

drylock TECHNOLOGIES

PLATINUM Top 1%
ecovadis
Sustainability Rating
MAR 2025

PLATINUM Top 1%
ecovadis
Sustainability Rating
APR 2026

innovate to protect

Sustainability Progress Report 2025



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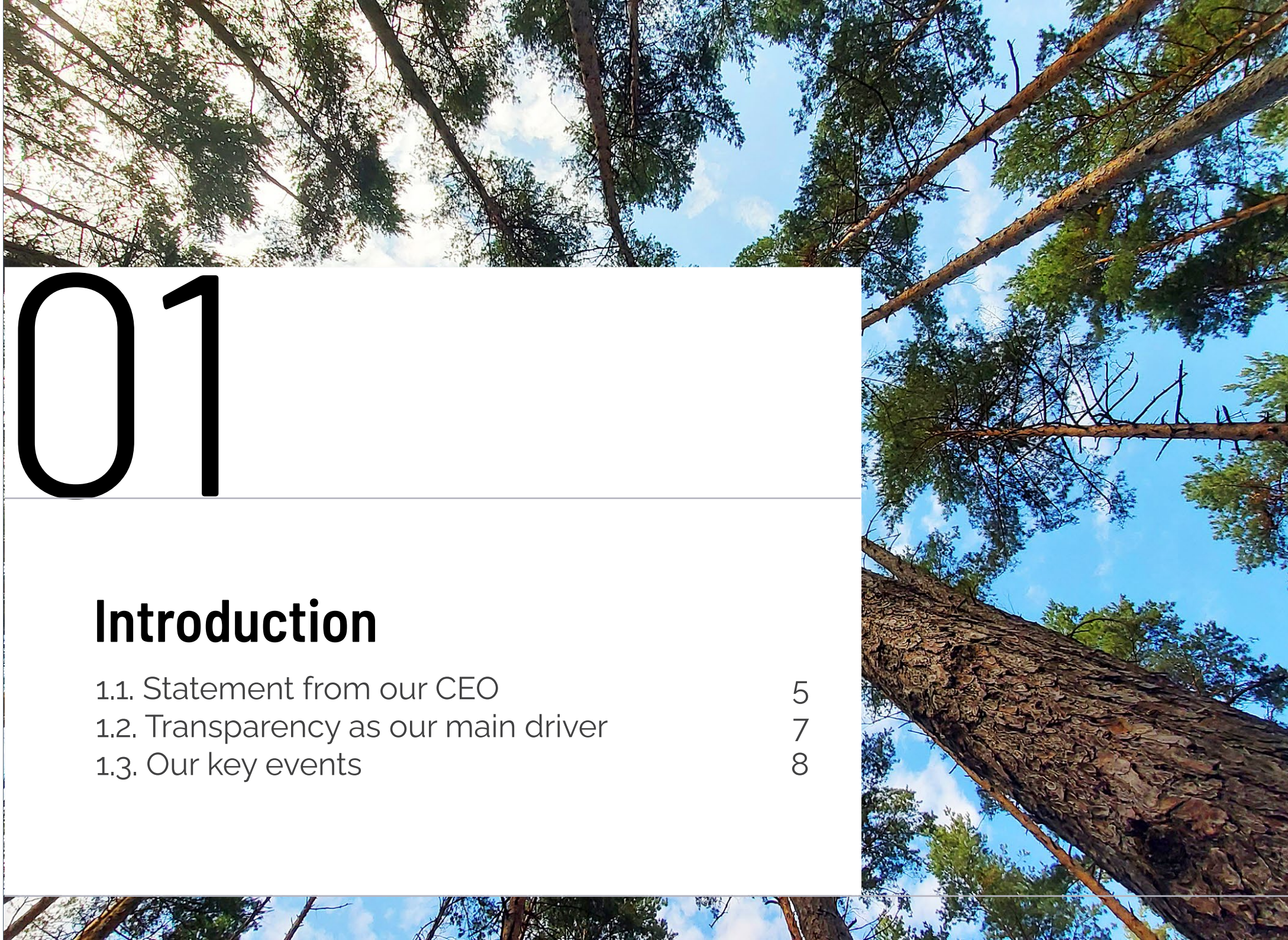
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01

Introduction

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1.1. Statement from our CEO - Bart Van Malderen



Sustainability is no longer a differentiator. It is the only way forward.

Standing in a room with colleagues from different plants, functions, cultures and nationalities from across the world during our Global Drylock Kick-Off event, I was reminded of what truly drives our company forward. The event opened with three minutes of images and videos. Three minutes showing investments, innovations, new production lines, sustainability achievements, customer partnerships, growth projects and, above all, **people**.

I have been active in this industry for almost 40 years, yet I was genuinely touched. Seeing everything that has been achieved in such a short time reminded me of one simple truth: businesses do not create success. People do. Behind every innovation is a team. Behind every customer success is a relationship. Behind every sustainability milestone is somebody who decided to take responsibility, solve a problem and make a difference. That is what I see when I look at Drylock today. A company that continues to grow because thousands of people bring **passion, energy and commitment** every single day.

And growth remains important. Not growth for the sake of growth, but growth because it allows us to invest. To invest in our people. In our technologies. In our sustainability ambitions. And in our future.

Growth creates opportunities. It strengthens our ability to innovate. It allows us to continue challenging our industry and raising the bar.

Yet the world around us is changing faster than ever. Expectations from customers, regulators and society continue to rise. Technology continues to accelerate. Environmental and social challenges are becoming more complex. Standing still is not an option. The question is not whether change will happen. The question is how we respond. Our answer remains the same: **innovate, adapt and move forward**.

Sustainability is an essential part of that future. It is not a separate program. It is not a reporting exercise. It is part of our identity. Part of our equity. Part of our vision. We are proud of the progress we have made, not because sustainability has become a trend, but because we have seen for many years that it makes a difference. We see every day how it creates value for our customers, strengthens our partnerships and helps our retail brands make consumers proud of their choices. **Sustainability is no longer a differentiator. It is the only way forward**.

This year's report focuses on a theme that has always been deeply embedded in the way Drylock operates: Transparency. Long before transparency became a regulatory requirement, it was already part of our culture. We have always welcomed customers into our factories. We have always worked closely with suppliers. We believe that long-term partnerships are built on openness, respect and trust.

Transparency creates trust.

Transparency starts with being clear about what we expect from ourselves and from others. Through our Code of Conduct, our Sustainability Charter and our supplier engagement programs, we provide clear guidance on ethics, quality, sustainability and responsible business practices.

We regularly visit suppliers, engage with customers and continuously challenge ourselves to improve. The same principle applies internally. Respect, openness and accountability are expected at every level of our organization. Our SMETA and Sedex® assessments, together with numerous external audits, demonstrate this commitment. This year, our **EcoVadis Platinum** recognition provided powerful external validation. Being ranked among the **top 1% of companies worldwide** is not recognition for one single initiative. It reflects excellence across the full breadth of our organization: sustainability, procurement, ethics, labor practices, governance and transparency. What makes me especially proud is that this recognition reflects the way we work every day. It shows that sustainability, ethics and responsible business practices are embedded throughout our organization. Our Double Materiality Assessment further strengthened this conviction. It confirmed that we are focusing on the topics that matter most to our employees, customers, suppliers, communities and future generations. For us, transparency is not about reporting more. It is about understanding more.

Understanding our impacts. Understanding our responsibilities. Understanding where we can improve. And then acting on it.



We are also investing heavily in digitalization, data and artificial intelligence to support our people and strengthen decision-making. These technologies help us become faster, smarter and more effective while keeping our focus exactly where it belongs: on people, innovation and execution.

Looking ahead, I remain incredibly optimistic. I see passionate teams. I see strong customer partnerships. I see suppliers who share our ambitions. I see a company that continues to innovate, continues to invest and continues to challenge itself. Most importantly, I see a **company that never stands still**. To all our employees, customers, suppliers and partners: thank you for your trust, commitment and support.

Together, we continue to innovate to protect.

Every day. Through our products. Through our people. And through the choices we make.

To protect people. To protect our planet. To protect the future.

And together, we continue to build a company that is stronger, more sustainable and more transparent than ever before.

- BART VAN MALDEREN
CEO, Drylock Technologies

1.2. Transparency as our main driver

Showing our impacts. Measuring our progress. Improving every year.

It won't come as any news to you: we, at Drylock, believe that sustainability starts with trust. And trust starts with transparency.

As our business continues to grow, so do the expectations of our customers, employees, partners and communities. They want to know not only what we do, but also how we do it, where we create value, where we have an impact and where there is room for improvement.

This report is our answer to those exact expectations.

Our purpose, **"Innovate to Protect,"** goes far beyond our products and technologies. It also guides the way we approach corporate responsibility, sustainability and transparency. We innovate to protect people, the planet and the trust that our stakeholders place in us.

Transparency means understanding our impacts across the entire value chain and being open about the actions we take to address them. Through our double materiality assessment, we identify the environmental, social and governance topics that matter most to society, the planet and the long-term success of our business, considering both impact and financial materiality.

These material topics shape our strategy, our priorities and our actions.

Throughout this report, transparency is brought to life through three commitments:

- **Develop: being environmentally transparent**
  By understanding and reporting our impacts on climate, resources and circularity, and by continuously innovating to reduce them.
- **Protect: being socially transparent**
  By creating safe products, supporting our people, respecting human rights and contributing positively to the communities we serve.
- **Drive: being ethically transparent**
  By strengthening governance, acting with integrity and managing risks responsibly throughout our value chain.

Transparency does not end with identifying our priorities. It means translating them into **clear targets, measurable actions and reliable data**. This report therefore links our material topics directly to our ESG ambitions, performance indicators and future commitments, while continuing to strengthen our readiness for the evolving requirements of the **Corporate Sustainability Reporting Directive (CSRD).**

We also recognize that sustainability is a shared responsibility. Our impact extends beyond our own operations and includes our suppliers, business partners, customers and communities. Building a more sustainable future requires collaboration, engagement and transparency throughout the entire value chain.

But transparency is also about honesty. We'll admit it: **we are not perfect.**

Some challenges are complex. Some data is still evolving. Some solutions are still being developed. Yet we believe that real progress comes from acknowledging these realities and continuously raising the bar.

Every year, we learn. Every year, we improve. Every year, we push ourselves to grow.

This report is therefore not only a reflection of where we stand today. It's a roadmap for where we are going tomorrow: one that is built on transparency, accountability and continuous improvement.

Because for Drylock, transparency means doing more than reporting.

It means understanding our impacts, managing our responsibilities and continuously improving. It represents how we bring **Innovate to Protect** to life across our value chain, transform commitments into measurable progress and build a more sustainable business for future generations.

Transparent about where we stand. Accountable for where we are going. Committed to improving every year.

1.3. Our key events

2025

2025 Finalist of the Trends Impact Awards

Auditing our CSR in our manufacturing plants

Unique packaging range

90% absolute scope 1 & 2 carbon emissions reduction (compared to 2019)

On the road to automated Product Carbon Footprint calculations

2025 Finalist of the Belgian Awards for Sustainability Reports

Microbiome friendly

Expand Drylock train & green logistics

Ongoing collaboration with external partner CO2logic

First EcoVadis Platinum award

New alternative raw materials

Developed and validated externally our first Double Materiality Assessment

Maintaining 100% green electricity globally

In-house green energy generation in all European plants

Investing in our Sustainability Team

Enhanced Supplier Commitment

In all European plants

Climate risks evaluation in collaboration with Sofina and Climact

€1.2 billion turnover

In line with SBTi commitment

Local plant recognitions

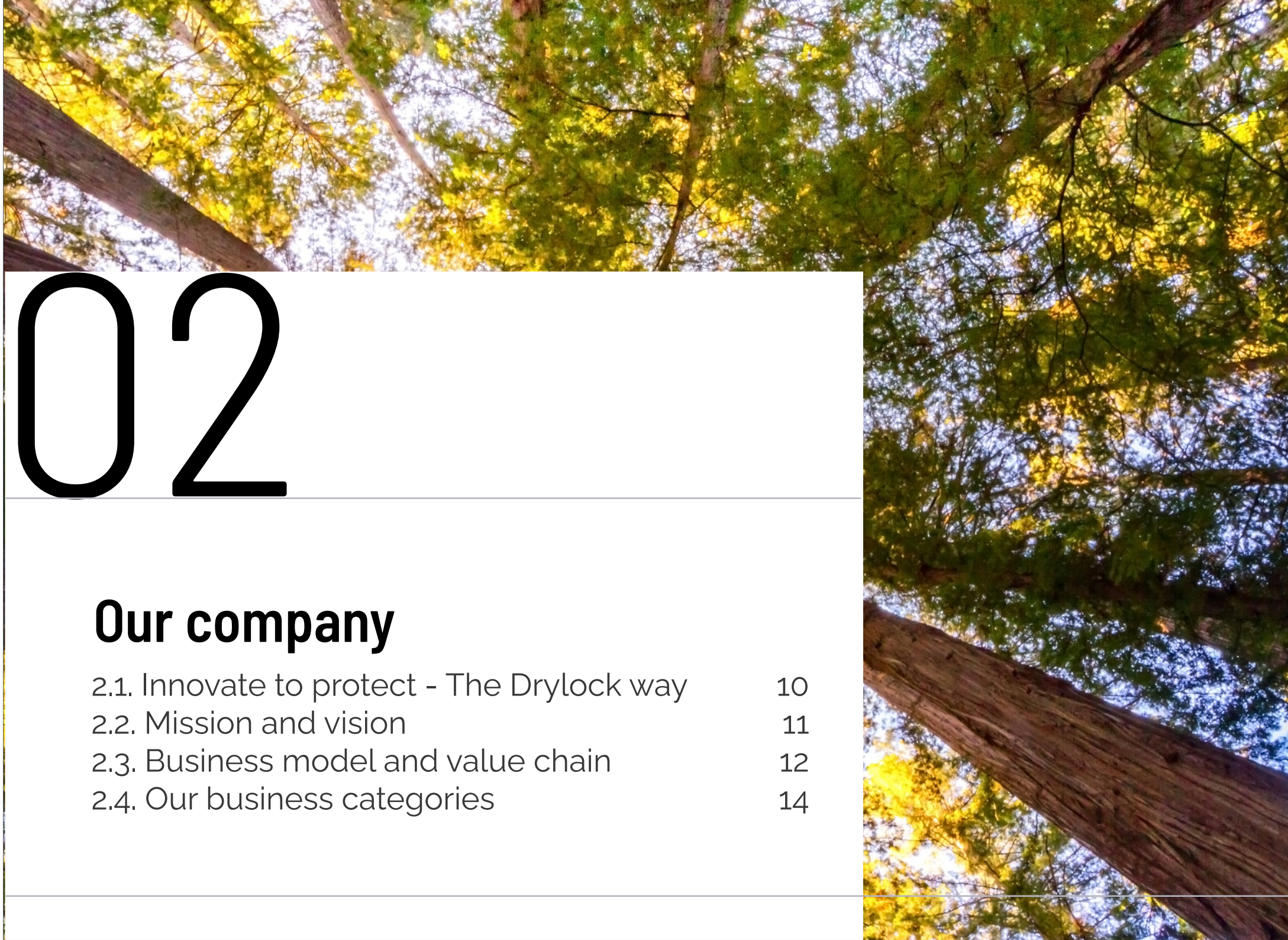
Driving the compostable diaper

Expanding locally our production and storage facilities

4041 employees

2026

EcoVadis Platinum award for the 2nd consecutive year



02

Our company

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2.1. Innovate to protect - The Drylock way

green

- fluffless & thin
- plastic reduction
- the power of labels



100% green renewable electricity

Taking Climate Action since 2022

cross range paper bags

sustainable raw materials

ecovadis platinum

market share

- dominant position
- 3 product groups
- 85% of Retail brands



excellent reputation

€1.2 Billion worldwide in 2025

innovate to protect

manufacturing



logistic footprint

IT systems

free capacity

high technology



raw material impacts

financials

solid financials

platform to build on



human resources

4041 FTE

lean & mean

61%

39%

Family company

2.2. Mission and vision

Mission

By combining customer focus with product innovation and manufacturing expertise, we create hygiene products that improve people's lives today and tomorrow.

Vision

Innovation is part of our company DNA. We are constantly challenging the industry to create sustainable value through people, technology and transparency.

Belief

We strive for excellence and believe that sustainable, responsible business is the only way forward.



2.3. Business model and value chain

Drylock Technologies operates in the absorbent hygiene products (AHP) industry, manufacturing private-label personal hygiene products across baby care, feminine care, and adult incontinence care. Our business model combines in-house research and development, advanced manufacturing capabilities, and close collaboration with retail customers to deliver customized, high-performance hygiene solutions at scale.

Business Model

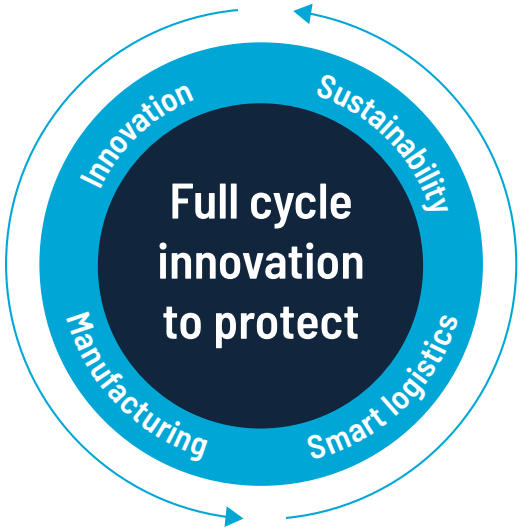
Inputs

Operations
- **9 production facilities** across, EU, US, Brazil and Russia
- High technology
- **100 % renewable electricity** across all production sites
- State of the art high bay automated warehouses

Innovation
- First manufacturer to develop a **compostable diaper**
- Advanced Magical Tubes
- Product Carbon Footprint (PCF) tool
- **Continuous innovation** across baby, feminine and adult care

Employees
- More than **4000 employees** globally
- Lean & agile teams with innovation-driven culture
- **Family** company

Environment
- **Responsible sourcing** (FSC, PEFC, OEKO-TEX®, I'm Green, GOTS, OCS, ISCC PLUS)
- **Sustainable raw materials**
- Cross range **paper bags**
- **Plastic reduction** and **recycled** plastic
- Less fluff & thin materials



Outputs and outcomes

Financial
- 1.2 billion EUR turnover in 2025
- **EcoVadis Platinum Medal** (ESG industry leading performance)
- 85% of retail brands
- Dominant position

Customers
- **High quality hygiene products** across Baby, Feminine care & Adult care
- Consumer tested comfort, absorption & leakage protection
- **Innovative packaging:** paper-based & recycled content
- LCA-based transparency PCF data available

Employees
- **Safe & inclusive** workplaces
- Strengthened local employment

Social
- Advancing **responsible labor** practices and **human rights**
- Strengthened **local community** partnerships

Environment
- **Leading decarbonization** in hygiene manufacturing
- **Circular material cycles** embedded in packaging and production
- Scalable renewable energy footprint
- Science-aligned climate process

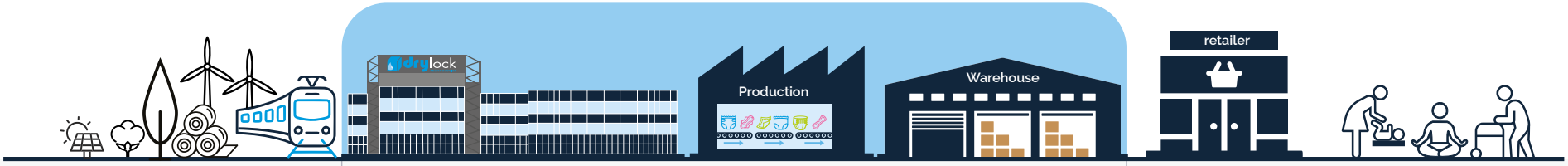
Our strategy is driven by innovation, operational excellence, customer collaboration and sustainability.

Value creation is driven by continuous product and process innovation, operational excellence and long-term partnerships throughout the value chain. Our business model is centered on innovation-led design, efficient use of materials, advanced production technologies and smart logistics, enabling the company to respond rapidly to evolving consumer expectations, regulatory requirements and sustainability challenges.

Our upstream value chain primarily consists of the sourcing of raw materials such as fluff pulp, nonwovens, polymers, packaging materials and logistics services. These activities are associated with material environmental and social impacts and dependencies, notably related to climate change, resource use, human rights and responsible sourcing. Downstream activities include warehousing, distribution, product use and end-of-life treatment, where impacts mainly arise from logistics emissions, packaging waste and product disposal.

Our own operations comprise research and development, manufacturing, warehousing, sales and administrative functions, spread across multiple production sites in Europe, the United States, Russia and Brazil. We operate capital-intensive, high-technology production facilities, supported by automated warehousing and a globally coordinated supply chain.

Value Chain



STAKEHOLDERS

- Suppliers
- Transport companies
- Regulatory bodies/external experts
- Innovators
- Industry associations

- Drylock employees & management
- Contractors
- Shareholders
- Investors

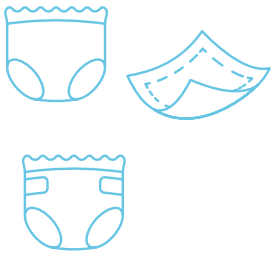
- Local communities
- Regulatory bodies & External experts
- Industry associations
- Innovators

- Retailers
- Consumers (Future gen & Current parents)
- Transport companies
- Regulatory bodies & External experts
- Industry associations
- Innovators

2.4. Our business categories

Baby care

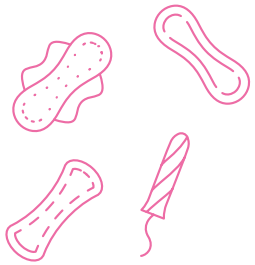
Baby care is the cornerstone of our portfolio at Drylock Technologies. We manufacture baby diapers, pants, and changing mats for both retailers and our own brands. Thanks to our significant innovations, we offer top-quality products that provide exceptional absorption, eliminate the risk of leaks, and ensure superb comfort for babies.





Feminine care

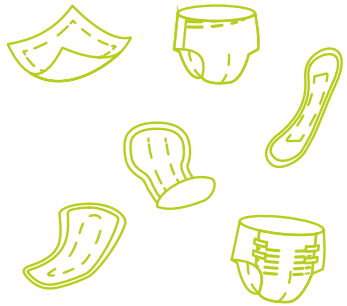
We offer a complete range of products including ultra-towels, classic towels, pantyliners, and tampons. We place a strong emphasis on comfort, while also prioritizing sustainability and the use of natural raw materials.





Adult care

Our incontinence care line includes a diverse range of products such as diapers, pants, pads, and underpads. Using our innovative technology, we are committed to providing our customers with reliable, comfortable, and discreet solutions.





During the reporting period, no significant changes were made to Drylock Technologies' core business categories, principal markets or customer groups. The company continued to operate across the baby care, feminine care and adult care segments. No material changes were identified that would significantly affect the sustainability impacts, risks and opportunities identified through the Double Materiality Assessment. Drylock Technologies' main competitive advantage lies in its capacity to swiftly respond to market demands and adopt brand innovations, all while keeping prices competitive, given its cutting-edge manufacturing technology.



03

Our ESG strategy

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3.1. Material topics across our value chain

Understanding what matters most is essential to creating long-term value.

As part of our Sustainability Report and in line with the requirements of the Corporate Sustainability Reporting Directive (CSRD), Drylock Technologies conducted a **Double Materiality Assessment** in 2025. The objective was to identify the **sustainability topics** that are **material** from either an **impact** or a **financial perspective** and therefore most relevant to our business, our stakeholders and society.

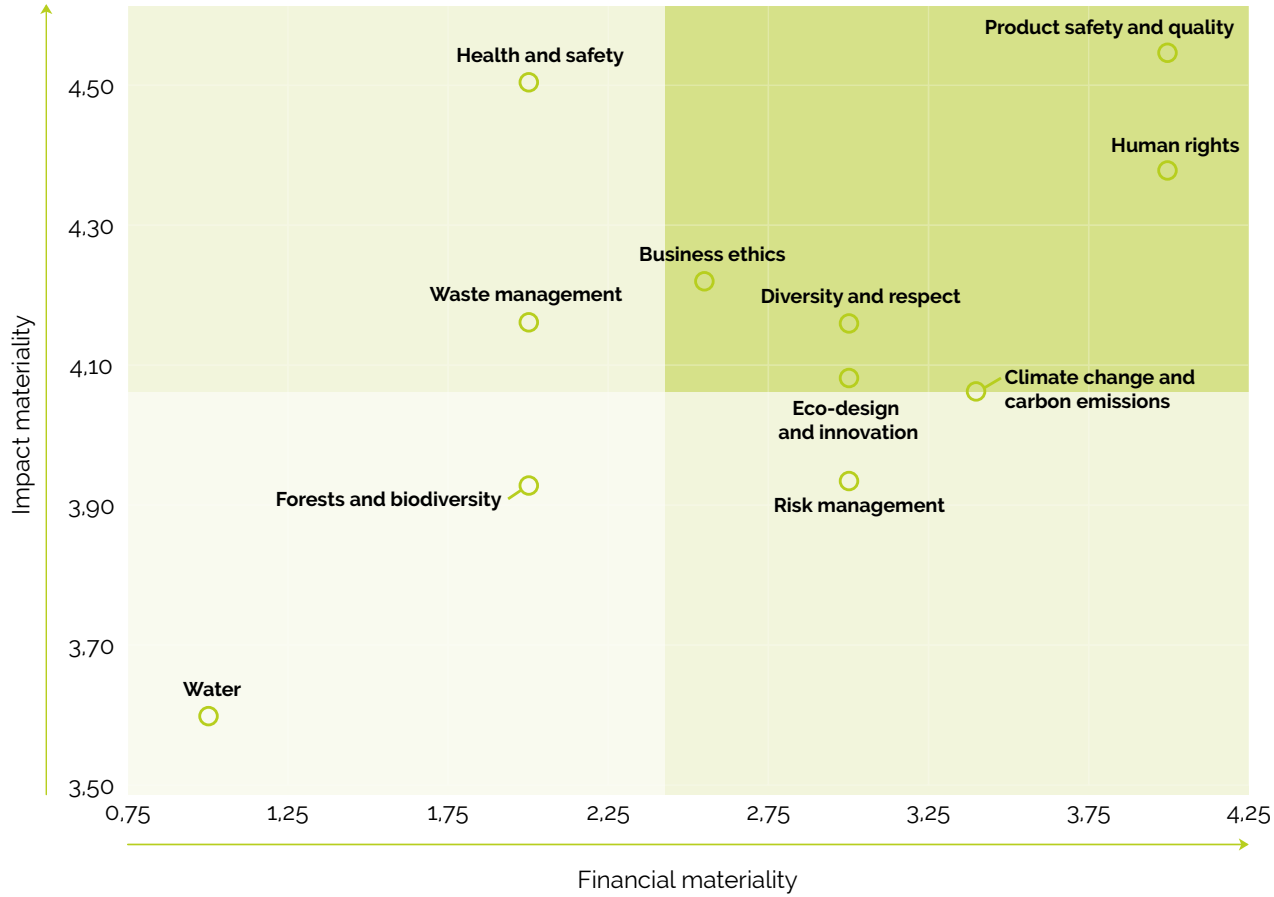
The assessment allowed us to evaluate sustainability through two complementary perspectives. First, we assessed how our activities, products and business relationships across our operations and value chain impact people and the environment. Second, we examined how sustainability-related developments, risks and opportunities may influence our financial performance, resilience and long-term success.

By applying this dual perspective, we gained a deeper understanding of where our most significant impacts occur, which ESG-related topics may translate into financial consequences, and where opportunities exist to create additional value for our stakeholders and society.

The assessment confirmed that product safety and quality, together with ethical and responsible business conduct, are the most material to our business and stakeholders. These priorities are fundamental to our purpose of **Innovate to Protect** and remain deeply embedded in our strategy, decision-making and daily operations.

The results of the Double Materiality Assessment provide an important foundation for our sustainability strategy and help us prioritize the actions that matter most, today and in the years ahead.

For a detailed description of the methodology, stakeholder engagement process and outcomes of the assessment, please refer to Section 7.1 – Double Materiality Assessment.



3.2. Commitment to SDG

SUSTAINABLE DEVELOPMENT GOALS

Our priority sustainable development goals

As a leading global manufacturer of hygiene products, Drylock Technologies is committed to conducting business responsibly and ethically. We prioritize the well-being of our partners, the communities we serve, and the planet we inhabit. Our sustainability strategy is in line with the 2030 Agenda for Sustainable Development from United Nations and focuses on goals 3, 4, 5, 7, 8, 9, 11, 12, 13, 15, 16 and 17.

Being Drylock

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



Contributing to our Communities

Our long-term vision is to continue to add 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 maximize integrity and fairness in everything we do, ensuring that our business continuously meets the highest professional, compliance and ethical standards.





04

Transparency as our main driver

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4.1. Introduction

This chapter explains how **transparency** is embedded throughout Drylock's **sustainability strategy** and broader business model. It highlights how we create visibility on the topics that matter most, from understanding our **environmental impacts** and supporting our people, to ensuring **responsible** and **ethical business** practices across our value chain.

As one of the three pillars of our Vision, **transparency** guides how we **innovate, collaborate and create sustainable value** for customers, employees and society.

Through the pillars **Develop, Protect and Drive**, we demonstrate how transparency enables **better decisions**, strengthens **accountability**, and transforms **sustainability commitments** into measurable action and long-term value creation.

Transparency validated by independent recognition

We believe transparency goes beyond reporting our own progress. It also means opening ourselves up to **external scrutiny** and **independent evaluation**. Through internationally recognized **sustainability assessments and awards**, we benchmark our performance, identify opportunities for improvement, and validate the effectiveness of our actions. The recognitions highlighted below reflect this ongoing commitment to **accountability, continuous improvement**, and **responsible business practices**.



EcoVadis Platinum Medal for the second consecutive year

Achieving **EcoVadis Platinum** in 2025 was an exceptional milestone and recognition of Drylock's **long-term sustainability journey**. Confirming this achievement in 2026 while further improving our score is an even greater achievement.

As EcoVadis continuously raises expectations and strengthens its methodology, retaining **Platinum status** requires not only robust systems and policies, but also **consistent execution** and **continuous improvement** across the organization.

This recognition reflects our sustained performance across all four EcoVadis pillars: **Environment, Labor and Human Rights, Ethics, and Sustainable Procurement** and demonstrates that progress is driven across the **full value chain**, from sourcing and manufacturing to innovation and customer collaboration.

We celebrate our leadership in sustainability!

Platinum medal
2nd consecutive year

"As EcoVadis lifts expectations, we lift our performance"

- **Highest in Hygiene**
- **Recognized for Responsibility**
- **Certified for Impact**

Environment | Labor & Human Rights | Ethics | Sustainable Procurement











ARTICLE

Drylock Earns EcoVadis Platinum Medal

https://www.nonwovens-industry.com/breaking-news/drylock-earns-ecovadis-platinum-medal/



PLATINUM Top 1%
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"Achieving Platinum once is a **milestone**; achieving it twice confirms consistency. It reinforces the **trust** our customers place in Drylock and demonstrates our ability to continuously meet the **highest standards** in our industry. It also reflects our commitment to **transparency**, an increasingly important expectation from customers and stakeholders and a key pillar of our **Sustainability Report**."

Werner Van Ingelgem, our global R&D and purchasing director at Drylock Technologies

Proud finalist of the Trends Impact Awards 2025

We were also proud to be shortlisted among the **final three companies** in the **Climate Action** category of the Trends Impact Awards 2025, recognizing the strength of our environmental initiatives and **long-term climate strategy**. This acknowledgment highlights the tangible impact of our sustainability efforts and places Drylock among **leading companies** driving **meaningful change** toward a more sustainable economy.

These recognitions are more than milestones. They reflect the collective effort of our teams worldwide and confirm that sustainability is fully integrated into the way we operate and make decisions every day. More importantly, they reinforce our ambition to continue raising the bar demonstrating that **long-term consistency** and **continuous improvement** are key to delivering meaningful impact in the hygiene industry.

WORDS FROM THE JURY:

"Your impressive commercial track record and integration of sustainability into your core strategy set a benchmark in your sector. Achievements in reducing Scope 1 and 2 emissions, as well as your commitment to SBTi targets and renewable energy, are commendable."



Trends impact awards

ARTICLE

Drylock Technologies
Duurzame hygiëneoplossingen

trends.knack.be/ondernemen/drylock-technologies-duurzame-hygieneoplossingen/

4.2. Develop: being environmentally transparent



The real impact of using 100% renewable electricity worldwide

Since 2022, we avoided 100,000 tCO_2e, equivalent to the monthly emissions of

Segovia

(or a similar city of 50,000-70,000 inhabitants)

Transparency in climate action

Climate action starts with transparency. But **transparency** only matters when it is backed by action.

We don't do distant promises or theoretical roadmaps. We believe in **measurable results**. That is why we openly disclose our climate performance, the methodology behind our calculations, and the actions that drive our reductions.

We started measuring our **environmental footprint** years ago, through robust carbon accounting and independently reviewed Life Cycle Assessments (LCAs) of our operations as well as our products. This gives us a clear understanding of where emissions occur across our value chain and enables us to focus our efforts where they deliver the greatest impact. The **results** speak for themselves.

In **2022, Drylock Technologies became the first hygiene manufacturer worldwide to operate all production plants on 100% renewable electricity**. At a time when many companies were still defining their climate ambitions, we were the frontrunner that had already transformed its operations. This decision fundamentally changed our carbon footprint.

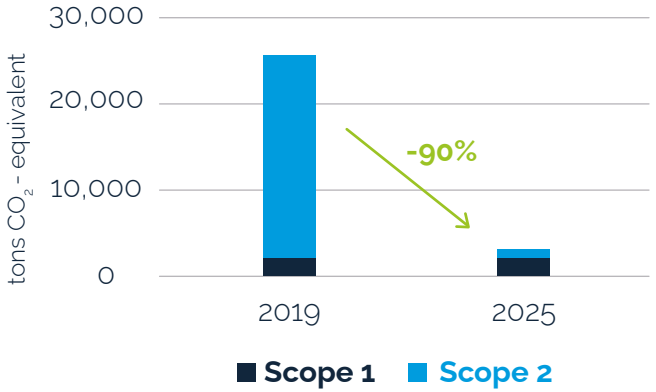
Compared to 2019, we have **reduced our Scope 1 and Scope 2 emissions by more than 90%**. Today, our residual footprint is very small and comes from activities for which there are not yet technically or economically viable alternatives.

Simply put: we have reduced our operational emissions close to the practical minimum currently achievable. However, we continue to identify and implement further reduction opportunities and continue treating climate action as an ongoing priority across all our operations.

Acting early allowed us to achieve our reduction targets **eight years ahead of schedule**, avoiding an estimated **70,000 tons of CO_2e emissions before 2030.**

The impact extends far beyond our own operations. Every year, more than **25,000 tons of emissions are prevented** through this single strategic decision.

Our carbon impact evolution



"For us, climate action is not about future promises. It's about real, measurable results, delivered today."

Our GHG neutrality approach

Climate action is all about continuous progress. Since 2022, Drylock Technologies has followed a clear and structured approach towards GHG neutrality for its Scope 1 and Scope 2 emissions, fully aligned with the GHG Protocol and developed in partnership with **CO2logic, part of South Pole**.

This approach is brought to life through the **"Taking Climate Action"** label, which transparently communicates the actions taken to calculate emissions, reduce them at source, and contribute to accelerating the global transition towards a low-carbon economy.

We focus first on what matters most: **reducing emissions at the source**. By transitioning all our production sites worldwide to **100% renewable electricity**, we have drastically reduced our operational footprint and transformed the way we produce hygiene products.

Today, these efforts are delivering tangible results. Compared to our baseline year, we have reduced Scope 1 and Scope 2 emissions by more than 90%, leaving only a limited residual footprint from activities that cannot yet be fully eliminated.

For those remaining emissions, we take responsibility by supporting certified climate projects. But our ambition goes far beyond compensation. We continue to invest in long-term solutions that further reduce emissions across our operations and value chain, moving step by step toward a low-carbon future.

VINÇOTTE VALIDATED · CO2LOGIC APPROVED

Taking Climate Action

BRONZE COMPANY

Calculate
We calculate our full carbon footprint to manage our total impact across the entire value chain

Reduce
We implement science-aligned reduction strategies to lower our direct and value-chain emissions

Contribute
We help fund climate projects matching part of our impact to accelerate the global climate transition

Carbon footprint information in 2025

Scope:
Scope 1 and 2 for emissions of year 2025

Calculation Methodology:
GHG Protocol

Total Emissions (tCO_2e):
2,705

hqr.co2logic.com/d20b1dc8b9c89be30ac5c713f00a33a0

Powering change beyond our operations

While we continue to reduce emissions through renewable electricity, energy efficiency improvements and operational excellence, some residual emissions remain **unavoidable**, primarily due to gas consumption, steam generation and business travel.

