fastening systems for high-speed lines in China in the Fastening Systems business unit and the first-time full consolidation of a Chinese company in the turnout business.

In the Americas, sales revenues fell by 16.9 % in fiscal year 2025. The decline is entirely attributable to the Core Components division and is mainly the result of lower deliveries of concrete ties to customers in Mexico and the USA.

In Australia, the Vossloh Group recorded a year-on-year decline in sales of 12.9 %. The decline is due to the Customized Modules and Core Components divisions and reflects the normalization of market demand for concrete ties and turnout systems, which had been exceptionally high for many years.

The Vossloh Group's cost of sales amounted to €980.7 million in the reporting year. At 73.0 %, the ratio of cost of sales to sales revenues remained virtually unchanged compared to the previous year's figure of 72.8 %. General administrative and selling expenses rose from €230.0 million to €255.3 million, mainly due to higher personnel costs and increased amortization of intangible assets as a result of the consolidation of Sateba, including the intangible assets recognized as part of the purchase price allocation (PPA). The other operating result – comprising other operating income of €22.6 million (previous year: €25.3 million) and other operating expense of €13.7 million (previous year: €11.0 million) – amounted to €8.9 million and was therefore lower than the previous year's figure of €14.3 million.

Vossloh Group – Sales revenues and earnings

	€ mill.	%	€ mill.	%
	2025		2024	
Sales revenues	1,343.2	100.0	1,209.6	100.0
EBITDA/EBITDA margin	179.4	13.4	160.3	13.3
EBIT/EBIT margin	111.9	8.3	105.2	8.7
EBIT/EBIT margin (before PPA effects for Sateba)	119.6	8.9	105.2	8.7
Net income	79.9	5.9	76.5	6.3
Earnings per share (in €)	3.24		3.56	

In the 2025 fiscal year, Vossloh increased EBIT by 6.4 % on the previous year. EBIT before effects from the purchase price allocation (PPA) for Sateba amounted to €119.6 million and was thus 13.7 % higher than in the previous year. The main drivers of this positive development were a significantly higher contribution to EBIT in the Core Components division – as a result of the Sateba Group being included in the consolidated financial statements since the fourth quarter of 2025 – as well as further noticeably improved earnings power in the Customized Modules division. As a result of the acquisition of Sateba completed on October 1, 2025, the company published at that time a guidance for EBIT and EBIT margin before PPA effects for Sateba of €116 million to €126 million and 9 % (+/- 0.5 percentage points), respectively. The figures achieved in the reporting year were within this guidance range. The original guidance of €110 million to €120 million was based on a group structure without Sateba and was no longer relevant due to the acquisition. The guidance range of €140 million to €155 million including Sateba contained in the 2024 Annual Report cannot be used for comparison purposes either because this assumed first-time consolidation by the beginning of May 2025.

EBIT up noticeably
on the previous year

Net interest result in fiscal year 2025 amounted to €(23.4) million (previous year: €(14.6) million). The decrease compared to the previous year was mainly due to increased interest expenses in connection with the financing of the Sateba acquisition.

In the reporting year, the Vossloh Group's income taxes amounted to €8.6 million (previous year: €14.1 million). The tax rate fell again following the already low figure in the previous year. Compared to the previous year, this was attributable to further write-ups on previously impaired deferred tax assets and positive effects from the previous year that were recognized in profit or loss in the reporting year.

Earnings per share below previous year Net income for 2025 was higher than the previous year due to the increased earnings power and the lower tax rate despite the lower net interest result and the PPA effects for Sateba. Of the net income, hybrid capital investors were entitled to €6.0 million, as in the previous year, while the other shareholders received €11.2 million (previous year: €7.3 million). At €62.7 million, the net income attributable to Vossloh AG's shareholders was slightly lower than the previous year's figure of €63.2 million. As a result of the significantly higher average number of shares outstanding of 19,320,597 (previous year: 17,770,535) following the capital increase in November 2024, earnings per share were slightly lower year on year at €3.24 (previous year: €3.56).

Dividend of €1.15 per share planned for 2025 The Executive Board and the Supervisory Board of Vossloh AG are committed to ensuring that its shareholders benefit from the Group's economic performance. The Executive Board and Supervisory Board will, therefore, propose to the Annual General Meeting scheduled for May 6, 2026, that a dividend of €1.15 be distributed for fiscal year 2025.

Vossloh Group – Value management

€ mill.	2025	2024
Average capital employed	1,063.7	969.7
ROCE (in %)	10.5	10.8
Value added	10.9	13.1

ROCE and Value added for 2025 below the previous year's level due to PPA effects ROCE was only slightly below the previous year's level despite the negative impact of PPA effects for Sateba and significantly higher average capital employed. Value added also remained slightly below the previous year's level at an unchanged WACC (weighted average cost of capital for equity and debt capital providers) of 9.5 % compared to the previous year due to the PPA effects for Sateba. Against this backdrop, value added was also not within the original guidance range of €15 million to €25 million, which was based on a group structure without Sateba.

The following table presents a reconciliation of the ROCE and value added performance indicators to the EBIT shown in the income statement:

Reconciliation of value added and ROCE to EBIT

€ mill.	2025	2024
Premium in % (ROCE – WACC)	1.0	1.3
Average capital employed	1,063.7	969.7
Value added	10.9	13.1
Cost of capital on the average capital employed	101.0	92.1
EBIT	111.9	105.2

Financial position and investing activities

As the group's management holding company, Vossloh AG is responsible for managing the group's finances and funding. Corporate Treasury Management is responsible for the central management of cash flows and for ensuring the financing of all group companies, as well as for hedging and managing financial risks. In addition to liquidity risks, these include, in particular, risks arising from interest rate and currency fluctuations. Derivative financial instruments are used for hedging. The group companies' funding level is largely ensured by Vossloh AG providing the necessary cash resources. Only in isolated cases where funding outside Germany is either economically preferable or required by law do individual group companies obtain original local financing.

The Vossloh Group's net financial debt (calculated as financial liabilities less cash and cash equivalents and short-term securities) excluding liabilities from leases increased to €491.5 million at the end of 2025 (previous year: €88.7 million). The increase was mainly due to the financing of the purchase price payment for the acquisition of Sateba. At the end of 2025, net financial debt including liabilities from leases of €61.0 million (previous year: €48.9 million) amounted to €552.5 million (previous year: €137.6 million).

Net financial debt increased significantly as a result of the completion of the acquisition of Sateba

At the end of the reporting year, financial liabilities amounted to €701.5 million and were thus significantly higher than the previous year's figure of €232.7 million. Promissory note loans accounted for a total of €485 million of liabilities to banks at the end of 2025. In total, promissory note loans comprising a total volume of €600 million were placed in 2025, of which a first tranche amounting to €400 million was already paid out in November 2025. A second payment was made in February 2026. The new promissory note loans were issued with terms of three, five and seven years and both fixed and variable interest rates. A further €42 million of the financial liabilities at the end of 2025 were attributable to the utilization of the syndicated loan, which has a volume of €240 million and a term until February 2030. The interest rate is based on the respective reference interest rate (Euribor or €STR) and a margin agreed in the loan agreement, which is based on the ratio of net financial debt to EBITDA. A maximum amount is set for this ratio (covenant), which, if exceeded, gives the lending banks the option of early termination. Compliance with the covenant must be demonstrated every six months; this was the case at the end of the first half and at the end of 2025. The share of current financial liabilities increased from €62.2 million in the previous year to €168.9 million due to the promissory note loan of €60 million that Vossloh terminated ahead of time during the reporting year and had a repayment date in January 2026, as well as the term loan of €50 million to be repaid in April 2026 (as the last outstanding portion of the financing for the Sateba acquisition which was refinanced in November 2025). At the end of the reporting year, total cash and cash equivalents and short-term securities amounted to € 149.0 million (previous year: € 95.0 million).

Contingent liabilities increased to €17.8 million as at December 31, 2025 (previous year: €26.8 million). The former Locomotives business unit accounted for the bulk of this, with €15.0 million (previous year: €21.1 million). Vossloh AG has been issued with an irrevocable and unconditional guarantee on first demand from a first-class bank for these outstanding contingent liabilities.

At the end of the year, the Group had committed but unused credit lines totaling €306.4 million (previous year: €757.6 million), which are available in addition to cash and cash equivalents.

The hybrid note issued in February 2021 for €150 million with an indefinite term bore interest of 4.0 % in the first five years. Vossloh successfully placed a new hybrid note with a volume of €250 million on the capital market in January 2026. The bond has an indefinite term and can only be called by Vossloh for the first time after five years. Given its structure, it is classified as equity in accordance with IFRS. The related increase in the equity ratio and the further strengthening of the balance sheet structure provide the Group with significantly greater financial flexibility, which effectively supports the implementation of its corporate strategy.

Vossloh Group – Development of cash flows

€ mill.	2025	2024
Cash flow from operating activities	167.2	136.4
Cash flow from investing activities	(285.2)	(49.7)
Cash flow from financing activities	164.3	(90.9)*
Net cash inflow/outflow	46.3	(4.2)
Cash and cash equivalents at the beginning of the period	94.7	99.5*
Cash and cash equivalents at the end of the period	148.9	94.7
Free cash flow	98.8	86.0

*Value adjusted

Noticeable increase
in free cash flow

Cash flow from operating activities was significantly higher than in the previous year. This development was mainly the result of a significant year-on-year reduction in working capital, particularly in the fourth quarter. Gross cash flow (calculated as the total of EBIT from continuing and discontinued operations as well as depreciation/amortization/impairment losses/reversal of impairment losses of noncurrent assets and changes in noncurrent provisions) also contributed to the increase, which exceeded the previous year's level primarily due to the higher operating result before depreciation/amortization. As a result, free cash flow (defined as cash flow from operating activities less capital expenditure in intangible assets and property, plant and equipment, as well as investments in companies accounted for using the equity method and plus payments received from profit distributions or the sale of companies accounted for using the equity method) increased noticeably compared to the previous year. There were significant changes in cash flow from investing activities as well as financing activities. These were mainly related to the acquisition of the Sateba Group, which was completed in the reporting year.

Vossloh Group – Capital expenditure and depreciation/amortization

€ mill.	2025		2024	
	Capital expenditure	Depreciation/ amortization	Capital expenditure	Depreciation/ amortization
Core Components	28.2	28.3	20.8	21.9
Customized Modules	35.3	20.3	40.0	16.7
Lifecycle Solutions	21.5	17.9	19.0	15.9
Vossloh AG/Consolidation	3.3	1.0	4.0	0.6
Total	88.3	67.5	83.8	55.1

Capital expenditure at Group level in fiscal year 2025 was noticeably higher than in the previous year. The increase resulted in particular from higher capital expenditure in the Core Components division. Significant capital expenditure was made primarily in the development of series production for sleeper pads at the Werdohl site. Capital expenditure in the Lifecycle Solutions division was also slightly higher than in the previous year. Among other things, investments were made in the development of a new generation of high-speed grinding trains. The capital expenditure shown in the table above reflects additions in the fiscal year and also includes capital expenditure in assets financed via a lease agreement. Capital expenditure is included in the cash flow statement if it has resulted in cash outflows. In this respect, the values differ. Depreciation and amortization at group level, which is added back to EBIT in the cash flow statement, includes impairment losses and reversals of impairment losses. These were significantly higher in the reporting year, particularly in the Tie Technologies business unit, due mainly to PPA effects and scheduled depreciation and amortization in connection with the consolidation of Sateba.

As of December 31, 2025, the investment obligations for the acquisition of property, plant and equipment and intangible assets (purchase commitments) amounted to €8.0 million (previous year: €11.1 million).

Asset and capital structure

Vossloh Group – Asset and capital structure

		Fiscal year 2025 12/31/2025	Fiscal year 2024 12/31/2024
Total assets	€ mill.	2,126.8	1,490.8
Equity	€ mill.	815.7	751.9
Equity ratio	%	38.4	50.4
Closing working capital ¹	€ mill.	162.9	174.4
Average working capital	€ mill.	215.3	213.7
Average working capital intensity	%	16.0	17.7
Fixed assets ²	€ mill.	1,299.9	792.8
Closing capital employed ³	€ mill.	1,462.8	967.2

¹Working capital = trade receivables (including contract assets) plus inventories minus trade payables (including contract liabilities) minus advance payments received minus other current provisions (adjusted for items not attributable to operating activities)

²Fixed assets = intangible assets plus property, plant and equipment plus investment property plus investments in companies accounted for using the equity method plus other non-current financial instruments

³Capital employed = working capital plus fixed assets

The Vossloh Group's equity increased noticeably at the end of 2025 compared to the previous year. The increase was mainly due to the positive net income for 2025. As expected, the equity ratio was significantly lower than in the previous year due to the financing of the purchase price for Sateba; however, it remained at a solid level.

As at December 31, 2025, working capital had fallen by 6.6 % compared to the previous year. Average working capital in 2025 was on a par with the previous year. In conjunction with the significant increase in sales, this led to a further noticeable reduction in average working capital intensity of 1.7 percentage points.

Average working capital intensity has fallen noticeably

General statement on the business performance and economic situation of the Vossloh Group

Despite the ongoing challenges posed by geopolitical and macroeconomic conditions, 2025 was characterized by very positive business development. Sales revenues increased significantly – driven by the continued positive development in the existing business and initial contributions to sales by the Sateba Group, which has been included in the consolidated financial statements since October 1, 2025. The number of orders received and the order backlog once again reached very high levels. EBIT before PPA effects was noticeably higher than in the previous year thanks to the strong operating performance and Sateba's contribution to earnings; free cash flow – boosted by a very strong fourth quarter – exceeded the previous year's high level. The Group fully met the targets and expectations set for 2025 thanks to the successful completion of the strategically important acquisition of Sateba.

Business performance Core Components

Vossloh has combined its range of industrially manufactured series products, which are required in large quantities for rail infrastructure projects within the Core Components division. This includes the rail fastening systems developed, produced and marketed in the Fastening Systems business unit for all areas of application worldwide – from heavy-haul to high-speed rail lines and urban transport. The Tie Technologies business unit is the leading manufacturer of concrete rail ties in North America and Australia. Following the completion of the acquisition of Sateba in October 2025, Vossloh also became one of the leading suppliers of concrete rail ties in Europe. In addition to concrete rail ties, the company also manufactures turnout ties and other concrete elements for slab track, crossing panels and other infrastructure components, such as tunnel structures.

Core Components			
		2025	2024
Orders received	€ mill.	605.9	532.5
Order backlog	€ mill.	494.6	293.8
Sales revenues ¹	€ mill.	560.9	463.4
EBITDA	€ mill.	91.7	89.6
EBITDA margin	%	16.3	19.3
EBIT	€ mill.	63.4	67.6
EBIT margin	%	11.3	14.6
Average working capital	€ mill.	91.8	93.7
Average working capital intensity	%	16.4	20.2
Average capital employed	€ mill.	370.3	319.4
ROCE	%	17.1	21.2
Value added	€ mill.	28.2	37.3

¹ Sales revenues include external sales revenues and sales to other divisions.

Orders received and order backlog significantly higher than prior year

Orders received in the Core Components division in fiscal year 2025 exceeded the previous year's high level by a considerable 13.8 %. This is primarily attributable to the inclusion of Sateba in the Tie Technologies business unit. The division's book-to-bill ratio was 1.08 overall. At the end of 2025, the order backlog had increased by €200.8 million or 68.4 % compared to the prior-year figure. The consolidation of the European concrete rail ties business also played a significant role here.

Significant year-on-year increase in sales

As expected, sales revenues in the Core Components division were significantly higher in the reporting year than in the previous year. Revenue increased by 21.0 % in total. Both business units – Vossloh Fastening Systems and Vossloh Tie Technologies – contributed to this positive development. Sales revenues in Europe benefited from the acquisition of Sateba.

EBIT slightly below prior year, purchase price allocation weighs on earnings

In 2025, EBIT in the Core Components division was down only slightly on the comparative figure for 2024. Although the first-time consolidation of Sateba made a positive contribution to earnings, this was reduced by large effects from the purchase price allocation (PPA) for Sateba. In addition, EBIT was negatively impacted by the brand license fee charged by Vossloh AG since the beginning of fiscal year 2025. Moreover, the previous year's result had been positively affected on a one-time basis by the release of provisions.

Return on capital employed (ROCE) deteriorated by 4.1 percentage points in the reporting year. Besides the effects already explained under EBIT, the increased average capital employed – primarily due to the acquisition of Sateba – had a negative impact. The average working capital in this division remained almost unchanged in 2025. The value added of Core Components decreased by €9.1 million.

Vossloh Fastening Systems

In fiscal year 2025, orders received by Vossloh Fastening Systems came to a total of €346.2 million. Among other things, major orders were received for the new high-speed lines London to Birmingham (HS2) in the United Kingdom and Yulin to Cenxi in China, as well as several sections of a railroad line being constructed in southwestern Algeria. The value of new orders in the previous year totaled €371.9 million. This included three high-speed projects in China with a volume of more than €60 million. In particular, it was not possible to fully make up for lower order volumes in China and Southern Europe in 2025. At the end of 2025, the order backlog was down 6.7 % to €228.6 million on the previous year's reporting date.

Orders received down on prior year's high level

Sales revenues at Vossloh Fastening Systems in 2025 amounted to €349.0 million after €309.7 million in the previous year. This is mainly because project sales were higher in China, Algeria, and Egypt than in the previous year.

Sales revenues increased significantly

The value added by Vossloh Fastening Systems remained at a high level at €28.8 million (previous year: €32.1 million). Compared to the previous year, the brand license fee had a negative impact on value added.

Significantly higher value added

Vossloh Tie Technologies

The Tie Technologies business unit recorded orders received in the reporting year in the amount of €274.5 million and thus a significant increase of 49.9 % compared to the previous year (€183.1 million). In addition to the inclusion of Sateba, this was also due to higher orders received in Mexico and Australia. By contrast, orders from Class I companies in the USA and from the Canadian market declined. The book-to-bill ratio rose to 1.19 in total. The order backlog at the end of 2025 amounted to €268.7 million (previous year: €55.8 million), largely driven by Sateba and higher order backlogs in Mexico and Australia.

Book-to-bill higher

Sales revenues in the Tie Technologies business unit significantly exceeded the 2024 reference value by 33.0 % and amounted to €230.0 million. This was driven by the tie business in Europe, which was not included in the previous year. This was partially offset by lower revenues in Mexico.

Revenues up significantly on prior year

Value added at Vossloh Tie Technologies stood at €(0.9) million (previous year: €5.4 million). The comparison with the previous year was hampered by high PPA effects for Sateba, the introduction of brand license fees and the release of risk provisions in the previous year.

Business performance Customized Modules

All of the group's services for the manufacture, installation and maintenance of individualized infrastructure modules for the rail industry are combined within the Customized Modules division. The division includes the Switch Systems business unit, one of the largest providers of turnout systems worldwide. The product portfolio covers a very wide range of applications, extending from light-rail to high-speed applications.

Customized Modules			
		2025	2024
Orders received	€ mill.	582.2	662.8
Order backlog	€ mill.	500.2	525.6
Sales revenues ¹	€ mill.	600.5	561.2
EBITDA	€ mill.	78.6	72.3
EBITDA margin	%	13.1	12.9
EBIT	€ mill.	58.2	55.6
EBIT margin	%	9.7	9.9
Average working capital	€ mill.	99.5	92.7
Average working capital intensity	%	16.6	16.5
Average capital employed	€ mill.	438.9	409.0
ROCE	%	13.3	13.6
Value added	€ mill.	16.5	16.8

¹ Sales revenues include external sales revenues and sales to other divisions.

Incoming orders remain solid following previous year's record high Orders received in the Customized Modules division were €80.6 million lower than the exceptionally high figure reported in the previous year. In the regions of Morocco, Algeria and the Middle East in particular, new orders were noticeably lower than in 2024. By contrast, Sweden, Portugal and Belgium, among others, recorded higher orders received.

Sales revenues at record level The division's sales revenues increased by €39.3 million on 2024, thus reaching a new all-time high. Increased sales were recorded in Algeria and Sweden in particular, which more than offset declines in Serbia and Italy.

Positive earnings trend continues The division's EBIT in 2025 was up 4.7 % on the prior-year figure despite the introduction of brand license fees. This was mainly attributable to higher earnings contributions from Sweden. In addition, the division benefited from a positive effect of the transitional consolidation of a joint venture in China, which has been fully included in the consolidated financial statements since June 1, 2025. The EBIT margin was slightly below the prior-year figure.

ROCE remained at a high level despite an increase in average capital employed. Owing to the brand license fees, value added was slightly below the elevated figure recorded in the previous year.

Working capital intensity at previous year's level Average working capital increased in particular due to the aforementioned transitional consolidation. Average working capital intensity remained virtually unchanged at the previous year's level.

Business performance Lifecycle Solutions

Through its Rail Services business unit, the Lifecycle Solutions division focuses on specialist services for the maintenance of rails and turnouts. The innovative technologies promote the safety of rail lines and contribute to extending the service life of rails and turnouts as well as improved track availability. The service portfolio mainly includes maintenance, grinding and milling for the corrective and preventive care of rails and turnouts, welding services and rail and turnout logistics. Lifecycle Solutions' extensive range of services complements the product portfolios of Core Components and Customized Modules.

Lifecycle Solutions

		2025	2024
Orders received	€ mill.	243.8	198.1
Order backlog	€ mill.	50.9	28.9
Sales revenues ¹	€ mill.	215.7	204.3
EBITDA	€ mill.	30.9	34.9
EBITDA margin	%	14.3	17.1
EBIT	€ mill.	13.1	19.0
EBIT margin	%	6.1	9.3
Average working capital	€ mill.	32.6	35.0
Average working capital intensity	%	15.1	17.2
Average capital employed	€ mill.	241.2	232.4
ROCE	%	5.4	8.2
Value added	€ mill.	(9.9)	(3.0)

¹ Sales revenues include external sales revenues and sales to other divisions.

In fiscal year 2025, the Lifecycle Solutions division recorded a 23.1 % increase in orders received compared to the previous year, which was mainly achieved in the Maintenance sub-division. The order backlog at the end of 2025 was significantly higher than the previous year's figure.

Orders received significantly higher than the previous year

The Lifecycle Solutions division achieved 5.6 % higher revenues than in the previous year, thus setting a new record. The increase was due in particular to higher sales revenues in the Netherlands, Sweden and France. The degree of internationalization of the Lifecycle Solutions division – measured in terms of sales revenues generated outside Germany – rose to 50.2 % in fiscal year 2025 (previous year: 46.7 %).

Sales revenues set new record in 2025

The division's EBIT fell noticeably by €5.9 million compared to the previous year. This was mainly due to exceptionally high-margin projects in the previous year, particularly in Sweden, as well as temporarily subdued demand from Deutsche Bahn for logistics and welding services stemming from financing uncertainties during the reporting year. In addition, the introduction of the brand license fee also had a negative impact on EBIT. The EBIT margin fell by 3.2 percentage points on the previous year due to the change in EBIT.

As expected, EBIT down on exceptionally high prior-year figure

Value added also declined as a result of the change in EBIT. Average working capital intensity improved compared to the previous year, due primarily to a decrease in inventories and improvements in accounts payable management.

Vossloh AG – Analysis of the separate financial statements

Vossloh AG is the operational management and financial holding company at the head of the Vossloh Group. It controls and monitors all key activities within the Group. In addition to defining the Group strategy and managing corporate development, it is also responsible for allocating financial resources, particularly for investments or acquisitions. Among other things, it is responsible for Group Accounting, Group Controlling, Group Treasury, Risk and Opportunity Management, Internal Audit and the areas of Innovation & Development, EHS/Sustainability, Information Technology, Legal & Compliance, Investor Relations and Corporate Communications. The company oversees sales activities, including marketing and communications. In addition to HR policy, it is also responsible for personnel development and supporting the Group's senior management. Business unit representatives report on the events and developments in their area of responsibility on a regular basis. The Executive Board exerts a direct influence on the operational management of the business units in this context, alongside its management responsibility for different functions. A comprehensive catalog of approval requirements also ensures that the Executive Board is closely involved in significant operational decisions.

Vossloh AG prepares its annual financial statements in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). The following notes relate to the annual financial statements. In isolated cases, certain transactions are handled differently in the consolidated financial statements pursuant to IFRS. The relevant provisions of the HGB have not changed significantly in the fiscal year.

Analysis of the separate financial statements

The sales revenues of €37.6 million reported by Vossloh AG for the 2025 fiscal year (previous year: €17.6 million) resulted primarily from allocations to Group companies for which Vossloh AG provided a large number of services (mainly in the areas of IT, digitalization and international sales). The significant increase in sales revenues was due to the brand license levied for the first time in 2025.

Operating expenses were mainly incurred in connection with the company's management and financing functions. The business performance and economic development of Vossloh AG follow the activities of its subsidiaries and associates. The most significant performance indicators for Vossloh AG are general administrative expenses, financial result and net income for the year.

In the reporting year, general administrative expenses increased slightly to €34.4 million as compared to the previous year (€33.4 million). Personnel expenses in the amount of €21.7 million rose significantly on the previous year (€17.8 million), driven in particular by a higher workforce. As is usual in years when the InnoTrans industry trade fair does not take place, trade fair costs decreased significantly on the previous year. In addition, consulting costs, although down on the previous year, yet still considerable, also impacted the result in the reporting year, particularly in the form of transaction costs in connection with the acquisition of the Sateba Group.

At €2.0 million, other operating expenses increased slightly in the reporting year compared to the previous year (€1.6 million); they exclusively include losses from foreign currency valuations. Other operating income amounted to €0.3 million (previous year: €0.8 million) and was also shaped by income from foreign currency valuations. At €(22.2) million, the operating result improved significantly on the previous year (€(33.9) million).

The financial result for 2025 fell from €103.3 million in the previous year to €15.2 million in the reporting year. The decline was due to significantly lower write-ups on investments (€2.0 million compared to 34.1 million in the previous year), significant impairments on investments amounting to €22.4 million (previous year: €0.0 million) and lower income from profit transfers (€15.2 million compared to €44.9 million in the previous year). The allowances on the lower fair values of two investments resulted primarily

from a higher risk-free interest rate compared to the previous year. In addition, a slightly deteriorated business outlook at some portfolio companies had an impact.

In addition, the financial result was negatively affected by lower interest income (€16.8 million compared to €21.1 million in the previous year) – arising largely from the extension of short-term loans or long-term loans to Group companies – as well as significantly higher interest expenses (€24.3 million compared to €18.0 million in the previous year).

Income taxes of €1.6 million resulted from tax prepayments and withholding taxes paid abroad due to the brand license. In the previous year, they amounted to €0.5 million as a result of minimum taxation. In the reporting year, Vossloh AG's net loss amounted to €8.6 million (previous year: net income of €68.9 million). As expected, at €(22.2) million, the result forecast for 2025 under commercial law was significantly better than in the previous year at €(33.9) million in terms of the operating result, however, the financial result was considerably worse. Excluding profit transfers and expenses or income from the valuation of investments, the financial result for 2025 was only slightly below the previous year's level.

Total assets increased sharply year on year from €949.0 million to €1,400.0 million. This is largely attributable to the acquisition of Sateba and its financing. Loans to affiliated companies increased significantly as a result. In this context, the shares in affiliated companies also increased despite the allowances referred to above. In contrast, the short-term receivables from affiliated companies decreased by almost €100 million to €269.4 million.

Liabilities to banks on the equity and liabilities side of the balance sheet were significantly higher at €597.2 million (previous year: €147.6 million) as at the reporting date; this was also due to the acquisition of Sateba. Liabilities to affiliated companies increased to a lesser extent by €26.4 million from €2.5 million in the previous year to €28.9 million. Provisions increased minimally from €31.2 million in the previous year to €32.6 million on the balance sheet date. In the reporting year, equity decreased as a result of the dividend payment and the net loss, which fell from €607.2 million to €577.3 million. The equity ratio fell accordingly to 41.2 %, with the 22.8 percentage point decline on the previous year mainly attributable to the sharp increase in total assets.

Overall, the Executive Board considers Vossloh AG's net assets and financial position to be very strong in view of the balance sheet structure and the high equity ratio at the end of the fiscal year. With the exception of the valuation of investments, which can only be partially influenced, the results of operations are satisfactory in the light of the surplus from income from investments, profits transferred from the domestic subsidiaries and net interest result over the negative operating result.

Dependency report

The Executive Board of Vossloh AG assumes that Vossloh AG is dependent within the meaning of Section 17 German Stock Corporation Act (AktG) due to its indirect shareholding of 50.09 % of the share capital as of December 31, 2025. This continues to exist vis-à-vis the Heinz Hermann Thiele Family Foundation. A report on relationships with affiliated companies was prepared in accordance with Section 312 AktG. The following declaration is included in the report: "In the legal transactions listed in the report on relationships with affiliated companies, our company received appropriate consideration for each legal transaction according to the circumstances known to us at the time the legal transactions were carried out. No disadvantageous measures were taken at the instigation of or in the interests of the Foundation or any of its affiliated companies. This assessment is based on the circumstances known to us at the time of the reportable events." The report was audited by the auditor and issued with an unqualified opinion.

Declaration on Corporate Governance/ Corporate Governance Report

The following declaration on corporate governance in accordance with Sections 289f (1) and 315d German Commercial Code (HGB) is the central element of corporate governance reporting (Principle 23 of the German Corporate Governance Code (GCGC) in the version dated April 28, 2022). The Executive Board and Supervisory Board issue the declaration on corporate governance jointly and are each responsible for the parts of the report that relate to them.

Management and control structure

Vossloh AG is subject to the provisions of stock corporation, capital market and codetermination law applicable in Germany, as well as the provisions of its Articles of Incorporation. Vossloh AG has a dual management and control structure, which is reflected in the two management bodies, the Executive Board and the Supervisory Board. The Annual General Meeting is responsible for important fundamental decisions within the stock corporation. All three bodies are obligated to act in the best interest of the company and its shareholders.

Executive Board

The three members of the Executive Board are jointly responsible for managing the company. As Chief Executive Officer, Mr. Oliver Schuster is responsible for coordinating the work of the Executive Board, as well as the central divisions of Strategy and M&A, Media Relations, Legal and Compliance, IT and Digital Business, Innovation and Research & Development, Human Resources and Internal Audit. As Chief Financial Officer, Dr. Thomas Triska is responsible for the central divisions of Accounting and Tax, Controlling, Treasury and Investor Relations. As Chief Operating Officer, Mr. Jan Furnivall is responsible for the central divisions of Sales, Technology, EHS/Sustainability and Marketing/Communications. In addition, the divisions are assigned to individual members of the Executive Board. Mr. Oliver Schuster is responsible for the Core Components division, Dr. Thomas Triska for the Customized Modules division and Mr. Jan Furnivall for the Lifecycle Solutions division. Further information on the members of the Executive Board of Vossloh AG can be found on page 212 of this Annual Report.

The work within the Management Board is governed by the Rules of Procedure for the Executive Board, which are published on the company's website at www.vossloh.com/en/executive-board. The members of the Executive Board work together as colleagues and keep each other informed of important measures and events in their areas of responsibility. The entire Executive Board decides on all major issues. Potential conflicts of interest are disclosed immediately to the Supervisory Board and brought to the attention of the other members of the Executive Board. Secondary employment requires the prior approval of the Supervisory Board.

The Supervisory Board is responsible for appointing and dismissing members of the Executive Board. In doing so, the Supervisory Board observes the targets set by the German Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector, as well as the age limit for members of the Executive Board (the statutory retirement age) specified in the Rules of Procedure for the Supervisory Board. The Supervisory Board regularly deals with long-term succession planning, at least once a fiscal year, in order to identify and develop suitable female and male candidates in advance and to fill vacancies with the most suitable candidate as quickly as possible.

Vossloh AG has taken out directors' and officers' liability insurance (D&O insurance) for the members of the Executive and Supervisory Boards. The deductible for members of the Executive Board amounts to 10 % of the loss up to one and a half times the fixed annual remuneration of the respective member.

Supervisory Board

The Supervisory Board of Vossloh AG has six members and is composed in accordance with the provisions of the German Stock Corporation Act (Aktiengesetz) and the One-Third Employee Participation Act (Drittelbeteiligungsgesetz). It consists of two-thirds shareholders and one-third employee representatives. In accordance with the recommendations of the GCGC, the shareholder representatives were elected individually. The terms of office of all current Supervisory Board members end at the completion of the Annual General Meeting in 2028, which will decide on the ratification of the acts of management for the 2027 fiscal year. In the 2025 fiscal year, the Annual General Meeting elected Mr. Frank Markus Weber to the Supervisory Board as the successor to Mr. Ulrich M. Harnacke. Further information on the members of the Supervisory Board of Vossloh AG, including their membership terms, can be found on page 213 of this Annual Report.

The Supervisory Board monitors and advises the Executive Board in respect of its management of the company's business operations and discusses with it business development, planning, strategy and its implementation, as well as specific sustainability issues, risk management and compliance issues at regular intervals. It approves the annual budget, adopts the annual financial statements of Vossloh AG, approves the consolidated financial statements and decides on the approval of related party transactions in accordance with Section 111b German Stock Corporation Act (AktG). In addition, certain significant transactions and measures regulated in the Rules of Procedure for the Executive Board require the approval of the Supervisory Board. The working procedures of the Supervisory Board are governed by rules of procedure, which are available on the company's website at www.vossloh.com/en/supervisory-board.

At its meeting on November 24, 2022, the Supervisory Board last specified the concrete objectives for its composition and reviewed and updated the skills profile for the full Board on September 16, 2025. The "Requirements and Objectives for the Composition of the Vossloh Aktiengesellschaft Supervisory Board" are published on the company's website at www.vossloh.com/en/composition-of-the-vossloh-ag-supervisory-board, and also include the diversity concept. With regard to diversity, the Supervisory Board strives to take into account different professional and international experiences and, in particular, the appropriate participation of all genders in its composition. On November 25, 2021, the Supervisory Board set a target of at least 16.67 % (one member) for the proportion of women on the Supervisory Board for the target period from December 15, 2021 to December 14, 2026. This target is currently being met.

Further requirements and objectives of the Supervisory Board for its composition relate to the competencies of the Board as a whole, the independence of the members, potential conflicts of interest, sufficient time for their designated office, an age limit (generally 70 years) and the duration of membership of the management body (generally no longer than three terms of office). In the opinion of the Supervisory Board, the current composition of the complete Board fulfills the aforementioned requirements and objectives. The individual members contribute their professional and personal qualifications to the Supervisory Board as follows:

	Prof. Dr. Rüdiger Grube	Frank Markus Weber	Dr. Roland Bosch	Martin Klaes	Marcel Knüpfer	Dr. Bettina Volkens
Management and monitoring of medium-sized or large, international companies						
Industry and corresponding value chains						
Research and development (particularly in the area of relevant technologies for Vossloh)						
Production, marketing, sales						
Significant markets for Vossloh						
Capital market						
Corporate transactions (Mergers & Acquisitions)						
Sustainability (Environment, Social)						
Accounting and financial reporting						
Auditing						
Controlling, risk management						
Corporate Governance, Compliance						
Supervisory Board member since	2/2020	5/2025	5/2020	5/2023	6/2020	5/2020

To ensure the independence of its members, the Supervisory Board has stipulated in accordance with recommendation C.7 of the GCGC that more than half of the shareholder representatives should be independent of the company and the Executive Board. In accordance with recommendation C.9 Sentence 2 of the GCGC, at least one shareholder representative should be independent of the majority shareholder of Vossloh AG. The Supervisory Board meets these requirements as, in the opinion of the shareholder representatives, Prof. Dr. Rüdiger Grube, Dr. Roland Bosch and Dr. Bettina Volkens are to be regarded as independent.

The work of the Supervisory Board takes place both in plenary sessions and in the three committees that the Supervisory Board has currently established to increase the efficiency of its activities. The chairs of the committees report on the topics discussed and the results of the discussions at the meeting of the full Supervisory Board following the respective committee meeting.

The Personnel Committee consists of four members, namely Prof. Dr. Rüdiger Grube, Mr. Frank Markus Weber, who replaced Mr. Ulrich M. Harnacke, Dr. Bettina Volkens and Mr. Marcel Knüpfer. The Personnel Committee is primarily responsible for matters relating to the Executive Board. In principle, it prepares the personnel decisions, as well as the resolutions and reviews of the complete Supervisory Board with regard to the remuneration system and the total remuneration of the individual members of the Executive Board. The Chairman of the Supervisory Board, Prof. Dr. Rüdiger Grube, is also Chairman of the Personnel Committee and is considered independent within the meaning of recommendation C.10 of the GCGC.

The members of the Audit Committee are Dr. Roland Bosch, Mr. Frank Markus Weber, who replaced Mr. Ulrich M. Harnacke, and Mr. Marcel Knüpfer. Dr. Roland Bosch replaced Mr. Ulrich M. Harnacke as Chairman of the Audit Committee following the latter's departure. The Audit Committee is responsible, in particular, for monitoring accounting, the accounting process, the appropriateness and effectiveness of the internal control system and the risk management system, the internal audit system, the auditing of the financial statements and compliance. The Audit Committee prepares the Supervisory Board's review of the annual and consolidated financial statements, the combined management report and the audit reports of Vossloh AG and the Vossloh Group. The quarterly statements and the half-year financial report are discussed jointly by the Audit Committee and the Executive Board prior to publication. The Audit Committee submits recommendations to the Supervisory Board on the appointment of the auditor, issues the audit mandate for the annual financial statements and the consolidated financial statements, as well as for the review of the interim financial reports and, together with the auditor, determines the focal points for the audit. The Chairman of the Audit Committee is also in regular contact with the auditor outside of the Audit Committee meetings and, in particular, discusses the progress of the audit. The Audit Committee also receives regular reports directly from Internal Audit and the Chief Compliance Officer. In addition, the members of the Audit Committee exercise their right to information in accordance with Section 107 (4) Sentence 4 German Stock Corporation Act (AktG). The Audit Committee also performs the duties set out in Section 111a (2) Sentences 1 and 2 German Stock Corporation Act (AktG) with regard to the audit of related party transactions. Members of the Audit Committee have expertise in the areas of accounting and auditing, including sustainability reporting. Dr. Roland Bosch is Commercial Director of WOLFF & MÜLLER Holding GmbH & Co. KG, former Chief Executive Officer (CEO) of Deutsche Bahn Cargo AG and has held several management positions in the area of finance. Thanks to his professional career, he has acquired specialist expertise and experience in the field of auditing and accounting, including sustainability reporting and related auditing. He therefore fulfills the requirements of Section 100 (5) German Stock Corporation Act (AktG) and recommendation D.3 of the GCGC. He is also to be regarded as independent within the meaning of recommendation C.10 of the GCGC. Mr. Frank Markus Weber is Chief Financial Officer of Knorr-Bremse AG and previously held various management positions in the finance department of the Daimler Group. As a financial expert, he has specialist expertise in the field of auditing and accounting (Section 100 (5) German Stock Corporation Act (AktG), Recommendation D.3 of the GCGC); this also includes sustainability reporting and related auditing.

The task of the Nomination Committee, which is composed of the four shareholder representatives, namely Prof. Dr. Rüdiger Grube, Dr. Bettina Volkens, Dr. Roland Bosch and Mr. Frank Markus Weber, is both long-term succession planning for the Supervisory Board and the preparation of candidate proposals for

shareholder representatives on the Supervisory Board. The Supervisory Board decides on the election proposals to be submitted to the Annual General Meeting for a decision. The Chairman of the Nomination Committee is Prof. Dr. Rüdiger Grube.

The Supervisory Board regularly assesses the efficiency of its activities and its committees. The Supervisory Board makes use of external support or carries out a self-evaluation. The last review of the performance of the Supervisory Board as a whole and its committees took place with external and independent support in October 2024 and showed consistently positive results. The focal points of the efficiency review included committee work, the content of meetings, the composition of the Supervisory Board, reporting by and communication with the auditor, the composition and work of the committees and current topics such as sustainability, diversity and succession planning.

Each member of the Supervisory Board is obliged to act in the interests of the company. Potential conflicts of interest are to be reported to the Chairman of the Supervisory Board without delay. Members of the Supervisory Board are excluded from exercising their voting rights on Supervisory Board resolutions concerning themselves or persons or companies related to them. With the exception of employee representatives in respect of their contractual remuneration, no member of the Supervisory Board has received any remuneration or benefits from a Vossloh Group company for personal services rendered in addition to their remuneration as a Supervisory Board member. No former members of the Executive Board of Vossloh AG are members of the Supervisory Board.

Compliance

Vossloh understands compliance to mean compliant behavior in accordance with all applicable laws and internal company guidelines. As a global company with a tradition going back some 140 years, Vossloh bears social responsibility towards its customers, partners, employees, investors and the public. This social responsibility includes ensuring that Vossloh and all its employees comply with applicable laws, respect basic ethical values and act in an exemplary manner at all times and everywhere within the scope of their work for the company.

The Executive Board of Vossloh AG has summarized these principles unequivocally in its Compliance Commitment, which states, among other things: "Compliance with the law has absolute priority over closing a deal or achieving internal targets. We would rather forgo a business opportunity than violate the law. Violations of laws and our internal guidelines are not tolerated and will result in sanctions (zero tolerance)." The Compliance Commitment is also published on the company's website. The Executive Board of Vossloh AG has established a Compliance Management System for the Vossloh Group. Vossloh's Compliance Management System is designed to identify risks arising from compliance violations and to minimize these risks through appropriate measures, in order to prevent damage to Vossloh and its employees. The prevention of corruption and strict compliance with competition law regulations are a particular focus.

Vossloh's Compliance Management System has been based on the Vossloh Code of Conduct since 2007; the latter sets out in concrete terms the value of integrity and is binding for the entire Group and all company employees. The Code of Conduct has since been revised and developed extensively and is regularly reviewed to ascertain if it needs to be adapted and updated. The current version is available on the company's website. Together with the compliance guidelines that apply equally throughout the Group, the Code of Conduct provides all employees with a set of rules to guide them in their daily work and to help them make lawful and right decisions. The compliance regulations are available in the main Group languages and have been distributed to all Vossloh Group employees worldwide. Based on a compliance training concept, all employees take part in regular training on compliance issues tailored to their target group. Vossloh has also introduced a compliance e-learning program for all employees with a computer workstation.

To implement and monitor compliance, the Executive Board has set up a Compliance Organization and defined its structure, along with the responsibilities and tasks of the individual compliance functions and their reporting channels in a set of "Compliance Rules of Procedure". The Vossloh Compliance Organization

is composed of the Chief Compliance Officer (assisted by a Compliance Office) and the Group Compliance Committee at the level of Vossloh AG, Compliance Officers and Compliance Committees within the business units and Local Compliance Officers in the operating companies. The Chief Compliance Officer reports regularly to the Executive Board and Supervisory Board.

Together with an international law firm, Vossloh has set up a whistleblower hotline to uncover possible compliance violations. The whistleblower hotline gives employees and external whistleblowers the opportunity to report possible misconduct to an independent, external contact (ombudsperson) at any time. To date, the whistleblower hotline has been set up for 24 countries. As such, the main regions and languages spoken within the Vossloh Group are essentially covered. The Chief Compliance Officer follows up every report and initiates any necessary measures. The same applies to information that workforce members can provide via internal reporting channels; for example, they can contact the Compliance Office of Vossloh AG directly.

The Chief Compliance Officer and the Group Compliance Committee review the Group-wide appropriateness and effectiveness of the Compliance Management System on an ongoing basis. In the 2024 fiscal year, the Executive Board resolved to subject the Compliance Management System to another external review – in relation to the sub-sections of antitrust law and anti-corruption – in accordance with Assurance Standard 980 of the Institute of Public Auditors in Germany (IDW AsS 980 as amended (2022), in German: IDW PS 980 n. F. (2022)) and commissioned KPMG AG Wirtschaftsprüfungsgesellschaft for this purpose. The audit was conducted as an effectiveness audit and completed in October 2025. In its audit report, KPMG confirmed that the Vossloh Compliance Management System had been implemented appropriately and effectively during the period under review. Where findings and recommendations for future compliance activities were made, they have been and will be implemented as part of the ongoing development and improvement of Vossloh's Compliance Management System. Vossloh has published the audit report in the "Investor Relations" section of the company's website under "Corporate Governance" > "Compliance". Further measures on the appropriateness and effectiveness of the Vossloh Compliance Management System are described on pages 132 et seqq. of this Annual Report.

The Group Compliance Committee also regularly initiates incident-unrelated audits, usually with the support of external auditors. In order to review the appropriateness and effectiveness of the Compliance Management System in the Group companies and to identify new or changed risks as well as any opportunities for improvement, a software-based risk assessment was introduced at all Group companies at the end of the 2024 fiscal year. This review is carried out annually.

Risk and control management

The principles of good corporate governance include dealing responsibly with business risks, as well as with the ecological and social impact of the company's activities and the sustainability goals derived from them. The Executive Board of Vossloh AG and the management teams of the Vossloh Group have access to Group-wide and company-specific reporting and control systems that ensure the recording, assessment and management of these risks, including sustainability-related data. The systems are continuously reviewed for their effectiveness, adapted to changing requirements if necessary and reviewed and assessed by the auditor as part of the statutory audit mandate. As described above, the Supervisory Board and Audit Committee are regularly informed and involved in the risk management process. Details on risk management in the Vossloh Group can be found in the Risk and Opportunity Report section (from page 54 of this Annual Report). It also contains the report on the accounting-related internal control and risk management system. Details on sustainability can be found in the Group Sustainability Statement (from page 69 of this Annual Report).

Declaration of Conformity

In 2025, the Executive Board and Supervisory Board of Vossloh AG again addressed the recommendations of the GCGC in detail. The corporate governance practiced at Vossloh is regularly reviewed in accordance with these recommendations.

The Executive Board and Supervisory Board issued the following Declaration of Conformity in December 2025:

Declaration of Conformity by the Executive Board and the Supervisory Board of Vossloh Aktiengesellschaft with regard to the German Corporate Governance Code

Vossloh Aktiengesellschaft currently complies with all recommendations of the German Corporate Governance Code in the version of April 28, 2022, published by the German Federal Ministry of Justice in the official section of the Federal Gazette on June 27, 2022 (DCGK), with the exceptions set out below and will continue to comply with these recommendations with the exceptions set out below in the future.

Recommendation C.4: "A Supervisory Board member who is not a member of any Executive Board of a listed company shall not accept more than five Supervisory Board mandates at non-Group listed companies or comparable functions, with an appointment as Chairman of the Supervisory Board being counted twice."

Explanation: In addition to his mandate as Chairman of the Supervisory Board of Vossloh AG, the Chairman of the Supervisory Board, Prof. Dr. Grube, holds more than five Supervisory Board mandates at listed companies or comparable functions. The Supervisory Board is of the opinion that the question of whether a member has sufficient time for their mandate must be assessed on a case-by-case basis. In the opinion of the Executive Board and the Supervisory Board, Prof. Dr. Grube makes an extremely valuable contribution to the company, not least on account of his outstanding expertise and many years of experience in the industry, and this contribution is not lessened by his additional mandates. In particular, Prof. Dr. Grube has sufficient time available to conscientiously fulfill his responsibilities as the Chairman of the company's Supervisory Board.

Recommendation G.10 S. 2: "Granted long-term variable remuneration components shall be accessible to Executive Board members only after a period of four years."

Explanation: In light of the recommendation of the DCGK that the first-time appointment of Executive Board members should not exceed a period of three years – a recommendation that is regularly practiced by the company – the Supervisory Board does not believe that a four-year measurement period for the long-term variable remuneration of Executive Board members (or a distribution prohibition of one year directly following the three-year measurement period) would be appropriate.

Furthermore, since the issuance of the previous Declaration of Conformity in December 2024, Vossloh Aktiengesellschaft has complied with all recommendations of the German Corporate Governance Code in the version dated April 28, 2022, with the exception of the deviations from recommendations C.4 and G.10 sentence 2 set out above.

The current and previous years' Declarations of Conformity are permanently available on Vossloh AG's website.

Shareholders and Annual General Meeting

Vossloh AG's shareholders exercise their rights and voting rights at the Annual General Meeting. The Annual General Meeting is usually chaired by the Chairman of the Supervisory Board. The Annual General Meeting passes resolutions with binding effect on all matters assigned to it by law, in particular, on the appropriation of net profit, the ratification of the acts of management of the Executive Board and Supervisory Board, the election of the auditor and the approval of the remuneration report. Each Vossloh share entitles the holder to one vote at the Annual General Meeting. Shareholders have the option of exercising their voting rights at the Annual General Meeting themselves or to have them exercised by an authorized representative of their choice or by a proxy appointed by the company who is bound by instructions. The results of the voting can be viewed on the company's website immediately after the Annual General Meeting.

Investor Relations

Vossloh AG ensures that shareholders and other capital market participants are informed promptly and efficiently and are provided with the same content. All information published by Vossloh AG on the company is published immediately on the company's website at www.vossloh.com in both German and English. This applies, in particular, to the Annual Report, the half-year financial report, the quarterly interim reports and the invitation to the Annual General Meeting. The scheduled dates of the main recurring events and publications, namely the Annual General Meeting, Annual Report, interim reports and announcements, are compiled in a financial calendar that is published on Vossloh AG's website with adequate advance notice. The consolidated financial statements are publicly made accessible within 90 days of the end of the fiscal year, while the half-year financial report and interim reports are publicly made accessible at the latest within 45 days of the end of the reporting period. In accordance with Article 17 of the Market Abuse Regulation, any insider information concerning Vossloh that arises or becomes known outside the scope of regular reporting and is likely to have a significant impact on the price of the Vossloh share is disclosed in ad hoc announcements. The website www.vossloh.com also contains extensive and up-to-date information on the Vossloh Group and the Vossloh share.

Accounting and auditing

The Vossloh Group's accounting is based on the International Financial Reporting Standards (IFRS) applicable in the EU. Vossloh AG's annual financial statements are prepared in accordance with the statutory provisions of the German Commercial Code (HGB). Both the consolidated financial statements in accordance with IFRS and the separate financial statements in accordance with German accounting regulations were audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, which was elected as auditor by the Annual General Meeting 2025 at the proposal of the Supervisory Board, in accordance with the applicable German regulations and in compliance with the generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer [IDW]). The audit mandate was issued by the Audit Committee of the Supervisory Board in accordance with the recommendations of the GCGC. Particular attention was paid to ensuring that there is no doubt concerning the independence of the auditor. It was agreed with the auditors that they would immediately report any findings and events of significance pertaining to the tasks of the Supervisory Board that arise during the performance of the audit, and inform the Supervisory Board of any facts discovered in the process that could render the declaration on the GCGC incorrect. The audit did not reveal any indications of

such facts. The condensed interim consolidated financial statements and the interim Group management report as at June 30, 2025 were reviewed by an auditor.

Participation of women and men in management positions

In accordance with legal requirements, the Supervisory Board and the Executive Board have adopted the following objectives for Vossloh AG (for the objectives for the Supervisory Board, see the "Supervisory Board" section above).

On November 25, 2021, the Supervisory Board resolved a target of 0 % for the next target period until December 14, 2026 in respect of the Executive Board of Vossloh AG, which is currently composed of three male members, and gave reasons for this as follows:

"The Supervisory Board of Vossloh AG is aware of the legal requirements for the empowerment of women in management positions and its responsibility for gender equality. Accordingly, the Supervisory Board has set a target figure of 16.67 % for its own composition (corresponding to one woman on the full Board, which consists of six members and four shareholder representatives). Vossloh AG is not legally obliged to appoint a woman to the Executive Board. For the Executive Board, the Supervisory Board considers a voluntary commitment to a permanently binding target of greater than zero to be difficult to implement at present after weighing up all the circumstances.

The Supervisory Board regularly deals with long-term succession planning, at least once a fiscal year, in order to identify and prepare suitable female and male candidates in advance and to fill vacancies with the most suitable candidate as quickly as possible. The Supervisory Board is committed to ensuring that the Executive Board actively promotes suitable female talent. However, a generally valid concept of diversity is not in place for the Executive Board – also in view of the small size of Vossloh AG's Executive Board. Instead, the Supervisory Board endeavors to find the most suitable candidate for vacant Executive Board positions in each individual case.

The appointment of Executive Board members is preceded by a systematic selection process that focuses on expertise and personality, in addition to a number of other aspects such as diversity in respect of the composition of the Executive Board.

The Executive Board is currently composed of highly qualified managers who have had long-standing relationships with Vossloh AG and a sound knowledge of the subject matter for which they are responsible. The Supervisory Board would like to continue to have the freedom to appoint members to the relatively small Executive Board of Vossloh AG in accordance with the aforementioned principles of selecting the best candidate for the job. Furthermore, there are comparatively few women working in the rail industry overall and in related industries, especially those with the relevant management experience. Vossloh AG also experiences and regrets this fact when recruiting for (management) positions below the Executive Board level because women are generally extensively underrepresented among applicants. Therefore, in the opinion of the Supervisory Board, a voluntary commitment to a minimum participation of women while maintaining the selection of the best candidate for the job cannot be guaranteed. This applies all the more in the light of the small size of the Executive Board."

Female candidates were also considered as part of the selection process in preparation for the last personnel changes to the Executive Board in November 2020. In March 2023, the Supervisory Board extended the terms of office of Dr. Thomas Triska and Mr. Jan Furnivall for a further five years each until October 31, 2028. The extension of Mr. Oliver Schuster's term of office for a further five years until February 28, 2030 was resolved before the end of his current term of office in March 2024. With effect from January 1, 2025, the Supervisory Board also amended the employment contracts of all Executive Board members as part of the revision of the remuneration system for the Executive Board. There are currently no plans to change the composition of the Executive Board.

On November 25, 2021, the Executive Board of Vossloh AG set targets for the proportion of women at the first and second management levels below the Executive Board of 25 % each, to be met by December 14, 2026. The target as at December 31, 2025 for the first management level was exceeded at 28.6 % and for the second management level at 40.0 %.

Remuneration of the Executive Board and Supervisory Board

The remuneration system for the members of the Executive Board pursuant to Section 87a (1) and (2) German Stock Corporation Act (AktG), which was approved by the Annual General Meeting on May 7, 2025, is available at www.vossloh.com/en/remuneration-of-the-executive-and-supervisory-boards.

The remuneration system for the members of the Supervisory Board adopted by the Annual General Meeting on May 24, 2023 in accordance with Section 113 (3) German Stock Corporation Act (AktG) is also available on the same webpage. The 2025 remuneration report and auditor's report pursuant to Section 162 German Stock Corporation Act (AktG) can be found on pages 225 et seqq. of this Annual Report. The most recent resolutions of the Annual General Meeting on the remuneration system and the remuneration report are also available on the company's website. The remuneration system for Executive Board members makes a significant contribution to promoting and implementing the Vossloh Group's corporate strategy, namely strengthening its product business and further expanding its digital service business with the aim of increasing the value of the company in a sustainable manner.

Statutory takeover-related disclosures pursuant to Section 289a and Section 315a of the German Commercial Code (HGB)

The provisions of Sections 289a and 315a of the German Commercial Code (HGB) require that the following takeover-related disclosures be made as of December 31, 2025.

Composition of the subscribed capital

The company's subscribed capital (capital stock) amounts to €54,843,447.62. It is distributed across 19,320,597 no-par-value ordinary shares.

Restrictions on voting rights and share transferability

All shares carry the same rights. Each share grants one vote at the Annual General Meeting. The Executive Board of the company is not aware of any restrictions on voting rights or share transferability.

Shareholding in excess of 10 % of the voting rights

On the basis of the notifications of voting rights submitted to the company in accordance with the provisions of the German Securities Trading Act (WpHG), an interest in the company's capital that exceeds 10 % of the voting rights exists. KB Holding GmbH, Oberhaching, Germany, holds 50.09 % of the voting rights in Vossloh AG. According to the voting rights notifications pursuant to Section 34 (1) German Securities Trading Act (WpHG), these voting rights are attributable to TIB Vermögens- und Beteiligungsholding GmbH, Oberhaching, Germany, Stella Vermögensverwaltung GmbH, Oberhaching, Germany, and Heinz Hermann Thiele Familienstiftung, Munich, Germany.

Shares with special rights or rights of control

There are no shares with special rights or rights of control.

Voting control of employee shareholdings

Employees who are shareholders in the company exercise their control rights like other shareholders in accordance with the statutory provisions and the Articles of Incorporation.

Appointment/dismissal of Executive Board members; amendments to the Articles of Incorporation

Vossloh AG's Executive Board members are appointed or dismissed in accordance with the provisions of Sections 84 and 85 German Stock Corporation Act (AktG) in conjunction with Article 7 of the Articles of Incorporation. Pursuant to Section 84 (1) German Stock Corporation Act (AktG), Executive Board members are appointed by the Supervisory Board. The maximum term of office is five years, and reappointment or an extension of the term of office is permitted. The appointment of an Executive Board member may be revoked in accordance to Section 84 (4) German Stock Corporation Act (AktG).

According to Section 179 (1) German Stock Corporation Act (AktG), the Articles of Incorporation may be amended by a resolution of the Annual General Meeting. Pursuant to Article 21 (2) of the Articles of Incorporation but subject to overriding statutory provisions to the contrary, the Annual General Meeting may pass its resolutions with the simple majority of votes cast. If the law prescribes a capital majority in addition to a majority of votes, a simple majority of the capital stock present at the time the resolution is passed is sufficient, unless the law or the Articles of Incorporation prescribe otherwise. Section 27 of the Articles of Incorporation authorizes the Supervisory Board to resolve amendments to the Articles of Association that only affect the wording. Article 4 (4) of the Articles of Incorporation further entitles the Supervisory Board to update the Articles of Incorporation accordingly after the capital stock has been increased by utilizing authorized or contingent capital.

Authority of the Executive Board to issue and buy back shares

Authorized capital

The Executive Board is authorized to increase the capital stock by up to a total of €27,421,723.81 by issuing bearer shares against cash and/or non-cash contributions on one or more occasions with the approval of the Supervisory Board until May 6, 2030 (Authorized Capital 2025). This maximum limit of 50 % of the capital stock shall include those shares that were or are to be issued during the term of this authorization from another authorized capital or to service bonds with conversion or option rights or with conversion or option obligations from a conditional capital, but in the case of such bonds only if they were issued during the term of this authorization. The maximum limit reduced in accordance with the above offsetting shall be increased again when a new authorization resolved by the Annual General Meeting after the reduction, the exercise of which caused the offsetting, comes into effect, in each case insofar as the new authorization extends, but up to a maximum of 50 % of the capital stock in accordance with the provisions of Sentence 1 of this paragraph.

The shareholders are entitled to subscription rights. The shares may also be taken over by one or more credit institutions with the obligation to offer them to the shareholders for subscription.

The Executive Board is authorized, however, subject to consent of the Supervisory Board, to exclude the subscription rights of shareholders in the following instances:

- (i) to exclude fractional amounts resulting from the subscription ratio from the subscription right;
- (ii) to service acquisition obligations or acquisition rights to shares in the company from convertible bonds, bonds with warrants, profit participation rights and/or participating bonds (or a combination of these instruments) issued by the company or a company affiliated with it within the meaning of Section 18 German Stock Corporation Act (AktG), and to grant holders or creditors of such instruments with conversion and/or option rights or obligations a subscription right to shares data to compensate for dilution to the extent to which they would be entitled as shareholders after exercising the conversion and/or option rights or after fulfillment of a conversion obligation;
- (iii) in the case of capital increases against cash contributions, if the issue price of the new shares is not significantly lower than the stock exchange price of the already listed shares of the same class at the time the issue price is finally fixed and the total number of shares issued does not exceed 10 % of the capital stock neither at the time this authorization becomes effective nor at the time it is exercised. The following shall be offset against this capital limit (with the exception of issuances with the exclusion of subscription rights for fractional amounts): (1.) the sale of treasury shares, insofar as this takes place during the term of this authorization with the exclusion of subscription rights in accordance with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG); (2.) those shares that are issued or are to be issued to service bonds with conversion and/or option rights or a conversion obligation, insofar as the bonds are issued during the term of this authorization with the exclusion of shareholders' subscription rights in corresponding application of Section 186 (3) Sentence 4 German Stock Corporation Act (AktG); and (3.) those shares that are issued during the term of this authorization on the basis of other capital measures with the exclusion of shareholders' subscription rights in accordance with or in corresponding application of Section 186 (3) Sentence 4 German Stock Corporation Act (AktG). The maximum limit reduced in accordance with the above offsetting shall be increased again when a new authorization to exclude shareholders' subscription rights pursuant to or in accordance with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG) is resolved by the Annual General Meeting after the reduction has taken effect, the exercise of which caused the offsetting, as far as the new authorization extends, but up to a maximum of 10 % of the capital stock in accordance with the provisions of Sentence 1 of this paragraph;
- (iv) in the case of capital increases against contributions in kind.

The authorizations contained in the above paragraphs (i) to (iv) to exclude subscription rights in the case of capital increases against cash and/or contributions in kind are limited to an amount not exceeding 10 % of the capital stock, either at the time this authorization becomes effective or at the time this authorization is exercised. The aforementioned 10 % limit shall also be subject to offsetting (with the exception of issuances with the exclusion of subscription rights for fractional amounts): (1.) treasury shares that are sold during the term of this authorization with the exclusion of subscription rights; (2.) those shares that are issued to service bonds, provided that the bonds were issued during the term of this authorization with the exclusion of shareholders' subscription rights; and (3.) those shares that were issued during the term of this authorization on the basis of other capital measures with the exclusion of shareholders' subscription rights. The maximum limit reduced in accordance with the above offsetting shall be increased again when a new authorization to exclude shareholders' subscription rights resolved by the Annual General Meeting after the reduction comes into effect, the exercise of which caused the offsetting, to exclude shareholders' subscription rights, insofar as the new authorization extends, but up to a maximum of 10 % of the capital stock in accordance with the provisions of Sentence 1 of this paragraph.

The new shares participate in profits from the beginning of the fiscal year in which they are created through the exercise of this authorization and corresponding registration in the commercial register (fiscal year of creation); notwithstanding the foregoing, the new shares participate in profits from the beginning of the fiscal year preceding the fiscal year of creation if, at the time the shares are created, the Annual General Meeting has not yet adopted a resolution on the appropriation of net profit for the fiscal year preceding the fiscal year of creation.

The Executive Board is authorized, with the approval of the Supervisory Board, to determine the further details of the capital increase and the conditions of the share issue.

Further details of the authorization can be found in Article 4 of the Articles of Incorporation.

Issue of bonds

The company's Annual General Meeting on May 15, 2024 authorized the Executive Board, with the approval of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants, profit participation rights and/or income bonds (including hybrid bonds in each case) (or combinations of these instruments) up to 14 May 2029 in a total nominal amount of up to bonds (or combinations of these instruments) with a total nominal value of up to €150,000,000 and to grant the holders or creditors of the bonds conversion or option rights to a total of up to 1,756,418 no-par value bearer shares in the company with a pro rata amount of the capital stock totaling up to €4,985,768. The bonds may be issued against cash and/or non-cash contributions.

