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PEOPLE & DEVELOPMENT











1.1 About Drylock Technologies

Introduction

Drylock is a leading manufacturer of private label personal hygiene products, with an impressive portfolio ranging from baby care and feminine care to adult care. Continuous innovation is part of our company DNA, and we are constantly challenging the industry. That is our inexhaustible source of inspiration to **innovate** and continuously improve our products to protect the people and the planet.

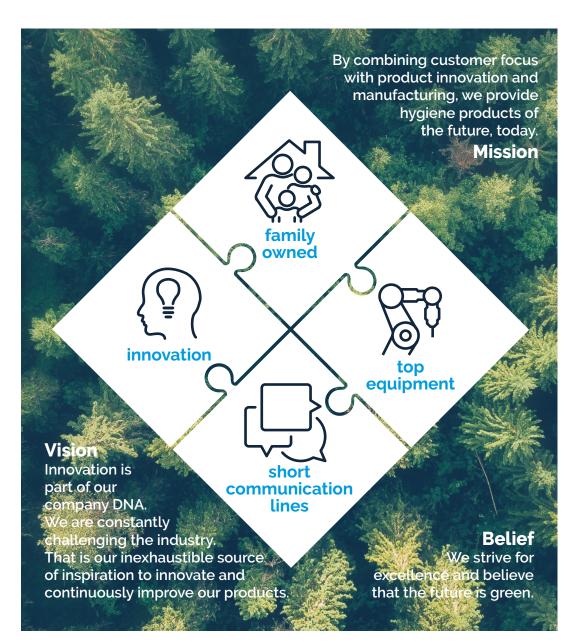
Through endless customization, we make sure our products are the perfect fit for the market and its ever-evolving needs. By combining customer focus with product innovation and manufacturing, we provide hygiene products of the future, today.

Moreover, we are firm believers that the future is green. Sustainability is the driving force behind all our innovations, and we are constantly exploring new actions to take to protect the planet.

"always looking ahead with vision and a strong belief"*

Founded in 2011, Drylock Technologies guickly gained a loyal customer base. When Drylock established its greenfield production site in Hradek, Czech Republic, the company focus was on sustainability excellence from the start. Great emphasis was placed on resource-efficient production using modern equipment supported by a state-of-the-art laboratory. It was also important to implement leading industry practices to ensure traceability and transparency and go beyond compliance.

We apply these core principles to every new site that comes on board through acquisition, and every new plant we build, now and in the future.



^{*} Bart Van Malderen - CEO Drylock Technologies

About Drylock Technologies The year at a glance Statement from our CEO

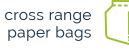
About **Drylock Technologies**

green













100% green renewable electricity



CO₂ neutral company







market share











€1191m worldwide in 2023

innovate to protect

manufacturing









60% 140%



3652 FTE









1.2 The year at a glance

In today's world,

the only constant is change

We live in a world that is constantly changing, and 2022 was a year of extremes. All over the world, people and organisations have faced challenges like never before. Geopolitical developments, humanitarian emergencies, and ecological, logistic and supply chain crises have forced us to be resourceful and to keep looking for ways to cope with unexpected circumstances.

Drylock Technologies has faced the evolving world with a strong focus on innovation, efficiency and flexibility. By doing this, we have maintained a growth of 51% and an overall excellent performance throughout the year. This level of resilience and adaptability has even been externally acknowledged by the recurring nomination of our CEO, Bart Van Malderen, as Trends Manager of the year.

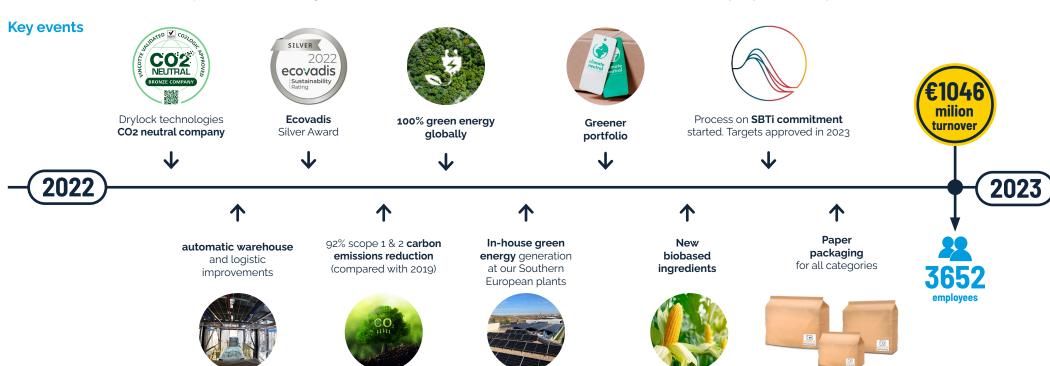
These nominations demonstrate recognition for the impressive growth trajectory that Bart Van Malderen has accomplished as the founder of Drylock Technologies over the past eleven years. He is acknowledged as a pioneer and a valuable contribution to the Flemish economy.

Every nomination, certificate, and award, whether economically or ecologically driven, confirms that Drylock is seen as a frontrunner and pioneer worldwide, and we could not be more proud.

In 2022, we hit a lot of milestones. We reached

€1 billion in revenue. We have grown in each region and across all product categories. We have invested in the expansion of production lines and warehouse space. We saw a record number of people visit our booth at the Private Label Manufacturers Association trade fair. We delivered up to 95% of our products on time. We became the first CO2 neutral company in the hygiene industry and the first one to run on 100% green renewable energy.

We keep innovating, even in challenging times, and introducing new products and technologies to the market. In 2022, we have shown once again that we have a bold and robust vision, but a flexible way of handling change. We work together to prepare the world for the future, and we innovate to protect the people and the planet.



1.3 Statement from our CEO - Bart Van Malderen



"Today, I am thankful.

Thankful, because there's nothing more fulfilling than having a positive impact on people's lives, while leaving the smallest possible ecological footprint on the planet. I'm grateful for the privilege we have at Drylock Technologies to make a tangible difference every day, and on a worldwide scale.

I could not do this alone. I would like to thank the talented Drylock Technologies team, our dedicated partners, trusted suppliers, and loyal customers. Together, we've cultivated an environment of trust, consistency, and transparency. Our collaboration has resulted in a remarkable year with great achievements.

Drylock Technologies went from zero to 1 billion euros in turnover in just ten years. That makes us the fastest growing hygiene product manufacturer, because of our focus on innovation, sustainability, and people.

INNOVATION

The three pillars of success? Innovation, innovation, and innovation. We are constantly exploring innovative technologies and improving our products according to the market's evolving needs. We have installed new production lines, introduced new features, and integrated novel solutions in the full life cycle of our products to continue to shape the market and stay agile.

SUSTAINABILITY

Sustainability is not a buzzword, but a call to action. We are reducing our ecological footprint and introducing new ways to protect our planet every day. Sustainability is the driving force behind many of our innovations. We keep challenging the status quo and exploring scenarios to make the world a better place.

PEOPLE

We take our social responsibility seriously. Through our Codes of Conduct and training, we ensure ethical practices throughout our organization. Our focus is on consumers' comfort, protection, and needs, fostering a better tomorrow.

In conclusion, our journey continues. We'll keep innovating, championing sustainability, and putting people at the heart of everything we do. Together, we can ensure a future that's not just green – but extraordinary.

Bart Van Malderen CEO





2.1 Strategy

For Drylock Technologies, sustainability is a key component of our corporate identity. We are committed daily to contribute to the development of society and protect our planet. This approach is embedded in our corporate principles and ethical culture, and even in our entire business model and operational processes.

Our operational decisions are made with the utmost regard for human and labor rights throughout the value chain and in compliance with the highest environmental, health and safety standards, while ensuring transparency and continuous dialogue with our stakeholders.

At Drylock, CSR-related topics are not just the responsibility of a sole person or department; CRS is an integral element of the performance management system of the company. Our CSR strategy has been developed in line with the United Nations 2030 Agenda for Sustainable Development and consists of three main pillars and ten material topics. Such a strategy acts as a common agenda for the entire company, as it is integrated across all levels. Additionally, it also serves as a direction for all interactions with other actors in our value chain.