To address these emissions, we contribute to carefully selected and independently **certified climate projects** in India, Bulgaria, Argentina and Vietnam. These projects focus on **expanding renewable energy infrastructure** by developing solar and wind power installations that feed electricity into national grids. By increasing the availability of renewable electricity, they help reduce dependence on fossil fuels, lower system-wide emissions and support local energy transitions.

Our approach prioritizes projects that deliver **measurable climate benefits** and comply with internationally recognized standards, ensuring transparency, credibility and accountability.

Since 2021...

27,228 tonnes of CO_2 avoided

21,656 MWh of electricity

22,609 number of households with green energy

Our contributions in 2025:



Solar power

Verified Carbon Standard
A VERRA STANDARD

3 5 7 8 13



Wind power

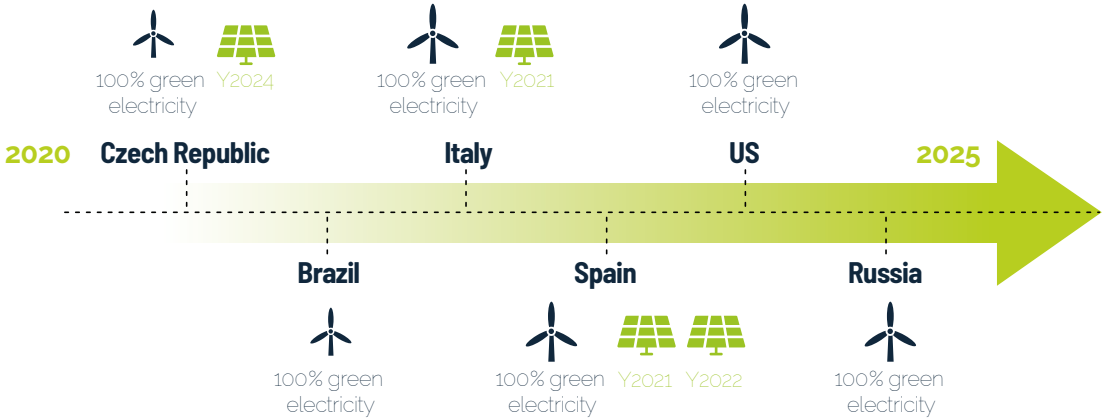
Gold Standard®

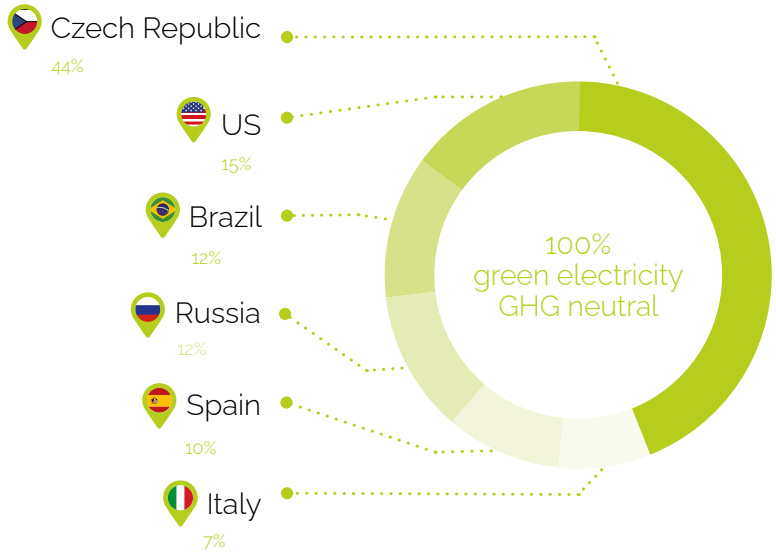
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Our GHG neutrality journey

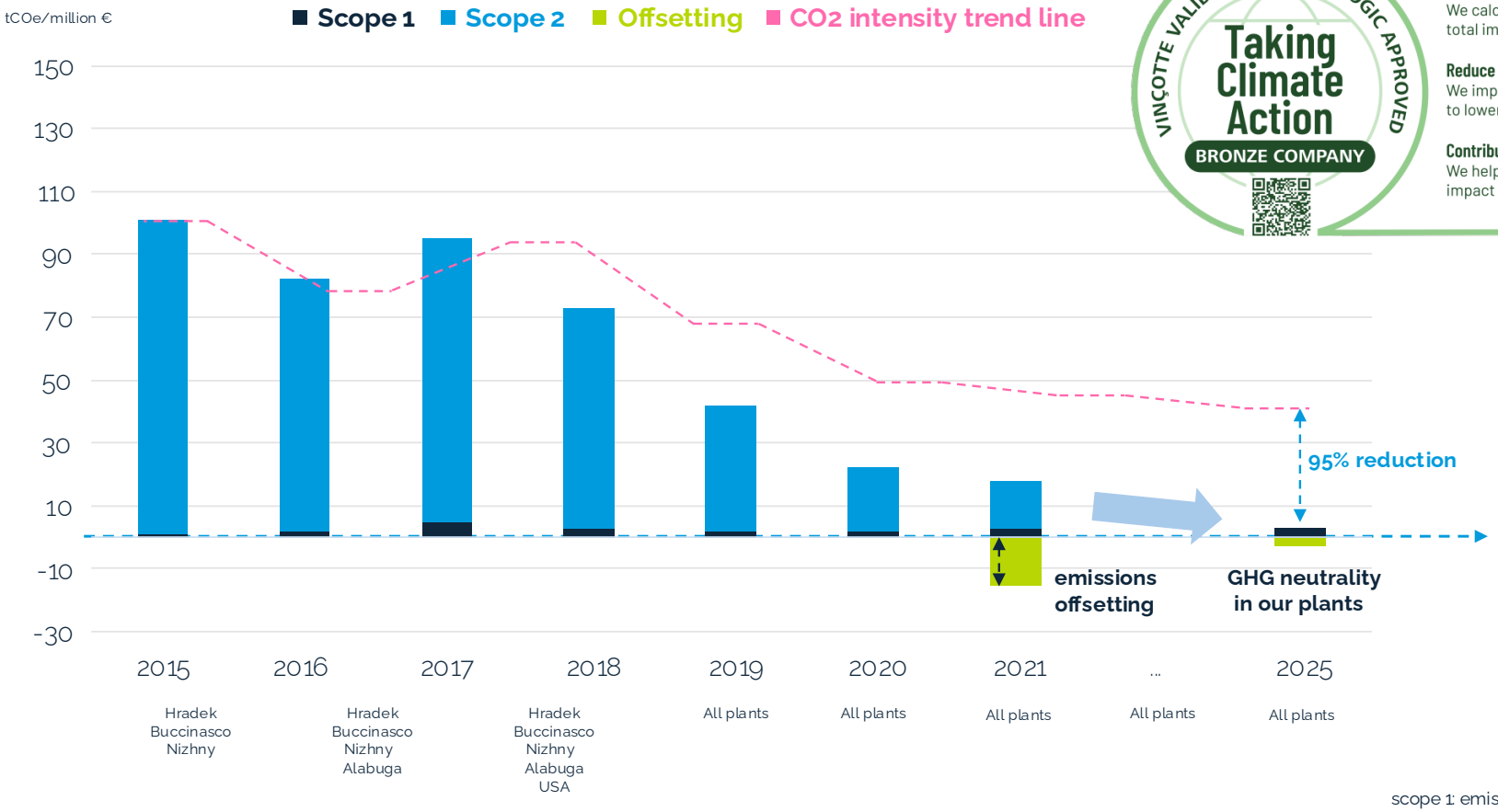
For the fourth consecutive year, we continue **calculating** and **reducing** our emissions and **contributing to accelerating the global transition**.







Scope 1 & 2: our CO_2 intensity trend line



Market-based method (Greenhouse Gas Protocol)

VINÇOTTE VALIDATED CO2LOGIC APPROVED
Taking Climate Action
BRONZE COMPANY

Calculate
We calculate our full carbon footprint to manage our total impact across the entire value chain

Reduce
We implement science-aligned reduction strategies to lower our direct and value-chain emissions

Contribute
We help fund climate projects matching part of our impact to accelerate the global climate transition

100% renewable electricity used for production of our products

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

Committed to science based targets

In 2023, we committed to the Science Based Targets initiative (SBTi) to align our climate strategy with the latest scientific guidance. Our targets are aligned with the 1.5°C ambition of the Paris Agreement so that our emission reductions support efforts to limit global warming in line with climate science.

Our near-term targets have been validated by SBTi, confirming that our approach is both credible and consistent with globally recognized methodologies:

- **70% reduction in absolute Scope 1 and 2 emissions by 2030** (vs. 2021 baseline)
- **52% reduction in Scope 3 emissions per value added by 2030** (vs. 2021 baseline)

As of 2025, we already achieved an **84% reduction in Scope 1 and Scope 2 emissions**, significantly outperforming our original trajectory and demonstrating the effectiveness of our climate strategy.

Progress on **Scope 3** requires a **different approach**. While operational emissions can largely be addressed through investments and technological improvements within our own facilities, Scope 3 emissions depend on the **collective efforts** of suppliers, logistics partners, customers and other stakeholders across the value chain. That is why **collaboration and education** are central to our Scope 3 strategy.

We work closely with our suppliers to communicate our sustainability expectations, share our climate ambitions and encourage the adoption of climate reduction initiatives throughout the supply chain. Through ongoing dialogue and collaboration, we aim to accelerate progress together and create long-term value beyond our own operations. At the same time, we recognize that effective climate action starts with **reliable data**. Together with our partner CO2logic, part of South Pole, we continue to improve the quality, granularity and accuracy of our emissions data. We refine our calculation methodologies, increase the use of supplier-specific data and enhance transparency across the value chain, ensuring our reporting more accurately reflects real-world performance.

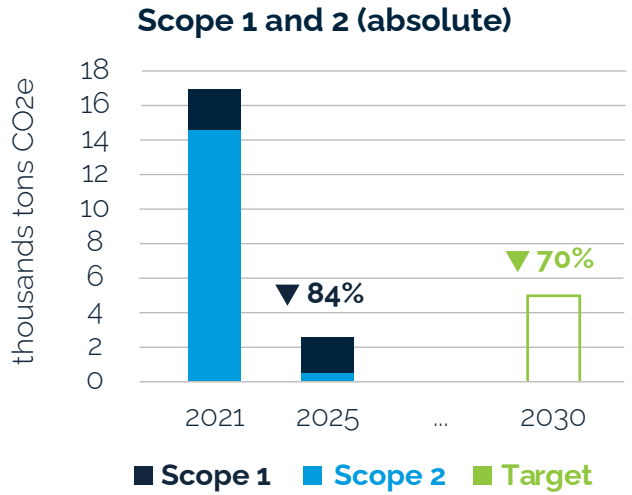
To stay on track, we have developed a clear and actionable **reduction roadmap** that guides our future investments, partnerships and climate actions.

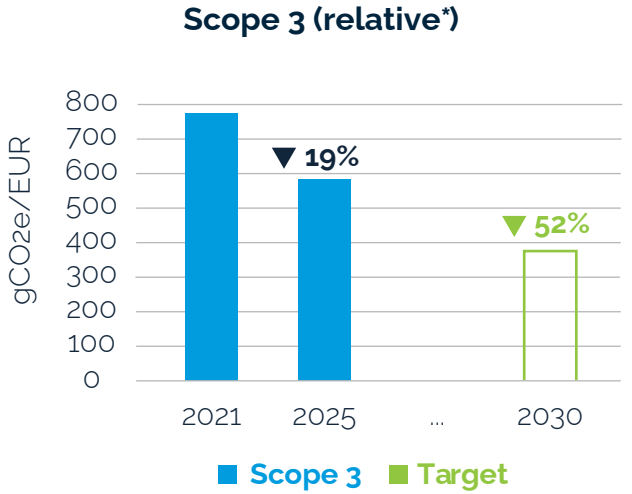
Check our reduction roadmap here::

qr.co2logic.com/d20b1dc8b-9c89be30ac5c713f00a33a0

Learn more about our targets on the **SBTi dashboard**:

sciencebasedtargets.org/target-dashboard





SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

*GHG Scope 3 categories evaluated: Upstream transportation, Waste generated in operations, Upstream leased assets, Downstream transportation, End-of-Life treatment of sold products.



"Working alongside Drylock Technologies over more than five years has been a truly engaging journey. What stands out most is **how naturally climate action is embedded in the way the company operates**, including a strong commitment to understanding, measuring, and **transparently** communicating its environmental impact. From day one, there has been a clear willingness to focus on what really matters and to turn insights into practical steps that deliver results.

At CO2logic, we have seen how **Drylock** consistently **looks beyond analysis and moves quickly into action**. Whether it is switching to renewable electricity across its global operations or continuously improving the way products are designed and manufactured, the **approach** is always **hands-on, and solution driven**. Drylock also acknowledges the need to address ongoing emissions through financial **contributions to climate projects** and takes responsibility by offsetting its Scope 1 and Scope 2 emissions on a yearly basis. This creates real momentum and allows progress to build year after year.

What makes the collaboration particularly strong is the **mindset** within the organization. There is a shared understanding that **sustainability is not a side project but part of everyday decision-making**. Teams are open to challenge, committed to improvement, and focused on finding smarter ways to reduce impact across the value chain.

The alignment with the **Science Based Targets initiative** further strengthens this journey, showing that the progress made is not only tangible but also grounded in a clear, credible long-term direction.

For us at CO2logic, working with Drylock is a good example of **how climate ambition and industrial performance can go hand in hand**. It shows that when the right intent is matched with consistent action, meaningful change is not only possible, but achievable at scale."

Jeroen Hulsmans

- Senior Managing Consultant at CO2logic

CO2logic™ a south pole company

Transparency in sustainable innovation

Sustainable innovation starts with understanding our environmental impact. At Drylock Technologies, we use **data** to measure the environmental performance of our products and operations, providing the insights needed to make **informed decisions** and drive **continuous improvement**.

To build this understanding, we partnered with **independent experts** to conduct a comprehensive **Life Cycle Assessment (LCA)**, examining environmental impacts across the full product lifecycle, from raw material extraction and manufacturing to product use and end-of-life treatment.

The results identify where our most significant impacts occur and where action can have the greatest effect. They show that **climate change is our most material environmental impact category,** with greenhouse gas emissions accounting for nearly **80% of our total environmental footprint**.

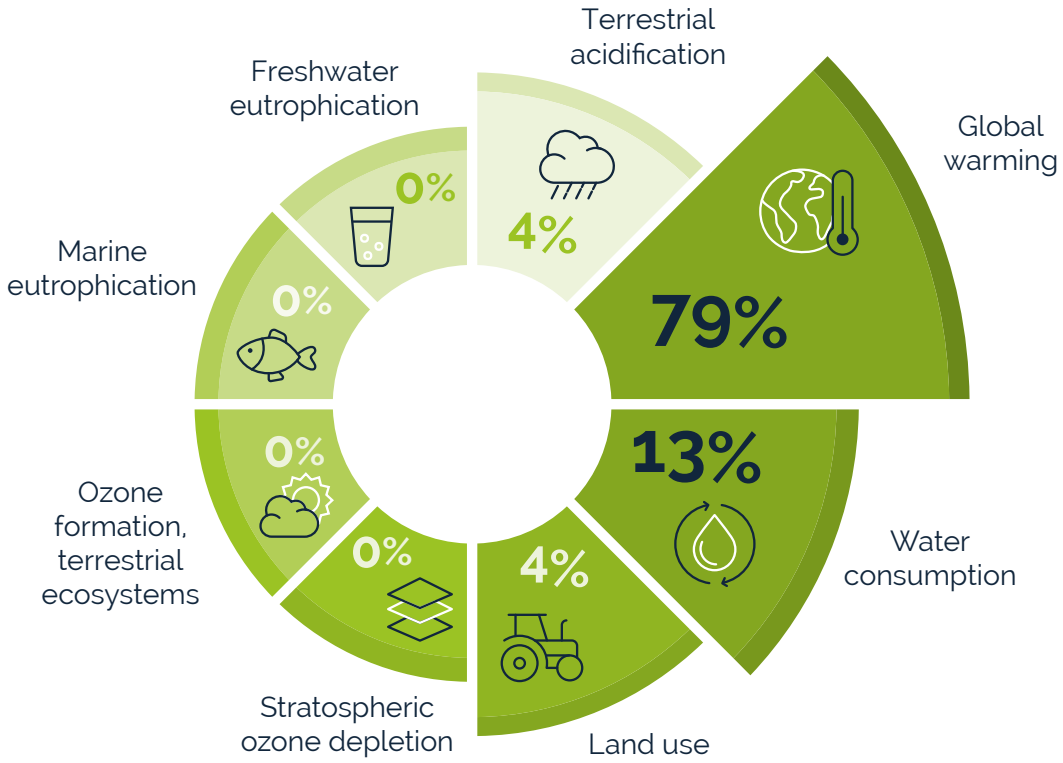
The assessments also highlight other important environmental impact areas, such as **water use** and **land use**, which are closely linked to **fluff pulp**, one of our key raw materials. These insights have supported initiatives to optimize fluff usage, including the development of our innovative tube technology, while maintaining product performance.

In parallel, we promote responsible sourcing by working with suppliers certified to **FSC® and PEFC™ standards** and continue to explore lower-impact material alternatives like bamboo.

Through ongoing assessment and innovation, we continue to improve the environmental performance of our products and reduce their environmental impact.

"Measuring what matters to improve what matters"

Full Life Cycle Assessment of a Drylock diaper
Environmental cost per impact category



Turning insights into action across our value chain

Addressing the greenhouse gas emissions associated with our products is therefore our highest environmental priority. To understand where emissions occur across our value chain and where the greatest reduction opportunities exist, we calculate our **Corporate Carbon Footprint annually** in partnership with **CO2logic**, our independent expert.

Our **value chain** covers three interconnected stages: **upstream activities, own operations, and downstream activities**. Sustainability considerations are integrated across every stage of the product life cycle, from raw material sourcing and product design to manufacturing, packaging, logistics, product use, and end-of-life treatment.

Over the past years, we've focused heavily on reducing emissions within the areas under our direct control. Through investments in renewable electricity, energy efficiency, and low-carbon manufacturing, emissions from our own operations now represent only a small fraction of our total footprint. This progress is an important achievement and positions **Drylock among the industry's leading performers for operational emissions.**

As a result, activities elsewhere in the value chain now account for a larger share of our environmental impact. The next phase of our sustainability journey therefore focuses on **products, materials, logistics, and supplier collaboration**, where further progress depends on innovation, partnerships, and long-term investment.

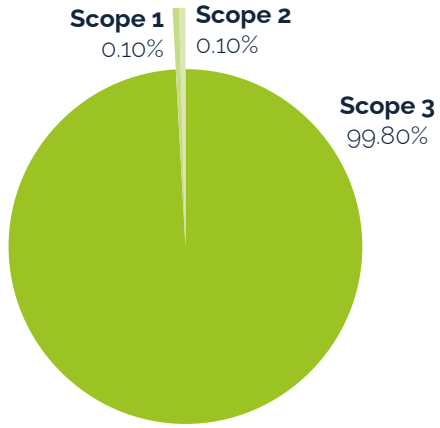
The results of our 2025 Corporate Carbon Footprint identify the greatest opportunities to reduce greenhouse gas emissions. The three largest emission categories were **purchased goods and services, end-of-life treatment of products, and upstream and downstream logistics**. Together, these categories fall predominantly within **Scope 3**, which accounted for **99.8% of our total greenhouse gas footprint in 2025**.

This confirms that **Scope 3 is where the real transformation opportunity lies**. By understanding emissions across every stage of our value chain, we can focus our efforts where they have the greatest impact and accelerate progress through collaboration, innovation, and informed decision-making.

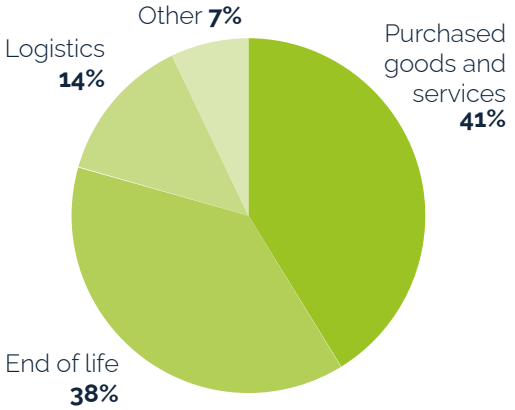
Scope 3:
the real transformation opportunity

More than anything else, our climate impact lies beyond our factory gates.

GHG emissions breakdown per scope



GHG emissions top 3 categories in 2025



Our ESG approach focuses on the following environmental material topics:

Climate change and carbon emissions (all scopes)

Sustainable materials (Scope 3)

Waste management (Scope 3)

Sustainable packaging strategy (Scope 3)



Driving innovation upstream

Our assessments show that **41%** of our company's GHG **emissions in 2025** originated **upstream**, particularly through **raw materials and purchased goods and services**.

This insight drives our efforts to **optimize material choices, improve resource efficiency, and collaborate with suppliers** on more sustainable solutions.

Examples include reducing fluff pulp consumption through our innovative technology platforms, promoting responsible sourcing through FSC® and PEFC™ certified materials, and exploring lower-impact alternatives where technically and commercially viable.

Improving our own operations

Within our own operations, we continue to focus on the areas under our direct control, including **product design, manufacturing processes, packaging, and energy management**.

Through continuous improvements in energy efficiency and the use of **100% renewable electricity across all production sites worldwide**, emissions from our own operations now represent just **0.2% of our total greenhouse gas footprint**.

Building on this progress, we continue to drive sustainable innovation through eco-design, material optimization, and packaging improvements.

Creating impact downstream

Beyond our own operations, we focus on the stages of the value chain that occur after products leave our facilities, including **logistics, consumption and market, and end-of-life treatment**. Our assessments show that **end-of-life treatment alone accounted for 38% of our greenhouse gas emissions in 2025**, making it the second most significant impact area in our value chain.

These insights help guide our efforts to improve transport efficiency, optimize product design, and explore solutions that support lower environmental impacts throughout the product lifecycle and beyond.

From value chain insights to product innovation

The same value chain perspective is reflected in our **product innovation approach**. Through our **Sustainable Product Journey**, we assess environmental performance across seven **key areas**: ingredients, design, production, packaging, logistics, consumption and market, and end-of-life.

In the following sections, we highlight the actions and innovations implemented across each of our ESG strategic areas to reduce environmental impacts throughout the value chain.



Ingredients

Ingredients and materials: our largest impact

The materials used in our products represent the largest source of greenhouse gas emissions in our whole value chain. Our strategy is built around **four complementary levers**: reducing material use, increasing the use of lower-impact materials, expanding recycled content, and supporting supplier decarbonization.

Together, these actions help reduce impacts at the earliest stages of the product lifecycle while maintaining the performance, safety, and quality that consumers expect and deserve.

Our four pillars driving transformation and reducing the impacts of our ingredients

TRANSFORMING SCOPE 3 IMPACT

Four interconnected pillars. One shared goal.

REDUCE

Reducing material use through smart design and product optimization.

However, every reduction must meet two non-negotiable conditions:

- Consumer acceptance
- Product performance

BIO-BASED MATERIALS

We actively investigate materials with biogenic carbon and significantly lower carbon footprints.

Certain solutions can achieve up to 70% lower emissions compared to conventional materials.

However, scaling these solutions depends on:

- Availability
- Cost competitiveness
- Industrial maturity

We continue to invest in partnerships and innovation to make these solutions commercially viable.

RECYCLED MATERIALS

We were among the early adopters of recycled materials in both packaging and product components.

Further expansion depends on:

- Availability of high-quality recycled materials
- Traceability
- Product safety and cleanliness requirements
- Economic feasibility

SUPPLIER DECARBONIZATION

The footprint of our ingredients is largely determined by how our suppliers produce them.

Therefore, we increasingly collaborate with suppliers that:

- Invest in renewable energy
- Reduce the carbon intensity of their production
- Commit to science-based targets
- Improve the carbon footprint of transported materials

Reduce: achieving more with less

The most effective material is often the one that is no longer needed. That's why we focus on reducing the quantity of raw materials required to deliver the same or better product performance.

Our **patented technologies** and **advanced product designs** help minimize material use while maintaining two non-negotiable requirements: consumer acceptance and product performance. By doing more with less, we can lower environmental impacts at the source as we continue to meet the expectations of customers and consumers.

Bio-based materials: exploring lower-impact alternatives

We continuously investigate **bio-based materials** that can help reduce greenhouse gas emissions and decrease reliance on fossil-based resources. Certain solutions have demonstrated significantly lower carbon footprints compared to conventional materials, highlighting their long-term potential within our product portfolio.

However, scaling these alternatives requires **careful evaluation** of availability, performance, industrial maturity, and economic viability. Through partnerships, research, and product development initiatives, we continue to explore opportunities to integrate more renewable and bio-based materials into our products.

Bio-based materials



Renewable raw materials in 2025

In 2025, **more than one third of the raw materials** used in our European products came from **renewable sources**. While this represents the average composition of our portfolio, continuous innovation and material selection enable us to go much further. For customers seeking to accelerate their transition towards renewable resources, we can already offer solutions containing **60% to 75% renewable raw materials**, depending on product size and composition. This flexibility allows customers to select products with an even lower environmental footprint while maintaining the high-performance consumers expect.

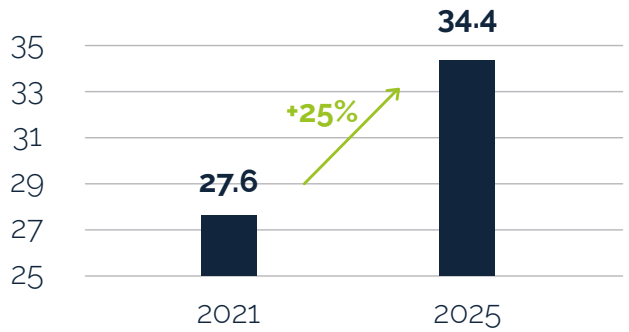
More than one third

Proportion of renewable raw materials in our European products in 2025





Share of renewable raw materials in our products (%)



Recycled materials: closing material loops

Recycled materials play an important role in reducing the demand for virgin resources. Drylock was **among the early adopters** of recycled content within both packaging and selected product components, and we keep identifying additional opportunities for integration.

Expanding recycled content requires balancing environmental benefits with strict requirements regarding quality, traceability, safety, cleanliness, and material availability. By working closely with suppliers and industry partners, we aim to increase the use of recycled materials wherever technically and economically feasible.

In 2025, we tripled the share of recycled raw materials used in our products compared to the previous year.

Recycled materials



Supplier decarbonization: collaborating beyond our operations

The environmental impact of our ingredients is largely determined by how they are produced. As a result, collaboration with suppliers is essential to reducing emissions across our value chain.

We increasingly engage with suppliers that invest in renewable energy, improve production efficiency, reduce the carbon intensity of manufacturing processes, and establish science-based climate targets. We also value **transparency in emissions reporting**, enabling us to improve the accuracy of our carbon footprint calculations and make more informed sourcing decisions.

We increasingly collaborate with suppliers that:

invest in renewable energy

Transitioning to clean, renewable energy sources to power operations.

reduce the carbon intensity of their production

Improving efficiency and adapting lower-carbon technologies.

commit to science-based targets

Setting ambitious science-aligned targets to reduce emissions.

improve the carbon footprint of transported materials

Optimising logistics and using lower-emission transport solutions.

Learn more about our **responsible supply chain** in the "Social and environmental commitments" section of this report.



THE CURRENT REALITY

The absence of immediate CO_2 reductions does not mean the absence of sustainability progress.

Investments in material innovation, recycled content and supplier decarbonization often require years before their benefits become fully visible in carbon footprint calculations and environmental reporting.

The significant reductions already achieved within our own operations mean that emissions from materials and the broader value chain now account for a larger share of our total footprint. This **reinforces the importance of reducing Scope 3 emissions** through collaboration, innovation, and responsible sourcing.

Transparency and consistent measurement provide the insight needed to understand our environmental impacts, track performance, and **identify priorities for action**.



Design

Designing for performance and sustainability

We strive to create hygiene products that protect both people and the planet

At Drylock Technologies, hygiene products are designed to **protect people, provide comfort, and enhance quality of life**. A secure fit, reliable performance, and ease of use are essential features that we never compromise on.

At the same time, product design has a significant influence on environmental impact. We use lifecycle assessments and product carbon footprint calculations to evaluate design choices and guide product development. These insights are integrated into our product development process. From initial concept to final production, our research and development teams design hygiene solutions that combine high performance with lower environmental impact.

Over the years, we have developed a range of advanced **absorbent core technologies** based on a simple principle: **achieving more with fewer resources**. The result is a lighter, more resource-efficient product that delivers comfort, discretion, leakage protection, and a reliable fit.

Our design approach also enables us to make more informed sourcing decisions. By combining environmental data with innovation expertise, we can evaluate materials not only on performance and cost, but also on their environmental footprint. This helps us strike the right balance between **product performance, material efficiency, cost competitiveness, and environmental responsibility.**

STRONG VISION FOCUSED ON INNOVATION AND SUSTAINABILITY



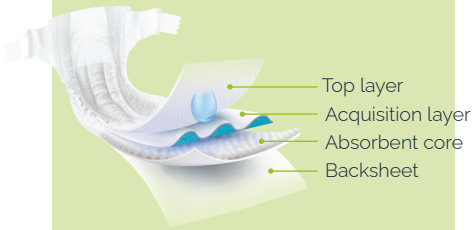
Building on the success of our patented **Magical Tubes® technology**, we introduced a **new continuous tube design** in our **incontinence range** in 2025. The innovation improves liquid transport and leakage protection while enhancing fit and comfort. By optimizing the use of absorbent materials within the core, it also contributes to more resource-efficient product designs, demonstrating how performance and sustainability can go hand in hand.

Our strategy

1

MATERIAL OPTIMIZATION & REDUCTION

Smartly restructured fibre distribution through the layers of absorbent material, using less material, more efficiently.



2

SMART INNOVATION

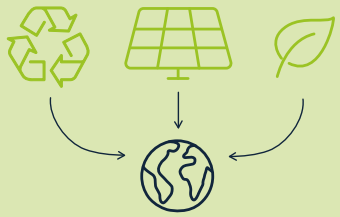
Applying nature's intelligence to improve performance while reducing impact.



3

INTEGRATION OF NEW MATERIALS

Recycled, renewable or bio-based materials integrated into our products, building a more circular and regenerative future.



MAKING PRODUCT IMPACTS VISIBLE

Informed decisions start with transparent data. To better understand the environmental impact of our products, we have spent several years conducting **Product Carbon Footprint (PCF)** and **Life Cycle Assessment (LCA)** studies in collaboration with independent experts. These assessments provide a detailed view of the greenhouse gas emissions associated with our products, from raw material extraction and manufacturing to transportation, use, and end-of-life treatment.

To further strengthen the quality, accessibility, and consistency of this information, we are investing in **advanced digital** tools that elevate our sustainability reporting and automate carbon footprint calculations. We are developing a fully automated **GHG calculation engine** directly into our ERP system, enabling the consolidation of data sources and the automated generation of product-level carbon footprints. This innovation improves the accuracy and efficiency of our calculations, giving us a clearer understanding of the environmental impacts of our products.

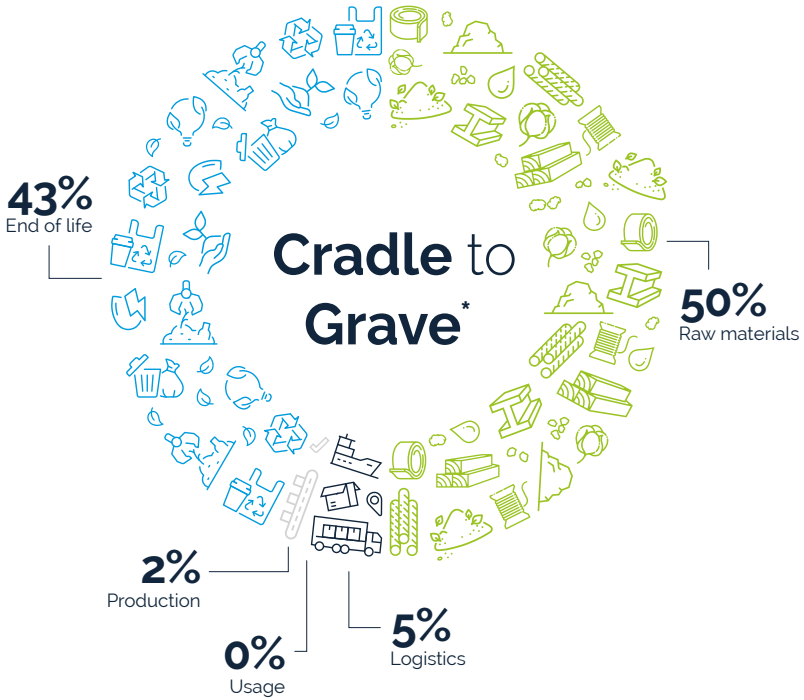
Our ambition is to provide customers with **real-life Product Carbon Footprint (PCF) data**, enabling purchasing decisions informed by greenhouse gas emissions. Wherever possible, calculations are based on **primary supplier data** and supplemented with recognized databases when primary data is unavailable. Production impacts are calculated using primary data from our own operations, ensuring a robust and transparent assessment methodology. The system follows the **GHG Protocol Product Life Cycle Accounting and Reporting Standard** and is structured according to **ISO 14067**.

Developed and validated in partnership with **CO2logic, part of South Pole**, our **Cradle-to-Gate Product Carbon Footprint methodology** ensures a transparent and robust approach to carbon accounting. Looking ahead, we will continue to enhance the model with the ambition of expanding its scope towards **Cradle-to-Grave assessments**. Beyond supporting customer transparency, these insights also help improve sourcing decisions, product design, and sustainability reporting. However, environmental performance must always be considered alongside product functionality.

For hygiene products, **performance** remains essential, as lower-performing products can require more frequent changes and generate higher impacts during the use phase. By combining product performance with reliable environmental data, we can make better-informed design decisions that support both sustainability and user needs.

Thanks to our **patented material-efficient designs, optimized logistics network, renewable electricity** sourcing, and **state-of-the-art production technologies**, we continue to reduce the environmental impact of our products.

Product Carbon Footprint of a standard diaper



*Percentages obtained from Product Carbon Footprint studies performed by a third party



Diaper A
X g.C02/diaper



Diaper B
Y g.C02/diaper

Emissions per piece will vary significantly based on the following factors:

- **Size** of the diaper
- **Energy** saved in production (all our electricity comes from **renewable** sources)
- Raw **materials**
- Upstream/downstream **logistics** (based on suppliers and customers' location)

What makes our model transparent?

Transparent by design

Operational data collection and validation

- Raw materials
- Logistics
- Waste
- Energy usage
- Packaging
- End of life

ERP Integration

ERP

Automated product carbon footprint calculation tool

PRODUCT CARBON FOOTPRINT

GREENHOUSE GAS PROTOCOL

Product carbon footprint dashboard



- Detailed PCF results
- Hotspot insights
- Scenario simulations
- Up to date analysis

Independent verification

Cradle to grave ISO 14067 validation ongoing

ISO 14067

Production

Producing with purpose

Our production processes are designed to be as **efficient, clean, and responsible** as possible.

Over the past years, targeted decarbonization efforts have significantly reduced the climate impact of our manufacturing activities. Using **100% renewable electricity across all production sites worldwide**, investing in **on-site renewable energy generation**, and continuously improving energy efficiency, emissions from our own operations now account for just **0.2% of our total greenhouse gas footprint**.

Beyond climate action, we also focus on optimizing the environmental performance of our production processes. This includes reducing **material losses and production scrap**, improving **water efficiency**, and progressively replacing **fossil-based energy sources** wherever viable alternatives exist. These efforts strengthen the sustainability of our manufacturing operations and contribute to lower-impact products across the value chain.

ACCELERATING THE TRANSITION TO LOW-CARBON ENERGY

Renewable electricity is the primary energy source powering our manufacturing operations. In 2025, **electricity accounted for 93% of our total energy demand**, all of which was supplied through a combination of **on-site generation and certified green electricity purchases**.

This transition has been a **key driver** in reducing the climate impact of our operations and supports our broader decarbonization strategy. Wherever technically and economically feasible, we continue to replace fossil-based energy sources such as natural gas, fuel, and purchased steam with renewable electricity alternatives.

The results are reflected in our energy performance. Since 2020, our **energy intensity per net revenue decreased by 26.2%**, while our **electricity consumption per 1,000 finished goods decreased by 8.5%**. Between 2024 and 2025, we also achieved significant reductions in fossil-based energy consumption, including **17% less natural gas, 49% less diesel, 64% less propane (LPG), and 46% less fuel oil.**

Today, the remaining use of heavy fuel oil is limited to a single production site. As part of an ongoing energy transition program, the boilers using this fuel are being **progressively dismantled**, with the final phase scheduled for completion in 2026. Once completed, fuel oil consumption at this site is expected to be eliminated entirely.