The shareholders are generally entitled to a subscription right to the bonds. However, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights:

- (i) insofar as the bonds are issued against cash payment and the Executive Board, after due examination, comes to the conclusion that the issue price of the bonds is not significantly lower than their theoretical fair value calculated using recognized, in particular financial mathematical methods. This authorization to exclude subscription rights applies to bonds with conversion and option rights or conversion or option obligations on shares with a proportionate amount of the capital stock that may not exceed a total of 10 % of the company's capital stock, either at the time this authorization becomes effective or – if this amount is lower – at the time this authorization is exercised. Shares in the company that are issued or sold during the term of this authorization with the exclusion of shareholders' subscription rights pursuant to or in accordance with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG) are to be counted towards this maximum limit of 10 % of the capital stock. The above offsetting against the maximum limit shall cease to apply when a new authorization to exclude shareholders' subscription rights pursuant to or in accordance with Section 186 (3) Sentence 4 German Stock Corporation Act (AktG), as far as the new authorization extends, but up to a maximum of 10 % of the capital stock in accordance

with the provisions of Sentence 2 of this paragraph, is resolved by the Annual General Meeting after the reduction has taken effect;

- (ii) insofar as the bonds are issued against non-cash contributions;
- (iii) to the extent necessary to grant the holders of bonds a subscription right to the extent to which they would be entitled after exercising the conversion or option right or after fulfilling the conversion or option obligation;
- (iv) to exclude fractional amounts from the subscription right.

The authorizations to exclude subscription rights contained in the above paragraphs are to be applied to other shares in the company that are issued or sold during the term of this authorization with the exclusion of shareholders' subscription rights or that are issued or are to be issued to service bonds with conversion or option rights or with conversion or option obligations, provided that these bonds were issued during the term of this authorization with the exclusion of subscription rights (with the exception of issuance with the exclusion of subscription rights for fractional amounts), limited to a pro rata amount of 10 % of the capital stock at the time this authorization becomes effective or – if this value is lower – at the time this authorization is exercised. The above offsetting against the maximum limit shall cease to apply when a new authorization to exclude shareholders' subscription rights resolved by the Annual General Meeting after the reduction comes into effect, insofar as the new authorization extends, but up to a maximum of 10 % of the capital stock in accordance with the provisions of Sentence 1 of this paragraph.

Further details of the authorization and the Conditional Capital 2024 created to service it can be found in the authorization resolution of the Annual General Meeting on May 15, 2024 and Article 4 of the Articles of Incorporation.

Purchase of treasury shares

The company's Annual General Meeting on May 15, 2024 authorized the Executive Board to acquire treasury shares in the company up to May 14, 2029 in the total amount of up to 10 % of the capital stock existing at the time the aforementioned authorization takes effect or – if this amount is lower – of the capital stock existing at the time the aforementioned authorization is exercised for any permissible purpose within the scope of the statutory restrictions and in accordance with the provisions of the authorization of the Annual General Meeting. The acquisition may be made, at the discretion of the Executive Board,

- a) via the stock exchange,
- b) by means of a public purchase offer addressed to all shareholders,
- c) by means of a public invitation to all shareholders to submit offers to sell; or
- d) by means of the granting put options

The company's Annual General Meeting on May 15, 2024 also authorized the Executive Board to use the treasury shares acquired on the basis of the authorization for all legally permissible purposes, and in particular, as follows:

- (i) Sale via the stock exchange or, with the approval of the Supervisory Board, by means of a public offer to all shareholders in proportion to their shareholding.
- (ii) Sale with the approval of the Supervisory Board for cash at a price that is not significantly lower than the stock market price of the company's shares at the time of sale.
- (iii) Sale with the approval of the Supervisory Board in return for non-cash contributions.

- (iv) Servicing acquisition obligations or acquisition rights to shares in the company arising from or in connection with convertible bonds, bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments) issued by the company or its affiliated companies within the meaning of Section 18 German Stock Corporation Act (AktG).
- (v) Granting subscription rights to holders or creditors of convertible bonds, bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments) with option and/or conversion rights and/or obligations issued by the company or its affiliated companies within the meaning of Section 18 German Stock Corporation Act (AktG) to compensate for dilution.
- (vi) Redemption without the redemption or implementation requiring a further resolution by the Annual General Meeting.
- (vii) Issue in connection with share-based remuneration or employee share programs of the company or its affiliated companies to persons who are or were in an employment relationship with the company or one of its affiliated companies, as well as to board members of companies affiliated with the company.

Shareholders' subscription rights to treasury shares are excluded insofar as the shares are used in accordance with the authorizations in items (i) to (v) and (vii). In total, the sum of the shares sold with the exclusion of subscription rights, taking into account other shares of the company that are issued or sold during the term of this authorization with the exclusion of shareholders' subscription rights or that are issued or are to be issued to service bonds with conversion or option rights or with conversion or option obligations, provided that these bonds were issued during the term of the authorization with the exclusion of subscription rights (with the exception of issuance with the exclusion of subscription rights for fractional amounts), may not exceed a pro rata amount of 10 % of the capital stock, either at the time the authorization becomes effective or – if this value is lower – at the time the authorization is exercised. The above offsetting against the maximum limit shall cease to apply when a new authorization to exclude shareholders' subscription rights resolved by the Annual General Meeting after the reduction comes into effect, insofar as the new authorization extends, but up to a maximum of 10 % of the capital stock in accordance with the provisions of Sentence 2 of this paragraph.

Further details of the authorization can be found in the authorization resolution of the Annual General Meeting on May 15, 2024.

As of December 31, 2025, the company did not hold any treasury shares.

Agreements upon of a change of control

The company has twelve significant agreements that are subject to a change of control.

In eleven of these agreements, a change of control means that a person or group of persons acting together – with the exception of the descendants, spouses, heirs, foundations or other beneficiaries of the last will and testament of Mr. Heinz Hermann Thiele – directly or indirectly acquires more than 50 % of the capital shares or voting rights in the company:

- a syndicated loan agreement with Bayerische Landesbank, BNP Paribas S.A. Niederlassung Deutschland, Commerzbank AG, Deutsche Bank AG, HSBC Continental Europe S.A., Germany, Landesbank Baden-Württemberg, Landesbank Hessen-Thüringen Girozentrale and Skandinaviska Enskilda Banken AB (publ) Frankfurt Branch, including the sub-credit line agreements concluded on this basis: In the event of a change of control, each individual bank has the right to terminate the portion of the loan attributable to it within 30 days of notification. In the event of a termination, the outstanding balance, including accrued interest, are due and payable within a period of at least 15 days;
- a guarantee credit agreement with Skandinaviska Enskilda Banken AB (publ) Frankfurt Branch: In the

event of a change of control, the bank has an extraordinary right of termination. In the event of a termination, the outstanding balance, including accrued interest, is immediately due and payable;

- a deposit insurance contract with Tryg Deutschland, a branch of Tryg Forsikring A/S: In the event of a change of control, the insurer has the right to terminate the contract without notice within 30 days of becoming aware of it. If the policy is canceled, the insurer is entitled to demand collateral for outstanding guarantees in the form of a cash deposit;
- a hybrid bond arranged by M.M. Warburg & Co. and Jefferies GmbH: In the event of a change of control, the bond gives the issuer the right to call the bond and demand repayment of the outstanding amounts, including accrued interest, at a date to be specified. If the issuer does not exercise this right, the interest rate used to calculate the accrued interest is increased by 500 basis points. On January 12, 2026, the aforementioned hybrid bond was called in via the Federal Gazette. The repayment date was February 23, 2026. A new hybrid bond with the same parameters was placed on January 23, 2026. The issuance of the new hybrid bond was arranged by Jefferies GmbH;
- a loan agreement with DZ Bank AG Deutsche Zentral-Genossenschaftsbank: In the event of a change of control, the parties must reach a satisfactory agreement to continue the loan relationship, if necessary under different terms and conditions. If an agreement cannot be reached within one month, the bank is entitled to terminate the loan and any accrued interest without notice. During the period in which this report was prepared, the loan agreement was terminated and already fully repaid;
- a Schuldschein loan arranged by Landesbank Hessen-Thüringen Girozentrale: In the event of a change of control, the loan agreement provides for the lender's right to demand payment of the outstanding amounts, including accrued interest, within 30 days of becoming aware of this;
- two Schuldschein loans arranged by Bayerische Landesbank and Landesbank Baden-Württemberg: In the event of a change of control, the loan agreements provide for the lenders' right to demand payment of the outstanding amounts, including accrued interest, within 30 days of becoming aware of this. In December 2025, both Schuldschein loans were terminated as of the next possible repayment date on January 23, 2026. The repayment was completed in full in January 2026;
- a Schuldschein loan arranged by Bayerische Landesbank, Landesbank Baden-Württemberg and Skandinaviska Enskilda Banken AB (publ) Frankfurt Branch: In the event of a change of control, the loan agreement provides for the lender's right to demand payment of the outstanding amounts, including accrued interest, within 30 days of becoming aware of this;
- a syndicated loan agreement with Commerzbank AG, Deutsche Bank AG, Landesbank Baden-Württemberg and Skandinaviska Enskilda Banken AB (publ) Frankfurt Branch: In the event of a change of control, each individual bank has the right to terminate the portion of the loan attributable to it within 30 days of notification. In the event of a termination, the outstanding balance, including accrued interest, are due and payable within a period of at least 15 days;
- a surety insurance contract with Euler Hermes Deutschland, a branch of Euler Hermes SA: In the event of a change of control, the insurer has the right to terminate the contract without notice. If the policy is terminated, the insurer is entitled to demand collateral for outstanding guarantees in the form of a cash deposit.

In a further agreement, a change of control essentially means the acquisition of more than 30 % of the voting rights by one or more persons acting jointly, whereby a change of control is deemed to have occurred in relation to the descendants, spouses, heirs, foundations or other beneficiaries of the last will and testament of Mr. Heinz Hermann Thiele if 50 % of the capital shares are exceeded:

- a guarantee credit agreement with Deutsche Bank AG: In the event of a change of control, negotiations are planned to continue the framework loan, if necessary under amended terms and conditions. After a change of control, the bank is not obliged to fund further drawdowns.

Right of termination/compensation agreement in the event of a change of control

The current employment contracts of the current members of the Executive Board each provide for a right of termination for the Executive Board member in the event of a change of control. In this respect, a change of control means the publication of an offer document aimed at acquiring control over at least 30 % of the company's voting rights or the actual acquisition of such control. If the Executive Board member exercises their right of termination, they are entitled to a compensation payment for the remaining term of the employment contract (but for no longer than 24 months).

Workforce

As of December 31, 2025, 5,501 employees¹ worldwide were dedicated to achieving the Vossloh Group's goals. This represented an increase of 1,180 employees on the previous year (4,321 employees), corresponding to a rise of 27.3 % and mainly attributable to the inclusion of Sateba in the Core Components division.

Workforce-related performance indicators (based on the average number)

T€	2025	2024
Personnel expenses per employee	67.8	67.6
Sales revenues per employee	280.7	288.5

The average number of employees in the past fiscal year was 4,785 compared to 4,194 in the 2024 fiscal year. The 14.1 % increase is primarily attributable to the acquisition of Sateba, which was included on a pro rata basis.

Personnel expenses

€ mill.	2025	2024
Wages and salaries	260.1	227.5
Social security expenses and charges	55.9	48.8
Pension expenses	8.4	7.2
Total	324.4	283.5

Divisions

The average number of employees is distributed across the divisions as follows. The sales revenues were generated with the respective personnel expenses:

Division	Number Ø employees		Personnel expenses per employee in €		Sales revenues per employee	
	2025	2024	2025	2024	2025	2024
Core Components	1,269	1,023	68.1	68.5	442.0	453.2
Customized Modules	2,539	2,319	57.9	59.0	236.5	242.0
Lifecycle Solutions	847	739	82.3	79.0	254.7	276.4

In addition, an average of 130 people (previous year: 113) were employed at Vossloh AG.

For more information, please refer to the sections "Occupational health and safety" and "Personnel strategy and personnel management" in the Group Sustainability Statement.

¹ The number of employees is stated in this section on the basis of full-time equivalents.

² This also includes the workforce of Vossloh RailWatch GmbH since the company is not assigned to any business unit.

Research and development

Vossloh is a technological leader in the rail infrastructure segments in which it operates. Innovation is a crucial component of the company's technological competitiveness. Vossloh's products and services are subject to detailed technical specifications and standards that must be met in order to ensure safety. Before products and services for railway infrastructure are ready for the market, they usually undergo several years of (further) development and testing, in addition to complex approval procedures by independent testing institutions. Research and development projects at Vossloh are, therefore, usually scheduled to run for several years.

In order to permanently meet the specific expectations of customers in the individual market regions and to further strengthen its own competitive position, Vossloh is constantly investing in the further development and optimization of its products and services with structured innovation management. The group-wide innovation guidelines (Innovation Playbook) adopted in 2021 define principles and procedures. Vossloh intends to increase collaboration across business units to develop new products, services and business models and ensure that customers and suppliers – with their specific expertise – are involved more closely in research and development processes. After reviewing its production processes over recent years, the company is now implementing a range of measures which will provide ongoing efficiency gains, including modernization, increased automation and specialization.

One focus of innovation at Vossloh is digitalization as the link between hardware and services. The company uses specialized sensor systems to compile data on track condition and the loads within the track as well as on the condition of rail vehicles. Among other things, this data can be used to gain knowledge about the degree of wear and damage to track components. This knowledge can be used to determine which maintenance strategies are most appropriate to use and when. Artificial intelligence also plays an important role in this context. It makes wear patterns visible, allowing failures of track components to be anticipated and avoided through planned maintenance measures. Vossloh uses its systemic understanding of the track to meet the core customer requirement – increasing the availability of the rail track – and develops holistic solutions in cooperation with all business units. Under the guiding principle of "enabling green mobility", these ensure that the rail infrastructure is more robust and resilient and that track availability is increased, even though the demands on the rail network are constantly increasing.

At the same time, sustainability criteria such as low material usage and energy consumption, the use of secondary raw materials and recycling or avoiding emissions play an important role in Vossloh's research and development activities. Vossloh is increasingly developing energy-efficient, recyclable products that reduce the environmental impact and promote a sustainable circular economy. Based on life cycle analyses, all business units are working on solutions that reduce the ecological footprint of Vossloh products and services. Detailed information on this can be found in the Group Sustainability Statement on pages 69 et seqq.

A significant proportion of Vossloh's research and development efforts relate to specific customer contracts. Accordingly, these expenses are reported under cost of sales in the income statement and not under research and development (R&D). Expenses incurred in the development of market-ready products are only capitalized if they meet the relevant criteria defined in IAS 38. Development costs that cannot be capitalized are shown as research and development costs if they are not reported under cost of sales.

In 2025, research and development expenses – including capitalized own work – totaled €19 million (previous year: €16.6 million). This corresponds to a share of around 1.4 % of group sales (previous year: 1.4 %). At €5.7 million (previous year: €4.4 million), R&D expenses in the Core Components division were largely attributable to the Fastening Systems business unit. R&D expenses in the Customized Modules division amounted to €7.6 million (previous year: €7.0 million). The amount of €4.3 million (previous year: €4.0 million) was attributable to the Lifecycle Solutions division, while €1.0 million (previous year: €1.2 million) was attributable to Vossloh AG and Vossloh RailWatch GmbH.

Capitalized additions from own work and from third-party deliveries or services in the 2025 fiscal year in the amount of €1.8 million (previous year: €2.3 million) mainly related to the Core Components division.

Vossloh Group – Research and development costs

€ mill.	2025	2024
Research and development costs	19.0	16.6
of which capitalized	1.8	2.3
Research and development expenses (income statement)	17.2	14.3
Amortization (of capitalized development costs)	0.9	0.9

Maximize track availability, reduce life cycle costs

Vossloh’s research and development efforts in 2025 continued to focus on creating new products and services that provide solutions to the major challenges currently facing the rail sector. One goal is to increase the availability of rail lines and enable their more efficient use. At the same time, solutions are to be developed to address the impact of the resulting increased track loads, such as wear and tear or noise emissions. Vossloh also conducts research that focuses on extending the service life of infrastructure and infrastructure components in order to reduce lifecycle costs. The focus is on both optimized maintenance and predictive care of the rail network, and the development of increasingly durable and low-maintenance infrastructure components that can be manufactured in a way that conserves resources as much as possible.

Vossloh possesses comprehensive expertise in the complex rail track system. The company is able to leverage this expertise to significantly improve the efficiency of rail network maintenance processes. Digitalization plays a key role in this. The focus is on intelligent rail systems and digital track monitoring. This promotes uninterrupted operation and paves the way for increased rail traffic. Thanks to its expertise in the areas of sensor technology, computer vision, and cloud computing, Vossloh contributes to a more efficient rail infrastructure. This is necessary to ensure that people and goods can be transported in an environmentally friendly manner that does not unduly impair the quality of life of the general public, including those living in areas close to railways.

The company is using Vossloh connect to focus on advanced digitalized applications in the rail infrastructure business. The cloud-based one-stop shop platform for customers from the entire rail network offers a range of state-of-the-art solutions that optimize the management and maintenance of rail infrastructure, thus contributing to greater safety, lower life cycle costs and improved overall performance. All digital solutions – mainly in-house developments by Vossloh, with additional complementary products from selected external partners – are integrated into a singular, user-friendly system. The platform provides a convenient, comprehensive overview of rail infrastructure and operations. It also includes advanced analytics and alerting systems that reduce the risk of accidents and incidents. This is crucial for railbound traffic safety and helps to reduce the cost of emergency repairs and extend the service life of railroad systems.

Vossloh connect gives customers real-time access to data on the condition of their rail infrastructure. Measurement data and analyses that contribute to improving the maintenance of the rail network can be viewed in a protected area. By using advanced algorithms, the efficiency of maintenance work is increased and downtimes can be reduced.

Condition data used as a basis for predictive maintenance

The information on the condition of the rail infrastructure is delivered, among other things, by configurable IoT sensors located directly in the track, which measure vibration conditions near turnouts to identify atypical track behavior. In addition, Vossloh rail processing machines, equipped with a series of sensors, as well as laser or eddy current instruments, serve as diagnostic vehicles. They measure the condition of the rails during the train schedule. The data is transferred to an asset management system, for example, in-house developed applications mapl-e or MR.pro. In this connection, mapl-e not only displays the condition, but also assesses it and derives maintenance measures from it, and also carried out an economic evaluation of the work required. On this basis, the asset manager can draw up a plan and determine a budget for maintenance.

The condition of the track over time is also significantly influenced by the wheel-rail contact. Vossloh RailWatch monitoring technology uses optical and acoustic sensors to identify the technical condition of freight and passenger cars, multiple units and locomotives as they pass by. A supplementary measuring system, which is installed in the track, enables further data to be recorded, including various parameters of the wheel profile, weight information and the distribution of axle loads. This information is also processed in the cloud using artificial intelligence. This allows wear or damage to be detected early on, enabling maintenance measures to be planned and implemented with pinpoint accuracy.

Turnouts are the most critical elements of the rail track, and also the components which require the most maintenance. Turnout disruptions are one of the main reasons for track unavailability and unplanned maintenance. Turnouts are also the ideal starting point for the continuous collection of condition data using sensors. In addition to tracks, a number of signaling and control systems cross each other at turnouts; as a result, the data collected at turnouts is particularly useful. Various digital solutions are now available for turnout management. In urban regional transportation, for example, Vossloh's compact electrohydraulic Easydrive point machine can be equipped with smart sensor technology for remote monitoring. The PM-DiagBox can be added to conventional analog point machines to make them smart. Vossloh offers the innovative Easyswitch MIM-H point machine for mainline routes – a modular plug-and-play solution with excellent reliability. The in-house development SMV (Smart Monitoring Vossloh) is already being used to prevent turnout component failures, proactively identify the need for tamping work on the ballast in the turnout area and check its effectiveness.

Vossloh's wayside monitoring system based on artificial intelligence (AI) is used in ports and on industrial sites, among others. The pulsar installed in the track is equipped with high-resolution camera technology, among other things, and records process and status data such as UIC wagon numbers and brake block conditions. The continuous monitoring of incoming and outgoing trains helps to optimize operating processes and reduce downtimes.

Digitalization also presents direct opportunities for Vossloh's R&D activities. Research and development work in all divisions is increasingly based on data processing technologies – a trend that continued in 2025. One example of successful development using digital tools is the new M-Generation of tension clamps from Vossloh, which took the company significantly less time to develop than comparable products in the past. Thanks to a higher natural frequency and improved torsional rigidity, the tension clamps are more robust than their predecessors. At the same time, their compact design results in lower transportation costs and less potential for conflict on the track.

Digitalization accelerates development work

Vossloh's innovations also focus on quiet rails because noise and vibrations can impact people, especially in urban areas. Examples of products in this field include cellentic components and rail fastening systems containing a high plastic content that reduce structure-borne noise, sleeper pads to reduce vibrations in the track, and whisper turnout, which significantly reduces noise when passing over the turnout. Improvements were made to a number of solutions in this field in 2025. A production facility for sleeper pads is currently being put into operation. In addition, Vossloh has rail processing technologies (grinding, milling) for restoring a smooth and thus quiet surface; the company's maintenance services demonstrably reduce noise emissions. Vossloh uses sensor technology to monitor noise and, thanks to targeted track grinding, can permanently keep the noise level of rail infrastructure permanently low. The company is using the opportunities offered by digitalization to improve the quality of life in urban areas by reducing noise pollution.

Contributions to a "quiet rail"

When it comes to some of its development tasks, Vossloh has long relied on the specific expertise of external specialists. The Group has access to an extensive network of experts. Vossloh works closely with well-known universities and research institutes around the world, for example, in Germany, France, Sweden, China, Australia and the USA, as part of long-term partnerships at different levels and in various configurations. Vossloh focuses on partnerships with technology companies and startups working in digitalization and big data analysis. The joint venture established with Rhombert Sersa represents a crucial partnership that offers a wide range of monitoring and maintenance services for turnouts and rails. The MR.pro software provides the joint venture with a set of open-system digital tools for evaluating and visualizing the condition and material of track infrastructure.

Cooperation efforts and partnerships

R&D in the divisions

As part of a strategic partnership with the Swedish digitalization specialist Predge, work is underway on a prediction model that provides accurate defect forecasts and valuable insights into impending malfunctions, particularly in turnout point machines. Vossloh developed the SoniQ Rail Explorer together with its specialist French partner UltraRS. The manually guided ultrasonic testing system can detect and locate irregularities inside the rail – even in a manganese-cast crossing at a depth of up to 60 millimeters beneath the track surface. A partnership between Vossloh and the British Cordel Group has been in place since the beginning of 2025. Its flagship platform uses artificial intelligence to provide an automated analysis of transport corridors based on video and LiDAR (Light Detection and Ranging) data. In November 2025, Vossloh entered into an extensive partnership with the Canadian company Athena Industrial Services. Its patented ARCD system (Advanced Rail Condition Detection) is designed to autonomously detect rail breaks and train presence – even in areas without conventional signaling systems, known as dark territories. The technology helps to reduce the risk of accidents, particularly on routes without signaling, and to avoid costly repairs or breakdowns.

Several selected partners, in addition to Vossloh, offer innovative digital solutions on the Vossloh connect platform. The Swedish company Strainlabs contributes its expertise in the field of intelligent screws. Cervello, a company based in Israel, specializes in cybersecurity solutions for the rail industry. The most recent addition to the predictive maintenance and asset monitoring ecosystem is the ARCD technology mentioned above.

In 2025, the R&D experts in the Fastening Systems business unit of the Core Components division focused, among other things, on developing the new M-generation of tension clamps. The focus was on performance (for use on heavily stressed lines), service life, and sustainability. Sustainability aspects were at the forefront of the new development and further development of plastic components, in particular, the reduction of CO₂ and material efficiency. An additional focus involved developing a sustainable material mix for a sleeper pad with a low ecological footprint, also in terms of the manufacturing process, which increases track stability, thereby helping to optimize the life-cycle costs (LCC) of the track system. In the Tie Technologies business unit, during the reporting year, the R&D departments continued to work on changes to the composition of concrete for railroad ties that reduce material and energy consumption. In Australia, Vossloh launched its first product with a significantly improved carbon footprint. In North America, a railway operator has installed test ties that contain devices for monitoring the condition of the ties. The objective is to tamp the track bed according to demand rather than according to predetermined deadlines. Thanks to Sateba, the division is also strengthening its innovative capabilities in the field of low-carbon concrete ties and continuing to advance the process of decarbonizing the rail network. In addition, the ECOTRACK system helps conserve resources over the entire life cycle by reusing and recycling components.

In the Customized Modules division, R&D specialists focused on life cycle cost analyses and recycling and reusing turnout components. There were premieres in both areas in 2025: Using this approach, Vossloh has created a life cycle model for a complete tram network for the first time and can now offer a wide range of products that have an Environmental Product Declaration (EPD). The first customer to commit to a fully circular economy for turnout procurement from 2026 onwards has been secured: All dismantled turnout crossings are recycled, and Vossloh supplies manganese crossings that consist of up to 90 % recycled material. The company is aligning its manufacturing processes more strongly with the circular economy for this purpose. The existing methods and models for inspecting and monitoring turnouts on the track have been improved with the help of new software. In general, advancing digitalization was an important R&D topic throughout the division. It is for this reason that Building Information Modeling (BIM), which integrates energy efficiency, CO₂ balance and operating costs into the development models, is playing an increasingly important role, both in internal processes and in collaboration with customers.

In the Lifecycle Solutions division, (further) development work focuses on machines for both rail processing and onboard measuring systems for even more comprehensive condition monitoring of rail lines and software for evaluating and displaying the overall data (smart maintenance). In 2025, the control, sensor and measurement technology of various grinding and milling vehicles was also adapted in line with customer requirements. At HSG-next, the improved version of the successful high-speed grinding train, the

focus is on both optimizing the grinding units, and making changes to the design to achieve a significant weight reduction in the future. The adaptation of the HSG-city to other track gauges is intended to expand the range of applications of the urban rail grinding machine. The engineers have developed an inspection head carrier vehicle that can be attached to trains and records data on the condition of the rails while the train is moving. In the welding plant, a safety system was successfully tested that protects employees from falling off rail stacks. A patent application has been filed.

Streamlined processes and digital data flows along the entire value chain are becoming an increasingly important part of Vossloh's internal processes. The cross-business-unit exchange of knowledge in the context of international development projects with the help of modern communication and collaboration solutions is growing. Accordingly, the IT structure was further expanded and standardized in 2025. In addition to the scheduled rollout of the standardized enterprise resource planning (ERP) system, which will enable the unrestricted cross-border cooperation of all employees, the focus was on cybersecurity. The information security management system was further refined to protect against all kinds of cyber threats. Detailed information on this can be found in the Group Sustainability Statement on pages 136 et seqq.

Optimization of
production and
administration

Risk and opportunity report

Principles and organizational structure

Risks and opportunities in relation to the company's net assets, financial position and results of operations are systematically identified, analyzed, evaluated, monitored, managed and reported to the relevant bodies at all levels within the Vossloh Group. Vossloh regards proper management of risks and opportunities as part of responsible corporate governance. Vossloh has set up a group-wide risk and reward management system for this purpose. The system serves to prevent or mitigate negative impacts resulting from changes while also identifying and harnessing opportunities that arise. The risk and opportunity management system encompasses not only Vossloh AG itself, but all domestic and overseas subsidiaries in which Vossloh AG has a direct or indirect shareholding, irrespective of whether these are consolidated in the Group's financial statements. The summary of Vossloh AG's risk and opportunity situation is discussed separately at the end of the chapter. Acquired or newly established companies are integrated into the system immediately, including the Sateba companies acquired for the Core Components division in 2025.

The risk and opportunity management system is a component of the business, planning and control processes. The organizational structure and processes are documented in a group-wide policy that was updated in February 2026. The risk process routinely includes checking the reported individual risks for interdependencies and aggregating them into an overall risk position (net view), which is then compared with the group's risk-bearing capacity. The group's risk-bearing capacity is determined systematically on the basis of key earnings and liquidity figures and monitored continuously by group controlling and the Executive Board. In addition, relevant risks with a very high loss value and a very low probability of occurrence (less than 5 %, referred to as tail events) are systematically recorded in the reporting system.

The structure of the risk and opportunity management system is based on the structure of the operating processes of the relative organizational units. Risk Managers, Risk Officers and Risk Controllers are appointed at all levels of the Group. A permanent inventory identifies risks and opportunities on an ongoing basis and ensures that relevant risks and opportunities are recorded effectively, immediately and systematically.

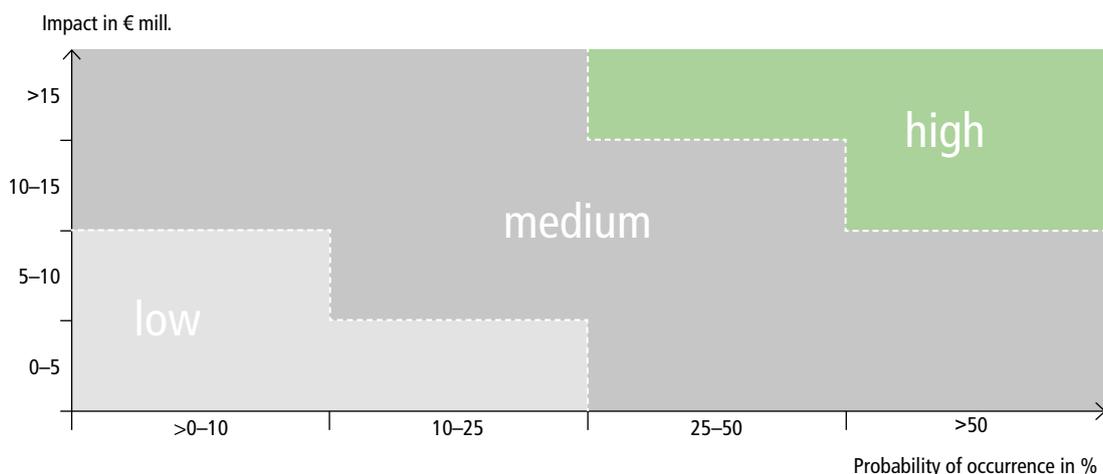
Vossloh assesses risks and opportunities in terms of their potential impact on earnings and financial position. The possible impact of a risk is calculated primarily using EBIT as a financial performance indicator. In addition, its influence on the liquidity situation is recorded. In the case of interest and income tax risks as well as risks from discontinued operations, reference is made to the impact the risk has on net income. This evaluation determines not only the most likely outcome but also the worst-case and best-case scenarios. In line with the value-at-risk approach, a minimum probability of 5 % is assumed for this. An evaluation of the probability of occurrence is also carried out. Tail events are reported separately. In addition, nonfinancial risks and opportunities are incorporated into risk reporting. These are assessed with regard to their impact on nonfinancial aspects, such as environmental or employee matters, and included in the reporting system if the relevant financial thresholds are exceeded.

Vossloh documents and processes risks and opportunities in standardized reports using software used across the Group. These contain detailed information on the risks and opportunities, valuation parameters, possible measures for managing risks or utilizing opportunities, and the respective potential loss amounts before (gross) and after measures (net).

The risks and opportunities report is issued on a quarterly basis. It supplements the current outlook for the year and also covers foreseeable and sufficiently concrete risks and opportunities for the subsequent three years. Ad hoc reports complete the periodic reporting and facilitate an up-to-date assessment of the situation at all times. The recipients of the risk reports are the Executive Board of Vossloh AG, the management of the group companies and the business units, the Supervisory Board and, in particular, the Audit Committee. They manage and monitor risks and opportunities. The management of the business units, group controlling and the Executive Board regularly discuss the current risk situation. The close interlinking of personnel allows for a rapid flow of information and enables swift responses. The Executive Board has adopted suitable measures in order to promptly identify developments that may jeopardize the group's status as a going concern. In addition to the reporting system, Vossloh also uses the internal control system (ICS) to uncover and prevent risks in existing processes in order to avoid possible deficits. Internal Audit regularly checks, as it has done in 2025, that the risk and opportunity management system is appropriate and functional and that it complies with legal requirements. Moreover, the auditor examines annually whether the Executive Board has established a functional early risk detection system in accordance with Section 91 (2) German Stock Corporation Act (AktG).

The significance that individual risk categories hold for the Vossloh Group is evaluated on the basis of their potential negative and positive impact on the forecast financial earnings indicators and on the probability of occurrence for the given risk category. The risk situation is analyzed following the implementation of risk mitigation measures (net effect) based on a worst-case assessment. Risks are categorized as high, moderate or low based on their possible negative impact and probability of occurrence.

This can be seen in the following illustration:



The following statements illustrate the risks and opportunities within the identified risk categories that were relevant as of the reporting date and are material to the development of the Vossloh Group.

General economic risks and opportunities as well as industry-specific risks and opportunities

General economic risks and opportunities arise as a result of economic fluctuations, uncertainty with regard to financing, social and political events, changes in exchange rates and interest rates, and changes to legislation and taxation. Industry-specific risks and opportunities arise from the competitive environment and the characteristics of the target markets as well as from global megatrends such as population growth, urbanization, globalization, sustainability and digitalization.

Vossloh is particularly sensitive to regulatory measures, the state of rail deregulation in the respective country, and the financial flexibility afforded by government budgets. The latter has a major impact on the investment capacity of public-sector clients. Reduced availability of public funding may have a negative impact on the future business performance of Vossloh. Conversely, increased availability may have a positive impact.

Although public budgets are under considerable strain due to high levels of debt and refinancing costs, substantial sums continue to be allocated to investment in rail infrastructure, partly against the backdrop of investment in infrastructure for defense purposes. Meanwhile, the timing of implementation and the drawdown of funds are subject to uncertainty in some cases owing to a lack of project implementation capacity. Moreover, uncertainty surrounding trade policy is expected to weigh on economic growth again in 2026; according to current estimates, only moderate growth can be expected in Europe. Furthermore, the additional indirect effects of implementing the import tariff system in the USA will continue to be monitored. Slower growth in the USA cannot be ruled out. Ongoing geopolitical conflicts in Ukraine and the Middle East also remain a source of uncertainty. However, as already stated, these factors are counterbalanced by the political will to shift significantly more transport to the most environmentally friendly mode of transport, namely rail, in order to achieve agreed climate targets.

In the 2025 reporting year, Vossloh operated in rail infrastructure markets worldwide. The Group is one of the leading providers in selected markets in this sector. Vossloh generates more than 85 % of its sales revenues in Europe, the Americas and Asia.

The political and economic factors exerting an impact on European rail infrastructure markets are largely stable. Markets across the USA are undergoing significantly higher volatility on the demand side, as rail and network operators, particularly in the freight sector, are predominantly non-publicly funded customers who tend to act cautiously in times of economic uncertainty. Vossloh's performance in Asia is characterized by projects related to the continued rapid growth of high-speed rail lines in China. Activities in these and other markets – especially in the rest of Asia, in Australia and in Africa – present Vossloh not only with opportunities but also with additional risks. In these markets, risks may stem primarily from political and social instability, protectionist tendencies, oil price developments, exchange rate fluctuations (mainly translation risks), uncertainty regarding project financing, and legal uncertainties.

Furthermore, there is a risk that products may be substituted by new technical developments or that new competitors may enter the market. Intensity of competition in the rail infrastructure sector has increased significantly. Vossloh counters these risks by means of continuously enhancing its products and sales revenues generated in the provision of services, consistently focusing its activities on the needs of its customers, and implementing comprehensive cost reduction measures. Digitalization – and the new business models resulting from it – are playing an increasingly important role in Vossloh's ambitions to focus on the customer.

Vossloh assesses the overall economic risk and the industry risk for the projected financial targets as medium (previous year: low). Increased uncertainty in view of the uncertain financial situation in Vossloh's core markets and the effects of ongoing geopolitical conflicts may have an impact on the financial indicators for fiscal year 2026.

Operational risks and opportunities

Operational risks and opportunities can originate from various operational activities, particularly in procurement, production and order performance. In the procurement process, Vossloh seeks to limit price risks by means of long-term contractual agreements or price escalation clauses with suppliers and customers. However, it is not always possible to enforce price escalation clauses, or only with a delay. Where relevant, Vossloh limits currency risks in the course of procurement by using forward exchange transactions. The price changes assumed in medium-term planning for materials and components are largely based on information provided by suppliers and market analyses.

Vossloh continuously monitors changes in material, energy and freight prices. Should the development of prices, the materials used, the energy sources required for the production process and the freight costs for the delivery of products deviate from the assumptions made, risks or opportunities for the forecast earnings may arise from higher or lower procurement prices, particularly in the Core Components division. Due to dynamic but recently declining inflation, collective bargaining agreements may increase or decrease personnel costs, thereby leading to results that are higher or lower than those forecast.

Risks can emerge in the course of the procurement process as a result of the loss of suppliers, a shortage of raw materials, quality problems affecting materials or delays in the supply process. Vossloh minimizes these risks by giving priority to working with long-standing, proven partners and by improving the depth of value creation in selected areas. Although suppliers are carefully selected, continuously monitored, and alternative sourcing options are being developed, future risks in the procurement process can be limited but not eliminated entirely.

Within the value creation process, the operating units are generally exposed to the risk of business interruptions, quality problems in production as well as occupational safety and environmental risks. These risks can increase if significant capital expenditure at a location has an impact on production processes. Vossloh avoids or reduces the resulting risks through comprehensive guidelines and procedural instructions on project and quality management, production and occupational safety and environmental protection. Certification in accordance with international quality, environmental and social standards such as ISO 9001, ISO 14001, ISO 50001 or ISO 45001 is well advanced in the Vossloh Group. If newly acquired units do not hold equivalent certifications, they are brought into compliance with these standards as quickly as possible.

Vossloh may be exposed to risks arising from the complexity of projects when handling orders, especially when a significant amount of factory capacity is used or if the products involved are particularly technically sophisticated. These scenarios can be caused by unexpected technical difficulties, unforeseeable developments at project sites, problems with partners or subcontractors and logistical challenges, as well as delays in approvals, acceptance and billing. This can lead to significant additional expenditure or contractual penalties in certain cases. These risks can be limited, but not fully eliminated, by formulating contracts appropriately and ensuring that capacity, project and quality management are thorough.

Acquisitions may give rise to risks from necessary goodwill impairment if the medium- and long-term operating performance of the respective units is weaker than expected or if the valuation parameters (e.g., the general interest rate level) change significantly. Goodwill from company acquisitions is not amortized in accordance with IFRS 3 in conjunction with IAS 36. Instead, goodwill is tested for impairment annually on the balance sheet date (impairment test). In the event of extraordinary events, an impairment test is also carried out during the year. The respective carrying amount of a group of cash-generating units (CGUs) to which goodwill from company acquisitions is allocated is offset against the value in use.

The phase of integrating Sateba into the Vossloh Group began immediately following the completion of the transaction on October 1, 2025. This could result in costs exceeding the planned budget for IT system conversions or process adjustments. Lower contributions to earnings may result from delayed realization or weaker than planned synergies. Conversely, opportunities may arise from synergies that are higher than planned.

Vossloh has recognized risk provisions for existing operational risks in the balance sheet through provisions or impairment losses. Despite the provisions for known risks with a predominant probability of occurrence, further burdens on earnings cannot be completely ruled out and may have a negative impact on the achievement of the forecast financial targets. The absolute level of risk arising from the execution of projects depends on the volume and level of development work on the respective order and the quality of the products produced.

Vossloh continues to assess the risk from the value-added process and the execution of projects as well as the risk from changes in material prices as medium. As in the previous year, the risk of any goodwill impairment is considered to be medium. The other operating risks are still considered to be low overall.

Financial risks and opportunities

The Corporate Treasury department monitors and limits financial risk within the Vossloh Group and optimizes group financing on an ongoing basis. Targets, principles, duties and expertise are consistent with corresponding policies. The prime objective is to preserve the company's status as a going concern by ensuring solvency and liquidity at all times. Synergies and economies of scale are also harnessed within the Group where it seems appropriate to do so.

Vossloh only uses derivative financial instruments to hedge specific risks from existing or expected future underlying transactions. These economic hedges are normally also reported as hedge relationships in the balance sheet. These only make use of previously approved, market-standard financial instruments. The trade, performance and controlling functions are organizationally separated. Group Treasury ensures and monitors the effectiveness of risk hedging on an ongoing basis. Specifically, it manages the following financial risks: Liquidity risks, risks from interest rate changes (cash flow risks), price change risks and credit risks.

Liquidity risks

Liquidity risks would arise if Vossloh was unable to settle liabilities in a timely and complete fashion. For this reason, the Group conducts ongoing liquidity management that incorporates reserves for potential special needs and the scope required to implement the company's strategy. Financial balancing measures within the Group, including cash pooling systems in individual countries and intercompany loans, enable excess liquidity from one group company to be used to cover the financing requirements of others.

Financing and the provision of liquidity typically occur centrally through Vossloh AG as the group holding company. In February 2021, Vossloh AG issued a €150 million hybrid note. The note has an indefinite term and can be called and repaid by Vossloh for the first time in February 2026. The call was completed, and the note repaid during the preparation period. A new hybrid note was issued in January 2026. Promissory note loans accounted for a total of €485 million of liabilities to banks at the end of 2025. In total, promissory note loans with a total volume of €600 million were placed in 2025, of which €400 million was already paid out in a first tranche in November 2025. A second payment followed in February 2026. The new promissory note loans were issued with terms of three, five and seven years and both fixed and variable interest rates. The syndicated loan was extended in February 2024 for €240 million. The new financing agreement was concluded with a total of eight banks as part of a club deal. It has a term of five years until February 2030 and includes one out of two remaining extension options for an additional year. In addition, if required, the loan volume can be increased by a further maximum of €160 million during the term of the agreement. The funds are available to the company in the form of a revolving line of credit that can be accessed flexibly. A variable-rate loan agreement in the amount of €20 million was also concluded in July 2024 with a term of three years and has been drawn down. For the acquisition of the Sateba Group, bridge financing and long-term financing were concluded in July 2024, which were fully refinanced by the promissory note loans issued in 2025. The final tranche of €50 million will be repaid at the beginning of April 2026. At the end of the year, the Group had unused credit lines of €757.6 million available in addition to cash and cash equivalents.

There are no financing or liquidity shortages. Overall, Vossloh considers the liquidity risk to be low.

Interest rate risks

Changes in future interest rates may cause cash flow volatility in cases where asset and liability positions are subject to variable interest rates. Vossloh hedges this risk as required by means of interest rate swaps and interest rate caps. The company regularly analyzes the potential impact of interest rate changes on future cash flows.

As part of active risk management, following the highly successful and advantageous refinancing round of €600 million for Vossloh in November 2025, a balanced mix of fixed and variable interest rate financial liabilities was achieved. Consequently, all interest rate hedging transactions were dissolved once the underlying transactions had expired.

In addition, the positive or negative impacts of a potential change in the ECB key interest rate on cash flows are considered to be low. As in the previous year, this risk is classified as low.

Price risks

Price risks result from the value of a financial instrument changing due to increases or decreases in market interest rates or exchange rates. At Vossloh, existing and expected future liabilities and receivables denominated in foreign currencies are usually hedged with foreign currency forwards as of the time the order is issued. Translation risks arising from the conversion of the financial statements of subsidiaries, which are prepared in their respective functional currency, into the group reporting currency are continuously monitored. Due to the high degree of hedging against price change risks, the overall risk continues to be assessed as low.

Credit risks

Credit risks arise whenever a contract partner does not comply with its obligations in relation to a transaction (or only does so in a delayed fashion), thus causing Vossloh to incur financial losses. The Group minimizes the risk of default by only entering into contracts with partners that have good or excellent credit ratings. Where available, these ratings are primarily based on the disclosures of international rating agencies. At the end of 2025, approximately 87 % of cash investments and derivative financial instruments with positive market values were distributed among contractual partners with a rating above A– and approximately 13 % among contractual partners with a rating between BBB+ and BBB–. The Group also distributes its financial assets across a number of credit institutions, thus broadly diversifying its risk exposure. There were and are no dependencies on individual banks.

Credit risk is considered low due to the fact that the majority of Vossloh's customers are in the public sector. However, outstanding amounts owed are continuously monitored by group companies. Some are also insured by means of credit insurance policies. Despite the precautionary measures taken, it is impossible to entirely eliminate the risk of financial losses from nonpayment of receivables. In the export business, orders are usually processed using documentary letters of credit to hedge against the risk of default. All contract partners must have good or excellent credit ratings. As a result, credit risk is still deemed to be low.

Legal risks and opportunities

Legal risks for Vossloh arise, in particular, from complaints, warranty claims, claims for damages and legal disputes. Identifiable risks are covered where possible and economically feasible by insurance and – if the relevant requirements are met – reflected in the balance sheet through provisions. However, it is impossible to eliminate the possibility that losses may arise that are not (adequately) insured or exceed the provisions made. On the other hand, there may be indirect opportunities if risk provisions are not utilized entirely.

Group companies of Deutsche Bahn AG have asserted compensation claims against the group company Vossloh Rail Services Deutschland GmbH (previously Vossloh Rail Center GmbH), Hamburg. Even though the damages directly attributable to the company were settled in 2016 by a partial settlement with Deutsche Bahn AG, there remains a risk of joint and several liability for as yet unsettled damages. The claims were dismissed at first instance in 2022, but Deutsche Bahn AG has lodged an appeal. Vossloh Rail Services Deutschland GmbH has an indemnification claim against the former shareholder for any claims. This claim is partially secured by bank collateral. Various customers have also asserted compensation claims in relation to ongoing or concluded competition law procedures concerning rail turnouts. Provisions for claims for damages are recognized if the enforcement of individual customer claims is considered highly probable and a reliable estimate of the potential amount of the damages appears feasible. This constitutes a significant individual risk or opportunity.

As a result of the divestments in previous years, the respective purchasers were granted certain guarantee and indemnification claims in the purchase agreements. Risk provisions have been created for these claims, provided that utilization of the guarantees and indemnities is considered to be highly probable. Opportunities may arise indirectly if the recognized risk provisions do not need to be fully utilized. These constitute significant individual risks and opportunities.

A negative impact on Vossloh's forecast financial targets resulting from legal risks cannot be ruled out. Overall, it is still classified as a medium risk.

Nonfinancial risks and opportunities

Pursuant to the HGB, companies are required to report on nonfinancial risks associated with their own business activities, business relationships, products, and services that are highly likely to have or will have a serious negative impact on the reportable aspects of environmental issues, employee issues, social issues, respect for human rights, and combating corruption and bribery. The nonfinancial risks are reflected in the Vossloh Group's risk reporting. These are addressed separately in the Group Sustainability Statement¹.

¹ Subject of the audit of the Group sustainability statement to obtain limited assurance by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, see pages 150 et seqq.

There are presently no material risks that meet the criteria described. Vossloh, therefore, continues to assess the risk situation in connection with nonfinancial matters as low.

Other risks and opportunities

Other risks consist primarily of personnel and information technology risks. Inadequate human resources, due, for example, to a lack of managers and specialist personnel, can negatively influence the economic situation of the Group. Personnel risks may also relate to high turnover figures of highly specialized personnel and inadequate training, as well as errors made or theft committed by employees. Vossloh responds to these risks by means of a wide range of measures. In particular, this includes the company positioning itself as an attractive employer in order to compete for highly qualified specialists. A range of professional development measures continuously improve employees' knowledge, and attractive remuneration structures increase the chances of retaining employees at the company over the long term.

Complex and powerful information technology has a decisive effect on the management of operational and strategic business processes. Having high-performance information technology at the company's disposal is crucial as the digitalization trend continues. Vossloh monitors the ever-growing threats to cyber security worldwide and optimizes its IT infrastructure on an ongoing basis. Through the use of technical and organization precautions in particular, Vossloh minimizes risks related to the reliability, availability and confidentiality of the data stored in its information systems. A global IT security team made up of internal and external experts secures Vossloh's infrastructure with modern applications and systems. Regular audits and employee training programs ensure a high standard of security. The increased use of artificial intelligence can create opportunities and risks in internal business processes.

Other risks had no significant impact on net income in 2025. The overall risk is classified as low, unchanged from the previous year.

Risks and opportunities of Vossloh AG

Vossloh AG prepares its annual financial statements in accordance with the provisions of the German Commercial Code and the German Stock Corporation Act. The following statements refer to opportunities and risks in Vossloh AG's separate financial statements based on the net income for the year under German commercial law, which is mainly influenced by general administrative expenses, net financial expenses and the tax result.

As a management holding company, Vossloh AG's financial result is essentially subject to the same opportunities and risks for the Group described above. Opportunities and risks can generally materialize in the form of changes in dividend payments, higher or reduced profit transfers or loss assumptions, as well as in terms of the recoverability of financial investments. Due to higher or lower external sales of the group companies, income from the brand license fee may be higher or lower in 2026.

Changes in interest rates expose the net income figure to fluctuation in pension-related expenses recognized as general administrative expenses. Higher interest rates can likewise have a negative impact on the value of financial assets included in the net financial result. Deviations in the utilization of risk provisions for divestment projects recognized by Vossloh AG can have a positive or a negative impact on net income.

Summarized assessment of the risk and opportunity situation

All of the risks and opportunities described above that the Vossloh Group and Vossloh AG are exposed to are continuously monitored and managed in terms of their effects on the net assets, financial position and results of operations of the Group. Provisions have been recognized for the currently known and most probable risks in accordance with the relevant IFRS or HGB provisions for the separate financial statements of Vossloh AG. Any additional risks and opportunities are taken into account in the current annual guidance, provided they are sufficiently specific. Based on current information, there is no risk to the Vossloh Group as a going concern in terms of substance or liquidity based on currently known individual or aggregate risks. The group equity available is adequate to cover potential risks. Therefore, the risk and opportunity situation within the Vossloh Group is considered satisfactory overall.

Internal control system

In its entirety, the internal control system, comprising all systematically defined controls and monitoring activities, aims to ensure the security and efficiency of business transactions, the reliability of financial reporting, and the compliance of all activities with laws and guidelines. In terms of the accounting process, the internal control system encompasses all principles, processes and activities of the Vossloh Group that aim to ensure the effectiveness, cost-efficiency and legitimacy of the accounting system, and to ensure compliance with relevant legal requirements.

An effective and efficient internal control system has a crucial role to play in the successful management of risks in business processes. The risk of fraudulent action can be reduced by segregating duties adequately and applying the principle of dual control.

Vossloh's internal control system is designed to cover all material business processes and extends beyond simply implementing controls in the accounting process. A number of monitoring measures and controls are implemented as part of the accounting process to ensure, for example, that the consolidated financial statements are prepared in accordance with statutory regulations. Group-wide guidelines and policies are in place for monthly reporting, capital expenditure, offer submissions, compliance and risk management, for instance. The companies and business units of the Vossloh Group are also required to prepare decentralized policies for key areas. Minimum requirements for regulations in the area of the internal control system were communicated to the business units across the Group in the reporting year and implemented by them in almost all cases.

Vossloh regularly performs system backups for relevant IT systems to minimize data loss and system failures. The security concept includes customized authorizations, access restrictions and similar measures. Vossloh continuously adapts the requirements for the internal control system and makes adjustments to the control landscape to reflect changes to processes.

To ensure that risks are systematically identified at an early stage throughout the Group, Vossloh has set up a monitoring system for the early identification of risks that could jeopardize the company's existence pursuant to Article 91 (2) German Stock Corporation Act (AktG), as well as an internal control system and a risk management system pursuant to Article 91 (3) AktG. These systems are used to identify, manage and monitor risks that could jeopardize the company's existence as well as other risks promptly. The auditor of the consolidated financial statements assesses the functionality of the early risk detection system in accordance with Section 317 (4) HGB.

At business unit level, each management company is responsible for the internal control system, applying a wide range of coordinated rules and guidelines. At Group level, responsibility is shared primarily between the Controlling, Accounting, Treasury, and Legal departments, as well as Internal Audit. An internal monitoring system encompasses monitoring activities that are both integrated into and independent from processes. In addition to manual process controls – such as the principle of dual control – IT processes constitute a significant part of process-integrated measures. The Legal department also ensures that monitoring is integrated into processes.

The Supervisory Board, in particular, the Audit Committee, Vossloh AG's Internal Audit and Legal departments and the locally appointed employees at the level of the management companies of the business units, are responsible for process-independent audits. The (Group) auditor also performs process-independent auditing activities.

Information technology

Accounting transactions are recorded locally in the respective accounting systems of the Group companies. When preparing the consolidated financial statements of Vossloh AG, the subsidiaries add additional information to the individual financial statements, which are prepared on the basis of standardized Group accounting methods, to form standardized reporting packages. These packages are then incorporated into the Group reporting and consolidation system used by all of the companies included in the consolidated financial statements. This system, Cognos Controller from IBM (current version in use: 11.0.1200), is used to both consolidate and provide additional management information.

With a small number of exceptions, Group companies use a standardized SAP accounting system. This IT system enables central access and centrally initiated controls in respect of the accounting process. The system is currently used within Vossloh AG and the vast majority of companies in all divisions. A new SAP S/4 HANA system is being introduced as part of a Group-wide process to standardize the ERP systems. In the reporting year, this system was introduced at the management company of the Fastening Systems business unit.

Key activities to ensure that (Group) accounting is performed in a legally compliant and reliable manner

The Vossloh Group's "Group Accounting Manual" governs the standardized accounting, measurement and valuation principles applicable to the companies included in Vossloh's consolidated financial statements, in addition to detailed formal requirements for the consolidated financial statements. The formal requirements include the binding application of a standardized and complete set of forms.

The "Group Reporting Manual" is regularly reviewed and updated. The current version is made available directly to anyone involved in the Group accounting process via the Group intranet. This means that updates are available immediately and do not need to be transmitted separately.

Once the accounting transactions have been recorded locally at the Group companies, the monthly financial statements and the annual financial statements are reviewed at the level of the management company of the respective business unit. Checks are carried out on a random basis but are also triggered, most notably, by major or unusual transactions.

At the Vossloh AG level, additional plausibility checks are performed by the Accounting and Controlling departments using suitably defined validation rules to ensure that applicable IFRS and HGB provisions are being complied with properly.

Furthermore, additional data is prepared and aggregated at the Group level for the purpose of providing the information contained in the notes and the combined management report (including significant events after the balance sheet date).

Based on the organizational, control and monitoring structures established within the Vossloh Group, the internal control and risk management system helps ensure that all of the company's transactions are recorded, processed and validated, and that they are presented correctly in the Group's accounting system.

Poor discretionary judgments, the circumvention of controls, criminal activities and other circumstances cannot be fully eliminated by their very nature, meaning that even the Group-wide application of the utilized systems does not constitute an absolute guarantee that the consolidated financial statements are free of errors.

Qualifying statements

The disclosures made relate solely to Vossloh AG and to the companies that are included in the consolidated financial statements of Vossloh AG whose financial and business policies can be directly or indirectly influenced by Vossloh AG.

Adequacy and effectiveness of the risk management system and the internal control system¹

The internal control system and risk management system are regularly reviewed by Internal Audit. These reviews are carried out either as part of the risk-based annual audit plan or as part of additional audits performed during the year. Material control weaknesses are reported to Vossloh AG's Executive Board and the Audit Committee of the Supervisory Board. Risks are also reported on a regular basis to the Audit Committee. The Executive Board is not aware of any circumstances based on its dealings with the internal control system and risk management system or reports indicating that the internal control system or risk management system as a whole were not adequate or effective as of December 31, 2025.

¹Disclosures in this section are not covered by the audit.

Outlook

This outlook contains forward-looking disclosures that are based on the expectations of Vossloh management in relation to the future development of the Group. These expectations are based on estimates made by management using all available information. Assumptions regarding the future development of the international rail technology market and the specific business expectations of Vossloh Group divisions, in particular, have been taken into account. The disclosures are subject to opportunities and risks that Vossloh cannot entirely control or manage. For more information, please refer to the statements regarding the Group's risk and opportunity report (starting on page 54). Actual results and developments may differ from these forecasts if the assumptions underlying the outlook prove to be inaccurate or the aforementioned risks or opportunities materialize. The Vossloh Group assumes no liability for updating the disclosures made in this outlook beyond statutory publication requirements.

Macroeconomic developments and outlook for the rail technology market

Global economic fluctuations only have a limited impact on Vossloh's short-term performance. Capital expenditure in rail infrastructure around the world is generally made on the basis of long-term decision-making processes. Current economic trends are therefore only reflected in the markets relevant to Vossloh to a limited degree. However, over the long term, increased levels of debt in individual countries may negatively impact Vossloh's business activities. The vast majority of Vossloh's customers are publicly funded. Some countries may well implement cost-cutting measures in markets that are relevant to Vossloh if they are heavily indebted. This is counterbalanced by the global trend toward greater sustainability and the resulting increase in the appeal of rail as an environmentally friendly mode of transport, as well as the associated subsidy programs. Added to this is the fact that investment in rail infrastructure has been neglected for many years or even decades in a large number of countries, with the result that the quality of the existing infrastructure has tended to deteriorate. This is expected to result in increased capital expenditure in the rail infrastructure products and services offered by Vossloh.

With its "World Rail Market Study", the European rail industry association UNIFE analyzes developments on the global rail technology market in detail every two years and uses this as the basis for making well-founded forecasts for the coming years. The most recent study was published in September 2024. According to the study, the annual global volume of the entire railway technology market will grow from an average of around €202 billion in the period from 2021 to 2023 to an average of around €241 billion in the period from 2027 to 2029 – an average growth rate of 3.0 % per year. According to UNIFE estimates, the market accessible to European suppliers such as Vossloh will be worth around €139 billion in the period from 2027 to 2029. "Accessible markets" refers to the markets that are open to European suppliers and non-European markets where demand is not exclusively met by domestic capacity. For markets that can only be addressed by European suppliers via joint venture structures, only half of the market volume is classified as accessible. For comparison: A market volume of around €119 billion per year on average was considered accessible for the period 2021 to 2023. The expected increase to €139 billion corresponds to a 2.6 % rise per year.

Outlook for 2026

The forecast for the Vossloh Group is based on the expected development of the three divisions Core Components, Customized Modules and Lifecycle Solutions, as well as Vossloh AG. Vossloh's sales planning is mainly based on business unit-specific assumptions that include detailed analyses of product demand and the current order backlog. In addition, specific framework agreements, the behavior of the main competitors, the probability of important projects being concluded and region-specific market opportunities and risks are taken into account. Vossloh's customers are publicly and privately-owned regional, long-distance and freight transport operators whose investments are based on predominantly long-term decision-making processes within the framework of longer-term funding. As a partner, Vossloh supports its customers over many years. Together with its customers, the company plans and develops solutions for individual product and service requirements. This usually involves delivery and project lead times of several months and sometimes even several years.

Outlook for management-related performance indicators

		2025	Expectation 2026
Sales revenues	€ mill.	1,343.2	1,560 to 1,660
EBIT	€ mill.	111.9	118.5 to 131.0
EBIT margin	%	8.3	7,4 to 8,2
EBITDA	€ mill.	179.4	215 to 230
EBITDA margin	%	13.4	13.5 to 14.5
Value added	€ mill.	10.9	(15) to (30)

For the 2026 fiscal year, the Vossloh Group expects sales of between €1.56 billion and €1.66 billion (2025: €1,343.2 million). This marked increase mainly relates to the Core Components division, and in particular to the full-year consolidation of the Sateba Group acquired in the 2025 fiscal year.

Sales revenues and earnings to increase significantly

With regard to EBIT, the Vossloh Group forecasts a further increase in absolute EBIT in 2026. From today's perspective, EBIT is expected to be within the range of €118.5 million to €131.0 million (2025: €111.9 million) and an EBIT margin of 7.4 % to 8.2 % (2025: 8.3 %). Given that the earnings figures in the 2026 fiscal year will be negatively affected by significant one-time effects of up to €20 million arising from the currently still preliminary purchase price allocation (PPA) for the Sateba Group, a supplementary forecast for EBITDA and EBITDA margin is provided for 2026 only. These key figures allow for a more meaningful assessment of the group's operating earnings power and profitability. EBITDA is expected to be between €215 million and €230 million in 2026 (2025: €179.4 million). The EBITDA margin is expected to be between 13.5 % and 14.5 % in the 2026 fiscal year (2025: 13.4 %). As with sales revenues, the forecast increase in EBITDA relates mainly to the Core Components division on account of the full-year consolidation of the Sateba Group.

The weighted average cost of capital before taxes (WACC), which is relevant for internal management, will remain unchanged at 9.5 % in the 2026 fiscal year. The Vossloh Group expects value added to be negative, in particular due to the full-year inclusion of Sateba. The value added of Sateba is significantly affected by the high negative earnings effects resulting from the purchase price allocation. Value added in the Vossloh Group is expected to amount to between €(15) million and €(30) million (2025: €10.9 million).

Value added expected to be strongly negative due to significant PPA effects

Vossloh AG prepares its annual financial statements in accordance with the provisions of the German Commercial Code and the German Stock Corporation Act. The statements below refer to the separate financial statements. The earnings of Vossloh AG as an operating management holding company are significantly influenced by general administrative expenses and the financial result, as well as sales revenues from the brand license. These reflect the expected increase in sales in the Group and are therefore likely to rise noticeably. Vossloh AG's general administrative expenses are expected to be noticeably lower overall in the 2026 fiscal year. This is due in particular to the absence of transaction costs related to the acquisition of Sateba compared with the reporting year. By contrast, earnings will be negatively impacted

by the costs associated with the InnoTrans trade fair, which will be held in 2026. Vossloh does not anticipate any significant change in the financial result before taking into account possible write-ups or write-downs on the carrying amounts of investments compared with the previous year, although significantly higher income from profit transfers is forecast. Overall, earnings after taxes and net income are, therefore, expected to increase significantly in 2026 compared to the 2025 fiscal year.

Vossloh is focused on continuing to implement its corporate strategy over the coming years. In addition to organic growth accompanied by rising profitability, the focus is on specific partnerships and further acquisitions in order to develop the core business strategically and increase the Group's enterprise value in the long term.

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Group Sustainability Statement¹

The Group Sustainability Statement was prepared to fulfill the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Sections 315b and 315c German Commercial Code [Handelsgesetzbuch, HGB] for a nonfinancial group statement. In preparing the nonfinancial group statement, Vossloh applied the European Sustainability Reporting Standards (ESRS) as a framework in accordance with Section 315c (3) in conjunction with Section 289d HGB.