Strategic priorities

- Providing innovative solutions for customers and consumers
- Commitment to sustainable solutions
- Climate actions

- Focus on all stages of the supply chain (SE) through life cycle assessment (LCA)
- Protect our people and win with culture





OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS

2.2 Commitment to SDG

As a leading global manufacturer of hygiene products, Drylock is dedicated to do business in a responsible and ethical manner, by respecting and

protecting the partners we work with, the communities we work for and the planet we work on. Drylock's sustainability strategy is in line with

the 2030 Agenda for Sustainable Development from UN and focuses on key goals 3, 7, 9, 12, 13, 15 and 17.

Being Drylock

Our goal is to maintain our leading position in the sector by creating high quality hygiene products that live up to the expectation of consumers while protecting the environment.

3 GOOD HEALTH AND WELL-BEING













Contributing to our Communities

Our long-term vision is to continue adding value to our communities by joining the global efforts towards limiting global warming to 1.5°C (Paris Agreement).

Maintaining integrity and running a compliant business

Our long-term vision is to maximise integrity and fairness in everything we do, striving to ensure that our business always continues to meet the highest professional, compliance and ethical standard.





Strategy

Strategy Commitment to SDG Our sustainable targets

| PILLAR | SDG | THEME | КРІ | UNIT | 2020 | 2021 | 2022 | TARGET |
|---|-------------------|-------------------|--|----------------------------|------|------|------|--|
| ENVIRONMENT | 13 CLIMATE ACTION | CLIMATE ACTION | Percentage reduction in relative CO ₂ eq emissions* (Scope 1 and 2 / 1000 finished goods) | % | 41 | 48 | 95 | Reduction of 65% CO ₂ eq by 2030 |
| | 15 LIFE ON LAND | | Percentage reduction in CO ₂ eq emissions* (Scope 1 and 2) | % | 40 | 39 | 92 | Reduction of 65% CO ₂ eq by 2030 |
| | STATE ON LAND | | Electricity intensity ratio | kwh/1000 finished goods | 16,5 | 14,8 | 14,6 | Achieve 13,5 kwh/1000 by 2025 |
| | | | Renewable electricity | % | 70 | 68 | 100 | Achieve 100% by 2030 |
| | | | Carbon neutrality | % production sites | 62,5 | 100 | 100 | To maintain the status of carbon neutral company |
| | | | Relative reduction in CO2eq emissions** (Scope 3) | % | - | - | 5 | Target 2030: 25% reduction |
| | | BIODIVERSITY | Percentage of certified or controlled wood-based raw materials | % | 100 | 100 | 100 | Maintain the coverage of 100% |
| * Compared to 2019 base-year. ** vs baseyear 2021 | | 2 | Percentage of organic cotton used in our products | % | 100 | 100 | 100 | Maintain at least the coverage of 95% |





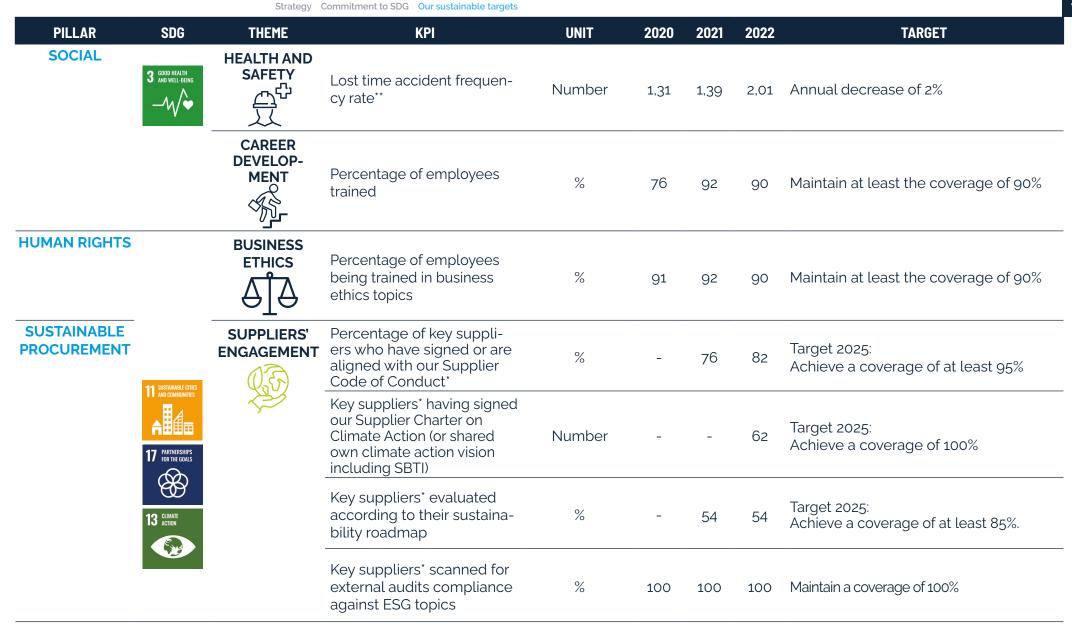
| PILLAR | SDG | THEME | КРІ | UNIT | 2020 | 2021 | 2022 | TARGET |
|----------------------|---|--|---|--------|------|------|-------|--|
| SOLUTIONS | 13 CLIMATE ACTION | EFFICIENT USE OF RAW | % Scrap rate | % | 3,6 | 3,3 | 3,15 | Target year 2025: 3,15% |
| | | MATERIALS | % Material saved through eco-design | % | NA | 11% | 12,5% | Target year 2025: 14,5% (vs 2017) |
| | | <u>\o-o</u> | % Material saved in pack- aging | % | 20% | 25% | 35% | Target year 2025: 40% (vs 2017) |
| ~ 12 | | CIRCULARITY | Waste subject to material or energy recovery | % | 88 | 91 | 88 | Achieve 100% by 2030 |
| | 9 ADUSTRY, INNOVATION AND INFRASTRICTURE | TVATION UCTURE | Share of primary packaging containing recycled raw materials* | % | | 48 | 63 | Achieve & maintain at least the coverage of 50% |
| D BESSONS BLI | ~ ~ | | Share of virgin oil-based plastic avoided on primary packaging* | % | | 11,5 | 20,6 | Achieve & maintain a minimum annual reduction of 20% |
| | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | OPTIMIZING | Electricity intensity ratio | Number | 16,5 | 14,8 | 14,6 | Biannual electricity saving of 1% until 2030 |
| | GO | THE ENVIRON- MENTAL IMPACT OF OUR PROCESSES | Production volume being | % | 70 | 70 | 100 | Achieve 100% by 2030 |
| *European packaging. | | | Production volume being produced in ISO14001 certified plant | % | 45 | 45 | 45 | Achieve 60% by 2025 |

10



| PILLAR | SDG | THEME | КРІ | Unit | 2020 | 2021 | 2022 | TARGET |
|-------------------------------|------------------------------|-------------------|--|--------|------|---------------------------------------|---------------------------------------|-------------------------------------|
| CONSUMPTION | 3 GOOD HEALTH AND WELL-BEING | PRODUCT SAFETY | Suppliers signed declara- tion of conformity | % | 100% | 100% | 100% | Yearly target: 100% compliance |
| 17 PARTNERSHIPS FOR THE GOALS | | | Testing by external laboratory on tox by year Raw material / Final product | Number | - | Each Sup- plier/ 1 year 2 prod/ Month | Each Sup- plier/ 1 year 2 prod/ Month | Yearly target: clean reports |
| | | | Products certified with at least 1 eco-/health labels (excl FSC/PEFC)) | % | - | 43% | 52% | Yearly target: Maintain minimum 40% |
| | | | Number of Drylock product recalls | Number | 0 | 0 | 0 | Yearly target: No product recalls |
| | | | N° of complaints related to contamination of the product with metal, plastic, glass or wood | Number | 0 | 0 | 0 | Yearly target: No complaints |
| | | REGULATORY | Notification of new products/compliance with leg. requirements | % | 100% | 100% | 100% | Yearly target: 100% compliance |





^{*} Key suppliers: Top 50 suppliers – based on yearly purchasing volumes including all Drylock entities ** Number of recordable work-related injury per 200.000 hours worked.