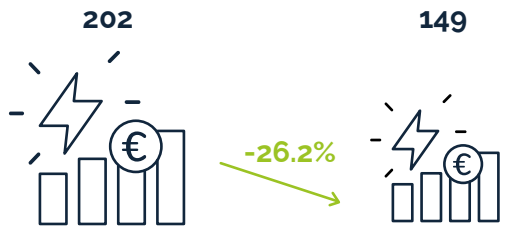
Decreasing our electricity needs

Electricity (kWh) consumed per 1000 finished goods per year



Decreasing our energy intensity per net revenue

Energy intensity per net revenue in MWh per Million Euros



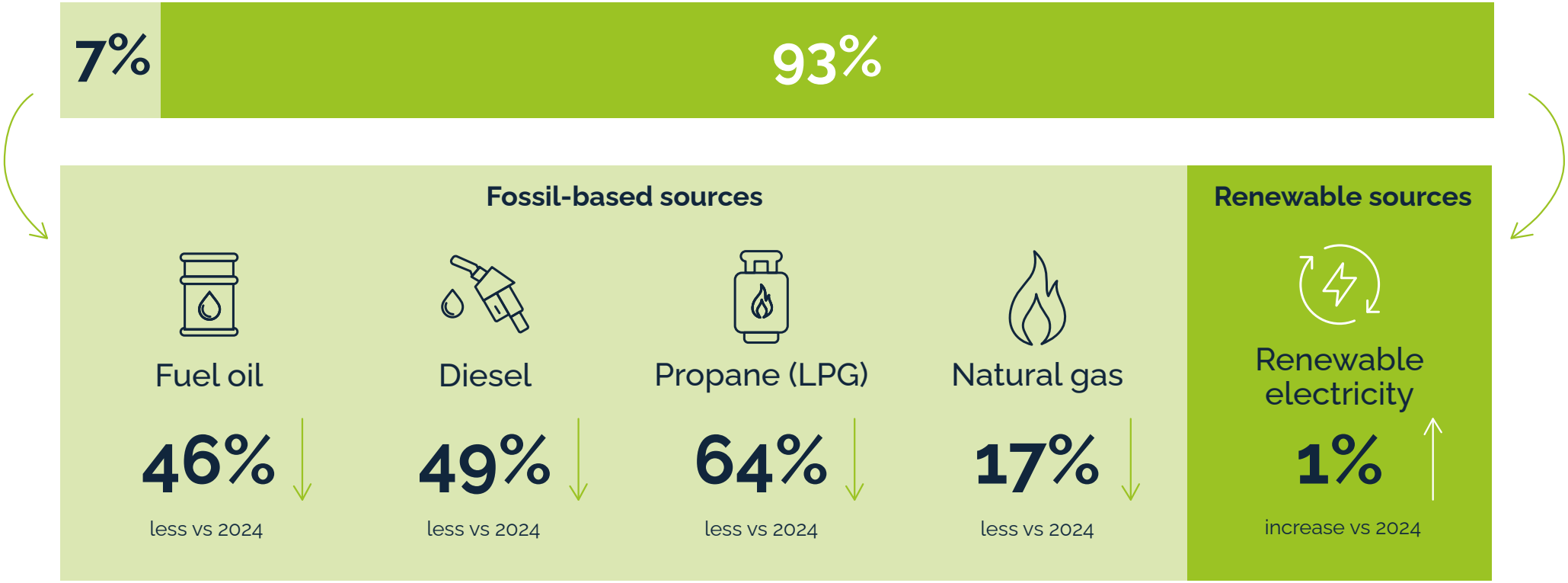


Powering progress

Building a cleaner, low-carbon future

In 2025, renewable sources represented 93% of our energy consumption, while fossil-based sources accounted for only 7%. Between 2024 and 2025, we further reduced consumption across all fossil energy sources.

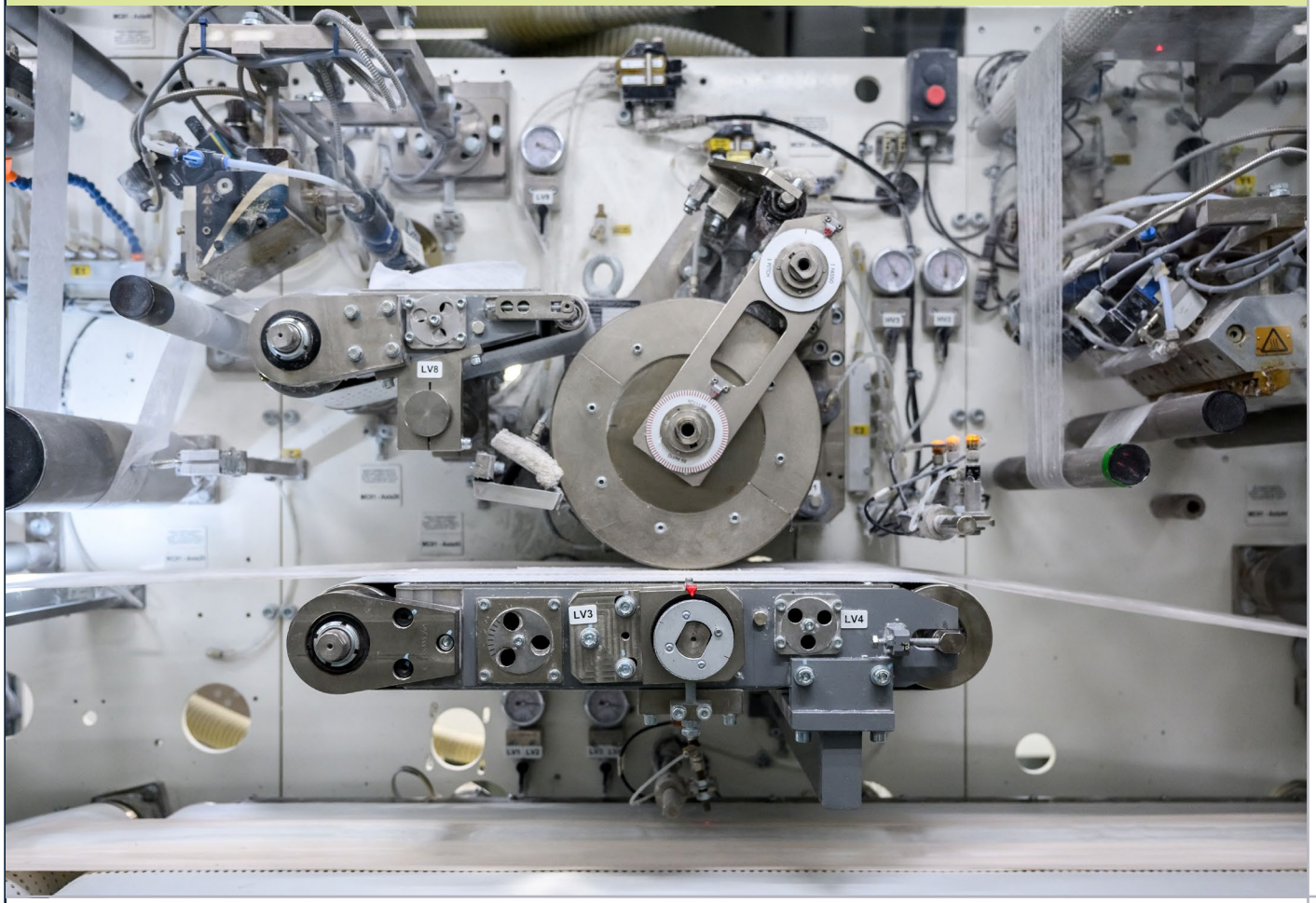
Our energy consumption in 2025



Results are based on consumption.
Results include the new Reidsville factory in USA.

BUILT FOR TOMORROW: DESIGN FOR EFFICIENCY

Our Hrádek facility in the Czech Republic proudly holds a **LEED Silver certification**, an international benchmark for green building excellence. This recognition highlights our commitment to **energy efficiency, sustainable construction**, and **reduced environmental impact**, making Hrádek a flagship site in Drylock's journey toward climate-conscious production.



OEKO-TEX®
CONFIDENCE IN TEXTILES
MADE IN GREEN

CERTIFIED FACILITIES, SMARTER PRODUCTION

Leading with transparency: MADE IN GREEN by OEKO-TEX®

Drylock Technologies has fully integrated **OEKO-TEX® MADE IN GREEN certification** across all of its European production sites. This certification ensures that products are manufactured in facilities that meet **strict environmental and social standards**, and that **all ingredients are tested for harmful substances**. This initiative reflects yet another area where **Drylock takes the lead**, setting a high benchmark for transparency and responsible manufacturing in the hygiene industry.

A FIRST IN THE INDUSTRY: 100% RENEWABLE ELECTRICITY SINCE 2022

Drylock Technologies was the first global player in the hygiene industry to transition all production facilities worldwide to **100% renewable electricity**. Since 2022, every product manufactured across our operations has been powered by renewable electricity sourced through a combination of **on-site generation** and **certified green electricity purchases**.

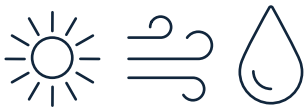
As we continue to grow, renewable electricity remains a fundamental requirement for new facilities. Our recently commissioned **production site in the United States** already operates on **100% renewable electricity**, demonstrating how sustainability considerations are embedded into our expansion strategy from day one.

By ensuring that both **existing and future facilities** are powered by **renewable electricity**, we continue to align business growth with our climate ambitions and support a **lower-carbon** value chain.

Our recently commissioned production site in the United States already operates on

100% renewable electricity

Using



to make





What our emissions could look like without green electricity



Grid average



Drylock's actual impact(*)

>99% reduction

This is the difference green energy makes

*Location-based and market-based Scope 2 emissions in 2025

INCREASING ENERGY INDEPENDENCE THROUGH SOLAR POWER

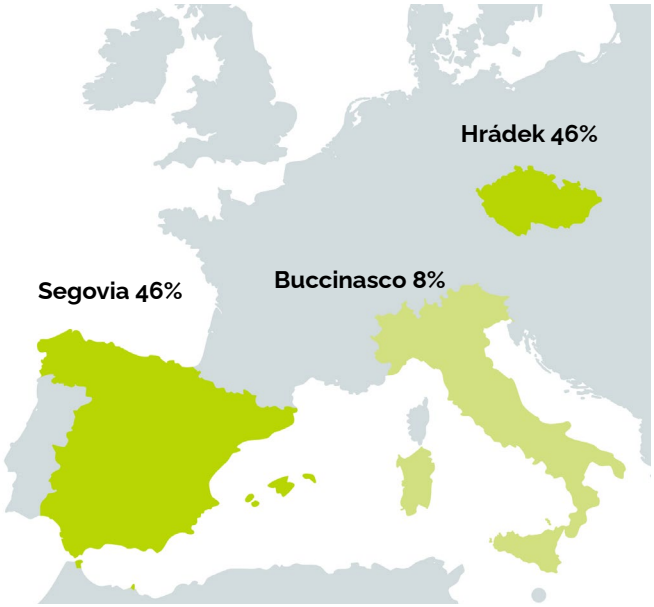
Renewable electricity remains the foundation of our energy strategy, with **on-site solar generation** playing an increasingly important role in strengthening energy independence and reducing emissions at the source. Since installing solar panels across our European production facilities, we have continued to expand our capacity and optimize performance based on the specific energy profile of each site.

In **2025, our European plants**, which account for approximately **70%** of Drylock's **total production volume, generated 5,426 MWh of renewable electricity**, more than doubling the amount produced in 2022. This self-generated energy covered 5.5% of the total electricity demand of our European operations, demonstrating the growing contribution of solar power to our energy mix.

We continue to **improve and expand** our solar infrastructure where feasible. While capacity in Hrádek has largely been optimized, further improvements are planned in Segovia to increase generation potential, and performance enhancements are being implemented in Italy. These investments support our long-term ambition to increase self-generation, strengthen energy resilience, and further reduce the environmental footprint of our operations.

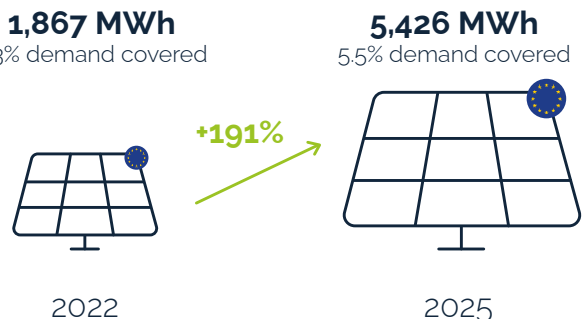


Self generation of electricity in EU (2025)



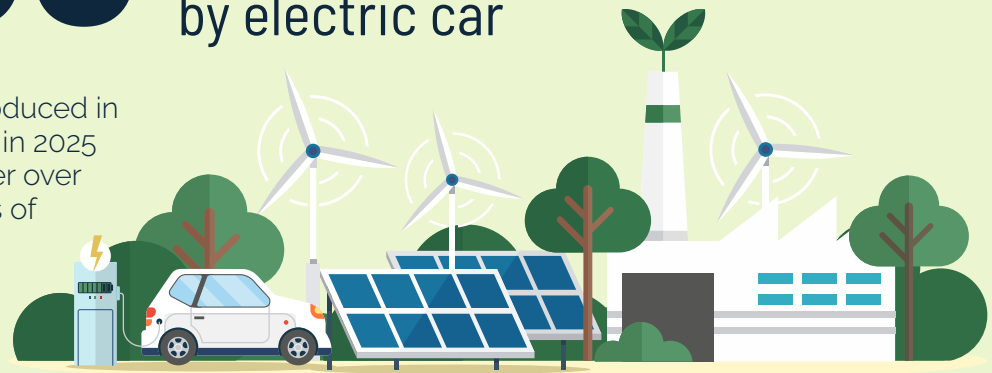
Increasing

solar power in Europe



over 900 journeys around the Earth by electric car

The solar energy produced in our European plants in 2025 was enough to power over 36 million kilometers of electric car travel

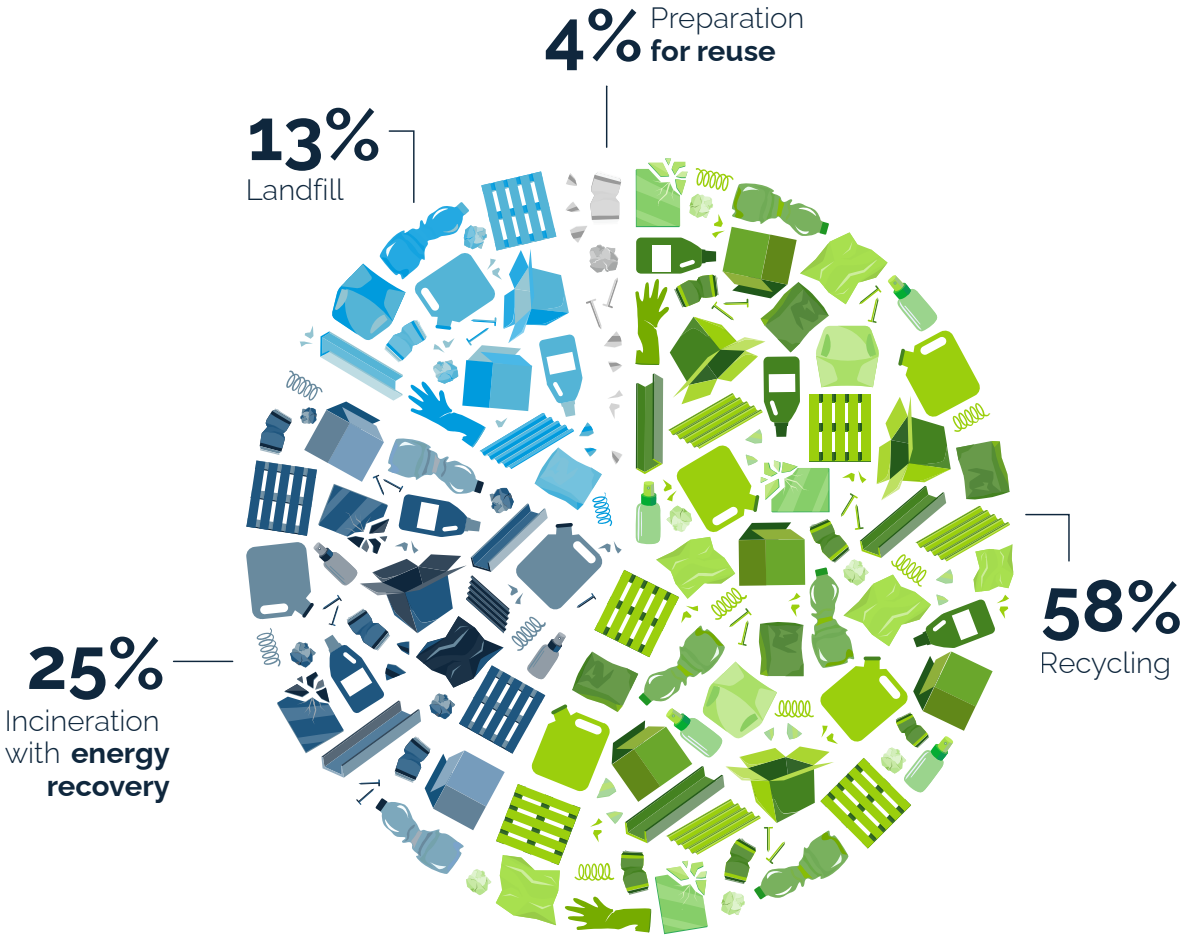


WASTE MANAGEMENT: TURNING WASTE INTO VALUE

Reducing waste starts long before materials leave the production line. We **prevent waste at its source** through smart product design, efficient manufacturing processes, and performance monitoring. This approach reduces material consumption and supports high standards of product quality and performance. To support this approach, our production lines are equipped with **automated monitoring systems** that optimize manufacturing parameters and help reduce material losses in real time. We also work closely with equipment suppliers to improve production efficiency and develop solutions that minimize waste generation from the outset.

Beyond prevention, we apply the principles of the **European waste hierarchy**, prioritizing the reuse, recycling, upcycling, and recovery of materials wherever possible. Through our **Project Zero Waste** initiative, we keep expanding the reuse and recycling of production waste by investing in sorting, preparation, and material valorization systems that transform waste streams into valuable resources.

With 87% of our waste recovered in 2025, we continue to make progress towards our goal of achieving zero waste to landfill by 2030. To support this goal, local reduction plans have been implemented across our sites, focusing on eliminating landfill disposal and increasing recovery and recycling rates. We view waste not as an endpoint, but as a resource that should be retained within the value chain at the highest possible value.



The results demonstrate that these efforts are delivering measurable progress. Since 2020, our **waste intensity ratio has decreased by 5%**, while the **total amount of waste recovered has increased by 56%**. These figures highlight our commitment to reducing waste generation while ensuring more materials remain in productive use.

By improving resource efficiency, reducing material losses, and increasing recovery rates, we not only conserve valuable raw materials but also lower our greenhouse gas emissions, supporting our Scope 3 targets under the **Science Based Targets initiative**. They are part of our broader sustainability strategy, ensuring that every step of our production process contributes to a cleaner, more responsible future.

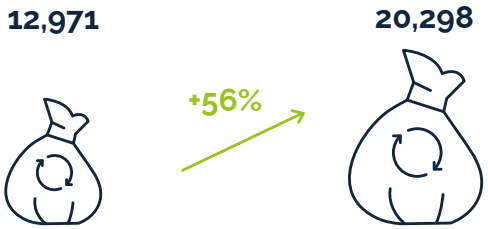
Waste intensity ratio

(tons of waste/million finished goods)



Total weight of waste recovered

(tons of waste)





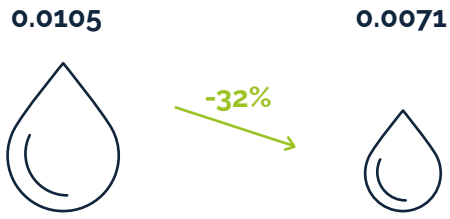
RESPONSIBLE WATER MANAGEMENT

Within our operations, water is used primarily for **cleaning and sanitary purposes**, resulting in relatively low withdrawal volumes and no direct water-related impacts from production activities. Consequently, our operations are considered to be at **low risk for water stress and water contamination**.

Although water is not a material input in our production, we recognize its importance as a **limited and essential natural resource**. That is why we remain committed **to monitoring our water consumption and tracking our water intensity ratio** every year. Since **2020, we have reduced our water intensity ratio by 32%**, demonstrating that meaningful progress can be achieved even in areas where our direct environmental impact is comparatively limited.

Water intensity ratio

(m^3/1000 finished goods)



Packaging

Packaging

Packaging remains a **key focus area** within our **sustainability strategy.** While packaging represents only a portion of a product's environmental footprint, it is one of the most visible opportunities to minimize material use, transition away from fossil-based resources and maximize circularity.

Our approach is guided by three priorities: **designing packaging for circularity, increasing recycled content, and reducing the use of virgin oil-based plastics**. Through close collaboration with suppliers and continuous innovation, we improve the environmental performance of our packaging without losing sight of product protection, quality, and operational efficiency.

From **pioneering paper-based packaging** and introducing **nonwoven packaging alternatives** to being among the first in our industry to **integrate recycled materials** and invest in **compostable solutions**, we're always expanding our portfolio of more sustainable packaging options.

Today, 100% of our packaging is reusable, recyclable, or compostable, ensuring that every packaging solution is designed with circularity in mind. Over the years, we have also significantly expanded the integration of recycled materials across both primary and secondary packaging.



Our packaging strategy

1

MINIMIZING MATERIAL USE

By challenging our packaging design and eliminating unnecessary material, we have come to innovative solutions without compromising product integrity. With these alternatives we decrease our carbon footprint and conserve resources.



2

TRANSITIONING AWAY FROM FOSSIL-BASED RESOURCES

We're always looking for alternatives to fossil-based materials and aim to reduce plastic usage through renewable and innovative biobased sources.



3

MAXIMIZING CIRCULARITY

To decrease the demand of virgin materials, support the recycling industry and bet for circularity, we incorporate as many recycled materials as possible in our packaging. Additionally, we ensure that 100% of our packaging is **recyclable**, **reusable** or **compostable**.



The progress is particularly visible in our **primary packaging**. Since 2021, the share of primary packaging containing recycled raw materials has increased from **48% to 91%**, while the amount of virgin oil-based plastic avoided has grown from **11.5% to 49%**. At the same time, the recycled content within these packaging formats increased from **21.6% in 2021 to 58% in 2025**.

In 2025, **90% of secondary packaging contained recycled raw materials,** while the recycled content within these packaging formats reached 94%, demonstrating the maturity of our circular packaging approach.

Packaging circular solutions in 2025
(European portfolio)



PRIMARY PACKAGING

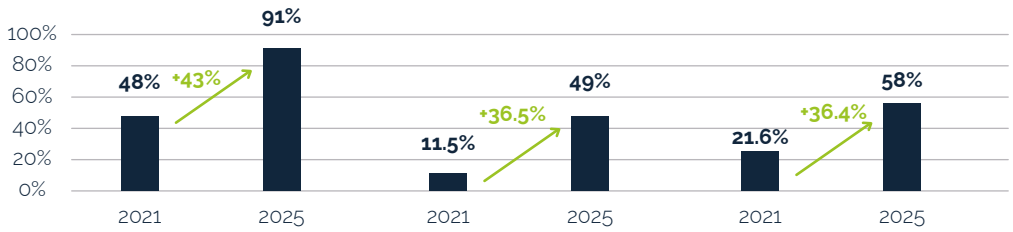


SECONDARY PACKAGING

91%
of our primary packaging contains recycled raw materials

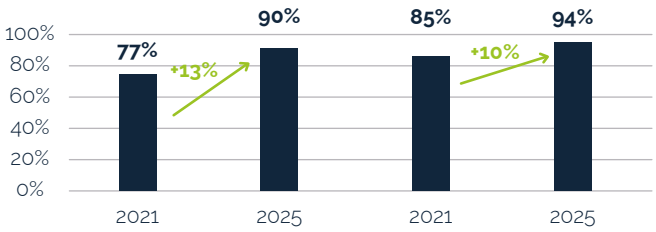
49%
virgin oil-based plastic avoided in primary packaging

58%
recycled content in our recycled primary packaging



90%
of our secondary packaging contains recycled raw materials

94%
recycled content in our recycled secondary packaging



All our primary packaging in Europe contains **at least 15% recycled content**

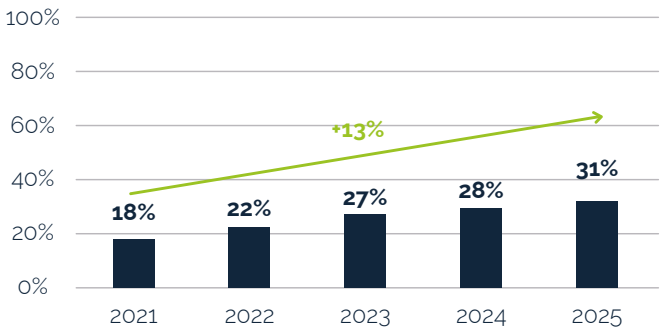
First in the market to offer **paper bags in all categories**:
Baby, Feminine care and Health care





PRIMARY PACKAGING

Share of renewable raw materials in our primary packaging (European portfolio)

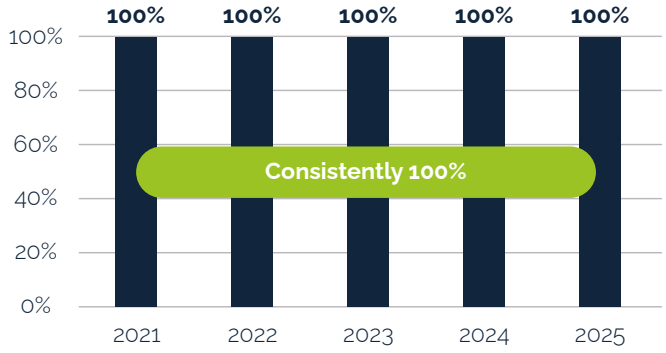


The share of renewable materials in our primary packaging increased from 18% in 2021 to 31% in 2025, reflecting the increased use of renewable feedstocks across our packaging portfolio.



SECONDARY PACKAGING

Share of renewable raw materials in our secondary packaging (European portfolio)



Secondary packaging maintained 100% renewable raw material content throughout the period. As a result, all secondary packaging in our European portfolio has consisted entirely of renewable raw materials since 2021.

CLOSING THE LOOP: CIRCULAR SOLUTIONS IN ACTION

For us, **circularity** means keeping **valuable materials in use for as long as possible**. Beyond increasing the use of recycled and renewable materials, we actively seek opportunities to recover and reintegrate production waste into new applications.

One example is our packaging strategy. In collaboration with packaging suppliers, we **recover PP and PE production waste**, including off-cuts, obsolete packaging designs, and stretch film, and transform it into new packaging materials. By turning waste streams into valuable resources, we reduce the need for virgin raw materials, minimize waste generation, and strengthen circular material flows throughout our value chain

closing the loop on our packaging



8x

increase in paper packaging since 2021



2021 2025

Since 2021, the use of paper packaging bags across our portfolio has grown by more than eight times. As the **first company in the hygiene industry** to successfully introduce **paper packaging** at industrial scale across all product categories, we have demonstrated that lower-impact packaging solutions can be scaled without compromising product protection, manufacturing efficiency, or consumer convenience.

For more information about Drylock Technologies' packaging strategy, visit

drylocktechnologies.com/packaging/

Sustainable packaging solutions

NO PLASTIC
Paper bag packaging



100% recycled paper options available

With more than half of consumers seeking alternatives to plastic, paper has become a preferred solution. In the EU, paper-based packaging is recycled more than any other material. Drylock was the **first personal hygiene company to offer paper packaging across its entire product portfolio**, and we've gone even further by introducing paper bags made from 100% recycled content.

BETTER PLASTIC
Recycled plastic packaging



15-100% recycled PE

In 2022, Drylock became the **first in the industry to eliminate 100% virgin oil-based plastic bags from its European portfolio.** Our European packaging contains at least 15% recycled plastic, with options available using 100% recycled polyethylene (PE). This shift is estimated to reduce our virgin plastic consumption by at least 20% annually, without compromising product protection or quality.

BIO PLASTIC
Bioplastic packaging



Up to 75% lower CO2 emissions

Bio-based plastics offer a renewable alternative to fossil-based materials. Derived from organic and biomass waste, these plastics are **100% recyclable and can reduce CO_2 emissions by up to 75%**.

Logistics

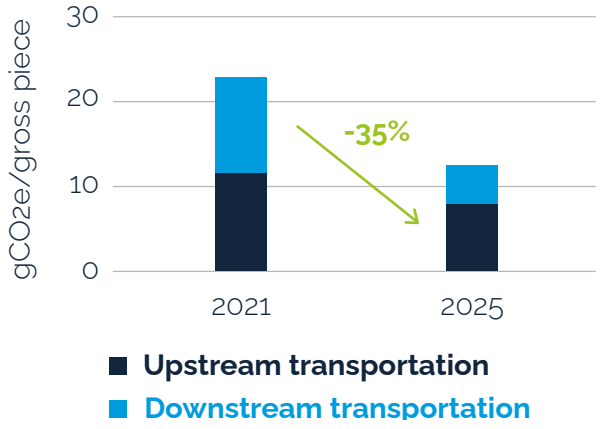
Turning control into action

Logistics is an important opportunity to reduce environmental impact while improving supply chain efficiency. We **optimize transportation flows and sourcing strategies** to reduce transport-related emissions and improve the efficiency of our logistics network.

In 2025, **transportation accounted for 14%** of our total greenhouse gas emissions, making it the **third-largest contributor** to our carbon footprint. As a result, logistics remains a key focus area within our climate strategy. Through targeted investments and improvement initiatives, we achieved a **35% reduction in transportation emissions per product compared to 2021**, demonstrating that meaningful progress is still possible as our business continues to grow.

Transportation - relative emissions

(% reduction compared to 2021)



Logistics GHG emissions in 2025

UPSTREAM TRANSPORTATION

Replacement of road transportation by:

Introduction of rail transportation in **North America**

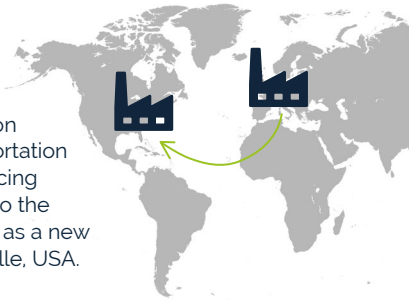
Continued expansion of rail solutions in **Europe**

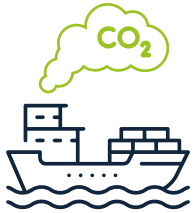
The gradual implementation of **electric trucks**

Rail transport increased by **334%***

DOWNSTREAM TRANSPORTATION

Mainly focused on reducing transportation distances by placing factories closer to the customers, such as a new facility in Reidsville, USA.





This regionalized production model has also contributed to a

94% ↓

REDUCTION

in sea transportation emissions

REDUCING EMISSIONS ACROSS OUR LOGISTICS NETWORK

Our approach extends across both upstream and downstream transportation activities. Upstream, the introduction of **rail transport in North America**, the continued expansion of rail solutions in Europe, and the gradual deployment of **electric trucks** contributed to a **20% reduction in inbound road transport**. At the same time, rail transport increased by 334%, supporting the shift towards lower-carbon transportation modes.

Downstream, we continue to optimize our network as the business grows internationally. A notable example is our new production facility in **Reidsville, USA**, which significantly shortened transport distances by producing closer to one of our largest North American customers. This regionalized production model also drove a **94% reduction in sea transport emissions**, illustrating how strategic investments can simultaneously improve supply chain efficiency and reduce environmental impacts.

Across our network, we reduce emissions through smarter sourcing, optimized truck and container utilization, automated warehousing, modal shifts, and lower-carbon transportation solutions. These initiatives reduce the carbon intensity of our logistics activities while supporting business growth.

*Increase linked to the variation in ton-kilometers in upstream outbound transportation (2025 vs 2024)

OPTIMIZED LOGISTICS: BRINGING WAREHOUSING CLOSER TO PRODUCTION

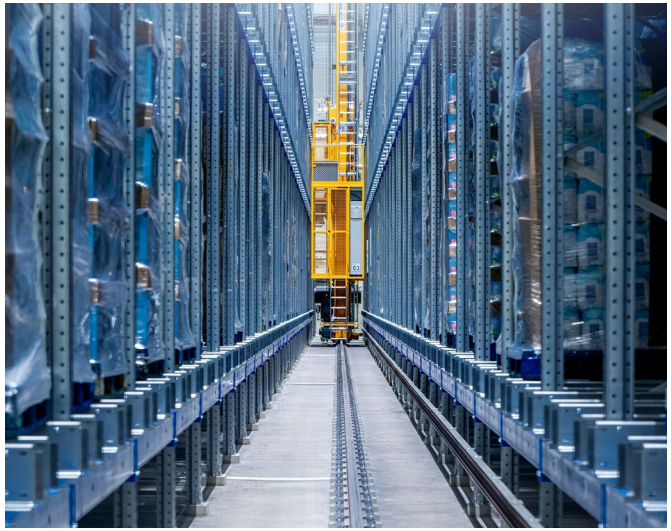
Reducing logistics emissions is also about designing a **smarter and more efficient supply chain**. That's why we optimize our logistics network by **locating warehouses as close as possible to our production facilities**, reducing unnecessary transport movements and improving operational efficiency.

This strategy is based on a simple principle: materials and finished products should **travel as little as possible** within our own network. By integrating storage and production more closely, we reduce transportation needs, improve responsiveness, and lower the environmental footprint of our logistics operations.

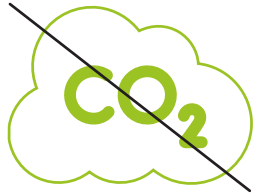
Several important **milestones** were achieved in 2025.

- In Segovia, the new Bernuy warehouse became operational and was fully integrated into operations during the second half of the year. The 33,000 m^2 facility consolidates both raw materials and finished goods in a single location and uses **automated shuttle-rack technology** to optimize storage and handling efficiency.
- In Buccinasco, warehousing activities were relocated from a facility located approximately 50 km away to a warehouse situated only 600 meters from the production site, significantly **reducing internal transport distances** and associated emissions
- Additional investments were made in other regions to further strengthen this approach. In Alabuga, **warehouse capacity** continued to expand adjacent to the manufacturing site, while in Brazil, preparations were made for a **new raw-material warehouse** near the Stella production facility. Looking ahead, the external warehouse in Arujá, Brazil, will be consolidated into Capivari from April 2026, **further reducing transport requirements** between storage and production locations.

By locating production and warehousing closer to customers we help reduce transport related impacts, strengthen supply chain resilience, and support future growth.



The carbon emissions **avoided in transportation** yearly,



due to the **direct connection** between our biggest automated warehouse and the factory,



are the same as the annual footprint of **206 average EU citizens***

*Based on the average CO_2 emissions per capita in the European continent in 2023.

2024

Planned warehouse expansions in European plants



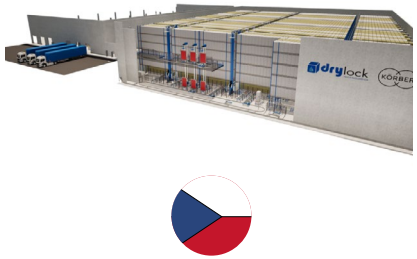


New baby care production plant in US



2025

New warehouse extension in our Czech plant: sustainable by design



New production plant in Brazil



New multi-purpose warehouse
fully operational in Spain since September, including rooftop solar panels



Warehouse relocated closer to the production facility



2026

New raw materials' warehouse planned in new Brazilian plant



External warehouse in Brazil (Poá) consolidated into the new raw materials warehouse



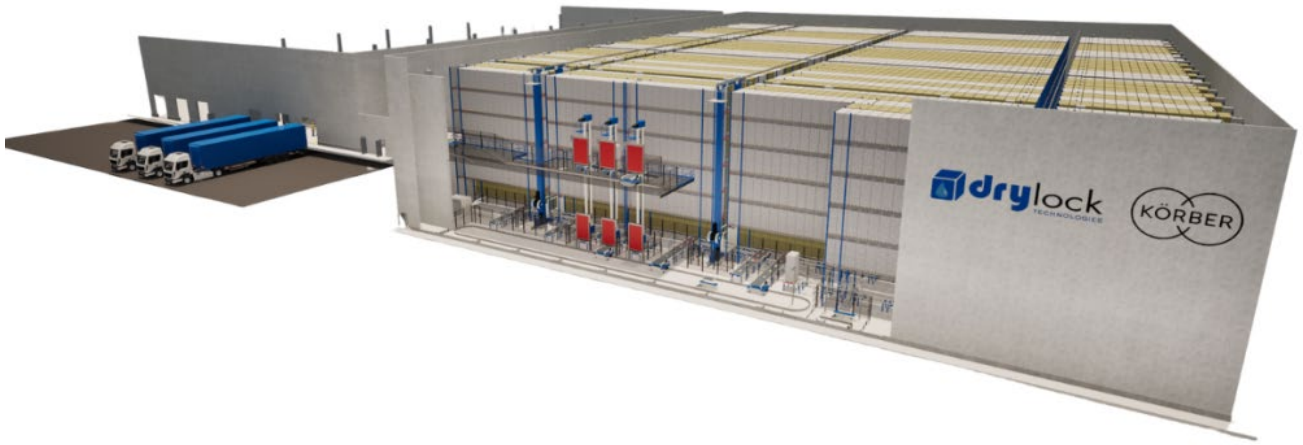
WAREHOUSE EXPANSIONS AT OUR LARGEST PRODUCTION PLANT

To support future growth and reduce the environmental impact of its logistics operations, Drylock is **expanding its warehousing infrastructure at its production site in the Czech Republic**. Alongside a conventional raw materials warehouse, the site already operates High Bay I, a **fully automated warehouse** covering 12,788 m². Directly connected to production, it includes 11 loading lanes.