The 2025 Group Sustainability Statement is prepared on a consolidated basis. The companies under review correspond to the scope of consolidation of the Consolidated Financial Statements (for ESRS 2 BP1, 5 see page 163 et seqq.). Since its acquisition was completed on October 1, 2025, Sateba has been fully included in the consolidated sustainability reporting. However, due to the late date of initial consolidation and the associated limited integration phase, it has not yet been possible to implement the group-wide processes required for comprehensive data collection in all areas. This means that, in individual cases, estimates were made for quantitative key figures based on plausible and internally agreed assumptions. For all acquisitions, Vossloh generally integrates newly acquired entities into the standards applicable within the Group at an early stage. The integration of Sateba into the group sustainability processes will continue to advance over the course of the year. For the next reporting period, it is planned to apply uniform data collection and validation processes throughout Sateba to ensure a complete and high-quality data basis.

In addition to the Company's own business operations, the statement covers the Company's upstream and downstream value chain. For some disclosures regarding the upstream and downstream value chain, sector average data and other approximate values were used. This applies in particular to sections with statements on the determination of Scope 3 emissions. The Company describes and explains the sector average data and approximate values used, including references to any resulting measurement or other sources of uncertainty in the respective statements in the topic-specific standards. The key figures reported are largely based on consistent and comprehensible data collection processes. A higher degree of measurement uncertainty cannot be ruled out for individual key figures. Overall, however, there are no indications that the reliability of the information is significantly impaired. If the Company specifies time periods, these deviate from the requirements defined in ESRS 1, 6.4 for the terms "medium-term" and "long-term" by basing the medium-term horizon on the internally used planning period of three years and classifying disclosures that extend beyond this period as "long-term". In the category of Water, Vossloh has reviewed the definitions used to date and corrected and clarified its reporting relative to the previous year, including the prior-year figures. In addition, the conversion factors for energy consumption and CO₂e emissions were corrected in the Climate change mitigation and Energy categories. This means that the key figures for energy consumption and greenhouse gas emissions reported in the previous year have changed. The resulting adjustments are explained in more detail in the relevant sections. A review of the methodology to determine the gender pay gap in the category "Equal treatment and equal opportunities for all (own workforce)" also revealed a need for change. The adjustment is also explained in more detail in the corresponding section. When it comes to cybersecurity, the Company makes use of the protection clause in the ESRS to omit confidential information.

As a German stock corporation, the Company has a dual management structure with an Executive Board and Supervisory Board in accordance with the requirements of the German Stock Corporation Act [Aktien-gesetz, AktG]. The Executive Board consists of three members (Oliver Schuster, Chief Executive Officer; Dr. Thomas Triska, Chief Financial Officer; Jan Furnivall, Chief Operating Officer) (100 % male). The Executive Board is responsible for the strategic management of the Company and makes decisions in accordance with legal requirements and the Articles of Incorporation. Vossloh's Supervisory Board consists of six members, including four shareholder representatives (Prof. Dr. Rüdiger Grube, Chairman, Frank Markus Weber, Dr. Roland Bosch, Dr. Bettina Volkens) and two employee representatives (Martin Klaes, Marcel Knüpfner). 16.7 % of Supervisory Board members are female, 83.3 % are male. At least 75 % of the shareholder representatives on the Supervisory Board are to be considered independent within the meaning of the

¹ Not subject of the audit of the financial statements, but subject of an audit to obtain limited assurance. The independent auditor's report can be found on pages 150 et seqq.

German Corporate Governance Code. In line with the Company's global orientation as a provider of rail infrastructure solutions, all members of the Executive Board and the majority of the members of the Supervisory Board have many years of experience in the rail industry and in the management of international companies.

The Supervisory Board monitors and advises the Executive Board on the management of the Company, including material impacts, risks and opportunities. It discusses all relevant corporate governance issues, including sustainability aspects, with the Executive Board at regular intervals. This is achieved through regular reporting by the Executive Board and at Supervisory Board meetings.

The Executive Board and Supervisory Board take into account the most material impacts, risks and opportunities when monitoring the corporate strategy, major decisions and the risk management process. When dealing with the issues identified as material (see, for example, the tables on pages 77 et seqq.), possible correlations between economic, ecological and social aspects are carefully evaluated. This is based on the double materiality analysis carried out in 2024. The Executive Board and Supervisory Board receive regular reports on the status of sustainability activities, progress in achieving targets and key developments in the relevant areas and actively address their impact on strategy, management and risk management at their meetings. In their own estimation, the members of the Supervisory Board have sufficient qualifications in the area of sustainability. If required, external experts will be brought in to ensure the necessary specialist knowledge on specific sustainability aspects. The names of the members of the Executive Board and Supervisory Board can be found on page 212 et seq. of the annual report. Their areas of responsibility and accountability with regard to sustainability topics pursuant to ESRS 2 GOV-1 22 are set out and described under the respective topics.

Vossloh's commitment to sustainability

enabling green mobility – for a sustainable future

Vossloh is committed to sustainable corporate management. Sustainability is one of the Company's five core values: "We take responsibility and care for the world in which we live". Vossloh is convinced that companies must reconcile economic, social and ecological aspects in their decisions and behavior. Long-term success requires contributing to the well-being of society and preserving all opportunities for future generations.

Vossloh's corporate vision is "sustainable, safe and user-friendly rail mobility for a better world". In keeping with its guiding principle "enabling green mobility", Vossloh is a driving force behind customer-focused, innovative and sustainable products and services for rail track. This aspiration is also reflected in Vossloh's sustainability strategy. The Company has been pursuing a revised, group-wide sustainability strategy since the 2021 fiscal year. Its aim is to centrally align and focus the group's sustainability activities, to further improve Vossloh's positive impact on the environment and society and to make the group's sustainability performance more transparent. It is intended to make Vossloh a reference point in the area of sustainability in the rail infrastructure business. The Executive Board of Vossloh AG adopted the sustainability strategy and the guideline supporting it in 2021. The Company's sustainability commitment is published on the website at www.vossloh.com (Sustainability). The sustainability strategy anchored in the Group and the associated policy had not yet applied to Sateba in the reporting year. Until its takeover by Vossloh, Sateba did not have a comparable group-wide concept. In accordance with the planned integration plan, Sateba will be gradually brought into line with the Vossloh Group's policy.

Vossloh's Executive Board bears overall responsibility for all sustainability issues. It is responsible for ensuring that the Company lives up to its ecological, economic and social responsibilities and makes a positive contribution to the environment and society. In operational management, sustainability is the responsibility of the Chief Operating Officer (COO). In addition, Vossloh AG established a Corporate Sustainability department. Created in 2020, the Corporate Head of Sustainability – who reports directly to the Executive Board – is responsible for the development and implementation of the sustainability strategy as well as for the management of group-wide sustainability initiatives. In addition, the Executive Board has established a Group Sustainability Committee to centrally manage all sustainability measures within the Group, which is led by the Corporate Head of Sustainability. In addition, each business unit has appointed a sustainability, health and safety officer. The Executive Board and Supervisory Board also dealt extensively with sustainability issues in 2025. They received regular reports on the status of measures to achieve the sustainability goals, validated the results of the review of the double materiality analysis and adopted the new group-wide guideline on climate change, water management, resource use and circular economy, among other things. The list of material impacts, risks and opportunities addressed by the Executive Board and Supervisory Board can be found on page 77 et seqq.

The remuneration system for the Executive Board was revised in the 2024 reporting year. From the 2025 fiscal year, the single-year bonus is based not only on financial performance criteria such as EBIT, sales revenues and working capital, but also on the achievement of ESG (environment, social and governance) targets, which were not taken into account in the previous version of the remuneration system. In line with the Company's general sustainability strategy, these goals can include categories such as occupational safety, diversity, product safety, employee satisfaction or energy efficiency and greenhouse gas emissions. The target values are set by the Supervisory Board in consultation with the respective members of the Executive Board prior to the start of each remuneration year. The targets were defined and set on the basis of the scope of consolidation without taking into account the Sateba Group, which was consolidated for the first time in the reporting year. For the year 2025, the categories of occupational safety and greenhouse gas emissions were relevant for the single-year bonus. Five percent of the variable remuneration is linked to the achievement of the group-wide CO₂e intensity target for Scope 1 and Scope 2 emissions, equivalent to 26.5 metric tons of CO₂e/revenue in € million. An additional five percent of the variable remuneration depends on compliance with the group-wide Lost Time Accident Frequency Rate (LTAFR), which must remain below 13.9 reportable lost time accidents for every million hours worked. The Supervisory Board determines the degree of target achievement on the basis of the audited consolidated financial statements and the audited Group Sustainability Statement of Vossloh AG for the respective remuneration year. If 100 percent of the target is achieved, the full target bonus is granted, which forms part of the total target remuneration. For the year 2025, a total of 1.7 % of the total remuneration of the Executive Board was attributable to climate-related remuneration components. Further information on the remuneration of the Executive Board can be found on pages 225 et seqq. of the annual report.

The following table provides an overview of the processes Vossloh has implemented to identify, assess and manage the material sustainability-related impacts, opportunities and risks:

Core elements of due diligence	Disclosures in the Group Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2: pp. 70–72, ESRS 2 GOV-3: p. 72, ESRS 2 SBM-3: pp. 74–80
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2: p. 70, ESRS 2 SBM-2: pp. 73–74, ESRS 2 IRO-1: pp. 75–76, 80, ESRS S1-2: p. 122, ESRS S2-2: p. 125, ESRS S4-2: p. 108–111
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1: pp. 74–80, ESRS 2 SBM-3: pp. 76–79, ESRS E1 SBM-3: p. 91, ESRS E1-5: p. 95, ESRS E3 SBM-3: p. 95, ESRS E3-4: pp. 95–96, ESRS E5 SBM-3: p. 99, 103, ESRS S4 SBM-3: p. 108, ESRS S1 SBM-3: p. 111, ESRS S2 SBM-3: pp. 125, 127–128, ESRS G1: p. 131, company-specific topic of cybersecurity: p. 136
d) Taking actions to address those adverse impacts	ESRS E1-3: p. 92, ESRS E1-5: pp. 95–96, ESRS E5-2: pp. 102–103, ESRS S4-4: p. 109, ESRS S1-4: pp. 113–115, ESRS S2-4: pp. 125–129, ESRS G1-3: pp. 130–132, ESRS G1-2: p. 135, ESRS G1-1: p. 135, company-specific topic of cybersecurity: p. 136
e) Tracking the effectiveness of these efforts and communications	ESRS E1-1: pp. 88–89, ESRS E1-3: p. 92, ESRS E5-2: pp. 100–102, ESRS S4-4: p. 109, ESRS S1-4: pp. 113, 115, ESRS S2-4: pp. 125–127, ESRS G1-3: p. 133, Company-specific topic of cybersecurity: p. 136

As with all risks and opportunities, the material sustainability impacts, risks and opportunities identified in the materiality analysis to which Vossloh is exposed are subject to scheduled internal monitoring, assessment and control. The results are incorporated into the regular assessment of the risk profile and are reported to the Executive Board on a quarterly basis as part of regular risk reporting. In order to prevent or limit these risks, they are included in the group-wide risk and opportunity management system. Its functional principles are described on pages 54 et seqq. The sustainability opportunities identified as part of the materiality analysis are documented systematically and presented in the topic-specific chapters of the sustainability statement. When assessing nonfinancial risks, the same monetary thresholds are applied as for Vossloh’s general financial risk assessment. The main risks in sustainability reporting include, in particular, potential deviations in the completeness and integrity of the data collected, delays in the provision of information and restrictions in the availability of data along the upstream and downstream value chain. Established internal control measures such as plausibility checks, coordination with the reporting units and defined approval processes are employed to mitigate these risks. The results of these checks are integrated into the internal data collection and reporting processes.

The importance of sustainability for Vossloh’s business model

Rail is the most environmentally friendly, efficient and safest mode of transportation for both local and long-distance passenger transit and freight. Increasing rail traffic is therefore a necessary prerequisite to achieve ambitious climate targets, but it presents the rail infrastructure with the challenge of higher capacity utilization of rail routes while maintaining the highest safety standards. Vossloh’s products and services help to increase the availability of existing railroad lines, support the expansion of the rail network, facilitate efficient and trouble-free operation and reduce the life cycle costs of the rail infrastructure. In this way, Vossloh is contributing to greater sustainability in the mobility of people and the transportation of goods. The digital transformation in the rail industry is opening up considerable new opportunities for rail as a mode of transport to make even greater use of its ecological advantages. As a technological leader, this presents Vossloh with development opportunities in several areas (see page 15). At the same time, customer awareness and willingness to take responsibility for achieving climate targets in the transport sector is also increasing. With its focus on sustainable management and resource conservation, Vossloh is opening up new opportunities to differentiate itself from the competition in this market environment. Vossloh believes that its core products and services, as well as its key markets and customer groups, are well-suited to supporting the Group’s sustainability goals. This is particularly true when it comes to reducing emissions, increasing track availability and operational safety, and extending rail transport lifecycles. The majority of customers are public-sector clients who generally have higher sustainability requirements, which strengthens Vossloh’s strategic focus.

The Company’s business model is described in more detail on page 15 et seq. of this report. Together with its three divisions Core Components, Customized Modules and Lifecycle Solutions, Vossloh offers a comprehensive portfolio of products and services for the rail infrastructure, including rail fastening systems, concrete ties, turnouts and rail infrastructure maintenance services.

The Company operates in all major rail markets worldwide and primarily supplies state and municipal providers of passenger and freight rail transportation. This means that a considerable proportion of the total population is affected by rail transport as end users and consumers. To provide their products and services, the Company's business units purchase from a wide range of suppliers. Those that supply steel, cement, and raw materials for producing plastics and composites are particularly relevant in this context. Information on the Vossloh Group's workforce can be found in the Workforce section of the combined management report (page 48) and in the personnel strategy and personnel management section (page 117 et seqq.) of this Group Sustainability Statement. Vossloh is in continuous dialog with its internal and external stakeholders. Conversations also increasingly concern opinions and experiences with sustainability issues. It is important to the Company to address the individual stakeholder groups directly on this topic and to take their interests into account as much as possible. Stakeholder feedback can provide suggestions for change at all decision-making levels. The following table provides an overview of which topics are important when communicating with key stakeholders and which formats Vossloh uses for dialog:

Stakeholders	Topics	Dialog formats
Customers	<ul style="list-style-type: none"> – (New) products and services from Vossloh – The quality of products and services – Customized solutions for the respective task – Fast response to inquiries as well as order processing and logistics 	<ul style="list-style-type: none"> – Regular customer meetings – Publications (printed and digital) – Participation in trade fairs – Events for/with customers – System integration of customers through EDI (Electronic Data Interchange)
Suppliers	<ul style="list-style-type: none"> – New/alternative materials and substances – Framework conditions of the supply agreements – Communication about the specifications of the scope of delivery 	<ul style="list-style-type: none"> – Regular supplier meetings – Participation in trade fairs
Capital market participants	<ul style="list-style-type: none"> – Performance of the Company – Current business development – Strategic orientation of the Company – Corporate management in accordance with corporate governance rules – Commitment to sustainability 	<ul style="list-style-type: none"> – Financial reporting – Annual General Meeting – Investor conferences – Conference calls – Roadshows – Capital Markets Days – Website
Workforce	<ul style="list-style-type: none"> – Employment contract regulations – Company agreements – Internal communications – Exchange with the management level – Opportunities for further training and professional development – Talent development 	<ul style="list-style-type: none"> – Regular employee appraisals – "inmotion" employee magazine – Employee surveys – Cross-country, cross-hierarchical and cross-divisional exchange forums and project teams – Vossloh Online Academy

The table shows that discussions and meetings with representatives of all key stakeholders take place as frequently and regularly as possible, as well as on specific occasions, through various channels and at many different locations in the Company's global network. Criticism, suggestions and proposals from stakeholders for improvements, including with regard to sustainability, are discussed within the Company and – where appropriate and feasible – taken into account. Feedback from customers and suppliers, for example, flows into the further development of Vossloh's products and services, while employees' ideas often lead to changes in production processes and procedures. Factors affecting workers in the value chain are also regularly taken into account, especially in discussions with suppliers, with a particular focus on working conditions, occupational safety and respect for human rights. Findings from supplier meetings, audits and other formats provide important information on expectations, risks and potential for improvement in dealing with employees along the value chain and, where relevant, are incorporated into the ongoing development of procurement and sustainability processes. Topics addressed by capital market participants often provide indications of current or upcoming market developments. As part of structured internal reporting, corresponding information is also forwarded to the Executive Board and the Supervisory Board. The materiality analysis took into account the interests and viewpoints of key stakeholders in respect of Vossloh's strategy and business model.

Vossloh sustainability material topics

Vossloh conducted a materiality analysis in 2021, which was significantly expanded in 2024 in accordance with ESRS requirements, and meets the double materiality criteria set out in the following passages. Double materiality relates to:

- the (positive and negative) impacts of Vossloh’s activities on people and the environment, and
- the (financial) risks and opportunities arising out of sustainability-relevant matters for the Company.

The results of the double materiality analysis – including the identified material impacts, risks and opportunities – are reviewed annually. A new full analysis is not currently planned, but may be carried out as part of the annual review if new developments or changes in the general conditions require significant adjustments to the main impacts, risks and opportunities.

Consequently, the preparation of the 2025 Group Sustainability Statement included all of the results of the double materiality analysis of the categories covered by the ESRS (E1, E2, E3, E4, E5, S1, S2, S3, S4 and G1), and several company-specific sustainability topics (cybersecurity, track availability and efficiency in rail transport, noise reduction on the track) were also reviewed. It found that the topics of track availability and efficiency in rail transport and noise reduction on tracks and the associated impacts, risks and opportunities continue to be strategically relevant for Vossloh, but do not reach the level of influence required for classification as material according to the ESRS definition. Although Vossloh’s products and solutions along the value chain contribute to the availability and efficiency of rail infrastructure and the reduction of noise emissions, they only have a limited direct impact on the material impacts, risks and opportunities. These arise primarily from the operation, control and maintenance of the infrastructure and are therefore primarily the responsibility of infrastructure operators. Even considering the value chain, the identified impacts, risks, and opportunities did not reach the required level for classification as material. As part of the Sateba acquisition, a review was carried out in the reporting period to determine if any adjustments to the material impacts, risks, or opportunities were necessary. The fact that the concrete tie business has gained in importance within the Group as a result of the acquisition was also taken into account. The review included a renewed examination of the relevant impacts, risks and opportunities in the Company’s own business activities and along the value chain. The results of this review were validated by the Group Sustainability Committee and with the Executive Board. As Sateba primarily operates in Vossloh’s existing concrete tie business, the associated impacts, risks and opportunities were already structurally taken into account in the previous materiality analysis. The updated review confirmed the previous materiality assessment.

The analysis to identify actual and potential positive and/or negative impacts as well as risks and opportunities pursuant to ESRS requirements was carried out by selected internal stakeholders that are in close contact with Vossloh’s most important external stakeholder groups – customers, suppliers and capital market participants – and their interests and viewpoints were incorporated into the analysis. The Company’s entire value chain was analyzed in order to identify the impacts, risks and opportunities along this value chain. Together with external experts and the involvement of the Group’s internal risk management and relevant functional areas which provided their feedback, the internal stakeholders assessed all identified actual and potential positive and negative impacts as well as risks and opportunities in order to determine their materiality. Both internal data and external, publicly accessible sources were used as input parameters, including reports and guidelines from the European Commission, the European Environment Agency (EEA), the Environmental Protection Agency (EPA) and the Sustainability Accounting Standards Board (SASB) as well as publications from international organizations such as the United Nations (UN), the World Wide Fund For Nature (WWF), the International Labour Organization (ILO) and relevant economic media. In addition, the impacts, risks and opportunities were classified according to their temporal relevance (short, medium or long term). The ratings were made on a scale of 1 to 4; all ratings of 3.0 or higher were classified as material. These aspects were included in the reporting. The assessments are based on assumptions and a combination of internal and external quantitative data and qualitative findings from meetings with internal stakeholders. Where relevant, site-specific aspects were also taken into consideration when assessing the impacts, risks and opportunities. The result of the analysis was presented to the Executive Board, which discussed and validated it.

Some of the important decisions in the process concerned the selection of internal stakeholder representatives and external experts as well as the assessment of all identified impacts, risks and opportunities by the respective stakeholder representatives. Internal controls were applied throughout the whole process, which were expressed in a regular review of the current materiality analysis status by employees from several departments. The control procedure included a detailed description of the impacts, risks and opportunities.

For the analysis, the impacts of Vossloh's activities on people and the environment were first categorized as negative or positive, and then as actual or potential. They were also assessed in terms of their extent and scope and, in the case of negative impacts, their irreversibility, which taken together determine the severity. Potential impacts were also prioritized according to the likelihood of their occurrence. The risks and opportunities were determined in a subsequent process step.

The first step was to examine which (financial) risks and opportunities could be derived from the previously identified impacts. In addition, further (financial) risks and opportunities were identified that could arise along Vossloh's value chain in the short, medium or long term. When analyzing risks and opportunities, the Company also considered dependencies from supply chains, market requirements, regulatory requirements, resource consumption and climate-related risks in order to assess potential financial impacts. The subsequent assessment of the (financial) risks and opportunities was based on the extent of the potential financial effects and the probability of their occurrence. The assessments of the Group's internal risk management were included in the valuation. Sustainability risks are not prioritized separately, but are assessed according to the same evaluation criteria as other corporate risks. Finally, the time horizon in which all parameters will be relevant was classified.

In this sustainability statement, Vossloh reports on the impacts, risks and opportunities of the following aspects:

- Climate change mitigation (ESRS E1)
- Energy (ESRS E1)
- Water (ESRS E3)
- Resource outflows related to products and services (ESRS E5)
- Waste (ESRS E5)
- Working conditions (own workforce) (ESRS S1)
- Equal treatment and equal opportunities for all (own workforce) (ESRS S1)
- Working conditions (workers in the value chain) (ESRS S2)
- Other labor-related rights (workers in the value chain) (ESRS S2)
- Personal safety of consumers and/or end users (ESRS S4)
- Corporate culture (ESRS G1)
- Protection of whistleblowers (ESRS G1)
- Corruption and bribery (ESRS G1)
- Cybersecurity (company-specific topic)

The respective positive or negative impacts of Vossloh's activities on people and the environment as well as the (financial) risks and opportunities for the Company arising from sustainability-related topics are presented in the following thematic chapters.

The following table provides an overview of the material impacts, opportunities and risks identified as part of the review of the double materiality analysis:

Sustainability aspect	Standard	Impacts on people and the environment				Financial impacts		
Climate change mitigation	ESRS E1	Greenhouse gas emissions from direct emissions in the production process and upstream supply chains (Scope 3.1) that contribute to global warming without effective decarbonization measures.	⊖	↗	■ ■ ■ ■	Stricter regulations to reduce greenhouse gas emissions could lead to potential cost increases due to the adaptation of production facilities, including capital expenditure on low-emission technologies and possible penalties for non-compliance.	⚡	■ ■ ■ ■
		Promoting climate change mitigation by enabling sustainable rail mobility, which potentially could lead to lower emissions from private transport.	⊕	↗	■ ■ ■ ■			
Energy	ESRS E1	Consumption of non-renewable energies in production processes, in particular natural gas and fossil-fuel electricity sources, which leads to the depletion of limited resources.	⊖	↗	■ ■ ■ ■	Rising energy prices could increase operating expenses and impair competitiveness.	⚡	■ ■ ■ ■
Water	ESRS E3	Consumption of fresh water for surface treatment, cooling processes and the production of concrete ties, which affects local water resources.	⊖	↗	■ ■ ■ ■			
Resource outflows related to products and services	ESRS E5	Environmental impact due to the use of insufficiently sustainable materials and inadequate recycling of concrete ties.	⊖	↗	■ ■ ■ ■			
		Development of durable products for rail infrastructure that contribute to the reduction of waste and resource consumption.	⊕	↗	■ ■ ■ ■			
Waste	ESRS E5	Increased waste intensity for products due to unavoidable generation of residual waste in the production process.	⊖	↗	■ ■ ■ ■			

Positive ⊕ Actual ↗ Medium and long term ■ ■ ■ ■ Long term ■ ■ ■ ■ Risk ⚡
 Negative ⊖ Potential ↘ Short and medium term ■ ■ ■ ■ Short term ■ ■ ■ ■ Opportunity ↓

Sustainability aspect	Standard	Impacts on people and the environment				Financial impacts		
Working conditions (own workforce)	ESRS S1	The occurrence of work-related injuries and illnesses despite preventive measures at Vossloh can lead to the impairment of the workforce.	⊖	↗	■ ■ ■	High employee turnover could lead to a loss of knowledge, increased recruitment costs and lower productivity due to more frequent staff changes.	⚡	■ ■ ■
		Significant severity of work-related injuries and illnesses in production facilities that have a long-term impact on the health and quality of life of the employees.	⊖	↗	■ ■ ■			
		Inadequate workplace safety, which increases the risk of accidents and health damage to the workforce' health.	⊖	↗	■ ■ ■			
		Optimal staffing of positions based on skills and motivation, leading to higher productivity and workforce satisfaction.	⊕	↗	■ ■ ■			
		Succession planning and talent mapping promote growth potential by specifically identifying and developing skills and internal motivational factors.	⊕	↗	■ ■ ■	Better working conditions create the opportunity to attract a highly qualified workforce, which, in turn, increases the Group's innovative strength and efficiency.	⚠	■ ■ ■
		Promoting a good work-life balance that contributes to improving workforce satisfaction and productivity.	⊕	↗	■ ■ ■	Improved working conditions provide the opportunity to attract and retain talented employees in the long term, which promotes the stability and productivity of the Group.	⚠	■ ■ ■
		Promoting personal and professional development significantly increases employee engagement and retention, and drives talent development and innovation.	⊕	↗	■ ■ ■			
Equal treatment and equal opportunities for all (own workforce)	ESRS S1	Competitive remuneration and additional benefits compared to the industry have a direct influence on employee satisfaction.	⊕	↗	■ ■ ■	Higher salaries and additional benefits for the employees could increase operating costs and put pressure on the Group's financial flexibility.	⚡	■ ■ ■
		Attractive remuneration helps to ensure a decent standard of living and supports the well-being of the workforce.	⊕	↗	■ ■ ■	Attracts a highly qualified workforce, which increases the Group's innovative strength and competitiveness.	⚠	■ ■ ■
		Promotes diversity in the workforce, for example, in terms of gender and nationality, which contributes to an inclusive working environment and greater innovative strength.	⊕	↗	■ ■ ■			
Working conditions (workers in the value chain)	ESRS S2	Incidents of misconduct along the value chain could jeopardize the well-being of the workforce.	⊖	↻	■ ■ ■			
Other labor-related rights (workers in the value chain)	ESRS S2	Potential violations of fundamental human rights in the supply chain, such as child labor or forced labor, which entail ethical and legal risks.	⊖	↻	■ ■ ■			

Sustainability aspect	Standard	Impacts on people and the environment				Financial impacts		
Personal safety of consumers and/or end users	ESRS S4	Inadequate health and safety standards of the products/ services could endanger the health of users.	⊖	↻	■ ■ ■	The risk of quality issues or customer complaints could damage trust in the brand and lead to negative legal and financial consequences.	⚡	■ ■ ■
						The improvement and development of high-quality products offer the opportunity to utilize a higher willingness to pay for products with a better quality.	ⓘ	■ ■ ■
Corporate culture	ESRS G1	Clear roles and responsibilities and a proper segregation of duties promote efficiency, reduce risks and strengthen the employees' confidence in work processes.	⊕	↗	■ ■ ■			
Protection of whistleblowers	ESRS G1	Insufficient protection for whistleblowers – which makes it more difficult to uncover wrongdoing and jeopardizes ethical conduct – could undermine trust in the Company.	⊖	↻	■ ■ ■			
Corruption and bribery	ESRS G1	Weak regulations and controls in the area of corruption and bribery could lead to illegal practices and jeopardize trust in the Company and the integrity of the business.	⊖	↻	■ ■ ■			
Cybersecurity (Company-specific topic)		Inadequate protection of IT systems could lead to cyber-attacks that jeopardize business continuity and the security of Company data.	⊖	↻	■ ■ ■	Business disruption and financial losses due to targeted cyber attacks on critical systems.	⚡	■ ■ ■
						Financial burdens due to ransom payments or costs of restoring data and systems after an attack.	⚡	■ ■ ■

Since all risks are potential, they currently have no financial impact on Vossloh. Furthermore, it is not expected that there will be a financial impact on Vossloh in the next reporting period. In the case of opportunities, however, it is not possible to quantify the financial impact in this or the next reporting period due to their predominantly medium and long-term nature. For this reason, no disclosures have been made regarding the current financial impact of the Company's material risks and opportunities on its financial position, financial performance and cash flows.

For the identification of impacts, risks and opportunities related to environmental pollution (ESRS E2) as well as biodiversity and ecosystems (ESRS E4), the process described above was also applied using the same methods, assumptions and tools to identify and assess materiality. In each case, the Company's own locations and business activities as well as the upstream and downstream value chain were reviewed. As part of the materiality analysis, information from exchanges with regionally affected communities was also taken into account. At the Company's sites, there are no indications of complaints from the public or ongoing official proceedings in connection with environmental protection or biodiversity and ecosystems. The analysis did not identify any dependencies regarding biodiversity and ecosystems and their benefits either at the Vossloh locations or in the upstream and downstream value chain. None of Vossloh's locations are located in or near areas with biodiversity in need of protection. No risks and opportunities of any kind were identified in connection with biodiversity and ecosystems. For ESRS E2 and ESRS E4, the current materiality analysis therefore did not result in any impacts, risks and opportunities classified as material.

However, the Company will continue to monitor potential developments in these areas and will reassess them if the general conditions change significantly. Despite being classified as non-material, the Company remains committed to its responsibility to minimize potential impacts on pollution, biodiversity and ecosystems and to act in accordance with applicable regulations.

List of disclosure requirements in connection with ESRS 2 that are included in this Group Sustainability Statement in the topic-specific standards

Disclosure requirement	Page, paragraph
E1 Climate change	
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	
ESRS E1 SBM-3 18: Type of climate-related risk	p. 87, para. 4
ESRS E1 SBM-3 19: Description of the resilience of Vossloh's strategy and business model in relation to climate change	p. 90, para. 3 – p. 91, para. 6
ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	
ESRS 2 IRO-1 20: Description of the processes to identify and assess material climate-related impacts, risks and opportunities	p. 89, para. 3, p. 90, para. 3, p. 91, para. 2 – para. 4, p. 92, para. 1, p. 93, para. 4 – para. 6, p. 95, para. 7
ESRS 2 IRO-1 21: Explanation of the climate-related scenario analysis and risk assessment	p. 90, para. 3, p. 91, para. 1
E3 Water and marine resources	
IRO-1 Description of the process to identify and assess material resource use and circular economy-related impacts, risks and opportunities	p. 97, para. 2 – para. 3
E5 Resource use and circular economy	
IRO-1 Description of the process to identify and assess material resource use and circular economy-related impacts, risks and opportunities	p. 99, para. 5, p. 100, para. 1
S1 Own workforce	
ESRS 2 SBM-1 40: Number of employees by geographical area	p. 118, Tab. 1
SBM-2 Interests and views of stakeholders	p. 112, para. 1 – para. 2, p. 113, para. 3, p. 118, para. 3, p. 120, para. 2, p. 122, para. 2
S2 Workers in the value chain	
SBM-2 Interests and views of stakeholders	p. 125, para. 4 – para. 5, p. 126, para. 5, p. 128, para. 2, p. 129, para. 3
S4 Consumers and end users	
SBM-2 Interests and views of stakeholders	p. 108, para. 6, p. 110, para. 3 – para. 7
G1 Business conduct	
GOV-1 The role of the administrative, management and supervisory bodies	p. 130, para. 3
IRO-1 Description of the process to identify and assess material resource use and circular economy-related impacts, risks and opportunities	p. 130, para. 1

An index of the disclosure requirements contained in this Group Sustainability Statement that have been fulfilled can be found on page 84 et seqq. A table listing the data points arising out other European Union legislation can be found in the Annex to the Group Sustainability Statement (p. 138).

Group-wide sustainability objectives and initiatives

Vossloh has organized its sustainability activities into the following areas of action since 2021:

- Sustainability strategy and management
- Environmental and climate protection
- Safe and sustainable mobility
- Occupational health and safety
- Personnel strategy and personnel management
- Good corporate citizenship
- Sustainable supply chains and operations
- Business ethics

Sustainability strategy and management provides the framework for the seven other areas of action as well as for the Group's future orientation. The group-wide principles for all of Vossloh's sustainability activities and initiatives are set out in the sustainability strategy and supporting guideline adopted in 2021. The guideline defines in particular the areas of action, organization, responsibility and processes. The orientation and focus of sustainability activities are adapted to changing conditions and requirements with the help of regular reviews by the Executive Board. The main impacts, risks and opportunities of sustainability activities are presented in the table on pages 77 et seqq.

With regard to good corporate citizenship, Vossloh did not classify any topics as material within the meaning of Section 289c HGB in 2023 and 2024 as part of its annual materiality review. This decision reflects the limited impact and potential of this area compared to other sustainability topics and aspects of corporate activity. In addition, activities in this area have not yet been centrally coordinated and systematically recorded. This notwithstanding, Vossloh's business units continue to carry out various initiatives to support local communities.

Vossloh is currently pursuing the following group-wide sustainability goals:
Climate neutrality in own business operations by 2030 (Scope 1 and Scope 2)
– Sustainable reduction in the frequency and severity of accidents at work
– 90 % sustainable strategic purchasing volume by 2026

The Company is also pursuing other group-wide sustainability initiatives such as reducing the environmental footprint of Vossloh's products and services along the entire value chain and implementing a group-wide diversity, equality and inclusion policy.

The indicators disclosed in the Group Sustainability Statement are audited exclusively by the auditor and are not validated by another external body.

The following table allocates the sustainability topics assessed as material to the defined areas of action and the existing group-wide sustainability targets:

Sustainability area according	Sustainability aspect according to Sec. 289c HGB	Field of action	Material matter	Standard	Existing Group targets	
Environment	Environmental matters	Environmental and climate protection	Climate change mitigation	ESRS E1	Climate neutrality by 2030 (Scope 1 and Scope 2)	
			Energy			
			Water	ESRS E3		
			Resource outflows related to products and services	ESRS E5		
			Waste			
Social	Social matters	Safe and sustainable mobility	Personal safety of consumers and/or end users	ESRS S4	Reduction in the frequency and severity of accidents at work	
			Track availability and efficiency in rail transport	Company-specific		
			Noise reduction on tracks			
	Employee interests and respect for human rights	Occupational health and safety	Working conditions (own workforce)	ESRS S1		
			Personnel strategy and personnel management			
		Sustainable supply chains and operations	Working conditions (workers in the value chain)			ESRS S2
			Other labor-related rights (workers in the value chain)			
			Working conditions (own workforce)			
Governance	Respect for human rights	Business ethics	Corporate culture	ESRS G1	90 % sustainable strategic purchasing volume by 2026*	
	Combating corruption and bribery		Corruption and bribery			
			Protection of whistleblowers			
			Cybersecurity	Company-specific		

*The year in which the target is to be met was adjusted in 2025 during the evaluation and analysis of the ESG assessments received from strategic suppliers; for more information, see page 125.

External assessments of Vossloh's sustainability performance

At the end of 2021, the Company launched a group-wide sustainability initiative for each target, which the Corporate Head of Sustainability is responsible for coordinating and monitoring. The initiatives were continued as planned in 2025. The implementation procedures and the extent to which the targets have been achieved are reported in the respective chapters. The Group Sustainability Committee and the Executive Board are regularly informed on group-wide initiatives and other activities.

Vossloh's performance in terms of sustainability has been regularly assessed by a number of rating agencies for many years. The Company currently has a Prime status according to Institutional Shareholder Services (ISS) ESG, among others, which places it in the top ten percent of its industry. Vossloh achieved Silver status with EcoVadis in 2025; according to the score obtained, Vossloh is among the top six percent of all companies rated by EcoVadis. MSCI ESG Research continued to rank Vossloh at the second-best AA rating level (on a scale from AAA to CCC) in the 2025 reporting year. In 2024, Vossloh received the National German Sustainability Award in the Mobility and Logistics category.

In addition, Vossloh has been an active participant in the United Nations (UN) Global Compact since 2020.

EU taxonomy underscores a sustainable business model

Vossloh has implemented the EU Taxonomy Regulation reporting obligations since the 2021 fiscal year. The EU Taxonomy Regulation provides a standardized classification system for defining environmentally sustainable economic activities. As in the previous year, 100 % of sales revenues were classified as taxonomy-eligible in the 2025 reporting year. The share of environmentally sustainable and therefore taxonomy-aligned sales revenues, which mainly relate to sales revenues from electrified routes, amounted to 69 % in the reporting year (previous year: 67 %). Both values underline Vossloh's sustainable business model. Detailed information on EU taxonomy requirements, a comprehensive and detailed description of the implementation of the requirements at Vossloh as well as the required indicators pursuant to Annex II to the Commission Delegated Regulation (EU) can be found in "EU taxonomy and its implementation at Vossloh", starting on page 104.

Index of the disclosure requirements contained in the Group sustainability statement

	Disclosure requirement	Position
ESRS 2 General disclosures		
BP-1	General basis for preparation of sustainability statements	p. 70
BP-2	Disclosures in relation to specific circumstances	p. 70
GOV-1	The role of the administrative, management and supervisory bodies	pp. 70–71
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	pp. 70–71
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 71
GOV-4	Statement on due diligence	p. 72
GOV-5	Risk management and internal controls over sustainability reporting	p. 73
SBM-1	Strategy, business model and value chain	p. 73
SBM-2	Interests and views of stakeholders	p. 74
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 74–79
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	pp. 74/75
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	p. 84
E1 Climate change		
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 71
E1-1	Transition plan for climate change mitigation	p. 90
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 90–93
IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	pp. 88–93
E1-2	Policies related to climate change mitigation and adaptation	pp. 88–93
E1-3	Actions and resources in relation to climate change policies	p. 92
E1-4	Targets related to climate change mitigation and adaptation	PP. 91/92
E1-5	Energy consumption and mix	pp. 95/96
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	p. 94
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	p. 95
E1-8	Internal CO ₂ pricing	p. 95
E2 Pollution		
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	p. 80
E3 Water and marine resources		
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	pp. 97/98
E3-1	Policies related to water and marine resources	p. 98
E3-2	Actions and resources related to water and marine resources	pp. 98/99
E3-3	Targets related to water and marine resources	p. 98
E3-4	Water consumption	p. 99

E4 Biodiversity and ecosystems		
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	p. 80
E5 Resource use and circular economy		
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	pp. 99/100
E5-1	Policies related to resource use and circular economy	p. 100
E5-2	Actions and resources related to resource use and circular economy	pp. 100–103
E5-3	Targets related to resource use and circular economy	p. 101
E5-5	Resource outflows	pp. 102/103
S1 Own workforce		
SBM-2	Interests and views of stakeholders	pp. 111/112
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 111/112
S1-1	Policies related to own workforce	pp. 112/113
S1-2	Processes for engaging with own workers and workers' representatives about impacts	pp. 111/112
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	pp. 113/114
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	pp. 113/114
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 113
S1-6	Characteristics of the undertaking's employees	pp. 117/118
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	p. 118
S1-8	Collective bargaining coverage and social dialog	p. 119
S1-9	Diversity metrics	p. 118
S1-10	Adequate wages	pp. 123/124
S1-11	Social protection	p. 123
S1-12	Persons with disabilities	p. 123
S1-13	Training and skills development metrics	p. 121
S1-14	Health and safety metrics	p. 115
S1-15	Work-life balance metrics	p. 120
S1-16	Compensation metrics (pay gap and total compensation)	p. 124
S2 Workers in the value chain		
SBM-2	Interests and views of stakeholders	p. 125
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 125/126
S2-1	Policies related to value chain workers	pp. 125–129
S2-2	Processes for engaging with value chain workers about impacts	p. 128
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	pp. 128/129
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	p. 125–129
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 125
S4 Consumers and end users		
SBM-2	Interests and views of stakeholders	p. 108
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 108/109
S2-1	Policies related to consumers and end users	pp. 109/110
S4-2	Processes for engaging with consumers and end users about impacts	p. 109
S4-3	Processes to remediate negative impacts and channels for consumers and end users to raise concerns	P. 109
S4-4	Taking action on material impacts on consumers and end users, and approaches to managing material risks and pursuing material opportunities related to consumers and end users and effectiveness of those actions	pp. 109/110
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 108

G1 Business conduct

GOV-1	The role of the administrative, management and supervisory bodies	p. 130
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	p. 117, p. 130
G1-1	Business conduct policies and corporate culture	pp. 118/119 p. 130
G1-3	Prevention and detection of corruption and bribery	pp. 131–134
G1-4	Confirmed incidents of corruption or bribery	p. 135

Information incorporated by reference

The following information is incorporated by reference to other parts of the combined management report and the Annual Report:

Standard	Description of information	Position
ESRS 2 GOV-5 paragraph 36	Risk management, internal control system	Risk and Opportunity Report, p. 54, para. 1 to p. 64, para. 9
ESRS 2 SBM-1 paragraph 40 a) i and ii	Significant groups of products and services and significant markets and/or customer groups	Business and market environment, p. 15, para. 4 to para. 6, Business performance Core Components, p. 26, para. 1, Business performance Customized Modules, p. 28, para. 1, Business performance Lifecycle Solutions, p. 29, para. 1
ESRS S4-3 paragraph 25 a)	Procedures to mitigate material negative impacts on end users	Research and development, p. 49, para. 1

Environment

In the area of the environment, Vossloh identified five topics as relevant in the 2024 double materiality analysis, which were confirmed in the 2025 review:

- Climate change mitigation
- Energy
- Water
- Resource outflows related to products and services
- Waste

The Company has had a group-wide sustainability strategy in place since 2021 and an EcoDesign guideline covering various ecological aspects since 2022. To ensure a comprehensive approach in the areas of climate change, water management, resource use and circular economy, a group-wide guideline was developed in 2025 that complies with the requirements of ESRS standards E1, E3, and E5 relevant to Vossloh and covers the aforementioned areas. These guidelines take into account the topics of climate change mitigation, climate change adaptation, improving energy efficiency, increased use of renewable energies and other relevant ecological matters. Vossloh is also focusing on its declared general intention to reduce the environmental footprint of its products and sales revenues from rendering services along the entire value chain (ESRS E5, see page 100 et seq.) and thus meet national and international climate protection targets. The new guideline was comprehensively discussed and adopted by the Executive Board in December 2025. The specific content and areas of application as well as (where available) the targets for the areas of climate change, water management, resource use and circular economy are explained in more detail under the individual topics. The guideline is to be implemented on a step-by-step basis in the years ahead. In the reporting year, the recently acquired Sateba Group had various initiatives in the areas of climate change mitigation, energy, resource outflows in connection with products and sales revenues from the provision of services, in addition to waste. These are described under the individual topics. However, the measures did not adhere to any overarching, group-wide guideline. The Sateba Group also did not have corresponding guideline on water management. As part of the integration process, Sateba will be gradually aligned with the governance and guidelines of the Vossloh Group. The main impacts, risks and opportunities in the area of the environment are presented in more detail below. The group-wide sustainability target defined in this area since 2021 is:

- Climate neutrality in own business operations by 2030 (Scope 1 and Scope 2).

Climate change mitigation

In respect of this topic, the materiality analysis of 2024 revealed

- the following material negative impact: Greenhouse gas emissions from direct emissions in the production process and upstream supply chains (Scope 3.1) that contribute to global warming without effective decarbonization measures;
- the following material positive impact: Promoting climate change mitigation by enabling sustainable rail mobility, which could potentially lead to lower emissions from private transport;
- the following material risk: Stricter regulations to reduce greenhouse gas emissions could lead to potential cost increases due to the adaptation of production facilities, including investments in low-emission technologies and possible penalties for non-compliance (transition risk);
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities is outlined in “Vossloh Sustainability Material Topics” (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

The determination of the specific climate-related material impacts, risks and opportunities is explained on page 76.

Vossloh aims to achieve climate neutrality in its own business operations (Scope 1 and 2) by 2030. This goal was incorporated into Vossloh's sustainability strategy at an early stage, as the climate risk assessment carried out by the Group's Sustainability Committee – involving all relevant stakeholders – confirmed that the technical levers for implementing climate neutrality in Scope 1 and 2 are progressing rapidly. This enabled Vossloh to start mitigating and adapting to transitory risks associated with climate change at an early stage. This approach also enabled Vossloh to keep pace with developments in respect of customers, markets and environmental requirements. The target of climate neutrality in Scope 1 and 2 by 2030 was approved by both the Sustainability Committee and the Executive Board of Vossloh AG. At quarterly management meetings, the entire Executive Board discusses current developments in the area of climate change mitigation, particularly with regard to greenhouse gas emissions and energy, with the heads of the business divisions and selected heads of the central departments.

Although this target is not formally scientifically based in the sense of a clear focus on a specific temperature path, the Company sees its goal of climate neutrality for its own business operations as a contribution to supporting the goals of the Paris Agreement. The Agreement calls for limiting the global temperature increase to well below 2 degrees, ideally to 1.5 degrees above pre-industrial levels, and stipulates that this requires greenhouse gas emissions to be neutral in the second half of the century. The planned climate neutrality in our own business operations (Scope 1 and 2) by 2030 is within this time horizon and, in the Company's view, helps to mitigate the risks of climate change.

Vossloh mainly uses the Greenhouse Gas Protocol (GHGP) to measure, report and manage emissions, including the setting of targets. In connection with the acquisition of Sateba and its ongoing integration, the potential impact of structural changes on the emissions base is currently being analyzed. Against this background, it may be necessary to review the underlying base year and adjust it where necessary. The analysis is expected to be completed in 2026. The determination of the climate neutrality target for 2030 (Scope 1 and 2) is based on assumptions regarding sales revenue development, which are based on Vossloh's rolling three-year plan and longer-term linear sales revenue growth. To achieve the goal of climate neutrality, Vossloh has been intensifying its measures to decarbonize the Group since 2021. Extending the calculation of emissions values to the upstream and downstream value chain (Scope 3) in fiscal year 2024 was a first step towards contributing to climate change mitigation beyond the defined target in the future. As in 2024, the Scope 3 values in all business units were determined and documented this year on the basis of the group-wide requirements for calculating Scope 1, Scope 2 and Scope 3 emissions. In addition, in 2025, business units were required to obtain third-party verified Environmental Product Declarations (EPDs) or product-related carbon footprints from suppliers – for the 20 % of purchased products causing around 80 % of emissions of category 3.1 (Purchased goods and services). The EPDs collected have been used in a detailed analysis of the emissions data under category 3.1. In close cooperation with areas such as Innovation & Development and Purchasing, they also form the basis for defining reduction targets and measures in the most important Scope 3 categories, starting with the most important, purchased goods and services (3.1).

The transition plan for climate change mitigation drawn up in 2024 relates to the Scope 1 and 2 categories. Sateba has not yet been included, but is expected to be included during the course of 2026. It identifies four decarbonization levers across the Group: Using renewable energies, electrification, switching to less CO₂e-intensive fuels and improving energy efficiency in production. By far the greatest potential for saving CO₂e emissions is the use of renewable energies, primarily by means of purchased green electricity, two Company-owned solar parks in India and Poland, and local photovoltaic systems. The Rail Services business unit has also changed the fuel used for trains and maintenance service machines from diesel to hydrotreated vegetable oils (HVO). While no HVO was used at Vossloh Rail Services in 2024, a total of 46,428 liters of HVO were used in 2025. A similar trend can be seen at Vossloh Switch Systems, where machines and vehicles are also run on HVO where possible. HVO consumption reached a volume of 23,293 liters in 2025, significantly exceeding the 1,287 liters recorded in 2024. The transition plan for climate change mitigation

is part of the budget approved by the Executive and Supervisory Boards for the divisions and Vossloh AG. The budget contains CO₂e intensity targets that are in line with Vossloh's goal of climate neutrality (Scope 1 and 2), as well as measures to achieve these targets. These measures result from the transition plan.

The measures included in the transition plan and budgeted in the Company's financial planning to reduce CO₂e emissions for the period from 2026 to 2028 will require capital expenditure (CapEx) of €2.72 million. A large portion of the capital expenditure is attributable to the additional photovoltaic systems planned in the medium term. Moreover, operating expenses (OpEx) are planned in the amount of €26.8 million. In 2025, capital expenditure (CapEx) to support Vossloh's 2030 climate neutrality target (Scope 1 and 2) amounted to €1.2 million (see page 24 for the Vossloh Group's total capital expenditure). These investments are relevant for industry 6.14 of the EU taxonomy (see section EU taxonomy on page 107, 6.14 Infrastructure for rail transport). In the same year, the Vossloh Group spent €8.4 million (OpEx) on the purchase of electricity and heat from renewable energies (see page 21 for the cost of sales).

With the measures listed in the transition plan, Vossloh plans to save a total of 33,853 metric tons of CO₂e (Scope 1 and 2) by 2030 compared to the base year 2022. 2022 was selected as the base year for determining the reference value. As part of the selection process, care was taken to ensure that the base year reflected the Company's typical activities and that no extraordinary external factors, such as extreme weather events, had a significant influence on the data. To achieve the target, over 84 % of the savings are to be achieved through the use of renewable energies. Progressive electrification accounts for around 6 % and the targeted fuel switch to HVO for a further 4 %. The Company currently assumes that the amount of greenhouse gas emissions for which there is no possibility of elimination (locked-in emissions) will amount to 11,000 metric tons of CO₂e in 2030. This takes into account, inter alia, the fact that there are currently no alternative energies available in sufficient quantities and at economic prices for the gas-powered furnaces for the heat treatment of tension clamps in Werdohl, Germany. In addition, Vossloh Rail Services' diesel-powered maintenance machines cannot be operated entirely with HVO owing to engine limitations. Sateba has not yet been taken into account in the calculation of locked-in emissions. This will be done in 2026. As part of the goal of climate neutrality by 2030 (Scope 1 and 2), Vossloh will continue to examine further developments in electrification and other clean energy solutions in order to gradually reduce currently unavoidable emissions further and eliminate them completely in the long term.

The Sateba Group, acquired on October 1, 2025, pursued the goal of gradually using only electricity from renewable sources at all production sites by 2028 to reduce its CO₂e emissions (Scope 2). Sateba aims to reduce its Scope 3 emissions by 30 % by 2030 compared to the baseline year of 2022. As part of the integration process, these targets are currently being reviewed and analyzed in order to assess how they can be integrated into Vossloh's group-wide climate strategy and transition plan. The measures to achieve the target include changing electricity suppliers and increasing the use of low-carbon cements and cement components for the production of concrete ties as well as the development of innovative tie shapes. The new designs result in lower material consumption, and therefore lower CO₂ emissions in production, while also providing greater stability in the ballast.

Transition plan

	Base-year 2022	Target for 2030
Greenhouse gas emissions (t CO ₂ e)	44,962	11,000
Use of renewable energies		(29,978)
Already realized		(20,127)
Forecast		(9,851)
Scope 1		(5,604)
Scope 2		(4,247)
Electrification		(2,124)
Already realized		(24)
Forecast (Scope 1)		(2,100)
Fuel switching		(575)
Already realized		(122)
Forecast (Scope 1)		(453)
Industrial energy efficiency		(924)
Already realized		(472)
Forecast (Scope 1)		(452)
Building energy efficiency		(361)
Already realized		(157)
Forecast (Scope 2)		(204)

The values shown in the "Already realized" lines represent the calculated emission reductions from measures already implemented in the areas of Scope 1 and Scope 2. They do not reflect the development of absolute Scope 1 and Scope 2 emissions since the base year. Due to growth effects, operational changes and expansions of the scope of consolidation, Scope 1 emissions increased overall in the reporting period. However, the measures implemented since the base year have helped to limit this increase and avoid a significantly higher rise in emissions.

Vossloh's economic activities are covered by the delegated regulations on climate change adaptation or climate change mitigation in accordance with the EU Taxonomy Regulation – see the explanations starting on page 104. In the reporting year, 100 % of Vossloh's sales revenues were taxonomy-eligible and 69 % taxonomy-aligned, with alignment being largely dependent on the electrification of the rail lines. Whether and when rail lines will become electrified is not a decision Vossloh can make. The Company can only react to decisions made by its customers and can therefore neither define targets nor plan capital expenditure for the transition from taxonomy-eligible to taxonomy-aligned activities in the long term. As part of the identification of climate-related transition risks and opportunities, it was determined that none of Vossloh's assets or business operations are to be classified as incompatible with the transition to a climate-neutral economy.

Environmental and climate protection is an integral part of Vossloh's operational processes. Environmental officers have been appointed at the Group companies' locations and corresponding reporting systems have been implemented. As at the reporting date of December 31, 2025, 83 % (previous year: 79 %) of employees worked for an ISO 14001 certified unit. The proportion of operating companies with corresponding certification was 67 % (previous year: 64 %).

With standardized risk analyses that correspond to the hazards influenced by climate change in accordance with Delegated Regulation (EU) 2021/2139, Vossloh has been systematically examining the risks that could result for the Company from the physical consequences of climate change, such as the more-frequent occurrence of extreme weather conditions, for the first time since 2024. Starting with the Group headquarters in Werdohl, Germany, the Company is gradually performing a risk analysis on all production sites based on their GPS coordinates in order to assess the probability of natural disasters and their potential impact on the respective location. The 15 most important locations in the Group were analyzed in the 2024 fiscal year. For example, the impacts of heat waves on infrastructure and the workforce or the dangers of severe storms and heavy rainfall are taken into consideration. In 2025, the number of risk analyses increased to 20; this was due to the fact that, in addition to the plants in the Tie Technologies business unit, the analysis also evaluated new construction projects and various location decisions that were still in the development stage in the Switch Systems business unit.

The risk analyses are based on the Intergovernmental Panel on Climate Change (IPCC). They consider three time segments (the years 2025, 2040, 2060) and three scenarios (limiting global warming to 1.5 degrees in line with the Paris Agreement, zero growth in CO₂ emissions by 2040, trend in emissions without behavioral change). This covers both transitory and physical climate risks. At the same time, the scenarios consider risks posed by all natural elements, i.e. water (heavy rain, floods, drought), earth (erosion, soil/mud slides), air (acute and chronic temperature changes, winds, storms, tornadoes, heat waves) and fire. The data used for the analyses comes from widely recognized national and supra-regional environmental authorities as well as from global meteorological models and seasonal mapping studies by scientific institutions. The CMIP6 data, inter alia, was used as the basis for the climate risks with the greatest influence on our current behavior that can be planned as best as possible. The Coupled Model Intercomparison Project (CMIP) coordinates climate model simulations worldwide as part of the World Climate Research Program (WCRP). The risks considered for the year 2025 represent acute risks requiring immediate action. 2040 was chosen as the date for reaching the median path. 2060 forms the long-term horizon for strategic directions that can be influenced today.

The analyses are evaluated using artificial intelligence. The expert committees at the individual locations then compare the gross risks identified using this method with the measures already taken at those locations to minimize risk. The resulting net risks, taking into account measures to minimize them, are included in future investment decisions.

Before projects in operating environments that are new to Vossloh or not yet sufficiently familiar are put into industrial implementation, a structured review is carried out using the assessment and decision-making frameworks provided for this purpose. The location-specific risk analyses and the resulting precautionary measures are integrated into the reporting cycle as part of the annual management review.

Compared to the physical risks due to the greater impact of global warming, Vossloh considers the transitory risks in the business model to be lower overall. With its products and services, the Company supports the shift to a lower-emission transport model, utilizing the broad portfolio of its business units. This focus underlines the resilience of Vossloh's business model to short, medium and long-term climate-related changes. The Company expects this approach to ensure access to financing at affordable capital costs, given the growing demand for sustainable mobility solutions.

In terms of their positive and negative impacts on climate change, GHG emissions, measured in the form of CO₂e (CO₂-equivalent) emissions, are particularly relevant for Vossloh. The fact that the Company generates such emissions was assessed negatively in the materiality analysis. Promoting the transition to environmentally friendly mobility through Vossloh's business model is positive. In general, there is a risk that countries in which Vossloh produces or provides services will tighten the greenhouse gas emissions requirements to be met by companies. This could make it necessary for Vossloh to adapt its production facilities, work processes and equipment accordingly, which would result in financial costs.

The achievement of climate neutrality (Scope 1 and 2) by 2030 is measured using the indicators CO₂e emissions, CO₂e intensity (metric tons of CO₂e/revenue in million €), and energy intensity (energy consumption in MWh/revenue in million €). Energy intensity and CO₂e intensity are the key indicators used by Vossloh to measure its progress in terms of energy efficiency and minimizing CO₂e emissions, while also taking the Company's growth targets into account.

To achieve climate neutrality (Scope 1 and 2), a cross-divisional team led by the Head of Corporate Sustainability with the assistance of all business units drew up the transition plan described above for reducing energy consumption and CO₂e emissions in 2024. Its implementation in 2025 also focused on the most energy-intensive processes and systems and the most CO₂e-intensive energy sources.

The most important measures for meeting the climate neutrality target (Scope 1 and 2) in the 2025 reporting year were:

- Budgeting and tracking CO₂ reduction against the 2030 climate neutrality target (Scope 1 and Scope 2): Budgeting of CO₂ emissions to ensure alignment with the goal of climate neutrality by 2030 and quarterly review of the business units' CO₂ reduction performance against the target with the Executive Board of the Vossloh Group (Sateba has not yet been included in this process).
- Switch to purchasing electricity from renewable energies: 87.8 % of the electricity purchased for all units worldwide comes from renewable energy sources (since 2024 and ongoing).
- Solar farm in India: Solar farm that covers 71 % of the electricity consumption of the Indian foundry for manganese crossings and reduces Scope 2 emissions by 71 % (since 2024 and ongoing).
- Solar farm in Poland: Construction of a solar farm in cooperation with an energy specialist, which covers half of the electricity requirements of the turnout plant in Poland and is expected to avoid 1,516.19 metric tons of CO₂e annually (since 2024 and ongoing).
- Solar panels on the roofs of Vossloh plants in China, Germany, Sweden, the Netherlands, Malaysia, Mexico and Serbia (since 2024 and ongoing).
- The increasing use of HVO at Vossloh Rail Services and Vossloh Switch Systems instead of conventional diesel led to a total reduction in emissions of 126 tons of CO₂ in 2025.

At the level of the individual Group companies and locations, packages of measures were budgeted for the years up to 2028 and extrapolated up to 2030, with the help of which climate neutrality (Scope 1 and 2) is to be achieved. This corresponds to an average annual reduction in CO₂e intensity of 11 %, based on the assumption that the total reduction in CO₂e intensity in Scope 1 and 2 over the period from 2022 to 2030 is 100 %, which corresponds to a distribution over nine years. After significant decreases of 15 % (2022), 19 % (2023) and 10 % (2024), CO₂e intensity was reduced by 19 % in fiscal year 2025. The most important measures implemented in 2025 related to changing the energy mix and improving energy efficiency. They are explained in more detail under the heading Energy (ESRS E1-5, see page 92). Based on the action plans, Vossloh intends to reduce direct and indirect CO₂e emissions further in relation to Group sales revenues in the following years. The main CapEx and OpEx items have already been mentioned in connection with the transition plan described above.

The implementation of the measures in the transition plan to achieve climate neutrality (Scope 1 and 2) in 2030 depends to a large extent on the availability and allocation of resources. Resources are needed, for example, to purchase green and CO₂-free electricity, for which a surcharge is regularly payable. In addition, capital expenditure is required to install solar panels, insulate buildings or purchase more energy-efficient equipment. Against this backdrop, Vossloh is planning to electrify all its heating systems by switching from gas-based heating to electricity from renewable sources. The use of heat pumps to replace heating oil is also planned. In addition, the heat treatment process is to be electrified by converting the heat treatment furnace from gas to electricity.

In 2025, Scope 1 emissions increased primarily as a result of changes in the Group's scope of consolidation and specific operational factors. In particular, the acquisition of Sateba and the full-year consolidation of FAS and STG, which were only proportionately consolidated in 2024, led to a further increase in reported issues.

At an operational level, higher natural gas and propane consumption in the Fastening Systems business unit also contributed to the increase in emissions. This was partly due to higher sales volumes in China and the USA as well as the ramp-up of the production line for Engineered Polymer Sleepers (EPS) in Poland. In addition, the Tie Technologies business unit in the USA recorded increased natural gas consumption due to additional curing requirements as a result of exceptionally cold climate conditions and the recommissioning of a factory in Arizona. The Group is examining the use of electrical curing technologies, which could enable a structural transition from natural gas to low-carbon electricity in the future. At the same time, a specialized team is working on increasing efficiency in connection with the ramp-up of EPS production.

Despite this increase, Vossloh remains confident that it will be able to significantly reduce Scope 1 emissions in the future. Sateba has not yet been integrated into the Group's transition plan because the initial focus was on operational integration and alignment with CSRD-compliant sustainability reporting. Its inclusion in the transition plan is scheduled for 2026 and includes, among other things, the planned replacement of a coal-fired heating system in Poland, which currently accounts for around half of Sateba's Scope 1 emissions. FAS and STG are also not yet part of the transition plan because the initial focus was on the successful introduction of HVO fuels in the Vossloh Rail Services (VRS) vehicle fleet, which has already resulted in a significant reduction in emissions. Both companies are to be included in the electrification roadmap for service vehicles in 2026. At the same time, a detailed conversion plan for switching to electric vehicles is being developed for the other VRS units.

The increase in Scope 1 emissions in fiscal year 2025 in conjunction with recent acquisitions will increase the pressure to achieve the goal of climate neutrality in Scope 1 and 2. Vossloh is aware of this development and, against this backdrop, is intensifying its analysis of emissions trends (particularly in Scope 1) and its assessment of the impact of structural changes on the decarbonization path to date. As part of the ongoing integration process, particularly with regard to Sateba, an assessment will therefore also be made as to whether an adjustment of the base year, the target level, and/or the timeline is necessary. The results of these analyses are expected in 2026 and will be incorporated into the further development of the transition plan.

This report did not take process emissions or fugitive emissions into account. Since 2024, Vossloh has also been reporting on Scope 3 emissions, also in accordance with the GHG Protocol. To this end, Vossloh's value chain was first mapped in detail in 2024. It showed that 14 of the 15 categories of the GHG Protocol apply to Vossloh. As Vossloh does not engage in franchising, category 14 was excluded from Scope 3. This was followed by a comprehensive analysis to determine which categories have the greatest impact. To ensure completeness and accuracy, as well as consistent data collection and calculation, detailed instructions were drawn up at Group level, which integrate the requirements of the GHG Protocol into the Company's existing business processes.