Our compan

3.1 Our business categories

Drylock Technologies' main competitive advantage is its ability to tap into the market's needs and quickly follow brand innovations while maintaining competitive pricing, given its state-of-the-art manufacturing technology.

baby care

Introduction

Baby care is the largest part of our portfolio. Drylock manufactures baby diapers, pants, and changing mats for retailers and our own brands. As a result of our major innovations, we provide high quality products that absorb like no other, have no risk of leaking and are superbly comfortable to wear.





feminine care

Our portfolio features a complete range of femcare products, such as ultra-towels, classic towels, pantyliners, and tampons. We put a strong emphasis on comfort while also giving sustainability and the usage of natural raw materials great consideration.

adult care

Our adult care portfolio includes a wide range of products within the categories of diapers, pants, pads, and underpads. With our innovative technology, we continuously strive for providing our customers with reliable, comfortable, and discreet solutions.



Our business categories Our sustainability vision

3.2 Our sustainability vision



For Drylock Technologies, attention to sustainability is not just a box that needs to be checked. It is engrained in our DNA and the driver behind a lot of our innovations.

Sustainability is such a crucial element of our identity that it is even integrated into our company-wide baseline innovate to protect. Our products protect the people using them, and we take action to ensure that we are also protecting the planet every step of the way.

By merging sustainability and innovation, Drylock Technologies creates hygiene products which live up to the expectation of consumers while protecting the environment. We continue to strive for excellence and believe that the future is green. We pursue sustainability with a focus on well-being for people and planet!

Key aspects for our sustainability vision

Develop

- Climate action
- Sustainable LCA





Protect

- Health & Safety
- Diversity and respect
- Career development
- Well-being at work





Drive

- Business ethics
- Responsible supply chain
- Community development









CLIMATE ACTIONS

3.2.1 Develop

Climate actions

As a global-market player, Drylock is aware of its responsibility to act against global warming. According to the latest climate science from the IPCC - described by the UN as "code red for humanity" - it is still possible to limit global temperature from rising 1.5°C, but we are coming dangerously close to that threshold.

As a frontrunner in this field, Drylock's strategy has focused on progressively reducing the carbon footprint associated with our production processes over the last years. A few years ago, we started the journey of calculating the carbon footprint of our products and validating the results in collaboration with experts in this field. Our aim was to achieve a complete overview of the carbon footprint associated with each stage of the life cycle assessment (LCA) of our products. By doing this, we were able to develop a holistic

approach aimed at reducing the emissions associated with each stage of the LCA. As a result of our sustainability actions, we have reduced our carbon emissions related to Scope 1 and 2 by 92% in comparison to 2019.

As a result of our continuous commitment towards climate action, Drylock is proud to have achieved the status of carbon neutral company in April 2022. That CO2 neutral label certifies that our carbon footprint is calculated, reduced, and offset on a yearly basis, ensuring continuous efforts to minimize our climate impact. This milestone shows that we are leading the way towards a green transition in the hygiene sector.

Carbon Footprint Information in 2022

• Scope: Scope 1 and 2 for emissions of year 2022

15

- Calculation Methodology: GHG Protocol
- Total Emissions (tCO2e): 2.167

Outcome 2019-2022: -92% 30.000 NEUTRAL tons C02-equivalent 20.000 10.000 2019 2020 2021 2022 Scope 1 Scope 2

Supporting green energy transition

Drylock supports the India Wind Energy Solution to offset our emissions from all our production plants in 2022.

This project builds wind turbines to provide the Indian power grid with clean, renewable energy and stimulate a low carbon economy transition.

Since 2021...



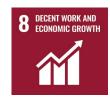
19.189 tonnes of CO2 avoided

15.135 MWh of electricity

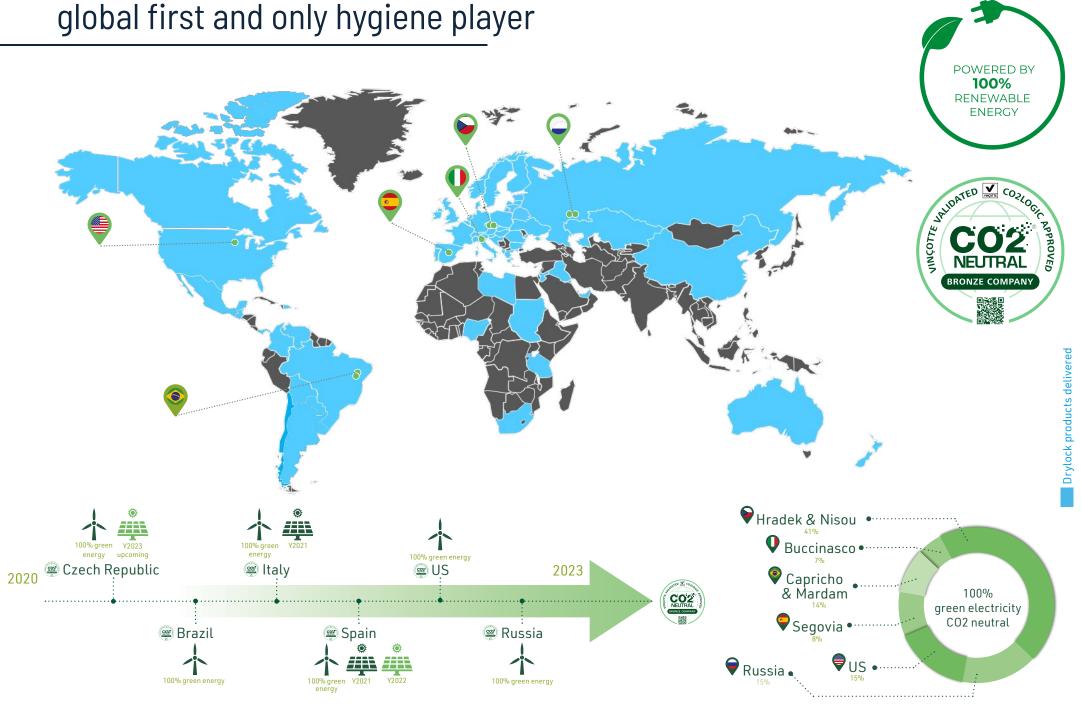
15.801 Indian households with green energy

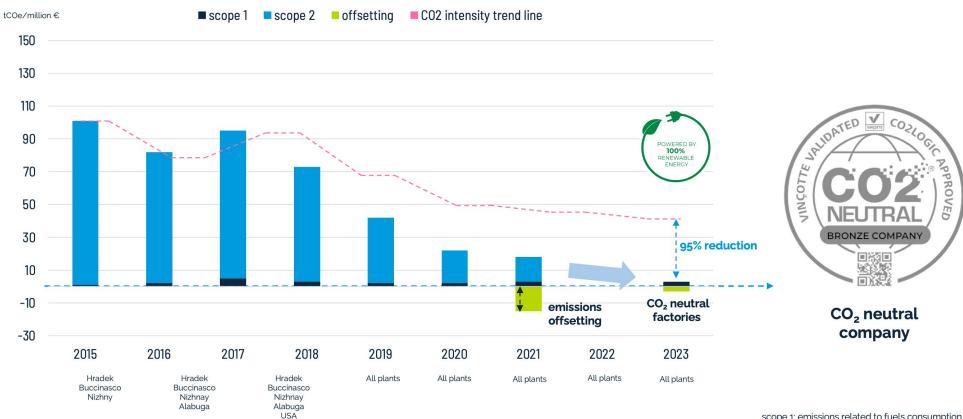












Market-based method (Greenhouse Gas Protocol)

scope 1: emissions related to fuels consumption scope 2: emissions related to electricity consumption

Our commitment towards climate action continues and our objective is to keep reducing our emissions by following the Paris Agreement goals and aligning with the 1.5°C scenario. Therefore, Drylock Technologies has committed to set near-term company-wide emission reductions in line with climate science with the SBTi, and our target is to reduce absolute Scope 1 and 2 GHG emissions by 70% by 2030 compared to a 2021 base year, and to reduce relative Scope 3 GHG emissions 52% per value added by 2030 from a 2021 base year.



As measures for improvements, Drylock Technologies has developed a reduction roadmap. Scan this qr-code to discover more.