High Bay II is currently under construction and is expected to be completed by April 2027. Designed to accommodate approximately 28,000 pallet spaces, the facility incorporates 25% low-emission steel, reducing the environmental impact of the construction materials.

The automated warehouse is **powered by renewable electricity and equipped with energy-efficient systems**, including low-light technology. Optimized handling processes minimize product damage and material waste, while high-density storage reduces the building footprint, land use, and internal transport movements. Full automation improves traceability, inventory accuracy, and process efficiency, while enhanced ergonomics and reduced manual handling improve workplace safety and product integrity.

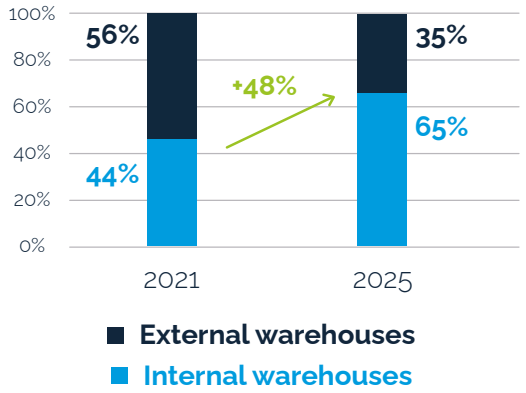
The next phase of the project is the **introduction of Automated Guided Vehicles (AGVs)**. The first phase, connecting production and warehousing through an automated tunnel system, is expected to be operational by the end of 2026. A second phase will extend AGV deployment to transport raw materials directly to the production lines, increasing automation, improving safety, and enhancing operational efficiency across the site.



MAXIMIZING SPACE, MINIMIZING IMPACT

Efficient logistics starts with making the most of every cubic meter moved and every pallet stored. In 2025, our logistics network handled over **6 million goods movements**, with approximately **215,000 pallets stored internally** and **115,000 pallets stored externally**. At this scale, even small improvements in storage and transport efficiency can deliver significant environmental and operational benefits.

Evolution of internal warehouses



To reduce the footprint of our logistics activities, we actively optimize how product storage, packaging and transportation. We work closely with retail partners to identify opportunities to maximize the use of available space throughout the supply chain. Through **improved palletization strategies**, including the use of slip sheets, skimming techniques, and optimized load configurations, we can transport more products per shipment and reduce the need for additional packaging materials.

Positive impacts of using reusable pallets

over traditional wooden ones in 2025

Saving wood resources by
951.85 dm³

Diminishing emissions by
3,043.55 kg

Reducing waste by
125.71 kg

These initiatives help us reduce the number of trucks and ferries required, lower fuel consumption, and decrease transport-related emissions. At the same time, they contribute to a **more efficient use of warehouse capacity and logistics resources**.

We are also advancing circular logistics solutions across our operations. By introducing **reusable pallets and load carriers** for both incoming raw materials and outgoing finished goods, we are reducing reliance on single-use transport packaging and extending the lifespan of logistics assets. This approach gives us greater control over maintenance and repair processes and supports a more resource-efficient and lower-impact supply chain.

Together, these measures demonstrate how operational efficiency and sustainability can go hand in hand, helping us move more products with fewer resources as we keep reducing the environmental impact of our logistics network.

By replacing disposable transport materials such as cardboard boxes, plastic film, and additional pallets with **reusable solutions,** we significantly reduce packaging waste throughout the distribution process. These systems are designed for multiple reuse cycles without compromising product protection or transport efficiency.

The environmental benefits are substantial. By switching from single-use transport packaging to reusable carriers, we achieved a **65% reduction in carbon emissions** for the assessed logistics flows. At the same time, this approach reduces material consumption, lowers waste generation, and supports more circular supply chains.

AWARD-WINNING LOGISTICS INNOVATION IN BRAZIL

Our Brazilian plants received recognition in the second edition of the EVER Express Sustainability Award, which highlights companies that turn sustainability commitments into everyday practice.

The award recognized our partnership with EVER Express to introduce bitrains for transporting raw materials and products, resulting in a reduction of two tonnes of CO_2 emissions in 2025.





MODAL SHIFTS

Drylock Train

The **Drylock Train** is a key example of how we are reducing emissions through smarter logistics. Since its launch in 2023, this dedicated rail connection has linked our warehouse in Belgium with our production facility in the Czech Republic along a **1,300-kilometer corridor**. Each week, **88 containers** transport raw materials to Hrádek and return with finished products destined for customers in the United Kingdom. In 2025, **more than 4,000 containers were transported through this rail connection**, demonstrating the scale and maturity of the initiative. By shifting these flows from road to rail, the project delivers a **75% reduction** in greenhouse gas emissions and a **10% improvement in palletization efficiency** compared to conventional truck transport.

Building on the success of the Drylock Train, we continue to expand multimodal transport solutions across our logistics network. **New rail-to-sea logistics** flows are being **developed** to support additional customers in the **United Kingdom**, while **similar concepts** are being **explored** across other production sites and transport corridors. As part of this expansion, **selected feminine care products** manufactured in **Italy** are expected to be transported by rail to Zeebrugge from 2026 onwards. These initiatives support our ongoing transition from road to rail transport and form an important part of our strategy to reduce the carbon intensity of logistics while building a more efficient and sustainable transportation network.



Customer recognition: ‘Sustainability champion 2025’ at the Tesco IGD conference

Recognition from our **customers** reflects the value of our **collaboration** and the performance of our products and services. Whether for product quality, innovation, reliable delivery, or more sustainable logistics, these awards highlight **the outcomes we achieve together**. In 2025, **Tesco recognized the Drylock Train initiative**, demonstrating how collaboration can improve logistics efficiency and reduce greenhouse gas emissions.

Multimodal deliveries

With **road freight** responsible for **over a quarter of global transport emissions**, Drylock is actively rethinking how we move goods. We are committed to reducing our carbon footprint by shifting from trucks to more sustainable modes like rail and sea, without sacrificing the agility or reliability our customers deserve.

In 2025, **rail transport** volumes **increased** significantly, both in Europe and North America, helping reduce our reliance on road freight and supporting lower-emission logistics flows. We also continued to transport finished products from our Spanish and Czech production sites through **multimodal routes** connected to the ports of Valencia and Hamburg, enabling a more sustainable distribution network.

To discover more about the Drylock Train, follow its journey with our Supply Chain Director in our vlog series. drylocktechnologies.com/train/

Advancing road transport with electric trucks

Reducing transport emissions requires both innovation and practical implementation. Following initial trials in 2022, Drylock began actively integrating **electric trucks** into its logistics network in 2024, focusing on routes where current technology can already deliver meaningful environmental benefits.

Electric vehicles offer a clear **opportunity to lower the carbon intensity** of road transport by eliminating tailpipe emissions, reducing noise pollution, and decreasing dependence on fossil fuels. As part of our broader logistics decarbonization strategy, they help us move products more sustainably as we maintain the reliability and efficiency expected by our customers.

Our first electric truck route connects our Hrádek facility with a key customer near Berlin. Introduced in 2024 as the first route of its kind in the Czech Republic, it accounted for **60% of deliveries to this customer** in 2025, representing around **200 trips annually**. Each journey avoids **up to 268 kg CO_2e**, equivalent to the emissions of nine passenger cars travelling the same distance.

To further reduce emissions, we replaced disposable pallets and cardboard packaging with reusable transport carriers, reducing carbon emissions for this logistics flow by **an additional 65%**.

Together, these measures **reduced emissions per piece by 80%** in 2025 compared to 2023.

Our first electric truck route

Connecting our Hrádek facility with a key customer near Berlin, demonstrating how innovation can reduce transport emissions while maintaining operational efficiency.

First route of its kind in the Czech Republic introduced in **2024**



60%
OF DELIVERIES
to this customer in 2025

EACH JOURNEY AVOIDS UP TO
268 kg CO_2e
per trip

200
TRIPS ANNUALLY
on this route

EQUIVALENT TO THE EMISSIONS OF
9 passenger cars
travelling the same distance



by replacing



with



we manage to reduce our carbon emissions by 65%

Together, these initiatives resulted in

80% ↓
REDUCTION IN EMISSIONS PER PIECE
in 2025 compared to 2023

Encouraging the transition to lower-emission mobility

The environmental impact of employee commuting is increasingly influenced by the type of vehicles used. In 2025, emissions related to company car travel decreased by **2%,** driven primarily by the growing adoption of **hybrid and electric vehicles.** This transition is clearly reflected in our fleet profile: while **92% of the total distance travelled by company cars in 2024 was covered using fully thermal vehicles**, this figure dropped to **41% in 2025**. By progressively electrifying our fleet, we continue to reduce the carbon intensity of employee mobility while supporting a broader shift towards lower-emission transportation solutions.





Alternative fuel sources

As part of Drylock's broader strategy to decarbonize logistics, we continue to explore and implement **alternative fuel solutions**, including advanced biodiesels. One example is **Hydrotreated Vegetable Oil (HVO)**, which can **reduce** carbon **emissions** by up to **90%** compared to conventional diesel. Following a successful pilot and positive operational results, we are now **progressively introducing HVO across selected logistics flows.**



Consumption and market

Product quality, safety, and performance are fundamental to our products. Our double materiality assessment identifies product safety and quality as the highest-ranked topic from both an impact and financial perspective. These qualities are not only essential product requirements but also the foundation of the trust that consumers and customers place in our products.

CUSTOMER HEALTH AND SAFETY

Customer health and safety are fundamental to every hygiene product we develop. Our products are designed to **protect people, provide comfort, and perform reliably** throughout their use. They are free from chlorine, bleaching agents, lotions, parabens, and latex, and are regularly evaluated and verified by independent experts.

Transparency is equally important. As retailers and consumers seek clearer information about the products they choose, we provide **comprehensive product information** to support informed purchasing decisions and demonstrate that our products meet high standards of quality, safety, and performance.

Rigorous testing, responsible material selection, and robust product improvement ensure that our products consistently deliver the quality, safety, and performance that customers and consumers expect.



Toxicologically tested



Dermatologically tested



Microbiologically tested



Free from chlorine, bleaching agents and parabens

0%

Free from perfumes and lotions



Hypoallergenic

Our action plan:

Keep ensuring the safety of the products through:

- 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

100% clean tox reports

Since 2021, Drylock Technologies has consistently achieved **clean reports in toxicological testing of both raw materials and finished products**, as verified by independent external laboratories.

customer health & safety
as top 1 priority

0
Product recalls since 2020

87%
Products certified with at least 1 health/eco labels in 2025 (excl FSC/PEFC) (40% yearly target)

0
N° complaints related to contamination of the product with metal, plastic, glass or wood

Protecting what protects us: microbiome-friendly innovation

The **skin** is more than a **protective barrier.** It's a living ecosystem of microorganisms that helps **regulate skin balance, barrier function, immune system development, inflammation, repair**, and overall **wellbeing**. Every material that comes into contact with the skin can influence this delicate microbiome, either supporting or disrupting its natural balance.

Our hygiene products are developed to work **in harmony with the skin microbiome**, helping preserve its natural balance while delivering the comfort, absorbency, and protection consumers expect.

Designed to support the skin's protective barrier and natural microbiome, our products contribute to healthy skin throughout everyday use. Drylock was the **first manufacturer worldwide to offer a broad range of certified microbiome-friendly hygiene products**, spanning baby care and feminine care. These products are independently tested and verified by **MyMicrobiome**, the global reference institute for microbiome-friendly certification, providing consumers and customers with trusted, science-based assurance.

To learn more, visit https://drylocktechnologies.com/microbiome/.

Microbiome® certified







dailee
DRYLOCK® TECHNOLOGY INSIDE

Did you know that our own brand of adult care products **Dailee** is supported by the **Skin Health Alliance**, the world's leading skin health accreditation body?

For more information, visit:
www.dailee-care.com/en

Industry associations

Drylock Technologies is an active member of leading industry associations, including **EDANA (the global association for the nonwovens and related industries)** and **BAHP (Baby and Adult Hygiene Products)**. BAHP serves as the unified voice of the absorbent hygiene products industry in North America, representing manufacturers, suppliers, and service providers across the value chain.

edana The voice of NONWOVENS
BAHP Center for Baby and Adult Hygiene Products

Through our active participation in these organizations, we contribute to the development of **industry best practices, regulatory guidance, safety initiatives, and sustainability programs**. Our engagement enables us to collaborate with stakeholders, policymakers, and industry experts to support responsible manufacturing, consumer trust, and continuous innovation in hygiene products.

By working closely with both EDANA and BAHP, we remain **aligned with evolving regulatory expectations and industry standards** across Europe and North America.

Creating impact together

Sustainability progress is not something we achieve alone. Many of the improvements described throughout this report only create real impact when they are developed in close **partnership with our customers**. By working together on lower-carbon products, renewable and recycled materials, sustainable packaging, and emissions transparency, we help our customers advance their own sustainability ambitions and reduce impacts across the value chain. This collaborative approach ensures that sustainability creates value for both Drylock and the brands and retailers we serve.

A strong example of this partnership is our collaboration with **Walmart**, our largest customer in North America. Through **Project Gigaton**, Walmart's global initiative to avoid one billion metric tons of greenhouse gas emissions across its value chain by 2030, suppliers are encouraged to measure, report, and reduce emissions through science-based actions. By improving the environmental performance of our products, operations, and supply chain, we help Walmart advance its climate ambitions while strengthening transparency across the value chain.

ProjectGigaton Walmart

GIGA GURU 2025

In recognition of these efforts, we achieved **Walmart's Gigaguru status for the third consecutive year in 2025**. This distinction is awarded to suppliers that demonstrate consistent leadership in emissions measurement, reporting, and reduction through Project Gigaton. This illustrates how close collaboration with customers can transform sustainability commitments into measurable results, creating shared value for both our business and our partners.

To access Walmart's Supplier Recognition portal, visit walmartsustainabilityhub.emissionscalculators.walmart.com/main/recognition

End-of-life

Designing for the future

The environmental impact of a product does not end when it leaves the consumer's hands.

According to our Corporate Carbon Footprint, end-of-life treatment accounted for **38% of our total greenhouse gas emissions in 2025**, making it the second-largest contributor to our overall footprint and one of the most important areas for future innovation.

Unlike operational emissions, opportunities for immediate reductions at the end-of-life stage are often limited, as waste treatment infrastructure and disposal methods remain largely outside our direct control. However, the choices we make today can significantly influence future impacts. Through **material reduction, circular design principles, and the development of alternative end-of-life solutions**, we are working to reduce the footprint of our products long after their use.

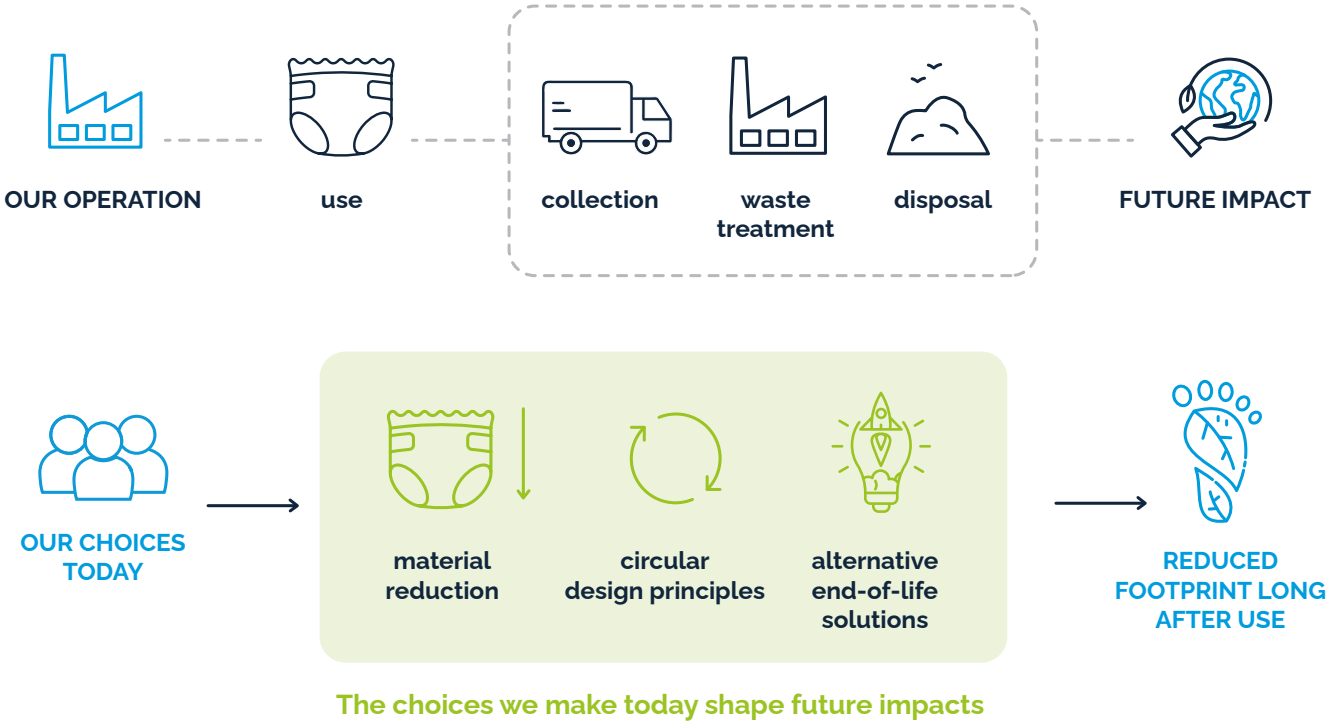
We design products and packaging to use fewer resources, perform better, and leave a smaller environmental footprint. By focusing on **minimalism from the start**, we help avoid waste at the end. At the same time, we continue to explore circular solutions that support reuse, compostability, and biodegradability throughout the product lifecycle.

As **recycling used hygiene products** remains an important topic, we keep working together with leading recycling partners to better understand the opportunities and limitations of current technologies. While recycling can recover certain materials, today's solutions often face challenges related to material quality, recovery yields, economic viability, and scalability. As a result, recycling is not yet considered the most effective long-term end-of-life solution for hygiene products.

Approximately **two-thirds of a used hygiene product is compostable,** while **superabsorbent polymer (SAP) cannot be recovered** through conventional recycling systems.

This makes product compostability an important area of innovation. To support this ambition, we have invested for several years in the development of biodegradable SAP, achieving a breakthrough that combines high product performance with improved end-of-life characteristics.

Although the environmental benefits of these innovations may take time to be fully reflected in environmental data, they represent an **important step** toward more circular hygiene products.



The choices we make today shape future impacts

Introducing the compostable diaper

Driven by the need to rethink the environmental impact of hygiene products at the end of their life cycle, we partnered with **Love & Green** to develop one of the industry's most ambitious innovations: a **fully industrially compostable diaper**, including biodegradable superabsorbent polymer (SAP).

Developed through a multi-year collaboration with leading raw material suppliers, the solution combines **extensive technical validation, continuous consumer testing, and industrial composting verification** to ensure environmental performance goes hand in hand with comfort, absorbency, and reliability. Throughout the development process, we focused on maximizing the share of bio-based materials as we kept improving the product through an iterative, full-lifecycle approach.





Our joint mission: to decarbonize baby diapers

Compostable diapers are the solution for moving away from petrochemical plastics and controversial substances.

By the end of 2025, we achieved the following milestones:

> **50 materials**

> **25 global suppliers**

> **2 million diapers produced**

> **Implemented in different daycare centers**

> **Ongoing industrial compostability testing**

> **In fully closed loop**

Crafted from a high percentage of natural, plant-based materials, the diaper is certified for composting in standard industrial composting facilities. We are actively working to **further increase the bio-based content**, pushing the boundaries of what sustainable hygiene can be.

A verified and traced composition

- **Maximizing** number of ingredients of **natural** or **bio sourced origin**

- **100%** ingredients are **biodegradable** in industrial compost

Committed stakeholders involved in the project:

Partner retailer

Love & Green

Initiator of the compostable diaper initiative

Local partners

Nursing facilities

Transportation

Composting facilities

Life cycle

Return to agricultural land
"From field to field"



Project timeline

2021 - 2023

R&D

Develop a viable compostable diaper

2022 - 2025

SCALE UP

Conduct trials in partner nurseries and composting facilities

2024 - 2026

LAB VALIDATION

Validate performance, toxicology and compostability

2025 - 2026

CONSUMER VALIDATION

Validate the final product through panels

2026 - ...

MARKET EXPANSION

Deploy in new markets

This innovation is already making a measurable impact by **reducing the number of diapers sent to landfills or incinerators**. It also opens new opportunities for composting in professional environments such as hospitals and childcare centers, paving the way for a more circular and responsible approach to hygiene.

To learn more about our compostable diaper and our collaboration with Love & Green, visit this article:drylocktechnologies.com/introducing-the-worlds-first-compostable-diaper/

Looking ahead

The progress achieved so far shows what can be accomplished through **transparency, innovation, and data-driven decision-making**. Our footprint assessments also confirm that the greatest potential to reduce greenhouse gas emissions now lies beyond our own operations, **within the broader value chain**.

The next phase will require **product innovation, material transformation, supplier collaboration, and long-term investment**. It will also require recognizing that the impact of today's emissions is not always immediately reflected in reported emissions. Many initiatives already underway, including bio-based materials, circular solutions, supplier decarbonization, and compostable products are laying the foundations for future reductions.

Our ambition is therefore not only to reduce today's footprint, but also to **design the lower-carbon products and value chains of tomorrow**. By integrating sustainability across the lifecycle, we aim to create lasting value for both people and the planet.



4.3. Protect: being socially transparent

Protecting our workforce

At Drylock Technologies, everything starts with **our people**. As a family-owned company, we believe that a strong organization is built on a workspace where people feel safe, respected and supported. This is why **health and safety**, together with **human rights**, are not only material topics but also fundamental principles guiding our day-to-day operations.

Our approach goes well beyond meeting requirements. We strive to create a workplace where employees can perform at their best, knowing that their **health, safety and well-being** is taken seriously. Across all our sites, we encourage openness, responsibility and active involvement. We believe that the best solutions are developed together with our employees through **active dialogue**, **consultation and participation** across the organization. Protecting **our workforce** is a shared responsibility across teams and locations.

Transparency and open dialogue are essential to this approach. We encourage employees to speak up, share concerns and actively contribute to a **safe, respectful and inclusive workplace** where everyone has the opportunity to contribute and make a difference.

To stay sharp and accountable, we regularly benchmark our performance through **SMETA (Sedex® Members Ethical Trade Audit) assessments** across our manufacturing plants. These independent audits help identify improvement areas and verify that our standards for **labor practices, health and safety, environmental management and business ethics** are effectively implemented.

As our company continues to grow, our focus remains the same: protecting the rights, health, and well-being of our **global workforce**, while fostering a culture built on **fairness, respect and equal opportunities**.

During the year, we further strengthened this approach through four focus areas:

- **Health and safety:** We focus on prevention and awareness, supported by training, monitoring, and continuous improvement initiatives aimed at reducing risks and incidents across our operations.
- **Employee well-being:** We continue to invest in initiatives that support both the physical and mental health of our employees, contributing to a balanced and sustainable work environment.
- **Diversity and inclusion:** We promote a workplace where differences are respected and everyone feels welcome, enabling individuals to contribute fully and authentically.
- **Empowerment & development:** Through fair employment conditions and access to training and development, we support our employees in growing their skills and shaping their own career paths within Drylock.

Health and safety

At Drylock Technologies, leadership means accountability. We prioritize safe working conditions for all employees, contractors, and visitors, guided by our **Code of Conduct** and daily operational practices.

Safety is a shared responsibility across all our sites. Employees are encouraged to act when identifying unsafe situations, to speak up whenever they do not feel adequately trained to perform a task safely, and to actively contribute to preventing incidents. This proactive mindset is supported by role-specific training, local health and safety committees, and preventive routines such as housekeeping and hazard identification.

Regular internal audits and continuous monitoring ensure that our occupational health and safety management system remains effective and evolves over time. Safety performance is tracked across all plants, allowing us to identify trends and drive improvements. These efforts are reflected in strong external outcomes, including independent audit results confirming well-managed working conditions across our sites and **as well as zero OSHA-recordable incidents in the United States during 2025.**

We keep investing in better working conditions through **targeted initiatives**. These include reducing manual handling of heavy materials by introducing adapted ergonomic workstations and lifting systems, as well as optimizing equipment layouts to minimize physical strain.

Employees have the right to remove themselves from unsafe situations without fear of retaliation. In case of incidents, structured investigations are conducted to identify root causes and implement corrective actions.

Main risks & opportunities

Based on internal and external risk assessments, the most relevant occupational health risks within our manufacturing operations relate to **residual energy, noise exposure, and manual handling**, particularly from an ergonomic perspective. These risks are inherent to our activities and were also reflected in the most significant incidents during the reporting period.

These findings guide **health and safety initiatives across our sites**, such as reducing physical workload, improving ergonomics, and strengthening preventive measures on the work floor.

Other potential risks, including fire and explosive atmospheres, are effectively managed through robust preventive systems. Our facilities are equipped with automatic detection and suppression systems, supported by regular training to ensure preparedness.

We apply the hierarchy of controls to systematically eliminate or reduce risks, ensuring that hazards are addressed in a structured and effective manner in line with applicable local requirements.

39% reduction in lost days

In 2025, the number of lost workdays decreased by 39% compared with 2024.



Bringing safety to life across our sites

Safety is reinforced through practical initiatives across our sites. **Health and safety awareness campaigns and dedicated events** such as Safety Prevention Week (SIPAT) actively engage employees in promoting safe behaviors and preventing risks in daily operations.

These initiatives help maintain a strong safety culture across our sites and contribute to improved safety performance, including extended accident-free periods in several locations.

At our Capivari site in Brazil, safety is reinforced through strong collaboration between our **Security teams, CIPAA committees and Emergency Brigade**. This collective effort resulted in a major milestone: almost **two consecutive years without a single lost-time accident.**



640 days without accidents in Brazil



Bosmarathon HQ

Supporting well-being across our workforce

Supporting our people extends beyond physical safety to their overall well-being. Across our sites, we promote initiatives that encourage both physical and mental health, helping employees maintain a healthy and balanced lifestyle. Employees are supported through a range of initiatives, including well being communications, health awareness programs, and local activities that encourage active lifestyles, connection and team engagement. Examples include on-site yoga sessions and employee-led sporting activities, organized at site level.

Mental health is an important focus. Initiatives such as our "Right to Disconnect" approach, encourage employees to unplug outside working hours and maintain a healthy work-life balance.

Health awareness in practice:

In Brazil, employee well-being is supported through health awareness and education initiatives. During **"Outubro Rosa" (Pink October)**, a month dedicated to breast cancer awareness, our sites in **Capivari and Poá** held dedicated sessions for employees across all production shifts.

Together with external health specialists, employees received practical information on **prevention, self-care, and early detection**, ensuring these important topics were accessible to everyone on site. The series also created opportunities for dialogue and engagement, encouraging employees to take an active role in their health both inside and outside the workplace.

"As a certified Vinyasa yoga teacher, I guide weekly sessions that blend movement and relaxation, helping colleagues recharge during the workday. It's amazing to see how these moments bring energy, balance and inclusivity, with both female and male colleagues participating."



YOGA classes Buccinasco



Fitness room Zele, Belgium

Employee consultation and/or participation:
Short communication flows.
Open dialogue and communication.
Hotline and whistleblower available.
Employee assistance programs.



YOGA classes Buccinasco, Italy



Street run Rafard, Brazil

Employment and working conditions:
Social benefits for all employees with unlimited contract.
Focus on health insurance/medical plan for employees in developing countries.
Focus on physical health – physical therapy, wellness, weekly/ monthly team building sport activities and fitness center.



Padel in Segovia, Spain

Diversity and inclusion

As a global company, we are committed to fostering a workplace where respect, fairness, and equal opportunity are embedded in our everyday practices. We recognize that diversity strengthens our organization and value the different perspectives, backgrounds, and experiences our employees bring. Our Code of Conduct sets out a clear framework for respectful behavior and equal treatment across all locations. Discrimination or harassment in any form is strictly prohibited, and all employees are expected to contribute to a safe, inclusive, and respectful working environment.

We take a structured and transparent approach to fostering inclusion, supported by awareness initiatives, engagement activities, and ongoing dialogue across our sites. These efforts are integrated into our broader social and governance approach and continue to evolve as we promote a culture of openness and mutual respect.

Recent sessions and initiatives have explored topics such as **gender equality, inclusive language, and respectful workplace behavior**.

To ensure every voice is heard and understood, we provide multilingual communication, local support, and tailored initiatives that help employees across different sites feel confident and included.

Local awareness campaigns and site-level initiatives bring these principles to life in a **tangible** way, through activities around International Women's Day and LGBTQ+ inclusion, among other topics.

Using our products to make a difference

In Italy, selected feminine care products carried the message "Say no to violence against women" together with the national support number **(1522)**, helping raise awareness and directing women to available support services. Employee engagement activities such as internal events and site-driven activities help strengthen connections between colleagues and foster an inclusive workplace across our global operations.

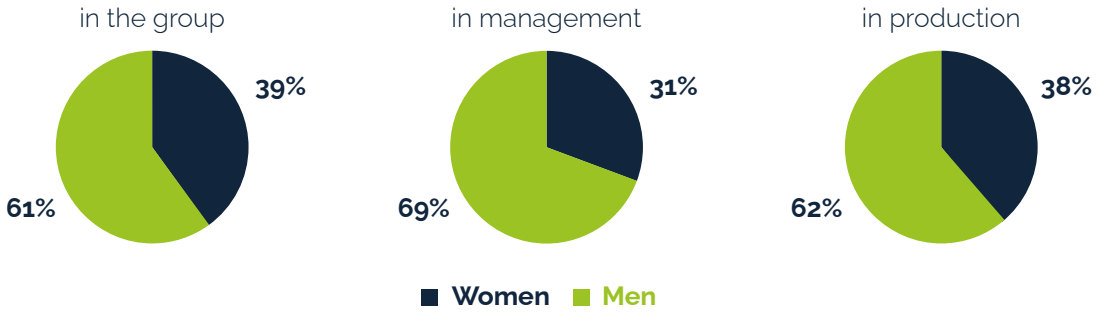
This is supported by **internal guidelines, workplace procedures, and targeted initiatives** that help prevent inappropriate behavior and promote fair and consistent treatment across our organization. Together, these measures reinforce a workplace where everyone feels respected, included, and empowered to contribute to the long-term success of our organization.



42
different nationalities



Gender split per group in 2025



Empowerment and development

Responsible employment and fair remuneration

Responsible employment practices and competitive remuneration are fundamental to attracting, supporting and retaining our workforce.

All employees and contract workers receive wages above the living wage in their respective countries. This approach is guided by internationally recognized benchmarks, including the IDH Living Wage Benchmark, and is reviewed annually to reflect local economic conditions and evolving standards. We systematically **benchmark our remuneration practices** against both living wage requirements and industry standards, and today **100% of our internal workforce is covered by these living wage assessments.**

Our efforts are reflected in external recognition, including the **Pluxee Employer of the Year** award in the Czech Republic, which we have received for six years in a row, highlighting our ongoing commitment to responsible employment and employee well-being.



SMETA®

EXTERNAL ASSESSMENT

All our operational facilities undergo regular **Sedex® SMETA audits**, one of the world's leading platforms for ethical trade. These assessments reinforce our commitment to ethical, transparent, and socially responsible labor practices, while supporting continuous improvement across our operations.

They help us strengthen working conditions, uphold business integrity and ensure alignment with high standards across our global footprint

Proud to be a Sedex Member

Fostering a culture of connection

Drylock Technologies fosters a **shared culture** that connects employees across its manufacturing sites while respecting the **unique identity of each location**. Through local events, employee-led activities, and opportunities to involve families, we strengthen connections across the organization.

These initiatives include **Family Day celebrations**, summer activities for employees' children and festive moments such as visits from Santa and Sinterklaas. We also recognize individual contributions through employee spotlights and milestone celebrations.

Across our sites, **informal activities** such as after-work sports, social gatherings, and interactive quizzes encourage employees to connect, strengthen teamwork, and build relationships beyond the workplace.

Together, these initiatives help create a workplace where employees feel **connected, appreciated, and proud** to be part of Drylock.



Kick-off event HQ, Belgium



Christmas Bingo Brazil



Family Day HQ, Belgium



Family Fun Day Reidsville, US

Customer service event in Hrádek

To **align customer service practices** across our global operations, we organized our first international **Customer service event**. Bringing together teams from all plants and business units, the event focused on **knowledge sharing**, addressing common challenges, and enhancing capabilities in areas like customer communication, automation, and onboarding. This initiative reflects our commitment to empowering employees, fostering collaboration, and continuously improving customer experience.



Growing careers from within

At Drylock Technologies, we know that long-term success starts with our people. By investing in career development, internal mobility and continuous learning, we create an environment where employees can develop ways that suit them best, whether that means building a dynamic career path or finding fulfilment and stability in their current role. The career journeys of **Rosângela Fonseca** and **Gleisse Nicola** at Drylock Brazil illustrate how trust, collaboration and opportunity translate into meaningful, long-term employee development and engagement.

Building expertise through quality leadership

Rosângela Fonseca is responsible for Quality management and laboratory analyses for products and materials in development. Her role ensures that products consistently meet internal standards, regulatory requirements and customer expectations across all stages from development to production.

Following Drylock's acquisition of the Brazilian operations, Rosângela focused on understanding the company's processes and standards. She played a key role in aligning laboratory and production routines with Drylock's global quality requirements. Motivated by a strong desire to learn and contribute to business growth, she gradually expanded her responsibilities.

Along the way, she strengthened her **leadership skills**, improved cross-functional communication and developed a more data-driven approach to quality and continuous improvement.

One of the key challenges Rosângela faced was leading the shift towards **global standardization** while securing approvals from major international customers such as Carrefour and Walmart. Despite operating in a demanding environment marked by construction works, new equipment installations and limited initial buy-in, Rosângela and her team successfully obtained customer approvals, strengthening Drylock's presence in the regional market.

Today, her work contributes to the **safety and reliability of Drylock's products**. Through strong quality management, close oversight of materials, and ongoing improvement, she ensures that customer needs are met at every stage.

"I am proud to be part of Drylock. I am driven by challenges and passionate about my work."

Rosângela Fonseca – Quality Management, Drylock Brazil



From production floor to strategic procurement

Gleisse Nicola has been part of Drylock Brazil for nearly **twenty years**. She started her career on the production line and gradually built a broad understanding of the business by working across several departments, including reception, planning and Health & Safety. Since 2011, she has been active in Purchasing.

In her current role, Gleisse is responsible for raw materials, indirect materials, contracts and import activities. Procurement plays a **strategic role** within Drylock, closely connected to key business decisions. Gleisse's work focuses on connecting internal needs with supplier markets and identifying solutions that support efficiency, innovation and competitiveness.

Drylock's acquisition of the Brazilian operations marked a turning point in her professional journey. Increased collaboration with the global organization and exposure to new challenges broadened her perspective and supported her development into a **leadership role**. Over time, she gained a global perspective on materials, technologies and processes, as well as expertise in sustainability, innovation, and the full product lifecycle.

Today, Gleisse's impact lies in **connecting teams across production, quality, logistics, sales, marketing and suppliers**. By strengthening collaboration across the value chain, she helps enable agile decision-making and **long-term value creation** for the business.



"My greatest pride is having started on the production line and today leading a strategic area of the company. My journey shows that with dedication, learning and opportunity, everyone has the opportunity to grow."

Gleisse Nicola
– Purchasing Manager, Drylock Brazil

"At Drylock, growth looks different for everyone: some employees build new careers, while others deepen their expertise and continue to thrive in the roles they value."

Career development

Company growth goes hand in hand with the growth of our people. That is why we create space for continuous learning, skill-building, and professional development. Through **structured development paths and regular performance conversations**, employees deepen their expertise, develop new skills and take ownership of their professional journey, whether by progressing to new opportunities or growing within their current role.

We continue to develop structured learning initiatives and promote cross-departmental collaboration, enabling employees to broaden their skills and gain experience across different areas. We are also **embedding employee-centric processes and digital tools** to make training more accessible, consistent, and transparent across the organization.

Employees receive **training** on key environmental, social, and governance topics, including sustainability, ethics, and safety, helping them understand the broader impact of their work and stay aligned with our core values.

These initiatives support the development of a **knowledgeable, agile, and engaged workforce**, ready to meet future challenges and contribute to Drylock's long-term success.