In the reporting year, the focus was on improving the methods for collecting Scope 3 data (and thus its accuracy). As indicated in the instructions, the annual data for each applicable category is downloaded from internal company databases and converted using the relevant CO₂e emission factors. The resulting CO₂e emissions are then summarized according to category and business unit and entered into the Company's group-wide reporting system. The business units are instructed to use primary CO₂e emission factors wherever possible, for example from third-party verified Environmental Product Declarations (EPDs) or product-related CO₂ footprints. When primary data is unavailable, average values from the Ecoinvent database are applied. In cases where these are also unavailable, expenditure-based emission factors are used. Thanks to the increase in available primary and average data to 53 % (2024: 10 %), the share of expenditure-based CO₂e emission factors has been reduced to 47 % (2024: 90 %).

In addition, the Company applied system boundary principles to include all relevant activities and harmonized its inventory with the organizational and operational boundaries defined for Scope 1 and Scope 2. Weekly coordination meetings were held to ensure consistency. In addition, a comprehensive reporting test run was carried out covering nine months of business activity.

Greenhouse gas emissions	Review				Milestones and goals			Annually % of the target/ base year ⁴
	Base year ¹	2024	2025	% 2025 (N)/ 2024 (N-1)	2025	2030	(2050)	
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (t CO ₂ e) ²	19,428 ²	21,164 ²	25,053	118 %	20,046	11.000	0	103 %
Percentage of Scope 1 GHG emissions from regulated emissions trading systems (%)								
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (t CO ₂ e)		35,577	41,154					
Gross market-based Scope 2 GHG emissions (t CO ₂ e)	25,534	16,802	8,942	53 %	11,502	0	0	45 %
Scope 3 GHG emissions								
Total gross indirect GHG emissions (Scope 3) (t CO ₂ e) ³		1,411,302	1,375,653	97 %				
1 Purchased goods and services		1,028,313	984,550					
2 Capital goods		33,660	53,225					
3 Fuel and energy-related activities		10,877	12,448					
4 Upstream transportation and distribution		35,508	32,936					
5 Waste generated in operations		21,865	60,455					
6 Business travel		8,006	6,847					
7 Employee commuting		4,634	5,201					
8 Upstream leased assets		150	–					
9 Downstream transportation		10,908	14,409					
10 Processing of sold products		17,358	27,610					
11 Use of sold products		111,799	12,707					
12 End-of-life treatment of sold products		107,439	160,379					
13 Downstream leased assets		4,330	4,739					
15 Investments		16,455	147					
Total GHG emissions								
Total GHG emissions (location-based) (t CO ₂ e)		1,468,043 ²	1,441,851					
Total GHG emissions (market-based) (t CO ₂ e)	44,962 ²	1,449,268 ²	1,409,647	97 %				

¹ Base year for Scope 1 and Scope 2 is 2022.

² The calculation of Scope 1 emissions was adjusted in order to ensure compliance with the ESRS requirements. When calculating energy consumption, net calorific values were used instead of gross calorific values. The emission factors used are reported on the basis of the corresponding net calorific value and are applied consistently in line with the basis for the energy data. Accordingly, the figures for the base year (Scope 1) and the year 2024 were corrected. In the previous year, a value for Scope 1 emissions of 19,319 t CO₂e was reported for the base year, which is 109 t CO₂e below the value reported here. In the previous year, a value for Scope 1 emissions of 21,113 t CO₂e was reported, which is 51 t CO₂e below the value reported here.

³ Scope 3 milestones and targets | 2025 | 2030 | 2050 | and annual percentage target/base year are not applicable because Vossloh measured its Scope 3 emissions for the first time in 2024 and has not yet set a Scope 3 reduction target.

⁴ The annual target is 2025.

The interim target for 2025 envisages an increase in Scope 1 emissions of 618 t CO₂e compared to the base year 2022, which corresponds to an increase of 3.2 %. The interim target for 2025 envisages a reduction in Scope 2 emissions of 14,032 t CO₂e compared to the base year, which corresponds to a reduction of 55.0 %. For the sum of Scope 1 and Scope 2 emissions, a reduction of 13,414 t CO₂e is expected in 2025 compared to the base year, which corresponds to a decrease of 29.8 %.

The emission factors for Scope 1 emissions were obtained from the Defra database. The emission factors for the location-based Scope 2 emissions were taken from the VDA database and take into account the global warming potential over 100 years (GWP100) and the greenhouse gases CH₄ and N₂O. Market-based Scope 2 emissions use emission factors from energy suppliers or, in their absence, the VDA database. Scope 3 emissions are based on primary data and the Ecoinvent and Carbon Saver databases, whereby GWP100, CH₄ and N₂O are also taken into account. The Vossloh Group does not currently support any projects to reduce greenhouse gas emissions that are financed via CO₂ certificates and does not apply any internal CO₂ pricing systems.

As part of Scope 1, Vossloh used 82,347 liters of hydrogenated vegetable oil and 515,510 kWh of wood pellets for the first time in the reporting year (2024: 1,287 liters). The resulting biogenic emissions from CH₄ and N₂O amount to 8,767 kilograms of CO₂e and are included in Scope 1. Biogenic CO₂ emissions amounting to 380.53 metric tons from the combustion or decomposition of biomass are reported separately and are not included in Scope 1 GHG emissions.

The market-based CO₂ emission factors provided by the utilities companies to calculate Scope 2 emissions do not specify the percentages of biogenic CO₂ from biomass, CH₄ and N₂O. This information is therefore not currently available. The CO₂ emission factors used to record Scope 3 emissions (average and expenditure-based) do not take into account biogenic CO₂ emissions from the upstream and downstream value chain.

In 2025, 40.7 % of the green electricity used by Vossloh was purchased via bundled contracts (previous year: 58.8 %).

Energy

With regard to energy, the materiality analysis of 2024 revealed

- the following material negative impact: Depletion of limited resources through the consumption of non-renewable energies, particularly fossil fuels, in production processes;
- the following material risk: An increase in operating expenses due to rising energy prices, therefore impairing competitiveness;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities is outlined in “Material sustainability matters at Vossloh” (page 74 et seq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

For business management reasons alone, the continuous optimization of energy use and the ongoing improvement of processes are an integral part of day-to-day business at Vossloh. The guidelines mentioned at the beginning of the chapter on the environment each include energy. The type of energy consumed (energy mix) and the efficiency of the energy used are factors that strongly influence the level of greenhouse gas emissions. With regard to Vossloh’s goal of climate neutrality in the Scope 1 and Scope 2 categories by 2030, the materiality analysis resulted in a negative assessment because the Company uses non-renewable energy from fossil sources in its production processes and therefore contributes to the depletion of finite resources. As decarbonization advances, the use of energy from renewable sources is increasing. Vossloh is exposed to the risk that energy purchased in the future, regardless of its type, may become more expensive and therefore cause higher costs.

In order to increase the share of renewable energies in total energy consumption, Vossloh is equipping more and more of its factory buildings with photovoltaic systems and is purchasing green electricity at more and more locations. Corresponding activities are part of the transition plan drawn up in 2024, which is explained in detail on pages 88 et seqq. Measures to improve efficiency include the use of process heat, the installation of modern, energy-efficient systems and better insulation of buildings. The most important lever for improvement in 2025 remained the use of electricity from renewable sources by expanding the Company’s own solar power generation. This was particularly evident in our foundry in India and in Poland with two new solar farms and in China with the expansion of the existing solar panel installations on the

factories' roofs. In addition, the purchase of electricity from renewable sources was increased further. At the end of 2025, 20 locations across the Group were certified in accordance with the internationally recognized ISO 50001 energy management system. These locations employed 43 % (previous year: 33 %) of Vossloh's workforce.

The Sateba Group, which was acquired on October 1, 2025, had not yet defined any company-wide energy targets, but is pursuing the goal of gradually using only electricity from renewable sources at all production locations by 2028 (Scope 2). However, the individual locations have implemented numerous measures to reduce energy consumption and increase energy efficiency. In the reporting year, this included the installation of a photovoltaic system at the plant in Norway, a switch to electric forklift trucks at one of the plants in France and the switch to LED lighting at several locations.

The table below presents the Vossloh Group's energy consumption and energy mix. It is broken down into energy consumption from fossil fuels, nuclear and renewable energy sources and provides an overview of their share of total energy consumption.

Energy consumption and mix	2025	2024
(1) Fuel consumption from coal and coal products (MWh)	1,985	–
(2) Fuel consumption of crude oil and petroleum products (MWh)	37,570	31,854*
(3) Fuel consumption from natural gas (MWh)	73,288	64,375*
(4) Fuel consumption from other fossil sources (MWh)	–	–
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	11,414	19,167
(6) Total consumption of fossil energy (MWh) (calculated as the sum of rows 1 to 5)	124,256	115,396*
Share of fossil fuels in total energy consumption (%)	59.2	64.2*
(7) Consumption from nuclear sources (MWh)	1,967	1,314
Share of consumption from nuclear sources in total energy consumption (%)	0.9	0.7
(8) Fuel consumption for renewable energy sources including biomass (MWh)	1,260	59
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	71,107	61,268
(10) Consumption of self-generated renewable energy that does not come from fuels (MWh)	11,418	1,679
(11) Total consumption of renewable energy (MWh) (calculated as the sum of rows 8 to 10)	83,786	63,007
Share of renewable energy sources in total energy consumption (%)	39.9	35.1*
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	210,009	179,716*

* To ensure compliance with ESRS requirements, the calculation of energy consumption was adjusted and net calorific values were used instead of gross calorific values. The figures for 2024 have been corrected accordingly. In the previous year, a figure of 188,839 MWh was reported for total energy consumption (MWh), which is 9,123 MWh higher than the figure reported here.

The following tables show the energy and CO₂e intensity in relation to the Group's total revenue. The sales revenues (€1,343.2 million) used to calculate the GHG intensity in € million can be found on page 156.

t CO ₂ e equivalents Scope 1 (Vossloh Group)	2025	2024
Coal consumption	674.8	0.0
Gas consumption	17,442.7	15,079.4*
Heating oil consumption	235.7	154.8
Fuel consumption	6,699.9	5,930.2
Scope 1	25,053.1	21,164.3*
Scope 1 CO ₂ e intensity (metric tons CO ₂ e/€ million)	18.7	17.5*

* The figures for 2024 have been adjusted. See the explanations on the calculation of GHG emissions on page 94.

t CO ₂ equivalents Scope 2 (Vossloh Group)	2025		2024	
	Market-based	Location-based	Market-based	Location-based
Electricity consumption	7,409.9	39,138.0	15,423.0	33,879.8
District heating consumption	1,531.6	2,007.2	1,379.5	1,676.2
Scope 2	8,941.6	41,145.2	16,802.5	35,556.0
Scope 2 CO ₂ e intensity (metric tons CO ₂ e/million €)	6.7	30.6	13.9	29.4

Since all of Vossloh's activities are part of the rail infrastructure sector, they also belong to the climate-intensive sector. The disclosed energy intensity and total energy consumption should therefore be understood as part of the climate-intensive sector.

Energy and CO ₂ equivalents Scope 1 and 2 (Vossloh Group)	2025	2024*
Energy intensity (MWh/€ mill.)	156.3	148.6
CO ₂ e intensity (metric tons CO ₂ e/€ mill.)	25.3	31.4

*The figures for 2024 have been adjusted. See the explanations on the calculation of GHG emissions on page 94 and energy consumption on page 96.

Greenhouse gas intensity of Scope 1, 2 and 3 (Vossloh Group)	2025	2024
Total GHG emissions (location-based) CO ₂ e intensity (metric tons CO ₂ e/€ million)	1,073.4	1,213.7*
Total GHG emissions (market-based) CO ₂ e intensity (metric tons CO ₂ e/€ million)	1,049.5	1,198.1*
Net sales revenues for calculating GHG intensity in € million	1,343.2	1,209.6

* The figures for 2024 have been adjusted. See the explanations on the calculation of GHG emissions on page 94.

Water

With regard to the topic of water, the materiality analysis of 2024 revealed

- the following material negative impact: Impairment of local water resources due to use* of fresh water for surface treatment, cooling processes and the production of concrete ties;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities is outlined in "Material sustainability matters at Vossloh" (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

Water is a precious commodity, and Vossloh generally aims to use this resource as efficiently as possible. As part of the double materiality analysis, the Company reviewed its assets and business activities with regard to their impact on water resources in 2024. Here, water usage data was analyzed and production processes evaluated. At the relevant sites, the Company is in regular contact with local authorities to discuss potential risks in water management. Vossloh strives to optimize its use of water in order to reduce negative impacts.

To this end, various measures had already been implemented at multiple Company locations for a number of years, including the optimization of water-related production steps, regular technical inspections to prevent water loss, and organizational instructions on conserving water. This approach was supported by the requirements of the ISO 14001 environmental management system, under which the majority of the

* In the "Water" section of the Group Sustainability Statement 2025, both the terminology and the reporting approach were clarified. In previous reports, total water withdrawal was previously reported as "Water consumption". Since the 2025 reporting year, reporting on water consumption has been based on the ESRS definition and only includes the volume of water that is brought into the Company during the reporting period and is neither discharged into water bodies nor passed on to third parties – such as water permanently locked in products. Due to the changeover to the correct ESRS definition, the figure reported for the Vossloh Group in the previous year was significantly higher than the actual consumption; the previous year's data was therefore adjusted retrospectively.

production companies are certified. However, the impact of these measures was not initially documented centrally. Starting in 2024, data on water was recorded in a uniform and systematic manner across the Group for the first time, extending beyond basic usage data. The development of a group-wide concept on this topic then began, which was reflected in the new group-wide guideline on climate change, water management, resource use and circular economy, which was adopted at the end of 2025 and have already been mentioned above (see page 97).

With regard to water management, the guideline stipulates that data collection and analysis on water use within the Group should be expanded, that the impacts of water use – including financial impacts – should be identified and systematically tracked, and that measures should be taken to reduce water consumption and pollution. In doing so, the Company prioritizes the development and implementation of measures to reduce water consumption in identified water stress or water risk areas.

The Company has no concepts or practices related to marine sustainability.

A more intensive focus on the topic of water use will lay the groundwork for systematically tracking the effectiveness of concepts and measures in terms of their significant impact on water in the future. The effectiveness of the measures taken is to be evaluated on the basis of the expanded data collection. The Company did not yet have defined targets in the reporting year.

At Vossloh factories, water is primarily used for product surface treatment, as a cooling agent in various production processes, and in the production of concrete ties. With the exception of the turnout plant in India and the concrete tie plant in Canada, which have natural springs, the production units obtain their water from the respective local public water suppliers. For this reason, the water used in the production units of the Fastening Systems business unit and the Customized Modules business unit in particular is reprocessed at the Company's own facilities and returned to the operating process. Some of the production units here work with closed water circuits. By contrast, the water used in the production of concrete ties in the Tie Technologies business unit remains largely locked in the products.

In the period up to 2024, none of the Vossloh Group's sites had collected rainwater to any significant extent and reused it in core processes. Vossloh is using this option on a large scale for the first time at its new Switch Systems location in Bendigo, Australia, which opened in April 2025. The Company is drawing industrial water from rainwater reservoirs in accordance with the latest findings. Vossloh disposes of wastewater at all sites via the respective public wastewater systems. Heavily contaminated industrial water is first treated at the Company's wastewater treatment plants to ensure it meets public system discharge standards. In this context, Vossloh's sites comply with all statutory requirements in the respective countries.

The following table shows the water consumption determined for the Vossloh Group. Since no water meters are installed to record consumption for individual process steps, consumption figures for relevant locations were estimated. This primarily concerns the sites in the concrete tie business, where water is permanently locked in the products, especially during the production process.

The estimates of water consumption are based on the recorded water withdrawal volumes, 98.7 % of which were determined by meters, as well as on industry standards, published technical literature and generally accepted technical principles.

Vossloh Group	2025	2024 ¹
Water consumption (m ³)	37,828	21,778
Water intensity (m ³ /€ million)	28.2	18.0

¹The figures of 156,108 m³ and 129.2 m³/€ million reported in the previous year did not represent water consumption or water intensity as defined by the ESRS, rather total water withdrawal, and have therefore been corrected in the current presentation. The change compared to the figures reported in the previous year amounts to –134,330 m³ or –111.2 m³/€ million.

The following table provides further details on group-wide water consumption in the 2025 fiscal year:

Water consumption (m ³)	2025	2024 ¹
In areas with little or no water stress	10,857	5,893
In areas with high or very high water stress	26,970	15,885
Consumption of treated and reused water	0	0

¹ Previous year's figures have been adjusted due to the application of the ESRS definition of water consumption compared to last year's reporting.

Water consumption in the 2025 fiscal year was estimated in all production units on the basis of the recorded water withdrawal volumes. Both the turnout plant in India and the concrete tie plant in Canada have their own natural sources. Their use has been approved by the local authorities, which also supervise the specified withdrawal quantities. For office complexes, the Vossloh units only pay flat-rate advance payments to the landlords for their low consumption. This consumption corresponded to 1.3 % of the group-wide volume of water used, whereby assumptions were made regarding statistical consumption values per workforce member in accordance with the specifications of EurEau, the association that represents national drinking and waste water service providers in Europe.

As part of the preparation of its 2024 sustainability statement in accordance with the ESRS, Vossloh examined which of its global locations are situated in areas with high water stress for the first time. These are regions where the percentage of water withdrawal relative to the total water supply is high (40 % to 80 %) or extremely high (over 80 %), as indicated in the Aqueduct Water Risk Atlas of the World Resources Institute (WRI). This analysis was continued for the 2025 reporting year and extended to the sites of the Sateba Group acquired in 2025 as part of the application of the Aqueduct methodology. According to Aqueduct, 40 % of Vossloh's sites are currently located in areas with high water stress. As already mentioned, the new guideline on climate change, water management, resource use and circular economy pays particular attention to water use in these areas. Based on the guideline, Vossloh will develop measures in this area.

Resource outflows related to products and services

The 2024 materiality analysis of resource outflows in connection with products and services revealed

- the following material negative impact: Environmental impact due to the use of insufficiently sustainable materials and inadequate recycling of concrete ties;
- the following material positive impacts: Development of durable products for rail infrastructure that contribute to the reduction of waste and resource consumption;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to determine material impacts, risks and opportunities is described in “Material sustainability matters at Vossloh” (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review. As part of the double materiality analysis, the Company reviewed its assets and business operations with regard to resource use and circular economy in 2024. In this context, material flows were analyzed and production processes evaluated. At the relevant sites, the Company is in regular contact with local authorities to discuss, for example, potential impacts on regional resource availability, local waste management capacities and possible synergies in the circular economy. The Company aims to optimize its use of materials and increase recycling rates. Vossloh’s significant products, such as rail fastening and turnout systems or concrete ties, generally have a long service life (ESRS 2 SBM-1, 40 a) i and ii, see pages 26, 28 and 29 for a description of the significant products). This is also generally characteristic of the rail infrastructure sector as a whole. Once installed, Vossloh systems remain in the track for years or decades and are largely maintenance-free during their service life, especially in the case of rail fastening systems and concrete ties. At the end of their service life, the products are also almost completely recyclable. Depending on the load and maintenance, turnouts and turnout crossings, for example, can be in use for 30 years, rail fastening systems for around 40 years. A service life of 40 to 50 years can be assumed for concrete and composite ties. Vossloh’s services, such as rail grinding and milling or monitoring services, help to ensure that existing rail infrastructure can be used for longer while simultaneously increasing track availability.

However, raw materials are needed to manufacture the products, such as steel and plastic for rail fastenings and turnouts or concrete for ties. Grinding wheels are used for rail maintenance. The materiality analysis identified negative environmental impacts caused by the use of insufficiently sustainable materials and the inadequate recycling of concrete ties in particular. The development of durable products for rail infrastructure that contributes to the reduction of waste and resource consumption was rated positively. Vossloh’s products currently consist of over 97 % recyclable materials. For future product lines, this feature is an integral part of the development requirements right from the start in line with the EcoDesign guideline.

Vossloh’s Executive Board bears overall responsibility for the careful use of natural resources of all kinds within the Company. This is a key aspect of the sustainability strategy pursued by the Executive Board. As part of this strategy, Vossloh has implemented a group-wide sustainability initiative. The contents of the initiative described in this section are congruent with the Group’s EcoDesign guideline. The guideline and the initiative form the framework for measures to reduce the use of primary raw materials by optimizing product design and increasing the proportion of recycled materials in the Company’s products. At the same time, Vossloh is working on further increasing the reusability of resources. This includes an increased focus on recycling, supported by the expansion and further development of offerings for recycled components and products. Although the Company has not yet defined specific, measurable targets for this goal, the determination of uniform group-wide data was significantly expanded in 2024 as part of the first-time application of the ESRS in this area, with the result that it became possible to determine the current situation. This was incorporated into the development of the new group-wide guideline on climate change, water management, resource use and circular economy, which was adopted in 2025 (see page 97).

The guideline will also apply to the Sateba Group, which was acquired on October 1, 2025. It had not yet defined any specific company-wide targets for the areas of waste and resource outflows in connection with products and sales revenues from the provision of services. However, various sites have started to integrate recycling into their processes and use used materials in order to reduce the consumption of raw materials on the one hand and the amount of waste on the other. One of the Group’s companies specializes in the reconditioning and reuse of track components.

With regard to resource use and circular economy, the guideline firstly provides for the collection and analysis of data on waste of all kinds and material cycles to be expanded and refined at all relevant Group sites. Based on this information, more materials can be reused, waste volumes can be reduced and any remaining waste can be separated more cleanly and disposed of in a targeted manner. Secondly, concepts and measures are to be developed – again in close cooperation with suppliers and customers – that further

increase the durability, recyclability, and actual reuse of Vossloh products, reduce the proportion of non-recyclable materials in production, and, wherever technically and economically feasible, avoid the use of hazardous substances. This will provide Vossloh with a basis for systematically tracking the effectiveness of the concepts and measures with regard to the material impact in the area of resource outflows in the future. The effectiveness of the measures taken is evaluated on the basis of the expanded data collection. Measurable targets and a reference period have not yet been defined.

For economic reasons alone, all Vossloh units strive to use resources as sparingly as possible. Material consumption and disposal volumes are recorded and monitored in the individual units. The documentation was standardized across the Group in 2024. Where technically possible and sensible, closed cycles and reprocessing plants reduce the consumption of valuable new raw materials to a minimum. Sustainability criteria have been incorporated into the development and design of new products and services for years. Since 2021, a group-wide innovation guideline (Innovation Playbook) has been in use, which harmonizes all innovation processes across business units and aligns the existing approaches and criteria for the sustainable design of products and services in the business units and links them to concrete recommendations for action. In particular, the sustainability aspects of low energy consumption (and therefore lower CO₂e emissions) or the non-use of problematic raw materials (see "Sustainable supply chains and operations" on pages 125 et seqq.) are of key importance. The entire life cycle of a product, including recycling and/or disposal, is also considered from the outset. The same applies to the long-term impact of a service in the form of life cycle assessments in accordance with international standards such as ISO 14040, ISO 14044 or ISO 14067.

In all three divisions, Vossloh is conducting life cycle assessments (LCAs) for an increasing number of products and services, in accordance with a cradle-to-grave approach. The findings are integrated into the innovation and development processes of products and services as EcoDesign principles to minimize environmental impact. Since December 2023, a group-wide guideline for the ecological design of products and services has supplemented the innovation guideline. When drawing up the EcoDesign guideline, the interests of the key stakeholders, in particular customers and suppliers, were taken into account through regular dialog. The guideline is accessible to all employees via the intranet in order to support implementation in all relevant areas of the Company. The guideline focuses on the design and construction phase, as these have the greatest influence on the ecological footprint of a product. The life cycle analyses carried out since then have shown that the following ecological design principles have the greatest impact on the ecological footprint of Vossloh's portfolio: The use of renewable and/or recycled materials, efficient use of materials, energy efficiency and efficient logistics/packaging. The development departments therefore pay particular attention to these four principles. Given the product strategies of Vossloh's divisions, it can be expected that these four principles will be confirmed by additional life cycle assessments (LCAs). The views of customers and suppliers and their requirements with regard to sustainability aspects are also incorporated into the development process at an early stage in order to achieve a high product-market fit. Through the Fit 4 Future initiative and the Sustainability Awards, Vossloh employees' ideas and suggestions on sustainability are also systematically incorporated into research and development.

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

Vossloh regards Engineered Polymer Pads (EPP) as another key sustainable product. This is a new type of sleeper pad for heavily used tracks in the ballast bed. As an elastic layer between the concrete tie and superstructure, it enables a more even distribution of force and load on the ballast and improves track stability, which means that the ballast wears less quickly. The pads are made almost exclusively from recycled and recyclable plastics.

Green electricity from solar energy is used for production in an extrusion process. At the end of their service life, the pads can be separated from the threshold again and completely recycled.

Waste

With regard to waste, the 2024 materiality analysis revealed

- as a material negative impact: increased waste intensity for products due to the unavoidable generation of residual waste in the production process;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in the section entitled "Material sustainability matters at Vossloh" (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

The fact that there are waste-intensive processes in certain areas of Vossloh's production, such as the milling of cast blocks or the grinding and milling of rails, was assessed negatively in the materiality analysis. For years, the Company has been using recycling to keep the amount of waste that ultimately has to be disposed of or sent to landfill as low as possible. These volumes are steadily decreasing thanks to economically viable recycling programs and processes, particularly at production sites.

As part of the preparation of the sustainability statement, systematic data collection was carried out across the entire Group for the first time in 2024. The results were also incorporated into the development of the new group-wide guideline on climate change, water management, resource use, and circular economy, which was drafted and adopted in 2025. The planned measures with regard to waste have already been described in "Resource outflows in connection with products and sales revenues from rendering services" (see pages 99 et seqq.). Although Vossloh has not yet defined specific, measurable targets in this area, the group-wide approach should enable Vossloh to develop targets for more sustainable handling of residual and waste materials in the future and, for example, to measure the recycling rates achieved against comparable targets. At the same time, the expanded data collection will create a basis for evaluating and systematically tracking the effectiveness of concepts and measures in terms of their material impact in the area of waste. A reference period has not yet been defined.

Steel scrap and plastic, the main types of waste from production, are recycled at all Vossloh sites. At several sites, Vossloh Fastening Systems is using reusable transport containers. Customized Modules processes the packaging material from the delivered raw materials in France and uses used turnout base plates into the manufacture of new products. Downcycling, i.e. the reprocessing of materials without preserving their original quality, is another way to extend the lifecycle of a material. At Vossloh Rail Services, for example, residues from grinding wheels that cannot be reprocessed are used as an additive in slag production. This creates new raw materials that can be used for a wide range of applications. Production processes or the approach to services are usually redesigned for such solutions.

Vossloh's production units use separate, safe disposal routes for each type of waste. The selected disposal companies are regularly audited. Vossloh has been recording the quantities and types of waste across the Group using standardized criteria since 2024. The quantities incurred for processing and disposal were documented and verified by invoices from the respective disposal companies and recycling partners. If individual invoices from waste disposal companies are still outstanding, provisions are recognized that were evaluated on the basis of previous reporting periods. Here, the total amount of waste generated is divided into hazardous substances and non-hazardous waste, subsumed into waste that can be reused (recycling and treatment) and waste that must be landfilled or sent for thermal utilization.

The following table shows the quantities of waste determined within the Group:

	2025		2024	
	Hazardous waste (in t)	Non-hazardous waste (in t)	Hazardous waste (in t)	Non-hazardous waste (in t)
Total amount of waste for recycling				
Preparation for reuse	1	0	0	1,266
Recycling	2,557	20,306	2,348	9,035
Other recovery operations	0	0	1,035	12,700
Total	22,863	20,306	26,384	23,001
Total amount of waste for disposal				
Combustion	298	2,003	107	947
Landfill	1,483	16,968	223	9,471
Other disposal	0		476	30
Total	20,753	18,971	11,255	10,448
Total waste volume				
Total	4,340	39,277	4,190	33,449

Vossloh's foundries in the Customized Modules division use X-ray methods in quality control to check turnout crossings for defects before they leave the factory. This process, which is subject to strict local regulatory requirements, generates small quantities of radioactive waste, totaling 0.88 metric tons (2024: 0.55 metric tons). This waste is disposed of in full in accordance with the applicable legal requirements, ensuring a high level of control and safety.

EU taxonomy and its implementation at Vossloh

As part of the European Green Deal climate action initiative, the EU Commission aims to achieve the transition to a modern, resource-efficient and competitive economy and climate neutrality by 2050. A central component of this is the EU Taxonomy Regulation, a classification system for defining environmentally sustainable economic activities. The Regulation – which went into effect July 12, 2020 – defines six environmental targets:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

According to the EU Taxonomy Regulation, economic activities are environmentally sustainable if they

- make a substantial contribution to achieving one or more of the six environmental targets listed (Substantial Contribution),
- do no significant harm (DNSH) to the achievement of the five other EU environmental targets, and
- comply with minimum requirements for occupational safety and human rights (minimum safeguards).

The regulations differentiate between taxonomy-eligible and taxonomy-aligned activities. If activities can be assigned to the taxonomy criteria, they are taxonomy-eligible, regardless of whether the technical screening criteria are met. Activities are taxonomy-aligned if the taxonomy-eligible activities also meet the criteria.

Pursuant to the EU Taxonomy Regulation, Vossloh reports below on the share of sales revenues, capital expenditure (CapEx) and operating expenses (OpEx) of taxonomy-eligible and taxonomy-non-eligible economic activities.

Reporting for the 2025 fiscal year is carried out in accordance with the Taxonomy Regulation in the version dated June 18, 2020, the technical screening criteria of the delegated act on the Taxonomy Regulation of June 4, 2021 for environmental targets 1 (climate change mitigation) and 2 (climate change adaptation) and the delegated act of June 27, 2023. The latter adds further sectors and economic activities to the taxonomy that contribute significantly to environmental targets 3 (the sustainable use and protection of water and marine resources), 4 (the transition to a circular economy), 5 (pollution prevention and control) and 6 (the protection and restoration of biodiversity and ecosystems). When analyzing the activities, Vossloh focused primarily on their material contribution to the environmental goal of “climate change mitigation”. No activities were identified that have a significant impact on environmental targets 2 to 6.

Multi-stage audit of Vossloh's business activities

The analysis of all activities of the Core Components, Customized Modules and Lifecycle Solutions divisions revealed that all of Vossloh's business activities can be assigned to category "6.14 Rail infrastructure" of the Delegated Regulation. Pursuant to the Regulation, this category includes the construction, modernization, operation and maintenance of railways as well as the manufacture and installation of track material.

For economic activities to be classified as environmentally sustainable, they must meet the technical screening criteria for being taxonomy-aligned. The taxonomy-eligible activities were analyzed and the shares of taxonomy-aligned sales revenues, CapEx and OpEx were determined as follows:

- Substantial contribution: Compliance with the technical screening criteria was checked individually for the activities of each business unit.
- Do no significant harm (DNSH): The DNSH criteria mainly relate to compliance with legal requirements and, in the case of the "transition to a circular economy" target, to fundamental aspects of business activity. Against this background, an assessment of DNSH conformity at business unit level was regularly adequate.
- Minimum safeguards: A group-wide approach to ensuring compliance with the minimum safeguards was implemented here, which enables these requirements to be tracked properly and seamlessly.

Vossloh's business activities are generally considered to make a substantial contribution to climate change mitigation if they meet the technical screening criteria set out in the "Rail transport infrastructure" category. According to the regulation, Vossloh's activities are only considered to make a substantial contribution to climate change mitigation if they are carried out on electrified rail lines or on lines for which there is a plan for electrification, even if the electrification of the rail infrastructure is not within Vossloh's sphere of influence. This does not include rail lines that are only intended for the transportation of fossil fuels.

Next, the activities classified as climate change mitigation had to be assessed to determine whether they had a significant negative impact on one or more of the above-mentioned environmental targets (DNSH criteria). With regard to the DNSH criteria for the EU "climate change adaptation" target, there is no evidence that Vossloh's economic activities have an adverse effect on climate change adaptation.

The criteria for the EU environmental goal "the sustainable use and protection of water and marine resources" essentially refer to legal and official requirements that Vossloh is obligated to comply with. Many of Vossloh's business activities do not use water as a resource at all, for example, the milling of rails and turnouts, welding services, logistics activities or assembly work. Otherwise, the resource is used in Vossloh's factories primarily for the surface treatment of products, as a coolant in manufacturing processes and for the production of concrete ties. Contaminated wastewater is treated in the Company's own wastewater treatment plants so that it at least meets the discharge standards of the public water supply (see also the explanations on pages 97 et seqq.).

With regard to the environmental target of "The transition to a circular economy", Vossloh products meet the requirements for durability and longevity because most components are designed for a very long service life and are recyclable and recoverable at the end of their useful life. In addition, the service portfolio of the Lifecycle Solutions division contributes to extending the service life of rails and turnouts.

Vossloh also meets the requirements relating to the EU environmental goal of “pollution prevention and control”. A large number of Vossloh products and services contribute to the reduction of noise and vibrations on the track (see also the “Noise reduction on tracks” section in “Research and development” on page 49 et seqq.).

With regard to the EU environmental target of the protection and restoration of biodiversity and ecosystems: Environmental impact assessments (EIA) and similar assessments are carried out by Vossloh if required. Vossloh is generally not subject to the EIA obligation when manufacturing products. Finally, by boosting track availability and enabling greater traffic through this land use, Vossloh is helping to minimize the land required for the construction of rail infrastructure, thereby contributing to the preservation of biodiversity.

Information on compliance with the minimum requirements regarding occupational safety and human rights can be found on pages 109 et seq., 111 et seqq., 119 and 127 et seq. of this report.

Taxonomy-eligible and -aligned sales revenues, CapEx and OpEx

Based on this approach and the above assumptions and estimates, the Vossloh Group’s taxonomy-eligible and taxonomy-aligned sales revenues, CapEx and OpEx are as follows:

	2025			2024		
	Absolute (in € mill.)	Taxonomy-eligible (in € million/in %)	Taxonomy-aligned (in € million/in %)	Total (in € million)	Taxonomy-eligible (in € million/in %)	Taxonomy-aligned (in € million/in %)
Sales revenues	1,343.2	1,343.2/100	931.2/69	1,209.6	1,209.6/100	807.5/67
CapEx	345.4	298.7/86	218.2/63	93.6	64.8/69	43.5/47
OpEx	83.3	78.5/94	55.1/66	74.0	70.9/95	48.2/65

Sales revenues from taxonomy-aligned business activities exceeded the previous year’s figure by 15.3 %. The increase is primarily attributable to the Tie Technologies and Fastening Systems business units. The proportion of taxonomy-aligned sales revenues increased by 2 percentage points.

Capital expenditure (CapEx) for taxonomy-aligned activities was 401.6 % higher than in the previous year. The increase is primarily attributable to the Tie Technologies business unit in connection with the acquisition of the Sateba Group. The proportion of taxonomy-aligned capital expenditure rose by 16 percentage points to 63 %.

Operating expenses (OpEx) for taxonomy-aligned activities increased by 14.3 %. The increase is due in particular to higher maintenance and repair expenses. The proportion of taxonomy-aligned operating expenses rose by one percentage point to 66 %.

Further information on sales revenues, CapEx and OpEx

Sales revenues are defined as net sales revenues in accordance with IFRS, as reported in the statement of profit or loss, and therefore only relate to fully consolidated subsidiaries. The share of environmentally sustainable sales revenues is calculated by dividing the taxonomy-aligned net sales revenues by the total Group sales revenues. Further information on sales revenues can be found on page 167 of the Annual Report.

Composition of the sales revenues numerator (taxonomy-aligned sales revenues)

€ mill.	2025	2024
Sales revenues from contracts with customers	931.2	807.5
Total	931.2	807.5

Capital expenditure (CapEx) comprises investments in non-current intangible or tangible assets, including goods acquired as part of asset or share deals, as shown in the Consolidated Statement of Financial Position. Capital expenditure is calculated on a gross basis, i.e. without taking into account scheduled or unscheduled depreciation/amortization. Further information on CapEx can be found on pages 177 et seqq. of the Annual Report.

The numerator used to determine the taxonomy-aligned CapEx is calculated as follows:

Breakdown of the CapEx numerator

€ mill.	2025	2024
Additions to property, plant and equipment	31.4	29.6
Additions to intangible assets	1.8	2.3
Additions to investment property	0.0	0.0
Additions to rights of use	6.5	6.6
Additions to assets acquired in business combinations	178.5	5.0
Total	218.2	43.5

Operating expenses (OpEx) take into account non-capitalizable expenses recognized in the statement of profit or loss such as research and development, building renovation measures, short-term leasing, maintenance and repair and all other direct expenses from the maintenance of property, plant and equipment to ensure that the taxonomy-eligible assets are ready for operation.

The numerator used to determine the taxonomy-aligned OpEx is calculated as follows:

Breakdown of the OpEx numerator

€ mill.	2025	2024
Research and development	11.8	9.5
Maintenance and repair expenses	39.5	35.1
Lease expenses	2.7	2.5
Training expenses	1.1	1.1
Total	55.1	48.2

The reporting forms for the EU taxonomy can be found in the section "EU taxonomy indicators pursuant to Annex II to the Commission Delegated Regulation" (p. 144 et seqq.).

Social

Safe and sustainable mobility

In the area of "Safe and sustainable mobility", Vossloh identified one topic as relevant as part of the double materiality analysis:

- Personal safety of consumers and/or end users

The validation of the double materiality analysis in 2025 led to a reassessment in this area. Following a re-evaluation with the internal stakeholder representatives, the topics of "Track availability and efficiency in rail transport" and "Noise reduction on tracks" were no longer rated as material. The reasons for this and further information on the identification of material sustainability issues can be found on p. 75.

This leaves only the topic of "Personal safety of consumers and/or end users" for the area of "Safe and sustainable mobility". The material impacts, risks and opportunities are presented in more detail below. Vossloh has not defined any Group-wide sustainability targets for this topic.

Personal safety of consumers and/or end users

With regard to the personal safety of consumers and/or end users, the 2024 materiality analysis revealed

- the following material negative impacts: Inadequate health and safety standards for products or services could endanger the health of users;
- the following material risk: The risk of quality problems or customer complaints could damage trust in the brand and lead to negative legal and financial consequences;
- as a material opportunity: The improvement and development of high-quality products offer the opportunity to achieve a higher willingness to pay for products with better quality.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in Material sustainability matters at Vossloh (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

The Company has decided not to set specific targets in the area of personal safety for consumers and end users. This decision is based on the fact that personal safety is already safeguarded by comprehensive measures, the consistent implementation and effectiveness of which are the responsibility of the Chief Operating Officer (COO) on the Executive Board. This includes strict internal quality controls, compliance with national and international safety standards and continuous improvement processes. The interests, viewpoints and rights of customers, including respect for their human rights, are a central component of the corporate strategy and business model. The Company ensures that the reliability of its products and services has the highest priority and is guaranteed in all phases of the product life cycle – from development to production and use. In addition, feedback from direct customers is collected and integrated into the further development of products and services. As these aspects are firmly anchored in the operational processes, the Company currently sees no added value in defining separate targets for this area.

The material impacts, risks and opportunities of Vossloh's business operations and its value chain affect a large part of the overall population and cannot be reduced to specific groups of people or specific age groups. Given its long history, Vossloh has always been aware that people who use local and long-distance passenger transport can be affected by negative impacts in the same way as residents living near passenger and freight rail lines, even if Vossloh's products themselves are not harmful to the people affected. Below is a description of how Vossloh counteracts potential safety and health hazards in rail transportation with its products and services.

Vossloh's customers are predominantly public, but also private operators of railroad lines. Vossloh provides these customers with comprehensive and precise product and service-related information, including manuals and technical documentation. This ensures proper use and avoids potentially harmful use of Vossloh products.

The Company is only in indirect contact with end users. Vossloh therefore has no influence on the privacy, protection of personal data, freedom of expression or non-discrimination of end users. Therefore, no direct impacts on end users were identified in this context. Consequently, there is no concept to protect individuals from retaliation if they use rail-based transport systems. Similarly, there are no direct customers of the Company who would be particularly vulnerable to health or privacy impacts or to marketing and sales strategies, such as children or financially vulnerable people.

Vossloh uses financial and human resources to manage the aspects relevant to this topic and integrates them into established governance, compliance, and management structures. These include, in particular, the existing quality, environmental, and safety management processes, under which the majority of production companies are certified.

The Company aims to make the greatest possible contribution to safe rail transportation. It bears great responsibility for the quality of its products and services, as rail infrastructure is highly relevant to safety. The materiality analysis revealed that the main negative and potential impact of Vossloh's activities in this area is that the Company's products or services could endanger the health and safety of people. Accordingly, Vossloh's main risk is that quality problems or customer complaints could damage confidence in the brand and lead to negative legal and financial consequences. The Company counters this risk with a strong focus on quality and safety at all sites.

In order to prevent, minimize or eliminate potential negative impacts, Vossloh's products and services are subject to detailed technical specifications and standards that must be complied with. All of the Company's main production sites have a quality management system in accordance with ISO 9001 or a comparable national standard such as the U.S. AAR M1003, which is subject to regular audits by recognized testing organizations. The effectiveness of this action is measured by the proportion of Vossloh's workforce who are employed by a unit certified in this way and by the proportion of operating companies with corresponding certification. In addition, Vossloh reviews effectiveness by systematically evaluating audit findings, quality indicators, and complaint rates. As at the reporting date of December 31, 2025, 93 % (previous year: 92 %) of Vossloh's workforce worked for a unit certified in this way. The proportion of operating companies with corresponding certification was 91 % (previous year: 91 %). If newly acquired units do not hold equivalent certifications, they are brought into compliance with these standards as quickly as possible. Compliance with the certification is the responsibility of the operating units. There are currently no additional measures or initiatives that primarily serve to make a positive contribution to better social outcomes for consumers or end users.

Vossloh uses structured risk management and continuous monitoring processes to identify suitable measures to reduce potential negative impacts. This includes regular risk analyses, the systematic recording and evaluation of quality and safety indicators and close communication with customers and operators (also see the information on the CRM tool on the following page). These procedures also serve to determine which measures are appropriate to respond to potential or actual negative impacts. To protect the health and safety of end users, Vossloh adheres to the highest safety standards in product design, which are also subject to strict certification and approval procedures. The underlying action plan consists in particular of the consistent application of these technical standards, mandatory approval procedures and the ongoing assessment and monitoring of the safety of the products in use.

The issue of ensuring effective mitigation measures does not arise for Vossloh because the Company is subject to comprehensive certified quality and safety standards, the compliance with which is monitored regularly. The relevant procedures and processes are an integral part of certification in accordance with international standards. These standards require that measures to identify, assess and eliminate material negative impacts are in place and effective, and are reviewed on an ongoing basis.

Respect for human rights is an integral part of Vossloh's corporate policy and culture (ESRS G1, see also pages 130 et seqq.). This also includes the human rights of indirect end customers. Although the Company primarily works with railroad line operators as direct customers, its safety-related products and services make a significant contribution to the safe and reliable use of rail infrastructure. In this respect, the Company attaches particular importance to the right to health and safety. By developing, producing and supplying high-quality and safety-relevant rail infrastructure products, Vossloh ensures that rail infrastructure meets the highest safety standards. This helps to minimize the risk of accidents or disruption for passengers, railroad staff and other parties involved. End users are involved indirectly through a close exchange with customers. Vossloh's aforementioned quality assurance mechanisms for identifying potential negative impacts at an early stage and taking appropriate measures therefore also relate to human rights.

The concepts for reducing the potentially negative impacts or strengthening the positive impacts in the area of personal safety of consumers or end users are not explicitly based on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. No cases of non-compliance with the aforementioned international guiding principles in the downstream value chain affecting consumers or end users were reported to Vossloh during the reporting period.

In order to minimize any potential adverse impacts on the safety of its products and services, Vossloh also attaches great importance to the careful selection of its suppliers. All partners that Vossloh works with are assessed at various intervals by the individual operating units on the basis of defined criteria, particularly in terms of the quality of the goods or services supplied. Only partners with a positive assessment are approved as suppliers; orders are only awarded to approved suppliers. Vossloh suppliers must generally be able to guarantee at all times that their goods and services meet the applicable regulatory and statutory requirements.

The products and services generally undergo thorough testing that often takes many years before they are applied to the tracks. This is performed on the Company's own test benches and in its own testing laboratories, with test usage by the customers and as part of the complex approval process of certified testing organizations. All of Vossloh's business units are equipped with research and development departments staffed by specialized professionals; see "Research and development".

The business relationships between Vossloh and its customers sometimes last for decades and in some cases also include joint research and development projects. A central element of this cooperation is the structured feedback that Vossloh actively obtains from its customers. The rail infrastructure operators are in direct contact with rail users and end users and incorporate their praise and criticism into their feedback to Vossloh (see description of Vossloh's dialog with its most important stakeholders, page 73 et seq.). The Vossloh units therefore attach great importance to structured customer feedback – also in order to learn from any mistakes. This was achieved by setting up a customer satisfaction system as a tool for the standardized customer relationship management (CRM) software rolled out across the Group (excluding Sateba). The aim is to ensure that the reports submitted and received can be tracked and monitored systematically. To this end, the feedback collected is to be evaluated on a regular basis. The customer satisfaction system also makes it possible to analyze recurring anomalies via special dashboards so that targeted measures can be taken and their impacts tracked.

Once installation is complete in 2026, it will be used in all business units. However, there is currently no formal procedure for assessing the effectiveness of mitigation measures. To ensure that customers are aware of and trust the existing feedback mechanisms, Vossloh will focus on active, transparent communications and targeted information measures.

Vossloh does not consider it necessary to establish specific guidelines to protect customers from consequences. Anonymization of the surveys, for example, is not meaningful. Nevertheless, all customer feedback is treated as confidential.

The high-quality design of the products is the result of the consistent pursuit of quality. This is supported by the guidelines for the ecological design of products and services already described in the topic of resource outflows related to products and services (ESRS E5-5, page 99 et seq.) and the EcoDesign principles for the development of products derived therefrom. The improvement and development of high-quality products offer the Company the opportunity identified in the materiality analysis to achieve a higher willingness to pay for products with better quality.

Working conditions (own workforce)

In the area of "Working conditions (own workforce)", Vossloh identified three relevant topics in the 2024 double materiality analysis, which were confirmed in the 2025 review:

- Occupational health and safety
- Personnel strategy and personnel management

Equal treatment and equal opportunities for all (own workforce)

The material impacts, risks and opportunities are presented in more detail below. The Group-wide sustainability target defined for this area since 2021 is:

- Reduction in the frequency and severity of accidents at work

Occupational health and safety

With regard to occupational health and safety, the 2024 materiality analysis revealed

- as material negative impacts:
 - a) work-related injuries and illnesses despite preventive measures by Vossloh can lead to impairment of the workforce;
 - b) significant severity of work-related injuries and illnesses in production facilities that have a long-term impact on the health and quality of life of the workforce;
 - c) inadequate workplace safety, which increases the risk of accidents and damage to the health of the workforce;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in Material sustainability matters at Vossloh (page 74 et seq.).

The impacts, risks and opportunities identified were confirmed in the 2025 review. The Vossloh Group includes all persons present on its premises in its disclosure pursuant to ESRS 2. These include, firstly, the Company's own workforce, consisting of employees and external staff (for more information, see "Personnel strategy and personnel management", p. 112), and secondly, employees of service providers who carry out work on the Company premises. The impacts relate primarily to individual incidents, such as accidents at work, and not to widespread or systemic problems.

Alongside its duty of care, occupational health and safety is a high priority at Vossloh. It should be noted that employees in administrative roles (e.g. office workers) are exposed to different risks than employees in operational or manual roles (e.g. production or field staff). While office workers are more likely to be affected by psychological burdens such as stress, production and field staff are more exposed to physical risks such as injuries or work-related illnesses. Vossloh has developed a sound understanding of these risks by introducing two processes that help to identify measures to eliminate or mitigate actual or potential negative impacts on its own workforce.

The first process is risk assessment for occupational safety. It aims to systematically identify hazards in the workplace, assess and classify the related risks and take measures to prevent or limit harm. This is done in accordance with the generally accepted hierarchy of controls. Since the Group's business units focus on very different core activities in various markets within the railway industry, the approaches and requirements for risk assessment have varied in the past. In 2025, the Company began standardization based on best practice examples. It will result in a Group-wide guideline with standardized requirements that is to be implemented in all Vossloh companies by the end of 2026.

The second process, which complements the risk assessment, is the ad hoc reporting of unsafe conditions using the Company's own SAFE+ application (see also page 116).

To prevent the potential negative impact of Vossloh's operations on its own workforce, the Company complies with the part of the ISO 45001 standard that requires organizations to assess occupational health and safety risks associated with new or changed hazards before corrective action has to be taken. This proactive assessment helps to prevent potential risks when implementing corrective measures. This principle also applies to corrective measures for investigations into incidents within the Group. The Company has developed a sound understanding of these risks through regular employee surveys, risk assessments and exchanges with works councils and safety officers.

In particular, Vossloh has found that employees engaged in high-risk tasks such as track work, material handling and the use of hand tools are more susceptible to work-related injuries and illnesses. In addition, workforce employees who have been with the Company for less than three months are more prone to accidents due to a lack of risk awareness and experience. These findings flow directly into targeted protection and support measures as well as safety training and further education measures to ensure the safety and well-being of all employees.

The corporate guideline on occupational health and safety sets out Vossloh's commitment to continuous improvement in this area, the Company's zero-accident target, the guiding principles and other binding requirements. The guideline has not yet been implemented in the Sateba Group due to the late completion of its acquisition. The entire Executive Board discusses current developments in occupational health and safety, particularly with regard to reducing workplace accidents, at quarterly management meetings with the heads of the business units and selected heads of Vossloh AG's central departments. In the interests of a structured and sustainable management system for occupational health and safety, the Company aims to have as many areas as possible certified in accordance with the internationally recognized ISO 45001 standard, which has replaced the previously more common OHSAS 18001 standard (Occupational Health and Safety Assessment Series). The proportion of operating companies with corresponding certification at the end of 2025 was 65 % (previous year: 76 %). These units employed 82 % (previous year: 84 %) of Vossloh's workforce. The slight decline is due to the companies acquired during the course of the year that do not yet have the relevant certification. Vossloh's fundamental aim is to certify new units that join the Group to ISO 45001 as quickly as possible.

The introduction of an ISO 45001 management system and its certification provide the Company with suitable tools and measures to integrate occupational health and safety into its processes. The prescribed audits by independent external auditors ensure that the legal obligations and requirements are being complied with. For the managers of the operating units, attainment of the defined occupational safety performance indicators is an integral part of their pay-related target agreements. Since 2021, an occupational health and safety training module has been available to all workforce members (excluding Sateba) via the Vossloh Online Academy (VOA).

There has been a permanent Group-wide occupational safety committee within Vossloh since 2012 in the form of the Work Safety Committee (WSC). In recent years, the WSC and Company management have worked closely together with the Group Works Council to take important steps to improve and harmonize occupational health and safety conditions in the various divisions. One example is the uniform occupational health and safety policy, which is binding for all Vossloh companies worldwide. Among other things, the Vossloh Health & Safety Policy contains the vision of the zero-accident strategy, which has been one of the Group's sustainability goals since 2021. The WSC is managed by the Head of Corporate Sustainability. It is regularly informed on the status of occupational safety and health protection and is involved in the development of measures for improvement. The WSC has also developed and introduced the Group's own SAFE+ app to report safety risks and to prevent accidents. It is in use at numerous Vossloh sites and was recognized as an outstanding initiative by the German Administrative Professional Association (Deutsche Verwaltungs-Berufsgenossenschaft, VBG) in 2022.

The Group-wide sustainability initiative in the area of occupational health and safety aims to sustainably reduce the frequency and severity of workplace accidents resulting in injury-related absence from work. The target definition was adjusted in the reporting year. Whereas the previous target was a percentage reduction in the frequency and severity of accidents at work each year, since 2025 the target has been derived on the basis of a moving reference value calculated from the average actual performance over the past two years and nine months. The adjustment was made in connection with the further development of the remuneration system for the Executive Board. The target is part of the variable remuneration of the Executive Board and provides for a more realistic and performance-related management of target achievement. Relevant indicators for measuring target achievement are the internationally used indicators Lost Time Accidents (LTA), Lost Time Accident Frequency Rate (LTAFR), and Lost Time Accident Severity Rate (LTASR). The underlying indicators and their calculation methods remained unchanged. Therefore, it is not necessary to adjust comparative figures from previous reporting periods.

Based on the adjusted target definition, a target value of 13.9 was set for the LTAFR indicator for fiscal year 2025. The value achieved in the reporting year was 12.3. The target value for the LTASR indicator was 2.20; the corresponding value in fiscal year 2025 was 2.54. When setting the target values and determining target achievement, the indicators for the Sateba Group, which has been consolidated since October 1, were not taken into account.

The Sateba Group had a Group-wide guideline on occupational health and safety. The general aim of this was to make the working environment as safe as possible for the workforce. In addition to Group-wide measures such as safety training courses on accident prevention and early detection of hazards, there were also local campaigns geared towards the specific risks at each location. Indicators measured included the frequency of accidents resulting in lost working time due to injury, the frequency of accidents resulting in lost working time due to injury and requiring medical treatment, and the number of discussions on safety issues in the immediate environment.

The WSC plays a key role in meeting the target of significantly reducing accidents at work. In 2025, with accident prevention continuing to be a focus for Vossloh, the WSC completed the Group-wide roll-out of the "See Something – Say Something" campaign launched the previous year. The initiative includes a 45-minute interactive training session on site. It consists of ten activities to raise the workforce's risk awareness, clarify the link between risks and accidents and explain why the more safety risks are reported and mitigated, the fewer accidents there are. Live exercises also enable training participants to carry out and learn constructive safety interactions and to accept feedback. The training was deployed throughout Vossloh and in all languages spoken in the Group. In parallel, the cross-divisional working group played a pivotal role in organizing the World Safety Day, which was held at all locations worldwide. The event also provided an opportunity to highlight individual employees' contributions and emphasize the importance of identifying and eliminating hazards early on in order to prevent accidents. In addition, basic safety regulations and the fundamental principle that no task is so urgent that it cannot be carried out safely were reaffirmed and summarized in the guiding principle: "Safety before speed, always!"

Workplace accidents are documented on the basis of uniform criteria, over and above what is required by law. Occupational accidents that require an ambulance with a doctor on the Company's premises are considered serious accidents and are reported directly to the Executive Board. In addition, the Executive Board, the heads of the business units and some central functions, including the Corporate Sustainability department, discuss current developments in the area of occupational safety, the frequency, severity and causes of accidents at work and the preventive and corrective measures taken at quarterly management meetings.

Indicators	2025	2024
Percentage of people in our own workforce covered by a health and safety management system based on legal requirements and/or recognized standards or guidelines	100 %	100 %
Number of fatalities in our own workforce due to work-related injuries	0	0
Number of fatalities in own workforce due to work-related ill health	0	0
Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	0	0
Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	No reported case	Not currently measured
Number of reportable work-related accidents in the Company's own workforce (LATR) ¹	123	115
Rate of recordable work-related accidents for own workforce (LTAFR) ²	12,7	12,9
Number of cases of recordable work-related ill health for employees	Not currently measured	Not currently measured
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	Severity of accidents resulting in lost working time due to injury (LTASR) ³ : 2.56 Working hours lost due to work-related accidents: 24,809 Lost workdays due to work-related accidents: 3,101	Severity of accidents resulting in lost working time due to injury (LTASR) ³ : 2.55 Working hours lost due to work-related accidents: 22,718 Lost workdays due to work-related accidents: 2,840
Number of cases of recordable work-related ill health of non-employees	No reported case	No reported case
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to non-employees	Severity of accidents resulting in lost working time due to injury (LTASR) ⁴ : 2.13 Working hours lost due to work-related accidents: 2,248 Lost workdays due to work-related accidents: 281	Lost Time Accident Severity Rate (LTASR) ⁴ : 2.73 Working hours lost due to work-related accidents: 2,686 Lost workdays due to work-related accidents: 336
Percentage of own workforce covered by a health and safety management system that is based on statutory requirements and/or recognized standards or guidelines and which has been audited internally and/or audited or certified by an external party	At the end of 2025, the proportion of operating companies with ISO 45001 certification was 66 %. These units employ around 82 % of Vossloh's workforce	At the end of 2024, the proportion of operating companies with ISO 45001 certification was 76 %. These units employ around 84 % of Vossloh's workforce
Description of the underlying standards for internal audit or external certification of the health and safety management system	Company policies – Vossloh Occupational Health and Safety Policy as well as a Serious Incident Report and Vossloh Health and Safety Guideline	Company guideline– Serious Incident Report and Vossloh Health and Safety Guideline
Number of cases of recordable work-related ill health detected among former own workforce	No reported case	Not currently measured

¹ Accidents resulting in injury-related absence of workforce or temporary staff involving lost time comprising at least 1 hour.

² Frequency of accidents resulting in injury-related absence of workforce or temporary workers comprising at least 1 hour of absence from work, measured by the number of occupational accidents in relation to cumulative actual working hours, based on 1 million working hours.

³ Severity of accidents resulting in injury-related absences of workforce or temporary staff with a loss of work comprising at least 1 hour, measured by the duration of the loss of work in hours in relation to the cumulative actual working time, based on 1,000 working hours.

⁴ Severity of accidents resulting in injury-related absences of temporary staff with a loss of work comprising at least 1 hour, measured by the duration of the loss of work in hours in relation to the cumulative actual working time, based on 1,000 working hours.

As in previous years, there were no work-related fatalities in the Vossloh Group in 2025.

Both accidents with and without lost time and near-misses are analyzed at Vossloh in order to learn from them for the future and reduce the number of accidents at all the Company's sites. In 2025, the WSC also developed and documented a new global guideline for investigating security incidents, which is to be introduced Group-wide in 2026. The guideline aims to standardize investigation processes and tools across the Group, improve root cause identification, accelerate incident handling, and ensure the timely implementation of corrective measures both at the affected sites and, where relevant, across the Group. In this context, the emphasis is firmly placed on prevention.

The most important measures taken in the 2025 reporting year to achieve the goal of "reducing the frequency and severity of accidents at work" and to manage the material impacts, risks, and opportunities included:

- Completion of the launch of the "See Something - Say Something" campaign: Interactive safety training for employees and temporary workers within the Company's own value chain, which highlights the link between reducing safety risks and reducing the number of accidents, raises awareness of the different types of safety risks, and demonstrates how to deal with them.
- Further development of the guideline on investigating incidents and launch of Group-wide implementation: The revised guideline sets out a standardized, improved Group-wide procedure for investigating incidents. The guideline will be used to harmonize procedures in all Vossloh Group companies by the end of 2026.
- Development of a Group-wide risk assessment guideline: The aim of the new guideline, which is currently being drawn up, is to improve and standardize the assessment of safety risks in the workplace across the Group on the basis of best practice examples. The new guideline is to be implemented in all Group companies by the end of 2026.

The SAFE+ app plays an important role at Vossloh in minimizing potential risks – and thus in achieving the goal. It was enhanced further in 2025 and is now available in eight languages (English, French, German, Dutch, Swedish, Serbian, Polish and Chinese). Vossloh employees can and are expected to use the app to report safety risks identified in their day-to-day work in order to systematically reduce hazards at all sites and in all areas. In 2025, the workforce reported a total of 5,035 safety risks; 4,018 (around 80 %) of these were eliminated or mitigated over the course of the year. The SAFE+ app underwent further development in 2025 and was equipped with an improved user dashboard.

If employees need to travel internationally as part of their work for Vossloh, they can use the Group's travel safety management system. They will then receive comprehensive support with regard to medical and safety aspects of their trip, as well as precautions for possible emergencies. The Company's Travel Security Managers and worldwide Assistance Centers, in addition to a service provider's assistance app, are available for this purpose.

Vossloh's occupational health management aims to provide the whole workforce with opportunities to protect and promote health. This includes the aforementioned occupational safety measures, ergonomics in the workplace, driver safety training and company medical care, as well as a daily fruit offering, nutritional advice, company sports (including running and cycling groups, table tennis, badminton, various ball sports, yoga), support to quit smoking and preventive offerings (including bowel cancer screening, flu vaccinations, vitality screenings, tips for staying healthy). The "Vossloh stays healthy" [Vossloh bleibt gesund] initiative was an important part of Brand Week 2024 in terms of occupational health and safety. The focus was on how the workforce can avoid stress and the impact it has on physical and mental health.

Personnel strategy and personnel management

With regard to personnel strategy and personnel management, the 2024 materiality analysis revealed – no material negative impact on the entire Vossloh workforce (including external employees, such as persons provided by third-party companies and self-employed persons);

– as material positive impacts:

- a) optimal staffing of positions based on skills and motivation, leading to higher productivity and employee satisfaction;
- b) succession planning and talent mapping promote growth potential by specifically identifying and developing skills and internal motivations;
- c) promoting a good work-life balance that contributes to improving employee satisfaction and productivity;
- d) promoting personal and professional development significantly increases employee engagement and retention and drives talent development and innovation;

– as material risks: A high staff turnover could lead to a loss of knowledge, increased recruitment costs and lower productivity due to more frequent staff changes;

– as material opportunities:

- a) better working conditions create the opportunity to attract highly qualified employees in order to increase the Company’s innovative strength and efficiency;
- b) improved working conditions offer the opportunity to attract and retain talented employees in the long term in order to promote the stability and productivity of the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in “Material sustainability matters at Vossloh” (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

The personnel strategy supports the targeted further development of managers and employees in line with the Company’s objectives. A key target is a 25 % share of women at the first and second management levels. To support this, Vossloh relies on development programs and a uniform succession process (round table) across the Group. Another goal is to strengthen leadership quality and performance. In particular, the training quota within the People Review Process (PRP) and round table is reported annually. In addition, the participation rate in the employee survey provides a key indicator of commitment and organizational culture; results flow directly into action plans. The results and progress achieved in relation to these goals are recorded annually and disclosed in the sustainability report.

As at December 31, 2025, Vossloh employed a total of 5,720 employees, which corresponds to a total of 5,501 full-time equivalents (FTE) (2024: 4,321 FTE). The following table shows some HR indicators, which should be viewed in the context of Vossloh’s status as a global industrial manufacturing Group:

Region	Number of persons		Full-time equivalent ¹	
	12/31/2025	Average 2025	12/31/2025	Average 2025
Rest of Europe	2,293	1,846	2,222	1,706
Germany	1,123	1,040	1,026	1,016
France	1,130	1,003	1,082	903
Asia	663	634	662	634
North America	317	333	317	333
Australia	194	193	192	193
Total	5,720	5,049	5,501	4,785²

The number of employees as at the reporting date of December 31, 2025 is stated in terms of headcount (including apprentices/trainees) and full-time equivalents (excluding apprentices/trainees). The average is calculated over four quarters in each case.