Our business categories Our sustainability vision

Sustainable LCA

The fact that sustainability is the driver behind our innovations is reflected in the culture & DNA of the company.

As a manufacturer of hygiene products, carbon emissions arising from our supply chain have a significant impact on our global footprint. To obtain a more complete and more in-depth understanding of the carbon footprint at each stage of Drylock's supply chain, full lifecycle analysis is performed by an external partner. Such sustainable LCA covers the 7 different categories of the supply chain: the ingredients, the design, the production, the packaging, the logistics, the consumption, and the end of life.

Once the different categories have been identified, and starting from the biggest impact first, we focus on how to reduce each category's impact and therefore their carbon footprint.





Ingredients

Drylock Technologies, a leader in driving sustainable materials in the market

We are constantly investigating natural or biobased alternatives for our ingredients portfolio. Responsible supply chains also play a vital role for us and therefore we value recycled and biodegradable options positively as well. Our responsible supply chain also focuses on getting certified or controlled raw materials (FSC, PEFC, GOTS, etc.), we perform quality evaluations and social audits, and all our suppliers need to comply with our code of conduct and sustainability charter.

Efficient use of raw materials

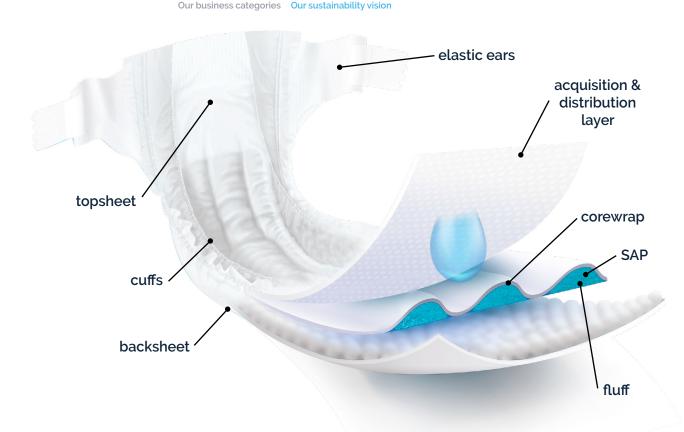
Drylock operates a latest generation machine platform at its Eurpean production sites. This is proven by the obtention of a silver medal in the LEED certification. In addition to the Oeko-Tex Made in Green certification, a title that's awarded to environmentally friendly production sites.





BIOBASED SAP* Drylock was one of the first to offer an absorbent core that's attributed to raw materials of natural origin up to 100%.*

- Saves fossil (only plant-based) resources and reduces carbon
- Feedstock with sustainable certificate
- Readily available drop in solution
- No compromise on product performance Validated for all categories



Recycled PET

Used in acquisition & distribution layer

- Lower carbon footprint
- No Waste
- Valuable Resource

Fluff

- Offering unbleached fluff (naturally brown fluff pulp alternative) pulp since 2019
- The most eco-friendly hygienic product because the pulp is boiled instead of bleached
- No AOX, no bleaching chemicals, lower residuals of organic compounds
- Natural brown color (brightness %ISO33) Both PFFC/FSC mix & ISO certified

Circular recycled polymers

Certified circular polymers are used in the production of speciality films for various absorbent applications, such as sanitary pads, panty liners, towels, and diapers in feminine, baby and incontinence care.



levels. These changes have also received a

great deal of positive feedback from consum-

ers due to the remarkable results achieved in

Lastly, innovations in baby diapers, feminine

care and adult pads have led to new levels of

product compression within consumer pack-

aging, resulting in more efficient use of raw

Less is more

materials and less transportation needs.

terms of discretion, comfort and fit.

Our business categories Our sustainability vision

Design

Eco-design and innovation





% Decrease in grams of CO2-eq emitted per baby product manufactured in Europe (cradle-to-grave approach)

Sustainable design

We strongly believe that sustainability and innovation are inextricably linked; that's why our strategy is to combine these two factors to create hygiene products that protect both people and the environment.

Drylock has introduced different absorbent core technologies to the market following the principle of "less is more". These extensively tested technologies have been proven to result in optimized material usage, lower leakage rates and therefore lower product consumption



decrease in materials. consumption including a total of 15.000 tons of plastic material saved*

Our design strategy



Material optimization & reduction: smartly restructured fibre distribution through the layers of absorbent material



Smart innovation – inspired by nature



Integration of new material into products: recycled materials, renewable or bio-based material

With a strong focus on eco-designs, and with the strong belief that less is more, we have managed to reduce the material and footprint of our products by 14%*, without compromising on their performance:

Zero-waste

Increased shelf life

Light weighting

Design for end-of-life

Cruelty free

Carbon neutral products

Drylock offers its customers the possibility to have carbon neutral products. Since 2021, Drylock is one of the first hygiene manufacturers to launch CO2-neutral products on the market.



The emissions associated to a product are calculated by an external company following a cradle-to-grave approach according to BSI PAS 2060 specifications. Emissions are offset through high quality carbon offset projects.

We have invested in innovative patent redesign that has resulted in saving 84.459 trees since 2017. Among our patents, the Magical Tubes®, the Flash Dry® and the Comfort Dry® can be highliahted.

Green product design

~49%

Cradle to Gate

Cradle to Grave

CO2 emisions reduction per diaper when comparing our green product design with our standard diaper

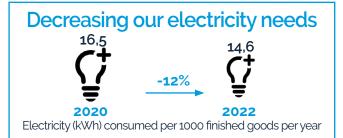
Production

Since 2021, all our products have been manufactured in CO2 neutral factories. Drylock is the first hygiene company to be CO2 neutral and to have CO2 neutral production globally!

Strategy

We are continuously reducing our impact on the environment through energy efficiency, renewable energy and low scrap rates

Energy efficiency



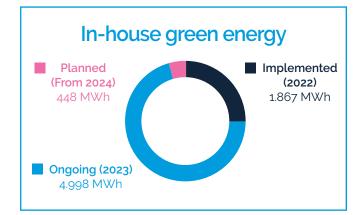


Renewable energy



We invest in self-generation of green energy

Since 2022, 100% of the production volume comes from renewable sources. Moreover, green energy is produced in-house in our 2 southern plants in Europe, which provided 1.866MWh in 2022 and covered 5% and 12% of the plants' respective electricity needs. For all European plants, projects to increase the volume of self-generated green energy are ongoing.





more than 1.500 households



Production waste

Drylock follows the EU waste management approach of preventing and reducing waste generation and ensuring the material or energy recovery of the waste generated. Our target is to achieve zero waste going to landfill by 2030, which will reduce our greenhouse gas emissions and will help us achieve our Science Based Targets (Scope 3).

Several projects are running with the aim of reusing or recycling all our production waste, such as the Project Zero Waste and the Packaging Closed Loop.

The Project Zero Waste, started in 2022, focuses on automating the sorting and preparation of the production waste to facilitate further valorisation.

The Packaging Closed Loop, implemented since 2021, focuses on our plastic packaging scrap. Materials are currently being reprocessed into high quality recycled material that is further integrated into our plastic bags. This way, we are contributing towards a more circular economy and reducing our carbon footprint.

Our business categories Our sustainability vision

Packaging

Our packaging solutions have been evolving with the goal of reducing our carbon footprint. As part of its sustainability strategy, Drylock continues to explore more circular solutions to reduce its plastic consumption and waste generation. Drylock's packaging strategy is particularly driven by the reduction of virgin plastic consumption and invests in alternatives like:

- Driving recycled plastic
- Cutting fossil virgin plastic by 50% (vs 2017)
- Recyclable 100% or compostable or reusable

As part of our eco-design strategy, that has the goal of using less plastic, we have accomplished a material reduction of 37% without compromising on performance. Moreover, by redesigning our bag portfolio, we have achieved 22% plastic savings on bag level.

Our paper packaging portfolio, which is available for all categories, and has been on offer since 2020, has seen a growth in sales in 2022 of more than 150%*, and has replaced a total of 55.000 kg LDPE bags.



First in the market to offer paper bags in all categories: Baby, Fem care and Health care.



Strategy

55.000kg LDPE bags

avoided thanks to the use of our paper packaging

More than 150%*

sales growth of our paper packaging portfolio in 2022







plastic

In addition to the nature of the material used to manufacture the packaging, we also pay attention to its manufacturing process to obtain a full picture (i.e. water re-use, renewable energy, etc).