In 2025, Drylock Brazil **made a significant investment** in the development of its senior leadership team. Through participation in the Gallup Clifton Strengths program, managers gained deeper insight into their individual talents and how to build on them.

By focusing on each person's top five strengths, the program promotes greater self-awareness, strengthens collaboration and empathy within teams, and helps leaders make the best use of their talents. The program supports a strengths-based approach to leadership, helping managers develop their own capabilities while supporting the growth of their teams.



90%
employees trained

+91,000
hours of training



Sustainability built by people

Nearly three decades in hygiene

Miguel González has been in the hygiene industry for **almost 30 years**. Over time, he saw the sector evolve from relatively simple products to highly engineered solutions focused on performance, efficiency and sustainability. His motivation has always remained the same: improving everyday products that millions of families rely on.

"Long enough to see babies grow up and later buy products for their own children."

Building something bigger than a factory

When establishing our production site in Segovia, our ambition was clear: to build a modern manufacturing hub and strengthen the local industrial ecosystem. Today, the impact is tangible. **Drylock's activity generates nearly 3% of Segovia's provincial GDP**, while the hygiene sector around the city represents **more than half of the province's exports.**

For Miguel, the true achievement is bigger than the numbers: "Most of our employees come from the region. People bring in friends, neighbors or family members. Over time it becomes a natural ecosystem almost like a family." This organic culture reflects Drylock's identity as a **family-owned company**, where collaboration and community naturally shape the workplace.

"When you build something meaningful with people from the region, it becomes much more than a factory."

Connecting with the community

Drylock's relationship with Segovia extends beyond its factory gates through partnerships with local organizations and community initiatives. One example is the **Drylock Forest**, created in collaboration with schools, community organizations and local partners. Open for the public a living example of how industry and nature can coexist.

Art and culture are also part of Drylock's connection with the local community. Local artists display their work on billboards on the Segovia site, while a well-known **local paraglider** has captured spectacular aerial 3D images of the region using a Drylock-branded parachute.

A plant built for the future

For Miguel, the Segovia plant is personal: "**It's my baby**." The site represents the newest generation of Drylock facilities, combining state-of-the-art production technology with ambitious sustainability standards. It operates on **100% renewable electricity**, with roofs and parking areas covered in solar panels.

"Globally, there are very few factories in our industry that operate at this level."

The next chapter

Growth continues in Segovia. Drylock is developing a **new warehouse and logistics infrastructure** that integrates advanced technologies and renewable energy solutions. The project is being developed with local partners, further strengthening the industrial ecosystem around the site. For Miguel, the vision remains simple.

"A factory is not just where products are made. It's where people build something together."



Local job creation

Creating meaningful employment

As Drylock continues to expand its global footprint through new facilities and investments, we continue to **create local job opportunities** in every region where we operate. These investments provide stable, high-quality jobs while supporting individual development and strengthening local economies.

We are also embedding employee-centered processes supported by **digital tools and data-driven insights** to improve employee experience. Simplified access to information, self-service solutions, and data analytics help make HR processes more accessible, efficient, and responsive.

To explore global career opportunities, visit www.workatdrylock.com



Protect our systems

Our commitment to protecting our workforce extends beyond physical safety. It includes safeguarding the digital environment our people rely on every day.

As a global company, Drylock Technologies depends on **robust IT systems and information security** to ensure operational efficiency, product quality and reliable delivery. From production lines to financial systems, our digital infrastructure is essential to keeping business running smoothly and securely.

In 2025, the importance of cybersecurity was further reinforced. This reflects how Drylock's growth, increasing digitalization, and expanding global footprint also lead to a larger and more complex risk landscape. As our "attack surface" increases, so does the need for a more proactive, structured and resilient approach to cybersecurity.

We strengthen our digital defenses through technology, external expertise, and internal capabilities. This includes enhanced network protection measures, 24/7 monitoring, and a **Security Operations Center (SOC)** that provides real-time threat detection, incident response and system surveillance across our global operations.

We're also evolving towards **a more proactive security model**, focusing on risk identification and prevention before incidents occur. Continuous risk monitoring, network segmentation, and the application of zero-trust principles help improve our overall cybersecurity posture.



DRYLOCK IT ACADEMY

To complement these technical measures, we're building a strong "human firewall". Through the **Drylock IT Academy**, employees are engaged through realistic phishing simulations and targeted training programs designed to turn awareness into instinctive behavior. These learning initiatives are updated regularly to reflect evolving threats and reinforce a culture of vigilance and responsibility across the organization.

By combining advanced security infrastructure, continuous monitoring, and employee awareness, we are strengthening our ability to prevent, detect, and respond to cyber threats, so that our digital environment remains **secure, resilient, and aligned** with the needs of a rapidly evolving business.



SMART AND SECURE WITH AI

As of 2025, Artificial Intelligence is no longer a future concept, but **part of our daily operations**. Across our organization, we are exploring how AI can support faster decision-making, streamline routine tasks, and strengthen our digital resilience.

As AI adoption expands, we ensure its use remains aligned with our governance standards and security requirements. A **dedicated AI policy**, supported by internal guidance, learning sessions, and regular newsletters, helps employees use AI responsibly and confidently in their daily work.

By combining innovation with clear governance, we maximize the benefits of AI while maintaining strong digital governance and protecting both our data and our stakeholders' trust.

Social and environmental commitments

Community development

At Drylock, community engagement is not driven from headquarters; it is built locally, where our people live and work. Across our global footprint, each site takes ownership in responding to the specific needs of its community, translating our values into tangible actions on the ground. This decentralized approach allows our teams to create real impact, supporting **social organizations, educational initiatives, environmental projects, and local communities** in ways that are relevant and meaningful.

These efforts take different forms across our sites. In **Segovia, Spain,** the team works closely with a broad network of local organizations, supporting community associations, sports events, and cultural initiatives. In **Hrádek, Czech Republic**, more than **550,000 products** were donated to NGOs and community organizations supporting vulnerable groups.

In **Brazil**, community support is closely linked to both employee initiatives and local needs, including partnerships with organizations such as Casa da Criança and the donation of essential products to families and care institutions.

In the United States, employees support environmental and educational organizations, while also strengthening employee engagement through initiatives such as celebrating National Manufacturing Day. Our US operations were also selected as a finalist for the **Wisconsin Manufacturer of the Year** awards, in the category Excellence in Product & Process Innovation, a competitive program recognizing leading manufacturers and their broader impact on the regional economy and communities.

Although community initiatives differ from site to site, they share the same objective: remains unchanged:

To create a lasting, tangible impact while building strong relationships with the communities we are part of. Because at Drylock, impact starts locally but grows globally.



Finalists Manufacturer of the Year Wisconsin



Donation of diapers units to a Social Solidarity Fund in Capivari, Brazil



Donation of Christmas food kits to “Casa da Criança” in Capivari, Brazil



Free cupcakes on manufacturing day US – Eau Claire



Family Day donation to Beaver Creek Reserve, US





We donated baby diapers to the Prof. Maria Aparecida Quagliato Forti Nursery and adult diapers to the Elderly Home. In recognition of this partnership, we received a certificate acknowledging our Brazilian contribution.

Drylock Forest – growing impact

Our commitment to the environment extends beyond our operations; it becomes visible in the communities and landscapes around us.

In 2023, this vision took shape with the creation of the **Drylock Forest**, located next to our Segovia plant in Spain. What started as a collaboration with local authorities, schools, entrepreneurs and community members has grown into a **shared project** that brings people and nature closer together.

On what was once arid land, a new ecosystem is gradually taking shape. Carefully selected native species, adapted to the local climate, are not only **restoring biodiversity** but also strengthening the resilience of the landscape. Today, the forest hosts **more than 3,500 plants**, reflecting a strong and visible evolution from the initial planting phase.

The Drylock Forest is not just about planting trees, it is about building connections. Customers and partners have visited the site and planted trees themselves, becoming part of the story and contributing to a tangible, long-term impact. Each tree represents a shared commitment to a more sustainable future.

'Behind the scenes', ongoing care is essential. The forest is actively monitored and maintained to ensure healthy growth, with tailored measures addressing local conditions such as soil quality, wind exposure, and interaction with wildlife. This continuous attention ensures that what we plant today will thrive tomorrow.

The forest has been designed in alignment with local flora, and the selection of tree species reflects regional ecological conditions. **Native species** such as ash (Fraxinus excelsior) and oak (Quercus Robur) have demonstrated strong adaptation and resilience, with monitoring confirming healthy growth and survival rates.

Looking ahead, the story continues. In 2026, a new chapter will be written with the planting of **1,500 additional trees**: 750 in spring and another 750 in autumn, further expanding the forest and strengthening its environmental value. This growth supports our longer-term ambition to extend the forested area and deepen its ecological impact.

Through the Drylock Forest, we are not only restoring land; we are creating a lasting space where **biodiversity can flourish**, communities can come together and our commitment to sustainability becomes visible, tangible, and shared.

To learn more:
Discover the story behind our first tree

drylocktechnologies.com/why-we-planted-the-first-tree-of-our-drylock-forest/

Global solidarity

Caring beyond borders

WHY HYGIENE MATTERS

Access to hygiene is a basic human need, yet for many families it remains out of reach. Poverty, limited healthcare infrastructure, and humanitarian crises can all restrict access to essential hygiene products, affecting health, dignity and wellbeing. Through **targeted product donations** and partnerships, we can make a meaningful difference both close to home and far beyond our core markets.



Global impact: Supporting maternal and child health in Togo

In **Kara, Togo**, hospitals operate under extremely challenging conditions, with limited medical equipment and scarce hygiene supplies. A dedicated Belgian medical team carried out a **two week humanitarian mission**, providing essential maternal and pediatric care under difficult circumstances. During the mission, the team performed **complex surgeries** and birth assistance, often treating patients who had travelled many hours to receive medical care.

DRYLOCK'S CONTRIBUTION

To support this initiative, **Drylock Technologies donated essential hygiene products, including reusable menstrual underwear** for women, bed protection underpads for hospital use, and baby diapers for the hospital's pediatric department. In situations where disposable hygiene products are unaffordable or unavailable, these donations help provide **practical and dignified support** for mothers and newborns.



Local impact: UW valleys diaper bank (United States)

Closer to home, Drylock supports families facing hygiene insecurity in the United States through partnerships such as **UW Valleys Diaper Bank** in Wisconsin. Many families struggle to access basic baby care products, a challenge that directly affects infant health and parental wellbeing.

DRYLOCK'S CONTRIBUTION

Drylock donated **baby diapers** to UW Valleys Diaper Bank, helping ensure that essential products reach families who need them most. The organization explicitly thanked Drylock for its support and confirmed that this contribution made a meaningful difference within their community.

These actions are not isolated: they reflect our broader ethos of collaboration and care, and our belief that business has a vital role to play in building resilience where it matters most.

Responsible supply chain

Building a responsible supply chain remains a key focus area for Drylock, as highlighted by our **double materiality assessment**. We continue to strengthen our approach by embedding sustainability criteria more deeply into our supplier relationships and procurement processes.

We've made significant progress in recent years by further formalizing our expectations through our **Supplier Code of Conduct and Anti-Corruption statement**. These frameworks set clear requirements for our suppliers in terms of ethical behavior, human rights, labor conditions, and environmental responsibility. As living documents, they are regularly reviewed and updated to reflect evolving standards and regulatory expectations.

In 2025, **98% of our key suppliers**[1] were aligned with our **Supplier Code of Conduct**, surpassing our **2025 target of 95%**. To maintain and further strengthen this alignment, we combine audits, site visits, self-assessments, and ESG screenings. Suppliers are prioritized using a risk-based approach considering spend, criticality, geography, and environmental and social risks, enabling targeted due diligence and engagement activities across our value chain. That way, our teams can monitor supplier performance closely and ensure that our standards are consistently applied across our value chain.

Our **Sustainability Supplier Charter**, which is reviewed and updated annually, translates Drylock's sustainability ambitions into a clear and practical framework for suppliers.

[1] **Key suppliers: Top 50 suppliers based on yearly purchasing volumes including all Drylock entities**

Through structured self-assessments, we gather detailed information on ESG (**environmental, social, and governance**) practices. These insights are integrated into each supplier's performance evaluation, ensuring that sustainability plays a meaningful role in procurement decisions.



100%

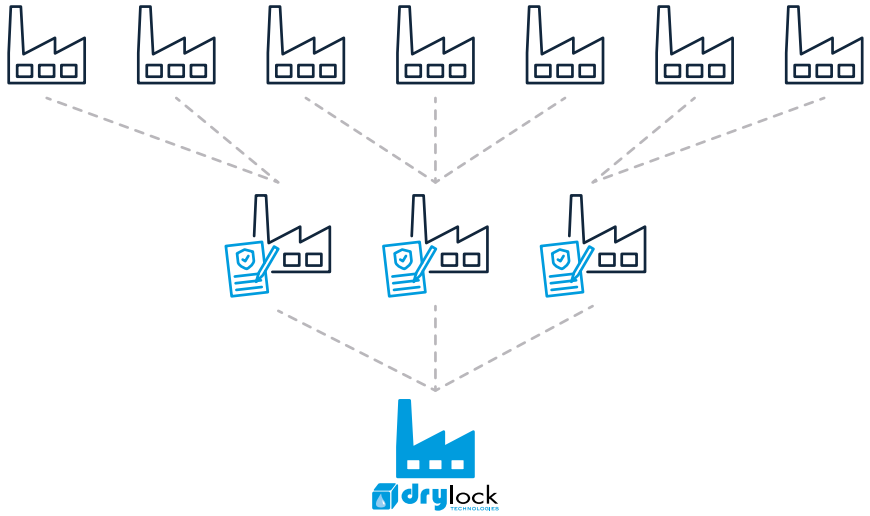
100% of our key suppliers have a Sustainability (CSR) policy in place

96%

96% of our key suppliers have a H&S policy for their employees

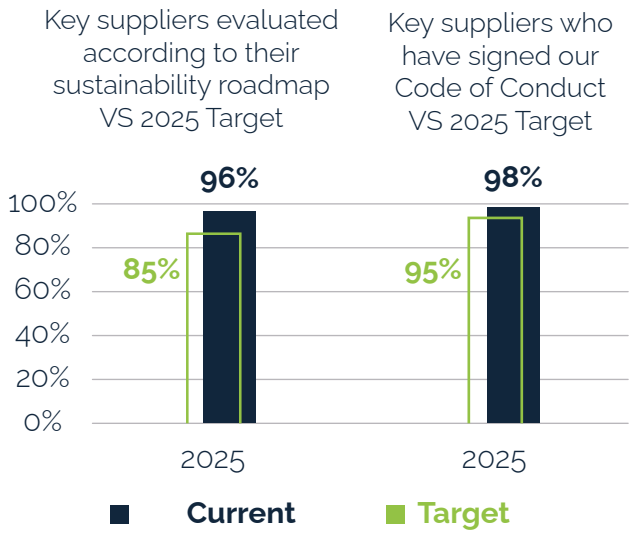
96%

96% of our key suppliers have a sustainable procurement policy for their suppliers



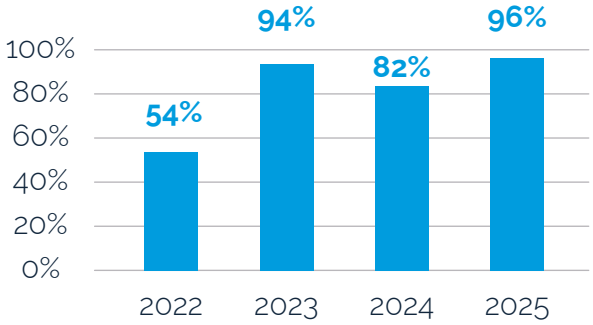
Where opportunities for improvement are identified, our preferred approach is to work collaboratively with suppliers through corrective action plans and continuous improvement initiatives before considering disengagement. Based on the results of the questionnaires, **we identify areas where additional support or training may be needed**. This allows us to define targeted follow-up actions, including closer collaboration with suppliers, tailored improvement plans, and the integration of ESG performance into tender decisions. In doing so, sustainability is not only encouraged but actively embedded into how we manage and select suppliers.

This approach also helps us better understand the challenges and opportunities our suppliers face in their sustainability journey, opening the door for stronger collaboration and shared progress. In 2025, **96% of our key suppliers were evaluated on ESG performance**, exceeding our 2025 target of **85%.**



96%

96% of our key suppliers have been evaluated according to their ESG/sustainability roadmap

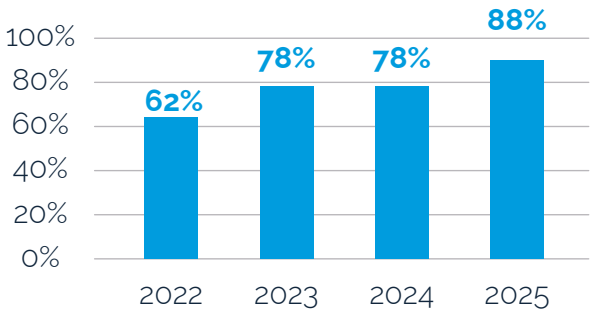


Strong improvement in
ESG maturity assessments

Suppliers evaluated against an ESG/sustainability roadmap increased from 54% in 2022 to 96% in 2025 (+42 pp), making this the largest improvement across all indicators.

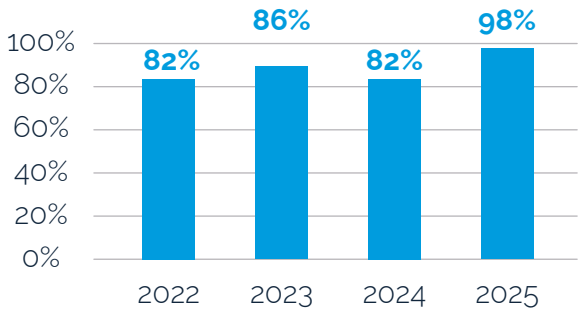


9 out of 10 of our key suppliers have signed Drylock's Supplier Charter on Climate Action



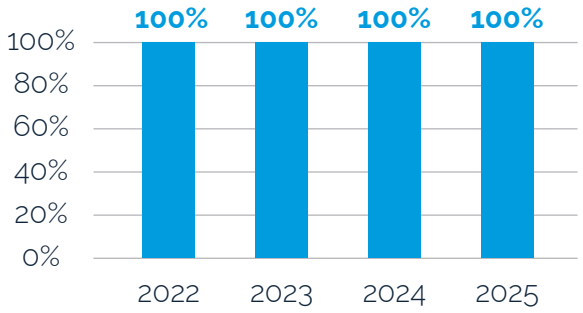
Climate action expectations becoming standard

Suppliers who signed the Supplier Charter on Climate Action increased from 62% in 2022 to **88%** in 2025 (+26 pp)



Near-full alignment with the **Supplier Code of Conduct**

- Increased from 82% in 2022 to **98%** in 2025 (+16 pp)
- Strong supplier commitment to Drylock's ethical and sustainability requirements



100% screening and compliance maintained

- Environmental screening, social screening, and ESG audit compliance coverage remained at **100%**
- Robust supplier onboarding and monitoring process

We support these efforts by providing our procurement teams with dedicated training in responsible sourcing. This enables buyers to incorporate sustainability considerations into everyday decision-making and supplier interactions.

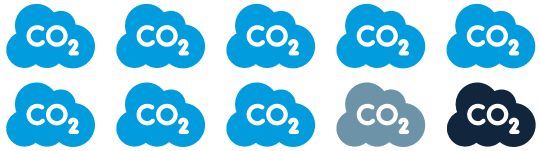
We are strengthening collaboration with our strategic suppliers on climate impact, emissions transparency, and responsible sourcing. This includes improving our understanding of supplier emissions and supporting suppliers in setting their own reduction targets. In line with our science-based targets, we aim for **50% of our suppliers by emissions** to have science-based targets in place by 2027. This extends our climate strategy across the value chain and supports the reduction of our Scope 3 emissions.

Building a responsible supply chain requires continuous effort and close **collaboration with our partners.** By embedding sustainability into our processes and relationships, we aim to drive long-term value and contribute to more resilient and responsible supply chains that support both business performance and positive environmental and social outcomes.

40%

On average **39,83%** of the electricity used in our supplier's production processes comes from renewable sources

Emissions per material shared



8 out of 10 key suppliers have shared their emissions per material (fully)
9 out of 10 key suppliers have shared their emissions per material (fully or partially)

SBTi commitment

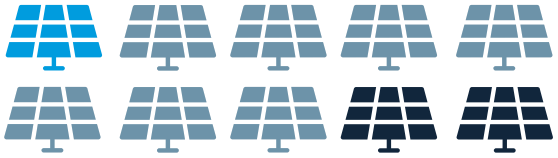


3 out of 10 key suppliers' SBTi targets are either in progress or already validated

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

On track to our 2027 SBTi commitment

Renewable electricity



8 out of 10 key suppliers use renewable electricity in their production processes
1 out of 10 key suppliers use **100%** renewable electricity in their production processes

Respecting workers across the supply chain

At Drylock, respect is not only a principle it is something we actively expect to see reflected across our entire supply chain. By asking suppliers to align with our **Supplier Code of Conduct**, we set clear expectations around **labor conditions, human rights, and responsible behavior**, both within their own operations and further down their value chains.

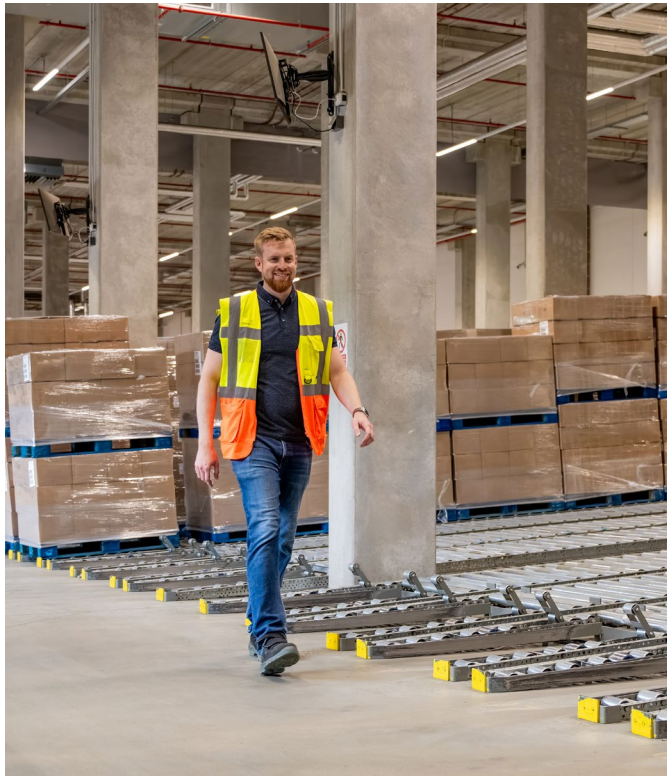
This means addressing risks such as forced labor, child labor, and human trafficking, while ensuring fair wages, safe working conditions, and equal opportunities. We expect our partners to create working environments where people are treated with dignity and can raise concerns openly.

To keep this close to reality, our **purchasing and sustainability teams** work directly with suppliers through audits, regular follow-up, and structured self-assessments, including the **Sustainability Supplier Charter**. External assessments, such as EcoVadis and Sedex® SMETA, are also integrated into our annual supplier evaluation process.

This combination of tools identify risks early, follow up where needed, and continue strengthening how we safeguard **workers' rights across our supply chain**.

Due diligence process for raw materials

External accreditations		Policies and statements	Management systems and certificates		Quality control
			On plant level	On finished products	
Non-renewable raw materials		• Declaration of conformity • Supplier code of conduct • Supplier Sustainability Charter • PETA declaration	• ISO9001 • ISO14001 • ISO 13485 • BRC • IFS • OEKO-TEX STeP	• Made in Green • EU Ecolabel • Nordic Swan • Blue Angel • Allergy Certified • Asthma Allergy • Skin Health Alliance	• Toxicological testing • Dermatological testing • Microbiological testing • Supplier audits • Documentation on material safety and quality
	Oekotex ST100				
Renewable raw materials					
Fluff pulp	FSC® PEFC®				
Organic cotton	GOTS OCS				
Green SAP	ISCC PLUS				
Green PE	I'm Green ISCC PLUS				



European Commission recognition

In 2025, Drylock was featured by the European Commission as an EU Ecolabel success story, highlighting how circularity, eco-design and environmental performance can support both sustainability and business growth.

Read the full European Commission success story:

environment.ec.europa.eu/news/drylock-absorbing-market-demand-eu-ecolabel-means-successful-business-2025-09-08_en

Protecting forests and biodiversity

The materials we use are closely linked to natural ecosystems and the communities that depend on them. As a manufacturer relying on fiber-based raw materials, we take responsibility for limiting our impact on forests and biodiversity.

Alongside initiatives such as the Drylock Forest and the installation of beehives at our headquarters, we focus on making responsible sourcing decisions throughout our supply chain.

Today, 100% of the **wood-based materials** we use originate from controlled sources, including **FSC® and PEFC® certified forests**, while all cotton is sourced as certified **organic cotton** through fully traceable supply chains under recognized schemes such as the **Global Organic Textile Standard (GOTS)**.

This chain-of-custody approach provides assurance on both the origin and processing of these materials and enables the manufacture of certified finished products, including selected products within our feminine care portfolio.

By combining local initiatives with responsible sourcing practices, we aim to reduce our environmental footprint while contributing to more resilient ecosystems and sustainable production systems.

We recognise that protecting forests and biodiversity requires long-term commitment and collaboration across our value chain. Our responsible sourcing approach, combined with full compliance with the EU Deforestation Regulation (EUDR), strengthens our ability to protect natural ecosystems while enhancing supply chain transparency and resilience.

We continue to strengthen supply chain transparency and traceability capabilities to support evolving regulatory requirements and customer expectations, including product carbon footprint calculations and deforestation due diligence.



100% responsible wood sourcing



100% organic cotton

Global vegan portfolio

We place strong emphasis on animal welfare and stand firmly against animal abuse. Supporting animal rights is a core part of our ethical approach to product development. Since 2022, our **entire product portfolio** has been **globally certified as vegan**, fully compliant with PETA standards. This ensures that no animal-derived ingredients or animal testing are involved at any stage of our production processes. Beyond certification, this approach is embedded in how we design, source and develop our products, aligning material choices and innovation pathways with ethical standards and consumer expectations. By integrating animal welfare considerations into our product development, we reinforce our commitment to delivering solutions that combine performance, safety, and responsibility, in line with Drylock's broader approach to sustainable innovation.

For more information, visit:
crueltyfree.peta.org/company/drylock-technologies/



chemical free

crueltyfree andvegan

Drylock was one of the first hygiene suppliers to launch PETA-approved, vegan-certified products.

4.4. Drive: being ethically transparent

At Drylock Technologies, business ethics shape how we make decisions, collaborate, and build long-term partnerships. A strong focus on **transparency, integrity, and accountability** underpins this approach, guiding how our employees act in their daily work, how we engage with stakeholders, and how we manage our responsibilities across our operations and value chain.

Drylock Technologies' business ethics are formalized in our **Code of Conduct**, which reflects both our corporate identity and shared values. This Code is reviewed periodically by the Board of Directors and applies consistently across all operations worldwide. It covers key topics including human rights, health and safety, employee well-being, environmental responsibility, legal compliance, antitrust, conflicts of interest, and anti-bribery and corruption.

All employees are required to complete training on the Code of Conduct and formally commit to its principles. The Code also applies to third parties acting on our behalf, ensuring a consistent ethical baseline across our operations. It remains accessible to all employees through the company intranet.

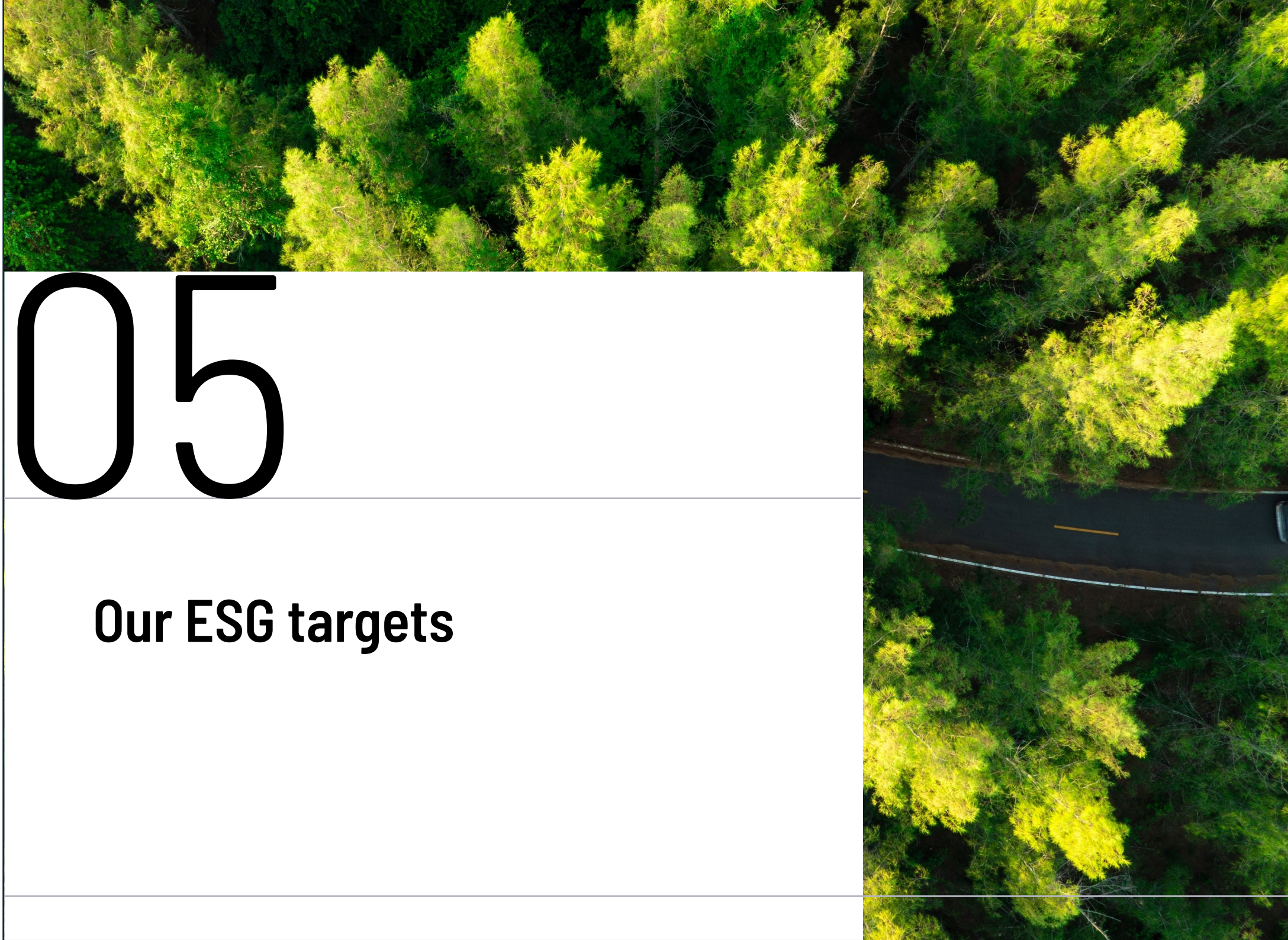
The Code of Conduct supports responsible decision-making and provides employees with the necessary guidance to understand and address ethical and legal risks in their daily activities. It reinforces alignment with our broader vision and mission, while promoting a culture of integrity and accountability.

We foster a workplace culture based on **respect, openness, and responsibility**, where employees are encouraged to speak up and raise concerns. To support this, Drylock Technologies has implemented an incident reporting process that allows concerns to be reported in a safe and responsible manner. This contributes to strengthening transparency and ethical awareness across the organization.

To further strengthen our approach, Drylock Technologies has implemented a **Third-Party Due Diligence Policy and Procedure**, establishing a structured process to assess and manage ethical and compliance risks in our relationships with third parties. This approach supports a more transparent and risk-based evaluation of business partners and reinforces our commitment to responsible business conduct across the value chain.

Our ethical framework extends across our value chain. We expect suppliers and business partners to adhere to the same principles of integrity, fairness, and responsible business conduct. These expectations are formalized in our **updated Supplier Code of Conduct (2026)**, which defines minimum standards on ethical behavior, human rights, environmental responsibility, and compliance across all tiers of the supply chain.

In line with this framework, our expectations are further detailed in the **Supplier Anti-Corruption Statement**, which forms a binding part of our supplier requirements. The statement requires suppliers to prevent bribery and corruption, avoid improper advantages, maintain accurate and transparent records, report suspected violations, and cooperate with oversight measures, including reviews or audits. Through these instruments, Drylock Technologies strengthens its approach to responsible business conduct and ethical supply chain management. Our concrete actions and commitments in this area are further detailed in the section **"Our ESG targets – Business ethics."**



05

Our ESG targets

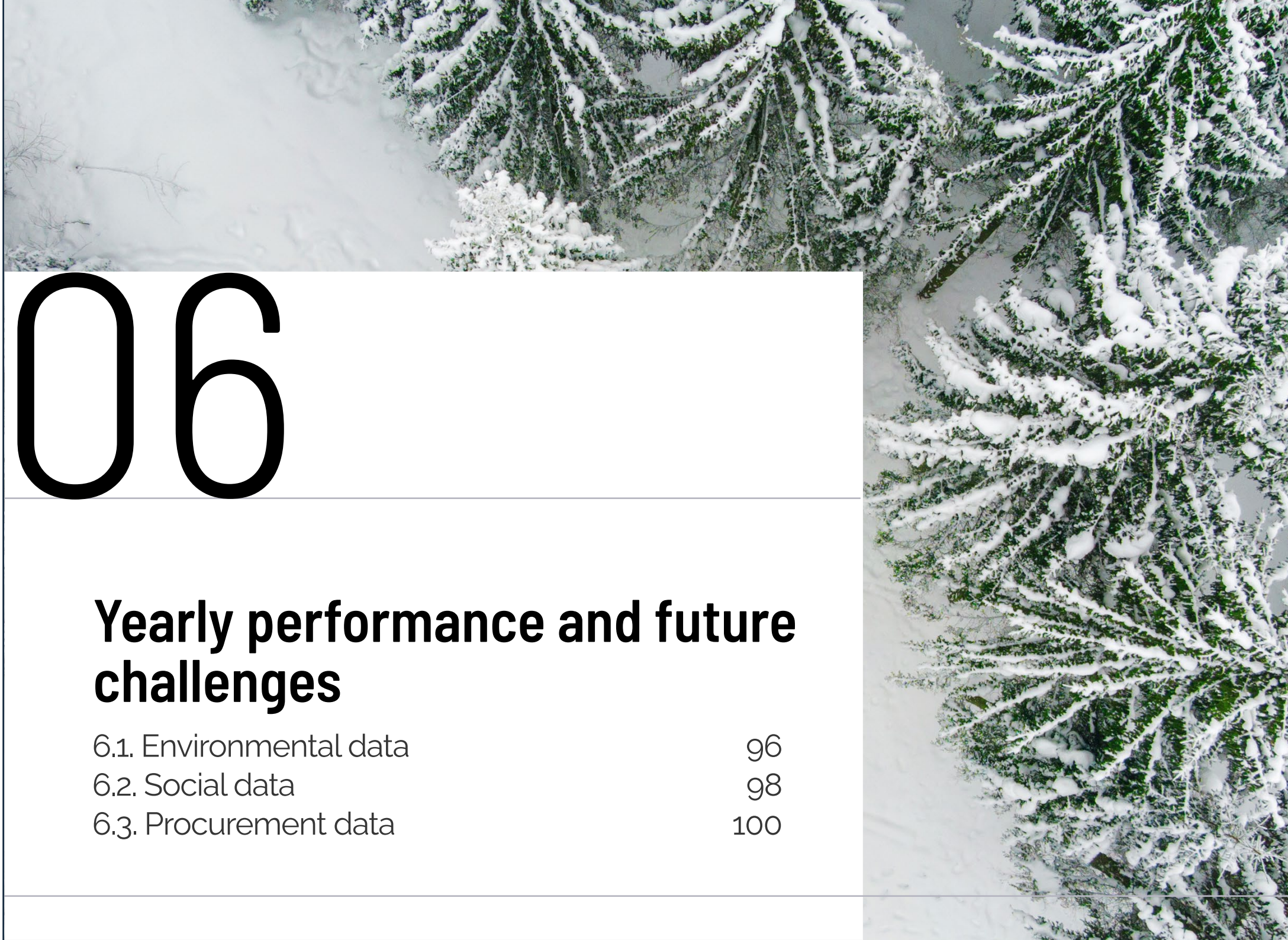
5.1. Our ESG targets

ESG	Drylock Material topics	SDG	Our sustainability KPIs	Unit	2021	2022	2023	2024	2025	Target	Target Year	Status	Remediation actions
Environment	Climate change and carbon emissions	7, 9, 13	Percentage reduction in absolute CO_2eq emissions (Scope 1 and 2)	%	-	87	84	83	84	70% reduction from a 2021 base year (SBTi target)	2030	On track	
			Percentage reduction in relative CO_2eq emissions (Scope 1 and 2 / 1000 finished goods)	%	-	90	89	88	89	70% reduction from a 2021 base year	2030	On track	
			Percentage reduction in relative Scope 3 GHG emissions (gCO_2e/gross piece)	%	-	6	17	8	10	25% reduction from a 2021 base year	2030	On track	
			Percentage reduction in relative Scope 3[1] GHG emissions (gCO_2e/EUR)	%	-	19	25	24	19	52% reduction from a 2021 base year (SBTi target)	2030	On track	
			Electricity intensity ratio	kWh /1000 finished goods	14.8	14.6	14.3	14.4	15.18	To maintain ratio below 15 kWh/1000	2030	Above target	Result above target in 2025 due to startup of new production plant in Reidsville. Target year redefined to 2030 and follow-up strategy in place
			Renewable electricity	%	68	100	100	100	100	To maintain 100%	2030	Target met	
	Water	12	Water intensity ratio	m3/ 1000 finished goods	0.0096	0.0077	0.0074	0.0072	0.0071	To maintain ratio below 0.008 m3/ 1000 finished goods	2030	Target met	
	Waste management	11, 12, 15	Waste subject to material or energy recovery	%	91	88	87	87	87	To achieve 100%	2030	On track	
			Scrap rate	%	3.30	3.15	2.95	3.05	3.33	To maintain rate below 3.15%	2030	Above target	Result above target in 2025 due to new lines installation and validation exercises. Target year redefined to 2030 and follow-up strategy in place

[1]GHG Scope 3 categories evaluated: Upstream transportation, Waste generated in operations, Upstream leased assets, Downstream transportation, End-of-Life treatment of sold products.
See full reference to SDG codes in section 3.2.