¹ FTE (Full-Time Equivalent) is defined on a site-specific basis. One FTE corresponds to a full working week at the respective site.

² See also the table in Costs of the functional areas in the Notes to the Consolidated Financial Statements, page 168.

Region	Full-time and part-time Number of persons 12/31/2025		Gender Number of persons 12/31/2025			Number of persons 12/31/2025
	full-time	part-time	male	female	other	Total
Germany	979	144	897	226	0	1,123
France	1,109	21	936	194	0	1,130
Rest of Europe	2,201	92	1,986	306	1	2,293
Asia	661	2	579	84	0	663
North America	317	0	269	48	0	317
Australia	181	13	152	42	0	194
Total	5,448	272	4,819	900	1	5,720

Personnel structure ¹ in the Vossloh Group (as of December 31)	2025	2024
Share of women in the entire workforce (in %)	15,7	15,5
Age structure		
< 31 years	15,6	17,1
31–50 years	55,5	54,0
> 50 years	28,9	28,9
Length of service		
0–10 years	65,3	64,5
11–20 years	19,7	18,6
> 20 years	15,0	16,9
Distribution by region		
Germany	19,6	23,8
France	19,8	18,2
Rest of Europe	40,1	34,3
Asia	11,6	11,9
North America	5,5	7,6
Australia	3,4	4,2

¹ Number of workforce based on the actual headcount (number of persons).

The total fluctuation rate² in the reporting year was 11.9 % (558 people), while the voluntary fluctuation rate was 4.2 % (196 people). The Company employed additional external staff in 2025. At the end of the year (December 31, 2025), there were 628.8 FTE external employees. Of these, 4 % were self-employed or freelancers and 96 % were employees of personnel service providers, who are often hired for work in production when the order situation is high.

A committed and inspired workforce is the foundation of the Company's long-term success. Vossloh puts high emphasis on fair work conditions. In this regard, key aspects include equal opportunities, fair remuneration, ongoing professional development opportunities in all areas, additional company benefits beyond statutory or collectively agreed regulations, and a supportive, motivating working environment. Detailed information on Vossloh's corporate culture (ESRS G1) can be found on page 130 et seq.

Vossloh's corporate culture promotes a continuous exchange between management and employee representatives. In this way, potentially negative impacts on the workforce can be identified at an early stage and positive opportunities seized. The employee representatives on the Supervisory Board, the European Works Council as well as Group and site works councils and the HR departments offer opportunities for social dialog at local and international level. With the exception of one meeting, the employee representatives attended all eight Supervisory Board meetings in the reporting year.

² Fluctuation rate: Total number of departures in 2025 (in number of employees) divided by the average total number of employees in 2025 (in number of employees).

In total, 66.1 % of the entire workforce is covered by local collective agreements and 50.5 % is represented by an employee representative body. In the European Economic Area (EEA), 77.9 % of employees are covered by different collective agreements and 64.4 % are represented by an employee representative body. In Germany, 58.5 % of the workforce is represented by a local works council, while in France the figure is 78.5 % and in Poland 58.5 %. More than 10 % of the entire workforce is employed in each of these three countries. In the non-European Economic Area, 35.0 % of employees are covered by different collective agreements. In Asia, 27.3 % of the workforce is covered by collective agreements, in Australia 51.0 %, in North America 0.0 % and in Europe outside the EEA 67.4 %. The Company offers comparable working conditions for employees who are not covered by a collective agreement. This means that Vossloh employees have a wide range of opportunities in which to express and pursue their interests, including with regard to changes resulting from the transition to more sustainable production. Among other things, the Vossloh Fit 4 Future initiative offers opportunities for direct exchange with the management team on innovative improvements for the Company. The suggestions for improvement submitted are assessed in a structured evaluation process in which a variety of criteria are taken into account to ensure an accountable and effective implementation.

The general principles for working at Vossloh are summarized in a Code of Conduct, which all members of the workforce acknowledge by signing it when they join the Company. The principles defined in the Code of Conduct are a binding guideline and benchmark for the daily work of all employees. The Code explicitly addresses mutual respect and equal opportunities (Section 8) as well as the protection of human and employee rights (Section 10). The Company is committed to respecting international human rights and strictly rejects all forms of forced and child labor. Sateba already had its own Code of Conduct prior to its acquisition. In its business activities, Vossloh accepts local legal regulations as well as internationally agreed norms and standards (see "Compliance" section, pages 131 et seqq.). The UN Global Compact principles are an example of international standards. Vossloh has been an active participant of the UN Global Compact since 2020. The global initiative supports companies in dealing responsibly with issues such as human rights, labor standards, environmental protection and corruption in practice. The Code of Conduct is available on the website www.vossloh.com > Investor Relations > Corporate Governance > Compliance. Further information on the Code of Conduct can be found in the Governance chapter (ESRS G1, pages 130 et seqq.). The fact that the same principles apply and are observed throughout the Vossloh Group was assessed as a material positive impact in the 2024 materiality analysis.

To minimize the risk of child labor, Vossloh, as a rule, does not employ anyone under the age of 14 or 15 (depending on the legal provisions in the different countries). During the application process, the application documents are checked for this information. In the case of countries where no information is required on the CV, the information is checked before hiring. In addition, the majority of Vossloh's production facilities are located in Europe. Employees under the age of 18 are usually apprentices/trainees. The instructors responsible for them are duty-bound to observe all the relevant labor law and occupational safety rules and provisions.

The protection of personal data is a matter of importance to Vossloh. In 2018, the Company significantly revised its data protection management system in accordance with the European General Data Protection Regulation (GDPR) and has been continuously adapting it to legal requirements ever since. The applicable data protection policy is binding on all Vossloh companies (excluding Sateba) and the entire workforce worldwide, even outside the European Union. Compliance with the Vossloh Data Protection Policy is monitored by appointed data protection officers and data protection coordinators, as well as a data protection committee at the Vossloh AG level that regularly meets.

Regular training sessions are held to prevent legal violations of all kinds and discrimination. A whistleblower hotline is available in order for possible misconduct to be reported. The process for receiving, processing and documenting whistleblower reports was approved by the Executive Board of Vossloh AG on February 23, 2022 as a further development of the Vossloh compliance management system (CMS) and is therefore a binding component of the CMS (ESRS G1-3, see page 131 et seqq.). There were a total of seven whistleblower reports in fiscal year 2025. Four of these reports were received by the ombudsmen, and three of the reports were made to the internal whistleblower hotline. After the reports were checked and investigated, the possibility of discrimination or harassment was ruled out. The contact details of the independent ombudspersons appointed by Vossloh are provided to all members of the workforce together with the Code of Conduct; they can be found on the Vossloh intranet and on the Company's website. In addition, the Code of Conduct contains a description and instructions for the application of this whistleblowing process. The Code of Conduct stipulates that incoming reports to the ombudspersons may be forwarded to the chief compliance officer in anonymized form at the request of the whistleblower. The latter then investigates every complaint. All notes, audit procedures and any consequences are documented (for further information, see page 135, ESRS G1-1).

Another positively assessed impact of the materiality analysis was the work-life balance for employees at Vossloh, i.e. the possibility of combining work and family or personal interests. The prerequisite for this is the life-phase-oriented personnel policy practiced at Vossloh. The issue of work-life balance is discussed constructively between employee representatives and management. For example, all French companies in the Vossloh Group have what is referred to as a social pact for a better balance between professional and personal concerns, including privileges for parents and employees who care for their relatives at home. Vossloh companies in Germany have made various arrangements to reconcile work and family life in their Group works agreement concluded in 2018. They are certified in accordance with the "Beruf und Familie" (career and family) audit. To ensure a favorable work-life balance, the workforce at almost all sites has the option of taking family-related leave (e.g., parental leave and special leave). In 2025, 97.9 % of the workforce was eligible for family-related leave. 7.4 % exercised this right, of which 5.5 % were men and 1.9 % women.

Two further positive impacts from the materiality analysis relate to the holistic training and development measures at Vossloh. On the one hand, they open up growth potential for the Company and, on the other, they give employees the opportunity for personal development. During the reporting year, targeted development measures for experienced managers, young talent and entry-level employees further advanced international networking and skills development within the Company. In line with the management principle "We are close to people" (ESRS G1-1, see page 130), Vossloh is reinforcing the importance of valuing the workforce as the Company's most important asset. Vossloh sees a value-oriented corporate culture as the foundation for long-term workforce loyalty and for ensuring sustainable management quality.

Vossloh places great emphasis on providing development opportunities for employees. The Company specifically promotes talent by striving to offer employees attractive jobs. Among other things, young professionals are given the opportunity to work internationally, project-based and digitally. Vossloh uses a holistic approach to strengthening the development of its managers and workforce worldwide. This is based on common management principles and a structured people review process that promotes continuous dialog and individual development paths. Proper implementation of these measures is closely monitored and evaluated by the HR departments. In addition, managers and employees sit down for bi-annual reviews to discuss the level of attainment for the agreed goals, development items and to make any necessary adjustments. The Company creates the foundation for sustainable growth, a strong management culture and long-term employee retention through global and local training programs and the targeted development of technical skills. As part of the People Review Process (PRP) for managers and nontariff employees, not only individual targets and development measures are agreed, but also how these measures and targets are to be achieved in line with the corporate values and management principles. In the course of 2025, 98.3 % of all managers and nontariff employees went through this process (previous year: 91.5 %). It should be noted that this indicator includes employees who joined or left the Company

during the year and therefore did not participate in the PRP. Managers and employees are supported by a blended learning approach consisting of e-learning, training and case studies as part of an experience exchange. Annual follow-ups using the PRP and the round tables explained in the following paragraph are used to evaluate if both topics are achieving the intended effect. In 2025, a total of 124 managers received 278.2 hours of training on PRP (previous year: 483.5 hours). As the round tables and the PRP process had already been completed at the time of the acquisition of Sateba, managers and workforce will participate in the processes in the coming reporting year. Sateba carried out the Company PRP process in 2025.

Training sessions for the Group's top management on the aligned Group-wide talent and succession process in place since 2021 were also completed in the reporting year. Round tables were held in all units in which the members of the top two management levels carried out evaluations of the workforce in accordance with the new requirements. As in previous years, newly recruited managers were given special round table training sessions in 2025 to prepare them for implementing the process. In addition, recap sessions were held for all managers in the respective regions to ensure a uniform understanding of the assessment and decision-making processes and to successfully execute the global talent and succession process. By systematically training managers and consistent execution the round table process, Vossloh is reinforcing its corporate values and leadership principles, as well as improving the quality of its management work. This creates transparency in talent assessment and lays the foundation for long-term, sustainable succession planning.

Vossloh promotes the continuous professional and personal development of its workforce through a wide range of learning and training opportunities. In addition to traditional training and coaching, digital formats are becoming increasingly important and enable flexible, independent learning worldwide. Vossloh also promotes its own employee qualification initiatives, such as part-time studies. In addition, there are cross-divisional development programs that prepare high-potential employees and technical experts for more advanced tasks. Resulting from targeted development programs and support for individual training initiatives, Vossloh is laying the foundation for sustainable skills development, strengthening its management and specialist workforce, and promoting long-term employee loyalty to the Company.

Vossloh has been working consistently on developing its global talent programs since 2022. There are also local initiatives to develop talents and high-potential employees. The spectrum ranges from initial orientation to training for experienced managers and executives. The ongoing development of harmonized training and learning platforms and the expansion of digital learning opportunities marked another milestone in 2025 for modern, networked, and future-oriented learning. This means that Vossloh is strengthening its leadership culture in the long term, promoting the ongoing development of its employees, and safeguarding the Company's performance and innovative capabilities for the future. In 2025, a total of 3,427 employees took part in online training courses and face-to-face training events. The number of participants increased 5.6 % on the previous year. As a company, Sateba also offers its workforce a diverse training program, which is included in the following table (data as of the acquisition on October 1, 2025). As well as the existing offering for the Sateba workforce, the global Vossloh standards will be rolled out for Sateba.

	Women	Men	Other	Total
Number of employees participating in training in 2025 (in number of persons)	647	2,779	1	3,427
Average training participation of the entire workforce (in hours)	11,67	8,77	1,75	9,23

Aging societies in industrialized countries, a shortage of skilled workers in many parts of the world, increasingly digital working environments, global competition for well-trained engineers, changing expectations of employers among the younger generation: These are just some of the challenges in the area of human resources that Vossloh has to face. For this reason, the Company attaches great importance to providing its employees with a motivating work environment. For employer branding activities, it is important to be a sustainability-oriented company in a crisis-proof industry. Vossloh offers its workforce a modern working environment with state-of-the-art IT equipment, daily catering, team events, and fitness facilities as standard. Various collaborations with universities and university foundations as well as an increased presence on social media channels such as LinkedIn or Instagram give Vossloh the opportunity to position itself as an attractive employer.

Vossloh Group companies assess employee satisfaction by means of regular surveys regarding various focal issues. The results are used to derive measures that contribute to the further development of workforce satisfaction. A global employee survey was conducted for the first time in 2025. Worldwide, 78 % of the entire workforce took part in the survey. The overall result shows that Vossloh's employee engagement is above the cross-sector industry benchmark on average. As the workforce survey took place before the acquisition of Sateba, Sateba employees did not take part in the survey in 2025.

In the 2025 fiscal year, Vossloh received recertification in Germany and France and, for the first time, certification from the Top Employers Institute in Poland. The certification demonstrates our commitment as an organization for a better working world. The Top Employers Institute program evaluates organizations on the basis of participation and the results of an HR best practice survey. This survey covers six HR areas (Steer, Shape, Attract, Develop, Engage and Unite) encompassing 20 topics including people strategy, work environment, talent acquisition, learning, diversity, equity and inclusion, wellbeing and more.

Equal treatment and equal opportunities for all (own workforce)

With regard to "Equal treatment and equal opportunities for all (own workforce)", the 2024 materiality analysis revealed

- no material negative impact on the entire Vossloh workforce (including external employees);
- as material positive impacts:
 - a) Competitive remuneration and additional benefits compared to the industry directly influence employee satisfaction and loyalty and attract qualified employees;
 - b) Attractive remuneration helps to ensure an adequate standard of living and supports the well-being of employees;
 - c) Promoting diversity in the workforce, for example, in terms of gender and nationality, which contributes to an inclusive working environment and greater innovative strength;
- the following material risk: Higher salaries and additional benefits for employees could increase operating costs and put pressure on the Company's financial flexibility;
- as a material opportunity: Attracting highly qualified employees to strengthen the Company's innovative strength and competitiveness.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in "Material sustainability matters at Vossloh" (page 74 et seq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

Vossloh promotes employees regardless of gender, age, ethnicity, skin color, religion, ideology, gender orientation or disability. Cultural, ethnic or national origin as well as political and philosophical convictions also have no influence on decisions. These principles of conduct and the handling of cases of discrimination, harassment and insult are set out in the Code of Conduct and anchored in the Diversity, Equality and Inclusion Policy. Until the time of the acquisition, Sateba had its own Code of Conduct and a company diversity guideline. Vossloh sees a diverse workforce as one of the most important pillars of a sustainable corporate culture. It is the multitude of experiences and expertise resulting from different cultures, different age groups, different genders and different backgrounds that gives the Company the opportunity to optimize products and work processes. This diversity was rated just as positively in the materiality analysis as the social security and salary levels at Vossloh. Although this entails the risk that the Group will have to invest more money in its workforce than comparable companies, it also opens up the opportunity for Vossloh to be perceived as a potential employer by qualified specialists and managers.

Vossloh's workforce is covered in the event of a loss of income or a reduction in income due to illness, accidents at work and the resulting possible incapacity to work, retirement, parental leave or unemployment. This social protection can be regulated by government requirements or by the Company's internal programs. At all Vossloh companies, the six reasons mentioned are covered for the entire workforce. Only in Malaysia is social protection not guaranteed in the event of loss of income due to sudden unemployment. Vossloh also offers additional support in the form of social measures in the event of sudden and tragic loss, for example, in the event of the death of employees, particularly in countries where social protection is not guaranteed.

As a supplement to the Code of Conduct, the Diversity, Equality and Inclusion Policy forms the Group-wide framework for various initiatives in this area, for example, in raising awareness among managers, in selecting employees for high-potential programs, in filling vacancies or in the context of life-phase-oriented personnel policy. Diversity officers have been appointed for each business unit since 2022. They not only act as a point of contact, but are also tasked with initiating or implementing corresponding projects such as training measures in their respective business units.

Vossloh is fundamentally committed to gender equality. The "All on track" initiative launched in 2019 is yielding results in the Customized Modules business unit. The initiative consists of a network for diversity and inclusion. The initiative was promoted by the fact that in France, companies with more than 50 employees are obligated to publish annual indicators relating to professional equality between men and women. Vossloh Switch Systems France SA is also a partner of the French organization Elles bougent, which encourages women to choose scientific and technical courses of study and to pursue a career in this field. In Germany, the Rail Services business unit is a corporate sponsor of protechnicale e.V. – an association that specifically promotes young women in the technical sector. In addition, Vossloh's Diversity and Inclusion Policy, together with the network of diversity officers, promotes global exchange for further initiatives and cooperation.

At the end of 2025, women accounted for 28.6 % (four people) of the Vossloh Group's* workforce at the first management level (below the Executive Board), while men accounted for 71.4 % (ten people). At the second management level, women accounted for 40.0 % (two people) while men accounted for 60.0 % (three people). The target set by the Executive Board of 25 % women at the first and second management levels was therefore once again achieved in 2025.

* The definition of the Group's first and second management levels relates to the Group holding Company Vossloh AG.

More information on this can be found in the section “Participation of women and men in management positions” in the Corporate Governance Report on p. 32.

In the reporting year, Vossloh employed women and men from different countries across all hierarchical levels, with different qualifications, educational backgrounds, and career paths, as well as varying professional experience and length of service. The diversity guideline does not stipulate any quotas. When considering applicants, those who are best suited for the advertised positions are always selected. Factors such as skin color, gender, age, religion or origin have no influence on the decision. A structured interview is conducted in order to objectively assess which candidate is the most suitable. In this interview, the necessary skills for the position will be assessed.

All employees in the Vossloh Group are remunerated appropriately and in accordance with the applicable reference values. Annual salary reviews ensure that remuneration remains competitive and that employees' performance is recognized. There is also a strong awareness of the need to avoid gender pay gaps. Vossloh calculated an unadjusted gender pay gap for the first time in 2024. A review of the information in the course of preparing the Sustainability Statement 2025 revealed that the methodology used for the calculation was incorrect. The value for 2025 was therefore calculated using a different methodology and the value for 2024 was adjusted accordingly. In 2025, there was an unadjusted gender pay gap of (7.90) % (2024: (4.97) %). This means: on average, women earned 7.90 % more than men. The higher average earnings of women in the Company result from the current workforce structure, as the proportion of women is lower overall and female workforce members predominantly perform functions in the commercial area with corresponding remuneration levels. The average annual income of male employees remained stable compared to the previous year, while a higher variance was observed among female employees due to their comparatively low representation (15.7 %). In order to be able to make meaningful statements about the adjusted gender pay gap in the future, the job grading initiative launched in 2024 was pursued across the Group in the reporting year. In future, a global job evaluation system will be used to determine gender pay gaps for equivalent positions.

The ratio of remuneration between the highest-paid individual and the median remuneration of employees at Vossloh was 43.8 in 2025. This figure is based on global remuneration data. The indicator was reported for the first time last year, with reporting focusing on Germany, France and Poland. Awareness of fair pay is supported by the requirements of the Code of Conduct, existing collective agreements and, in some cases, local job evaluation systems.

The Vossloh sites in France are participating in the nationwide TREMP LIN initiative (translation: springboard; abbreviation for TRansport EMPLoi INnovation). It aims to reduce the shortage of skilled workers in the transport and logistics industry by encouraging and supporting people with disabilities to apply for jobs. In 2025, the proportion of employees with a disability status across the Group was 1.5 %. However, it should be noted that the information on disability status is voluntarily provided by the employee and that the definitions of disability grade may vary from country to country. In countries such as Germany or the Netherlands, the degree of disability status is often disclosed by employees themselves because there are legal advantages such as additional vacation days (Germany) or a wage cost subsidy for the employer (Netherlands). In other countries (e.g. Sweden and Australia) there is no meaningful data as this information is not collected. Vossloh Rail Services offers apprenticeships for socially disadvantaged young people as part of a young talent campus. The business unit's apprentices/trainees also regularly include refugees. Sateba also supported social initiatives, for example by working with a refugee center in Norway to support and integrate refugees.

Sustainable supply chains and operations

In the area of "Sustainable supply chains and operations", Vossloh identified two topics as relevant in the 2024 materiality analysis, which were confirmed in the 2025 review:

- Working conditions (workers in the value chain)
- Other labor-related rights (workers in the value chain)

The main impacts, risks and opportunities are described in more detail in "Working conditions (workers in the value chain)" and "Other labor-related rights (workers in the value chain)".

In the area of "Sustainable supply chains and operations", Vossloh is pursuing the Group-wide sustainability target of "90 % sustainable strategic procurement volume by 2026".

Of the purchasing volume identified as strategic (please see below for the calculation methodology), Vossloh qualified €309.5 million, or 83.5 %, as sustainable at the end of 2025, excluding Sateba. This figure is below the target set by the Company itself. During a review, it was found that, in the North American and Australian markets in particular, the strategic suppliers surveyed and their ESG programs had achieved noticeably weaker results than suppliers in other core markets. By contrast, 91.9 % of strategic suppliers from Europe exceeded the sustainability target. The target of "90 % sustainable strategic purchasing volume" is to remain in place and shall now be achieved in 2026. Sateba's strategic suppliers are also expected to be integrated into the evaluation for 2026. A comparable ESG assessment of strategic or other suppliers has not yet been carried out at Sateba.

Vossloh had already voluntarily committed to responsible procurement in 2021 as part of the sustainability initiatives referred to above and in alignment with the assumptions and objectives of its sustainability strategy. Specifically, the following principles have been integrated into the procurement processes:

Protection of the environment and natural resources, respect for human rights, compliance with recognized labor standards, conduct as a law-abiding participant in the global market and as a good corporate citizen. Since 2021, the target of expanding sustainability in the supply chain and increasing the proportion of sustainably purchased strategic purchasing volume to 90 % by 2025 has been defined with the involvement of the heads of procurement/purchasing of the Business Units as internal representatives and knowledge carriers with insight into the working and social conditions at the respective suppliers.

The Executive Board of Vossloh AG is committed to the basic principle of the highest environmental, social and governance standards in procurement decisions. It adopted the Responsible Sourcing Guideline in December 2022 and published the Responsible Sourcing Commitment on the www.vossloh.com website (Investor Relations > Sustainability > Sustainable supply chains and operations). To manage sustainable procurement, the Group has set up a corresponding management system, which is set out in the Responsible Sourcing Guideline. In preparation, an environmental, social and governance (ESG) risk assessment of these suppliers was carried out in collaboration with an independent auditing firm; the assessment covered 15 Group companies that identified suppliers as strategic. The assessment identified a market-driven, widespread increased risk of child labor in the area of material disposal for activities in India in the downstream value chain, and a market-driven, systemic increased risk of forced labor in the upstream value chain among production or auxiliary workers in the area of material and component supply from the local market for activities in China. Other possible negative impacts on workers in the value chain were also the subject of this risk assessment.

The Responsible Sourcing Management System, which was implemented in 2023, is designed to ensure that sustainability criteria are given due consideration when commissioning strategic suppliers and working with them. Its implementation is monitored by the Responsible Sourcing Team, which is responsible for the entire Group and is headed by the expert in charge of this voluntary sustainability initiative. The team includes the heads of procurement/purchasing of the individual Business Units, the Head of Corporate Sustainability, the Corporate Senior Compliance Officer and the General Counsel of Vossloh AG. If necessary, the team can involve other specialists. The team discusses developments and progress towards the target

of achieving 90 % sustainable strategic purchasing volume, including improvements in working and social conditions at strategic suppliers, at least every six months and reports the results to the Executive Board.

In order to achieve this goal, Vossloh maintains an intensive dialog with its suppliers at global and local level that goes beyond the legal requirements. The Company evaluates and assesses the sustainability performance of its suppliers in a transparent and cooperative process, including through direct discussion of the self-disclosure on sustainability issues between the responsible purchasing department and the suppliers. In this case, the focus is on strategic suppliers. Vossloh defines these suppliers as those who play a key role in the market success and competitiveness of its products and services due to their technical expertise, duration of cooperation, irreplaceability of products and services, and high delivery volume. Vossloh has been working with many of its strategic suppliers for a long time, in some cases carrying out joint research and development projects.

The most important measures in the 2025 reporting year to achieve the “90 % sustainable strategic purchasing volume” target were:

- Training the relevant purchasing departments on how to better manage suppliers and improve the quality of ESG input: The objectives are to standardize and improve the verification and qualification of ESG information from strategic suppliers (upstream value creation). Procurement managers were trained to advise suppliers how to improve their disclosures on the ESG systems and guidelines of the respective supplier. The measure affected all strategic suppliers worldwide.
- Improvement of ESG data processing: The objective is to improve the correspondence between in-house procurement databases and external ESG input for the fully automated qualification and evaluation of ESG data. The measure affected all strategic suppliers worldwide.

In 2025, a total of 208 suppliers were identified as strategic for the Vossloh Group excluding Sateba and are subject of the ESG assessment. At €370.7 million, they represent around 44.9 % of the Vossloh Group’s purchasing volume of €824.9 million, excluding Sateba in fiscal year 2025. Since 2023, Vossloh has required its strategic suppliers to provide information on relevant KPIs and existing regulations, as well as on measures and processes to ensure compliance with ESG standards, with a particular focus on safeguarding the rights of workers in the value chain. The purchasing departments create sustainability profiles for these suppliers based on this self-disclosure and the corresponding evidence. The employees responsible for this in the Vossloh units were trained accordingly. A tool is available throughout the Group for this assessment process, which is used to query and document key measures relating to ESG criteria at suppliers. The assessment criteria include, inter alia, the level of GHG emissions as well as energy and water consumption, compliance with fair working conditions and health and safety regulations for employees, the existence of an effective compliance management system and compliance with export control law.

To this end, the Responsible Sourcing Team has developed a standardized format with a uniform list of questions which, in addition to a general section of questions, contains six questions on the environment, eight questions on working conditions and social issues, four questions on governance as well as a supplementary question on ensuring ESG requirements in the supplier’s own supply chain. In the assessment, a maximum of 37 points can be achieved for the environment sub-section, 41 points for the working conditions and social sub-section and 14 points for the governance sub-section. There is no additional weighting of these points. A total score of 50 % of the maximum achievable points was set as the ESG minimum standard. Suppliers with at least 66 % of the maximum achievable score qualify as sustainable.

Every year, Vossloh subjects at least three strategic suppliers to an on-site audit according to a uniform audit plan with queries on the three sub-sections mentioned. If strategic suppliers violate Vossloh’s ESG requirements, the responsible purchasing department can respond with graduated mitigation and sanction measures: from warning notices and requests for training to blacklisting.

Vossloh's contracts with non-strategic suppliers also contain ESG criteria through reference to the Code of Conduct for Business Partners. These supplier relationships are also continuously monitored for compliance with these criteria. Vossloh reviews compliance with obligations recognized by suppliers as part of regular audits on the basis of a risk profile that takes ESG criteria into account. In the future, country-specific risks of the supplying production site will be given increasingly greater weighting in the selection of suppliers to be audited. If a business partner does not meet the expectations placed on it, Vossloh aims at working towards improvements, in particular through internal training and the creation of binding internal guidelines and standards in the areas concerned. In the event of serious violations of the obligations under the Vossloh Code of Conduct for Business Partners or repeated unwillingness to demonstrate appropriate mitigation measures, the business relationship may be terminated. Following five audits in fiscal year 2024, five audits were also conducted in fiscal year 2025, in which compliance with ESG criteria was part of the scope of the audit. There were no material negative ESG-related findings in any of the audits. With regard to the specific aspect of respecting human rights in the upstream and downstream value chain, no serious problems or incidents were reported to the Company in the reporting year.

Another aspect of sustainable procurement is the ban on the purchase of so-called conflict minerals (3TG: tin, tantalum, tungsten and gold). The Company published a statement to this effect on its website www.vossloh.com in 2022 (Investor Relations > Sustainability > Sustainable supply chains and operations). Vossloh itself does not, to the best of its knowledge, use any 3TG minerals in the manufacture of its products or the provision of its services that originate from conflict-affected and high-risk areas (CAHRAs) and the acquisition of which could directly or indirectly finance or otherwise benefit armed conflicts. Ensuring the prohibition of the procurement of such raw materials is part of the supplier selection process at Vossloh and part of the obligations of suppliers in the Code of Conduct for Business Partners.

Working conditions (workers in the value chain)

With regard to this topic, the 2024 materiality analysis revealed

- the following material negative impact: Incidents of misconduct along the value chain could jeopardize the well-being of the workforce;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in "Material sustainability matters at Vossloh" (page 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review. Vossloh expects its suppliers to also attach great importance to sustainability as part of their business operations and to establish internal measures to ensure this. Furthermore, in order to supply Vossloh, suppliers must generally meet a minimum level of sustainability defined in a uniform points system as part of the ESG assessment, as shown on page 126. In its cooperation with suppliers, Vossloh also works towards the continuous improvement of environmental and social conditions, in particular labor standards.

Significant cooperation agreements concluded in recent years, since at least 2019, such as joint venture agreements, generally include the Vossloh Code of Conduct as binding. The same applies to contracts with intermediaries (e.g. commercial agents and distributors). Incidents of misconduct along the value chain (suppliers, cooperation partners, intermediaries) could jeopardize the well-being of the workforce. This resulted from the materiality analysis as a negative impact of Vossloh's activities.

The Group also requires strategic suppliers to recognize the Vossloh Code of Conduct for Business Partners. It has been available in revised form since 2023 and, taking into account the requirements of the UN Global Compact, the UN Charter of Human Rights, and the requirements of the International Labour Organization (ILO), it includes essential obligations regarding the protection of workers' rights. It lays down binding rules on sustainable conduct for Vossloh's business partners, which the Company itself also adheres to: Compliance with applicable laws, in particular compliance with global human and labor rights, health and safety standards, environmental protection, transparency in the supply chain and the responsible procurement of minerals. The regulations explicitly include the aspects of forced labor and child labor; the Company believes that the prohibition of human trafficking is part of general human rights. The Code of Conduct for Business Partners is publicly available on the Company's website at www.vossloh.com > Investor Relations > Sustainability > Corporate Governance > Compliance. The contacts for whistleblower reports in the event of misconduct are also linked on the same page.

Employees, business partners and third parties can report possible violations of the Code of Conduct for Business Partners to the responsible internal departments at Vossloh or (anonymously, if desired) to the Compliance ombudspersons (ESRS G1-3, see the Governance section, pages 130 et seqq.). No whistleblower reports regarding violations of the Code of Conduct for Business Partners were filed in the 2025 fiscal year. If violations of the Code of Conduct for Business Partners are reported via the whistleblower channels, Vossloh will ensure that any whistleblowers are protected from retaliation by their employer by maintaining the utmost confidentiality. Vossloh does not maintain any structures or procedures to verify that workers in the value chain are aware of Vossloh's whistleblower channels and the assurance of confidentiality and protection from retaliation. Beyond the contact options mentioned, there are currently no exchange formats with workers in the value chain or their representatives. The Company is therefore unable to make any statement as to whether and, if so, to what extent workers in the value chain or their representatives are aware of the Vossloh Code of Conduct for Business Partners.

As part of the further development of the sustainable procurement system, Vossloh is currently revising its supplier query and improving the underlying processes. In this context, possible ways to incorporate suitable discussion formats with suppliers or their employee representatives in the future are also being examined.

Other labor-related rights (workers in the value chain)

With regard to the topic of "Other labor-related rights (workers in the value chain)", the 2024 materiality analysis revealed

- as a material negative impact: Potential violations of fundamental human rights in the supply chain, such as child labor or forced labor, which pose ethical and legal risks;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in "Material sustainability matters at Vossloh" (pages 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

In its collaboration with suppliers, cooperation partners and intermediaries, Vossloh also works towards achieving continuous improvements in the area of good corporate governance. The binding rules defined in the Vossloh Code of Conduct for Business Partners also include compliance with human rights, a prohibition on child and forced labor, the prohibition of corruption and bribery and compliance with laws to ensure fair competition. Vossloh's regular audits include these aspects. Whistleblowers can also contact the responsible internal departments at Vossloh or (anonymously, if desired) the Compliance ombudspersons (ESRS G1-3, see the Governance section, pages 130 et seqq.). However, as mentioned in the previous section, the Company cannot state whether and, if so, to what extent workers in the value chain or their representatives are familiar with the Vossloh Code of Conduct for Business Partners. No whistleblower reports regarding violations of the Code of Conduct for Business Partners were filed in the 2025 fiscal year.

Although no such cases have occurred involving Vossloh's business partners to date, the materiality analysis identified possible violations by suppliers, cooperation partners, or intermediaries as a potential negative impact. However, changes can occur quickly in the complex supply chains of procurement around the world, which Vossloh cannot immediately recognize as the Company issuing the order.

Governance

In the area of governance, Vossloh identified four topics as relevant in the 2024 materiality analysis, which were confirmed in the 2025 review:

- Corporate culture
- Corruption and bribery
- Protection of whistleblowers
- Cybersecurity

In its analysis, Vossloh considered relevant criteria such as locations, activities, sector-specific aspects, and transaction structures such as supplier and customer contracts. The material impacts, risks and opportunities as well as the measures to strengthen the governance structures are presented in more detail below. Vossloh has not defined a Group-wide sustainability target for this area.

The Company's management and supervisory bodies play a decisive role in shaping and monitoring Vossloh's corporate policy. They consist of experienced specialists and managers. They are responsible for setting and maintaining ethical standards, ensuring compliance with relevant laws and regulations and promoting a culture of integrity, trust and mutual respect within the Company. More information on the professional backgrounds of the members of the Group's Executive Board can be found in the Corporate Governance Report (page 32 et seqq.). The Supervisory Board of Vossloh AG consists of employee representatives and elected shareholder representatives, who contribute a wide range of experience from their other Supervisory Board mandates. The general basis for conduct and cooperation at Vossloh are various guidelines adopted by the Executive Board, which are discussed in more detail in the following individual topics.

Corporate culture

With regard to the topic of corporate culture, the 2024 materiality analysis revealed no material negative impacts for people and the environment;

- the following material positive impacts: Clear roles and responsibilities and a proper segregation of duties promote efficiency, reduce risks and strengthen employees' confidence in the work processes;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in Material sustainability matters at Vossloh, pages 74 et seqq. The impacts, risks and opportunities identified were confirmed in the 2025 review.

As part of the materiality analysis, Vossloh identified the clear definition of roles and responsibilities and the consistent separation of tasks as having a positive impact on corporate culture. This promotes transparent and efficient collaboration, which strengthens the trust and motivation of employees. The consistent definition and disclosure of responsibilities help to minimize risks and create a corporate culture characterized by responsibility and integrity.

Since 2021, Vossloh has been working continuously to develop a new identity for internal and external communications that reflects changes in recent years. Vossloh has derived its corporate values and leadership principles from its corporate vision: "To produce reliable, safe, and functional rail mobility with zero emissions in order to make the world a better place": We create value for Vossloh, we promote continuous improvement and we are close to people. These value-based guidelines do not only apply to management, but to all employees at Vossloh. Defined indicators can be used to transparently check whether decisions are in line with these management principles. Four focus topics (Talent Acquisition, Performance, Learning and Development) contribute to the people strategy, and measures are consistently derived and implemented.

Sateba had already defined management guidelines as part of its corporate strategy prior to the acquisition. As part of the integration process, the management team and the workforce are familiarized with Vossloh's global leadership principles and empowered to integrate them into their day-to-day work.

In addition to the twice-yearly PRP and the talent and succession process, the annual Leaders Lounge is another important component in anchoring the Company's values in practice. By incorporating these elements into the Vossloh Leadership Excellence Program, the Company is advancing cultural change and investing in its workforce with a view to strengthening it for the future. This provides all managers and employees with clear orientation. It also ensures that all those involved receive comprehensive training in order to guarantee a high level of competence and efficiency in implementing the initiatives. The Group-wide training courses on corporate values launched in 2022 were continued in the reporting year, meaning that by the end of the reporting year, 90 % of the workforce worldwide had completed one or in some cases two training courses on the leadership principles and values.

Corruption and bribery

With regard to the topic of corruption and bribery, the 2024 materiality analysis revealed

- the following material negative impact: Weak regulations and controls in the area of corruption and bribery could lead to illegal practices and jeopardize trust in the Company and the integrity of the business;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in Material sustainability matters at Vossloh (pages 74 et seq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

As a global enterprise with a 140-year history, Vossloh has a social responsibility vis-à-vis its customers, employees, partners, investors and the general public. Based on this responsibility, Vossloh derives the requirement that the Company and its employees adhere to the laws as applicable, respect basic ethical values and act in an exemplary fashion at all times and in all scenarios. This requirement is set out in writing in the Vossloh Code of Conduct. The Code of Conduct – which all employees sign when they join the Company – is designed to help them to live up to this responsibility.

The prevention of violations of the law of all kinds, in particular corruption in accordance with the United Nations Convention against Corruption and anti-competitive behavior in accordance with the antitrust regulations of the European Union and the United States in particular, is a central concern for the Vossloh Group's Executive Board. The Executive Board has also summarized this unequivocally in its Compliance Commitment. Among other things, it states: "Compliance with the law has absolute priority over closing a deal or achieving internal targets. We would rather forgo a business opportunity than violate the law. We will not tolerate any violation of the law or of our internal guidelines and policies and will sanction any such behavior (zero tolerance)." The Code of Conduct is publicly accessible via www.vossloh.com > Investor Relations > Corporate Governance > Compliance. The area of Compliance is overseen within the Executive Board by the Chief Executive Officer (CEO).

The Executive Board has set up a Compliance Organization to implement and monitor compliance regulations. Its structure, the responsibilities and tasks of the individual compliance functions as well as the reporting channels are set out in the "Compliance Rules of Procedure". The Vossloh Compliance Organization consists of the Chief Compliance Officer (supported by a Compliance Office), who has been appointed for an indefinite period to strengthen their independence, and the Group Compliance Committee at the level of Vossloh AG, Compliance Officers and Compliance Committees in the business units as well as Local Compliance Officers in the operating companies. Vossloh's Compliance Management System is designed to identify risks arising from compliance violations and to minimize these risks through appropriate measures, in order to prevent damage to Vossloh and its employees. Any indication of misconduct is investigated immediately, independently and objectively by the Compliance Organization. The prevention of corruption and strict compliance with competition law regulations are a particular focus.

Since 2007, Vossloh's Compliance Management System has been based on the Vossloh Code of Conduct, which defines the value of integrity in specific terms. The Code is binding on the entire Group and all company employees. It is currently available in 15 languages. There are also guidelines on the prevention of corruption, conduct in compliance with antitrust law and the involvement of intermediaries, as well as a data protection guideline, an export control guideline and an insider guideline. In addition to the Code of Conduct, each individual employee also receives the Guideline on the Prevention of Corruption and the Guideline on Compliance with Antitrust Law when they join the Company, which they acknowledge by signing it. Compliance as part of business activities constitutes part of regular classroom trainings held at all Vossloh companies.

The training requirements and participants – including those from the high-risk areas of Sales and Purchasing – are determined and defined by the Compliance Officers of the business units and the Local Compliance Officers on the basis of the Vossloh Compliance Training Concept. The Compliance Office headed by the Chief Compliance Officer keeps a record of the classroom training sessions held. In 2025, Vossloh conducted compliance trainings around the world for a total of 1,959 participants (excluding Sateba) (2024: 804 participants). Comparable in-person training formats were not carried out at Sateba in a documented form.

Compliance training is also given in the form of e-learning, which was revised from the ground up in 2021. The "Code of Conduct – Compliance Basics" module is aimed at all employees who work at a computer workstation. In addition, there are two modules focusing on competition law and corruption prevention for all managers and employees with external contact, particularly those from the high-risk areas of Sales and Purchasing. Approximately 50 % of all participants in the basic module completed these focus modules, which is more than the risk groups mentioned above. The refresher module on corruption prevention, competition law and foreign trade law is aimed at the same target group. All new employees gradually work their way through the e-learning program. The Local Compliance Officers systematically record the employees' attendance and send them reminders to complete them, where required. The training rate (excluding Sateba) was 95.9 % as of the reporting date of December 31, 2025 (2024: 96.8 %).

The following table presents the Compliance Training Concept in the Vossloh Group:

	Measure	Cycle	Target group	Responsible (concept, implementation, documentation)
I, Classroom training (alternatively via video conference)				
1	Standard/refresher training Compliance (Vossloh Compliance Program and Principles)	Every 3 years	Managing directors, salaried employees and blue collar supervisors	Compliance Office (concept); LCO (implementation, documentation)
2	Basic compliance training	Optional	Regular blue collar workers	LCO in cooperation with Compliance Office (concept); LCO (implementation, documentation)
3	Focus training on antitrust law (focus: guideline on conduct in compliance with antitrust law behavior with extensive case studies examples for exposed employees)	Every 3 years	Managing directors, senior executives, employees in sales and purchasing	Compliance Office, if necessary, external experts (concept); LCO (implementation, documentation)
4	Focus training on sales (focus on anti-corruption and deployment of sales representatives)	As required	Managing directors, senior executives, sales employees	Compliance Office (concept); LCO (implementation, documentation)
5	Risk-oriented focus training on local law (specific local topics, e.g. export control, local legislative changes)	As required	Local managers and employees	LCO in cooperation with Compliance Office, external experts, if necessary (concept); LCO (implementation, documentation)
II, E-Learning (online)				
6	Code of Conduct and compliance basics module	One-off, at the start of employment	Employees (including managing directors and Executive Board members) with a computer workstation	Compliance Office (concept); responsible HR department
7	Focus module on corruption prevention	One-off, at the start of employment	Employees with external contact (including managing directors and Executive Board members)	Compliance Office (concept); responsible HR department
8	Focus module competition law	One-off, at the start of employment	Employees with external contact (including managing directors and Executive Board members)	Compliance Office (concept); responsible HR department
9	Compliance refresher course	One-off, 1 year after initial enrollment	Employees with external contact (including managing directors and Executive Board members)	Compliance Office (concept); responsible HR department
III, Other training measures (conference, workshop)				
10	Presentations/workshops at internal events (e.g. sales meetings)	As required	Depending on the event	Compliance Office (concept) Organizer of the event (implementation)

Compliance audits are performed – usually with the assistance of external audit firms – in order to verify that the Compliance Management System rules are being adhered to within the individual operating units. These audits are carried out both on an incident-related and incident-unrelated basis. In 2025, five incident-unrelated compliance audits and no incident-related audits were carried out. Compliance issues are also audited as part of the internal audit process.

In fiscal year 2024, the Executive Board decided to have the Compliance Management System undergo another external audit in accordance with Assurance Standard 980 of the Institute of Public Auditors in Germany (IDW AsS 980 as amended (2022), in German: IDW PS 980 n. F. (2022)) following the last audit in 2017, with a focus on antitrust law and anti-corruption, and again commissioned KPMG AG Wirtschaftsprüfungsgesellschaft to perform the audit. This audit was completed in 2025 with an unqualified confirmation of effectiveness; the audit report is published on the www.vossloh.com website > Investor Relations > Corporate Governance > Compliance. Where findings and recommendations for compliance tasks were made, they have been and will be implemented as part of the continuous development and improvement of the Compliance Management System.

A review of compliance risks carried out in the 2023 fiscal year with external support, including a survey on the effectiveness and acceptance of the Compliance Management System with 128 representatively selected managers and employees, primarily from management, sales and purchasing, once again confirmed the previous risk assessment and the high effectiveness and acceptance of the Compliance Management System. The subject of this risk inventory was the Group-wide determination of the Vossloh Group's compliance risks in the areas of antitrust law, anti-corruption and export control, taking into account existing compliance rules and measures (see also Legal risks and opportunities, page 60). The adequacy and high level of acceptance of the existing Compliance Management System continued to be confirmed overall.

Up to 2024, the Compliance Office and Corporate Controlling had conducted annual risk dialogs with selected companies in the Vossloh Group in order to review the effectiveness of the Compliance Management System with a view to identifying material risks. At the end of 2024, the Group Compliance Committee decided to replace these risk dialogs with a software-based risk assessment for all Group companies. This assessment was first initiated at the end of 2024 and repeated in 2025.

Vossloh has also taken special precautions to ensure compliance with foreign trade regulations, notably export control and embargo legislation. Beyond the obvious need to comply with applicable legal provisions, Vossloh shares the security policy objectives pursued by foreign trade law, especially the strengthening of international peace efforts and the non-proliferation of weapons of mass destruction. An export control guideline for the entire Group which is based on applicable law creates a binding framework for the entire Vossloh Group and all Vossloh workforce to ensure compliance with the respective legal requirements. The framework requirements of this guideline are supplemented by more extensive regulations in the form of work and organizational instructions or process descriptions. The guideline states that each operational unit must appoint an Export Officer and a Trade Compliance Officer (TCO). In cooperation with the respective HR departments, the TCOs develop training concepts and ensure that all employees working in areas relevant to foreign trade receive the appropriate training. Vossloh's central compliance e-learning tool also includes a Foreign Trade Law module.

In order to prevent violations of securities trading law, in particular to prevent insider trading by employees, managers, Executive Board members and Supervisory Board members, Vossloh has put an insider trading guideline in place, most recently revised in 2022, on the basis of which a Group-wide insider register is maintained and its addressees are regularly informed of their obligations.

The Vossloh Group also expects its suppliers and service providers to act and behave in a way that complies with the law. This is verified and controlled in specific cases as well as on an ad hoc basis. The Group-wide Guideline on the Engagement of Intermediaries applies to business dealings with commercial agents, agencies, distributors and consultants in the area of sales. Its aim is to prevent the risk of unfair practices by commissioned third parties and to minimize the risks for the Company and its employees.

Vossloh maintains a Group-wide register of associations as part of its Compliance Management System, in which all Company and private memberships in industry associations are recorded. Vossloh AG's primary association memberships are as follows:

- Verband der Bahnindustrie in Deutschland e.V. (German railway industry association, VDB)
- Association of the European Rail Industry (UNIFE)
- Deutsches Verkehrsforum (German transport forum, DVF)
- Institut für Bahntechnik GmbH (German institute for railway technology, IfB)
- Allianz pro Schiene e.V. (German railways association)
- Verband Deutscher Verkehrsunternehmen e.V. (association of German transport companies, VDV)

Vossloh does not make any donations to political parties or similar institutions.

Protection of whistleblowers

With regard to whistleblower protection, the 2024 materiality analysis revealed

- the following material negative impact: Insufficient protection for whistleblowers – which makes it more difficult to uncover wrongdoing and jeopardizes ethical conduct – could undermine trust in the Company;
- no material positive impacts for people and the environment;
- no material risks for the Company;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in Material sustainability matters at Vossloh (pages 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

Vossloh has set up a whistleblower hotline together with an international law firm. In addition to the option of contacting the Compliance Officers directly, it enables company employees and external whistleblowers to report possible misconduct to an independent external contact (ombudsperson) in their native language. To date, the whistleblower hotline has been set up for 24 countries. As such, the main regions and languages spoken within the Vossloh Group are essentially covered.

The process for recording, processing and documenting whistleblower notifications was adopted by the Executive Board of Vossloh AG on February 23, 2022 as a further development of the Compliance Management System. The process is a binding component of the Compliance Management System. The contact details of the independent ombudspersons appointed by Vossloh are provided to all workforce members together with the Code of Conduct; they can be found on the Vossloh intranet and on the Company's website. In addition, the Code of Conduct contains a description and instructions for the application of this whistleblowing process.

In 2025, the ombudspersons were contacted four times (2024: twice); three further whistleblower notifications were submitted via internal whistleblower channels (2024: two). All resulting investigations into possible compliance violations were completed. None of the notifications investigated involved a confirmed allegation of bribery or corruption or a violation of relevant laws that would have resulted in fines or individual penalties. Sateba also had a whistleblower portal. It was not contacted at all in 2025.

Where internal whistleblowers were involved, the Compliance Organization ensured that the whistleblowers were protected from measures under employment law during the ongoing investigation in accordance with the provisions of the EU Whistleblower Directive.

Cybersecurity

With regard to cybersecurity, the 2024 materiality analysis revealed

- the following material negative impact: Inadequate protection of IT systems could lead to cyber attacks that jeopardize business continuity and the security of company data;
- no material positive impacts for people and the environment;
- as material risks:
 - a) Business interruptions and financial losses due to targeted cyber attacks on critical systems;
 - b) Financial burdens due to ransom payments or costs for restoring data and systems after an attack;
- no material opportunities for the Company.

The process used in 2024 to identify material impacts, risks and opportunities (ESRS 2 IRO-1) is described in Material sustainability matters at Vossloh (pages 74 et seqq.). The impacts, risks and opportunities identified were confirmed in the 2025 review.

Vossloh manages its operational and strategic business processes with the help of powerful information technology. The data network includes customers and suppliers as well as the Company's own sites and covers the entire globe. The demands on IT are constantly increasing due to the ongoing digitalization of the Company. At the same time, a continuous increase in cyber security threats can be observed. The manufacturing industry is one of the most frequently attacked sectors in Europe. Consequently, in the materiality analysis carried out in the 2024 fiscal year, insufficient protection of IT systems was identified as a negative impact. The risks for Vossloh are that production could be shut down due to hacks and/or that the hackers could demand a ransom for the data they have encrypted.

As part of its efforts to optimize its IT security, Vossloh established an information security management system (ISMS) to combat digital threats, which experts use to monitor Vossloh's entire IT infrastructure around the clock. The Group information security officer reports directly to the Executive Board on a regular basis; in operational terms, the division reports to the Chief Executive Officer (CEO). In the organizational matrix, the Group information security officer manages the area of information security at Vossloh AG and coordinates the measures with the business units. Local information security managers are active in the business areas and discuss current developments on a weekly basis.

Vossloh's expert staff are supported by external specialists, for example in what is known as purple teaming. The performance of the system and the emergency plans are continuously tested and improved through simulated hacks. A comprehensive annual training program for all employees in the Group raises their awareness of digital risks and teaches them how to use IT safely. Now that the roll-out of all relevant guidelines in the context of information security was successfully completed in 2025 with the activation of the remaining three guidelines, the ISMS is to be certified according to ISO 27001. Specific details of the measures and protocols are not disclosed. This information is confidential so as not to jeopardize the effectiveness of the security measures.

Notes to the Group Sustainability Statement

List of data points in general and thematic standards resulting from other EU legislation

Mandatory disclosure and associated data point	Page in the Group sustainability statement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS 2 GOV-1 Gender diversity in the management and governance bodies, paragraph 21 (d)	p. 70 et seq.	Indicator no. 13 in Annex 1 Table 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-1 Percentage of Executive Board members who are independent, paragraph 21 (e)	p. 71			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	p. 71 et seq.	Indicator no. 10 in Annex 1 Table 3			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) (i)	Not applicable	Indicator no. 4 in Annex 1 Table 1	Article 449a of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1: Qualitative information on environmental risks and Table 2: Qualitative information on social risks	Commission Delegated Regulation (EU) 2020/1816, Annex II	Regulation (EU) 2021/1119, Article 2 (1)
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Not applicable	Indicator no. 9 in Annex 1 Table 2		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Not applicable	Indicator no. 14 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1818, Article 12 (1); Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) (iv)	Not applicable			Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	p. 88 et seqq.				Regulation (EU) 2021/1119, Article 2 (1)
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)	Not applicable		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, reporting form 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12, para. 1, (d) to (g) and Article 12, para. 2	
ESRS E1-4 GHG emission reduction targets, paragraph 34	p. 88	Indicator no. 4 in Annex 1 Table 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, reporting form 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	

Mandatory disclosure and associated data point	Page in the Group sustainability statement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (high climate impact sectors only), paragraph 38	p. 96	Indicator no. 5 in Annex 1 Table 1 and Indicator no. 5 in Annex 1 Table 2			
ESRS E1-5 Energy consumption and mix, paragraph 37	p. 96	Indicator no. 5 in Annex 1 Table 1			
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	p. 97	Indicator no. 6 in Annex 1 Table 1			
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	p. 97	Indicators no. 1 and 2 in Annex 1 Table 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), Article 6 and Article 8 (1)	
ESRS E1-6 Intensity of gross GHG emissions, paragraphs 53 to 55	p. 97	Indicator no. 3 Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8 Paragraph 1	
ESRS E1-7 GHG removals and CO ₂ credits, paragraph 56	p. 94				Regulation (EU) 2021/1119, Article 2 (1)
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	Transitional provision, not applicable			Delegated Regulation (EU) 2020/1818, Annex II, Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a)	Transitional provision, not applicable		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, para-graphs 46 and 47; template 5: Banking book – Climate change physical risk: Exposures subject to physical risk		
ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)	Transitional provision, not applicable				
ESRS E1-9 Breakdown of the carrying amount of real estate assets by energy-efficiency classes, paragraph 67 (c)	Transitional provision, not applicable		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, para. 34; reporting form 2: Banking book – Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral		

Mandatory disclosure and associated data point	Page in the Group sustainability statement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	Transitional provision, not applicable			Commission Delegated Regulation (EU) 2020/1818, Annex II	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Not applicable	Indicator no. 8 in Annex 1 Table 1 Indicator no. 2 in Annex 1 Table 2 Indicator no. 1 in Annex 1 Table 2 Indicator no. 3 in Annex 1 Table 2			
ESRS E3-1 Water and marine resources, paragraph 9	p. 97 et seqq.	Indicator no. 7 in Annex 1 Table 2			
ESRS E3-1 Special concept, paragraph 13	p. 99	Indicator no. 8 in Annex 1 Table 2			
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Not applicable	Indicator no. 12 in Annex 1 Table 2			
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	p. 98	Indicator no. 6.2 in Annex 1 Table 2			
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations, paragraph 29	p. 99	Indicator no. 6.1 in Annex 1 Table 2			
ESRS 2 SBM-3 E4 paragraph 16 (a) (i)	Not applicable	Indicator no. 7 in Annex 1 Table 1			
ESRS 2 SBM-3 E4 paragraph 16 (b)	Not applicable	Indicator no. 10 in Annex 1 Table 2			
ESRS 2 SBM-3 E4 paragraph 16 (c)	Not applicable	Indicator no. 14 in Annex 1 Table 2			
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Not applicable	Indicator no. 11 in Annex 1 Table 2			
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Not applicable	Indicator no. 12 in Annex 1 Table 2			
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Not applicable	Indicator no. 15 in Annex 1 Table 2			

Mandatory disclosure and associated data point	Page in the Group sustainability statement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	p. 103	Indicator no. 13 in Annex 1 Table 2			
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	p. 103	Indicator no. 9 in Annex 1 Table 1			
ESRS 2 SBM-3 S1 Risk of incidents of forced labor, paragraph 14 (f)	p. 125	Indicator no. 13 in Annex I Table 3			
ESRS 2 SBM-3 S1 Risk of incidents of child labor, paragraph 14 (g)	p. 119	Indicator no. 12 in Annex I Table 3			
ESRS S1-1 Human rights policy commitments, paragraph 20	p. 119	Indicator no. 9 in Annex I Table 3 and Indicator no. 11 in Annex I Table 1			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21	p. 119			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	p. 119	Indicator no. 11 in Annex I Table 3			
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	p. 111 et seqq.	Indicator no. 1 in Annex I Table 3			
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	p. 120	Indicator no. 5 in Annex I Table 3			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	p. 115	Indicator no. 2 in Annex I Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	p. 115	Indicator no. 3 in Annex I Table 3			
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	p. 124	Indicator no. 12 in Annex I Table 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	p. 124	Indicator no. 8 in Annex I Table 3			

Mandatory disclosure and associated data point	Page in the Group sustainability statement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	p. 119 et seq.	Indicator no. 7 in Annex I Table 3			
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	p. 119 et seq.	Indicator no. 10 in Annex I Table 1 and Indicator no. 14 in Annex I Table 3		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, para. 1	
ESRS 2 SBM-3 S2 Significant risk of child labor or forced labor in the value chain, paragraph 11 (b)	p. 125	Indicators no. 12 and 13 in Annex I Table 3			
ESRS S2-1 Human rights policy commitments, paragraph 17	p. 125 et seq.	Indicator no. 9 in Annex 1 Table 3 and Indicator no. 11 in Annex 1 Table 1			
ESRS S2-1 Policies related to workers in the value chain, paragraph 18	p. 125 et seqq.	Indicators no. 11 and 4 in Annex 1 Table 3			
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	p. 125 et seqq.	Indicator no. 10 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, para. 1	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19	p. 125 et seqq.			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	p. 129	Indicator no. 14 in Annex 1 Table 3			
ESRS S3-1 Human rights policy commitments, paragraph 16	Not applicable	Indicator no. 9 in Annex 1 Table 3 and Indicator no. 11 in Annex 1 Table 1			

Mandatory disclosure and associated data point	Page in the Group sustainability statement	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Not applicable	Indicator no. 10 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, para. 1	
ESRS S3-4 Human rights issues and incidents, paragraph 36	Not applicable	Indicator no. 14 in Annex 1 Table 3			
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	p. 108 et seqq.	Indicator no. 9 in Annex 1 Table 3 and Indicator no. 11 in Annex 1 Table 1			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	p. 108 et seqq.	Indicator no. 10 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12, para. 1	
ESRS S4-4 Human rights issues and incidents, paragraph 35	p. 108 et seqq.	Indicator no. 14 in Annex 1 Table 3			
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	p. 131 et seqq.	Indicator no. 15 in Annex 1 Table 3			
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	p. 135	Indicator no. 6 in Annex 1 Table 3			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	p. 135	Indicator no. 17 in Annex 1 Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	p. 131 et seqq.	Indicator no. 16 in Annex 1 Table 3			

EU taxonomy indicators according to Annex II to the Commission Delegated Regulation

Sales revenues

Economic activities	Code(s)	Absolute sales revenues	Proportion of sales revenues	Substantial contribution criteria					
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Environmental pollution(8)	Circular economy (9)	Biodiversity (10)
		in € mill.	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (taxonomy-aligned)									
6.14 Rail transport infrastructure	6.14	931.2	69	69					
Sales revenues from environmentally sustainable activities (taxonomy-aligned) (A.1)		931.2	69	69					
Of which enabling			69	69					
Of which transitional									
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)									
6.14 Rail transport infrastructure	6.14	412.0	31						
Sales revenues of taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)		412.0	31						
Total (A.1 + A.2)		1,343.2	100						
B. Taxonomy-non-eligible activities									
Sales revenues of taxonomy-non-eligible (B)		0.0	0						
Total (A + B)		1,343.2	100						

*Y – Yes, taxonomy-eligible activity that is taxonomy-aligned to the relevant environmental objective

N – No, taxonomy-eligible activity, but not taxonomy-aligned with the relevant environmental objective

DNSH criteria ("Does Not Significantly Harm")								Taxonomy-aligned proportion of sales revenues, year 2025	Taxonomy-aligned proportion of sales revenues, year 2024	Category (enabling activities)	Category (transitional activities)
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Environmental pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum Safeguards (17)	%				
Y/N*	Y/N*	Y/N*	Y/N*	Y/N*	Y/N*	Y/N*	Y/N*				
	Y	Y	Y	Y	Y	Y	Y	69	67	E	/
								69	67		
	Y	Y	Y	Y	Y	Y	Y	69	67	E	/
								69	67		

CapEx

Economic activities	Code(s)	Absolute CapEx in € mill.	Proportion of CapEx %	Substantial contribution criteria						
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water (7) %	Environmental pollution(8) %	Circular economy (9) %	Biodiversity (10) %	
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (taxonomy-aligned)										
6.14 Rail transport infrastructure	6.14	216.6	63	63						
6.5 Transportation with motorcycles, passenger cars and light commercial vehicles	6.5	0.5	0	0						
7.3 Installation, maintenance and repair of energy-efficient appliances	7.3	0.6	0	0						
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking lots belonging to buildings)	7.4	0.0	0	0						
7.5 Installation, maintenance and repair of devices for measuring, regulating and controlling the overall energy performance of buildings	7.5	0.0	0	0						
7.6 Installation, maintenance and repair of technologies for renewable energies	7.6	0.5	0	0						
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		218.2	63	63						
Of which enabling			63	63						
Of which transitional										
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)										
6.14 Rail transport infrastructure	6.14	79.4	23							
6.5 Transportation with motorcycles, passenger cars and light commercial vehicles	6.5	1.1	0							
CapEx of taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)		80.5	23							
Total (A.1 + A.2)		298.7	86							
B. Taxonomy-non-eligible activities										
CapEx of taxonomy-non-eligible activities (B)		46.7	14							
Total (A + B)		345.4	100							

DNSH criteria ("Does Not Significantly Harm")								Taxonomy-aligned CapEx proportion, year 2025	Taxonomy-aligned CapEx proportion, year 2024	Category (enabling activities)	Category (transitional activities)
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Environmental pollution(14)	Circular economy (15)	Biodiversity (16)	Minimum Safeguards (17)					
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
	Y	Y	Y	Y	Y	Y	63	46	E	/	
	Y	Y	Y	Y	Y	Y	0	1	/	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
							63	47			
	Y	Y	Y	Y	Y	Y	63	47	E		
										/	
							63	47			

OpEx

Economic activities	Code(s)	Absolute OpEx	Proportion of OpEx	Substantial contribution criteria						
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Environmental pollution(8)	Circular economy (9)	Biodiversity (10)	
		in € mill.	%	%	%	%	%	%	%	
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (taxonomy-aligned)										
6.14 Rail transport infrastructure	6.14	55.1	66	66						
6.5 Transportation with motorcycles, passenger cars and light commercial vehicles	6.5	0.0	0	0						
7.3 Installation, maintenance and repair of energy-efficient appliances	7.3	0.0	0	0						
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking lots belonging to buildings)	7.4	0.0	0	0						
7.5 Installation, maintenance and repair of devices for measuring, regulating and controlling the overall energy performance of buildings	7.5	0.0	0	0						
7.6 Installation, maintenance and repair of technologies for renewable energies	7.6	0.0	0	0						
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		55.1	66	66						
Of which enabling			66	66						
Of which transitional										
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)										
6.14 Rail transport infrastructure	6.14	23.1	28							
6.5 Transportation with motorcycles, passenger cars and light commercial vehicles	6.5	0.3	0							
OpEx of taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)		23.4	28							
Total (A.1 + A.2)		78.5	94							
B. Taxonomy-non-eligible activities										
OpEx of taxonomy-non-eligible activities (B)		4.8	6							
Total (A + B)		83.3	100							

DNSH criteria ("Does Not Significantly Harm")								Taxonomy-aligned OpEx proportion, year 2025	Taxonomy-aligned OpEx proportion, year 2024	Category (enabling activities)	Category (transitional activities)
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Environmental pollution(14)	Circular economy (15)	Biodiversity (16)	Minimum Safeguards (17)					
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
	Y	Y	Y	Y	Y	Y	66	65	E	/	
	Y	Y	Y	Y	Y	Y	0	0	/	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
	Y	Y	Y	Y	Y	Y	0	0	E	/	
							66	65			
	Y	Y	Y	Y	Y	Y	66	65	E		
										/	
							66	65			

Assurance report of the independent German Public Auditor on a limited assurance Engagement in relation to the group sustainability statement included in the combined management report

To Vossloh AG, Werdohl/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Group Sustainability Statement of Vossloh AG, Werdohl/Germany, for the financial year from 1 January to 31 December 2025 (hereafter referred to as "Group Sustainability Statement"), included in section "Group sustainability statement" of the combined management report. The Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Sections 315b and 315c German Commercial Code (HGB) for a consolidated nonfinancial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated nonfinancial statement, and the specifying criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe

- that the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section "Material sustainability matters at Vossloh" of the Group Sustainability Statement, or
- that the disclosures in section "EU taxonomy and its implementation at Vossloh" in the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards and of the International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a group sustainability statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in Preparing the Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Group Sustainability Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of nonfinancial performance indicators disclosed in the Group Sustainability Statement is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism. We also

- obtain an understanding of the process used to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in

information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Group Sustainability Statement.
- considered the presentation of the information in the Group Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" dated 1 January 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Düsseldorf/Germany, 16 March 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Nicole Meyer

Wirtschaftsprüferin

(German Public Auditor)

Signed:

Daniel Oehlmann

Wirtschaftsprüfer

(German Public Auditor)

Consolidated financial statements of Vossloh AG as of December 31, 2025

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Income statement

€ mill.	Notes	2025	2024
Sales revenues	(1)	1,343.2	1,209.6
Cost of sales	(2.1)	(980.7)	(880.4)
General administrative and selling expenses	(2.2)	(255.3)	(230.0)
Allowances and write-ups of financial assets		0.9	0.5
Research and development costs	(2.3)	(17.2)	(14.3)
Other operating income	(3.1)	22.6	25.3
Other operating expense	(3.2)	(13.7)	(11.0)
Operating result		99.8	99.7
Result from investments in companies accounted for using the equity method		4.6	6.0
Other financial income	(4.1)	8.9	0.4
Other financial expense	(4.2)	(1.4)	(0.9)
Earnings before interest and taxes (EBIT)		111.9	105.2
Interest income	(5.2)	5.9	4.8
Interest and similar expense	(5.1)	(29.3)	(19.4)
Earnings before taxes (EBT)		88.5	90.6
Income taxes	(6)	(8.6)	(14.1)
Result from continuing operations		79.9	76.5
Net income		79.9	76.5
thereof attributable to shareholders of Vossloh AG		62.7	63.2
thereof attributable to hybrid capital investors		6.0	6.0
thereof attributable to noncontrolling interests	(7)	11.2	7.3
Earnings per share			
Basic/diluted earnings per share (in €)	(8)	3.24	3.56
thereof attributable to continuing operations		3.24	3.56

Statement of comprehensive income

€ mill.	Notes	2025	2024
Net income		79.9	76.5
Changes in fair value of hedging instruments (cash flow hedges)		1.3	0.7
Currency translation differences	(22)	(13.9)	(0.4)
Income taxes		(0.4)	(0.2)
Amounts that will potentially be transferred to profit or loss in future periods		(13.0)	0.1
Remeasurement of defined benefit plans	(23)	1.1	0.3
Income taxes	(15)	(0.3)	(0.1)
Amounts that will not be transferred to profit or loss in future periods		0.8	0.2
Income and expenses recognized directly in equity		(12.2)	0.3
Total comprehensive income		67.7	76.8
thereof attributable to shareholders of Vossloh AG		53.4	62.2
thereof attributable to hybrid capital investors		6.0	6.0
thereof attributable to noncontrolling interests		8.3	8.6

Cash flow statement

€ mill.	2025	2024
Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	111.9	105.2
Depreciation/amortization/impairment losses/reversal of impairment losses of noncurrent assets	69.1	55.2
Change in noncurrent provisions	(3.8)	5.6
Gross cash flow	177.2	166.0
Noncash change in investments in companies accounted for using the equity method	(9.2)	(6.0)
Other noncash expenses and income	5.0	(4.0)
Result from the disposal of noncurrent assets	(0.3)	0.7
Income taxes paid	(27.6)	(26.6)
Change in working capital	27.3	21.0
Changes in other assets and liabilities	(5.2)	(14.7)
Cash flow from operating activities	167.2	136.4
Cash flow from investing activities		
Investments in intangible assets and property, plant and equipment	(73.9)	(55.7)
Proceeds from profit distributions from companies accounted for using the equity method	5.5	5.3
Free cash flow¹	98.8	86.0
Investments in noncurrent financial instruments	(1.0)	(0.3)
Proceeds from the disposal of intangible assets and property, plant and equipment	1.2	0.1
Disbursements/proceeds from the purchase/sale of short-term securities	0.3	0.7
Proceeds from the disposal of noncurrent financial instruments	0.7	0.4
Proceeds from the sale of consolidated companies	0.0	10.0
Disbursements for the acquisition of consolidated companies	(218.0)	(10.2)
Cash flow from investing activities	(285.2)	(49.7)
Cash flow from financing activities		
Net cash inflows from additions to equity	0.0	71.3
Disbursements to company owners and minority shareholders	(30.2)	(28.2)
Disbursements to hybrid capital investors	(6.0)	(6.0)
Proceeds from short-term loans	47.0	22.0*
Payments from short-term loans	(63.4)	(162.8)*
Proceeds from medium and long-term loans	433.1	42.4
Payments from medium and long-term loans	(179.8)	(4.3)
Repayments from leasing	(17.9)	(11.8)
Interest received and proceeds from hedges of Group financing	6.8	3.9
Interest paid and similar expenses	(25.3)	(17.4)
Cash flow from financing activities	164.3	(90.9)*
Net cash inflow/outflow	46.3	(4.2)*
Change in cash and cash equivalents from first-time consolidation	10.4	0.5
Exchange rate effects	(2.5)	(1.1)
Cash and cash equivalents at the beginning of the period	94.7	99.5*
Cash and cash equivalents at the end of the period	148.9	94.7

¹ No key figure defined in IFRS.