From 2023, Drylock stopped offering primary packaging made of 100% virgin oil-based plastic in our European portfolio. In 2022, 25% of the volume of plastic packaging came from recycled PE, and we aim to reach 50% by 2025.





Drylock closed loop

At Drylock, we are currently cooperating with several bag suppliers to re-use our own plastic scrap (obsolete designs, cut-offs or plastic bags, stretch film) in their manufacturing process. In doing so, we are closing the loop and making sure we generate as little plastic waste as possible.



Finished goods for overseas get shipped by train

implementation gradually started in 2022,

were already transferred by train.

and by mid-2023 100% of the containers

Train to Valencia port



Logistics

Road freight accounts for more than 25% of the global CO2 emissions from transport. In Europe, 77% of all freight transport is carried by road. To decrease our carbon footprint, we are continuously looking for new opportunities and working on several alternatives such as modal shifts and load optimization.

Modal shifts



Multimodal deliveries for key raw materials

Started in 2022, this project covers the route of SAP delivery from Belgium (sea port) to our manufacturing plant in Spain. More than 99% of these deliveries occurred in multimodal, a combination of ship and road, entailing a reduction in CO2 emissions of 38%, compared to the previous alternative where the whole distance was covered by trucks.





Zero-emission trucks

At the beginning of 2022, we started testing E-trucks for transport over short distances. A lot of positive results and learnings were achieved. The project was put on hold for the time being, while waiting for more favourable conditions. The decision was made with the supplier to continuously assess the market for a better moment that will guarantee success when the project is resumed.

Drylock Technologies train

The shift of replacing trucks with trains is something we continuously envision. In 2022, we started working on a new project, making the Train a reality. The project, which is planned to start in 2023, connects our warehouse in Zeebrugge with our plant in Czech Republic. This connection is intended to be used for finished products for the UK market and for importation of raw materials into our Czech plant. This route, which is currently taken by trucks on the road, will be replaced by a direct train, which will reduce our carbon emissions for this route with 44%.

Load optimization

- Warehousing improvements: expansion and automation
 - · Fully automated warehouse:

As a result of our life cycle assessment, we found that a big part of our emissions in logistics was linked to the distance between our warehousing facilities and the production site. Therefore, we created a long-term plan to invest in a new stateof-the-art warehousing as close to our production facilities as possible.

The first major project was a high bay for final products, where products are stored fully automatically after production. The building was a pilot project, but it was built, tested and fully operational in a record time. Its benefits are substantial in terms of sustainability, efficiency, and safety.

4x distance from our earth to the moon

amount of km saved with the new automated warehouse in 2022.



3x optimized

area needed to store the same volume of finished goods is 3 times smaller than in a conventional





- Pallet logistics
 - · Reusable pallets: in 2022, we started renting pallets instead of using white pallets. In doing so, we avoided uncontrolled wood origin, gained control over repairs, and improved in terms of re-usability.









Consumption

Customers' health and safety is

our top 1 priority.

We know that retailers and consumers are asking for transparency and place a lot of trust in us. Our goal is to be the leading player in terms of safety and customer health for hygiene products while being on top of any legislation and certification scheme guaranteeing this.

We focus on the costumer by offering chemical -free products (free from chlorine, bleaching, lotions, parabens & latex). Additionally, full periodic toxicologic testing is conducted, set up in collaboration with an independent external toxicological expert.

Our action plan is to:

- Keep ensuring the safety of the products:
 - Extensive testing
 - · Specialized employees, top-quality testing equipment
 - Supply risk assessment
 - Voluntary schemes / Audits compliance
- Monitor for legislative and certification schemes updates:
 - · Compliance with external certification schemes.
 - · Compliance with all applicable laws and regulations
 - Participation in industry alignments





Number complaints related to contamination of the product with metal, plastic, glass or wood

52%

Products certified with at least 1 health/eco labels (excl FSC/PEFC) (40% yearly target)



Clean tox reports

Since 2021 we have been meeting the target of obtaining clean reports when performing tox testing on raw materials and final products by external laboratory





On top of that, we are proud that all our products are certified as vegan globally.

Global vegan portfolio

Since 2022, our complete portfolio has achieved the status of vegan by complying with PETA requirements.



Our business categories Our sustainability vision

End of life

At Drylock, we acknowledge the important contribution that the end of life of our products makes to our Scope 3 emissions. Therefore, we are committed to bringing solutions to the market that can extend our products and packaging's life without compromising on performance. We strive for innovation in product design and production process design by exploring circular solutions (reusable, compostable, hybrid), recyclable of biodegradable packaging, waste reduction, etc.

Reusable & End of life explorations:

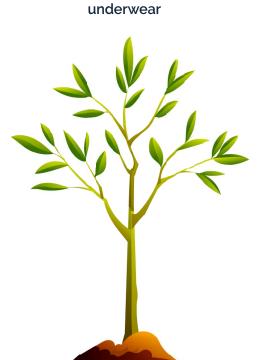
Compostable systems - Used hygiene products naturally contain a high volume of biodegradable content. Drylock Technologies believes this is the way forward and aims to reach a biodegradability of 100%. This is a continuous project including suppliers, market specialist and end of life facilities

Reusable underwear - another way of extending our products' end of life and decrease their CO2 emissions is to invest on reusable solutions. At Drylock Technologies we include such solutions in our portfolio as washable alternatives

Hybrid diaper system - the fusion of reusable underwear and traditional ones is the hybrid diaper system, which has a reusable external part and it is used in combination with disposable inserts

> Hybrid diaper system





Reusable



Circular solutions and waste reduction (Closing the loop)

Drylock's long term ambition is to incorporate circular economy in product and packaging concepts. We aim to accomplish that not only by increasing and incorporating materials of recycled and renewable origin, but also by re-using our own waste. For packaging there are currently solutions implemented in which our PP/PE waste gets delivered to our suppliers to get recycled into new packaging.

ASDA Sustainability Awards 2022-23

Drylock Technologies won the ASDA Sustainability Award 2022-23 under the Category "Waste & Plastics", due to the launch of the first paper packaging for nappies in Europe. Such packaging can simply be put into a customer's recycling bin.





3,706 kilograms

of greenhouse gases avoided and

28234 kilograms

of primary resources saved in 2022 by material recycling*

\equiv

3.2.2. Protect

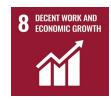
Protect our people

As an international employer with offices and production facilities in 10 countries, Drylock feels responsible for the well-being of its more than 3.500 employees, stakeholders, and the communities that it operates in. As a family business, caring for human well-being is deeply rooted in our corporate culture and is acknowledged as a top priority.

Drylock strongly supports, respects, and preserves internationally recognized human rights and does its utmost best to ensure that its employees have safe, healthy, and rewarding working conditions. With our initiatives related to human rights principles, we are positively contributing to the following Global Sustainable Development Goals from the United Nations:

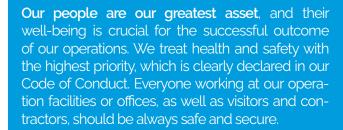






OUR KEY AREAS OF ACTION

Health and Safety 🚊



All employees are encouraged to always speak up, raise concern and/or take immediate actions against conditions or tasks considered unsafe, or assignments that could increase the risk of accidents.

Safety training is provided for all employees working on plants on a yearly basis. Every plant has a designated health committee and regular housekeeping is performed in all production plants to minimize the risk of health and safety hazards. Moreover, internal safety audits are performed according to a well-defined and pre-approved plan on a monthly basis.



Our North-American plant tackles this during every morning meeting. Additionally, OSHA and stretching/moving posters can be found all around the facility, and quarterly safety meetings are scheduled for all employees.

Diversity

No form of discrimination or harassment is allowed at Drylock. As a multinational company, we acknowledge and value diversity, and, as stated in our Code of Conduct, we believe in equal opportunities for all employees, regardless of gender, upbringing, sexual orientation, etc.