ESG	Drylock Material topics	SDG	Our sustainability KPIs	Unit	2021	2022	2023	2024	2025	Target	Target Year	Status	Remediation actions
Environment	Eco design and innovation	3, 9, 12	Percentage of material saved through eco-design	%	7.4	11.4	11.6	11.6	11.6	To achieve 14.5% of material saved from a 2017 base year	2030	On track	Result below target in 2025. Target year redefined to 2030 and follow-up strategy in place
			Share of primary packaging containing recycled raw materials	%	48.0	63.0	78.0	89.0	91	To maintain at least the coverage of 45%	2030	Target met	
			Share of virgin oil-based plastic avoided on primary packaging	%	11.5	20.6	37.0	42.0	49	To maintain at least the coverage of 20%	2030	Target met	
			Percentage of material saved in packaging	%	13	22	27	30	29	To achieve 40% saved from a 2019 base year	2030	On track	Result below target in 2025. Target year redefined to 2030 and follow-up strategy in place
	Forests and biodiversity	15	Percentage of certified or controlled wood-based raw materials	%	100	100	100	100	100	To maintain the coverage of 100%	2030	Target met	
			Percentage of organic cotton used in our products	%	100	100	100	100	100	To maintain at least the coverage of 95%	2030	Target met	
SOCIAL	Health and safety	3	Products certified with at least 1 eco-/ health labels	%	43	52	77	82	87	To maintain at least the coverage of 40%	2030	Target met	
			Percentage of clean tox reports	Number	100	100	100	100	100	To maintain the coverage of 100%	2030	Target met	
			Lost time accident frequency rate	Number	1.39	2.01	1.24	1.1	1.44	To maintain frequency rate below 1.5	2030	Target met	
	Diversity and respect	3, 5	Percentage of employees being trained in business ethics topics	%	92	90	90	90	90	To maintain a coverage of at least 90%	2030	Target met	
			Percentage of new employees trained in the Code of Conduct	%	-	90	90	90	90	To maintain a coverage of at least 90%	2030	Target met	
			Reported incidents on discrimination	Number	-	0	0	0	0	To maintain a yearly target of no incidents	2030	Target met	
	Human rights	8	Percentage of employees being trained in business ethics topics	%	92	90	90	90	90	To maintain a coverage of at least 90%	2030	Target met	
			Percentage of new employees trained in the Code of Conduct	%	-	90	90	90	90	To maintain a coverage of at least 90%	2030	Target met	
			Reported incidents on discrimination	Number	-	0	0	0	0	To maintain a yearly target of no incidents	2030	Target met	
	Product safety and quality	3, 12	Number of product recalls	Number	0	0	0	0	0	To maintain a yearly target of no product recalls	2030	Target met	
			Number of complaints related to contamination of the product with metal, plastic, glass or wood	Number	0	0	0	0	0	To maintain a yearly target of no complaints	2030	Target met	

ESG	Drylock Material topics	SDG	Our sustainability KPIs	Unit	2021	2022	2023	2024	2025	Target	Target Year	Status	Remediation actions
Governance	Business ethics	17	Percentage of employees being trained in business ethics topics	%	92	90	90	90	90	To maintain at least the coverage of 90%	2030	Target met	
	Risk management[3]		Reported breaches of the Code of Conduct related to anti-corruption or anti-competitive practices	Number	-	0	0	0	0	To achieve 0 breaches related to anti-corruption or anti-competitive practices on a yearly basis	2030	Target met	
		8	Suppliers signed declaration of conformity	%	100	100	100	100	100	To achieve 100% compliance on a yearly basis	2030	Target met	
		9	Percentage of key suppliers who have signed or are aligned with our Supplier Code of Conduct	%	76	82	86	82	98	To maintain a coverage of at least 95%	2030	Target met	
		11	Key suppliers[2] having signed our Supplier Charter on Climate Action	%	-	62	78	78	88	To obtain coverage of 100%	2030	On track	
		13	Key suppliers[2] evaluated according to their ESG/sustainability roadmap	%	54	54	94	82	96	To maintain a coverage of at least 85%	2030	Target met	
		16	Key suppliers[2] scanned for external audits compliance against ESG topics	%	100	100	100	100	100	To achieve 100% compliance on a yearly basis	2030	Target met	
		17	EcoVadis score	Score	-	Silver (Top 15%)	Silver (Top 15%)	Platinum (Top 1%)	Platinum (Top 1%)	To maintain score in the top 15%	2030	Target met	
			SBTi commitment	Status	-	Targets submitted	Targets approved	Targets approved	Targets approved	To meet targets published in science basedtargets.org	2030	On track	
			Operational sites with an information security management system externally certified	%	-	100	100	100	100	To achieve 100% compliance on a yearly basis	2030	Target met	



06

Yearly performance and future challenges

6.1. Environmental data 96
6.2. Social data 98
6.3. Procurement data 100

6.1. Environmental data

CLIMATE DATA – GHG emissions[1]

	UNIT	2021	2022	2023	2024	2025
Carbon intensity ratio of scope 1 & 2 emissions (market-based)						
Scope 1	$kgCO_2$/ 1,000 finished goods	0.3	0.17	0.19	0.19	0.21
Scope 2	$kgCO_2$/ 1,000 finished goods	1.91	0.05	0.05	0.06	0.03
Total Scope 1 & 2	$kgCO_2$/ 1,000 finished goods	2.21	0.22	0.24	0.25	0.24
Scope 1 & 2 emissions market-based						
Scope 1	tCO_2eq	1,742	1,669	2,124	2,138	2,400
Scope 2	tCO_2eq	15,120	498	530	702	305
Total Scope 1 & 2	tCO_2eq	16,862	2,167	2,654	2,840	2,705
Scope 1 & 2 emissions location-based						
Scope 1	tCO_2eq	1,742	1,669	2,124	2,138	2,400
Scope 2	tCO_2eq	39,880	50,226	52,763	74,090	70,160
Total Scope 1 & 2	tCO_2eq	41,622	51,895	54,887	76,228	72,560
Emissions related to Scope 3[2]						
1. Purchased goods and services	tCO_2eq	457,836	540,982	491,352	610,316	517,341
2. Capital goods	tCO_2eq	23,218	29,008	22,994	33,285	38,649
3. Fuel- and Energy-related activities not included in scope 1 or scope 2	tCO_2eq	4,335	3,646	4,065	8,848	9,329
4. Upstream transportation	tCO_2eq	88,211	100,232	81,692	134,711	130,822
5. Waste generated in operations	tCO_2eq	12,080	13,185	8,399	1,569	1,928
6. Business travel	tCO_2eq	368	912	1,091	2,250	2,298
7. Employee commuting	tCO_2eq	17,562	9,050	13,649	15,406	15,100
8. Upstream leased assets	tCO_2eq	8,980	15,013	17,299	14,217	18,021
9. Downstream transportation	tCO_2eq	94,109	58,516	61,048	19,125	36,371
12. End-of-Life treatment of sold products	tCO_2eq	274,534	398,768	441,054	464,374	475,684

ENERGY CONSUMPTION[3]

	UNIT	2021	2022	2023	2024	2025
Energy consumption within the organization						
Fossil fuel consumption from propane (LPG)	MWh	778	338	307	913	326
Fossil fuel consumption from oil	MWh	1,134	1,319	1,206	1,384	740
Heat and steam consumption from fossil fuels	MWh	9,203	11,876	11,394	12,348	10,969
Total fossil fuel consumption	MWh	11,115	13,532	12,907	14,645	12,035
Total energy consumption from nuclear sources	MWh	0	0	0	0	81.90
Non-renewable electricity consumption[4]	MWh	36,627	0	8.17	451.06	5.54
Renewable electricity consumption	MWh	113,923	146,719	154,195	160,544	164,078
Electricity intensity ratio	kWh/1,000 finished goods	18.9	14.6	14.3	14.4	15.2
Total renewable energy consumption	MWh	113,923	146,719	154,195	160,544	164,078
Total non-renewable energy consumption	MWh	47,742	13,532	12,915	15,096	12,123
Share of renewable energy in total energy consumption	%	70%	92%	92%	91%	93%
Total energy consumption	MWh	161,666	160,251	167,110	175,640	176,201
Energy intensity ratio	kWh/1,000 finished goods	20.3	15.9	15.5	15.7	16.3
Energy intensity per net revenue	MWh/M€	233	153	141	145	149
Use and production of renewable electricity						
Production volumes produced with renewable electricity	%	70	100	100	100	100
Percentage of renewable electricity used in all production facilities	%	68	100	100	100	100
Production plants with on-site renewable electricity generation	Number	2	2	2	3	3
Amount of green electricity generated on-site	MWh	1,347	1,867	2,679	5,057	5,426

[1] GHG emission increase in 2025 is linked to Drylock Technologies' growth
[2] The 2024 Scope 3 inventory was rebaselined following methodological improvements and data corrections related to transportation, business travel, and waste management, enhancing consistency, accuracy, and alignment with the GHG Protocol.
[3] Historical energy consumption figures have been updated to provide a more accurate and transparent disclosure of non-renewable energy consumption across reporting periods.
[4] From 2022 onwards, reported non-renewable electricity consumption relates exclusively to sales offices. Manufacturing sites are supplied with 100% renewable electricity and therefore have no associated non-renewable electricity consumption to report.

MATERIALS

	UNIT	2021	2022	2023	2024	2025
Renewable raw materials						
Share of renewable raw materials in our products[1]	%	27.6	27.6	31.1	33.2	31.45
Share of renewable raw materials in our primary packaging[1]	%	18	22	27	28	31
Share of renewable raw materials in our secondary packaging	%	100	100	100	100	100
Sustainable procurement[1]						
Materials used	Tons	-	-	-	-	214,498
Materials sourced from recycled components	Tons	-	-	-	-	18,117
Materials sourced from biological materials	Tons	-	-	-	-	79,623
Share of fluff coming certified sources (FSC®/ PEFC™)	%	59	97	100	100	100
Share of fluff coming from controlled sources	%	41	100	100	100	100
Share of cotton from organic sources	%	100	100	100	100	100
Product quality and safety						
Share of products containing at least 1 eco-/health labels[2]	%	43	52	77	82	87

CIRCULAR SOLUTIONS

	UNIT	2021	2022	2023	2024	2025
Percentage of packaging that is reusable, recyclable or compostable	%	100	100	100	100	100
Share of recycled raw materials in our products	%	< 0.1	1-2	< 0.1	< 0.1	< 0.1
Share of primary packaging containing recycled raw materials	%	48	63	78	89	91
Share of virgin oil-based plastic avoided in primary packaging	%	11.5	20.6	37	42	49
Share of recycled raw materials in our recycled primary packaging	%	21.6	36	49	52	58
Share of secondary packaging containing recycled raw materials	%	70	70	81	88	90
Share of recycled content in secondary packaging containing recycled raw materials	%	78	93	95	94	94

WASTE

	UNIT	2021	2022	2023	2024	2025
Waste generation						
Production volumes	Million pieces	7,955.00	10,059.00	10,793.78	11,167.12	10,810.17
Production volumes						
Waste intensity ratio[3]	tons of waste/ million finished goods	0.0021	0.0019	0.0017	0.0018	0.0021

Total weight of non-hazardous and hazardous waste

	Non-hazardous (kton)					Hazardous (kton)				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Re-use	0.10	0.05	0.00	0.34	0.82	0.00	0.00	0.00	0.00	0.00
Recycling	10.66	10.67	12.98	12.98	13.44	0.01	0.01	0.10	0.05	0.07
Incineration for energy generation/recovery	4.34	5.20	3.56	4.11	5.87	0.09	0.07	0.07	0.07	0.06
Incineration without energy generation/ recovery	-	-	-	-	0.00	-	-	-	-	0.03
Landfill	1.47	2.23	2.56	2.69	3.10	0.00	0.00	0.00	0.00	0.00
Total	16.57	18.14	19.10	20.12	23.23	0.10	0.09	0.17	0.12	0.17

	UNIT	2021	2022	2023	2024	2025
Waste recovery						
Total weight of waste recovered	tons of waste	15,336	15,860	16,708	17,543	20,298

	UNIT	2021	2022	2023	2024	2025	Sorting strategy
Composition of production waste							
Paper and cardboard – packaging	%	16	14	15	16	17	
Plastic - packaging (film)	%	9	23	10	9	7	
Production scrap	%	45	24	27	29	26	
Solvent	%	<1	<1	<1	<1	<1	
Textiles	%	<1	<1	<1	<1	<1	
Used oil	%	<1	<1	<1	<1	<1	
WEEE	%	<1	<1	<1	<1	<1	
Wood	%	6	9	7	3	4	
Metals	%	<1	<1	<1	<1	<1	
Glass	%	<1	<1	<1	<1	<1	
Other[4]	%	23	29	40	42	45	

Preparation for re-use **Recycling** **Incineration with energy recovery** **Landfilling**

WATER

	UNIT	2021	2022	2023	2024	2025
Water intensity ratio	m³/ 1,000 finished goods	0.0096	0.0077	0.00738	0.00725	0.0071
Amount of water consumed	m³	76,544	77,029	79,710	80,927	76,919

[1]European values
[2]Calculated based on European volumes. FSC®/ PEFC™ certifications not included on the calculations.
[3]Waste: hazardous and non-hazardous. All production plants included.
[4]Other: domestic waste, cleaning waste, residual waste, etc,
Note: environmental data from Reidsville plant in USA is included from FY2025 onwards

6.2. Social data

WORKFORCE

	UNIT	2021	2022	2023	2024	2025
Total employees at year end (headcount)	Number	3,485	3,652	3,769	3,944	4,041
Number of employees with permanent contract	Number	3,102	3,542	3,728	3,888	3,995
Number employees with temporary contract	Number	383	110	41	56	46
Percentage of employees with unlimited duration contract	%	89	97	99	99	99
Employees per category						
Blue collar	Number	2,537	3,010	3,134	3,264	3,224
White collar	Number	948	604	635	662	808
Management	Number	304	336	391	385	418
Turnover and absenteeism rates						
Turnover rate[1]	%	-	-	19	17	26
Absenteeism rate	%	15	14	5	5	5
Employees in countries with significant employment						
Italy	Number	-	-	-	120	122
Czech Republic	Number	-	-	-	1,417	1,337
Spain	Number	-	-	-	317	331
United States of America	Number	-	-	-	303	460
Brazil	Number	-	-	-	959	932
Belgium	Number	-	-	-	52	53
Diversity. equity and inclusion						
Number of women in total employees	Number	1,289	1,497	1,490	1,566	1,564
Number of men in total employees	Number	2,196	2,155	2,279	2,408	2,477
Number of non-binary employees	Number	0	0	2	2	0
Percentage of women workforce	%	37	41	40	39	39
Percentage of men workforce	%	63	59	60	61	61
Number of women employed in management. mid management. and top executive positions	Number	112	114	120	121	131
Percentage of women employed in management. mid management. and top executive positions	%	37	34	31	31	31
Number of women working in production	Number	785	945	842	991	912
Percentage of women working in production	%	37	45	37	40	38

	UNIT	2021	2022	2023	2024	2025
Employees by age group						
Percentage of workforce under 30 years old	%	33	33	34	31	29
Percentage of workforce between 30-50 years old	%	54	55	53	54	53
Percentage of workforce over 50 years old	%	13	12	13	15	18
Employees working in management mid management. and top executive positions - age group						
Percentage of management under 30 years old	%	-	-	9	9	6
Percentage of management between 30-50 years old	%	-	-	76	78	76
Percentage of management over 50 years old	%	-	-	15	13	18
Inclusive diversity						
Percentage of employees with disabilities	%	1.47	1.56	1.50	1.66	2
Number of different nationalities	Number	31	35	40	42	42

HEALTH AND SAFETY

	UNIT	2021	2022	2023	2024	2025
H&S Risk Assessments						
Percentage of production facilities in which a H&S risk assessment has been conducted	%	-	88	100	100	100
Employees covered by H&S management procedure that is internally audited	Number	-	2,261	2,766	2,967	3,064
Employees covered by H&S system that has been externally audited and certified	Number	-	3,119	3,634	3,806	3,874
% of Drylock Technologies employees covered by H&S management systems based on legal requirements and Drylock Technologies standards or guidelines	%	-	85	96	96	96
Health & safety training						
Employees who received a health and safety training	%	-	-	84	84	81
Average number of H&S training hours per employee	Number	-	-	8	8	6

[1] excluding retirements, dismissals and temporary employees

HEALTH AND SAFETY

	UNIT	2021	2022	2023	2024	2025
Work-related injuries - Employees						
Fatal accidents	Number	0	0	0	0	0
High-consequence work-related injury[1]	Number	-	0	4	1	2
Recordable work-related injury[2]	Number	-	67	45	35	1
Total health and safety incidents	Number	-	67	49	36	53
of which male	%	-	71	73	75	66
of which female	%	-	29	27	25	34
Days lost (including weekends and holidays)	Number	-	2,234	1,994	1,895	1,138
Fatal accidents rate	Ratio	0	0	0	0	0
High-consequence work-related injury rate	Ratio	-	-	0	0	0
Recordable work related injury rate (frequency rate)[3]	Ratio	1	2	1	1	1
Severity rate[4]	Ratio	61	67	55	60	29
Working hours (200,000)	Number	32	34	36	32	39
Work-related injuries - Contractors						
Fatal accidents	Number	-	-	0	0	0
Recordable work-related injury	Number	-	-	2	1	1
Maternity and paternity leave						
Total of female employees entitled to maternity leave	Number	-	75	88	72	56
Total of female employees that took maternity leave	Number	-	75	88	72	56
% of affiliates offering maternity leave	%	-	100	100	100	100
Total of male employees entitled to paternity leave	Number	-	91	106	95	129
Total of male employees that took paternity leave	Number	-	72	75	70	77
% of affiliates offering paternity leave	%	-	79	71	74	60

CAREER DEVELOPMENT

	UNIT	2021	2022	2023	2024	2025
Percentage of employees trained[5]	%	92	90	89	91	90
Total number of training hours	Number	66,894	73,477	82,965	90,626	91,861
Average number of training hours per employee	Number	21	22	22	23	22
of which male	Number	-	23	21	20	20
of which female	Number	-	21	21	24	23

HUMAN RIGHTS

	UNIT	2021	2022	2023	2024	2025
Employees who received an employment contract[6]	%	100	100	100	100	100
Employees who are granted paid annual vacation	%	100	100	100	100	100
Percentage of production facilities included in Sedex® Membership	%	100	100	100	100	100
Employees covered by social benefits	%	-	100	100	100	100
Employees that have health insurance or a medical plan	%	-	100	100	100	100
Employees trained on discrimination	%	-	100	100	100	100
Incidents of discrimination	Number	-	0	0	0	0
Incidents of human right incidents	Number	-	0	0	0	0
Total amount of fines, penalties and compensation related to discrimination and human rights incidents	€	-	-	-	-	0
Living wages						
Percentage of direct employees that are included in living wage benchmarking analysis[7]	%	-	-	-	100	100
Employees whose wages fall below the agreed living wages	Number	-	-	-	0	0

BUSINESS ETHICS

	UNIT	2021	2022	2023	2024	2025
Training in Business Ethics	%	-	90	90	90	90
Reported breaches of the Code of Conduct[8]	Number	-	99	51	61	0
Training in anti-corruption policy	%	-	-	100	100	100
Operations assessed for risks related to corruption[9]	%	-	-	100	100	100
Corruption incidents	Number	-	-	0	0	0
Corruption incidents in which employees were dismissed or disciplined	Number	-	-	0	0	0
Corruption incidents with business partners that led to contract termination or non-renewal	Number	-	-	0	0	0
Public legal cases for corruption incidents	Number	-	-	0	0	0
Anti-trust cases	Number	-	-	0	0	0
Number legal actions for anti-competitive behavior	Number	-	0	0	0	0

SECURITY MANAGEMENT SYSTEM

	UNIT	2021	2022	2023	2024	2025
Operational sites with an information security management system externally certified	%	-	100	100	100	100

[1] Fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months
[2] Lost time injuries - Injuries that occurred in the workplace that resulted in an employee's inability to work at least the next full work day
[3] Number of recordable work-related injury per 200,000 hours worked
[4] Number of total lost days compared with the total number of hours scheduled to be worked by the employees. Days mean scheduled workdays, weekends, and holidays. The counting of lost days starts the day after the accident.
[5] Number of employees having participated in at least one training course.
[6] In accordance with local laws and regulations.
[7] Living wage benchmark analysis are based on a methodology recognized by IDH, the Sustainable Trade Initiative Living Wage Benchmark Methodologies Recognition Process. In reporting year, the company identified no cases across its operation where employee wages were below the respective living wages.
[8] Of the reported breaches, none were related with breaches to the anti-corruption or anti-competitive policies, but they were related with Human Resources. There were no fines, penalties, sanctions or compensation for damages imposed on the company during the reporting period as a result of any reported incidents. There were no incidents on discrimination. There were no employees dismissed during the year for breaching the company's anti-corruption policy. There were no confirmed breaches financially material. For the reported breaches, actions have been taken to solve the problems.
[9] A comprehensive framework has been developed to assess our operations for corruption-related risks. Formal risks assessments are conducted regularly across the organization, with initial evaluations already completed in key operational areas, representing approximately 100% of our operations.

Note: social data from Reidsville plant in USA is included from FY2025 onwards

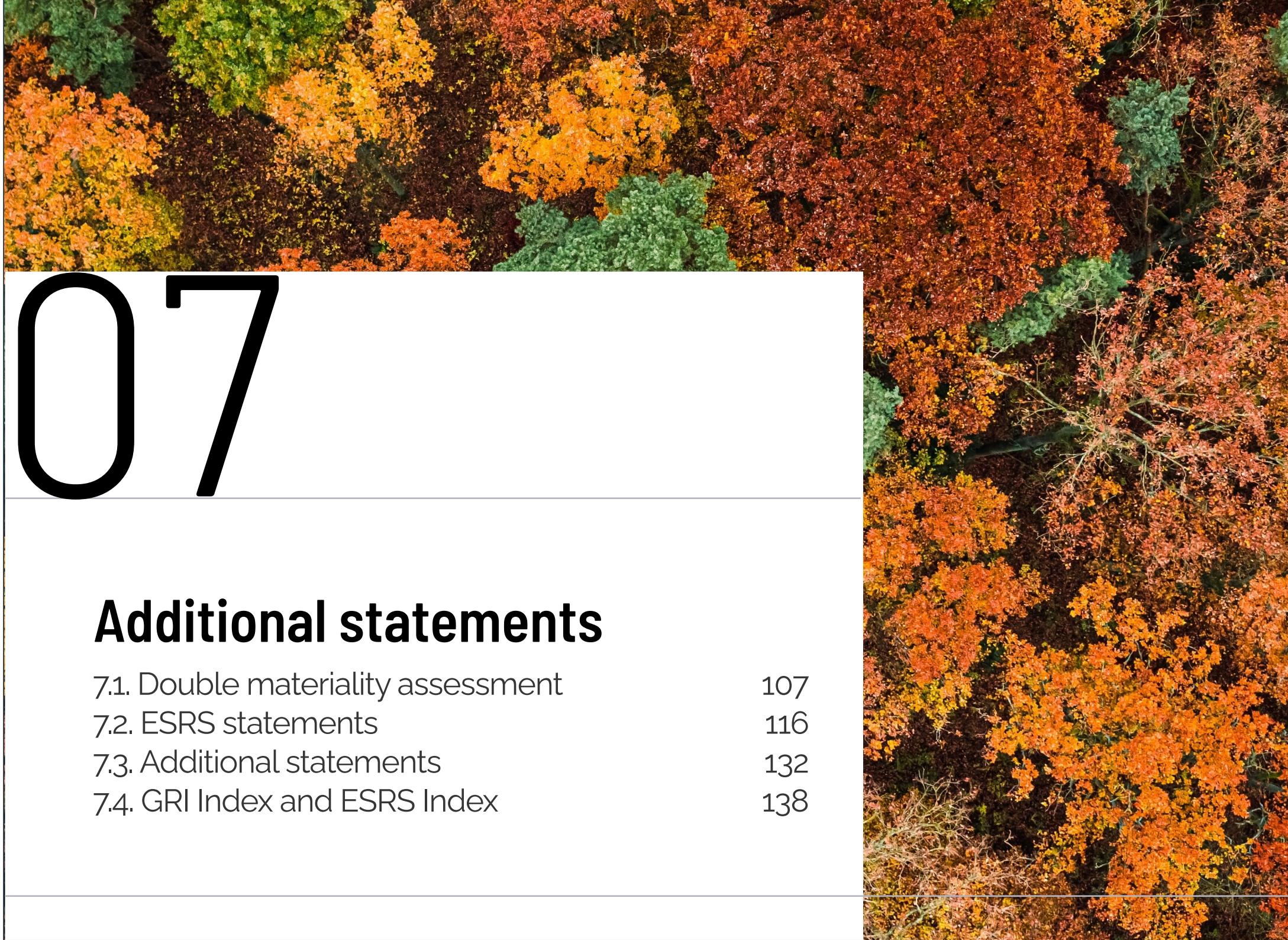
6.3. Procurement data

	UNIT	2021	2022	2023	2024	2025
Sustainable Supply Chain for buyers training	%	100	100	100	100	100
New suppliers screened using environmental criteria	%	100	100	100	100	100
New suppliers screened using social criteria	%	100	100	100	100	100
Key suppliers[1] signing/aligned with Drylock's Supplier Code of Conduct	%	76	82	86	82	98
Key suppliers having signed our Supplier Charter on Climate Action (or shared own climate action vision including SBTI)	%	-	62	78	78	88
Key suppliers evaluated according to their ESG/sustainability roadmap	%	54	54	94	82	96
Key suppliers scanned for external audits compliance against ESG topics	%	100	100	100	100	100

[1] Key suppliers: Top 50 suppliers based on yearly purchasing volumes including all Drylock entities

Based on our internal assessments and third-party audits, in 2025 there were no current suppliers identified as having significant and potential negative social and/or environmental impacts. The potential environmental and social impacts identified in our supply chain are listed in our Supplier Code of Conduct.

* The 2024 procurement data has been updated to correct a typographical error in the figures reported in the previously published Sustainability Report 2024.



07

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7.1. Double materiality assessment

Description of the process of identifying and assessing material impacts, risks and opportunities (IRO-1)

As part of Drylock Technologies' Sustainability Report and to better understand which topics are the most material for our stakeholders, we carried out a Double Materiality Assessment (DMA) in 2025 in accordance with the Draft ESRS 2025 and the implementation guidance by EFRAG.

The DMA will undergo review and updates at least every three years. Additionally, it will be reassessed in response to major internal or external developments, including significant strategic changes, new regulatory requirements, or evolving stakeholder expectations.

As part of the Double Materiality Assessment, we evaluated 30 topics for materiality. Each was assessed based on impact, financial materiality, or both, as shown in the materiality matrix. For each topic we identified the impacts, risks and opportunities.

Based on the 2025 analysis, the following sustainability topics have been identified as material for Drylock Technologies:

- Climate Change and Carbon Emissions: Climate Change (ESRS E1)
- Waste management: Resource Use and Circular Economy (ESRS E5)
- Eco design and innovation: Resource Use and Circular Economy (ESRS E5)
- Health and Safety: Own workforce (ESRS S1)
- Diversity and respect: Own workforce (ESRS S1)
- Human rights: Own workforce (ESRS S1), Workers in the value chain (ESRS S2)
- Product safety and quality: Consumers and end-users (ESRS S4)
- Business ethics: Business conduct (ESRS G1)
- Risk management: Risk management and internal controls over sustainability reporting (ESRS 2 / GOV-4)

Scope and value chain

The double materiality assessment covered **Drylock Technologies' entire operations**, including **own operations as well as the upstream and downstream value chain**. The assessment boundaries were defined in line with **ESRS requirements**, considering Drylock Technologies' activities, business relationships and key value chain stages.

Stakeholders were mapped across the **upstream value chain** (including suppliers of raw materials and services) and the **downstream value chain** (including retailers and consumers), in addition to Drylock Technologies' **own operations**. This approach enabled the identification of impacts, risks and opportunities arising not only from Drylock Technologies' direct activities, but also from its broader value chain and commercial relationships.

The assessment considered **all time horizons (short-, medium- and long term)** in line with ESRS requirements for both impact materiality and financial materiality.

Stakeholder engagement

The interests and perspectives of **both internal and external stakeholders** were integrated throughout the double materiality assessment. Stakeholder groups were identified based on **ISO 26000 categories** and ESRS requirements ensuring the inclusion of those **most likely to influence or be affected by Drylock Technologies' value chain**.

Stakeholder input was collected through a **structured survey**, covering internal stakeholders (employees, management, shareholders and investors) and external stakeholders, which were further differentiated into **main stakeholders** and **other stakeholders**. Main stakeholders included suppliers, retailers and consumers, while other stakeholders comprised, among others, current parents, future generations of consumers, industry associations, trend setters, innovators and external experts.

The survey results were complemented by **expert scoring workshops**, during which sustainability topics were assessed based on impact scale, likelihood, remediability and financial implications. This combination of quantitative stakeholder input and expert judgment ensured a robust and ESRS-aligned assessment of perceived relevance, emerging expectations and potential impacts across the value chain.

The four steps in our double materiality assessment

1 **Understand**
"Drylock Technologies" context, value chain, activities and key stakeholder groups to define the assessment boundaries.

2 **Identify**
relevant ESRS sustainability topics and determine associated impacts, risks and opportunities (IROs).

3 **Assess**
both impact materiality (severity & likelihood) and financial materiality (magnitude & likelihood) for each IRO.

4 **Prioritize**
the topics that meet one or both materiality threshold and consolidate them into the Double Materiality Matrix.

1 Understand Drylock Technologies' context

Stakeholder participants included **both internal and external groups**. The initial list of affected stakeholders was defined in line with ESRS requirements and based on the stakeholder categories described in ISO 26000, ensuring the inclusion of those potentially affected by Drylock Technologies' operations and value chain.

Stakeholders were mapped across the upstream and downstream value chain, including suppliers of raw materials and services, retailers, consumers (current parents, future generation of consumers), employees, shareholders and investors. The assessment also considered the company's key business relationships, including procurement arrangements, distribution agreements and long-term supplier contracts.

This mapping enabled the identification of potential impacts, risks and opportunities arising not only from Drylock Technologies' own operations but also from its broader value chain and commercial relationships.

Affected stakeholders	Suppliers	
	Internal stakeholders	Employees and management
		Shareholders
	Retailers	
	Current parents	
	Industry associations, trend setters, innovators and external experts	
	Consumers	
	Future generation of consumers	
	Investors	

From the initial list of affected stakeholders, two subgroups were identified, based on the likelihood of them impacting Drylock Technologies' value chain. The stakeholders with the highest likelihood were defined as "**main stakeholders**", and their feedback was considered to be more relevant to Drylock Technologies'. They also represent the biggest percentage of Drylock Technologies' stakeholders. The remaining groups were classified as "**other stakeholders**" and their feedback, although less crucial, was also considered.

Drylock Technologies' main stakeholders were suppliers, who ensure the quality of raw materials; internal stakeholders such as employees and management, who drive operations and innovation, shareholders and investors, who provide financial backing and strategic direction; retailers, responsible for distributing our products; and consumers, who use and provide feedback on them.

The other stakeholders included the future generation of consumers (such as future parents and future users of incontinence products), current parents, industry associations, trend setters and innovators and external experts.

The double materiality assessment (DMA) process involved stakeholder input analysis through a structured survey, complemented by expert scoring conducted through workshops. During these sessions, each topic was assessed based on impact scale, likelihood, remediability and financial implications.

Main stakeholders	Other stakeholders
Shareholders and investors	Future generation of consumers
Suppliers	Current parents
Employees and management	Industry associations, trend setters, innovators and external experts
Retailers	
Consumers	

This table provides an overview of Drylock Technologies' main stakeholders and outlines how the topics that matter to them are reflected in the company's strategy and business model (SBM-2).

Key stakeholder group	Channels for engagement	Purpose for engagement	Outcome and strategic impact	Integration in materiality assessment
Employees and management	Structured stakeholder survey, internal workshops, management input	To understand expectations related to health and safety, well-being, diversity, respect and ethical conduct	Engagement clarified key social and operational priorities and strengthened the strategic focus on health and safety, human rights and employee well-being.	Internal stakeholders anticipate a growing long-term relevance of sustainability matters, reflecting a shared recognition that sustainability and social responsibility are increasingly integral to the business model and strategic direction.
Suppliers	Structured external stakeholder surveys, continuous interaction with procurement management	To identify expectations regarding responsible sourcing, human rights, ethical business conduct and environmental performance in the upstream value chain	Supplier input shaped strategic priorities related to responsible sourcing, human rights and upstream environmental performance.	Suppliers anticipate a growing long-term relevance of environmental topics, reflecting heightened expectations regarding product design, environmental performance and responsible sourcing.
Retailers	Structured external stakeholder surveys, ongoing interaction via Sales, Marketing and R&D teams	To understand expectations regarding product safety, quality, transparency, innovation and sustainability	Retailer perspectives reinforced the strategic importance of product safety, quality and transparency in the downstream value chain.	Retailer perspectives reflect a sustained and growing relevance of product-related, environmental and governance topics, supporting their consideration in the assessment of impacts across the downstream value chain.
Consumers (end-users)	Structured external stakeholder survey, market research activities	To gain insight into expectations related to product safety, health, environmental impact and responsible material use	Consumer feedback confirmed product-related social and environmental impacts as central to the company's value proposition.	Consumers expect environmental topics to gain relevance over the long term.
Shareholders and investors	Structured internal stakeholder survey, management workshops, regular reporting to management and the Board of Directors	To align expectations on long-term value creation, risk management, governance and transparency	Engagement with shareholders and investors reinforced the strategic importance of sustainability as a driver of long-term value creation, highlighting governance and risk management considerations.	Shareholders and investors anticipate a growing long-term relevance of sustainability matters, reflecting a shared recognition that sustainability and social responsibility are increasingly integral to the business model and strategic direction.

2 Identify ESRS topics and IROs

Once Drylock Technologies' context was clear and before engaging with our stakeholders, we examined ESG reporting frameworks and ratings, regulatory requirements and industry peer materiality assessments to compile a long list of the **30 most significant sustainability topics** for Drylock Technologies'. Those topics were classified according to the ESRS topic structure: Environment, Social and Governance. For each topic, we identified the Impacts, Risks and Opportunities (IROs).



3 Assess impact and financial materiality

After defining the long list of sustainability topics, stakeholders were engaged through structured surveys to provide input on how they perceive the significance of each topic on the short and long term. Their perspectives served as one of multiple inputs for assessing **impact materiality**.

As part of the process, internal and external stakeholders were surveyed and asked to rate the significance of each of the 30 sustainability matters on a scale from "Not at all important" to "Extremely important", for both the short and the long term. These qualitative responses were converted into quantitative values from 0 to 5 (with 0 representing "Not at all important" and 5 representing "Extremely important") to allow aggregation and comparison across stakeholder groups. This scoring helped to inform the understanding of perceived relevance and emerging expectations. In addition, the impacts of these sustainability matters were identified and assessed based on their severity and likelihood, in accordance with the ESRS materiality standards, ensuring a robust approach to materiality that aligns with recognized European guidelines.

Severity of impacts

Severity is calculated as the average of the scale, scope and irreversibility of each impact. In case of positive impacts, the irreversibility is not considered.