* Values adjusted.

For further information on the cash flow statement, see pages 173 et seq.

Balance sheet

Assets in € mill.	Notes	12/31/2025	12/31/2024
Intangible assets	(9)	757.2	360.4
Property, plant and equipment	(10)	497.1	373.6
Investment properties	(11)	0.6	0.9
Investments in companies accounted for using the equity method	(12)	35.3	51.2
Other noncurrent financial instruments	(13)	13.9	9.2
Other noncurrent assets	(14)	1.1	2.5
Deferred tax assets	(15)	71.4	26.1
Noncurrent assets		1,376.6	823.9
Inventories	(16)	251.5	246.9
Trade receivables	(17)	278.2	251.8
Contract assets	(17)	1.4	3.2
Income tax assets	(18)	12.4	12.2
Other current financial instruments	(19)	18.7	13.4
Other current assets	(19)	39.0	44.4
Short-term securities	(20)	0.1	0.3
Cash and cash equivalents	(21)	148.9	94.7
Current assets		750.2	666.9
Assets		2,126.8	1,490.8

Equity and liabilities in € mill.	Notes	12/31/2025	12/31/2024
Capital stock	(22.1)	54.8	54.8
Additional paid-in capital	(22.2)	256.8	256.8
Retained earnings and net income	(22.3)	314.1	272.6
Hybrid capital	(22.4)	148.3	148.3
Accumulated other comprehensive income	(22.5)	(14.5)	(6.4)
Equity excluding noncontrolling interests		759.5	726.1
Noncontrolling interests	(22.6)	56.2	25.8
Equity		815.7	751.9
Pension provisions/provisions for other post-employment benefits	(23)	24.0	23.1
Other noncurrent provisions	(24)	21.2	21.1
Noncurrent financial liabilities	(25.1)	532.6	170.5
Noncurrent trade payables	(25.2)	0.0	0.5
Other noncurrent liabilities	(25.4)	4.4	4.8
Deferred tax liabilities	(15)	44.2	5.4
Noncurrent liabilities		626.4	225.4
Other current provisions	(24)	52.1	55.4
Current financial liabilities	(25.1)	168.9	62.2
Current trade payables	(25.2)	224.7	203.4
Current liabilities from reverse factoring	(25.2)	30.7	29.1
Current contract liabilities	(25.2)	12.9	–
Current income tax liabilities	(25.3)	19.4	14.9
Other current liabilities	(25.4)	176.0	148.5
Current liabilities		684.7	513.5
Equity and liabilities		2,126.8	1,490.8

Statement of changes in equity

€ mill.	Capital stock	Additional paid-in capital	Retained earnings and net income	Hybrid capital	Accumulated other comprehensive income			Equity excluding noncontrolling interests	Noncontrolling interests	Total
					Reserve from currency translation	Reserve from hedging transactions	Reserve from the remeasurement of defined benefit plans			
As of 12/31/2023	49.9	190.4	228.4	148.3	(5.2)	(0.3)	(1.1)	610.4	28.1	638.5
Transfer to retained earnings			(1.1)				1.1	–		–
Capital increase	4.9	66.4						71.3		71.3
Other effects*			0.5		0.1			0.6		0.6
Net income			63.2	6.0				69.2	7.3	76.5
Income and expenses recognized directly in equity after taxes					(1.7)	0.5	0.2	(1.0)	1.3	0.3
Dividend payments			(18.4)					(18.4)	(10.9)	(29.3)
Remuneration to hybrid capital investors				(6.0)				(6.0)		(6.0)
As of 12/31/2024	54.8	256.8	272.6	148.3	(6.8)	0.2	0.2	726.1	25.8	751.9
Transfer to retained earnings			0.2				(0.2)	–		–
Change in the scope of consolidation			0.0		1.4			1.4	29.8	31.2
Other effects*			(0.1)					(0.1)		(0.1)
Net income			62.7	6.0				68.7	11.2	79.9
Income and expenses recognized directly in equity after taxes					(11.0)	0.9	0.8	(9.3)	(2.9)	(12.2)
Dividend payments			(21.3)					(21.3)	(7.7)	(29.0)
Remuneration to hybrid capital investors				(6.0)				(6.0)		(6.0)
As of 12/31/2025	54.8	256.8	314.1	148.3	(16.4)	1.1	0.8	759.5	56.2	815.7

*In the reporting year, the other effects result from inaccurate account mapping for an intragroup transaction in previous years; in the previous year, they result from past effects from the recognition of property, plant and equipment.

For further information on changes in equity items, see the notes to items (22.1) to (22.5) on pages 187 et seq.

Notes to the consolidated financial statements of Vossloh AG as of December 31, 2025

Segment information by division and business units

€ mill.		Vossloh Fastening Systems	Vossloh Tie Technologies ²	Consolidation	
Value added	2025	28.8	(0.9)	0.3	
	2024	32.1	5.4	(0.2)	
Information from the income statement/flow figures					
External sales revenues	2025	320.8	227.1	–	
	2024	281.8	172.0	–	
Internal sales revenues	2025	28.2	2.9	(18.1)	
	2024	27.9	0.8	(19.1)	
Cost of materials	2025	201.0	104.6	(18.0)	
	2024	175.1	87.4	(21.7)	
Depreciation and amortization	2025	11.4	18.7	–	
	2024	10.6	10.4	–	
Result from investments in companies accounted for using the equity method	2025	0.0	–	–	
	2024	–	–	–	
Other material noncash segment expenses	2025	3.2	1.4	–	
	2024	1.5	1.5	–	
Impairment losses	2025	0.0	0.0	–	
	2024	0.9	0.0	–	
Reversals of impairment losses	2025	0.0	1.8	0.0	
	2024	–	–	–	
Annual average headcount¹	2025	636	633	–	
	2024	608	415	–	

¹ The average number of employees is calculated on the basis of quarterly figures.

² The newly acquired companies of the Sateba Group are part of the Tie Technologies business unit.

	Core Components	Customized Modules (Vossloh Switch Systems)	Lifecycle Solutions (Vossloh Rail Services)	Holding companies	Consolidation	Group
	28.2	16.5	(9.9)	10.4	(34.3)	10.9
	37.3	16.8	(3.0)	0.8	(38.8)	13.1
	547.9	591.6	203.5	0.2	–	1,343.2
	453.8	557.5	197.9	0.4	–	1,209.6
	13.0	8.9	12.2	16.9	(51.0)	0.0
	9.6	3.7	6.4	0.0	(19.7)	0.0
	287.6	277.4	75.1	0.1	(33.5)	606.7
	240.8	262.4	74.5	0.1	(19.5)	558.3
	30.1	21.4	17.9	0.9	–	70.3
	21.0	16.7	15.9	0.6	–	54.2
	0.0	3.1	1.5	–	–	4.6
	0.0	4.4	1.6	–	–	6.0
	4.6	11.0	1.3	1.7	0.0	18.6
	3.0	16.1	2.4	0.9	(0.2)	22.2
	0.0	0.1	–	22.7	(22.6)	0.2
	0.9	0.0	–	–	–	0.9
	1.8	1.2	0.0	2.0	(2.0)	3.0
	–	–	–	–	–	–
	1,269	2,539	847	130	–	4,785
	1,023	2,319	739	113	–	4,194

General principles

Vossloh AG is a listed stock corporation headquartered in Werdohl, Germany. The Company is registered in the Commercial Register of the Iserlohn District Court under HRB 5292 and has its registered office at Vosslohstrasse 4, 58791 Werdohl, Germany. The Vossloh Group's main business activities are the development, manufacture and sale of products and the provision of services of all kinds for the rail technology sector, particularly for rail infrastructure.

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS®) as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) of the German Commercial Code (HGB). All standards whose application was mandatory as at the balance sheet date were taken into account.

The Executive Board of Vossloh AG approved the consolidated financial statements for submission to the Audit Committee of the Supervisory Board on March 2, 2026.

New accounting standards

The following standards and interpretations were published by the International Accounting Standards Board (IASB) in the 2025 fiscal year but were not yet mandatory in accordance with EU endorsement regulations or had not yet been adopted into European law. In the case of standards and interpretations not yet adopted by the EU, first-time application is stated in accordance with the IASB. Early applications of these standards are not planned.

New or amended standards	Publication	Initial application in fiscal year	Adoption by the EU	Material content or expected impact on the consolidated financial statements of Vossloh AG
IFRS 18 Presentation and Disclosure in Financial Statements	April 2024	2027	February 2026	The introduction of mandatory subtotals and the separation of operating, investing, and financing-related expenses and income will change the structure of the income statement. The standard also covers management performance indicators that may be used at Vossloh, as well as principles for aggregating and disaggregating items. Detailed analysis is currently being carried out.
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	August 2025	2027	./.	Vossloh is not within the scope of this standard.
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	November 2025	2027	./.	No impacts are expected as a result.

First-time application of standards and interpretations

The amendment to standards and interpretations listed in the following table was applied for the first time in the 2025 fiscal year:

Standard/interpretation	Publication	Adoption by the EU
Lack of exchangeability (amendments to IAS 21)	August 2023	November 2024

The first-time application of the amendment to IAS 21 had no impact on the consolidated financial statements.

Principles of preparation of the consolidated financial statements

The financial statements of the companies included in the consolidated financial statements are prepared as of Vossloh AG's balance sheet date (December 31) using uniform accounting policies.

The financial statements included are predominantly audited or reviewed by independent auditors. The consolidated financial statements are prepared in Euro (€), the functional currency of Vossloh AG. Figures are mostly presented in millions of euros.

The income statement is structured according to the cost-of-sales method. The consolidated financial statements were prepared on a going concern basis.

The preparation of the consolidated financial statements requires management to make certain discretionary decisions, assumptions and estimates. These estimates involve a certain level of uncertainty. They affect the valuation of recognized assets, liabilities and contingent liabilities as of the balance sheet date, as well as the recognition of income and expenses in the reporting period. Due to the uncertainties, the actual values subsequently determined may differ from those estimates and hence from the amounts disclosed in the consolidated financial statements. The estimates and underlying assumptions are subject to ongoing review. Adjustments are made in the period of the change or in future periods, for example, in the case of changes to the useful lives of property, plant and equipment.

Estimation-related uncertainty with a significant impact on the consolidated financial statements is particularly prevalent when accounting for goodwill (see Note 9 to the consolidated financial statements), recognizing deferred taxes (see Note 15 to the consolidated financial statements) and recognizing and measuring other provisions (see Note 24 to the consolidated financial statements).

Discretionary decisions with a material impact on the consolidated financial statements relate in particular to the term of leases in the event of extension or termination options (see the section on leasing under Other information on page 204).

The accounting and valuation principles applied in the consolidated financial statements of Vossloh AG are explained in the respective notes.

Consolidation

Vossloh's consolidated financial statements comprise the financial statements of Vossloh AG and in principle all of its subsidiaries. Subsidiaries, over which Vossloh AG exercises control, usually due to directly or indirectly holding the majority of voting rights, are fully consolidated.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control is obtained until such control ceases to exist. The equity of the subsidiaries is eliminated in the context of the capital consolidation using the acquisition method. This involves offsetting the cost of the acquired shares against the Group's holding in the equity of the subsidiaries.

To determine the equity of the acquired subsidiaries on initial consolidation, all identifiable assets, liabilities and contingent liabilities of the acquired subsidiary are recognized at their respective fair value at the acquisition date.

Any remaining positive differences between the purchase price and the fair value of the acquired assets and liabilities are recognized as goodwill in accordance with IFRS 3 and are tested for impairment annually at the level of the relevant business unit. Negative goodwill is directly recognized in the income statement after the fair values of assets and liabilities have been reassessed.

At the acquisition date, noncontrolling interests are measured with their corresponding share in the identifiable net assets of the respective company acquired.

Changes in the Group's interest in subsidiaries that do not lead to an acquisition or loss of control over these subsidiaries are treated as equity transactions.

Receivables and liabilities, as well as expenses and income between the consolidated Group companies, are eliminated as part of the consolidation of debt, expenses and income. Where write-downs have been recognized in the separate financial statements of consolidated subsidiaries on shares in consolidated subsidiaries or intragroup receivables, such write-downs are reversed in consolidation. Profits and losses from intragroup transactions are eliminated.

In accordance with IFRS 11, joint ventures are generally accounted for using the equity method insofar as the Group company holding the interest has typical shareholder rights applicable to the net assets of the joint venture.

Where material, other companies in which Vossloh owns an equity interest of between 20 % and 50 % and where Vossloh can exercise a significant influence on their business and financial policies (associated companies) are accounted for using the equity method.

All other investments are measured at fair value and presented in other noncurrent financial instruments.

There were the following changes to the scope of consolidation in the 2025 fiscal year:

As of June 1, 2025, the method of consolidation of the company Wuhu China Railway Cogifer Track Co., Ltd., Wuhu, China, was changed from the equity method to full consolidation as Vossloh had assumed control at this time after the governance structure had been adjusted. The Group expects this to significantly improve the integration of the company into the strategic development of the business unit particularly with regard to international projects that extend beyond the Chinese market. The change in the governance structure was implemented without payment of a purchase price. The valuation of the shares held at the time of the transition to full consolidation resulted in income of €5.3 million, which is reported under other financial income.

The following table shows the fair values acquired, the outgoing fair value of the previously held shares, and the resulting goodwill:

€ mill.	Fair values
Intangible assets	6.5
Other noncurrent assets	9.2
Inventories	6.4
Trade receivables/other current assets	11.2
Cash and cash equivalents	10.4
Assets	43.7
Financial liabilities	1.0
Trade payables/advance payments received	3.9
Provisions	1.7
Other liabilities	1.7
Debts	8.3
Net assets included in the consolidated financial statements	35.4
thereof attributable to other shareholders (50 %)	17.7
Vossloh's attributable share of net assets	17.7
Dedicated value of the shares issued	20.4
Goodwill	2.7

Since the assumption of control, the Company has contributed €10.5 million to sales revenues and €2.1 million to the result after taxes. Contributions to the Group would have amounted to €14.7 million (sales revenues) and €4.1 million (result after taxes) if control had been acquired at the beginning of the fiscal year. The resulting goodwill is not tax-deductible.

The acquisition of the Sateba Group was completed on October 1, 2025, after all contractual conditions for the closing of the transaction had been met. On that date, 99.62 % of the shares in the top Group company were initially acquired; there was a purchase option for the shares not yet acquired as of the balance sheet date, which was exercised by the end of the preparation period. The purchase price for the acquired assets amounted to €241.4 million in total and was paid in cash.

As a result of the acquisition, Vossloh's portfolio in Europe was expanded to include concrete sleepers. This marked another important step toward becoming a solutions provider and systems house for rail infrastructure. The acquisition enables the company to offer more comprehensive solutions to its European customers. The comparatively high goodwill is also explained by the highly profitable business in the rail infrastructure market, which remains perennially attractive. The following table shows the fair values acquired, the purchase price and the resulting goodwill:

€ mill.	Fair values
Intangible assets	140.2
Other noncurrent assets, in particular property, plant and equipment	127.1
Inventories	40.5
Trade receivables/other current assets	36.5
Cash and cash equivalents	23.4
Assets	367.7
Financial liabilities	230.4
Trade payables/advance payments received	50.9
Provisions	18.2
Other liabilities	73.0
Minority interests	12.1
Liabilities/minority interests	384.6
Acquired net assets attributable to Vossloh	(16.9)
Purchase price	241.4
Goodwill	258.3

The fair values are provisional. Adjustments for intangible assets, such as customer relationships, which are being recognized for the first time with this acquisition, are only expected indirectly, insofar as changes in fair values occur, particularly for property, plant and equipment. Adjustments to the fair values of property, plant and equipment may still be made; the valuations to date have been based on analyses by external specialists without physical inspection of the sites or existing facilities, especially the moulds for concrete sleepers. As part of the acquisition, trade receivables with a fair value of €24.3 million were acquired, the gross value of which amounted to €29.3 million. Vossloh expects that cash receipts of €5.0 million will not be collected from these gross receivables. The acquired companies generated sales revenues of €86.4 million in the 2025 fiscal year; the contribution to net income amounted to €3.8 million. In a hypothetical acquisition at the beginning of the fiscal year, the contributions would have amounted to €334.0 million (sales revenues) and €12.9 million (net income). The acquisition involved transaction costs of €16.4 million, which, due to the lengthy duration of the acquisition transaction, amounted to €11.3 million in the 2024 fiscal year and €5.1 million in the reporting year, and were reported under administrative expenses in each case. The goodwill recognized from the acquisition is not deductible for tax purposes.

Vossloh Tie Technologies GmbH was founded prior to the completion of the acquisition. The company will assume overall management of the business unit.

This means that 79 companies (previous year: 60) were fully included in the consolidated financial statements at the end of the fiscal year, of which 11 companies are based in Germany (previous year: 10 companies).

Six companies based abroad and one company in Germany were accounted for using the equity method, both unchanged from the previous year.

Due to their minor significance for the net assets, financial position and results of operations, 14 companies (previous year: eight) in which Vossloh AG directly or indirectly held the majority of voting rights or which it otherwise controlled as of the balance sheet date were not included in the consolidated financial statements.

The acquisition of Nordic Tamping Service AB was completed on January 9, 2026, during the preparation period. The company is based in Sweden. This acquisition expands the Group's service portfolio in Sweden to include tamping services. The preliminary purchase price is the equivalent of around €1.2 million and was paid in cash. It is subject to an adjustment mechanism based on the actual balance sheet values on the date of execution and will therefore change. As the fair values of the acquired assets and liabilities have not yet been determined, further information will be disclosed at a later date.

Currency translation

Non-euro financial statements of subsidiaries are translated into euros as the Group currency according to the concept of functional currency. Since these subsidiaries are nearly all economically independent entities, their functional currencies correspond to their local currencies.

For balance sheet items, the current rate (mean exchange rate as of the reporting date) is used, while for the translation of income statement items, the annual average exchange rate is applied, which serves as an approximation of the respective rates on the transaction dates.

Compared with the translation of the previous year, currency translation differences in assets and liabilities, and between income statement and balance sheet, are recognized directly in the equity and presented in the line item "Accumulated other comprehensive income."

In the case of one foreign company, the euro rather than the local currency is to be regarded as the functional currency due to the economic environment. The financial statements of the company in question, which is prepared in the local currency, are converted using the temporal method. Accordingly, so-called non-monetary items (essentially property, plant and equipment in the case of the company concerned) and the corresponding depreciation/amortization are translated at the historical exchange rate at the date of the change in functional currency. The other items in the balance sheet are translated at the current rate, and expenses and income – with the exception of depreciation/amortization – are translated at the annual average exchange rate.

In the separate financial statements, foreign currency transactions are translated using the exchange rate at the time of the recognition of the transaction. Gains or losses arising up to the end of the reporting period from the re-measurement of financial instruments or cash and cash equivalents are recognized in profit or loss.

The exchange rates of countries outside of the eurozone in which Vossloh transacts major business through consolidated subsidiaries are listed below:

Exchange rates						
Country	Currency	€	2025	2024	2025	2024
			Closing rate		Average rate	
Australia	AUD	1 €	1.76	1.67	1.75	1.64
China	CNY	1 €	8.21	7.56	8.12	7.80
United Kingdom	GBP	1 €	0.87	0.83	0.86	0.85
India	INR	1 €	105.57	88.63	98.49	90.54
Canada	CAD	1 €	1.61	1.49	1.58	1.48
Malaysia	MYR	1 €	4.77	4.63	4.83	4.95
Mexico	MXN	1 €	21.12	21.55	21.68	19.83
Poland	PLN	1 €	4.22	4.28	4.24	4.31
Sweden	SEK	1 €	10.82	11.45	11.06	11.43
Serbia	RSD	1 €	117.41	116.95	117.20	117.09
Türkiye	TRY	1 €	50.46	36.61	44.78	35.57
USA	USD	1 €	1.17	1.04	1.13	1.08

Notes to the income statement

Breakdown of sales revenues

(1) Sales revenues

€ mill.	2025	2024
Sales of products		
Vossloh Fastening Systems	349.0	309.7
Vossloh Tie Technologies	208.4	172.8
Consolidation	(18.1)	(19.1)
Core Components	539.3	463.4
Customized Modules	600.5	560.5
Lifecycle Solutions	50.8	36.9
Consolidation	(33.9)	(19.7)
Group	1,156.7	1,041.1
Sales revenues from rendering services		
Lifecycle Solutions	164.9	167.4
Consolidation	0.0	0.4
Group	164.9	167.8
Sales revenues from customer-specific manufacturing		
Vossloh Tie Technologies	21.6	–
Core Components	21.6	–
Customized Modules	–	0.7
Group	21.6	0.7
Total Group sales across all activities	1,343.2	1,209.6
Sales revenues by division and business unit		
Vossloh Fastening Systems	349.0	309.7
Vossloh Tie Technologies	230.0	172.8
Consolidation	(18.1)	(19.1)
Core Components	560.9	463.4
Customized Modules	600.5	561.2
Lifecycle Solutions	215.7	204.3
Consolidation	(33.9)	(19.3)
Group	1,343.2	1,209.6

The performance obligations of the Group companies largely consist of the delivery of typical products or the provision of services, which are listed in the description of the business activities of the divisions and business units in the notes to the segment reporting on page 195. The "Consolidation" line also includes the sales revenues of companies not allocated to a business unit.

Sales revenues are recognized net of sales deductions and price reductions in the form of rebates, bonuses or discounts, as well as returned payments or returns.

In accordance with IFRS 15, the transfer of control of the products to be delivered is generally recognized on the basis of the respective contractual agreements, in particular, the Incoterms. In most cases of sales revenues recognized at a point in time, this occurs when control is transferred to the acquirer, taking into account the contractually agreed Incoterms. "Bill-and-hold" arrangements have been agreed with some Group companies, as customers control the delivery of products on the basis of their own planning of construction projects for new or overhauled rail lines. In these cases, the products have already been accepted by the customer in advance and are also stored separately as the customer's property. Revenue is then recognized at the time of confirmation by the customer that the performance obligations have been fulfilled. If partial invoicing has been contractually agreed in advance, revenue is recognized after binding acceptance of the partial services by the customer. Financing components are included in the payment terms of customer orders only in minor individual cases. For some orders, there are de facto take-back obligations for individual components in the event that the previous components have to be replaced by suitable ones due to certain effects. In such cases, sales revenues are reduced by the amount of expected take-backs. In addition, standard market warranties are contractually agreed.

In the case of certain orders for the delivery of products with no alternative use and generally for the rendering of services, the performance owed and thus the recognition of revenue takes place over a period of time. The proportionate contribution to earnings realized up to the balance sheet date is also recognized in the income statement along with sales revenues. The percentage of completion (PoC) of orders is calculated from the ratio of costs already incurred to the estimated total costs of the order (cost-to-cost method). Costs due to inefficiencies or similar are deducted when calculating the percentage of completion. Proportional profits from the PoC method are only realized for those customer orders for which the result can be reliably determined. If this requirement is not met, the pro rata profit is not recognized. If there is a risk of a loss on a customer order, this is taken into account in full.

The segment reporting presented on pages 160 et seq. and explained on pages 195 et seq. contains a breakdown of external sales revenues by division, business unit and region. A further presentation of total sales by region can also be found in the combined management report on page 20 of this annual report.

The (partially) unfulfilled performance obligations, thus the order backlog as of the balance sheet date, amounted to €1,034.3 million (previous year: €836.2 million). These figures only include performance obligations from framework agreements, thus agreements in which the contracted quantities are not clearly defined but can fluctuate within a range of +/-10 %, to the extent that specific call-offs have been made. The fulfillment of performance is expected to extend over the periods shown in the table:

Expected realization of (partially) unfulfilled performance obligations		
€ mill.	2025	2024
Within the following year	880.8	623.9
In subsequent years	153.5	212.3
Total	1,034.3	836.2

(2) Costs of the functional areas

Under the cost of sales method, expenses are allocated to functional areas in the income statement. The cost of sales, selling, administrative and research and development costs include the following cost types in the following amounts:

Breakdown of expense types		
€ mill.	2025	2024
Cost of raw materials, consumables and supplies	512.4	466.4
Cost of services purchased	94.3	91.9
Cost of materials	606.7	558.3
Wages and salaries	260.1	227.5
Social security expenses and charges	55.9	48.8
Pension expenses	8.4	7.2
Personnel expenses	324.4	283.5
Depreciation and amortization	67.5	55.1

The amount for inventories recognized as an expense in the fiscal year was €591.1 million (previous year: €547.9 million).

Based on the quarterly numbers, the average annual workforce structure was as follows:

Personnel structure

	2025	2024
Executive Board/Management Board	35	29
Other managers/executives	147	108
Nontariff employees	1,363	1,074
Tariff employees	3,346	3,064
Apprentices/trainees	65	56
Interns and working students	26	22
Total	4,982	4,353

The number of employees in the Vossloh Group in accordance with Section 314 (1) no. 4 HGB amounted to 4,856 (previous year: 4,246). The values reflect the number of people employed. The figures for the average number of employees in the segment information on pages 160 et seq. are based on a conversion to full-time equivalents.

Cost of sales includes the costs of products and sales revenues from rendering services sold in the respective period. In addition to directly attributable costs such as material, personnel and energy costs, they also include overheads including depreciation and amortization, which are mainly attributable to property, plant and equipment and, to a lesser extent, intangible assets. The cost of sales also includes the write-downs on inventories made in the respective period.

(2.1) Cost of sales

Breakdown of general administrative and selling expenses

€ mill.	2025	2024
Selling expenses	105.3	94.0
General administrative expenses	150.0	136.0
General administrative and selling expenses	255.3	230.0

(2.2) General administrative and selling expenses

In addition to personnel costs, selling expenses mainly include outgoing freight, insofar as logistics and freight costs are not incurred within the overall performance process and are reported in cost of sales, as well as commissions.

General administrative expenses comprise the personnel and material costs of administration, including depreciation on related assets.

All research costs are recognized directly as expenses and reported under research and development costs in the income statement. Development costs for a marketable product are capitalized provided that the criteria formulated in IAS 38 are met. Development costs that cannot be capitalized are also reported under this item in the income statement.

(2.3) Research and development costs

Research and development expenses before own work capitalized amounted to €17.9 million in the past fiscal year (previous year: €14.7 million). Of these expenses, which were incurred in development departments, €0.7 million (previous year: €0.4 million) were capitalized in the balance sheet.

(3.1) Other operating income

Breakdown of other operating income

€ mill.	2025	2024
Currency exchange gains	11.4	8.4
Insurance reimbursements	1.4	5.5
Income from government grants	0.7	2.0
Income from qualified tax credits	1.5	0.8
Rental income	1.0	0.7
Income from the disposal of intangible assets and property, plant and equipment	0.6	0.2
Other income	6.0	7.7
Other operating income	22.6	25.3

Currency exchange gains and losses also include changes in the fair value of freestanding derivatives used to hedge currency risks.

Income from government grants mainly relates to grants for research and development projects.

Payments received to subsidize expenses are recorded as deferred income under other liabilities and recognized pro rata temporis under other operating income.

Investment grants and subsidies are deducted from the cost of the property, plant and equipment concerned. There are no unfulfilled conditions that would lead to repayment in the event of non-fulfillment or other contingent liabilities in this context.

The "Other income" line item includes beside a multitude of facts especially insurance reimbursements, income from the elimination of liabilities, and income from compensation claims. The previous year included a gain on disposal of €2.5 million from the sale of an activity in the Switch Systems business unit, which was the subject of a sales project initiated in 2022.

(3.2) Other operating expense

Breakdown of other operating expense

€ mill.	2025	2024
Currency exchange losses	(12.0)	(8.8)
Losses from the disposal of intangible assets and property, plant and equipment	(0.4)	(1.6)
Expenses for buildings	(0.2)	(0.3)
Impairment of intangible assets and property, plant and equipment	–	0.0
Other expenses	(1.1)	(0.3)
Other operating expense	(13.7)	(11.0)

(4.1) Other financial income

Breakdown of other financial income

€ mill.	2025	2024
Income from investments	0.6	0.4
Income from the valuation of companies accounted for using the equity method at fair value	5.3	–
Write-ups on financial instruments	3.0	–
Other financial income	8.9	0.4

Significant effects in the reporting year resulted from the transitional consolidation of a company in the Switch Systems business unit and from reversals of previous impairments on an investment in the Tie Technologies business unit and a company accounted for using the equity method in the Switch Systems business unit, respectively. Income from investments is largely attributable to the Fastening Systems business unit.

Breakdown of other financial expense

€ mill.	2025	2024
Write-down of financial instruments	0.0	(0.9)
Recognition of currency translation differences in profit or loss	(1.4)	–
Other financial expense	(1.4)	(0.9)

(4.2) Other financial expense

Expenses mainly resulted from the recognition of currency translation differences previously recognized in equity in connection with the transitional consolidation of two Group companies in the Fastening Systems and Switch Systems business units.

In the previous year, expenses resulted from the impairment of a joint venture accounted for using the equity method in the Fastening Systems business unit. In addition, an investment in a Hungarian company not included in the consolidated financial statements was impaired in the previous year in the Fastening Systems business unit.

Currency exchange gains from intragroup financing in the amount of €4.5 million (previous year: €3.3 million) represent the main component of interest income in the income statement in the amount of €5.9 million (previous year: €4.8 million).

(5.1) Interest income

Breakdown of interest and similar expense

€ mill.	2025	2024
Interest from bank debt	(13.9)	(9.6)
Interest from leasing	(2.1)	(1.5)
Guarantee commissions	(0.6)	(0.6)
Other interest expenses	(12.7)	(7.7)
Interest and similar expense	(29.3)	(19.4)

(5.2) Interest and similar expense

In addition to currency exchange losses from intragroup financing, other interest expenses include expenses in connection with Group financing transactions carried out in the reporting year, especially in connection with the acquisition of the Sateba Group.

Breakdown of income taxes

€ mill.	2025	2024
Current income taxes	28.4	25.5
Deferred taxes	(19.8)	(11.4)
Income taxes	8.6	14.1

(6) Income taxes

Of the current income taxes, €(3.4) million (previous year: €1.3 million) related to items from previous years. This applied to deferred taxes in the amount of €(3.3) million (previous year: €(4.1) million).

Deferred tax income of €7.6 million resulted from the reversal of temporary differences and from tax loss and interest carryforwards (previous year: tax income of €7.2 million). The re-measurement of temporary differences resulted in deferred tax income of €0.4 million (previous year: tax income of €0.7 million).

Income taxes from global minimum taxation were not included in current tax expenses in either the reporting year or the previous year. The Group applies the exemption from accounting for deferred taxes resulting from the introduction of global minimum taxation and recognizes these taxes as actual tax expense/income when they arise.

In Germany, the statutory corporation tax of 15 % plus solidarity surcharge (5.5 % of corporation tax) is levied on taxable profits. There is also trade tax, the rate of which is determined by the respective municipalities. On average, a tax rate of 32.1 % (previous year: 32.1 %) is expected for Vossloh AG as the tax group parent.

The Vossloh Group's actual tax expense of €8.6 million (previous year: €14.1 million) was €19.8 million lower than the expected tax expense (previous year: €15.0 million lower actual tax expense), which would result from applying the tax rate applicable to the Group holding company to earnings before taxes.

The reconciliation of the expected tax expense to the tax expense actually recognized in the income statement is shown below:

Reconciliation to the recognized tax expense			
		2025	2024
Earnings before taxes	€ mill.	88.5	90.6
Income tax rate including trade taxes	%	32.1	32.1
Expected tax expense when applying a uniform tax rate	€ mill.	28.4	29.1
Tax reduction/increase due to divergent foreign income tax rates	€ mill.	(10.9)	(7.7)
Tax reduction due to tax-exempt income	€ mill.	(3.4)	(0.9)
Tax increase due to nondeductible expenses	€ mill.	8.6	8.4
Taxes for previous years	€ mill.	(6.7)	(2.9)
Tax effect from write-ups/write-downs of deferred tax assets	€ mill.	(7.7)	(11.7)
Withholding tax effects and double taxation	€ mill.	1.4	1.5
Effect from the remeasurement of deferred taxes	€ mill.	(0.4)	(0.7)
Effects from the valuation of investments in companies accounted for using the equity method	€ mill.	(1.3)	(1.6)
Other differences	€ mill.	0.6	0.6
Recognized income tax expense	€ mill.	8.6	14.1
Effective income tax rate	%	9.7	15.5

The total amount of deferred taxes recognized in other comprehensive income was €(0.7) million (previous year: €(0.3) million). Deferred taxes resulted from the remeasurement of defined benefit plans to be taken into account in the fiscal year in the amount of €(0.3) million (previous year: €(0.1) million), as well as from changes in the valuation of hedging instruments from cash flow hedging amounting to €(0.4) million (previous year: €(0.2) million).

The valuation of investments results in valuation differences between the tax values in the respective parent companies and the net assets in the consolidated balance sheet (outside basis differences) in the amount of €449.0 million (previous year: €371.3 million). The resulting deferred tax liabilities would amount to €6.0 million (previous year: €5.1 million).

As the Group can control the reversal of the temporary differences and this reversal is not likely in the foreseeable future, no deferred tax liabilities are recognized.

The Group is subject to global minimum taxation in accordance with statutory regulations. The global minimum tax (Pillar 2) is intended to ensure that an effective tax burden of at least 15 % applies per country. If the effective tax rate in individual countries is less than 15 % under the rules of the Minimum Tax Act, an additional minimum tax is levied.

The OECD Pillar 2 model rules have been implemented in most of the jurisdictions in which the Group operates. In the main jurisdictions in which the minimum tax regulations have not been implemented, the effective tax rate of the Group companies is more than 15 % in each case. The main countries in the Group that have not implemented the Pillar 2 model rules include China and the USA.

(7) Noncontrolling interests Earnings after income taxes include profit shares attributable to noncontrolling interests in the amount of €11.4 million (previous year: €7.3 million). In the reporting year, there were shares in losses amounting to €0.2 million (previous year: €0.0 million).

(8) Earnings per share			
		2025	2024
Weighted average of shares outstanding	Quantity	19,320,597	17,770,535
Net income attributable to the shareholders of Vossloh AG	€ mill.	62.7	63.2
Basic/diluted earnings per share	€	3.24	3.56
thereof attributable to continuing operations	€	3.24	3.56

Notes to the cash flow statement

The cash flow statement shows the change in cash and cash equivalents in the Vossloh Group. Cash and cash equivalents comprise cash on hand and bank balances. Cash equivalents comprise financial instruments with a maximum remaining term of three months from the date of acquisition that can be converted into cash at any time. In previous consolidated financial statements, bank overdrafts arising from debit balances of short-term bank deposits were also included in the cash and cash equivalents fund. This change was taken into account in the adjusted prior-year figures. Therefore, the cash and cash equivalents fund comprises the cash and cash equivalents reported in the balance sheet amounting to €148.9 million (previous year: €94.7 million).

The cash flow statement was prepared in accordance with IAS 7 and breaks down the changes in cash and cash equivalents into cash flows from operating, investing, and financing activities. The cash flow from operating activities is presented using the indirect method.

Other noncash expenses and income mainly include currency translation effects, changes in deferred taxes and write-downs on inventories and trade receivables. Cash inflows and outflows from the acquisition or sale of consolidated companies and other units are netted against cash inflows and outflows. In this respect, the value of €218.0 million is the balance of the purchase price of €241.4 million and the cash and cash equivalents received of €23.4 million.

The lines "Proceeds from short-term loans" and "Payments from short-term loans" for the reporting year primarily include the full repayment of bridge financing A of €19 million and individual repayments at various subsidiaries totaling €25 million, as well as the drawdown of the term loan in the amount of €50 million, which will be repaid early on April 1, 2026, and is therefore classified as short-term.

The line item "Proceeds from medium and long-term loans" for the reporting year primarily includes the issuance of a promissory note loan of €400 million, fixed drawdowns under the syndicated loan in the amount of €10 million, and long-term financing of €7.4 million at a subsidiary. The line item "Payments from medium and long-term loans" primarily represents the repayment of the term loan in the amount of €150 million and the revolving credit line as part of the syndicated loan in the amount of €30 million. For further information, please refer to our comments on financial liabilities in Note 25.1 to the consolidated financial statements.

The line item "Change in cash and cash equivalents from first-time consolidation" includes the cash balances received through the initial consolidation of previously immaterial companies or through transitional consolidation. In the reporting year, this was triggered by the Chinese company in the Switch Systems business unit, which was included in the scope of consolidation as of June 1, 2025.

The figures in the cash flow statement on page 157 relate to the entire Group, including the effects of discontinued operations. In the reporting year and the previous year, the figures in "Cash flow from operating activities" and "Free cash flow," which is considered in addition to other key figures for managing ROCE, were fully attributable to continuing operations.

The following table shows the breakdown of changes in financial liabilities (excluding bank overdrafts) and derivatives from hedging relationships included in cash flow from financing activities into cash and noncash items:

€ mill.	Long-term and medium-term credit liabilities, liabilities from dividends and interest liabilities on hybrid capital, and other interest payables	Short-term credit liabilities, liabilities from dividends and interest liabilities on hybrid capital, and other interest payables	Liabilities from leases	Derivatives in hedging relationships	Total
As of 12/31/2023	95.1	188.2	36.6	(1.9)	318.0
Payments for the period	38.1	(140.8)	(11.8)	0.0	(114.5)
Noncash changes					
Change from company acquisition	0.0	1.0	0.0	0.0	1.0
New lease agreements	0.0	0.0	23.1	0.0	23.1
Changes in fair value	0.0	0.0	(0.4)	(0.7)	(1.1)
Currency effects	0.1	2.1	(0.1)	0.0	2.1
Other	0.0	0.0	1.5	1.9	3.4
As of 12/31/2024	133.3	50.5	48.9	(0.7)	232.0
Payments for the period	253.3	(16.4)	(17.9)	0.0	219.0
Noncash changes					
Reclassification	(110.0)	110.0	0.0	0.0	0.0
Change from company acquisition	211.4	4.9	15.1	0.0	231.4
New lease agreements	0.0	0.0	14.4	0.0	14.4
Changes in fair value	0.0	0.0	(0.6)	0.7	0.1
Currency effects	(0.1)	1.6	(1.0)	0.0	0.5
Other	2.1	(0.1)	2.1	0.0	4.1
As of 12/31/2025	490.0	150.5	61.0	0.0	701.5

Notes to the balance sheet

Principle of classification of the balance sheet

The balance sheet is structured into noncurrent and current assets and liabilities. Such assets and liabilities maturing or due within one year are deemed current.

Regardless of their maturity, trade receivables and trade payables are also considered current in minor individual cases, even if not due within one year but within the normal course of the business cycle.

Deferred taxes are recognized as noncurrent assets or liabilities.

(9) Intangible assets

Breakdown of intangible assets

€ mill.	2025	2024
Goodwill	555.5	301.2
Development costs	7.5	6.9
Licenses and intangible assets from business combinations	170.1	31.0
Advance payments	24.1	21.3
Intangible assets	757.2	360.4

Intangible assets, which, with the exception of goodwill, exclusively comprise assets with a definite useful life, are recognized at the acquisition or production costs less cumulative amortization and cumulative impairment.

Goodwill is recognized in the respective functional currency of the Group companies from whose acquisition it originates.

Pursuant to IFRS 3 in conjunction with IAS 36, goodwill from business combinations is not amortized but is tested annually for impairment as of the balance sheet date or upon the occurrence of triggering events. This involves comparing the recoverable amount, calculated as value in use, to the respective carrying amount of a group of cash-generating units (CGUs). Within the Vossloh Group, goodwill is assigned to the business units, which represent groups of CGUs. The impairment test is performed at this level. The value in use is calculated based on the medium-term budget for the respective units, and is derived from the expected discounted cash flows. In this respect, key assumptions are the anticipated orders resulting from sales planning, the corresponding expected sales revenues and the full earnings and balance sheet planning based on this.

When measuring the value in use by discounting anticipated cash flows (after taxes), a discount rate after taxes specific to the business unit is applied. When determining the respective discount rate, weighted specific country risks, inflation/currency adjustments and tax rates are taken into account, while the weightings for the country risks as well as the inflation effects were derived from the regional distribution of sales from both the year under review and over the budget periods. In contrast, the tax rates are determined based on the relative earnings contributions of the companies within the business units. The regional distribution of sales as a weight in determining the discount rate for the terminal value is based solely on sales revenues in the last planning year. Especially for the purpose of differentiated consideration of the current and long-term inflation/currency adjustment of the cost of capital, various after-tax discount rates are determined for the planning period and the terminal value, which primarily differ with regard to the inflation/currency adjustment they include. Furthermore, uniform pre-tax discount rates specific to the business units are calculated whereby the same value in use arises based on the pre-tax cash flows that results from discounting the after-tax cash flows with the differentiated after-tax discount rates. The pre-tax discount rates for the individual business units are indicated in the table below.

The planning is based on empirical data and expected future market trends and encompasses a detailed planning period of three years. The expected sales growth of the business units is based on the planned projects and projects which are already included in the order backlog to various extents. The business units' average annual sales growth rate, which is anticipated for this period in line with the medium-term budget, is reported in the table below. The growth rate of the terminal value is set at 50 % of the business unit-specific inflation rate resulting from the discount factor calculation for the terminal value described above.

For periods further in the future, the terminal value is accounted for by using extrapolated cash flows and the growth rate described above to determine the value in use. This takes into account the financing of working capital and property, plant and equipment to the same extent in the cash flow. If the values in use determined in this way exceed the carrying amounts of the respective business units (including the allocated goodwill), no impairment losses are recognized on goodwill. Various scenarios are examined as part of sensitivity analyses: an increase in the after-tax discount rates of 50 basis points and a general reduction in cash flows of 7.5 %. In the case of one business unit, a combined stress scenario would result in the need to recognize an impairment of goodwill.

Breakdown of goodwill by business unit

	2025	2024	2025	2024	2025	2024	2025	2024
	Discount rate before taxes (in %)		Growth rate of the perpetual annuity (in %)		Average sales growth p.a. (in %)		Total value (in € mill.)*	
Vossloh Switch Systems	12.70	11.76	1.19	1.25	4.8	6.8	179.0	180.4
Vossloh Rail Services	11.56	9.94	1.01	1.02	8.2	10.7	69.4	69.2
Vossloh Tie Technologies	11.06	13.07	1.18	1.13	11.2	13.4	338.5	60.0
Vossloh Fastening Systems	14.90	13.73	1.44	1.32	3.5	9.5	23.9	25.8
							610.8	335.4

* Carrying amount plus notional noncontrolling interests

For the purposes of the impairment test, the goodwill of the Switch Systems business unit includes €18.6 million (previous year: €22.1 million), that of the Tie Technologies business unit €25.6 million (previous year: €0.0 million) and that of the Fastening Systems business unit €11.1 million (previous year: €12.1 million) of notional noncontrolling interests.

The changes in goodwill in the fiscal year resulted from exchange rate changes, as well as additions of €2.7 million due to the transitional consolidation in the Switch Systems business unit and the business combination in the Tie Technologies business unit, amounting to €258.3 million.

Development costs are recognized at cost of sales wherever it can be clearly assigned, the technical feasibility and future marketability can be expected with sufficient certainty, and the development work is reasonably certain to produce future cash inflows.

Cost of sales includes all costs directly or indirectly assignable to the development process.

Intangible assets are amortized on a straight-line basis over their expected useful lives, which in most cases are between three and 15 years.

Amortization of intangible assets is included in the income statement in the amount of €4.1 million (previous year: €2.4 million) under cost of sales, in the amount of €7.5 million (previous year: €2.5 million) under general administrative and selling expenses, and in the amount of €1.0 million (previous year: €1.1 million) under research and development costs.

As in the previous year, no impairment losses were recognized in the reporting year.

Development of intangible assets

€ mill.	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Goodwill		Development costs		Licenses and intangible assets from business combinations		Advance payments		Intangible assets	
Net carrying amount as of December 31	555.5	301.2	7.5	6.9	170.1	31.0	24.1	21.3	757.2	360.4
Cost										
As of January 1	355.0	348.0	15.5	13.9	86.4	79.8	21.7	17.6	478.6	459.3
Changes from first-time consolidation/ company acquisitions	261.0	5.2	0.9	0.0	140.4	4.9	5.4	0.0	407.7	10.1
Changes from the transition and deconsolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additions/ongoing investments	0.0	0.0	0.6	1.3	1.1	1.1	6.7	4.3	8.4	6.7
Disposals	0.0	0.0	0.0	0.0	(0.1)	(0.4)	0.0	0.0	(0.1)	(0.4)
Transfers	0.0	0.0	0.1	0.3	9.6	0.3	(9.3)	(0.2)	0.4	0.4
Currency translation differences	(6.7)	1.8	(0.1)	0.0	(2.1)	0.7	0.0	0.0	(8.9)	2.5
As of December 31	609.3	355.0	17.0	15.5	235.3	86.4	24.5	21.7	886.1	478.6
Accumulated amortization and impairment losses										
As of January 1	53.8	53.8	8.6	7.7	55.4	49.9	0.4	0.4	118.2	111.8
Changes from the transition and deconsolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization and impairment losses in the fiscal year	0.0	0.0	0.9	0.9	11.7	5.1	0.0	0.0	12.6	6.0
Disposals	0.0	0.0	0.0	0.0	(0.1)	(0.2)	0.0	0.0	(0.1)	(0.2)
Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency translation differences	0.0	0.0	0.0	0.0	(1.8)	0.6	0.0	0.0	(1.8)	0.6
As of December 31	53.8	53.8	9.5	8.6	65.2	55.4	0.4	0.4	128.9	118.2

Of the additions to advance payments on intangible assets, €5.5 million (previous year: €3.2 million) stem from the multi-year project to introduce a Group-wide standardized ERP system (one.ERP). This includes €0.8 million (previous year: €0.7 million) in capitalized interest incurred for financing this qualifying asset.

Breakdown of property, plant and equipment

€ mill.	2025	2024
Land, land rights and buildings, including buildings on nonowned land	139.5	100.1
Rights of use to land, land rights and buildings including buildings on nonowned land	41.8	30.9
Technical equipment and machinery	201.1	131.3
Rights of use to technical equipment and machinery	15.8	12.9
Other plant, factory and office equipment	24.5	22.2
Rights of use to other plant, factory and office equipment	10.4	9.8
Advance payments and assets under construction	64.0	66.4
Property, plant and equipment	497.1	373.6

(10) Property,
plant and
equipment

Property, plant and equipment are capitalized at acquisition or cost of sales and depreciated on a straight-line basis over the expected useful life. In addition to the purchase price, acquisition costs also include incidental acquisition costs. Purchase price reductions reduce the acquisition costs.

In the case of qualifying assets in accordance with IAS 23, the borrowing costs attributable to the production period are also capitalized.

In the reporting year, the Fastening Systems and Switch Systems business units capitalized €0.3 million (previous year: €0.9 million in the Fastening Systems business unit) in borrowing costs for technical equipment and machinery using an average financing cost rate of 3.83 % (previous year: 5.09 %).

In accordance with IFRS 16, right-of-use assets from leased property, plant and equipment are recognized at the time of acquisition with the sum of the lease liability, payments before or at the beginning of use, incidental costs of concluding the contract and estimated costs of dismantling or similar obligations at the end of the useful life. The initial measurement of the lease liability is based on the present value of the expected lease payments. The interest rate used to calculate the present value is generally the marginal financing rate that results for financing an asset in the respective currency area and for a comparable term. The terms of the respective contracts and thus the total expected lease payments are determined taking into account the contractual circumstances and, in the case of extension or termination options, on the basis of the expectations of the respective managements. Adjustments to expectations over the term and other changes in estimates lead to a revaluation of the respective contracts. In this respect, the respective management has discretionary powers, which are documented in the case of significant leases. As a rule, fixed payments are agreed; contractually agreed residual value guarantees are taken into account at the expected value. In the Rail Services business unit, there are hire-purchase agreements for a number of assets, for which the purchase price at the end of the basic rental period was taken into account in the valuation. The capitalized rights of use are mainly depreciated over the assumed term of the lease.

In the event of a subsequent transfer of ownership, depreciation is based on the expected total useful life of the asset concerned.

Development of property, plant and equipment including right-of-use assets capitalized in accordance with IFRS 16

€ mill.	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Land, land rights and buildings, including buildings on nonowned land		Technical equipment and machinery		Other plant, factory and office equipment		Advance payments and assets under construction		Property, plant and equipment	
Net carrying amount as of December 31	181.3	131.0	216.9	144.2	34.9	32.0	64.0	66.4	497.1	373.6
Cost										
As of January 1	243.8	233.1	462.6	441.5	91.4	78.2	72.0	57.2	869.8	810.0
Changes from first-time consolidation/ company acquisitions	56.8	0.1	44.8	1.4	1.8	3.4	7.0	0.0	110.4	4.9
Changes from the transition and deconsolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.3)	0.0	(0.3)
Additions/ongoing investments	11.0	22.5	20.8	12.1	10.7	8.6	37.4	33.9	79.9	77.1
Disposals	(2.2)	(13.9)	(6.4)	(6.9)	(5.7)	(2.0)	(0.4)	(1.0)	(14.7)	(23.8)
Transfers	4.1	0.5	45.0	12.2	2.4	2.7	(51.9)	(17.9)	(0.4)	(2.5)
Currency translation differences	(7.3)	1.5	(8.9)	2.3	(1.7)	0.5	0.0	0.1	(17.9)	4.4
As of December 31	306.2	243.8	557.9	462.6	98.9	91.4	64.1	72.0	1,027.1	869.8
Accumulated depreciation and impairment losses										
As of January 1	112.8	113.0	318.4	298.4	59.4	52.4	5.6	6.4	496.2	470.2
Changes from the transition and deconsolidation	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	0.0
Depreciation and impairment losses in the fiscal year	16.3	14.7	29.7	24.9	11.4	8.4	0.0	0.0	57.4	48.0
Disposals	(0.9)	(13.9)	(6.0)	(6.8)	(5.3)	(1.8)	0.0	(0.8)	(12.2)	(23.3)
Transfers	0.0	(1.9)	5.5	0.0	0.0	0.0	(5.5)	0.0	0.0	(1.9)
Currency translation differences	(3.2)	0.9	(6.6)	1.9	(1.5)	0.4	0.0	0.0	(11.3)	3.2
As of December 31	124.9	112.8	341.0	318.4	64.0	59.4	0.1	5.6	530.0	496.2

The following rights of use are capitalized under property, plant and equipment:

Development of capitalized right-of-use assets in accordance with IFRS 16						
€ mill.	2025	2024	2025	2024	2025	2024
	Land, land rights and buildings, including buildings on nonowned land		Technical equipment and machinery		Other plant, factory and office equipment	
Net carrying amount as of December 31	41.8	30.9	15.8	12.9	10.4	9.8
Cost						
As of January 1	60.7	51.3	20.5	18.1	20.0	15.2
Additions/ongoing investments	7.9	19.2	2.1	0.6	4.3	3.3
Changes from first-time consolidation/ company acquisitions	13.4	0.0	3.6	0.2	0.0	2.3
Changes from the transition and deconsolidation	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	(2.2)	(9.7)	0.0	0.0	(2.6)	(0.7)
Transfers	(0.1)	0.0	(0.4)	1.6	0.7	0.0
Currency translation differences	(1.8)	(0.1)	0.1	0.0	0.2	(0.1)
As of December 31	77.9	60.7	25.9	20.5	22.6	20.0
Accumulated depreciation and impairment losses						
As of January 1	29.8	31.7	7.6	5.7	10.2	7.9
Changes from the transition and deconsolidation	(0.1)	0.0	0.0	0.0	0.0	0.0
Depreciation and impairment losses in the fiscal year	8.0	7.2	2.5	1.9	4.3	3.0
Disposals	(0.9)	(9.2)	0.0	0.0	(2.4)	(0.7)
Transfers	0.0	0.0	(0.1)	0.0	0.0	0.0
Currency translation differences	(0.7)	0.1	0.1	0.0	0.1	0.0
As of December 31	36.1	29.8	10.1	7.6	12.2	10.2

Depreciation is mainly based on the following useful lives:

Useful lives of property, plant and equipment	
Buildings	3 to 50 years
Technical equipment and machinery	2 to 25 years
Other plant, factory and office equipment	2 to 25 years

Changes from initial consolidation in the reporting year mainly related to additions from the acquisition of the Sateba Group.

Apart from this, significant additions were made in 2025, particularly in the Switch Systems and Rail Services business units. The additions to advance payments and assets under construction mainly related to expenses in connection with the new switch plant in Sweden, which is still under construction, in the Switch Systems business unit, the construction of a production facility for engineered polymer pads in the Fastening Systems business unit, and the construction of a new-generation HSG grinding train in the Rail Services business unit. Investments were also made in the construction of a new production hall at the welding plant in Leipzig.

In the reporting year, no impairment losses were recognized on property, plant and equipment in excess of the planned allocation of acquisition costs (previous year: €0.0 million).

Depreciation on property, plant and equipment is included in the income statement in the amount of €48.9 million (previous year: €41.2 million) under cost of sales, in the amount of €8.4 million (previous year: €6.7 million) under general administrative and selling expenses, and in the amount of €0.1 million (previous year: €0.1 million) under research and development costs.

(11) Investment properties

Development of investment properties		
€ mill.	2025	2024
Net carrying amounts	0.6	0.9
Cost		
As of January 1	7.1	4.9
Disposals	0.0	0.0
Transfers	0.0	2.1
Currency translation differences	(0.3)	0.1
As of December 31	6.8	7.1
Accumulated depreciation and impairment losses		
As of January 1	6.2	3.9
Depreciation in the fiscal year	0.2	0.3
Disposals	0.0	0.0
Transfers	0.0	1.9
Currency translation differences	(0.2)	0.1
As of December 31	6.2	6.2

Investment properties comprises land and buildings that are fully or partially leased to third parties and not used for operational purposes.

Buildings not used for operational purposes are measured at amortized cost in accordance with IAS 40. The useful life on which straight-line depreciation is based is 20 years.

Rental income from investment properties in the reporting year amounted to €0.4 million (previous year: €0.4 million).

Rented properties, including depreciation, maintenance and ancillary costs, accounted for expenses of €0.3 million (previous year: €0.3 million). As in the previous year, there were no unlet properties.

As in the previous year, the expenses in connection with rented properties do not include any impairment losses.

The fair value of investment property, including buildings, is €2.0 million (previous year: €2.2 million). The fair values were determined by recognized appraisers.

(12) Investments in companies accounted for using the equity method

Information on investments in companies accounted for using the equity method		
€ mill.	2025	2024
Profit or loss from continuing operations	4.6	6.0
Income and expenses recognized directly in equity	(2.1)	1.2
Total comprehensive income	2.5	7.2

In addition to these amounts, currency translation differences of €1.4 million previously recognized directly in equity under accumulated other comprehensive income were recognized as an expense in the income statement due to the transitional consolidation of two companies included using the equity method in the previous year. The transitional consolidations related to the company Wuhu China Railway Cogifer Track Co., Ltd. in China, where control was acquired through an amendment to the articles of association, and a company in Kazakhstan in the Fastening Systems business unit, where the shares previously held by the other shareholder were acquired. As this company is currently immaterial, it was not included in the consolidated financial statements.

Disclosures of Amurrio Ferrocarril y Equipos SA, Amurrio, Spain and Beijing CRM-Vossloh Track Maintenance Technology Co., Ltd., Beijing, China, which are accounted for using the equity method

€ mill.	2025		2024		
	Amurrio	Beijing	Wuhu	Amurrio	Beijing
Noncurrent assets	10.3	3.4	10.5	10.6	4.6
Current assets	38.9	19.6	34.0	37.1	24.4
thereof cash and cash equivalents	3.0	2.3	12.8	3.5	5.8
Noncurrent liabilities	1.9	0.0	0.0	2.8	0.0
thereof noncurrent financial liabilities	0.1	0.0	0.0	0.1	0.0
Current liabilities	11.1	0.5	9.8	10.2	1.2
thereof current financial liabilities	0.0	0.1	0.4	0.2	0.3
Sales revenues	45.8	14.7	26.0	47.8	16.1
Result from continuing operations	3.3	2.5	5.3	3.3	3.0
Depreciation and amortization	1.5	0.9	1.1	1.4	0.9
Interest income	0.2	0.0	0.1	0.3	0.0
Interest expenses	0.1	0.0	0.0	0.1	0.0
Tax expense	0.7	0.4	0.9	0.8	0.4
Total comprehensive income	3.3	0.2	6.7	3.3	4.1

Reconciliation of the financial information to the at-equity carrying amount

€ mill.	2025			2024		
	Wuhu	Amurrio	Beijing	Wuhu	Amurrio	Beijing
Net assets January 1	34.7	34.7	27.8	32.3	35.4	26.7
Profit or loss	2.0	3.3	2.5	5.3	3.3	3.0
Income and expenses recognized directly in equity	(2.6)	0.0	(2.3)	1.4	0.0	1.1
Dividends	(4.0)	(1.8)	(5.5)	(4.3)	(4.0)	(3.0)
Adjustment to fair value	5.3					
Disposal due to transitional consolidation	(35.4)					
Net assets December 31	0.0	36.2	22.5	34.7	34.7	27.8
Proportional equity	–	18.1	10.6	17.4	17.4	13.1
Consolidations	–	(0.7)	2.1	0.1	0.0	(0.4)
Carrying amount	–	17.4	12.7	17.5	17.4	12.7

Shares in associates and joint ventures are accounted for using the equity method. The carrying amounts of the companies are increased or decreased by the pro rata after-tax earnings, distributed dividends and other changes in equity.