At the end of 2022, we started a **Diversity Program** in our Brazil plants. The objective is to raise employees' awareness of the risks of discrimination and harassment. During the

first sessions, the focus categories were established, and during following alignments, actions were discussed and agreed upon to cover each one of the topics. Such topics tackle diversity issues like gender diversity and equal treatment in employment and occupation. The whole leadership team was involved and actively participated in the sessions, following further implementation of the program.

In our North American plant, language classes are provided for non-English speaking

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employees, and resources are provided in various languages. These initiatives tackle **language diversity**.



Our business categories Our sustainability vision

OUR KEY AREAS OF ACTION

Extensive skills training programs and awareness training on environmental, social, and governance (ESG) topics.

Strategy

- 90% employees trained
- +70k hours of training

Drylock is currently transitioning into a more accurate career development system, which was not fully implemented yet in 2022. With that, we aim to improve our training follow-up and time accountability, for white collars as well as blue collars. We aim to have at least 85% annual participation for the sustainability, ethics, and safety trainings.

At Drylock, we also promote internal recruitment, and all job offers are shared internally before opening to a wider audience. This gives our employees the opportunity to further develop their career and increase their knowledge and skillset.

There are implemented individual career mapping and growth plans in our US plant, as well as a Performance Evaluation system is being developed in our Brazilian plants.



Well-being at work

Our products focus on protecting our end customers, but our efforts don't stop externally. We acknowledge how important is to maintain the well-being of our employees and therefore we have several initiatives in place which aim to protect our own workforce.



- · Short communication flows.
- · Open dialogue and communication.
- Hotline and whistleblower available.
- · Employee assistance programs.



- · Social benefits for all employees with unlimited contract.
- Focus on health insurance/medical plan for employees in development countries.
- Focus on physical health physical therapy, wellness, weekly/monthly team building sport activities and fitness centre.

Our Czech plant publishes a quarterly magazine featuring local news, like key events, interviews with employees, recognitions and awards, social initiatives, etc. The phone app Munipolis is promoted for following up on important information, taking part in surveys and events, and sharing your questions, complaints or ideas for improvement.

External assessment

Sedex® audits are conducted on a continuing basis at all Drylock sites addressing labour standards, health and safety, environment, and business ethics.

Proud to be a



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Our business categories Our sustainability vision

3.2.3. Drive

Business ethics

At Drylock Technologies, we are all responsible for understanding the important **legal and ethical issues** that affect our business, and for always acting with **integrity**.

The way we comply with regulations has a huge impact, regardless of the exact nature of the rules. Therefore, we make a lot of efforts to ensure we excel at Ethics, Compliance and the regulations that are significant for our industry, such as anti-corruption and anti-bribery matters.

Our Code of Conduct, introduced in 2021 and periodically reviewed, reflects who we are as a company and as individuals. It is established to secure the human rights of all our employees according to the global human rights statements and standards. Our Code includes, among other topics, the right to safe and healthy working conditions, the right to free association and collective bargaining, as well as the right to a workplace free of discrimination and harassment. By our Code, we provide our employees the resources and information they need to operate the business in a responsible way, showing respect in the workplace and act with integrity and to make sure we stay true to our vision and mission.

Our Code - which is applicable to all Drylock Technologies employees and third parties doing business on behalf of Drylock Technologies - is clearly documented and well-structured by covering the critical areas of the organisation, such as company core values, health & safety, well-being of our employees and human rights, child labour, fair wages, social dialogue, environmental policies, intellectual property, legal obligations,

antitrust & competition, conflicts of interest, anti-bribery and anti-corruption. It is designed as a **guide to help us to do the right thing**. It establishes the importance of maintaining high professional standards and conducting business in line with **applicable laws and regulations**.

Drylock Technologies's reputation is also supported by our **anti-corruption standards** and approach, which means we act with integrity and make decisions on legitimate business considerations. This principle forms an essential part of our Code and is a binding agreement between the company and the employees that accept and sign it. For third parties, e.g. suppliers, Drylock Technologies is continuously working on effective policies and processes, such as a, Anti-Bribery and Corruption Policy and a Suppliers Code of Conduct, which will be subject to intermediary review.

At Drylock Technologies, we value each other just as we want to be valued ourselves. Being **respect-ful** means working with integrity, communicating honestly, and motivating each other. As a result, our employees can be themselves and speak out. Additionally, further actions are being taken on this part, by ensuring our approach towards an incident reporting program.

Responsible Supply Chain

Since the implementation of our Code of Conduct in 2021, we have strengthened our proposition for a responsible supply chain. With this policy, we ensure that **our suppliers meet strict environmental, social and governance requirements** when conducting business. In 2022, 82% of our key suppliers were aligned with the policy, and we aim to maintain a coverage of at least 96% by 2025.

Additionally, we also created our **Supplier Charter**,

with the goal of learning more about our suppliers vision on sustainability. This way, we discover the challenges and opportunities that our suppliers identify for a long-term green transition and work out how Drylock can cooperate.

To guarantee proper management of a responsible supply chain, we ensure that **100% of our key buyers attend training**.

Lastly, our science-based targets submission includes the target of having 50% of our suppliers committed to science-based targets by 2027.

Sustainability external assessment

In December 2022, we got awarded a Silver medal in EcoVadis, which shows our continuous improvements towards environment, labor & human rights, ethics and sustainable procurement.





| | Sustainable supply chain | Policies and statements | Management systems and certificates | Quality control |
|--|--------------------------|--------------------------------|-------------------------------------|--|
| Non-renewable raw materials Renewable raw materials | | Declaration of | • ISO9001 • ISO14001 | Toxicological testing Dermatological |
| Fluff pulp | • FSC® • PEFC® | conformity • Supplier code of | • ISO 13485 • BSCI | testing • External certifications: |
| Organic cotton | • GOTS • OCS | • PETA declara- | • OHSAS 18001 | Blue Angel, OEKO-TEX®, etc. |
| Green SAP | REDcert REDcert | tion | • BRC • IFS | Documentation on material |
| Green PE | I'm Green | | | safety and quality |



At Drylock, we're dedicated to positively contribute to the communities where we operate by creating quality jobs and supporting local organization and initiatives. As a manufacturer of essential hygiene products, we are aware that our products are a basic need for society, which is why we allocate a significant budget for donations each year. In 2022, Drylock Technologies donated more than one million products to vulnerable social groups.

Local Job Creation

We believe in **local opportunities**, and thanks to our growth, we can invest in local job creation. In 2022, Drylock finalized the initiation phase of a new project next to our Spanish plant, which will increase the number of employees by 45%. With these initiatives, Drylock keeps creating opportunities for local communities and facilitates with such investments the push of health infrastructures in the province.

Model in responsibility and social commitment:

Due to these initiatives, and the loyalty shown to the local communities, our Spanish plant was recognized as a model in responsibility and social commitment by the president of the province.

Inclusive sport school sponsored by Drylock Segovia (Fundación Eusebio Sacristán): Segovia joins the inclusive sports team of the Eusebio Sacristán Foundation and the Castilla y León Foundation thanks to the collaboration of Drylock Technologies and the city council, the Gimnastica Segoviana and the Red Cross.







Collaborate to protect

Drylock does not stay impassive in times of need. After its donation of medical face masks to fight the COVID-19 in 2021, our European plants realized the need of meeting the crisis of the new year and donated more than €110,000 in medical face masks and hygiene products to Crisis Doctors and food banks.

To palliate the negative effects of environmental disasters such as the yearly floods occurred in Brazil, our Brazilian plants collected during February hygiene products, food, and clothes, which were afterwards donated to the local affected communities.