Severity of impacts		
Scale	**Environmental**	**Social/Governance**
0	No impact	No impact
1	Minimum impact	Mild effects, need medical treatment, first aid
2	Little impact	Low impact, slight violation of human rights
3	Significant impact	Significant impact. Severe with permanent injuries. A tangible violation of the human right of access to basic necessities (incl. education, living conditions, etc.)
4	High impact	High level of impact. Can lead to a casualty. A negative social impact or violation of human rights in relation to access to basic necessities
5	Catastrophic /Gigantic impact	Will/may cause multiple fatalities. Critical social impacts that may lead to a significant improvement or reduction in quality of life and/ or longevity.
Scope	**Environmental**	**Social/Governance**
0	No impact	No impact
1	Limited environmental damage or limited geographical area impacted	Few impacted stakeholders
2	Concentrated environmental damage or impacted geographical area	Moderate number of stakeholders involved
3	Medium	
4	Widespread environmental damage or impacted geographical area	High number of impacted stakeholders
5	Global impact on the environment	

Severity of impacts		
Irreversibility	**Environmental**	**Social/Governance**
0	Very easy to remediate	
1	Relatively easy to remediate in the short term	
2	Remediable with effort (time and cost)	
3	Difficult to remediate or in the medium term	
4	Very difficult to remediate in the long term	
5	Non-remediable / irreversible	

Likelihood of occurrence

Likelihood reflects the estimated probability that the impact may materialize. In case of actual impacts the likelihood is not considered. Drylock Technologies used the following six-point likelihood scale:

Likelihood of impacts	
0	Doesn't happen
0.10	Rare (very low); <10%; Unlikely to occur (less than once every 15 years)
0.25	Possible (low-medium); >25%; Event might occur in the next 5-15 years; Event is expected under certain circumstances
0.50	Probably (high); >50%; Event might occur in the next 1-5 years; Event occurs occasionally in our company
0.75	Very high degree of certainty that the impact will occur (very high); >75%; Event is likely to occur within 1 year; Event is expected to occur in most circumstances
1	Currently ongoing; 100%; event has occurred/will occur

For each impact, the materiality result was calculated using the formula:

RESULT = **Severity × Likelihood**

In parallel, Drylock Technologies' evaluated **financial materiality** by assessing the likelihood and magnitude of sustainability-related **risks and opportunities** that could reasonably affect the company's financial position, financial performance, cash flows or cost of capital. As part of this evaluation, dedicated workshops were conducted with the finance team to ensure a robust and informed assessment. The financial materiality was assessed by analyzing two parameters:

Magnitude of financial impact

Magnitude reflects the estimated potential financial effect of a sustainability-related **risk or opportunity** on Drylock Technologies' business. Drylock Technologies applied a five-level scale based on the percentage impact on annual net sales, ranging from:

Magnitude of risks and opportunities	
1	0.5% of annual net sales
2	1.0% of annual net sales
3	3.5% of annual net sales
4	7.0% of annual net sales
5	10.0% of annual net sales

These magnitude levels were translated into monetary intervals using Drylock Technologies' 2024 net sales (1,200 M€).

Likelihood of occurrence

Likelihood reflects the estimated probability that the risk or opportunity may materialise. Drylock Technologies' used a five-point likelihood scale, aligned with its internal risk framework, ranging from:

Likelihood of risks and opportunities	
0.40	Doesn't happen
0.55	Rare (very low); <10%; Unlikely to occur (less than once every 15 years)
0.65	Possible (low-medium); >25%; Event might occur in the next 5-15 years; Event is expected under certain circumstances
0.75	Probably (high); >50%; Event might occur in the next 1-5 years; Event occurs occasionally in our company
0.85	Very high degree of certainty that the impact will occur (very high); >75%; Event is likely to occur within 1 year; Event is expected to occur in most circumstances
1	Currently ongoing; 100%; event has occurred/will occur

For each IRO, the financial materiality result was calculated using the formula:

RESULT = **Magnitude × Likelihood**

This approach generates a continuous, comparable score expressing the combined size and probability of the potential financial effect, fully aligned with ESRS 1 (Art. 51) requirements to consider "the nature, magnitude and likelihood" of sustainability-related financial impacts.

The resulting scores were then used to position each sustainability matter on the financial materiality axis of the Double Materiality Matrix.

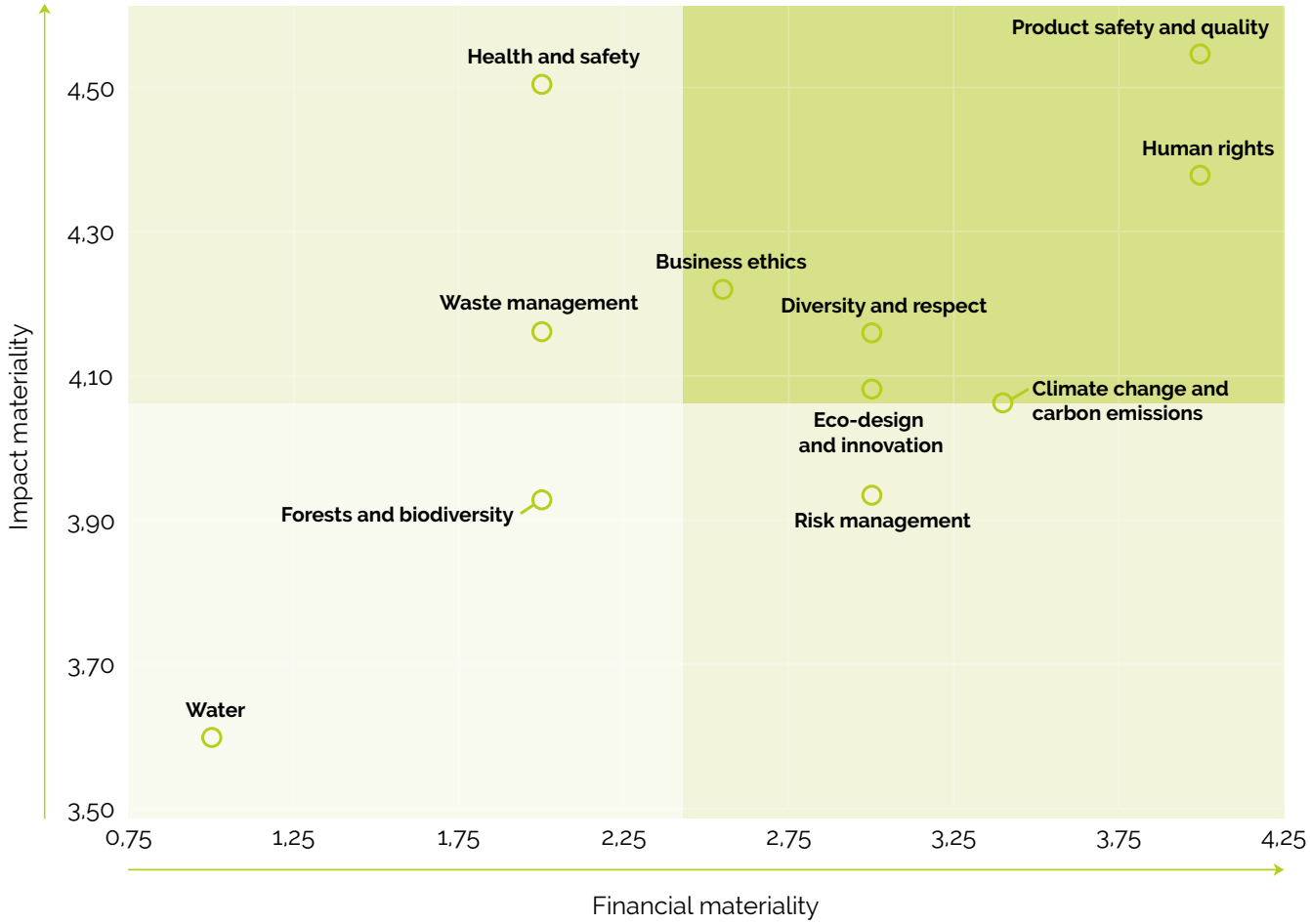
4 Prioritize the most significant impacts

The results of the impact and financial materiality assessments were consolidated and visualized in the Double Materiality Matrix. Sustainability matters that met or exceeded the defined thresholds for impact materiality, financial materiality, or both, were classified as material. This matrix provides a clear overview of the topics that are most significant for Drylock Technologies and its stakeholders.

Reduced topics:

Drylock strategy	ESG category	Material topics
Develop	Environment	Climate change and carbon emissions
Develop	Environment	Eco-design and innovation
Develop	Environment	Waste management
Protect	Social	Product safety and quality
Protect	Social	Health and safety
Protect	Social	Diversity and respect
Protect	Social	Human rights
Drive	Governance	Business ethics
Drive	Governance	Risk management

Following consolidation and internal review, the outcomes of the double materiality assessment were validated through internal discussions and formally approved by Drylock Technologies' Board of Directors. Recognizing that materiality is a dynamic concept under ESRS, the double materiality assessment is considered a living process and will be periodically reviewed and updated.



Below an overview of our Material topics linked to the SDG's and corresponding GRI and ESRS standards:

ESG	Drylock Technologies Material topics	Description	SDGs	Our sustainability KPIs	Corresponding GRI Standards Material Topic	Corresponding ESRS Standards Material Topic
Environment	Climate change and carbon emissions	Evaluates and mitigates the risks that climate change presents to our business and pursues opportunities to reduce carbon emissions through sustainable practices and innovations.	7, 9, 13	• Percentage reduction in CO_2eq emissions (Scope 1 and 2) • Percentage reduction in relative CO_2eq emissions (Scopes 1, 2 and 3) • Electricity intensity ratio • Renewable electricity	302, 305, 308	ESRS E1: Climate change
	Waste management	Implements strategies for the collection, transportation, disposal, and recycling of waste materials to minimize environmental impact and promote sustainability.	11, 12, 15	• Waste subject to material or energy recovery • Scrap rate	306	ESRS E5: Resource use and circular economy
	Eco design and innovation	Eco-design and innovation refer to the systematic integration of environmental and circularity principles into the design and development of products, services, and processes. Reducing environmental impacts across the full life cycle, improving material and energy efficiency, applying circular design principles (e.g. reuse, recyclability, modularity), and developing innovative solutions that support the transition to a sustainable economy.	3, 9, 12	• Percentage of material saved through eco-design • Share of primary packaging containing recycled raw materials • Share of virgin oil-based plastic avoided on primary packaging • Percentage of materials saved in packaging	301, 306, 308	ESRS E5: Resource use and circular economy
Social	Health and safety	Ensures the well-being of employees and the public by maintaining safe working conditions and preventing accidents and illnesses through robust health and safety policies.	3	• Products certified with at least 1 eco-/health labels • Percentage of clean tox reports • Lost time accident frequency rate	403	ESRS S1: Own workforce, ESRS S2: Workers in the value chain,
	Diversity and respect	Fosters an inclusive environment where diverse backgrounds and perspectives are valued, promoting mutual respect and equality within the organization.	3, 5	• Percentage of employees being trained in business ethics topics • Percentage of new employees trained in the Code of Conduct • Reported incidents on discrimination	401, 405	ESRS S1: Own workforce
	Human rights	Upholds the basic rights and freedoms of all individuals, ensuring dignity, equality, and respect in all aspects of life and work within the company.	8	• Percentage of employees being trained in business ethics topics • Percentage of new employees trained in the Code of Conduct • Reported incidents on discrimination	401, 405, 406, 408, 409	ESRS S1: Own workforce, ESRS S2: workers in the Value Chain,
	Product safety and quality	Guarantees that products meet safety and quality standards and are free from defects, providing consumers with reliable and high-quality goods.	3, 12	• Number of product recalls • Number of complaints related to contamination of the product with metal, plastic, glass or wood	416	ESRS S4: Consumers and end-users

ESG	Drylock Technologies Material topics	Description	SDGs	Our sustainability KPIs	Corresponding GRI Standards Material Topic	Corresponding ESRS Standards Material Topic
Governance	Business ethics	Adheres to principles and standards that guide ethical behavior in business operations, promoting honesty, integrity, and fairness.	17	• Percentage of employees being trained in business ethics topics • Reported breaches of the Code of Conduct related to anti-corruption or anti-competitive practices	205, 206	ESRS G1: Business conduct
	Risk management	Risk management is integrated into governance to address sustainability, financial and operational risks. Cyber security and information security are integral to this approach, with risks related to data protection, system integrity and digital resilience continuously monitored and mitigated to safeguard business continuity and stakeholder trust.	8 9 11 13 16 17	• Suppliers signed declaration of conformity • % key suppliers1 aligned with Supplier Code of Conduct • Key suppliers signed Supplier Charter on Climate Action • Key suppliers evaluated on ESG/sustainability roadmap • Key suppliers scanned for external audit compliance (ESG) • EcoVadis score • SBTi commitment • Operational sites with an information security management system externally certified	205, 206, 308	ESRS 2 GOV- 4: Risk management and internal controls over sustainability reporting

[1] Key suppliers: Top 50 suppliers – based on yearly purchasing volumes including all Drylock entities

ESG	Drylock Technologies limited impact topics	Description	SDGs	Our sustainability KPIs
Environment	Water	Manages water usage efficiently to ensure availability and quality, reducing the environmental impact of our operations and preserving this vital resource.	12	• Water intensity ratio
	Forests and biodiversity	Protects and promotes the health of forest ecosystems and biodiversity, ensuring the sustainability of natural habitats and the species that depend on them.	15	• Percentage of certified or controlled wood-based raw materials • Percentage of organic cotton used in our products
Social	Career development	Provides opportunities and programs for employees to grow their skills, advance their careers, and achieve their professional goals, supporting long-term success and retention.	3 4	• Percentage of employees trained

IROs	IRO Type	Supply Chain Allocation	Time Horizon
Climate change and carbon emissions			
High carbon emissions from manufacturing	Potential Negative Impact	upstream + own operations + downstream	Short term + medium term + long term
Regulatory costs: Increased costs due to stricter emissions regulations and potential carbon taxes (Transitional risk)	Potential Risk	own operations	Short term + medium term
Reputation damage: Negative public perception and potential loss of customers concerned about environmental impact	Potential Risk	own operations + downstream	Short term + medium term
Litigation: Potential legal actions related to environmental damage	Potential Risk	upstream + own operations + downstream	Short term
Cost savings: Implementing energy-efficient practices and renewable energy can reduce long-term operational costs	Actual Opportunity	own operations	Short term
Revenue growth: Developing and marketing low-carbon products and services can open new revenue streams	Potential Opportunity	own operations + downstream	Medium term + long term
Eco-design and innovation			
Adoption of eco-design principles	Actual Positive Impact	upstream	Short term + medium term + long term
High initial costs: Significant upfront investment in research and development	Actual Risk	upstream	Short term
Market acceptance: Risk that new eco-designed products may not be well received by the market	Potential Risk	downstream	Medium term
Competitive advantage: Differentiating products in the market through innovative eco-design	Actual Opportunity	downstream	Short term + medium term
Regulatory benefits: Staying ahead of regulations and avoiding future compliance costs	Actual Opportunity	downstream	Short term + medium term
Waste management			
High levels of waste generation	Actual Negative Impact	own operations	Short term
Disposal costs: High costs associated with waste disposal and potential regulatory fines	Potential Risk	own operations	Medium term
Initial investment: Upfront costs for implementing new waste reduction technologies and processes	Actual Risk	own operations	Short term
Revenue from recycling: Generating revenue from recycling and waste-to-energy initiatives	Actual Opportunity	own operations	Short term
Cost savings: Long-term savings from reduced waste disposal costs	Actual Opportunity	own operations	Short term

upstream own operations downstream Short term medium term long term

Product safety and quality			
Product recalls due to safety issues	Potential Negative Impact	upstream	long term
Direct costs: Costs associated with retrieving, disposing, and replacing products	Actual Risk	upstream	long term
Reputation damage: Negative public perception and potential loss of customers	Actual Risk	upstream	long term
Higher costs: Initial investment in quality control systems and training	Actual Risk	own operations	long term
Improved processes: Enhancing quality control can reduce future recall risks	Actual Opportunity	own operations	long term
Customer trust: Transparent handling of recalls can build customer trust	Actual Opportunity	upstream	long term
Cost savings: Long-term savings from reduced defects and recalls	Actual Opportunity	own operations	long term
Customer satisfaction: Improved product quality can enhance customer satisfaction	Actual Opportunity	upstream	long term
Health and safety			
Implementation of safety programs	Actual Positive Impact	own operations	long term
Higher costs: Initial investment in safety programs and training	Actual Risk	own operations	long term
Cost savings: Long-term savings from reduced accidents and insurance costs	Actual Opportunity	own operations	short term
Employee satisfaction: Improved safety can enhance employee satisfaction and productivity	Actual Opportunity	own operations	long term
Diversity and respect			
Lack of diversity in the workplace	Actual Negative Impact	own operations	long term
Reputation damage: Negative public perception and potential loss of customers	Potential Risk	own operations	medium term
Legal risks: Potential lawsuits related to discrimination	Potential Risk	own operations	short term
Higher costs: Initial investment in diversity and inclusion programs	Actual Risk	own operations	long term
Operational challenges: Managing diversity and inclusion initiatives can be complex	Actual Risk	own operations	long term
Innovation: Diverse teams can drive innovation and creativity	Actual Opportunity	own operations	long term
Market access: Access to new markets and customer segments	Potential Opportunity	upstream	medium term
Employee satisfaction: Improved employee satisfaction and retention	Actual Opportunity	own operations	long term

Legend upstream own operations downstream Short term medium term long term

Human rights			
Labor rights violations in supply chain	Potential Negative Impact	upstream, own operations	Short term, medium term, long term
Regulatory fines: Non-compliance with labor regulations can lead to fines	Actual Risk	upstream, own operations	Short term
Reputation damage: Negative public perception and potential loss of customers	Potential Risk	downstream	medium term
Sustainable sourcing: Implementing fair labor practices can enhance brand reputation	Actual Opportunity	upstream, own operations	Short term
Market access: Access to markets with strict labor standards	Actual Opportunity	downstream	Short term
Business ethics			
Corruption and bribery incidents	Potential Negative Impact	own operations, downstream	Short term
Regulatory fines: Non-compliance with anti-corruption laws can lead to fines	Actual Risk	own operations	Short term
Reputation damage: Negative public perception and potential loss of customers	Actual Risk	downstream	Short term
Higher costs: Initial investment in developing and implementing ethical policies	Actual Risk	own operations	Short term
Operational challenges: Managing compliance with ethical policies can be complex	Actual Risk	own operations	Short term
Strong governance: Implementing anti-corruption measures can enhance governance	Potential Opportunity	own operations	Short term
Market differentiation: Positioning as a leader in ethical practices	Potential Opportunity	own operations	medium term
Brand loyalty: Enhanced brand reputation and customer loyalty	Potential Opportunity	downstream	medium term
Risk management			
Comprehensive risk management strategies	Potential Positive Impact	own operations	Short term
Higher costs: Initial investment in risk management systems and training.	Actual Risk	own operations	Short term
Risk mitigation: Reduced likelihood of operational disruptions and regulatory fines	Actual Opportunity	own operations	Short term

Legend upstream own operations downstream Short term medium term long term

7.2. ESRS statements

E1 Climate change strategy

E1 – 1 Transition plan for climate change mitigation

Drylock Technologies integrates its climate transition plan into its overall business strategy, recognizing sustainability as a core component of its long-term vision and value creation approach. As highlighted in the CEO statement, sustainability is not managed as a standalone program but is embedded in the way we operate, innovate and grow our business.

The growth strategy supports continued investments in technology, innovation, and sustainability. Ensuring that climate-related actions are closely linked to business development and operational decision-making.

In this context, decarbonization efforts are integrated across key business activities, including product development, manufacturing, and supply chain management.

By aligning climate action with its strategic priorities, Drylock strengthens its ability to respond to evolving customer expectations, regulatory developments and market dynamics, while enhancing long-term competitiveness and resilience.

GHG reductions aligned with global climate goals and compatibility with limiting global warming to 1.5°C.

Drylock's climate ambitions are driven by the transition to a 1.5°C economy and are in line with climate science and the Paris Agreement.

In this context, Drylock has established approved near-term targets aligned with the Science Based Targets initiative (SBTi).

The following targets have been defined to reduce the climate impact of our own operations and to enable climate impact reductions across the value chain:

- Near-term target: Drylock commits to reducing absolute Scope 1 and 2 greenhouse gas emissions by 70% by 2030. Additionally, we commit to reducing Scope 3 greenhouse gas emissions from upstream transportation and distribution, waste generated in operations, upstream leased assets, downstream transportation and distribution, and end-of-life treatment of sold products by 52% per EUR value added within the same timeframe.
- Drylock commits that 50% of its suppliers, by emissions covering purchased goods and services, will have science-based targets by 2027.
- Drylock also commits to continue sourcing 100% renewable electricity through 2030.

Scope	Parameters	NEAR-TERM TARGET Target year 2030
Scope 1 & 2	Absolute target	70% reduction versus 2021 base year
Scope 3	Relative target	52% reduction versus 2021 base year

Drylock Technologies' climate transition plan is approved annually by the Board of Directors. More information can be found in section "Additional statements".

DECARBONIZATION LEVERS ACROSS THE VALUE CHAIN

See section Scope 1 & 2 intensity trend line for our own operations* "Develop: being environmentally transparent".

KEY ACTIONS AND PLANS

Own operations

Key elements of our approach include:

- aligning Drylock's greenhouse gas emission reduction pathway with science-based targets and climate goals, understanding emissions across the full product life cycle and value chain;
- using 100% renewable electricity across global production, continuously improving energy efficiency, and advancing circular product and packaging solutions in line with our eco-design and innovation principles and evolving customer expectations;
- embedding climate-related risk identification and mitigation into our environmental management approach, including regular environmental risk assessments and engagement with stakeholders across the value chain to address both operational and supply chain impacts;

To deliver on our climate ambitions, the implementation of the transition plan relies on four key decarbonization levers:

Raw materials & product design

- Eco-design & material reduction
- Increase use of bio-based/recycled materials
- Responsible sourcing
- Product innovation
- Optimization of fluff & SAP

Operations & energy

- 100% renewable electricity usage across all operational sites
- On-site self-generated electricity
- 100% renewable electricity used to manufacture our products

Transport & logistics

- Logistics optimization through optimizing proximity between suppliers, plants and customers
- Accelerate the modal shift
- Use of electric trucks and the use of alternative fuels
- Load optimization & reusable carriers

Circularity & end-of-life

- Development of more sustainable packaging solutions
- Maximizing waste recovery through material or energy recovery
- Exploration of compostable solutions
- Investment in end-of-life partnerships & innovation

For more information, we would like to refer to the section "Develop: Being environmentally transparent".

POTENTIAL LOCKED IN GHG EMISSIONS

Drylock considers the risk of significant locked-in greenhouse gas emissions to be limited. The company's production assets are not dependent on fossil-fuel-intensive technologies with long lifetimes, and energy sourcing is increasingly shifted towards renewable electricity. As a result, existing assets are not expected to materially jeopardize the achievement of the company's greenhouse gas reduction targets.

E1 – 2 Identification of climate-related risks and scenario analysis

Drylock integrates climate considerations into its strategy and risk management processes to assess potential exposures and ensure the long-term resilience of its business model in a changing regulatory and environmental context.

Climate-related risks are identified primarily through the Double Materiality Assessment and are further evaluated using qualitative risk assessment processes covering both our own operations and relevant parts of the value chain.

The assessment identified several potential transition-related climate risks:

- **Regulatory risks** including increased costs due to stricter emissions, regulations and potential carbon pricing mechanisms
- **Reputational risks** related to changing customer expectations regarding environmental performance and potential loss of business
- **Litigation risks** related to compliance with environmental regulations and potential legal actions.

Although climate change and carbon emissions are a material topic, this is primarily driven by opportunities rather than risks. The identified transition-related risks remain below the defined materiality thresholds. Consequently, no material climate-related risks, neither transition-related nor physical, have been identified at the reporting date.

ASSESSMENT OF PHYSICAL CLIMATE RISKS AND SCENARIO ANALYSIS

To assess its exposure to physical climate risks, Drylock conducted a location-based risk screening supported by an independent external climate analysis performed by Climact in 2025. This analysis evaluates the potential impacts of climate change on its operational footprint under different future conditions.

SCENARIO APPROACH

The scenario analysis considers multiple climate scenarios reflecting a range of potential temperature pathways:

- Current climate conditions **(approximately +1.2°C)**
- A scenario aligned with a temperature **increase limited to approximately +1.5°C**
- A higher-warming scenario of **approximately +2°C**

These scenarios were selected to assess Drylock Technologies' exposure to climate-related hazards under both near-term and longer-term climate futures and to support resilience planning across its operations and value chain. They enable Drylock to assess how climate-related hazards may evolve under both transition-aligned and more adverse pathways.

SCOPE OF THE ANALYSIS

The assessment focused on Drylock's 10 sites located in the **EU, Russia, South America and North America**. These sites represent the most relevant assets for evaluating potential exposure to physical climate risks.

METHODOLOGY AND ASSUMPTIONS

The analysis considered a range of **nine climate hazards**, including: cold spell, drought, fire, floods, heat stress, heatwave, heavy precipitation, water stress and tropical cyclones. **Climate models** were used to assess how these hazards may evolve under the selected scenarios.

In addition, indicative **damage functions** were applied to translate potential hazard exposure into operational and financial implications, such as repair costs, increased operating expenses and potential production disruptions. The assessment is based on unmitigated exposure assumptions and reflects potential impacts in the absence of additional adaptation measures.

KEY FINDINGS

The results of the analysis indicate that exposure to physical climate risks is **limited and site-specific.** Under the scenarios considered, **no significant disruptions** to operations or **material financial impacts** are expected in the **short to medium** term. While exposure may increase under higher-warming scenarios, the potential impacts remain manageable within the current operational and strategic framework. Consequently, **physical climate risks are not assessed as financially material at the reporting date.**

ASSESSMENT OF TRANSITION RISKS

Transition risks are assessed qualitatively by monitoring developments in:

- regulatory risks related to evolving emissions regulations and potential carbon pricing;
- reputational risks linked to changing customer expectations about environmental impact;
- litigation risks associated with environmental compliance.

These elements are integrated into Drylock's enterprise risk management and sustainability governance processes and are considered in strategic planning and decision-making.

E1 – 3 Resilience in relation to climate change

Building on the identification and assessment of climate-related risks and the scenario-based analysis presented in ESRS E1-2, Drylock has further assessed the resilience of its strategy and business model under different climate-related conditions.

This assessment is further supported by the outcomes of the double materiality assessment and the scenario-based physical climate risk analysis conducted with external support from Climact.

LINK WITH CLIMATE-RELATED RISK ASSESSMENT

Although no climate-related risks have been identified as financially material at the reporting date, Drylock considers both:

- identified **potential transition risks;**
- **site-specific exposure to physical climate hazards.**

in evaluating the resilience of its strategy and business model.

This ensures that the assessment takes into account not only material risks, but also **non-material and emerging risks** that could influence business continuity, operational performance or strategic positioning over time. The resilience of Drylock's strategy and business model was evaluated by assessing whether these identified risks could reasonably lead to material implications across the short-, medium- and long term.

USE OF RISK ANALYSIS AND FINANCIAL IMPACT CONSIDERATIONS

The resilience assessment is informed by the qualitative risk evaluation performed as part of the Double Materiality Assessment, where climate-related risks are assessed based on their likelihood and potential financial magnitude. In addition, the physical climate risk analysis supported by Climact provides indicative insights into potential operational and financial impacts, including possible repair costs, insurance costs and production disruptions. These inputs are used to assess whether the identified risks could realistically result in material financial or operational consequences. The assessment indicates that the identified climate-related risks remain limited and site-specific, and do not result in material implications for Drylock's strategy or business model at the reporting date.

ROLE OF CLIMATE SCENARIO ANALYSIS

The resilience assessment is further supported by a scenario-based evaluation of physical climate risks.

The Climact analysis assesses Drylock's exposure to multiple climate hazards across different global warming scenarios, including:

- current climate conditions (approximately +1.2°C);
- a scenario aligned with approximately +1.5°C;
- a higher-warming scenario of approximately +2°C.

These scenarios are used to test the robustness of Drylock's operational footprint and strategic positioning under different climate futures. While exposure increases under higher-warming scenarios, the results indicate **modest impacts**, which do not undermine the resilience of Drylock's strategy or business model.

ROLE OF MITIGATION ACTIONS AND TRANSITION APPROACH

Drylock's resilience is further supported by its climate transition approach and ongoing mitigation actions.

These measures contribute to:

- reducing exposure to energy-related and regulatory transition drivers;
- improving operational efficiency;
- supporting long-term competitiveness.

The contribution of these measures to resilience is reflected in the actions and resources disclosed under ESRS E1-5.

ADAPTIVE CAPACITY OF THE BUSINESS MODEL

In assessing the extent to which its strategy and business model can adapt to climate change, Drylock Technologies considers:

- the availability and flexibility of financial resources to absorb potential impacts and support mitigation or adaptation measures;
- the adaptability of its assets, including the ability to upgrade or operationally adjust production sites;
- the role of current and planned investments in supporting climate mitigation and long-term resilience.

These elements contribute to Drylock's ability to respond to evolving climate conditions over the short, medium and long term.

KEY UNCERTAINTIES

The resilience assessment is subject to uncertainties related to:

- the evolution of climate-related regulation;
- developments in energy markets;
- local climate conditions and hazard projections.

Drylock monitors these uncertainties on an ongoing basis and retains the capacity to adapt its strategy and business model where necessary.

These considerations provide supporting insight into the potential financial implications of climate-related risks and are used internally in the resilience assessment, although a formal disclosure of anticipated financial effects under ESRS E1-11 is not included in the current reporting period.

E1-4 Policies related to climate change mitigation and adaptation

POLICY FRAMEWORK

Drylock addresses climate change mitigation and adaptation through its group-wide **Environmental Policy, the Supplier Code of Conduct and the Code of Conduct** applicable to all employees, supported by related management frameworks. These policies form the basis for managing environmental and climate-related impacts, risks and opportunities.

PURPOSE

Drylock Technologies' environmental policy aims to:

- reduce environmental impact and greenhouse gas emissions;
- improve resource efficiency across operations;
- ensure compliance with applicable environmental legislation;
- support continuous improvement in environmental performance.

Drylock Technologies Supplier Code of Conduct aims to:

- ensure that suppliers comply with applicable environmental and climate-related legislation and requirements;
- promote responsible use of resources and continuous improvement in environmental performance across the supply chain;
- engage suppliers on sustainability topics, including greenhouse gas emissions, environmental impact and responsible sourcing practices.

Drylock Technologies Code of Conduct aims to:

- define expectations for ethical behavior, compliance and accountability across all Drylock Technologies' operations;
- ensure that employees act in line with applicable laws, internal policies and sustainability commitments;
- support the implementation of environmental and climate-related objectives through responsible decision-making and day-to-day operations.

ESG TOPICS COVERED

The policy framework covers key climate-related topics, including:

- energy use and efficiency;
- greenhouse gas emissions (Scope 1, 2 and 3);
- resource use and materials;
- waste and environmental impacts of operations.

SCOPE

The environmental policy applies to:

All Drylock's employees, contractors, suppliers, vendors, visitors, and any other individuals or entities associated with Drylock Technologies. This Policy applies to Drylock's operations, facilities, and activities in all geographical regions where the organization conducts business. Environmental responsibility knows no boundaries, and adherence to this policy is required globally.

The Supplier Code of Conduct applies to:

- suppliers, subcontractors and business partners involved in Drylock's upstream value chain, including providers of raw materials, components and services;
- these parties are expected to comply with applicable environmental requirements and to engage on sustainability-related topics, including climate-related aspects.

Drylock Technologies Code of Conduct applies to:

- all employees as well as all representatives and third parties acting on behalf of or working for Drylock;
- it defines expectations regarding ethical behavior, compliance and accountability in daily operations and decision-making.

The application of these policies is supported by internal processes, including monitoring, evaluation and continuous improvement mechanisms.

The environmental policy establishes commitments to reduce greenhouse gas emissions, improve energy and resource efficiency, ensure compliance with environmental legislation and support continuous improvement.

The Supplier Code of Conduct complements this framework by setting expectations for suppliers regarding environmental responsibility, including compliance with legal requirements, responsible use of resources and engagement on climate-related topics.

The Code of Conduct applicable to employees defines expectations regarding ethical behavior, compliance and accountability, which support the effective implementation of environmental and climate-related commitments across the organization.

STAKEHOLDER CONSIDERATIONS

The application of the environmental policy is informed by stakeholder expectations identified through the Double Materiality Assessment, including customers, suppliers, employees and investors.

EXTERNAL STANDARDS AND INITIATIVES

Drylock's climate-related commitments are aligned with recognized external frameworks and initiatives. In particular, the company's greenhouse gas emission reduction targets are validated by the Science Based Targets initiative (SBTi), ensuring alignment with climate science.

CONCLUSION ON ADAPTATION POLICY

Based on the outcomes of the Double Materiality Assessment and the external climate risk analysis, climate change adaptation is currently not assessed as a material topic. As a result, Drylock does not maintain a standalone adaptation policy and climate-related aspects are managed through existing policies and processes.

E1- 5 Actions and resources in relation to climate change mitigation and adaptation

Drylock implements a range of actions to reduce its climate impact and support the transition towards a lower-carbon business model. The following climate-related mitigation actions are disclosed in this sustainability report:

- **Energy-related measures in our operations** including the sourcing of renewable electricity and ongoing improvements in energy efficiency, contributing to emission reductions in Scope 1 and Scope 2. These actions include both measures implemented during the reporting period and ongoing initiatives expected to deliver further emission reductions in the short to medium term.
- **Logistics optimization measures**, such as modal shifts and proximity-based warehousing, aimed at reducing transport-related emissions across our operations and downstream activities. These actions mainly include ongoing and planned initiatives, with expected emission reductions in the medium term.
- **Supplier engagement and sustainability assessment initiatives** targeting Scope 3 emissions in the upstream value chain by encouraging improved environmental performance and collaboration with suppliers. These actions are currently ongoing and expected to contribute to emission reductions over the medium to long term.

These actions reflect Drylock's focus on reducing emissions across its own operations and value chain and are integrated into its broader decarbonization strategy.

The actions disclosed include both:

- measures **implemented during the reporting period FY2025;**
- **ongoing and planned initiatives** contributing to emission reductions over the **medium to long-term.**

These actions contribute to achieving Drylock's near-term greenhouse gas emission reduction targets which are aligned with the Science Based Targets initiative (SBTi) by supporting emission reductions across both our own operations and the value chain.

Further details **on specific actions** and their implementation are available in the Sustainability Progress Report section **"Develop: being environmentally transparent"**.

E1-6 Targets related to climate change

Drylock's climate-related targets are voluntary commitments and are not derived from legal or regulatory requirements. These targets have been established to support the company's environmental policy objectives, particularly the reduction of greenhouse gas emissions, the improvement of resource efficiency and the transition towards a lower-carbon business model.

The targets disclosed in section E1-1 are aligned with the company's decarbonization strategy and are supported by the actions and initiatives described under E1-5, including energy efficiency improvements, the sourcing of renewable electricity, logistics optimization and supplier engagement programs.

The targets apply at group level and cover Drylock's own operations and relevant parts of the value chain, including Scope 1, 2 and **selected Scope 3** emissions categories. Targets have been validated by the Science Based Targets initiative (SBTi).

For further details on our climate change targets, reference is made to section E1-1, where our objectives are outlined. Additional contextual information can be found in the section "Being environmentally transparent".

E1-7 Energy consumption and mix

For further details on our energy consumption and energy mix, reference is made to the relevant disclosures in the Environmental Data section.

E1-8 Gross scope 1, 2, 3 GHG emissions

For further details on our gross Scope 1, 2 and 3 GHG emissions, reference is made to the Environmental Data section.

E1-9 GHG removals and GHG mitigation projects financed through carbon credits

Regarding GHG removals

GHG removals and storage within Drylock's operations or its upstream and downstream value chains are not applicable.

Regarding GHG mitigation projects

Drylock has made public GHG neutrality claims in relation to Scope 1 and Scope 2 emissions covered by the CO2logic "Taking Climate Action" label. These claims are based on a calculate–reduce–offset approach and are restricted to the emissions scope explicitly certified. The use of carbon credits does not replace Drylock's decarbonization strategy. Carbon credits are used only for remaining unabated emissions after implementation of a reduction plan, while Drylock continues to pursue its SBTi-aligned targets, including a 70% reduction in absolute Scope 1 and 2 emissions and a 52% reduction in relative Scope 3 emissions per value added by 2030, compared with a 2021 baseline. The credibility of the carbon credits is supported by independent validation from Vinçotte and using recognized standards such as Verra and Gold Standard. For more information visit Develop: "Being environmentally transparent".

To find out more:
qr.co2logic.com/d20b1dc8b9c89be30ac5c713f00a33a0

E1- 10 Internal carbon pricing

Currently, Drylock does not apply internal carbon pricing schemes. While internal carbon pricing can serve as an effective tool for embedding the cost of carbon emissions into business decision-making, Drylock has chosen alternative strategies to drive its decarbonization efforts.