As in the previous year, this relates to shares in six foreign and one domestic company that are under the joint control of a Group company and usually an external partner or over which a significant influence is exercised. Apart from the two or three joint ventures explained in the tables above, the carrying amounts of the remaining joint ventures and associates are not material for the Group. Detailed information on the scope of consolidation can be found on pages 163 et seq. of this annual report.

(13) Other noncurrent financial instruments

Breakdown of other noncurrent financial instruments

€ mill.	2025	2024
Derivative financial instruments from hedging relationships	0.4	2.4
Other investments	3.6	2.0
Shares in nonconsolidated affiliated companies	1.6	0.2
Loans	0.7	0.1
Plan assets in connection with pension obligations	2.1	–
Other noncurrent financial assets	5.5	4.5
Other noncurrent financial instruments	13.9	9.2

Shares in nonconsolidated affiliated companies where the criterion of control is met but which are not included due to immateriality are generally recognized at fair value. Such equity instruments are immaterial for the presentation of the Group's net assets and results of operations. The assessment is based on the company's key financial indicators such as EBIT, sales, total assets and equity. Due to the lack of materiality, no further disclosures are made on these equity instruments in accordance with IFRS 9.

Loans not traded on an active market and other noncurrent financial assets are measured at fair value on initial recognition on the basis of the business model pursued for such financial instruments (cash flows result exclusively from interest payments and the repayment amount on maturity), which generally corresponds to the nominal value of the receivable or the loan amount granted. Non-interest-bearing and low-interest-bearing noncurrent loans and receivables are recognized at present value. Subsequent measurement is at amortized cost using the effective interest method.

Other financial instruments are measured depending on their classification in accordance with IFRS 9. A reconciliation to the measurement categories of IFRS 9 can be found in the section "Additional disclosures on financial instruments" on pages 196 et seqq.

Other noncurrent financial assets mainly include a financial receivable.

(14) Other noncurrent assets

Other noncurrent assets mainly comprise prepaid expenses and deferred income.

(15) Deferred taxes

Deferred taxes are recognized in accordance with IAS 12 on temporary differences between the tax base and the carrying amounts in the IFRS balance sheet, on tax loss and interest carryforwards and on consolidation processes affecting profit or loss. Deferred taxes are calculated using the tax rates that are expected to apply at the time of realization in accordance with the statutory regulations in force on the balance sheet date.

Deferred taxes due to recognition and measurement differences as well as tax loss and interest carryforwards arose for the following balance sheet items:

Deferred taxes

€ mill.	2025		2024	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets and property, plant and equipment	14.8	70.2	6.9	27.5
Inventories	4.5	0.0	4.6	0.1
Receivables	1.1	0.7	1.2	1.4
Other assets	8.6	3.9	3.2	4.1
Pension provisions	3.7	0.5	4.1	0.0
Other provisions	9.4	0.6	7.6	0.0
Liabilities	6.7	3.5	4.0	1.3
Other liabilities	5.7	5.4	4.8	5.4
Loss and interest carryforwards	57.5	–	24.1	–
Total	112.0	84.8	60.5	39.8
Netting	(40.6)	(40.6)	(34.4)	(34.4)
Deferred taxes according to the balance sheet	71.4	44.2	26.1	5.4

As in the previous year, the changes in deferred tax assets and liabilities were mainly recognized in the income statement in the reporting year, and to a lesser extent in the statement of comprehensive income.

As at December 31, 2025, there were corporate income tax loss carryforwards in Germany in the amount of €407.8 million (previous year: €397.2 million) and trade tax loss carryforwards of €372.3 million (previous year: €366.0 million). No deferred taxes were recognized for corporate income tax losses of €359.0 million (previous year: €367.8 million) and trade tax losses of €322.0 million (previous year: €335.7 million). The three-year period of detailed planning is used to determine the deferred tax assets on loss or interest carryforwards and the expected taxable income is estimated.

In addition, the foreign companies had loss carryforwards in relation to comparable income taxes totaling €126.4 million (previous year: €48.1 million), of which €102.2 million (previous year: €18.6 million) resulted in deferred tax assets. In the reporting year, deferred tax assets in the amount of €2.1 million (previous year: €10.0 million) were impaired or not recognized due to unfulfilled conditions. At the same time, deferred tax assets in the amount of €10.9 million (previous year: €21.7 million) were recognized that had been impaired or could not previously be recognized. According to the current legal situation, tax loss carryforwards can be carried forward in Germany and predominantly abroad without restriction. Loss carryforwards of €10.5 million for foreign income taxes (previous year: €8.2 million) will expire in the future, of which €8.2 million (previous year: €8.2 million) will expire after more than five years.

The Act for a Tax-Based Immediate Investment Program to Strengthen Germany as a Business Location (Gesetz für ein steuerliches Investitionssofortprogramm zur Stärkung des Wirtschaftsstandorts Deutschland), which includes a reduction in the German corporate tax rate from the current 15 % to 10 % over the period from 2028 to 2032, resulted in total deferred tax income of €0.7 million from the revaluation of the reversal effects of temporary differences at the applicable tax rate. The One Big Beautiful Bill Act signed in the USA on July 4, 2025, did not result in any significant effects.

Breakdown of inventories

€ mill.	2025	2024
Raw materials and supplies	137.4	130.0
Work in progress	44.7	53.5
Merchandise	15.1	20.4
Finished products	52.9	41.4
Advance payments	1.4	1.6
Total	251.5	246.9

(16) Inventories

Inventories are carried at the lower of cost of sales or net realizable value. Cost of sales includes all production-related full costs. These include the directly attributable direct costs, the special direct costs of production and all fixed and variable overheads systematically attributable in the context of production.

Borrowing costs are capitalized as part of the cost of acquisition or cost of sales if they are qualifying assets within the meaning of IAS 23.

If inventories are subject to group valuation, the average cost method is applied. Inventory risks resulting from the storage period or reduced usability are taken into account by means of corresponding write-downs.

Write-downs on inventories amounted to €25.2 million as at the reporting date (previous year: €23.4 million) and mainly resulted from overreaching.

Of this, €0.8 million (previous year: €0.2 million) was recognized in profit or loss in the reporting year as the balance of additional value adjustments and reversals of previous value adjustments.

The carrying amount of inventories recognized at net realizable value was €14.5 million (previous year: €10.0 million). As the reasons for impairment losses no longer applied, inventories were written up by €0.5 million in 2025 (previous year: €0.9 million).

(17) Trade receivables and contract assets

Trade receivables are recognized at nominal value due to their short remaining term. The simplified method for calculating expected credit losses (ECL) is used for value adjustments. Possible changes in credit risk are taken into account at each reporting date by analyzing the risk on the basis of the entire term of the receivables using a provision matrix based on the actual receivables defaults per business unit. Past experience is then supplemented with forward-looking information such as macroeconomic conditions and the expectations of the business units. Depending on the age of the trade receivables, valuation allowances are recognized at a loss rate based on the number of days overdue. Trade receivables from certain customers are treated as a separate class based on past experience despite being more than 360 days overdue and are impaired to a lesser extent.

The following table shows the provision matrix:

Risk class	2025				2024			
	Gross carrying amounts (€ mill.)	Net carrying amounts (after consideration of individual risks, without refundable VAT) (€ mill.)	Allowance (€ mill.)	Average loss rate Vossloh Group (in %)	Gross carrying amounts (€ mill.)	Net carrying amounts (after consideration of individual risks, without refundable VAT) (€ mill.)	Allowance (€ mill.)	Average loss rate Vossloh Group (in %)
Assets not due	206.2	172.7	0.0	0.01	195.8	163.3	0.0	0.00
Overdue by 1 to 30 days	30.2	27.1	0.0	0.01	34.1	30.3	0.0	0.00
Overdue by 31 to 90 days	22.9	20.4	0.0	0.09	16.1	14.3	0.0	0.00
Overdue by 91 to 180 days	4.7	4.2	0.0	0.23	5.8	5.1	0.0	0.00
Overdue by 181 to 360 days	10.6	9.4	0.1	0.65	4.6	4.0	0.0	0.00
Overdue by more than 360 days	1.7	1.5	0.0	1.04	3.2	2.8	0.0	0.00
Overdue by more than 360 days with individual allowance	11.2	9.9	0.1	0.65	2.9	2.6	0.0	0.02
	287.5	245.2	0.2		262.5	222.4	0.0	

Individual risks are taken into account through appropriate value adjustments. If there are indications of a probable impairment, such as the filing of insolvency, an appropriate valuation allowance is recognized. Derecognition only takes place when the realization of the respective receivable is virtually impossible due to legal or factual reasons (for example, after the termination of insolvency proceedings).

The balance and changes in the allowances for trade receivables are presented below:

Development of allowances (including consideration of individual risks) on trade receivables		
€ mill.	2025	2024
Balance as of January 1	11.5	16.0
Additions from company acquisitions/transitional consolidation	5.0	0.0
Additions	1.7	3.0
Releases	(2.8)	(3.5)
Utilization	(3.2)	(4.0)
Currency translation differences	(0.2)	0.0
Balance as of December 31	12.0	11.5

Contract assets and contract liabilities result from the recognition of customer orders for which revenue is recognized over the period in which the performance obligation is fulfilled. For each relevant contract, the contract costs incurred, including a profit share corresponding to the percentage of completion less any fully recognized losses, are recognized as a contract asset or contract liability. They are recognized as contract assets if the cumulative performance exceeds the advance payments received from customers or agreed partial settlements. In the opposite case, the advance payments are recognized as contract liabilities on the liabilities side of the balance sheet after offsetting against the accumulated services.

Contract assets and liabilities				
€ mill.	2025		2024	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Contract costs	1.2	69.2	3.1	–
Proportional profits	0.2	12.3	0.1	–
Cumulative output from construction contracts	1.4	81.5	3.2	–
Advance payments received	–	(12.5)	–	–
Partial settlements	–	(81.9)	–	–
Balance sheet presentation	1.4	12.9	3.2	–

Contract liabilities that did not exist in the previous year have developed to the reported amount of €12.9 million as a result of the initial consolidation of the Sateba Group (€14.1 million) and the progress made since then in the performance of the associated products, resulting in recognizing revenue of €(1.2) million.

Of the reimbursement claims, €0.5 million (previous year: €0.1 million) is attributable to companies in the Fastening Systems business unit, €4.6 million (previous year: €4.6 million) to Vossloh Switch Systems, €1.3 million (previous year: €0.7 million) to companies in the Rail Services business unit, €2.7 million (previous year: €1.0 million) to the Tie Technologies business unit and €3.3 million (previous year: €5.8 million) to companies at Group level.

(18) Income tax assets

(19) Other current financial instruments and other current assets

Breakdown of other current financial instruments and other current assets

€ mill.	2025	2024
Receivables from reimbursement	6.0	6.0
Other financial receivables	9.3	3.6
Security and similar deposits	1.6	2.3
Creditors with debit balances	0.5	0.7
Receivables from employees	0.5	0.4
Other current financial instruments	0.8	0.4
Other current financial instruments	18.7	13.4
Other tax receivables (excluding income taxes)	19.0	18.8
Sundry current assets	12.8	14.8
Deferred income	7.2	10.8
Other current assets	39.0	44.4

The "other financial receivables" reported under other current financial instruments are measured at fair value with changes in value recognized in profit or loss. Other current financial instruments and other current assets are valued at cost, whereby individual risks are taken into account through appropriate value adjustments. The receivables from reimbursements do not relate to reimbursements by shareholders. The other financial receivables mainly result from retained amounts in connection with factoring agreements in the business units Tie Technologies in the amount of €3.9 million (previous year: €0.0 million), Switch Systems in the amount of €2.0 million (previous year: €1.5 million) and Rail Services in the amount of €3.4 million (previous year: €2.1 million). The receivables represent claims against the factoring banks; the nominal value corresponds to the fair value due to the short maturity of the transferred receivables. No impairment losses were recognized on other financial receivables.

Other tax receivables (excluding income taxes) mainly comprise VAT refund claims. In addition to a variety of other items, sundry current assets include claims for surrender in connection with expected returns of rail fastening systems or individual components, for which corresponding provisions have been recognized.

The status and development of allowances are shown below:

Development of allowances

€ mill.	2025	2024
Balance as of January 1	0.5	0.4
Additions	0.2	0.2
Releases	0.0	(0.1)
Utilization	(0.3)	0.0
Currency translation differences	0.0	0.0
Balance as of December 31	0.4	0.5

A reconciliation to the measurement categories of IFRS 9 can be found in the section "Additional disclosures on financial instruments" on pages 196 et seqq.

Other tax receivables and other assets are measured at amortized cost.

(20) Short-term securities

This item includes investments in short-term fixed-income securities that result in both interest payments and sales. They are reported at fair value; changes in value are recognized directly in other equity.

A reconciliation to the measurement categories of IFRS 9 can be found in the section "Additional disclosures on financial instruments" on pages 196 et seqq.

Cash and cash equivalents include cash on hand and bank balances. Cash equivalents comprise financial instruments including checks with a maximum remaining term of three months from the date of acquisition, which can be converted into cash at any time. They are recognized at nominal value.

(21) Cash and cash equivalents

The development of equity is shown on page 159. Vossloh's capital management primarily pursues the goal of achieving a sustainable increase in enterprise value through a positive value added. Positive value added contributions generally support growth in equity.

(22) Equity/capital management

As ancillary conditions, liquidity must be ensured at all times and the Vossloh Group's equity ratio must be at an appropriate level to ensure the Group's long-term ability to continue as a going concern.

The optimization of the capital structure contributes to this, as does the efficient management of cash inflows and outflows from financing activities and effective risk management.

As part of its capital management, Vossloh AG complies with the statutory provisions on capital maintenance. It is not subject to any statutory capital requirements. Special capital terms are not used. As part of the Vossloh Group's dividend policy, the aim is to distribute dividends on a sustainable basis, provided that the economic situation permits this. A decision on the amount of the annual dividend is made from year to year.

The capital stock of Vossloh AG remains unchanged from the previous year at €54,843,447.62 and is divided into 19,320,597 no-par value bearer shares (also unchanged from the previous year). Only ordinary shares have been issued. The no-par value shares have a notional interest of €2.84 per share in the capital stock.

(22.1) Capital stock

The additional paid-in capital includes the premium over the nominal amount from the issue of shares by Vossloh AG. In addition, differences arising from the purchase and sale prices of treasury shares from previous share buy-back programs are recognized in additional paid-in capital.

(22.2) Additional paid-in capital

As part of the 2025 employee stock option program, Vossloh Group employees in Germany were given the option of either receiving three Vossloh AG shares free of charge or acquiring twelve shares at a preferential price of 50 percent of the issue price of €68.90 per share (previous year: €44.35) – determined on the basis of the stock market price at the time of transfer. The conditions were basically identical in the previous year. In the reporting year, employees of the Vossloh Group were granted a total of 3,531 shares free of charge (previous year: 3,282 shares) from both implementation options as a result of using this program. The expense from the granting of shares amounted to €319.6 thousand (previous year: €160.8 thousand) and was calculated on the basis of the share price of €90.50 (previous year: €49.00) per share on the last trading day of the participation period.

Employee stock option program

The shares granted are each subject to a three-year holding period. The shares granted were acquired via the capital market; there are no further obligations from the program.

Retained earnings include past earnings of the companies included in the consolidated financial statements that have not been distributed from a Group perspective.

(22.3) Retained earnings and net income

In the reporting year, a dividend of €1.10 per share was distributed (previous year: €1.05).

(22.4) Hybrid capital A hybrid bond with an issue volume of €150 million was placed in February 2021. Due to the terms of the bond, this financial instrument is classified as equity in accordance with IAS 32 and reported accordingly. Vossloh AG has a sole right of termination, which can be exercised for the first time on February 23, 2026. The transaction costs incurred in connection with the issue were recognized directly as a reduction in equity. The hybrid bond bears interest at 4.0 %, whereby interest payments can be suspended and postponed to the future under certain conditions at the company's discretion. The hybrid bond was called during the reporting period and a new hybrid bond of €250 million with comparable features and an interest rate of 5.375 % was issued. See the comments under Events after the balance sheet date on page 209.

Change in other comprehensive income

	Reserve from currency translation	Reserve from hedging transactions (cash flow hedges)	Reserve from the remeasurement of defined benefit plans	Other comprehensive income not including noncontrolling interests	Noncontrolling interests	Other comprehensive income
€ mill.	2025					
Reclassification of actuarial gains/losses from the previous year from defined benefit plans to retained earnings			(0.2)	(0.2)		(0.2)
Foreign subsidiaries – Currency translation differences	(11.0)			(11.0)	(2.9)	(13.9)
Cash flow hedges		0.9		0.9		0.9
Actuarial gains/losses from defined benefit plans			0.8	0.8	0.0	0.8
Transitional consolidation effects	1.4			1.4		1.4
Other effects		0.0		0.0		0.0
Total	(9.6)	0.9	0.6	(8.1)	(2.9)	(11.0)

	2024					
Reclassification of actuarial gains/losses from the previous year from defined benefit plans to retained earnings			1.1	1.1		1.1
Foreign subsidiaries – Currency translation differences	(1.7)			(1.7)	1.3	(0.4)
Cash flow hedges		0.5		0.5		0.5
Actuarial gains/losses from defined benefit plans			0.2	0.2	0.0	0.2
Other effects	0.1			0.1		0.1
Total	(1.6)	0.5	1.3	0.2	1.3	1.5

(22.5) Accumulated other comprehensive income Accumulated other comprehensive income includes the changes in equity not recognized in profit or loss from the currency translation of the financial statements of foreign subsidiaries, from the measurement of derivative financial instruments in connection with hedging transactions (cash flow hedges) and financial instruments classified at fair value through other comprehensive income, as well as from the actuarial gains and losses from employee benefits recognized in the fiscal year.

In the reporting year, actuarial gains of €0.2 million (previous year: losses of €1.1 million) were reclassified from the reserves for the remeasurement of defined benefit plans to retained earnings. As a result of the transitional consolidation of two joint ventures previously accounted for using the equity method, currency translation differences, which had reduced equity by €1.4 million, were recognized in the income statement under other financial expense; accumulated other comprehensive income was increased accordingly.

€18.4 million (previous year: €18.8 million) of noncontrolling interests were attributable to minority shareholders in the Fastening Systems business unit, €25.0 million (previous year: €7.0 million) to those in the Switch Systems business unit, and, for the first time, €12.8 million to those in the Tie Technologies business unit.

(22.6) Noncontrolling interests

Development of pension provisions/provisions for other post-employment benefits

€ mill.	Present value of the obligation	Fair value of plan assets	Total
As of 01/01/2024	34.7	(11.8)	22.9
Service cost	0.8		0.8
Net interest expense/income	1.2	(0.4)	0.8
Remeasurements			
Income from plan assets excluding the amounts recognized in net interest expense		0.0	0.0
Gains/losses from changes in actuarial assumptions	(0.9)		(0.9)
Experience-related assumptions	0.6		0.6
Benefits paid	(1.8)	0.6	(1.2)
Currency translation differences	0.1		0.1
As of 12/31/2024	34.7	(11.6)	23.1
Changes from initial consolidation	22.2	(22.7)	(0.5)
Service cost	0.9		0.9
Net interest expense/income	1.5	(0.7)	0.8
Remeasurements			
Income from plan assets excluding the amounts recognized in net interest expense		(0.4)	(0.4)
Gains/losses from changes in actuarial assumptions	(2.5)		(2.5)
Experience-related assumptions	1.9		1.9
Benefits paid	(2.2)	0.9	(1.3)
Currency translation differences	(1.3)	1.2	(0.1)
As of 12/31/2025	55.2	(33.3)	21.9

(23) Pension provisions/provisions for other post-employment benefits

Vossloh AG and some subsidiaries have entered into pension obligations to former and current employees. The resulting payments are generally made until the end of the beneficiary's life if the relevant conditions are met. The pension benefits vary depending on the economic circumstances and are generally based on the length of service, salary and position held in the company. The obligation to pay pensions in the future lies with the subsidiaries concerned (defined benefit plan).

Pension provisions are recognized in accordance with IAS 19 on the basis of the projected unit credit method. Current capital market interest rates, probable future salary and pension increases and expected fluctuation rates are taken into account. The balance sheet risks of defined benefit plans result in particular from the development of current capital market interest rates, as fluctuations in interest rates make the present value of obligations volatile and the Group's equity is therefore also subject to corresponding adjustments.

At the same time, this results in the risk that the fair values of the assets within the plan assets do not increase to the same extent. Both effects could lead to a reduction in equity due to actuarial losses.

The plan assets offset against the present value of entitlements to defined retirement benefits are essentially reinsurance policies that cover the majority of the respective personal entitlements to defined retirement benefits. The reinsurance policies are pledged individually to the beneficiaries and are offset against the present value of the obligations at fair value. In addition, several Group companies hold shares in securities funds.

The reported pension provisions are based on actuarial reports by independent actuaries. The 2018 G mortality tables from Klaus Heubeck were used for the domestic companies.

The pension provisions recognized in the balance sheet and the provision for other post employment benefits are derived as follows:

Calculation of the recognized pension provisions/provisions for other post-employment benefits

€ mill.	2025		2024	
	Pension provision	Provision for other post-employment benefits	Pension provision	Provision for other post-employment benefits
Present value of pension commitments covered by plan assets	34.2	7.4	14.3	7.6
Fair value of plan assets	(32.2)	(1.1)	(10.6)	(1.0)
Provision for pension benefits covered by plan assets	2.0	6.3	3.7	6.6
Present value of pension commitments not covered by plan assets	10.8	2.8	11.5	1.3
Provision for pension benefits not covered by plan assets	10.8	2.8	11.5	1.3
Recognized provision	12.8	9.1	15.2	7.9

At one of the Group companies, plan assets exceed liabilities by €2.1 million. Pension provisions are therefore shown higher in the balance sheet by this amount than in the tables above. The excess portion of plan assets from this pension plan is recognized in the balance sheet under other noncurrent financial instruments.

Current service costs are part of personnel expenses, which are included in the functional costs. Interest expenses are reported under other interest expenses.

The actual return on plan assets amounted to 3.4 % in the reporting year (previous year: 3.5 %). The discount rate used in the reporting year was mainly 4.0 % (previous year: 3.5 %). This parameter is considered to be material, so a sensitivity analysis was carried out on the basis of possible changes. A decrease or increase in the discount rate by 25 basis points in each case would have increased the defined benefit obligation (DBO) and thus the provision by €1.4 million (previous year: €0.9 million) or decreased it by €1.6 million (previous year: €1.0 million). The average duration of the defined benefit pension plans is 15.5 years (previous year: eleven years). Other parameters relate to the expected fluctuation of 6.0 %, the income trend of 3.0 %, and the pension trend of 2.0 % (all values p. a. and unchanged from the previous year).

In addition, some Group companies have voluntary or statutory defined contribution plans. As a rule, these Group companies have no further obligations apart from the payment of contributions to external bodies. The expense from the allocation to such defined contribution plans amounted to €12.4 million in the fiscal year (previous year: €11.2 million).

The provision for other post-employment benefits include payments of one-off amounts that are required by law at several Group companies for employees leaving the company (both on retirement and in other cases). These provisions are to be treated as employee benefits within the meaning of IAS 19 and are to be classified as a defined benefit plan due to their structure.

To finance the expected payments, some assets were transferred to external plan assets. The recognized provision in the balance sheet are, therefore, the balance of the present value of the obligation and the fair value of these plan assets.

When calculating the provision, discount rates of between 3.9 % and 4.2 % (previous year: between 3.08 % and 3.21 %) and an expected increase in wage and salary payments of between 2.0 % and 4.5 % (previous year: 2.5 % and 4.5 % respectively) were assumed.

(24) Other provisions

Breakdown of other provisions		
€ mill.	2025	2024
Personnel-related provisions	3.8	2.2
Warranty obligations and follow-up costs	6.4	7.7
Litigation risks and impending losses	0.9	3.1
Risks from M&A transactions	0.0	–
Sundry provisions	10.1	8.1
Other noncurrent provisions	21.2	21.1
Personnel-related provisions	1.7	0.0
Warranty obligations and follow-up costs	13.8	16.9
Litigation risks and impending losses	12.4	12.5
Risks from M&A transactions	4.2	4.9
Sundry provisions	20.0	21.1
Other current provisions	52.1	55.4
Other provisions	73.3	76.5

For all provisions reported as current, resource outflows are expected within one year; for provisions reported as noncurrent, an outflow of resources is expected after one year. The timing of utilization is subject to significant uncertainties, particularly in the case of risks from guarantee obligations or litigation risks. Other provisions take into account all recognizable obligations on the balance sheet date that are based on past events and whose amount or remaining term are uncertain. The provisions were recognized in the amount of their probable occurrence if the probability of a charge is higher than 50 %. Noncurrent provisions are recognized at the present value of the uncertain obligations if the discounting effect is material.

Change in other provisions

€ mill.	Opening balance as of 1/1/2025	Addition from initial consolidation	Utilization	Release	Addition	Interest effects	Currency translation differences	Closing balance as of 12/31/2025
Personnel-related provisions	2.2	2.0	(0.5)	0.0	1.8	0.0	(0.0)	5.5
Warranty obligations and follow-up costs	24.6	1.2	(3.2)	(7.3)	4.9	0.0	0.0	20.2
Litigation risks and impending losses	15.6	4.7	(5.8)	(4.8)	5.9	0.0	(2.3)	13.3
Risks from M&A transactions	4.9	0.0	0.0	(0.7)	0.0	0.0	0.0	4.2
Sundry provisions	29.2	5.0	(6.6)	(2.9)	5.6	(0.2)	0.0	30.1
Other provisions	76.5	12.9	(16.1)	(15.7)	18.2	(0.2)	(2.3)	73.3

The warranty obligations include both the amounts set aside for individual guarantee costs and provisions recognized on the basis of past experience in the amount of the expected guarantee cases from sales generated. Litigation risks and impending losses include obligations from legal disputes and risk provisions for losses from pending transactions. Personnel-related provisions mainly comprise uncertain liabilities from partial retirement agreements and anniversary bonuses. Risks from M&A transactions mainly include probable claims in connection with completed company sales. Provisions for anticipated losses from purchase obligations amounted to €6.1 million on the balance sheet date (previous year: €6.6 million). Sundry provisions include provisions for restoration obligations, restructuring and risks from potential claims for damages.

Liabilities

Liabilities according to remaining terms

€ mill.	2025	2024	2025	2024	2025	2024	2025	2024
Remaining term	≤ 1 year		1-5 years		> 5 years		Total	
Financial liabilities	168.9	62.2	444.8	131.7	87.8	38.8	701.5	232.7
Trade payables	224.7	203.4	0.0	0.5	0.0	0.0	224.7	203.9
Liabilities from reverse factoring	30.7	29.1	–	–	–	–	30.7	29.1
Liabilities from construction contracts	12.9	–	0.0	–	0.0	–	12.9	–
Income tax liabilities	19.4	14.9	0.0	0.0	0.0	0.0	19.4	14.9
Other liabilities	176.0	148.5	3.4	3.6	1.0	1.2	180.4	153.3
Total	632.6	458.1	448.2	135.8	88.8	40.0	1,169.6	633.9

(25.1) Financial liabilities

Breakdown of financial liabilities

€ mill.	2025	2024
Noncurrent liabilities to banks	489.6	133.3
Noncurrent lease liabilities	42.6	37.2
Noncurrent notes payable	0.4	–
Noncurrent financial liabilities	532.6	170.5
Current liabilities to banks	140.9	42.2
Current lease liabilities	18.4	11.7
Interest payable to hybrid capital investors	5.1	5.1
Current notes payable	1.0	0.0
Financial liabilities to affiliated companies	0.2	–
Current liabilities for outstanding dividend payments	0.0	1.1
Other interest payable	3.3	2.1
Current financial liabilities	168.9	62.2
Financial liabilities	701.5	232.7

Financial liabilities are generally measured at amortized cost. Current and noncurrent liabilities from leases result from the recognition of leases in accordance with IFRS 16. For the measurement of these items, see the explanations to Note 10 in the notes to the consolidated financial statements on page 177.

At the end of 2021, a promissory note loan in the amount of €25 million with a term of seven years (until December 2028) and a fixed interest rate was placed. In addition, two promissory note loans of €30 million each were issued in July 2023 with variable interest rates based on the 6-month Euribor and terms until 2028 and 2030 respectively. Payer interest rate swaps were concluded for these two instruments in November 2023, whereby the variable 6-month Euribor interest rates were converted into fixed interest rates. As the two promissory note loans from July 2023 were terminated in December 2025 and thus repaid in January 2026, the aforementioned interest rate derivatives were reversed accordingly, as there was no longer any interest rate risk until the termination date in January. In addition, new promissory note loans comprising a total volume of €600 million were placed in 2025, of which a first tranche amounting to €400 million was paid out in November 2025. A second payment was made in February 2026. The new promissory note loans were issued with terms of three, five and seven years and both fixed and variable interest rates.

The current syndicated loan was extended by a further year until February 2030. The loan volume remains at €240 million. This volume can be increased by €160 million if required. The funds are available to the company in the form of a revolving line of credit that can be flexibly accessed. Bridge financing and long-term financing were concluded in July 2024 for the acquisition of the Sateba Group. The loan agreement also included a further tranche of €90 million. This volume was initially fully utilized and used to repay the promissory note loan that matured in July 2024. This tranche was reduced to around €19 million using the net proceeds from the capital increase carried out in November 2024 and was fully repaid in spring 2025. Thanks to the successful promissory note transaction in November 2025, the bridge financing was refinanced in full. As at the reporting date of December 31, 2025, €50 million remained drawn on the term loan, which will be repaid in full on April 1, 2026. At the end of the year, the Group had unused credit lines of €306.4 million available in addition to cash and cash equivalents. Compliance with a covenant in the form of the ratio of net financial debt to EBITDA was agreed in the syndicated loan. A breach of the maximum agreed threshold for this ratio leads to an early termination option by the lending banks. At the same time, the respective amount of the key figure determines the interest rate (basis points above Euribor or €STR). As at the balance sheet date, the credit line of €42.0 million had been utilized via cash and via lines and guarantees extended to subsidiaries (previous year: €37.0 million). Adherence to the covenant must be proven every six months. This was the case at the end of the first half of the year and at the reporting date. The existing liability from this syndicated loan is reported under noncurrent financial liabilities in accordance with the agreed maturity as at the balance sheet date.

With the issue of €600 million in promissory note loans in November 2025, divided into two payment dates, the repayment of the hybrid bond of €150 million due in February 2026, which was called in on the first call date in January, was secured. A new hybrid bond was issued during the reporting period.

In addition, Vossloh AG had again concluded a variable-interest loan of €20 million maturing in July 2024 with a term of three years until July 2027. This loan has been fully utilized. Repayment was made on the next interest rate adjustment date in January 2026.

A reconciliation to the measurement categories of IFRS 9 can be found in the section "Additional disclosures on financial instruments" on pages 196 et seqq.

Contract liabilities result from orders where revenue is recognized over a period of time and the advance payments and partial settlements made by customers exceed the cumulative performance from the processing of the respective orders. A breakdown of these liabilities into gross receivables, prepayments and progress billings as well as further information can be found in the notes on contract assets under note 17 in the notes to the consolidated financial statements. While no contractual liabilities were reported in the previous year, trade payables included €12.9 million in contractual liabilities as at the balance sheet date due to the acquisition of the Sateba Group.

(25.2) Trade payables, liabilities from reverse factoring and contract liabilities

In the previous year, several Group companies concluded agreements on reverse factoring. Here, existing trade payables are paid to the respective suppliers on the due date, in some cases by participating banks, while the Group companies concerned can take advantage of an extended payment period. As at the balance sheet date, there were liabilities from this in the amount of €30,7 million (previous year: €29.1 million), which are reported under current liabilities from reverse factoring. Suppliers had already received payments of the same amount.

The program fees charged by the contractual partners are based on various reference interest rates with premiums of between 200 and 210 basis points. The payment term extensions achieved in this way are predominantly 60 days, and to a lesser extent 90 days.

(25.3) Income tax liabilities These are the income taxes actually owed to the tax authorities as at the balance sheet date, which are reported by the various Group companies.

(25.4) Other liabilities Breakdown of other liabilities

€ mill.	2025	2024
Deferred income	1.5	2.2
Personnel-related liabilities	1.0	0.4
Other	1.9	2.2
Noncurrent nonfinancial liabilities	4.4	4.8
Other noncurrent liabilities	4.4	4.8
Freestanding derivatives	0.4	3.7
Derivatives from cash flow hedges	0.3	1.7
Debtors with credit balances	2.5	1.5
Other liabilities to affiliated companies	0.0	0.3
Current financial liabilities	3.2	7.2
Advance payments received	61.7	56.5
Personnel-related liabilities	43.3	43.2
Social security and health insurance contributions	14.2	7.9
VAT payable	12.7	5.6
Deferred income	3.3	5.3
Other nonincome taxes	4.9	4.7
Liabilities to employees	8.2	4.5
Other	24.5	13.6
Current nonfinancial liabilities	172.8	141.3
Other current liabilities	176.0	148.5

Financial instruments are initially recognized at fair value on the trade date, including any directly attributable transaction costs, and subsequently measured at amortized cost, unless measurement at fair value is required.

The recognition of gains and losses resulting from changes in fair value depends on whether the requirements of IFRS 9 regarding hedge accounting are met. Changes in the fair value of derivatives used to hedge cash flows are recognized directly in equity after taking deferred taxes into account.

Changes in the fair value of freestanding derivatives are recognized in the income statement under other operating income or other operating expense.

The advance payments received of €61.7 million (previous year: €56.5 million) reported under other liabilities result from advance payments received for projects for which revenue is not recognized over a period of time.

In accordance with IAS 19, current liabilities to employees are recognized undiscounted in the amount of the obligation.

Other current nonfinancial liabilities include the fair value of the existing option to acquire the shares in Innotrack attributable to other shareholders in the amount of €5.0 million and earn-out obligations from previous acquisitions in the Rail Services and Tie Technologies business units in the amount of €5.7 million.

Notes to the segment report

The segment report is based on the internal organizational and reporting structure. This differentiates between the products and services offered by the Vossloh Group's various business units. In accordance with IFRS 8, the segment report to the Executive Board and Supervisory Board encompasses the divisions and business units as reporting segments.

The segment structure has not changed in the three divisions compared to the previous year, although the Tie Technologies business unit has been significantly expanded through the acquisition of the Sateba Group.

In addition to the Fastening Systems business unit, the Tie Technologies business unit is part of the Core Components division. Vossloh Switch Systems and Vossloh Rail Services continue to be the only business units of the Customized Modules and Lifecycle Solutions divisions, respectively.

The Core Components division comprises the Fastening Systems and Tie Technologies business units. Vossloh Fastening Systems is a leading manufacturer of rail fastening systems. The product lineup includes rail fasteners for every application: from regional transportation to heavy-haul and high-speed lines. Vossloh Tie Technologies, another business unit within this Division, is a leading manufacturer of concrete ties in North America and, through the Sateba Group, now also in Europe as well as in Australia. In addition to these products, turnout sleepers, concrete elements for slab tracks and other infrastructure facilities, as well as level crossing systems are manufactured at several plants in the USA, in a number of countries in Europe, and at various production facilities in Australia, Mexico, and Canada.

The Customized Modules division, respectively the Switch Systems business unit, is one of the leading switch manufacturers worldwide. The business unit equips rail networks with turnouts and crossings as well as with the related control and monitoring systems, which it also installs and maintains if required. Here, also, the lineup extends from light-rail to high-speed applications.

The Lifecycle Solutions division, respectively the Rail Services business unit, engage in activities such as rail trading, long-rail (un)loading at construction sites, welding new rails, reconditioning old rails, on-site welding, rail replacement, rail grinding/milling, rail inspection and construction site supervision. It also organizes and monitors just-in-time rail shipments to construction sites and ensures on-site availability of the approved (un)loading systems.

In the consolidation, all intra-segment and intersegment transactions are eliminated. This pertains primarily to the offsetting of intragroup income/expenses, the elimination of dividends between Group companies, the offsetting of shareholdings held by the respective parent companies against the equity of the subsidiaries attributable to them and the elimination of intragroup receivables/payables. The accounting methods applied by all segments are identical and conform to IFRS as adopted by the EU. Intersegment business is transacted at arm's length.

The segment information for each division and business unit is presented on page 160 et seq.

The major noncash segment expenses include additions to provisions.

In the explanation of its results of operations in the combined management report, the Vossloh Group reports the pretax value added as a key performance indicator. As in the previous year, a WACC of 9.5 % before taxes was used in the reporting year.

A reconciliation of the segment result “value added” of the entire Group to the earnings before taxes (EBT) presented in the income statement is shown below:

Reconciliation of value added to EBT

€ mill.	2025	2024
Value added	10.9	13.1
Cost of capital employed (WACC: 9.5 % (previous year: 9.5 %))	101.0	92.1
EBIT	111.9	105.2
Net interest result	(23.4)	(14.6)
EBT	88.5	90.6

Regional segmentation is carried out in accordance with IFRS 8.33 for noncurrent assets and external sales revenues. The external sales shown are allocated to the regions on the basis of the respective customer locations. The regions have been reassigned in line with the current internal sales structure. The previous year’s figures have been adjusted accordingly and may therefore differ from the figures published in the previous year.

Segment information by region

€ mill.	2025	2024	2025	2024
	External sales revenues		Noncurrent assets ¹	
Western Europe	174.1	151.6	638.6	208.5
thereof France	129.6	118.6	601.4	184.9
Central Europe	227.9	229.6	264.4	251.1
thereof Germany	165.4	171.4	243.0	231.6
Northern Europe	247.4	184.0	127.7	51.9
Southern Europe	126.3	156.8	9.1	8.3
Eastern Europe	82.2	51.0	35.5	30.2
Total Europe	857.9	773.0	1,075.3	550.0
Americas	121.8	146.5	78.5	91.8
Asia	175.6	135.3	51.3	41.8
Africa	118.7	75.3	0.0	0.0
Australia	69.2	79.5	50.9	53.8
Total	1,343.2	1,209.6	1,256.0	737.4

¹ Excluding financial instruments and deferred tax assets

Additional disclosures on financial instruments

Financial instruments are recognized and measured in accordance with the IFRS 9 measurement categories mentioned below:

- Financial assets at amortized cost
- Financial assets at fair value with the recognition of changes in value through profit or loss (FVTPL)
- Financial assets at fair value with the recognition of changes in value through other comprehensive income (FVOCI)

The Vossloh Group’s balance sheet contains both primary and derivative financial instruments.

Nonderivative financial instruments

Nonderivative financial instruments predominantly comprise receivables, cash and cash equivalents and other financial assets.

On the liabilities side, they comprise financial liabilities. They are recognized on the date on which Vossloh becomes a contractual party to the financial instrument.

In accordance with IFRS 9, financial assets are derecognized when the contractual rights to payments from the financial assets expire or the financial assets are transferred with all material risks and opportunities. Financial liabilities are derecognized when the contractual obligations have been settled, canceled or have expired.

Derivative financial instruments

Derivative financial instruments whose value is derived from an underlying asset are primarily foreign currency forwards.

The Vossloh Group uses various derivative financial instruments. They are primarily used to hedge currency risks from fixed contractual obligations in foreign currencies and from future foreign currency receivables and liabilities, as well as to hedge interest rate risks from long-term financing.

Assets and liabilities recognized in the balance sheet are hedged using freestanding derivatives. The offsetting changes in value of the hedged item and the hedging transaction attributable to the hedged risk are recognized in the consolidated financial statements. Changes in fair value due to currency fluctuations are recognized in the income statement. The currency exposure is not hedged on the basis of planned positions, but generally immediately after receipt of the order by means of a forward exchange transaction.

When hedging pending transactions as part of a cash flow hedge, changes in the value of the derivative, which is also recognized at fair value, are recognized directly in equity after taking deferred taxes into account. When the pending transactions are settled, the amounts previously recognized in equity are reversed through profit or loss or included in the acquisition costs of acquired assets.

The nominal volume of the foreign currencies hedged by freestanding derivatives is divided as follows:

€ mill.	Currency	2025	2024
USA	USD	69.8	90.6
Sweden	SEK	34.9	13.2
Norway	NOK	12.6	–
Canada	CAD	12.0	13.9
United Kingdom	GBP	8.4	2.9
Poland	PLN	6.8	1.5
Australia	AUD	6.0	7.0
India	INR	1.6	2.1
Switzerland	CHF	1.2	5.3
Malaysia	MYR	0.5	0.9
		153.8	137.4

The fair values of the derivatives used for currency and interest rate hedging and the hedged nominal values are shown in the following overview:

Derivative financial instruments			Fair value		Nominal value	
€ mill.			2025		2024	
Interest rate swaps	Residual terms	up to 5 years	0.0	0.0	(0.6)	31.9
		over 5 years	0.0	0.0	1.3	90.0
			0.0	0.0	0.7	121.9
Foreign currency forwards	Residual terms	up to 1 year	0.1	151.5	(3.7)	137.1
		up to 5 years	0.0	2.3	0.0	0.3
			0.1	153.8	(3.7)	137.4
Total			0.1	153.8	(3.0)	259.3

The fair values of interest rate hedging instruments and currency hedging and foreign currency forwards are determined on the basis of expected future discounted cash flows. The market interest rates applicable to the residual terms of the financial instruments are used.

The carrying amounts of the financial instruments, the breakdown by measurement category and the required disclosure of fair values in accordance with IFRS 13 and their measurement sources by class in accordance with IFRS 7 are shown in the following table:

Carrying amounts, measurement categories and fair values as at December 31, 2025

€ mill.	Carrying amounts under IFRS 9 according to balance sheet 12/31/2025	Measurement categories in accordance with IFRS 9			Fair values 12/31/2025
		Amortized costs	Fair value recognized directly in equity (FVOCI)	Fair value through profit or loss (FVTPL)	
Trade receivables	278.2	278.2	–	–	278.2
Securities	0.1	0.1	–	–	0.1
Other financial instruments and other assets	30.9	29.5	0.9	0.5	30.9
Cash and cash equivalents	148.9	148.2	–	0.7	148.9
Total financial assets	458.1	456.0	0.9	1.2	458.1
Financial liabilities	640.5	640.5	–	–	634.6
Trade payables	224.7	224.7	–	–	224.7
Liabilities from reverse factoring	30.7	30.7	–	–	30.7
Other liabilities	134.7	133.9	0.4	0.4	134.7
Total financial liabilities	1,030.6	1,029.8	0.4	0.4	1,024.7

Carrying amounts, measurement categories and fair values as at December 31, 2024

€ mill.	Carrying amounts under IFRS 9 according to balance sheet 12/31/2024	Measurement categories in accordance with IFRS 9			Fair values 12/31/2024
		Amortized costs	Fair value recognized directly in equity (FVOCI)	Fair value through profit or loss (FVTPL)	
Trade receivables	251.8	251.8	–	–	251.8
Securities	0.3	0.3	–	–	0.3
Other financial instruments and other assets	22.4	19.4	2.8	0.2	22.4
Cash and cash equivalents	94.7	93.7	–	1.0	94.7
Total financial assets	369.2	365.2	2.8	1.2	369.2
Financial liabilities	183.8	183.8	–	–	181.3
Trade payables	203.9	203.9	–	–	203.9
Liabilities from reverse factoring	29.1	29.1	–	–	29.1
Other liabilities	123.1	117.7	1.7	3.7	123.1
Total financial liabilities	539.9	534.5	1.7	3.7	537.4

Trade receivables, cash and cash equivalents and other receivables and assets mainly have short residual terms. Their carrying amounts as at the reporting date therefore approximate their fair value.

Trade payables, contract liabilities and other liabilities also generally have short residual terms. Their carrying amounts therefore correspond approximately to the fair value.

The fair values of noncurrent financial liabilities are determined by discounting the expected future interest and principal payments from these liabilities on the basis of current market interest rates.

Financial liabilities measured at fair value mainly comprise freestanding derivatives.

The following table shows the allocation of financial assets and liabilities measured at fair value to the measurement hierarchy of IFRS 7 and IFRS 13 (fair value hierarchy). There were no reclassifications between the various levels of the fair value hierarchy in either the fiscal year or the previous year.

Assignment to levels of the fair value hierarchy

€ mill.	Determined based on market prices (Level 1)		Derived from fair values (Level 2)		Measurement not based on market prices (Level 3)	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Financial assets measured at fair value			2.1	4.0		
Financial liabilities measured at fair value			0.8	5.4		
Total	0.0	0.0	2.9	9.4	0.0	0.0

The hierarchy levels are based on the factors used to determine the fair values. At level 1, the price is taken unchanged from identical assets and liabilities that are traded on an active market. When applying input factors at level 2 and level 3, valuation models are generally used. While the input factors at level 2 can be observed or derived from the market, there is no observable market data at level 3.

The Vossloh Group enters into derivative transactions with banks under closed master agreements ("master agreement for financial futures"); these do not meet the criteria for netting in the balance sheet. This is due to the fact that the Group currently has no legal right to netting the recognized amounts. The right to netting is only enforceable in the event of future events, for example a default on bank loans or other credit events.

The following table shows the carrying amounts of the recognized financial instruments that are subject to the agreements presented:

Offsetting options for derivative financial assets and liabilities		
€ mill.	2025	2024
Financial assets		
Recognized gross amounts of financial assets	0.5	2.2
Financial instruments that qualify for offsetting in the balance sheet	0.0	0.0
Net balance sheet figures of financial assets	0.5	2.2
Offsettable on the basis of framework agreements	(0.1)	(1.3)
Total net value of financial assets	0.4	0.9
Financial liabilities		
Recognized gross amounts of financial liabilities	(0.4)	(5.2)
Financial instruments that qualify for offsetting in the balance sheet	0.0	0.0
Net balance sheet figures of financial liabilities	(0.4)	(5.2)
Offsettable on the basis of framework agreements	0.1	1.3
Total net value of financial liabilities	(0.3)	(3.9)

Net gains/losses on financial instruments by measurement category

€ mill.	Assets at amortized cost	Assets at fair value through profit or loss (FVTPL)	Assets at fair value through other comprehensive income (FVOCI)	Liabilities at amortized cost	2025	2024
Net gains/losses from:						
Income from investments			0.6		0.6	0.4
Interest	0.2	0.9		(14.1)	(13.0)	(8.6)
Subsequent measurement						
from additions to valuation allowances	(1.4)				(1.4)	(2.5)
from reversals of valuation allowances	4.2				4.2	3.0
from currency translation	(0.7)				(0.7)	0.0
at fair value		1.2			1.2	(0.1)
Total	2.3	2.1	0.6	(14.1)	(9.1)	(7.8)

Interest is recognized in net interest result, while gains on disposal and exchange rate gains and losses are recognized in other operating income or other operating expense.

Gains from the fair value measurement of securities held for trading and the write-down of financial instruments available for sale are included in the above overview and are reported under other financial result.

Financial risk management

The Vossloh Group's business operations are exposed to financial risks. These risks relate to liquidity, currency, interest and credit. The Group-wide management and limitation of the liquidity, currency and interest rate risks is handled by Treasury Management. Credit risks are monitored as part of general risk management.

Vossloh manages its liquidity risks (i.e., the risk that the Group is not able to meet its payment obligations at all times) through liquidity planning and a central cash management system. At the end of the year, the Group had additional unused credit lines of €306.4 million to cover future liquidity needs, in addition to cash and cash equivalents and short-term realizable securities of €149.0 million. Of this amount, €188.2 million was available on undrawn lines of Vossloh AG, of which €173.2 million is committed under the syndicated loan with a term until February 2030. The undrawn credit lines of the subsidiaries amounting to €118.2 million mainly had a term of up to one year or were committed without a maturity date. The table below shows the contractually agreed undiscounted payments of principal and interest for financial liabilities:

Maturities of interest and principal payments

€ mill.	up to 1 year				1 to 5 years				more than 5 years			
	2025		2024		2025		2024		2025		2024	
	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment	Interest
Nonderivative financial liabilities	(165.5)	24.3	(54.5)	(12.1)	(412.7)	56.4	(108.1)	(9.0)	(87.8)	6.4	(38.7)	(0.7)
Derivative financial liabilities	(0.7)	0.0	(5.4)	0.0	0.0	0.0	0.0	0.0	0.0		0.0	
Derivative financial assets	0.4		0.1						0.4		2.4	

Currency risks arise from recognized non-euro assets and liabilities whose euro equivalent may be adversely affected by unfavorable exchange rates, and pending or uncompleted currency transactions whose future cash flows may show a negative trend depending on how foreign exchange rates develop. Significant operations-related currency risks Vossloh is exposed to originate from trade receivables and payables denominated in a non-euro currency, as well as from pending or uncompleted trade and purchasing transactions.

The Group-wide requirement here is to have currency risks hedged centrally by Treasury Management. With the help of foreign currency forwards, which are concluded with matching maturities and amounts to the underlying transactions to be hedged (microhedges), the exchange rates for the transactions hedged in this way are fixed in order to prevent unfavorable effects of currency fluctuations on calculations and assets. As of the reporting date, Vossloh had designated currency derivatives with a nominal value of €12.3 million in cash flow hedges; all other currency derivatives are stand-alone.

Interest rate risks Interest rate risks mainly result from the short-term and long-term variable-interest loans taken out as part of Group financing and the short-term variable-interest cash investments of cash and cash equivalents.

Interest rate swaps are used to counteract the risk that future interest payments from variable-rate loans may develop unfavorably due to changes in interest rates (see glossary, page 233).

As part of hedge accounting, these interest rate hedges are recognized as cash flow hedges. The nominal amount of the interest rate swaps amounted to € 0.0 million as at the reporting date.

The dollar offset method is used to assess hedge effectiveness.

The fair values of the derivatives used for currency hedging and the hedged nominal volumes are shown under "Additional disclosures on financial instruments" on pages 196 et seqq. There were no interest rate derivatives in the portfolio as at the reporting date. 62 % of financial liabilities are subject to fixed interest rates and 38 % are subject to variable interest rates.

Sensitivity analyses Sensitivity analyses quantify approximately and within the framework of certain assumptions what risk exists if certain influencing factors change. The following changes are assumed with regard to interest rate risk and exchange rate risk:

- an increase in the market interest rates by 1 % or a reduction in the market interest rates by 0.25 % (parallel shift in the yield curve);
- a simultaneous appreciation or depreciation of the euro against all foreign currencies by 10 %.

In determining the interest rate risk as at the reporting date, original variable-interest financial instruments were taken into account. A 100 basis point higher market interest rate level in relation to the variable-interest financial liabilities and receivables reported as at December 31, 2025 would have reduced the financial result by €0.8 million due to the increase in interest expenses. A market interest rate level that was 25 basis points lower would have improved the financial result by €0.3 million. Equity would have been €0.8 million lower at the higher market interest rate level and €0.3 million higher at the lower market interest rate level. It was assumed that the changed interest rate would have been applied for a full year.

Due to the almost complete hedging of the currency risk, the impacts of a simultaneous devaluation of the euro by 10 % on the unhedged foreign currency position are insignificant for the results of operations. The following table shows the impacts of the sensitivity analysis of the main existing foreign currency derivatives and foreign currency loans on other net interest result and equity. A positive value means an increase in earnings and equity.

Sensitivity analysis of key foreign currency derivatives

€ mill.	USD			
	12/31/2025		12/31/2024	
	+ 10 %	– 10 %	+ 10 %	– 10 %
Net interest result	(0.2)	0.2	(0.7)	0.9
Equity	(0.1)	0.1	(0.5)	0.6

Credit risks describe the risk that contractual partners will not meet their obligations arising from financial receivables. With regard to cash and cash equivalents deposited by the Vossloh Group with banks, short-term securities held by Group companies and hedging instruments entered into with banks, the credit risk is minimized by restricting transactions to counterparties with a first-class credit rating. Trade receivables and other receivables that are potentially exposed to a default risk result from operating activities.

Credit risks are monitored as part of risk management and minimized by taking out credit insurance (e.g. Euler Hermes). Specific credit risks are taken into account through appropriate valuation allowances.

The balance of gross receivables (receivables before deduction of allowances) is broken down as follows in terms of operational credit risks:

Balance of gross current receivables

€ mill.	Receivables neither overdue nor impaired	Receivables past due but not impaired	Impaired receivables	Gross balance of receivables
Trade receivables				
2025	196.3	81.8	12.1	290.2
2024	184.6	66.9	11.9	263.4
Other				
2025	55.5	0.0	0.2	55.7
2024	58.0	0.0	0.3	58.3

The analysis below breaks down the receivables past due:

Receivables past due

€ mill.	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 months	Total
Trade receivables						
2025	30.2	22.9	4.8	10.8	13.1	81.8
2024	34.1	16.2	5.8	4.6	6.2	66.9
Other						
2025	–	–	–	–	0.0	0.0
2024	–	–	–	–	0.0	0.0

There is also no specific default risk with regard to receivables past due, as the Vossloh Group's customer structure means that the majority of these are government or public-sector customers.

The maximum default risk of all financial assets results from their carrying amounts (see overview on page 198).

Other disclosures

Contingent liabilities Contingent liabilities decreased by €9.0 million from €26.8 million as of December 31, 2024 to €17.8 million. Of this, €15.0 million is attributable to contingent liabilities for the former Locomotives business unit, which was sold with effect from May 31, 2020. For these still remaining contingent liabilities for the former Locomotives business unit, Vossloh AG has received an irrevocable and unconditional guarantee at first request from a first-class bank.

€17.8 million (previous year: €26.5 million) of the contingent liabilities are attributable to letters of comfort; of this, €15.0 million are attributable to the former business units and €2.8 million (previous year: €5.4 million) to non-consolidated affiliated companies. The risk of utilization is considered to be very low for all of the listed contingent liabilities.

The obligations arising from orders for the purchase of intangible assets and property, plant and equipment (order commitments) amount to €8.0 million (previous year: €11.1 million).

Leasing Agreements on the use of assets have frequently been concluded between the companies of the Vossloh Group and the respective owners. The subject of these agreements primarily relates to land and buildings, machinery and factory as well as office equipment, in particular company cars and IT equipment.

The resulting right-of-use assets are capitalized under property, plant and equipment pursuant to IFRS 16, while the present values of the payment obligations are recognized as financial liabilities. Rights of use to intangible assets are not recognized in the balance sheet. The accounting methods applied for the rights of use and for the financial liabilities resulting from leases are outlined in the explanatory notes to property, plant and equipment. There, the expense incurred for the depreciation of capitalized values in use was also shown. Interest expenses from the compounding of liabilities from leases is accounted for under the net interest result.

Expenses relating to short-term leases (remaining term of less than one year) and for low-value assets – the resulting rights of use are not capitalized in accordance with the option in IFRS 16.6 – are accounted for under other operating expense in the income statement. The same applies to variable lease payments, which are not to be taken into account when measuring the lease liability. Profit or loss from what are referred to as "sale-and-leaseback" transactions are accounted for depending on the conditions of the lease agreement to the extent that such transactions take place.

There were no such transactions during the year under review, as in the previous year. Rental income stemming from subleases is accounted for as other operating income.

The following table provides a summary of the expenses and payments recognized in the income statement relating to leases. All payments in this regard relate to cash changes in liabilities from leases and expenses recognized in the income statement related to leases which did not lead to right-of-use assets being recognized in the balance sheet.

€ mill.	2025	2024
Interest expense from the compounding of lease liabilities	2.1	1.5
Expenses from short-term leases	5.2	5.3
Expenses from the renting of low-value assets	0.5	0.5
Expenses from variable lease payments	0.2	0.3
Total lease payments	10.8	8.9

The future undiscounted payments resulting from the leases recognized in the balance sheet are shown in the following table:

Distribution of future lease payments over time								
€ mill.	2025	2024	2025	2024	2025	2024	2025	2024
Remaining term	≤ 1 year		1 to 5 years		> 5 years		Total	
Liabilities from leases	17.9	14.3	35.5	33.6	18.1	15.1	71.5	63.0

Future payments that have not yet been taken into account in the measurement of liabilities from leases may result from variable lease payments, extension options that do not yet appear to be predominantly probable or the non-exercise of termination options or from residual value guarantees that have not been taken into account. Extensions of usage agreements that were previously considered unlikely due to existing extension options could lead to additional payments of €10.5 million (previous year: €8.3 million). Payments resulting from the other causes mentioned are immaterial in total. Lease agreements that have already been concluded and whose utilization will not begin until a later date will result in future lease payments of €11.0 million in connection with Vossloh Rail Services' new office location in Hamburg. In the previous year, this figure was €4.1 million due to the fact that Vossloh AG had not yet moved into its Düsseldorf location. There are no restrictions or assurances regarding certain financial conditions imposed by leasing agreements.

Significant Group companies with other (i.e. noncontrolling) shareholders are:

1. Vossloh Fastening Systems (China) Co., Ltd., Kunshan, China
2. Vossloh (Anyang) Track Material Co., Ltd., Anyang, China
3. Vossloh Switch Systems Luxembourg SA, Rumelange, Luxembourg
4. Futrifer-Indústrias Ferroviárias SA, Lisbon, Portugal
5. Wuhu China Railway Cogifer Track Co., Ltd., Wuhu, China
6. Satepor SA, Lisbon, Portugal

Disclosures regarding companies with noncontrolling interests

Re 1: 32 % of the shares in the capital of this Company (unchanged from the previous year) are held by noncontrolling shareholders.

In the reporting year, €5.6 million (previous year: €4.4 million) of the company's net profit for the year was attributable to these shareholders. As at December 31, 2025, the portion of equity attributable to noncontrolling interests amounted to €10.8 million (previous year €10.2 million).

Significant financial information for Vossloh Fastening Systems (China) Co., Ltd., Kunshan, China

€ mill.	2025	2024
Noncurrent assets	9.7	11.4
Current assets	77.4	73.2
Noncurrent liabilities	1.6	4.1
Current liabilities	51.8	48.5
Sales revenues	103.8	77.7
Value added	19.3	14.5
Total comprehensive income	14.6	15.3
Cash flow	13.9	(1.5)
Dividends to noncontrolling shareholders	4.1	7.7

Re 2: 49 % of the shares in the capital of this company (unchanged from the previous year) are held by noncontrolling shareholders.

In the reporting year, €2.0 million (previous year: €0.8 million) of the company's net profit for the year was attributable to these shareholders. As at December 31, 2025, the portion of equity attributable to noncontrolling interests amounted to €7.7 million (previous year €8.6 million).

Significant financial information for Vossloh (Anyang) Track Material Co., Ltd., Anyang, China

€ mill.	2025	2024
Noncurrent assets	26.2	30.5
Current assets	18.5	15.3
Noncurrent liabilities	5.1	6.6
Current liabilities	11.8	9.6
Sales revenues	37.5	30.2
Value added	2.5	(1.2)
Total comprehensive income	1.8	2.8
Cash flow	1.6	0.7
Dividends to noncontrolling shareholders	1.8	1.9

Re 3: 10.79 % of the shares in the capital of this company (unchanged from the previous year) are held by noncontrolling shareholders.

In the reporting year, €0.4 million (previous year: €0.9 million) of the company's net profit for the year was attributable to these shareholders. As at December 31, 2025, the portion of equity attributable to noncontrolling interests amounted to €1.6 million (previous year €2.3 million).

Significant financial information for Vossloh Switch Systems Luxembourg SA, Rumelange, Luxembourg

€ mill.	2025	2024
Noncurrent assets	13.8	14.2
Current assets	25.9	45.9
Noncurrent liabilities	1.0	0.9
Current liabilities	25.7	40.1
Sales revenues	84.0	85.6
Value added	2.7	9.0
Total comprehensive income	3.4	8.1
Cash flow	(4.2)	1.9
Dividends to noncontrolling shareholders	1.0	1.0

Re 4: 39 % of the shares in the capital of this company (unchanged from the previous year) are held by noncontrolling shareholders.

In the reporting year, €0.9 million (previous year: €1.0 million) of the company's net profit for the year was attributable to these shareholders. As at December 31, 2025, the portion of equity attributable to noncontrolling interests amounted to €3.3 million (previous year €2.9 million).

Significant financial information for Futrifer-Indústrias Ferroviárias SA, Lisbon, Portugal

€ mill.	2025	2024
Noncurrent assets	9.6	9.8
Current assets	15.0	13.7
Noncurrent liabilities	1.2	1.6
Current liabilities	6.4	5.9
Sales revenues	20.5	20.4
Value added	1.6	2.1
Total comprehensive income	2.3	2.6
Cash flow	0.6	(1.5)
Dividends to noncontrolling shareholders	0.5	0.1

Re 5: 50 % of the shares in the capital of this company (unchanged from the previous year) are held by noncontrolling shareholders. The company had been accounted for using the equity method in the previous year.

In the reporting year, €1.0 million of the company's net profit for the year was attributable to these shareholders. As at December 31, 2025, the portion of equity attributable to noncontrolling interests amounted to €3.3 million.

Significant financial information for Wuhu China Railway Cogifer Track Co., Ltd., Wuhu, China

€ mill.	2025	2024
Noncurrent assets	16.5	–
Current assets	34.8	–
Noncurrent liabilities	0.7	–
Current liabilities	10.6	–
Sales revenues	17.4	–
Value added	1.1	–
Total comprehensive income	(5.3)	–
Cash flow	(2.1)	–
Dividends to noncontrolling shareholders	0.0	–

Re 6: 48 % of the shares in the capital of this company are held by noncontrolling shareholders. The company was acquired as part of the acquisition of the Sateba Group. Further information on this can be found in the "Consolidation" section on pages 163 ff.

In the reporting year, €0.7 million of the company's net profit for the year was attributable to these shareholders. As at December 31, 2025, the portion of equity attributable to noncontrolling interests amounted to €8.1 million.