4. Yearly performance and future challenges

4.1 Environmental data

CLIMATE DATA - CO2 emissions

GRI 305-1 Direct (Scope 1) GHG Emissions***

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

Carbon intensity ratio of scope 1 & 2 emissions (market-based)

| | UNIT | 2020 | 2021 | 2022 |
|-------------------|---|------|------|------|
| Scope 1 | kgCO ₂ /1000 finished goods | 0.33 | 0.30 | 0.17 |
| Scope 2 | kgCO ₂ /1000 finished goods | 2.19 | 1.91 | 0.05 |
| Total Scope 1 & 2 | kgCO ₂ /1000 finished goods | 2.52 | 2.21 | 0.22 |



Scope 1 & 2 emissions market-based

| | UNIT | 2020 | 2021 | 2022 |
|-------------------|-------------------------------------|--------|--------|-------|
| Scope 1 | Tons CO ₂ -equivalent | 2,179 | 2,316 | 1,669 |
| Scope 2 | Tons CO ₂ -equivalent | 14,362 | 14,706 | 498 |
| Total Scope 1 & 2 | Tons CO ₂ -equivalent | 16,540 | 17,022 | 2,167 |

Scope 1 & 2 emissions location-based

| | UNIT | 2020 | 2021 | 2022 |
|-------------------|-------------------------------------|--------|--------|----------|
| Scope 1* | Tons CO ₂ -equivalent | 2,179 | 2,316 | 1,669 |
| Scope 2 | Tons CO ₂ -equivalent | 37,380 | 39,434 | 50,226 |
| Total Scope 1 & 2 | Tons CO ₂ -equivalent | 39,549 | 41,750 | 51,895** |

^{*} Company cars not included in calculation ** Linked to Drylock Technologies growth

Emissions related to Scope 3

| | UNIT | 2020 | 2021 | 2022 |
|-----------------|-------------------------------------|------|------|------|
| Business travel | Tons CO ₂ -equivalent | - | 266 | 912 |

ENERGY CONSUMPTION

GRI 302-1 Energy consumption within the organization***

| | UNIT | 2020 | 2021 | 2022 |
|---|------|-------------|-------------|--------------|
| Electricity intensity ratio (kwh/1000 finished goods) | kWh | 16,5 | 14,8 | 14,6 |
| Electricity consumption | kWh | 108.426.077 | 113.923.343 | 146.718.000 |
| Natural gas | kWh | 7.944.617 | 8.949.633 | 5.710.000 |
| Car fuels (diesel/gasoline) | kWh | - | 348.537 | 492.800 |
| Fuel oil | kWh | 1.009.072 | 1.112.233 | 1.005.800 |
| LPG | kWh | 1.022.176 | 754.528 | 337.600 |
| Total energy consumption | kWh | 118.401.942 | 125.088.274 | 161.054.400* |

Strategy

Use and production of renewable electricity

| | UNIT | 2020 | 2021 | 2022 |
|---|--------|------|------|------|
| Production volumes produced with renewable electricity | % | 70 | 70 | 100 |
| Percentage of renewa- ble electricity used in all production facilities | % | 70 | 68 | 100 |
| Production plants with on-site renewable electricity generation | Number | 1 | 2 | 2 |
| Amount of green elec- tricity generated on-site | kWh | 335 | 1347 | 1867 |

MATERIALS

GRI 301-1 Materials used by weight or volume***

Renewable raw materials

| | UNIT | 2021 | 2022 |
|---|------|------|------|
| Share of renewable raw materials in our products | % | 27,6 | 27,6 |
| Share of renewable raw materials in our primary packaging | % | 19 | 18 |
| Share of renewable raw materials in our secondary packaging | % | 100 | 100 |

Sustainable procurement

| | UNIT | 2020 | 2021 | 2022 |
|---|------|------|------|------|
| Share of fluff coming from certified sources (FSC® / PEFC™) | % | 64,5 | 59 | 97 |
| Share of fluff coming from controlled sources | % | 100 | 100 | 100 |
| Share of cotton from organic sources | % | 100 | 100 | 100 |

Product quality and safety

| | UNIT | 2021 | 2022 |
|--|------|------|------|
| Share of products containing at least 1 eco-/health labels** | % | 43 | 52 |

^{**}Calculated based on European volumes. FSC®/ PEFC™ certifications not included on the calculations.

 $^{^{\}star}$ Linked to Drylock Technologies growth

CIRCULAR SOLUTIONS

GRI 301-1 Materials used by weight or volume*** GRI 301-2 Recycled input materials used***

| | UNIT | 2021 | 2022 |
|--|------|------|------|
| Percentage of packaging that is re- usable, recyclable or compostable | % | 100 | 100 |
| Share of recycled raw materials in our products | % | 0 | 1.5 |
| Share of primary packaging containing recycled raw materials* | % | 48 | 63 |
| Share of virgin oil-based plastic avoided in primary packaging* | % | 11,5 | 20,6 |
| Share of recycled raw materials in our recycled primary packaging* | % | 21,6 | 31 |
| Share of secondary packaging containing recycled raw materials | % | 70 | 70 |
| Share of recycled content in secondary packaging containing recycled raw materials | % | 78 | 93 |

^{*} European data.

WASTE

GRI 306-2 Waste by type and disposal method***

Production volumes

| | UNIT | 2020 | 2021 | 2022 |
|---------------------------|----------------|-------|-------|--------|
| Production volumes | Million pieces | 6.802 | 7.955 | 10.059 |

Waste generation

| | UNIT | 2020 | 2021 | 2022 |
|------------------------|--|--------|--------|--------|
| Waste intensity ratio* | Tons of waste/million finished goods | 0,0022 | 0,0021 | 0,0017 |

^{*}Waste: hazardous and non-hazardous. All production plants included.

Total weight of non-hazardous and hazardous waste

| | Non-hazardous (kton) | | | Hazardous (kton) | | |
|---|----------------------|-------|--------|------------------|------|------|
| | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Re-use | 0,00 | 0,10 | 0,05 | 0,00 | 0,00 | 0,00 |
| Recycling | 10,89 | 10,66 | 10,67 | 0,00 | 0,01 | 0,01 |
| Incineration for energy generation/recovery | 1,95 | 4,34 | 5,20 | 0,08 | 0,09 | 0,07 |
| Incineration without energy generation/recovery | - | - | - | - | - | - |
| Landfill | 1,80 | 1,47 | 2,23 | 0,02 | 0,00 | 0,00 |
| Total | 14,64 | 16,57 | 18,14* | 0,10 | 0,10 | 0,09 |

^{*} Linked to Drylock Technologies growth

Waste recovery

| | UNIT | 2020 | 2021 | 2022 |
|---------------------------------|---------------|--------|--------|--------|
| Total weight of waste recovered | Tons of waste | 12.971 | 15.336 | 15.860 |

Percentage of waste per disposal method



Composition of production waste

| | UNIT | 2020 | 2021 | 2022 | Sorting strategy |
|--------------------------------|------|------|------|------|------------------|
| Paper and carboard - packaging | % | 17 | 16 | 14 | |
| Plastic - packaging (film) | % | 9 | 9 | 23 | |
| Production scrap | % | 50 | 45 | 24 | |
| Solvent | % | <1 | <1 | <1 | |
| Textiles | % | <1 | <1 | <1 | |
| Used oil | % | <1 | <1 | <1 | |
| WEEE | % | <1 | <1 | <1 | |
| Wood | % | 5 | 6 | 9 | |
| Metals | % | <1 | <1 | <1 | |
| Other* | % | 17 | 23 | 29 | |

*Other: domestic waste, cleaning waste, residual waste, etc.

WATER

GRI 303-5 Water consumption***

| | UNIT | 2020 | 2021 | 2022 |
|---------------------------|----------------------------|--------|--------|--------|
| Water intensity ratio | m³/ 1000 finished goods | 0,0105 | 0,0096 | 0,0077 |
| Amount of water consumed* | m³ | 71.627 | 76.544 | 77.029 |

*Water is only used for cleaning and sanitary usages.

Water emissions

Water is only used for cleaning and sanitary purposes. No water is used during the manufacture of our products, which means there are no water contamination risks in our process.

Due to the nature of our business, the risk of water stress is considered low. However, we recognize the importance of water as a finite and essential resource, and we are committed to responsible water management. This commitment includes monitoring water consumption and the water intensity ratio on an annual basis. Since we discharge small volumes of water, we do not currently have specific targets for water reduction.

4.2 Social data

HUMAN RESOURCES

GRI 405 Diversity and Equal Opportunity***

Total employees

3652

Employees with unlimited duration contract

96,72%

Employees per category

| | UNIT | 2021 | 2022 |
|--------------|-----------------|------|------|
| Blue collar | N° of employees | 2537 | 3010 |
| White collar | N° of employees | 948 | 642 |
| Management | N° of employees | 304 | 336 |
| | | | |

Strategy

Employees by age group

| | UNIT | 2021 | 2022 |
|-------------|------|------|------|
| <30 years | % | 33 | 33 |
| 30-50 years | % | 54 | 55 |
| >50 years | % | 13 | 12 |

Employees by gender

| | UNIT | 2020 | 2021 | 2022 |
|---|------|------|------|------|
| Percentage of men in total employees | % | 59 | 63 | 59 |
| Percentage of women in total employees | % | 41 | 37 | 41 |
| Percentage of women working in management | % | 36 | 37 | 34 |
| Percentage of women working in production | % | - | 37 | 45 |

Diversity

| | UNIT | 2021 | 2022 |
|---|--------|------|------|
| Number of different nationalities | Number | 31 | 35 |
| Percentage of persons with disabilities | % | 1,47 | 1,56 |

Turnover and absenteeism

| | UNIT | 2021 | 2022 |
|------------------------|------|------|------|
| Employee turnover rate | % | 31 | 24 |
| Absenteeism rate | % | 15 | 14 |

HEALTH AND SAFETY

GRI 403 Occupational Health and Safety***

H&S Risk Assessments

| | UNIT | 2022 |
|---|--------|------|
| Percentage of production facilities in which a H&S risk assessment has been conducted | % | 87 |
| Employees covered by H&S management procedure that is internally audited | Number | 2261 |
| Employees covered by H&S system that has been externally audited and certified | Number | 3119 |

^{*} Number of recordable work-related injury per 200.000 hours worked.

[&]quot;Number of total lost days compared with the total number of hours scheduled to be worked by the employees. Days mean scheduled work days, weekends, and holidays. The counting of lost days starts the day after the accident.



80,36%

Accidents/Incidents count

| | UNIT | 2020 | 2021 | 2022 |
|-----------------------------------|--------|------|------|------|
| Fatal accidents | Number | 0 | 0 | 0 |
| Total health and safety incidents | Number | - | - | 120 |
| of which male | % | - | - | 71 |
| of which female | % | - | - | 29 |

Strategy

Sick leave

| | UNIT | 2022 |
|-----------------------------------|--------|-------|
| Sick hours male | % | 87 |
| Sick hours female | % | 13 |
| Hours of sick leave due to injury | Number | 30423 |
| Of which male | % | 93,4 |
| Of which female | % | 6,6 |

Occupational accidents (Lost time injury)

| | UNIT | 2020 | 2021 | 2022 |
|-----------------|-------|------|------|------|
| Frequency rate* | Ratio | 1,3 | 1,4 | 2 |
| Severity rate** | Ratio | 29 | 61 | 67 |



100%

^{*}Number of recordable work-related injury per 200.000 hours worked.
**Number of total lost days compared with the total number of hours scheduled to be worked by the employees. Days mean scheduled work days, weekends, and holidays. The counting of lost days starts the day after the accident.

CAREER DEVELOPMENT

GRI 404 Training and Education***

| | UNIT | 2020 | 2021 | 2022 |
|--|--------|--------|--------|--------|
| Percentage of employees trained* | % | 76 | 92 | 90 |
| Training in Business Ethics | % | - | - | 90 |
| Training in Sustainability | % | - | - | 84 |
| Training in Safety | % | - | - | 94 |
| Sustainable Supply Chain for buyers training | % | - | 100 | 100 |
| Total number of training hours | Number | 73,696 | 66,894 | 73,477 |
| Average number of training hours per employee | Number | 13 | 21 | 22 |
| Of which male | Number | - | - | 23 |
| Of which female | Number | - | _ | 21 |

Strategy

HUMAN RIGHTS

| | UNIT | 2020 | 2021 | 2022 |
|--|------|------|------|------|
| Employees who received an employment contract | % | 100 | 100 | 100 |
| Employees who are granted paid annual vacation | % | 100 | 100 | 100 |
| Percentage of production facilities included in Sedex Membership | % | 100 | 100 | 100 |
| Employees covered by social benefits | % | - | - | 100 |
| Employees in developing countries that have health insurance or a medical plan | % | _ | _ | 100 |
| Employees trained on discrimination | % | - | - | 100 |

BUSINESS ETHICS

| | UNIT | 2022 |
|--|--------|------|
| Training in the code of Conduct, percentage of new employees | % | 90 |
| Reported breaches of the Code of Conduct | Number | 99* |
| Number legal actions for anticompetitive behavior | Number | 0 |

^{&#}x27;Of the 99 reported breaches, none were related to breaches to the anti-corruption or anti-competitive policies; they were related to Human Resources. There were no employees dismissed during the year for breaching the company's anti-corruption policy. There were no confirmed breaches financially or materially.



^{*} Number of employees having participated in at least one training course.

SECURITY MANAGEMENT SYSTEM

Drylock Technologies fully relies on IT systems and information security. Ensuring the security of our business processes, financial systems, and production from cyber-attacks and faults in critical infrastructure is of major importance. Therefore, a risk assessment has been done to identify major risks, rate them based on likelihood and impact and highlight actions currently in place. All our operational sites fall under the scope of our information security management system, and we follow the best practices of NIST and IOTIL.

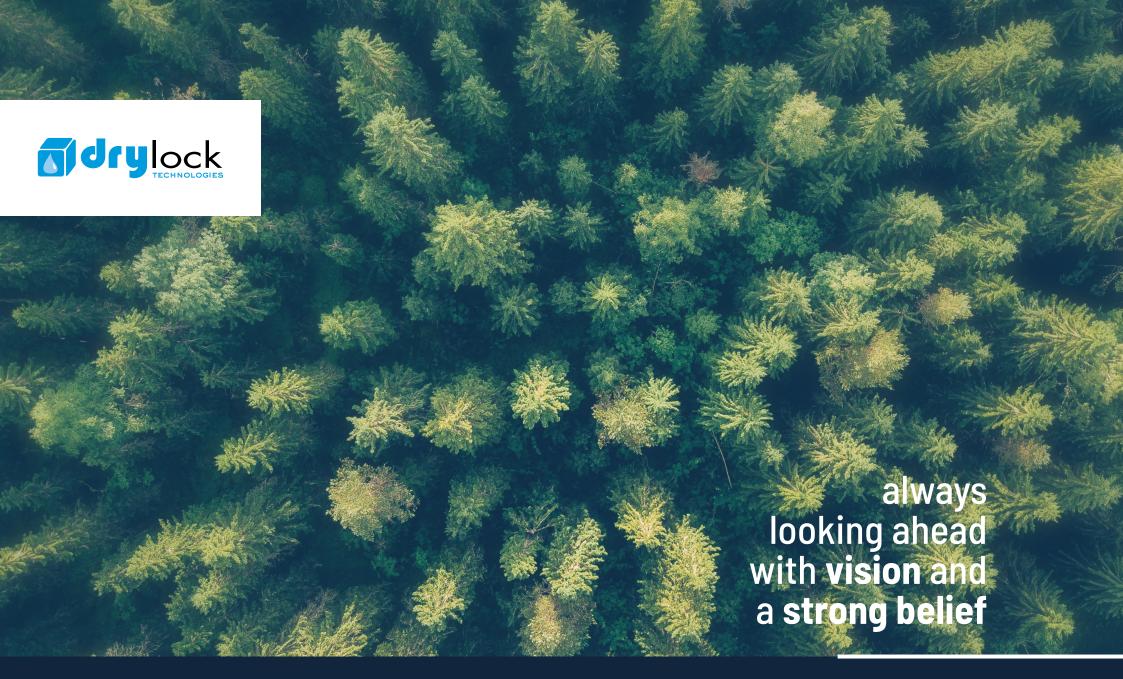
| | UNIT | 2022 |
|---|------|------|
| Operational sites with an information security management system externally certified | % | 100 |

4.3 Sustainable procurement

GRI 414 Supplier Social Assessment***

| | UNIT | 2020 | 2021 | 2022 |
|---|------|------|------|------|
| New suppliers screened using environmental criteria | % | 100 | 100 | 100 |
| New suppliers screened using social criteria | % | 100 | 100 | 100 |
| Key suppliers who signed or are aligned with our Supplier Code of Conduct | % | - | 76 | 82 |

[&]quot;Drylock Technologies is currently not working on a fully GRI integrated approach but is using the methodology as guidance for this report.



Bart Van Malderen **CEO Drylock Technologies**