Significant financial information for Sateba Satepor SA, Lisbon, Portugal

€ mill.	2025	2024
Noncurrent assets	4.7	–
Current assets	27.2	–
Noncurrent liabilities	2.1	–
Current liabilities	13.2	–
Sales revenues	10.6	–
Value added	1.6	–
Total comprehensive income	1.4	–
Cash flow	13.1	–
Dividends to noncontrolling shareholders	0.0	–

In the case of other Group companies with noncontrolling interests, these were immaterial both individually and in total.

Vossloh AG is the ultimate controlling company of the Vossloh Group. The consolidated companies of the Vossloh Group maintain relationships with unconsolidated subsidiaries and associated companies in the course of their normal business activities. The resulting transactions were carried out at standard market conditions.

Related party transactions

Related non-consolidated companies and associated companies are listed in the list of shareholdings on pages 210 et seq.

In the Vossloh Group, the members of the Executive and Supervisory Boards are considered related parties.

As a result of the provisions of the estate of Heinz Hermann Thiele, who passed away in 2021, the Heinz Hermann Thiele Family Foundation was in a position to control Vossloh AG via the majority shareholder KB Holding GmbH at the end of the previous year. At the same time, the foundation also indirectly controls the companies of the Knorr-Bremse Group and other companies. They are therefore to be treated as related parties. Transactions with companies of the Knorr-Bremse Group resulted in material purchases of €0.1 million (previous year: €0.1 million), sales of €0.0 million (previous year: €0.0 million), outstanding receivables and advance payments as at December 31, 2025 of €0.0 million (previous year: €0.0 million) and trade payables of €0.0 million (previous year: €0.0 million) in the fiscal year.

The following table shows transactions with related parties. These are mainly business transactions with joint ventures (JV). Business transactions with non-consolidated subsidiaries, which are reported as internal sales revenues in the segment reporting and as receivables from or liabilities to affiliated companies in the consolidated balance sheet, were immaterial overall. The same applies to transactions with associated companies. There were no transactions with related natural persons.

€ mill.	2025	2024
Sale or purchase of goods		
Sales revenues from the sale of finished and unfinished goods	7.0	9.2
Cost of materials from the purchase of finished and unfinished goods	15.2	28.7
Trade receivables	1.5	0.9
Trade payables	2.1	8.9
Sale or purchase of other assets		
Proceeds from the sale of other assets	0.0	0.0
Expenses from the purchase of other assets	0.3	0.0
Services rendered or received		
Income from services rendered	0.3	0.5
Expenses for services received	0.8	0.7
Licenses		
License income	0.0	0.0
License expenses	0.7	0.4
Financing		
Interest income from financing loans granted	0.0	0.0
Interest expense for financing loans received	0.0	0.0
Receivables on financial loans granted	0.5	0.2
Liabilities for financial loans received	0.1	0.3
Granting of guarantees and securities		
Granting of guarantees	2.8	5.4

Payments to related parties

€	Short-term benefits due		Entitlements to pension expenses (service cost)		Share-based remuneration		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Executive Board of Vossloh AG	3,180,302	3,297,768	228,922	202,220	1,060,000	1,009,890	4,469,224	4,509,878
Supervisory Board of Vossloh AG	701,958	683,958	–	–	–	–	701,958	683,958

The short-term benefits due for the Executive Board comprised fixed and annual variable remuneration. The target achievement criteria for the multi-year bonus for Management Board members are largely based on the performance of the Vossloh share price under a performance share plan.

Another component of the multi-year bonus falls under the provisions of IAS 19. In the table above, it is also shown in the „Share-based payments“ column. The multi-year bonus is therefore reported in accordance with IFRS 2.

The aforementioned Performance Share Plan is based on a comparison of the share price performance of Vossloh Share data over the course of the three-year assessment period with the performance of an index comprising DAX, MDAX, and SDAX. Over- or underperformance then leads to a specific target being achieved. The carrying amount of the Group's liabilities recognized for the multi-year bonus amounted to €3.7 million as at the balance sheet date (previous year: €3.7 million).

The total remuneration of the members of the Executive Board in accordance with Section 314 HGB amounted to €5,717,777 (previous year: €5,267,012).

Pension obligations exist for the CEO in the amount of €3.4 million (previous year: €2.3 million).

The total remuneration of former members of the Executive Board and members of the Management Board, as well as surviving dependents, amounted to €1,212,095 (previous year: €1,181,466). These were entirely pension payments. Current pension payments are subject to adjustments in line with the development of pay scales in the metal and electrical industry in North Rhine-Westphalia.

Remuneration to former Executive Board members of Vossloh AG and their surviving dependents

Pension obligations for former members of the Executive Board and members of the Management Board and their dependents amounted to €18,531,251 (previous year: €19,744,950). Reinsurance policies amounting to €9,240,400 (previous year: €9,452,833) exist, which are pledged individually to the beneficiaries. The remaining amount is covered by provisions.

The fees for the services provided by the auditor of the consolidated financial statements in the reporting year amount to €1.0 million. These amounted to €0.8 million for auditing services and include fees for the audit of the consolidated financial statements, the audit of the financial statements of Vossloh AG and its German subsidiaries, as well as reviews of the interim financial statements. Other assurance services were provided in the amount of €0.2 million in the area of sustainability reporting.

Auditor fees

In December 2025, the Executive Board and Supervisory Board issued the declaration of conformity in accordance with Section 161 German Stock Corporation Act (AktG) and made it available to shareholders on Vossloh's website (www.vossloh.com/en/declaration-of-conformity).

German Corporate Governance Code

The hybrid bond issued in 2021 was called in January 2026 and redeemed in February 2026. Already in January, another hybrid bond with comparable issue conditions was issued, valued at €250 million. The interest rate in the period up to the first call option exercisable solely by Vossloh AG in January 2031 is 5.375 % p.a. The extension of the syndicated loan with an existing term until February 2030 was approved by the syndicated banks for a further year in February 2026.

Events after the balance sheet date

The Vossloh Group's shareholdings are disclosed in the following list in accordance with Section 313 (2) HGB:

Group companies and investments

List of shareholdings

€ mill.	Foot-note	Shareholding in %	at	Consolidation ¹	Equity ²	Result after taxes ²
(1) Vossloh Aktiengesellschaft, Werdohl, Germany				(k)		
(2) Vossloh International GmbH, Werdohl, Germany		100.00	(1)	(k)		
(3) Vossloh US Holdings, Inc., Wilmington, USA		100.00	(2)	(k)		
(4) Vossloh Australia Pty. Ltd., Sydney, Australia		100.00	(1)	(k)		
(5) Vossloh France SAS, Rueil-Malmaison, France		100.00	(1)	(k)		
Core Components division						
Fastening Systems business unit						
(6) Vossloh Fastening Systems GmbH, Werdohl, Germany	3	100.00	(1)	(k)		
(7) Vossloh Fastening Systems Romania s.r.l., Bucharest, Romania		100.00	(6)	(n)	0.2	0.0
(8) Vossloh Fastening Systems Czech Republic s.r.o., Prague, Czech Republic		100.00	(6)	(k)		
(9) Vossloh Fastening Systems Italy s.r.l., Cesena, Italy		100.00	(6)	(k)		
(10) Vossloh Fastening Systems Poland Sp. z o.o., Nowe Skalmierzyce, Poland		100.00	(6)	(k)		
(11) Vossloh Fastening Systems America Corporation, McGregor, USA		100.00	(3)	(k)		
(12) Vossloh Fastening Systems (China) Co., Ltd., Kunshan, China		68.00	(6)	(k)		
(13) Vossloh-Werke International GmbH, Werdohl, Germany		100.00	(6)	(k)		
(14) Beijing China-Railway Vossloh Technology Co., Ltd., Beijing, China		49.00	(6)	(n)	1.6	0.1
(15) TOO Vossloh Fastening Systems (Kazakhstan), Kapshagay, Kazakhstan		99.00/1.00	(13)/(6)	(n)	1.9	(0.8)
(16) AO Vossloh Fastening Systems RUS, Engels, Russia		50.00	(6)	(e)		
(17) Vossloh Fastening Systems Australia Pty. Ltd., Sydney, Australia		100.00	(4)	(k)		
(18) OOO Vossloh Bahn- und Verkehrstechnik, Moscow, Russia		99.00/1.00	(2)/(1)	(k)		
(19) Vossloh Maschinenfabrik Deutschland GmbH, Werdohl, Germany		100.00	(6)	(n)	(1.5)	0.0
(20) Vossloh Fastening Systems India Private Ltd., New Delhi, India	5	99.99/0.01	(6)/(13)	(k)		
(21) Vossloh (Anyang) Track Material Co., Ltd., Anyang, China		51.00	(13)	(k)		
(22) Kunshan Vossloh Railway Materials Trading Co., Ltd., Kunshan, China		100.00	(13)	(k)		
(23) Vossloh Fastening Systems Switzerland AG, Hergiswil, Switzerland		100.00	(13)	(n)	(0.2)	(0.3)
Tie Technologies business unit						
(24) Vossloh Tie Technologies GmbH, Werdohl, Germany	4	100.00	(2)	(k)		
(25) Rocla International Holdings, Inc., Wilmington, USA		100.00	(3)	(k)		
(26) Rocla Concrete Tie, Inc., Lakewood, USA		100.00	(25)	(k)		
(27) RCTI de Mexico, S. de R. L. de C. V., Mexico City, Mexico		99.998/0.002	(26)/(3)	(k)		
(28) RocBra Participacoes e Empreendimentos Ltda., São Paulo, Brazil	6	100.00	(25)	(n)	4.9	0.1
(29) Cavan Rocbra Industria E Comercio De Pre Moldados De Concreto S/A, São Paulo, Brazil	6	20.00	(28)	(n)	24.8	1.0
(30) Vossloh Sleeper Technologies Australia Pty. Ltd., Brisbane, Australia		100.00	(4)	(k)		
(31) Vossloh Tie Technologies Canada ULC, Vancouver, Canada		100.00	(26)	(k)		
(32) Sateba Opérations SAS, Paris, France	4	100.00	(49)	(k)		
(33) Sateba France SA, Paris, France	4	98.35	(32)	(k)		
(34) Innotrack SASU, Montréal-la-Cluse, France	4	88.80	(32)	(k)		
(35) Vapé Rail International SASU, Montréal-la-Cluse, France	4	100.00	(34)	(k)		
(36) Sateba UK Ltd., Stanton-by-Dale, United Kingdom	4	100.00	(32)	(k)		
(37) Siteba SA, Etterbeek, Belgium	4	100.00	(33)	(k)		
(38) Sateba Belgium Laakdal SRL, Etterbeek, Belgium	4	100.00	(32)	(k)		
(39) Sateba Prefarails SA, Soignies, Belgium	4	100.00	(32)	(k)		
(40) Sateba Sweden AB, Danderyd, Sweden	4	100.00	(49)	(k)		
(41) Sateba Finland Oy, Forssa, Finland	4	100.00	(49)	(k)		
(42) Sateba Norway AS, Hønefoss, Norway	4	100.00	(32)	(k)		
(43) Sivillegjenvinning AS, Hønefoss, Norway		25.00	(42)	(e)		
(44) WPS SA, Ujście, Poland	4	100.00	(49)	(k)		
(45) Sateba Estonia OU, Roodevälja, Estonia	4	100.00	(49)	(k)		
(46) Sateba Lithuania UAB, Marijampolė, Lithuania		60.00	(45)	(e)		
(47) Satepor SA, Lisbon, Portugal	4	52.00	(33)	(k)		
(48) Villé Holding Participations SAS, Paris, France	4	99.62	(5)	(k)		
(49) Villé Participations SAS, Paris, France	4	100.00	(48)	(k)		
(50) Sateba Belgium Baudour SRL, Saint-Ghislain, Belgium	4	100.00	(32)	(k)		
(51) SBC Rail Ltd., Stanton-by-Dale, United Kingdom	4	100.00	(32)	(k)		
(52) Sateba Lib Ferrovaire SAS, Vers-Pont-du-Gard, France	4	100.00	(32)	(k)		
(53) Sateba Steel AS, Hønefoss, Norway	4	100.00	(42)	(k)		

€ mill.	Foot-note	Shareholding in %	at	Consolidation ¹	Equity ²	Result after taxes ²
Customized Modules division						
Switch Systems business unit						
(54)		Vossloh Switch Systems France SA, RUEIL-MALMAISON, France	100.00	(5)	(k)	
(55)		Vossloh Switch Systems Finland Oy, Salo, Finland	100.00	(56)	(k)	
(56)		Vossloh Nordic Switch Systems AB, Ystad, Sweden	100.00	(54)	(k)	
(57)		Vossloh Switch Systems Luxembourg SA, Rumelange, Luxembourg	89.21	(54)	(k)	
(58)		Vossloh Laeis GmbH, Föhren, Germany	100.00	(57)	(k)	
(59)		Futrifer-Indústrias Ferroviárias SA, Lisbon, Portugal	61.00	(54)	(k)	
(60)		Amurrio Ferrocarril y Equipos SA, Amurrio, Spain	50.00	(54)	(e)	
(61)		Montajes Ferroviarios S. L., Amurrio, Spain	100.00	(60)	(n)	1.0
(62)		Burbiola SA, Amurrio, Spain	50.00	(60)	(n)	2.1
(63)		Vossloh Cogifer UK Ltd., Scunthorpe, United Kingdom	100.00	(54)	(k)	
(64)		Vossloh Cogifer Italia S.r.l., Milan, Italy	100.00	(54)	(k)	
(65)		Vossloh Switch Systems Poland Sp. z o.o., Bydgoszcz, Poland	97.86	(54)	(k)	
(66)		ATO-Asia Turnouts Ltd., Bangkok, Thailand	51.00	(54)	(e)	
(67)		Vossloh Switch Systems Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	100.00	(54)	(k)	
(68)		VOSSLOH MIN SKRETNICE DOO ZA Proizvodnju Montazu Skretnica i Opreme Nis, Nis, Serbia	100.00	(54)	(k)	
(69)	5	Vossloh Beekay Castings Ltd., New Delhi, India	58.48	(54)	(k)	
(70)	5	Vossloh Cogifer Turnouts India Private Ltd., Hyderabad, India	100.00	(54)	(k)	
(71)	5	Vossloh Cogifer Signalling India Private Ltd., Bangalore, India	100.00	(54)	(k)	
(72)		Vossloh Switch Systems Australia Pty. Ltd., Castlemaine, Australia	100.00	(4)	(k)	
(73)		Vossloh Cogifer Kloos BV, Nieuw-Lekkerland, the Netherlands	100.00	(54)	(k)	
(74)	4	Wuhu China Railway Cogifer Track Co., Ltd., Wuhu, China	50.00	(54)	(k)	
(75)		Vossloh Cogifer Southern Africa Proprietary Ltd., Cape Town, South Africa	100.00	(99)	(n)	0.0
(76)	6	Vossloh Infrastructure Systems LLC, Moscow, Russia	90.00/10.00	(57)/(68)	(n)	0.1
(77)		Vossloh Switch Systems Denmark ApS, Tranbjerg, Denmark	100.00	(56)	(n)	0.0
Lifecycle Solutions division						
Rail Services business unit						
(78)	3	Vossloh Rail Services GmbH, Hamburg, Germany	100.00	(1)	(k)	
(79)	3	Vossloh Rail Services Deutschland GmbH, Hamburg, Germany	100.00	(78)	(k)	
(80)	3	Vossloh Rail Inspection GmbH, Leipzig, Germany	100.00	(78)	(k)	
(81)		VOSSLOH Turkey Demiryolu Sistemleri Ltd. Şti., Ankara, Türkiye	100.00	(82)	(k)	
(82)	3	Vossloh Rail Services International GmbH, Hamburg, Germany	100.00	(78)	(k)	
(83)		Vossloh Rail Services Scandinavia AB, Örebro, Sweden	100.00	(82)	(k)	
(84)		Vossloh Rail Services North America Corporation, Denver, USA	100.00	(3)	(k)	
(85)		Beijing CRM-Vossloh Track Maintenance Technology Co., Ltd., Beijing, China	47.00	(82)	(e)	
(86)		Vossloh Rail Services Kunshan Co., Ltd., Kunshan, China	100.00	(82)	(k)	
(87)		Vossloh Rail Services Finland Oy, Kouvola, Finland	100.00	(82)	(k)	
(88)		Rhomberg Sersa Vossloh GmbH, Föhren, Germany	50.00	(78)	(e)	
(89)		Vossloh Services France SAS, RUEIL-MALMAISON, France	49.90/50.10	(54)/(82)	(k)	
(90)		Vossloh Rail Services Italia S.r.l., Cesena, Italy	100.00	(82)	(k)	
(91)		Vossloh ETS BV, Purmerend, the Netherlands	100.00	(82)	(k)	
(92)		Vossloh Rail Services Espana S.L., Madrid, Spain	100.00	(82)	(n)	0.0
(93)		Vossloh Rail Services Australia Pty. Ltd, Sydney, Australia	100.00	(4)	(k)	
(94)		Scandinavian Track Group AS, Oslo, Norway	100.00	(83)	(k)	
(95)		Scandinavian Track Group ApS, Lyngby-Taarbæk, Denmark	100.00	(83)	(k)	
(96)		InfraTech Consulting ITC AB, Borlänge, Sweden	100.00	(83)	(k)	
(97)		FRANCE AIGUILLAGES SERVICES SAS, Bertrichamps, France	100.00	(89)	(k)	
(98)		LUNEFCE SARL, Bertrichamps, France	100.00	(97)	(k)	
Other companies						
(99)		Vossloh Southern Africa Holdings Proprietary Ltd, Johannesburg, South Africa	100.00	(2)	(n)	(0.3)
(100)		Vossloh RailWatch GmbH, Rheinbach, Germany	100.00	(1)	(k)	

¹ Fully consolidated companies are shown with a (k), companies accounted for using the equity method with an (e) and non-consolidated companies with an (n). The fact that the company is not included in the scope of consolidation is generally due to its minor significance for the net assets, financial position and results of operations.

² Foreign currency amounts in the case of equity are translated at the average exchange rate as of the balance sheet date and result after tax are translated at the annual average exchange rate.

³ Company claims exemption from preparing and publishing separate financial statements pursuant to Section 264 (3) or 264b HGB.

⁴ Included in the consolidation for the first time in the reporting year.

⁵ Differing fiscal year April 1 to March 31.

⁶ Information on equity and result after taxes is based on the latest available financial statements.

Executive Board
of Vossloh AG

Oliver Schuster, born 1964, Düsseldorf, Germany

Chief Executive Officer (CEO) (since October 1, 2019)

First appointment: 3/1/2014, appointed until: 2/28/2030

Group mandates:

- Vossloh Switch Systems France SA: Deputy Chairman of the Supervisory Board
- Vossloh Fastening Systems (China) Co., Ltd.: Chairman of the Administrative Board and legal representative of the company

Dr. Thomas Triska, born 1975, Balve, Germany

Chief Financial Officer (CFO)

First appointment: 11/1/2020, appointed until: 10/31/2028

External mandates:

- Wohnungsgesellschaft Werdohl GmbH: Member of the Supervisory Board

Group mandates:

- Vossloh Switch Systems France SA: Chairman of the Supervisory Board
- Vossloh International GmbH: Managing Director
- Vossloh France SAS: President

Jan Furnivall, born 1976, Meerbusch, Germany

Chief Operating Officer (COO)

First appointment: 11/1/2020, appointed until: 10/31/2028

Group mandates:

- Vossloh International GmbH: Managing Director
- Vossloh US Holdings, Inc.: Vice-President

Prof. Dr. Rüdiger Grube,^{2,4} Chairman of the Supervisory Board, Hamburg, Germany
 Managing Partner of Rüdiger Grube International Business Leadership GmbH and
 Former Chief Executive Officer (CEO) of Deutsche Bahn AG, Chairman of the Personnel Committee
 and Chairman of the Nomination Committee of Vossloh AG (Member of the Supervisory Board
 since February 5, 2020)

- Chairman of the Supervisory Board of Hamburger Hafen- und Logistik AG, Hamburg, Germany
 (until September 30, 2025)
- Non-Executive Member of the Administrative Board of Deufol SE, Hofheim (Wallau), Germany
- Chairman of the Supervisory Board of ALSTOM Transportation Germany GmbH, Berlin, Germany
- Member of the Supervisory Board of AVW Immobilien AG, Hamburg, Germany (until September 30, 2025)
- Member of the Supervisory Board of Meta Wolf AG, Kranichfeld, Germany (until January 31, 2025)
- Chairman of the Supervisory Board of Vodafone GmbH, Düsseldorf, Germany
- Chairman of the Supervisory Board of EUREF AG, Berlin, Germany
- Member of the Supervisory Board of HAM-LOG-GRUPPE Holding Verwaltungs SE, Hamburg, Germany
 (since June 13, 2025)

Frank Markus Weber,^{2,3,4} Deputy Chairman, Gräfelfing, Germany
 Chief Financial Officer of Knorr Bremse AG (Member of the Supervisory Board since May 7, 2025)

- Member of the Board of Directors of Nexxiot AG (Switzerland) (until October 31, 2025)
- Member of the Bavaria Advisory Board of Deutsche Bank⁵ (since November 29, 2024)

Dr. Roland Bosch,^{3,4} Königstein/Taunus, Germany, Commercial Managing Director of
 WOLFF & MÜLLER Holding GmbH & Co. KG, Chairman of the Audit Committee of Vossloh AG
 (Member of the Supervisory Board since May 27, 2020)

- President of the Administrative Board of Danzer AG, Ruggell (Liechtenstein)
- Chairman of the Supervisory Board of Erbud S.A., Warsaw (Poland)

Martin Klaes,¹ Werdohl, Germany, Fitter, Chairman of the Works Council of Vossloh Fastening Systems GmbH
 and Vossloh AG (Member of the Supervisory Board since May 24, 2023)

Marcel Knüpfer,^{1,2,3} Zwenkau, Germany, Technical Administration Specialist and Shift Supervisor,
 Chairman of the General Works Council of Vossloh Rail Services Germany GmbH and member of the
 Group Works Council (Member of the Supervisory Board since June 1, 2020)

Dr. Bettina Volkens,^{2,4} Königstein/Taunus, Germany, Independent Consultant and Member of various
 Supervisory Boards (Member of the Supervisory Board since May 27, 2020)

- Member of the Supervisory Board of CompuGroup Medical SE & Co. KGaA, Koblenz, Germany
- Member of the Supervisory Board of Bilfinger SE, Mannheim, Germany
- Member of the Supervisory Board of Elektrobau Mulfingen GmbH, Mulfingen, Germany (until April 1, 2025)

Ulrich M. Harnacke,^{2,3,4} Deputy Chairman, Mönchengladbach, Germany, Independent Accountant,
 Tax Advisor, and Business Consultant (Member of the Supervisory Board until May 7, 2025)

- Member of the Shareholders' Committee of Thüga Holding GmbH & Co. KGaA, Munich, Germany,
 member of the Supervisory Board of Thüga Aktiengesellschaft, Munich, Germany, and member of
 the Supervisory Board of CONTIGAS Deutsche Energie-AG, Munich, Germany (until April 29, 2025)
- Member of the Supervisory Board and Chairman of the Audit Committee of Brenntag SE, Essen, Germany
- Member of the Advisory Board of Zentis GmbH & Co. KG, Aachen⁵, Germany

¹ Employee representative

² Member of the Personnel Committee

³ Member of the Audit Committee

⁴ Member of the Nomination Committee

⁵ Optional Committee

Proposed dividend of profits The annual financial statements for the 2025 fiscal year show a net loss of €8,641,701.33. Including the profit carried forward of €151,909,214.68, the net profit retained amounts to €143,267,513.35.

The Executive Board and Supervisory Board propose to the Annual General Meeting that a dividend of €1.15 per share be paid on the dividend-bearing share capital of €54,843,447.62 and that the remaining amount of €121,048,826.80 be carried forward to new account. The total amount to be distributed is €22,218,686.55.

Werdohl, Germany, March 16, 2026

Vossloh AG
The Executive Board

Oliver Schuster, Dr. Thomas Triska, Jan Furnivall

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the combined management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Werdohl, Germany, March 16, 2026

Vossloh AG
The Executive Board

Oliver Schuster, Dr. Thomas Triska, Jan Furnivall

Independent Auditor's report

To Vossloh Aktiengesellschaft, Werdohl/Germany

Report on the audit of the consolidated financial statements and of the combined management report

Audit Opinions

We have audited the consolidated financial statements of Vossloh Aktiengesellschaft, Werdohl/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 31 December 2025, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the financial year from 1 January to 31 December 2025, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report for the parent and the group of Vossloh Aktiengesellschaft, Werdohl/Germany, for the financial year from 1 January to 31 December 2025. In accordance with the German legal requirements, we have not audited the content of the consolidated nonfinancial statement in accordance with Section 315b and Section 315c German Commercial Code (HGB) and the corporate governance statement in accordance with Section 289f and Section 315d HGB – including the further reporting on corporate governance included therein – which are included in the combined management report. In addition, we have not audited the content of the disclosures included in section “Adequacy and effectiveness of the risk management system and the internal control system” of the combined management report that are marked as unaudited.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter “IFRS Accounting Standards”) as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2025 and of its financial performance for the financial year from 1 January to 31 December 2025.
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the statements referred to above as well as of the section “Adequacy and effectiveness of the risk management system and the internal control system”.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report” section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other German professional responsibilities in accordance with

these requirements and the IESBA Code. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Recoverability of goodwill
2. Accounting treatment of the acquisition of Sateba Group

Our presentation of these key audit matters has been structured as follows:

- a) description (including reference to corresponding information in the consolidated financial statements)
- b) auditor's response

Recoverability of goodwill

- a) The consolidated financial statements of Vossloh Aktiengesellschaft disclose goodwill of mEUR 555.5 under the intangible assets balance sheet item, accounting for 26.1% of the consolidated balance sheet total.

Within Vossloh Group, a distinction is made between four cash-generating units (CGUs), each of which is allocated goodwill. Goodwill is tested for impairment (impairment test) annually as at the balance sheet date or on related occasions. This impairment test is carried out by comparing the carrying amounts of the cash-generating units with their respective recoverable amount in order to determine any need for impairment. The recoverable amount is determined on the basis of the value in use taking into account the medium-term budget of the respective unit using expected discounted cash flows (discounted cash flow method).

The cash flow forecasts are based on the group planning for a three-year detailed planning period that was approved by the executive board, acknowledged by the supervisory board and which is applicable at the time the impairment test is carried out. This also comprises expectations on the future development of the market and country-specific assumptions on the development of macro-economic indicators. Planning periods further in the future that account for a significant portion of the value in use (period of perpetuity) are included in the value in use by rolling forward cash flows taking into account a CGU-specific growth rate. Discounting is made at the weighted average cost of capital of each cash-generating unit.

The result of this valuation is highly dependent on the executive board's assessment of the future cash flows and the discount rate used and, therefore, is subject to significant uncertainty. Against this background, and due to the complexity of the valuation of this high-amount item, this matter was of particular significance in the scope of our audit.

The executive board's disclosures on goodwill are included in section 9 of the notes to the consolidated financial statements.

- b) During our audit, we obtained an understanding of the method applied in the impairment test, estimated the determination of the weighted cost of capital and assessed the calculation method of the impairment test by consulting our valuation specialists, among other things.

We examined the appropriateness of the future cash flows used in the valuation by, among other things, comparing them with the current planning prepared by the executive board and acknowledged by the supervisory board and by means of questioning the executive board regarding the material planning assumptions. Moreover, we reviewed the planning in a critical manner taking into account general and industry-specific market expectations. Together with the Parent's representatives in charge, we thoroughly discussed and obtained an understanding of any incremental adjustments of cash flows for rolling forward in the period of perpetuity.

As already minor changes of the discount rate used may have material impacts on the amount of the determined recoverable amount, we dealt in detail with the parameters used in determining the discount rate used and obtained an understanding of the computation scheme. Furthermore, on account of the material significance of goodwill for assets and liabilities of the Group, we performed additional own sensitivity analyses in order to be able to assess any possible risk for impairment in the event of a potential change in a key valuation assumption. In addition, we audited the completeness and appropriateness of the disclosures in the notes to the consolidated financial statements as required under IAS 36.

Accounting treatment of the acquisition of Sateba Group

- a) On 8 August 2024, Vossloh Group signed an agreement to acquire a 99.62% interest in Villé Holding Participations SAS, Paris/France, and, indirectly, in its affiliated companies (hereafter: Sateba). Sateba's focus of business is producing and selling concrete sleepers in Europe.

On 1 October 2025 (date of acquisition), the business acquisition of Sateba was completed after approval by the public authorities in all countries involved. Ever since, Vossloh Aktiengesellschaft holds an indirect interest of 99.62% in the shares of Sateba via its subsidiary Vossloh France SAS, Rueil-Malmaison/France. The total purchase price amounts to mEUR 241.4 and was paid in cash.

In accordance with IFRS 3 Business Combinations, the acquisition was accounted for using the acquisition method. The assets acquired and liabilities assumed were measured at the acquisition-date fair values determined in a preliminary purchase price allocation by an external expert commissioned by Vossloh Aktiengesellschaft. In the preliminary purchase price allocation, intangible assets totalling mEUR 140.2 were recognised in particular, relating primarily to existing customer relationships and, to a minor extent, to one brand and the order backlog. In addition, hidden reserves in property, plant and equipment and in inventories were identified and considered at their fair value in the opening balance. The part of the total purchase price not allocated to assets and liabilities amounts to mEUR 258.3 and was recognised as goodwill in the balance sheet.

Due to existing estimation uncertainties and judgement, as well as the complexity of the valuation, the valuation of acquired intangible assets as part of the preliminary purchase price allocation has led to a considerable risk of material misstatement in the consolidated financial statements. In particular, the valuation result is highly dependent on the executive board's assessment of future cash flows and the discount rate used.

In light of the aspects explained above and as a result of the significant amounts involved that affect the Group's assets, liabilities, financial position and financial performance, the accounting treatment of the Sateba acquisition was a key audit matter in our audit.

In addition, there is a risk that the disclosures in the notes required under IFRS 3 are incomplete or incorrect.

The disclosures on the Sateba acquisition are included in section "Consolidation" of the notes to the consolidated financial statements.

b) As part of our audit of the accounting treatment of the Sateba acquisition, we firstly obtained an understanding of the process implemented by the executive board and the accounting-relevant controls included in the process to carry out the valuation. Where identified controls were relevant for our audit, we tested their design and implementation. In addition, we inspected and reviewed the underlying contractual agreements and reconciled the total purchase price determined with the corresponding supporting documents.

In respect of the preliminary purchase price allocation, together with our valuation specialists, we assessed the method applied by the external expert commissioned by the executive board as regards identification and valuation of the assets acquired and liabilities assumed in accordance with the requirements of IFRS 3, and assessed the conceptual design of the valuation models applied regarding their methodological appropriateness and mathematical correctness. In the process, we focused our audit on the identification and valuation of the intangible assets recognised according to the result of the preliminary purchase price allocation. We assessed the valuation carried out by the external expert, taking into account our evaluation of the expert's competence, capabilities and objectivity, and used the results in our audit.

We evaluated the key assumptions and judgemental estimates such as growth rate, discount rate or residual useful lives used in determining the fair values of the assets acquired and identified to determine whether they correspond to general and industry-specific market expectations. We examined the appropriateness of the future cash flows used in the valuation by, among other things, comparing them with the current planning prepared by the executive board and acknowledged by the supervisory board and by means of questioning the executive board regarding the material planning assumptions. In the case of estimates made by the executive board, we assessed the reasonableness of the methods applied, the assumptions made and the data used in each case.

We dealt with the application of uniform accounting methods and the presentation of the initial consolidation of the Sateba units in the consolidation system. Furthermore, we evaluated whether the associated disclosures in the notes to the consolidated financial statements are complete and correct in respect of the requirements prescribed under IFRS.

Other Information

The executive board and the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
 - the remuneration report in accordance with Section 162 German Stock Corporation Act (AktG) included in the annual report,
 - the consolidated nonfinancial statement included as "Group sustainability statement" in the combined management report,
 - the corporate governance statement,
 - the disclosures included in the combined management report marked as unaudited,
 - the executive board's confirmations in accordance with Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
 - all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive board and the supervisory board are responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the corporate governance statement, as well as for the remuneration report. Otherwise, the executive board is responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive board is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive board is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive board is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive board is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive board is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.
- evaluate the appropriateness of accounting policies used by the executive board and the reasonableness of estimates made by the executive board and related disclosures.
- conclude on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Assurance Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 250f33736c959fed2a701e471891bc97c06fa3e3c22367cf1885ea59add2803d, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this assurance work only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Assurance Standard: Assurance Work on the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm has applied the IDW Quality Management Standards.

Responsibilities of the Executive Board and the Supervisory Board for the ESEF Documents

The executive board of the Company is responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive board of the Company is responsible for such internal control that it has considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on 7 May 2025. We were engaged by the supervisory board on 29 October 2025. We have been the group auditor of Vossloh Aktiengesellschaft, Werdohl/Germany, without interruption since the financial year 2019.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR’S REPORT

Our auditor’s report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the assured ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Nicole Meyer.

Düsseldorf/Germany, 16 March 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
Nicole Meyer	Guido Flore
Wirtschaftsprüferin	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Remuneration report

Pursuant to Article 162 of the German Stock Corporation Act (AktG), this report discloses the remuneration owed and granted by the Company to all current and former members of the Executive and Supervisory Board in the 2025 fiscal year.

Executive Board remuneration

The remuneration owed and granted to the members of the Executive Board in the reporting year is based on the remuneration system applicable for the 2025 fiscal year and approved by the Annual General Meeting on May 7, 2025 (the "Remuneration System"). An exception applies to the multi-year bonuses from previous fiscal years to be paid out in the 2026 fiscal year, which are subject to the previous versions of the remuneration system valid in the respective fiscal year. The remuneration system was applied to the remuneration of all Executive Board members in the 2025 fiscal year without exception.

Remuneration system
and principles
of remuneration

The remuneration for Executive Board members of Vossloh AG consists of fixed and variable components.

The fixed, non-performance-related remuneration comprises the basic remuneration, as well as fringe benefits (in particular, any pension allowance, the provision of a company car, and allowances for health, accident, and luggage insurance) and – only for the incumbent CEO – pension commitments in the form of pension payments.

The performance-related component includes short-term variable remuneration ("single-year bonus") and long-term variable remuneration ("multi-year bonus"). The single-year bonus paid is dependent on the extent to which short-term performance targets are achieved. For the 2025 fiscal year, the financial performance criteria were Group EBIT, Group sales, and the average working capital. In addition, two performance criteria related to environmental, social and governance (ESG) issues were taken into account with the lost time accident frequency rate and CO₂e intensity. Since January 1, 2025, the multi-year bonus has been structured as a virtual performance share plan and is based on the achievement of long-term performance targets over an assessment period of three years. It is granted to the members of the Executive Board as share-based remuneration on the basis of virtual shares. The virtual shares are allocated in annual tranches, each with a three-year performance period. The performance period of each tranche generally begins on January 1 of the fiscal year for which the multi-year bonus is granted. The performance period ends on December 31 of the second fiscal year following the fiscal year for which the multi-year bonus is granted. At the beginning of the performance period, the members of the Executive Board are each allocated a provisional number of virtual shares. This number is calculated by dividing the individual target amount agreed in the employment contract of the respective Executive Board member by the average closing price of Vossloh shares over the last 40 trading days prior to the start of the performance period. At the end of this period, the final number of virtual shares to be allocated is determined based on the achievement of the performance criteria. The payout amount for the multi-year bonus is then calculated by multiplying the number of finally allocated virtual shares by the average closing price of Vossloh shares over the last 40 trading days at the end of the performance period plus the dividends granted during the performance period and taking into account any capital measures (total shareholder return, TSR). The performance criteria for the multi-year bonus for the 2025 fiscal year are the return on capital employed (ROCE) and the relative performance of Vossloh AG's shares compared to the average performance of the DAX, MDAX, and SDAX performance indices in the assessment period of fiscal years 2025 to 2027.

Since January 1, 2025, the remuneration system for members of the Executive Board has also included the Share Ownership Guideline. Every member of the Executive Board shall invest at least an amount equal to 100 % of their fixed gross annual remuneration (excluding pension allowances and fringe benefits) from the previous year in Vossloh shares or hold shares acquired accordingly for the duration of their employment. The total remuneration of the individual members of the Executive Board is also limited by a maximum remuneration set out in individual contracts. The maximum remuneration set by the Supervisory

Board for the 2025 fiscal year is €4,000,000 gross per year for the incumbent CEO and €2,500,000 gross per year for each of the other members of the Executive Board.

In the 2025 fiscal year, the Supervisory Board had no reason to make use of the possibility of withholding or reclaiming variable remuneration components (malus and clawback provisions).

Remuneration of the Executive Board in the 2025 fiscal year

The table below is based on the model tables of the European Commission (Draft Guidelines on the Standardized Presentation of the Remuneration Report) and provides information about the remuneration paid and owed to the members of the Executive Board in the 2025 fiscal year within the meaning of Section 162 (1) Sentence 1 AktG.

In the remuneration report, in addition to the basic remuneration for the respective reporting year, the remuneration owed and granted for the single-year and multi-year bonuses is shown as the remuneration for which the assessment period has expired at the end of the reporting year and which will be paid out in spring 2026 after the annual financial statements have been adopted on the basis of the respective target achievement.

In accordance with this understanding of the term, the single-year bonus 2025 of all members of the Management Board and the multi-year bonus 2024 of the current CEO (whose old contract still provided for a two-year assessment period for the multi-year bonus for fiscal year 2024), as well as the multi-year bonus 2023 of the other members of the Executive Board (each already with a three-year assessment period), are allocated to the 2025 fiscal year as remuneration owed and granted.

€		Fixed remuneration	Fringe benefits/pension payment ¹	Total basic remuneration	Single-year bonus ²	Multi-year bonus	Total variable remuneration	Total remuneration	Relation to total remuneration		
									Proportion basic remuneration	Proportion variable remuneration	
Remuneration owed and granted²											
	Oliver Schuster Chief Executive Officer (CEO) since October 1, 2019, member of the Executive Board since March 1, 2014	2024	600,000	26,611	626,611	814,178	619,753	1,433,931	2,060,542	30 %	70 %
		2025	833,000	24,274	857,274	519,395	714,000	1,233,395	2,090,669	41 %	59 %
	Dr. Thomas Triska Member of the Executive Board since November 1, 2020	2024	450,000	17,366	467,366	503,952	544,000	1,047,952	1,515,318	31 %	69 %
		2025	450,000	129,866	579,866	322,383	544,000	866,383	1,446,249	40 %	60 %
	Jan Furnivall Member of the Executive Board since November 1, 2020	2024	450,000	6,375	456,375	503,952	544,000	1,047,952	1,504,327	30 %	70 %
		2025	450,000	129,001	579,001	322,383	544,000	866,383	1,445,384	40 %	60 %

¹ In the case of Dr. Triska and Mr. Furnivall, this column also includes the additional pension payment of €120 thousand each, which can be used at the two persons' sole discretion for additional pension expenses. Please refer to the explanations in the "Pension expenses" section.

² Provisions for entitlements to defined retirement benefits are shown separately in "Pension expenses" rather than as owed and granted as no payments were made and none came due.

The remuneration of the Executive Board shown in the table above corresponds to the objectives of the remuneration system. The remuneration promotes the long-term development of the Company by providing incentives for long-term and sustainable corporate growth. The members of the Executive Board participate in the Company's success through appropriate performance criteria and ambitious target agreements.

The performance targets, their weighting and – in the case of the share price-based components of the multi-year bonus – the percentage target values have been agreed in the employment contracts of the Executive Board members. The specific target values for the single-year bonus and ROCE as part of the multi-year bonus for the 2025 fiscal year were set before the start of the fiscal year. As part of the revision of the remuneration system, the weighting of the benchmark indices for the relative performance of Vossloh stock was adjusted. On December 20, 2024, the Supervisory Board resolved that this weighting should also apply to current tranches of the multi-year bonus in order to create a uniform basis for the appropriate incentivization of Executive Board members.

At its meeting on December 13, 2024, the Supervisory Board resolved that, for purposes of achieving the ROCE target for fiscal year 2025, the values from the audited and approved Group financial statements (including the consolidation of Sateba) would be adjusted for the effects resulting from the Sateba acquisition in fiscal year 2025. The adjustment ensures consistency in the comparative values, as the target values were also agreed on the basis of the scope of consolidation without Sateba. This approach will also be applied to the remaining tranches of the multi-year bonus. The remuneration system expressly provides for the possibility of the Supervisory Board taking into account special factors to an appropriate extent when determining target achievement (particularly in the case of M&A transactions). In applying this approach, the values excluding the effects of the Sateba acquisition were used for the performance criterion of average working capital relating to the single-year bonus and the two ESG-related performance criteria, and the value before the effects of the purchase price allocation was used for the EBIT performance criterion.

The target and threshold values as well as the target achievement determined are shown in relation to the individual performance targets in the following overview. With regard to the single-year bonus for the 2025 fiscal year, the Supervisory Board has exercised its discretion by making use of the option provided for in the remuneration system and the employment contracts to reduce or increase the single-year bonus under certain conditions. The target bonus was increased by 20 % in each case based on the performance assessment of the Executive Board members in order to take account of the special achievements in the past record fiscal year, particularly in view of the macroeconomic challenges and the budgetary uncertainties encountered in many countries and their impact on Vossloh's business. The target values set before the start of the fiscal year were not (subsequently) changed.

	Component of the variable remuneration	Applied performance criteria	Relative weighting of the performance criteria among each other (in %)	Thresholds for target achievement ¹		Determined performance	Degree of target achievement (in %)	
				0 % target achievement, target value missed by (in %)	170 % / 200 % target achievement, target exceeded by (in %)			
Performance criteria including target corridor for variable remuneration owed and granted in the 2025 fiscal year								
Oliver Schuster		Group EBIT (€ mill.)	60	(18.5)	9.8	119.6	80.9	
		Group sales (€ mill.)	20	(11.0)	6.5	1,343.2	80.3	
	Single-year bonus	Average working capital (€ mill.)	10	20.1	(9.7)	215.7	97.9	
		Lost Time Accidents Frequency Rate	5	30.2	(15.1)	12.3	176.2	
		Carbon intensity	5	30.2	(15.1)	25.4	127.5	
	Multi-year bonus	Average ROCE (Return on Capital Employed) (%)	48	(24.6)	7.0	10.7	75.0	
		Absolute performance of Vossloh stock (€)	26	(6.9)	4.7	74.91	1,037.6	
		Relative performance of Vossloh stock (%)	26	(22.3)	26.2	88.4	644.7	
	Dr. Thomas Triska		Group EBIT (€ mill.)	60	(18.5)	9.8	119.6	80.9
			Group sales (€ mill.)	20	(11.0)	6.5	1,343.2	80.3
Single-year bonus		Average working capital (€ mill.)	10	20.1	(9.7)	215.7	97.9	
		Lost Time Accidents Frequency Rate	5	30.2	(15.1)	12.3	176.2	
		Carbon intensity	5	30.2	(15.1)	25.4	127.5	
Multi-year bonus		Average ROCE (Return on Capital Employed) (%)	32	(35.4)	11.3	10.6	212.5	
		Absolute performance of Vossloh stock (€)	34	(10.1)	7.1	76.78	650.0	
		Relative performance of Vossloh stock (%)	34	(22.3)	26.2	93.9	443.1	
Jan Furnivall			Group EBIT (€ mill.)	60	(18.5)	9.8	119.6	80.9
			Group sales (€ mill.)	20	(11.0)	6.5	1,343.2	80.3
	Single-year bonus	Average working capital (€ mill.)	10	20.1	(9.7)	215.7	97.9	
		Lost Time Accidents Frequency Rate	5	30.2	(15.1)	12.3	176.2	
		Carbon intensity	5	30.2	(15.1)	25.4	127.5	
	Multi-year bonus	Average ROCE (Return on Capital Employed) (%)	32	(35.4)	11.3	10.6	212.5	
		Absolute performance of Vossloh stock (€)	34	(10.1)	7.1	76.78	650.0	
		Relative performance of Vossloh stock (%)	34	(22.3)	26.2	93.9	443.1	

¹Under the new remuneration system, the single-year bonus is capped at 200 %. The maximum value of 170 % applies to the 2024 multi-year bonus for the current CEO and the 2023 multi-year bonus for the other members of the Executive Board.

Pensions totaling €1,212,095 (previous year: €1,181,466) were paid to former members of the Executive Board in the reporting year.

Former members of the Executive Board

Starting with the reporting year, the Company grants Dr. Triska and Mr. Furnivall a non-earmarked annual pension payment of currently €120,000, which can be converted into an entitlement to defined pension benefits of equal value at the discretion of the Executive Board members (deferred compensation). If the option of deferred compensation is utilized, this is carried out via a provident fund. The latter option is exercised by Dr. Triska. The resulting present value of the future pension expenses amounted to €170,676.90 as at December 31, 2025 (previous year: €93,925.64). This did not result in an expense for the Company or a provision, as the claim is financed via a reinsurance policy and the contributions are made solely by Dr. Triska.

Pension expenses

Based on his old contract, there is a pension obligation in favor of the current CEO, which provides, in case he leaves the Company, for pension payments at the age of 63. Depending on the length of service on the Executive Board, the annual pension entitlement after three years of service is 1 % per full year of service, and from the fourth year onwards 2 % per further full year of service up to a maximum of 40 % of the average fixed remuneration to be taken as a basis during the last three years before leaving the Company. After death, the surviving spouse is entitled to a pension amounting to 60 % of the amount last paid to the Executive Board member. The claim is partly financed by a reinsurance policy. Due to this regulation, the current CEO is excluded from receiving the pension payment.

The present value of the pension entitlement and the addition in accordance with the requirements of German commercial law and the service costs in accordance with IFRS are provided in the following table:

€		Pension entitlements in accordance with the requirements of German commercial law		Service costs according to IFRS	
		Amount added in for the fiscal year	Present value of the pension obligation		
Entitlements to defined retirement benefits					
	Oliver Schuster	2024	959,354	3,557,342	202,220
	CEO since October 1, 2019	2025	1,477,475	5,034,817	228,922

In the event that the employment relationship is terminated prematurely by mutual agreement, the Executive Board contracts contain commitments to pay the expected remuneration for the regular residual term of the contract, provided that the termination is not based on a unilateral resignation by the Executive Board member without good cause or a revocation of the appointment for a reason that also constitutes good cause for the termination of the employment relationship. However, the commitments are in any case limited to a maximum of two years' remuneration (so-called severance payment cap). The variable remuneration attributable to the period up to the end of the contract is paid in accordance with the remuneration system based on the originally agreed targets and comparison parameters and on the due dates specified in the contract. The same applies in the event of premature termination of Executive Board activity due to a change of control (change of control regulation).

Commitments in the event of premature termination of duties

Remuneration of the Supervisory Board

Remuneration of the Supervisory Board in 2025

The remuneration of the Supervisory Board is based on Article 17 of the Company's Articles of Incorporation and the remuneration system for the members of the Supervisory Board adopted by the Annual General Meeting on May 24, 2023, which has been applied without restriction since January 1, 2023.

In addition to the reimbursement of their expenses and in accordance with suggestion G.18 of the GCGC, the members of the Supervisory Board receive fixed remuneration of €50,000 gross per year, payable after the end of the fiscal year. The Chairman of the Supervisory Board receives three times and his deputy one and a half times the aforementioned remuneration. Membership of each committee is compensated by a supplement of one quarter of the basic remuneration. The Chairman of the Audit Committee receives three times the supplement for membership of the Audit Committee. If the Chairman of the Supervisory Board is a member of committees, he does not receive any additional remuneration for his committee work.

In addition, the members of the Supervisory Board receive a gross attendance fee of €2,000 for each meeting of the Supervisory Board and its committees that they have attended (physically or virtually). If the members of the Supervisory Board attend several meetings of the Supervisory Board or its committees on the same day, the attendance fee is only paid once in total. No attendance fee is granted for resolutions passed by circular resolution.

In view of the previous feedback from shareholders on the remuneration of the Supervisory Board, most recently at the Annual General Meeting on May 7, 2025, there was no reason to question the remuneration or the reporting on this.

The table below provides information on the remuneration owed and granted to the members of the Supervisory Board in the 2025 fiscal year within the meaning of Section 162 AktG:

	2025					2024				
	Fixed remuneration		Remuneration for committee activities/ attendance fees		Total	Fixed remuneration		Remuneration for committee activities/ attendance fees		Total
	€	%	€	%	€	€	%	€	%	€
Prof. Dr. Rüdiger Grube, Chairman	150,000	89	18,000	11	168,000	150,000	85	26,000	15	176,000
Frank Markus Weber, Deputy Chairman (since May 7, 2025)	75,000	82	16,000	18	91,000	–	–	–	–	–
Dr. Roland Bosch	91,667	78	26,000	22	117,667	50,000	55	40,500	45	90,500
Ulrich M. Harnacke, Deputy Chairman (until May 7, 2025)	57,292	88	8,000	12	65,292	75,000	47	84,000	53	159,000
Dr. Bettina Volkens	75,000	81	18,000	19	93,000	50,000	59	34,500	41	84,500
Marcel Knüpfer	75,000	74	26,000	26	101,000	50,000	47	55,958	53	105,958
Martin Klaes	50,000	74	16,000	24	66,000	50,000	74	18,000	26	68,000
Total	573,958		128,000		701,958	425,000		258,958		683,958

Comparative view of changes in board compensation, the results of operations and remuneration for employees

The table below provides a comparison between the change in the remuneration provided for the members of the Executive Board and Supervisory Board on the one hand and the change in the results of operations of Vossloh AG and the Vossloh Group and the average remuneration for employees.

	2022 compared to 2021	2023 compared to 2022	2024 compared to 2023	2025 compared to 2024
Executive Board remuneration¹				
Oliver Schuster (CEO)	9 %	(4) %	9 %	1 %
Dr. Thomas Triska (CFO)	3 %	53 %	18 %	(5) %
Jan Furnivall (COO)	3 %	54 %	18 %	(4) %
Supervisory Board remuneration¹				
Prof. Dr. Rüdiger Grube (Chairman)	0 %	43 %	2 %	(5) %
Frank Markus Weber (Deputy Chairman since May 7, 2025)	–	–	–	–
Dr. Roland Bosch	0 %	94 %	(7) %	30 %
Ulrich M. Harnacke (Deputy Chairman until May 7, 2025)	0 %	68 %	(5) %	(1) %
Martin Klaes (since May 24, 2023)	–	–	10 %	(3) %
Marcel Knüpfer	0 %	91 %	39 %	(5) %
Andreas Kretschmann (until May 24, 2023)	0 %	65 %	–	–
Dr. Bettina Volkens	0 %	94 %	(13) %	10 %
Earnings development				
Net income/net loss for the fiscal year in accordance with the HGB (Vossloh AG)	(928) %	247 %	(27) %	(113) %
EBIT according to IFRS (Vossloh Group)	8 %	26 %	7 %	6 %
Average remuneration of employees on a full-time equivalent basis				
Employee remuneration ²	2 %	8 %	5 %	0,3 %

¹ Determined on a pro rata basis in previous years when required.

² Wages and salaries in accordance with IFRS (excluding discontinued operations); number of employees on a full-time equivalent basis excluding members of the Executive Board of the AG

The remuneration of the respective members of the Executive Board and Supervisory Board used to determine the rates of change corresponds to the remuneration owed and granted within the meaning of Section 162 AktG in accordance with the Company's understanding of the term as explained in more detail above. The results of operations are based on the net income reported in Vossloh AG's separate financial statements in accordance with Section 275 (2) no. 17 of the German Commercial Code (HGB) and additionally on the Vossloh Group's EBIT. With regard to employee remuneration, the average remuneration excluding non-wage labor costs of all employees of the Vossloh Group on a full-time equivalent basis, including executives within the meaning of Section 5 (3) of the German Works Constitution Act (Betriebsverfassungsgesetz) and part-time employees, is used. If employees also receive remuneration as members of the Supervisory Board of Vossloh AG, this remuneration is not taken into account.

Werdohl, Germany, March 16, 2026

Vossloh AG

The Executive Board
Oliver Schuster, Dr. Thomas Triska, Jan Furnivall

The Supervisory Board
Prof. Dr. Rüdiger Grube

Report of the independent Auditor

To Vossloh Aktiengesellschaft, Werdohl/Germany

We have audited the accompanying remuneration report of Vossloh Aktiengesellschaft, Werdohl/Germany, ("the Company") for the financial year from 1 January to 31 December 2025, including the related disclosures, which has been prepared to comply with Section 162 German Stock Corporation Act (AktG).

Responsibilities of the Executive Directors and of the Supervisory Board

The executive directors and the supervisory board of Vossloh Aktiengesellschaft, Werdohl/Germany, are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). These standards require that we fulfil the professional responsibilities and that we plan and perform the audit so that we obtain reasonable assurance as to whether the remuneration report, including the related disclosures, is free from material misstatements.

An audit involves performing audit procedures in order to obtain audit evidence for the amounts stated in the remuneration report, including the related disclosures. The choice of the audit procedures is subject to the auditor's professional judgement. This includes assessing the risk of material misstatements, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the system of internal control, which is relevant to preparing the remuneration report, including the related disclosures. Our objective is to plan and perform audit procedures that are appropriate in the circumstances, but not to express an audit opinion on the effectiveness of the Company's system of internal control. An audit also comprises an evaluation of the accounting policies used, of the reasonableness of accounting estimates made by the executive directors and the supervisory board as well as an evaluation of the overall presentation of the remuneration report, including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from 1 January to 31 December 2025, including the related disclosures, complies, in all material respects, with the accounting principles of Section 162 AktG.

Other Matter – Formal Audit of the Remuneration Report

The audit of the content of the remuneration report described in this report comprises the formal audit of the remuneration report required under Section 162 (3) AktG including the issuance of a report on this audit. Since our audit opinion on the audit of the content of the remuneration report is unmodified, this audit opinion includes that the disclosures required under Section 162 (1) and (2) AktG are contained, in all material respects, in the remuneration report.

Intended Use of the Report

We issue this report as stipulated in the engagement letter agreed with the Company. The audit has been performed for the purposes of the Company and the report is solely intended to inform the Company about the result of the audit.

Liability

This report is not intended to be used by third parties as a basis for any (asset) decision. We are liable solely to Vossloh Aktiengesellschaft, Werdohl/Germany, and our liability is also governed by the engagement letter dated 28/29 October 2025 agreed with the Company as well as the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" promulgated by the Institut der Wirtschaftsprüfer (IDW) in the version dated 1 January 2024 (IDW-AAB). We do not accept or assume liability to third parties.

Düsseldorf/Germany, 16 March 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Nicole Meyer

Wirtschaftsprüferin

(German Public Auditor)

Signed:

Guido Flore

Wirtschaftsprüfer

(German Public Auditor)

Financial calendar 2026/2027

Financial calendar 2026

Annual General Meeting	May 6, 2026
Publication of interim report/interim financial statements as of March 31	April 23, 2026
as of June 30	July 23, 2026
as of September 30	October 22, 2026
For further dates, go to www.vossloh.com	

Financial calendar 2027

Publication of 2026 financial data	March 2027
Press conference	March 2027
Investor and analyst conference	March 2027
Annual General Meeting	May 2027

Investor Relations

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Information on the Vossloh share

ISIN	DE0007667107
Tradedate	Xetra, Tradedate, Frankfurt, Düsseldorf, Berlin, Hanover, Hamburg, Stuttgart, Munich
Number of shares in circulation as at 12/31/2025	19,320,597
Annual average number of shares outstanding	19,320,597
Share price (12/31/2025)	€76.40
Share price high/low 2025	€95.10/ €40.65
Reuters abbreviation	VOSG.DE
Bloomberg abbreviation	VOS:GR
Dividend proposal	€1.15

Disclaimer of liability: This Annual Report contains forward-looking disclosures based on estimates of future developments by the Executive Board. The disclosures and forecasts represent estimates that have been made on the basis of all information available at the present time. If the assumptions on which the disclosures and forecasts are based do not materialize, the actual results may differ from those currently expected. Brands: All brands, trademarks and product names mentioned in this annual report are the property of their respective owners. This applies, in particular, to DAX, MDAX, SDAX, TecDAX and Xetra as registered trademarks and property of Deutsche Börse AG.

Glossary

Capital employed	Working capital plus fixed assets	Interest rate cap	Option deal that hedges buyers against increasing interest rates through an interest rate ceiling
Cash pooling	Balance transfer procedure for pooling liquidity	Interest rate swap	Contractual agreement on the exchange of fixed and variable interest payment flows based on an underlying nominal value
Credit line	Program for granting shares to employees free of charge or at reduced prices	Net financial debt	Financial liabilities minus cash and cash equivalents and short-term securities
Derivative financial instruments	Contracts whose fair values are derived from basis values (e.g., stocks or currencies)	Personnel expenses per employee	Personnel expenses/annual average headcount
EBIT	Earnings before interest and taxes	Return on capital	See return on capital employed
EBIT margin	EBIT/sales revenues	Return on capital employed	EBIT/average capital employed
EBITDA	Earnings before interest, taxes, depreciation and amortization	Treasury	Finance management
EBITDA margin	EBITDA/sales revenues	Value added	EBIT minus weighted average cost of capital (WACC) x average capital employed
EBT	Earnings before taxes	Working capital	Trade receivables (including contract assets) plus inventories minus trade payables (including contract liabilities) minus prepayments received minus other current provisions (adjusted for matters not attributable to the operating business)
Employee bonus program	Program for granting shares to employees free of charge or at reduced prices	Working capital intensity	Average working capital/sales
Equity ratio	Equity/balance sheet total		
Financial liabilities	Schuldschein loans, bank debts, notes payable and liabilities from finance leases		
Guarantee	Assumption of guarantees and surety bonds		
IAS/IFRS	International Accounting Standards/ International Financial Reporting Standards		

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This Annual Report is also published
in German and is available at
www.vossloh.com.

Ten-year overview*

		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Income statement data											
Sales revenues	€ mill.	1,343.2	1,209.6	1,214.3	1,046.1	942.8	869.7	916.4	865.0	918.3	822.5
EBIT	€ mill.	111.9	105.2	98.5	78.1	72.3	73.1	55.7 ⁴	54.2	70.3	57.5
Net interest result	€ mill.	(23.4)	(14.6)	(16.0)	(10.6)	(7.5)	(14.4)	(18.5)	(13.4)	(12.5)	(10.6)
EBT	€ mill.	88.5	90.6	82.5	67.5	64.8	58.7	(56.1)	40.8	57.8	46.9
Net income	€ mill.	79.9	76.5	55.3	56.0	35.9	20.8	(136.8)	22.7	0.3	10.1
Earnings per share	€	3.24	3.56	2.21	2.38	1.31	0.98	(8.32)	1.14	(0.50)	0.22
Return on capital employed	%	10.5	10.8	10.5	8.2	8.1	8.4	(4.2)	6.8	8.9	8.8
Value added	€ mill.	10.9	13.1	18.9	11.5	9.5	12.5	(105.4)	(5.8)	11.1	(1.5)
Balance sheet data											
Fixed assets	€ mill.	1,299.9	792.8	746.1	731.6	726.0	694.1	659.2	646.1	568.7	467.8
Capital expenditure ¹	€ mill.	88.3	83.8	74.5	58.2	51.3	68.7	59.8	60.5	39.5	30.3
Depreciation/amortization ¹	€ mill.	67.5	55.1	59.5	53.1	51.9	50.0	86.4	35.5	33.6	31.5
Closing working capital	€ mill.	162.9	174.4	193.1	191.6	175.6	155.3	180.3	216.0	190.0	159.2
Closing capital employed	€ mill.	1,462.8	967.2	939.2	923.2	901.6	849.4	839.5	862.0	758.7	627.0
Equity	€ mill.	815.7	751.9	638.5	625.1	587.9	412.4	403.6	523.3	532.4	550.8
of which:											
Noncontrolling interests	€ mill.	56.2	25.8	28.1	27.2	28.6	15.9	9.4	10.8	15.0	18.0
Net financial debt ²	€ mill.	552.5	137.6	219.5	237.5	215.6	351.3	370.4	307.3	207.7	85.0
Total assets	€ mill.	2,126.8	1,490.8	1,392.7	1,368.8	1,289.4	1,214.4	1,331.4	1,266.9	1,252.9	1,367.2
Equity ratio	%	38.4	50.4	45.8	45.7	45.6	34.0	30.3	41.3	42.5	40.3
Cash flow statement data											
Cash flow from operating activities	€ mill.	167.2	136.4	137.3	71.6	81.3	56.1	12.3	37.6	24.5	65.8
Cash flow from investing activities	€ mill.	(285.2)	(49.7)	(65.4)	(44.9)	(57.9)	(3.0)	(15.5)	(95.0)	(124.2)	(43.2)
Cash flow from financing activities	€ mill.	164.3	(90.9) ⁴	(39.4)	(29.3)	(30.8)	(67.4)	28.1	(14.1)	20.7	79.3
Net cash inflow/outflow	€ mill.	46.3	(4.2) ⁴	32.5	(2.6)	(7.4)	(14.3)	24.9	(71.5)	(79.0)	101.9
Workforce											
Annual average headcount	Quantity	4,785	4,194	3,999	3,794	3,612	3,482	3,774	3,720	3,934	3,682
of which: Germany	Quantity	1,016	954	869	788	748	720	871	866	854	840
Abroad	Quantity	3,769	3,240	3,130	3,006	2,864	2,762	2,903	2,854	3,080	2,842
Personnel expenses	€ mill.	324.4	283.5	255.2	226.8	211.8	205.1	260.1	214.9	214.8	197.1
Personnel expenses per employee	T€	67.8	67.6	63.8	59.8	58.6	58.9	68.9	57.0	54.6	53.5

Ten-year overview of Vossloh AG

		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Capital stock	€ mill.	54.8	54.8	49.9	49.9	49.9	49.9	49.9	45.3	45.3	45.3
Dividend per share	€	1.15 ³	1.10	1.05	1.00	1.00	1.00	0.00	1.00	1.00	0.00
Year-end closing price as of December 31	€	76.40	43.05	41.95	39.10	45.15	41.35	37.00	42.45	46.80	59.61
Closing market capitalization as of December 31	€ mill.	1,476.1	831.8	736.8	686.8	793.0	726.3	649.9	677.8	747.3	951.8

*2017 and 2016, taking into account the presentation of the Locomotives and Electrical Systems business units as discontinued operations

¹Excluding noncurrent financial instruments; depreciation/amortization plus impairment losses/reversals of impairment losses

²With negative sign: Net financial assets

³Subject to the approval of the Annual General Meeting

⁴Values corrected or adjusted