E1-11 Anticipated financial effects from material physical and transition risks and potential climate related opportunities

Based on Drylock's climate risk assessment, no significant financial effects from material physical or transition risks are anticipated in the short term. Current operations are considered resilient with respect to foreseeable near-term climate impacts. However, the assessment indicates that financial effects may increase over the longer term as climate hazards intensify under higher warming scenarios. Overall, the modelled financial exposure remains low and limited to specific locations rather than the overall operational footprint.

ESRS E5 Resource use and circular economy

Material impacts, risks and opportunities related to resource use and circular economy and their interaction with strategy and business model.

The Double Materiality Assessment conducted in 2025 identified impacts, risks and opportunities related to resource use and the circular economy. Further details are provided in the General Information section (IRO-1).

E5 Resource use and circular economy

E5 – 1 Policies related to resource use and circular economy

OUR ENVIRONMENTAL POLICY

Drylock's environmental policy addresses the management of material impacts related to circularity and waste. We commit to:

- Reducing waste generation from production processes and continuously improving waste separation to enable further reuse, recycling and valorization.
- Implementing waste management systems that ensure both hazardous and non-hazardous waste are handled in a manner that does not pose risks to human health or the environment.
- Protecting the environment through the sustainable and efficient use of natural resources across our operations.
- Integrating resource efficiency considerations into product design and innovation, with the aim of reducing material intensity while maintaining product performance and safety.
- Supporting circular material flows by increasing the use of renewable, recycled and responsibly sourced materials where technically and legally feasible.
- Applying responsible sourcing and chain of custody practices, including the use of recognized certification schemes for relevant raw materials.
- Communicating clear expectations on responsible resource use and waste management to suppliers through the Supplier Code of Conduct and related procurement frameworks.

Our environmental policy is accessible to all employees and contractors via our internal company website.

SCOPE

The environmental policy applies to all employees, contractors, suppliers, vendors, visitors, and any other individuals or entities associated with Drylock. This Policy applies to Drylock's operations, facilities, and activities in all geographical regions where the organization conducts business.

SUPPLIER CODE OF CONDUCT

We also set expectations for responsible resource and waste management for our suppliers, as covered in our Supplier Code of Conduct. For more information regarding this topic, we kindly refer you to the "Responsible supply chain" section of our Sustainability report.

SCOPE

The Supplier Code of Conduct applies to suppliers, subcontractors and business partners.

DEFORESTATION

While Drylock's Environmental Policy does not include a standalone commitment on deforestation or forest degradation, it does require responsible sourcing and chain of custody practices, including the use of recognized certification schemes such as FSC® and PEFC for relevant raw materials. For more information regarding this topic, we kindly refer you to the "Protecting forests and biodiversity" section of our Sustainability report.

E5 – 2 Actions and resources related to resource use and circular economy

Drylock continuously takes measures to prevent, mitigate and reduce actual and potential impacts related to resource use, waste generation and circular economy across its own operations and value chain. Key ongoing actions include:

- **Eco-design and material efficiency:**
  Circularity and resource efficiency are systematically integrated into product design and innovation processes. This includes reducing material intensity through optimized absorbent core design, lightweighting and material substitution, while maintaining product safety and performance.

- **Use of renewable, recycled and responsibly sourced materials:**
  Drylock prioritizes renewable and certified raw materials, including FSC®- and PEFC®-certified fluff pulp and 100% organic cotton and continuously increases the share of renewable and recycled content in products and packaging where technically feasible.
- **Sustainable packaging and closed-loop solutions:**
  Packaging strategies focus on minimizing material use, reducing virgin fossil-based plastics and maximizing circularity. Closed-loop solutions are implemented for selected packaging materials by reintegrating internal production waste into new packaging applications.
- **Waste prevention and resource valorization in manufacturing:**
  Waste generation is reduced through process optimization, automation and scrap reduction initiatives. Drylock applies the waste hierarchy by prioritising prevention, reuse and recycling and by maximizing recovery rates, with landfill as a last resort.
- **End-of-life innovation for products:**
  Recognizing end-of-life as a significant environmental impact category, Drylock invests in long-term circular solutions, including the development of compostable absorbent hygiene products and biodegradable material innovations.
- **Supplier requirements on resource use and waste management:**
  Responsible resource use and waste management are embedded in the Supplier Code of Conduct. Suppliers are required to minimize waste, conserve resources, prevent pollution and apply effective environmental management practices throughout their own operations and supply chains.

E5 – 3 Targets related to resource use and circular economy

Targets related to ESRS E5 have been developed over previous years and remains applicable in FY 2025. They are integrated into Drylock's sustainable targets framework and are presented in the sustainable targets section of this Sustainability Report. These targets cover waste management, eco-design, material efficiency and sustainable packaging and are managed consistently across environmental topics. They are directly linked to the commitments set out in the Environmental Policy and are implemented through Drylock's operational and innovation-driven actions, such as product design optimization, material substitution and supply chain engagement.

The targets apply primarily to Drylock's own operations, while also covering relevant parts of the value chain, including upstream sourcing and downstream product impacts, where applicable. They are defined on a global level and apply across all geographical areas in which Drylock operates.

Baseline years and performance progress are disclosed in the Sustainability Report, where targets are monitored against clearly defined indicators. For most of these targets, progress is on track, with several already achieved ahead of the 2030 timeline.

These targets were developed on a voluntary basis, combining best practices, innovation in materials and evolving regulatory requirements to ensure they are realistic, actionable and aligned with global circular economy goals.

E5 – 4 Resource inflows

At Drylock, resource inflows primarily consist of raw materials and components used in our own operations and throughout the upstream value chain. These mainly include polymers, such as polyethylene and polypropylene, as well as absorbent materials and nonwovens that are essential to produce hygiene products. Fluff pulp, a renewable raw material, is a key input in the manufacturing of absorbent hygiene products.

Drylock focuses on responsible sourcing practices, including the use of recognized certification schemes for relevant materials. In line with its approach to resource use and circular economy, Drylock aims to improve material efficiency and continues to explore the integration of recycled, renewable and responsibly sourced materials across its products and packaging.

Further information on the key materials used is provided in the Materials section, with a detailed quantitative breakdown available in the Environmental data section.

E5 – 5 Resource outflows

Drylock's core products, including baby care, feminine care and adult care products, are designed with increasing attention to resource efficiency and circularity, particularly in relation to materials and packaging.

While these products are single-use by nature and therefore not suited for reuse, repair, or remanufacturing, Drylock focuses on reducing the amount of material used per product through ongoing product design improvements.

Efforts include optimizing absorbent core technologies and reducing material use, while maintaining product performance.

The main resource outflows are driven by:

- the use of raw materials in product manufacturing, which represent a significant share of the overall environmental footprint;
- the use of packaging materials, including plastic and paper-based solutions;
- waste generated during production processes, including production scrap and packaging waste;
- the end-of-life phase of products contributes substantially to waste generation across the value chain.

Drylock works to minimize these outflows by reducing material intensity, increasing the share of renewable and recycled materials and maximizing the recovery of production waste in line with the waste hierarchy. At the same time, the company continues to explore alternative end-of-life solutions, such as compostable product innovations, acknowledging the current technical and economic limitations of large-scale recycling for hygiene products. The recyclability and actual recovery of packaging and products remain dependent on the availability and effectiveness of external waste collection and treatment systems. Further information on recyclable content in products and waste is provided in the Materials section, with a detailed quantitative breakdown available in the Environmental Data section.

S1 – Own workforce

The Double Materiality Assessment conducted in 2025 identified impacts, risks and opportunities related to own workforce, including both positive and negative impacts. Further details are provided in the General Information section (IRO-1)

S1- 1 Policies related to own workforce

Drylock manages material impacts, risks and opportunities related to its Own Workforce through a set of existing group-wide policies and practices, including the Code of Conduct, occupational health & safety policies, diversity and inclusion principles, employee well-being initiatives and responsible employment practices. These policies apply to all employees, representatives and third parties acting on behalf of or working for Drylock across its global operations and are aligned with internationally recognized standards such as the "**UN Guiding Principles on Business and Human Rights and ILO Conventions**."

OUR MAIN POLICIES ARE:

Code of Conduct

Establishes Drylock's core principles on ethical behavior, human rights, equal treatment, non-discrimination and respect in the workplace.

Human rights policy

Establishes Drylock's commitment to respect internationally recognized human rights and preventing and mitigating adverse impacts in its operations. The policy includes commitments related to fair working conditions, non-discrimination, freedom of association, and the prohibition of child labor, forced labor, compulsory labor and human trafficking.

Labor relations and working conditions policy

Defines principles related to fair working conditions, labor relations and responsible employment practices across the organization.

Career management and training policy

Supports employee development, training and career progression, contributing to employability and long-term employee engagement.

Social dialogue policy

Establishes Drylock's approach to engage with employees and, where applicable, workers' representatives through structured dialogue and consultation mechanisms.

Health & safety policy for subcontractors

Sets clear safety expectations for subcontractors working on Drylock sites, ensuring that health and safety standards extend to third parties operating within Drylock facilities.

Drylock communicates its policies to employees through a combination of formal and ongoing channels. Policies are made available to all employees via the Group Compass intranet and other internal communication channels. In addition, Drylock supports policy communication through structured training and awareness initiatives, including e-learning modules, workshops and training sessions linked to the Code of Conduct and other key topics.

Policy principles are further embedded through the Code of Conduct framework, which is communicated to employees and supported by periodic training. Employees are expected to apply these principles in their daily work, and awareness is continuously reinforced through internal communication and training programs.

SUPPORTING PRACTICES

Occupational health & safety policies and management systems

Define Drylock's commitment to providing safe and healthy working conditions, including preventive measures, safety training, incident reporting, and the right to remove oneself from unsafe situations without retaliation.

Employee well-being and work-life balance practices

Support the physical, mental and emotional well-being of employees through health programs, employee assistance initiatives, and measures such as the "Right to Disconnect," promoting a healthy balance between work and private life.

Diversity, equity and inclusion principles

Promote equal opportunities and an inclusive workplace, prohibiting discrimination and harassment on any grounds. These principles are embedded in the Code of Conduct and reinforced through local diversity initiatives, awareness programs and equal opportunity practices.

Responsible employment and fair remuneration practices

Ensure fair and responsible employment conditions, including transparent contracts, secure employment practices and remuneration benchmarks aligned with recognized living wage standards, taking local legal and economic contexts into account.

Training, skills development and career growth framework

Supports continuous professional development through training programs, performance and career development reviews, learning management systems and internal mobility opportunities, applicable to employees across Drylock's operations.

Speak-up, whistleblowing and grievance mechanisms

Provide channels for employees to raise concerns, report misconduct or human rights issues and seek remediation, with explicit protection against retaliation. These mechanisms support transparency, accountability and trust within the organization.

S1-2 Processes for engaging with own workers and workers' representatives

S1-2(A) ENGAGEMENT WITH OWN WORKERS ABOUT IMPACTS

Drylock engages with its own workforce through ongoing and structured dialogue embedded in daily operations across all sites. Engagement with employees takes place through regular team meetings, operational briefings, safety talks and other internal communication channels. These interactions enable employees to share their perspectives, raise concerns and provide feedback on matters that may affect their health, safety, well-being and working conditions.

A strong focus is placed on health and safety engagement. Employees are actively involved in occupational health and safety processes through regular safety meetings, participation in risk identification and incident reviews, and contributions to preventive and corrective actions. In addition, engagement on employee well-being, mental health and work-life balance forms part of continuous interaction between employees, supervisors and local management. Insights gathered through these engagements are used to support continuous improvement of workplace conditions and to inform management decisions related to workforce-related impacts.

S1-2(B) ENGAGEMENT WITH WORKERS' REPRESENTATIVES

Where applicable and in line with local legal frameworks, Drylock engages with workers' representatives through established social dialogue and consultation mechanisms. This includes engagement via local health and safety committees, safety representatives and other representative bodies where present.

Through these forums, workers' representatives are involved in discussions on occupational health and safety, working conditions and other employment-related matters relevant to workforce impacts. These engagement processes ensure that employee representation is taken into account in discussions affecting workplace conditions, while respecting local regulatory and organizational contexts.

S1-2(C) CHANNELS FOR WORKERS TO RAISE CONCERNS OR NEEDS AND APPROACHES TO REMEDY

Drylock provides formal channels through which employees can raise concerns, report issues or express needs related to workplace matters. These include grievance and speak-up mechanisms that are accessible to employees across the organization and can be used confidentially and, where appropriate, anonymously. Employees are protected against retaliation when using these channels.

Concerns raised through these mechanisms are assessed and addressed through internal follow-up processes, including corrective actions where necessary. Workplace incidents and issues, particularly related to health and safety or employee well-being, are monitored and used as input for continuous improvement and preventive measures. Through these channels and follow-up actions, Drylock aims to ensure timely remediation of identified issues and to strengthen trust and transparency within the organization.

The effectiveness of these mechanisms is periodically reviewed through the monitoring of reported concerns, follow-up actions and resolution outcomes.

S1 – 3 Actions related to own workforce

At Drylock, we believe our people are our greatest asset, and their health, safety and well-being are fundamental to our operations. Drylock Technologies implements a range of actions to manage actual and potential negative impacts, as well as to enhance positive outcomes, related to its own workforce. These actions are integrated into daily operations and focus on health and safety, employee well-being, diversity and inclusion, responsible employment and skills development.

A core area of action relates to **occupational health and safety**. Drylock implements preventive and corrective measures aimed at reducing workplace risks and incidents, including regular safety training, internal audits, incident investigations and continuous improvement initiatives at site level. Employees are actively involved in identifying risks and implementing corrective actions, supporting a proactive safety culture. The effectiveness of these actions is monitored through health and safety indicators, which are disclosed in the relevant metrics sections of this report.

Drylock also undertakes targeted actions to support **employee well-being and work-life balance**. These include initiatives addressing physical and mental health, employee assistance programs, awareness campaigns and measures such as the "Right to Disconnect." These actions aim to prevent and mitigate risks related to stress, well-being and work-related health impacts and contribute to a healthy and sustainable working environment. Progress is monitored through qualitative and quantitative indicators disclosed elsewhere in this report.

Actions related to **diversity, equity and inclusion** are embedded across Drylock's operations. Drylock implements awareness-raising activities, training sessions and site-specific initiatives to promote equal opportunities, prevent discrimination and foster an inclusive workplace culture. These actions are aligned with Drylock's Code of Conduct and human rights commitments and are implemented in accordance with local legal requirements.

Drylock also takes actions to ensure **responsible employment practices and fair remuneration**. These actions include the application of transparent employment conditions and the benchmarking of wages against recognized standards for adequate and living wages.

The related objectives and commitments are aligned with the social priorities and targets disclosed in the Sustainable Targets section of the sustainability report.

Finally, Drylock invests in **training, skills development and career growth** as a key enabler of long-term workforce engagement and employability. Through structured training programs, performance and career development reviews, learning management systems and internal mobility opportunities, Drylock supports long-term employability and employee engagement. Progress on these actions is monitored through training-related indicators and targets disclosed in the Sustainable Targets section of the sustainability report.

To implement these actions, Drylock mobilises organizational, technical and human resources across its operations. Responsibilities for workforce-related topics are embedded in relevant functions, including Human Resources, Health and Safety and Compliance, supported by site-level management and dedicated roles. In addition, Drylock makes use of internal systems, including learning management systems and monitoring tools, to support the implementation, tracking and continuous improvement of workforce-related actions. These are complemented by internal audit processes, performance indicators and review mechanisms, enabling the company to assess effectiveness and identify areas for improvement.

These resources are integrated into daily operations and supported at both corporate and site level, ensuring that actions related to health and safety, well-being, diversity, responsible employment and skills development are effectively implemented.

Overall, the outcomes and effectiveness of the actions related to Drylock's Own Workforce are monitored through a set of **social KPIs and targets (S1-4)** are presented in the ***Sustainable targets section*** of this report, ensuring consistency between actions, performance measurement and long-term objectives.

These targets were developed on a voluntary basis as part of Drylock's human capital and sustainability approach, taking into account applicable regulatory requirements, workforce-related risks, opportunities and recognized good practices in labor standards, employee well-being and human rights.

The metrics **(S1-5 – S1-16)** used to monitor the effectiveness and outcomes of the actions related to the Own Workforce are disclosed in the **Social data section** of this report. **Targets** supporting these actions are presented in the **Sustainable targets** section.

S2 – Workers in the value chain

Material impacts, risks and opportunities related to value chain workers and their interaction with strategy and business model

The Double Materiality Assessment conducted in 2025 identified impacts, risks and opportunities related to workers in the value chain. Further details are provided in the General Information section (IRO1).

S2-1 Policies related to workers in the value chain

Drylock has established a set of policies that define its approach to managing potential human rights impacts related to workers in the value chain.

The policies apply primarily to suppliers and other third parties involved in Drylock's upstream value chain and are aligned with internationally recognized human rights and labor standards.

SUPPLIER CODE OF CONDUCT

Drylock's Supplier Code of Conduct sets out the minimum standards expected from suppliers and business partners with regard to **human rights, labor practices and ethical business conduct.** The Code prohibits child labor, forced or compulsory labor and discrimination, and supports freedom of association, fair working conditions and compliance with applicable labor laws. Suppliers are expected to apply these principles within their own operations and, where relevant, throughout their supply chains.

In addition, suppliers must comply with the **Drylock Supplier Anti-Corruption Statement**, which forms an integral and binding part of the Supplier Code of Conduct. This statement includes the strict prohibition of fraud, money laundering, facilitation payments and any practices that distort fair competition. Suppliers are required to avoid conflicts of interest, maintain accurate and transparent business records, and ensure that their employees and subcontractors are adequately trained in these requirements and always comply with them.

Together, these requirements form the foundation of Drylock's approach to managing potential adverse impacts on workers in the value chain by promoting respect for human rights, responsible labor practices and ethical business conduct throughout the supply chain.

HUMAN RIGHTS POLICY

Drylock's Human Rights Policy outlines the company's commitment to conducting business in an ethical and responsible manner and respecting internationally recognized human rights standards. The policy is aligned with the **United Nations Universal Declaration of Human Rights** and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

The scope of the Human Rights Policy explicitly covers **Drylock's own operations as well as its supply chains**, both locally and internationally. The policy sets expectations for business associates, licensees, vendors and suppliers, requiring them to uphold labor standards and working conditions consistent with international human rights principles.

Drylock implements its human rights commitments through its compliance framework, which includes communication of expectations to third-party partners, monitoring of working conditions within the supply chain, implementation of improvement plans where necessary and engagement with relevant stakeholders. Responsibility for ensuring supplier and business partner adherence to human rights and ethical standards is assigned to **Supply Chain Management**, under oversight of Drylock's management and compliance functions.

Together with the Supplier Code of Conduct, the Human Rights Policy forms a core element of Drylock's approach to managing potential human rights risks related to workers in the value chain.

HEALTH AND SAFETY FOR SUBCONTRACTORS

Drylock has established a dedicated **health & safety for subcontractors policy**, which applies to subcontractors performing activities at Drylock sites or facilities. This policy sets clear health and safety expectations for subcontractors, including compliance with applicable legislation, risk identification and mitigation, adequate training, and incident reporting. Drylock supports this through communication of requirements, audits and collaboration with subcontractors.

S2 – 2 Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy

Drylock Technologies engages with workers in its value chain through a set of structured processes aimed at identifying, assessing and addressing potential human rights risks, in line with the outcomes of the Double Materiality Assessment. Engagement activities primarily focus on suppliers in the upstream value chain and are embedded in supplier management and due diligence processes.

ENGAGEMENT THROUGH SUPPLIER ASSESSMENTS AND REVIEWS

Drylock engages with key suppliers through regular supplier performance reviews and evaluations, which include the assessment of compliance with the Supplier Code of Conduct and relevant human rights requirements. These reviews support the identification of potential labor-rights risks and provide a basis for follow-up actions where needed.

Supplier visits and direct engagement

Where relevant, Drylock conducts key supplier visits as part of its supplier management practices. These visits enable direct dialogue with suppliers, allow Drylock to gain further insight into working conditions and support clarification of expectations related to human rights and ethical business conduct.

Surveys and interviews

Key suppliers are invited to participate in surveys and interviews on sustainability-related topics. These engagements are used, among other purposes, to gather input for risk assessments and strategic exercises. In 2024, Drylock conducted dedicated interviews with strategic suppliers to validate key topics and risks as input for the Double Materiality Assessment. These interviews supported the identification and validation of potential human rights risks in the value chain.

Channels to raise concerns and approaches to remedy

Drylock has established confidential whistleblowing and speak-up channels that are accessible to employees and external stakeholders, including suppliers and other business partners. These channels allow concerns related to human rights, ethical conduct or non-compliance to be reported without fear of retaliation. Reported concerns are assessed and investigated in line with Drylock's internal compliance procedures, and appropriate follow-up or corrective actions are taken where necessary. Through these engagement mechanisms and reporting channels, Drylock aims to promote transparency, identify potential adverse impacts at an early stage and support remediation where issues affecting workers in the value chain are identified.

S2 – 3 Actions and resources related to workers in the value chain

During FY 2025, Drylock continued implementing actions to address potential human rights risks related to workers in the value chain, in line with the outcomes of the Double Materiality Assessment. These actions are primarily embedded in supplier risk management, compliance monitoring and sustainable supplier management practices, focusing on the upstream value chain.

SUPPLIER RISK MANAGEMENT AND COMPLIANCE ACTIONS

Supplier risk management and compliance monitoring are an integral part of Drylock's approach. Through the Supplier Code of Conduct, Drylock defines minimum expectations for human rights, labor standards and ethical business conduct, which key suppliers are required to implement within their operations and, where relevant, throughout their supply chains. Drylock also applies a risk-based third-party due diligence process to suppliers and other business partners, supporting the identification, prevention and mitigation of potential adverse human rights impacts.

SUPPLIER ENGAGEMENT AND IMPROVEMENT ACTIONS

Where potential issues are identified, Drylock engages with suppliers through follow-up discussions, supplier visits and where relevant, requests for corrective or improvement actions in line with the Supplier Code of Conduct and Human Rights Policy. Progress is monitored through ongoing supplier management processes.

REPORTING CHANNELS SUPPORTING REMEDIATION

Drylock's whistleblowing and speak-up mechanisms are available to suppliers and other external stakeholders and support the identification and remediation of potential adverse human rights impacts through internal compliance processes. The effectiveness of Drylock's supplier risk management and engagement actions is monitored through responsible supply chain KPIs and related targets, including supplier alignment with the Supplier Code of Conduct, ESG evaluations of key suppliers and compliance screening coverage, as disclosed in the Sustainable Targets and Sustainable Procurement sections of the sustainability report.

S2 – 4 Targets related to workers in the value chain

Drylock Technologies has not established standalone targets that specifically relate to workers in the value chain. The Double Materiality Assessment identified potential **human rights risks** in the upstream and downstream value chain, related to the risk of labor rights violations in the supply chain. Given that these risks are primarily potential and arise in relation to third-party actors across the value chain, Drylock focuses on managing and mitigating these risks through due diligence processes and supplier management practices, rather than defining separate quantitative targets at this stage.

Performance related to responsible supply chain management and potential impacts on workers in the value chain is monitored through existing governance- and procurement-related KPIs, which are disclosed elsewhere in the sustainability report, including:

- the Sustainable targets within the **"Responsible supply chain section"** which includes KPIs on supplier alignment with the **Supplier Code of Conduct, ESG evaluations of key suppliers and external audit compliance (SMETA and EcoVadis).**
- the **"Procurement data section"**, which provides operational metrics on supplier screening, engagement and ESG monitoring.

These targets were developed on a voluntary basis as part of Drylock Technologies' responsible sourcing and sustainability framework, taking into account regulatory requirements, value chain risks and impacts, and recognized good practices in human rights and labor standards.

S4 – Consumers and end-users

Material impacts, risks and opportunities related to consumers and end-users in interaction with strategy and business model

The Double Materiality Assessment conducted in 2025 identified actual and potential risks and opportunities, as well as potential negative impacts. For more information on the materiality assessment process, see General Information, IRO-1.

S4-1 Policies related to consumers and end-users

Drylock Technologies aims to provide products that support hygiene, health and well-being, contributing to the daily lives of consumers and end-users.

While Drylock Technologies does not maintain dedicated standalone policies specifically focused on consumers and end-users, relevant aspects are addressed through its broader governance, compliance and responsible business conduct framework.

POLICY FRAMEWORK

Drylock Technologies' approach is primarily embedded in the following core policies:

- **Code of Conduct** establishes Drylock's core principles on ethical behavior, human rights, equal treatment, non-discrimination and respect in the workplace.
- **Supplier Code of Conduct** sets out the minimum standards expected from suppliers and business partners with regard to **human rights, labor practices and ethical business conduct**. The Code prohibits child labor, forced or compulsory labor and discrimination, and supports freedom of association, fair working conditions and compliance with applicable labor laws. Suppliers are expected to apply these principles within their own operations and, where relevant, across their supply chains that ultimately benefit consumers and end-users.

SUPPORTING FRAMEWORK AND SYSTEMS

- **Data protection framework:** Drylock is committed to complying with applicable General Data Protection Regulation (GDPR). Customer-related data, such as support requests and product feedback, is managed in a secure and responsible way.
- **Integrated product compliance and quality systems,** through which product-related regulatory requirements, including REACH obligations on restricted substances, are managed. While Drylock does not maintain a standalone policy specifically addressing REACH, compliance is ensured through its integrated management system, including the Tox Action Plan, mandatory supplier Declarations of Conformity and ongoing supplier compliance verification.
- **EDANA AHP's Stewardship Program Charter,** a voluntary industry initiative in which Drylock Technologies participates, supporting product safety through harmonised testing, monitoring of substances and enhanced transparency for consumers and end-users

Together, these instruments provide the basis for managing risks and impacts related to consumers and end-users throughout the value chain. Drylock Technologies does not currently involve consumers and end-users directly in the development of its formal policies. However, stakeholder input is considered indirectly through customer feedback, product quality monitoring and regulatory requirements, which inform the continuous improvement of related policies and supporting systems.

LINK TO CONSUMER-RELATED TOPICS

Through this framework, Drylock addresses key areas relevant to consumers and end-users, including:

- product quality and safety;
- responsible business conduct;
- data protection and privacy.

Given the nature of Drylock products, particular emphasis is placed on product safety and quality considerations relevant to end-users such as babies and individuals requiring hygiene products.

Positioning within Drylock's strategy

The company's broader commitment to consumers and end-users is reflected in its focus on delivering reliable, safe and high-quality hygiene products, as well as maintaining responsible business practices across its operations and value chain.

Communication and implementation

These policies are communicated internally through training and operational guidelines and are made available via internal systems.

The Supplier Code of Conduct is communicated externally to business partners and forms part of Drylock's expectations towards suppliers.

S4-2 Engagement with consumers and end-users, existence of channels for consumers and end-users to raise concerns or needs and approaches to remedy

Drylock integrates feedback and insights from consumers and end-users to support decision-making related to product safety, quality and performance. Consumers are identified as key stakeholders and contribute by providing feedback on products and their use.

Responsibility for consumer and end-user-related topics is embedded within Drylock's integrated product compliance and quality management systems. Through these systems, product safety, regulatory compliance and quality requirements are managed in alignment with applicable standards and external certification schemes, supported by independent third-party audits.

Drylock engages with consumers and end-users through various channels to support product quality, safety and continuous improvement:

- **Feedback and product-related input:** Consumers provide feedback through customer interactions, including support requests and product-related feedback mechanisms, supporting the identification of potential product improvements and quality considerations.
- **Product development and testing:** Consumer insights are integrated through qualitative research, quantitative consumer panels and laboratory testing during the innovation process.
- **Stakeholder collaboration:** Drylock engages with industry associations such as EDANA and BAHP, contributing to industry dialogue and alignment on safety, quality and regulatory developments relevant to consumers and end-users.
- **Community engagement:** Through initiatives such as "Caring beyond borders," Drylock supports local communities and humanitarian actions by providing essential hygiene products to vulnerable populations, including partnerships with organizations and medical missions addressing hygiene access and health needs.
- **Channels to raise concerns:** Drylock maintains whistleblowing and speak-up mechanisms that allow employees, suppliers and other stakeholders to raise concerns, including those related to product safety and consumer protection, on a confidential or anonymous basis.
- **Product safety monitoring:** Product-related risks are monitored through internal indicators, including the tracking of product recalls and product-related complaints, supporting the identification and follow-up of potential safety or quality issues.

Drylock Technologies has established integrated quality, compliance and reporting mechanisms to address potential product-related impacts and to ensure that concerns related to product safety and consumer protection can be raised and appropriately reviewed.

Complaint resolution: Drylock manages consumer feedback and complaints through structured customer support processes, supported by a centralized ticketing system. Complaints can be submitted through multiple channels, including customer contact forms, email, and feedback platforms, and are recorded and managed through a centralized system.

Product safety monitoring and recalls: Product-related risks are monitored through internal performance indicators, including the tracking of product recalls and product-related complaints. These indicators support the identification of potential safety or quality issues and enable follow-up actions where required to address identified risks, including where applicable, corrective measures such as product withdrawal or recall procedures.

Speak-up channel: To address ethical concerns and potential impacts, Drylock provides whistleblowing and speak-up mechanisms within its compliance framework, accessible to employees, suppliers and other stakeholders. Concerns can be reported confidentially or anonymously and are reviewed and investigated. Drylock enforces a strict non-retaliation policy and ensures that reported concerns are handled in a structured and confidential manner, supporting transparency and accountability in the reporting process. The effectiveness of this mechanism is monitored through indicators such as response and resolution timelines and feedback from users of the system.

S4-3 Actions and resources related to consumers and end-users

Drylock's actions related to consumers and end-users consist of ongoing activities implemented during the reporting period, as well as actions that continue to evolve in response to regulatory developments and business needs.

Regulatory monitoring and implementation: Drylock monitors and implements regulatory requirements relevant to its products, including packaging and product-related regulations. Internal compliance processes ensure that applicable legal requirements are identified, assessed and translated into operational practices.

Drylock Technologies supports customers by providing technical compliance input, including testing, packaging design compliance, material and recyclability requirements and the preparation of technical documentation and conformity data. Regulatory topics are coordinated through internal regulatory compliance functions, ensuring consistent handling of regulatory requirements and alignment with applicable laws.

Regulatory collaboration and industry alignment: Drylock complements its internal regulatory processes through engagement with industry associations and regulatory bodies. Participation in organizations such as EDANA and BAHP supports alignment with industry standards and regulatory developments relevant to product safety, quality and compliance.

Regulatory compliance and implementation: Drylock translates applicable regulatory requirements into internal processes to support safe, compliant and high-quality products. These processes include the management of product and packaging compliance, the preparation of technical documentation and conformity data and the implementation of material and recyclability requirements in line with applicable regulations.

Compliance activities are supported by coordination across Quality Assurance, Research and Development, Operations, Procurement and Legal functions, ensuring that regulatory requirements are consistently implemented and integrated into product development and production processes.

Packaging-related obligations are increasingly shaped by European regulations such as the **Packaging and Packaging Waste Regulation (PPWR – EU 2025/40)**, which introduces requirements related to packaging safety, recyclability, material composition and extended producer responsibility. Drylock monitors these developments and implements actions to ensure compliance with applicable requirements, including packaging design, material selection and the preparation of technical documentation and conformity data in private-label contexts.

In parallel, **regulatory frameworks such as the Single-Use Plastics Directive (EU 2019/904), REACH (EC No 1907/2006) and CLP (Classification, Labelling and packaging) (EC No 1272/2008)** continue to govern material restrictions, chemical safety and environmental communication. Drylock's compliance activities are aligned with applicable legal requirements and integrated into its product and packaging processes.

Requirements related to environmental claims and consumer information are evolving under the EmpCo Directive (EU) 2024/825. Drylock integrates these requirements into its packaging and communication practices through a structured and phased implementation approach, ensuring alignment with applicable regulatory expectations and customer requirements.

Drylock's approach to consumer and end-user protection is influenced by ongoing regulatory developments, particularly in relation to product safety, packaging and consumer information.

Product safety is supported through the use of laboratory testing, including toxicological (Toxconsult), dermatological and microbiological assessments carried out with external laboratories. These processes contribute to the evaluation of materials and finished products with a focus on safety, quality and compliance.

In addition, Drylock continuously monitors product safety performance through internal indicators and testing results, supporting the identification of potential risks and the ongoing improvement of product quality and safety for consumers and end-users.

Remediation processes: Drylock has established mechanisms to address potential negative impacts on consumers and end-users through structured complaint handling, product safety monitoring and compliance processes. Consumer feedback is collected and managed through a centralized system, supporting the identification, investigation and follow-up of product-related issues.

In addition, Drylock maintains confidential speak-up mechanisms that allow employees, suppliers and other stakeholders to raise concerns related to product safety, consumer protection and ethical conduct. These mechanisms are supported by a strict non-retaliation policy and enable appropriate review and follow-up of reported concerns.

Tracking the effectiveness of actions: Drylock monitors the effectiveness of its actions through internal indicators related to product safety and quality. These include the tracking of product recalls and product-related complaints, which support the identification of potential risks and the continuous improvement of product safety and performance.

Resources: Drylock allocates resources to managing impacts related to consumers and end-users through its quality, product development, compliance and customer support functions. These are supported by systems such as a centralized complaint-handling platform, laboratory testing processes and external certification schemes. In addition, Drylock supports consumer well-being through initiatives such as "Caring beyond borders", which provide hygiene products and support vulnerable populations through partnerships and local initiatives.

Scope and time horizons of actions: These actions are embedded across Drylock's product lifecycle and apply to the product portfolio and value chain where relevant. Ongoing processes such as product safety monitoring and complaint handling are continuously performed, while other actions, including regulatory implementation, follow phased timelines in line with applicable regulatory developments.

Human rights issues and incidents: Drylock maintains mechanisms to identify and address concerns related to product safety, consumer protection and ethical conduct through its compliance and speak-up framework. At the time of reporting, no information is available indicating severe incidents related to consumers and end-users. Where concerns arise, they are handled through established internal processes.

S4-4 Targets and metrics related to consumers and end-users

Drylock monitors the effectiveness of its actions related to consumers and end-users through internal indicators linked to product quality, safety and compliance. Related targets include maintaining a yearly target of zero product recalls and zero product-related complaints, maintaining the coverage of clean tox reports and the coverage of 40% products certified with at least 1 eco/health label. These yearly targets apply across Drylock product portfolio and are relevant to all markets in which the company operates. These targets were developed on a voluntary basis as part of Drylock Technologies' consumer protection and sustainability approach.

These include the following metrics:

- the number of product recalls;
- the number of product-related complaints, including complaints related to contamination of products;
- the share of products certified with at least one eco- or health label;
- the percentage of clean toxicological reports.

These KPIs support the identification of potential risks and contribute to the continuous monitoring and improvement of product safety and quality.

PRODUCT SAFETY AND MATERIAL COMPLIANCE

Drylock ensures product safety and material compliance through integrated quality and compliance processes covering both raw materials and finished products.

Suppliers are expected to provide relevant information supporting the safety and compliance of materials, including composition-related data and documentation required under applicable regulatory frameworks. This information is assessed as part of Drylock Technologies' product compliance and quality processes.

Product safety is further supported through laboratory testing, including toxicological, dermatological and microbiological assessments conducted by external laboratories and toxicological experts. These processes contribute to the evaluation of material safety and product performance in line with applicable safety and regulatory requirements.

Oversight of product safety and compliance activities is embedded across internal functions, including Quality Assurance, Product Development and Compliance, ensuring that product and material requirements are consistently applied throughout the product lifecycle.

Drylock monitors regulatory developments related to product safety, materials and packaging, including frameworks such as PPWR (EU 2025/40), the Single-Use Plastics Directive (EU 2019/904), REACH **(EC No 1907/2006)** and **CLP (Classification, Labelling and packaging) (EC No 1272/2008)**, and reflects these developments in its internal practices and supplier requirements where relevant.

CHEMICAL SAFETY COMPLIANCE AND CERTIFICATION

Drylock supports chemical safety through internationally recognized certification schemes and supplier standards applied to raw materials, production sites and finished products. For further details, reference is made to the **"Due Diligence section for raw materials"** of this report.

G1 - Business conduct

Material impacts, risks and opportunities related to Business conduct in line with strategy and business model

Drylock Technologies is committed to conducting its business in line with high ethical standards and responsible governance practices. As part of its sustainability framework, business conduct considerations are embedded into the Company's risk management and decision-making processes.

Through the Double Materiality Assessment conducted in 2025, Drylock identifies and evaluates potential negative impacts, risks and opportunities related to business conduct. The assessment considers regulatory developments, stakeholder expectations and the nature of the Company's operations across its value chain.

Based on stakeholder input, the assessment focuses on areas where business conduct risks may arise, including interactions with suppliers, customers and external partners with particular attention to risks related to corruption, bribery and ethical conduct.

The identified impacts, risks and opportunities are integrated into Drylock's overall governance and risk management approach, ensuring alignment with its business strategy and compliance obligations across operations and the value chain.

The Double Materiality Assessment conducted in 2025 identified potential negative impacts, actual risks and potential opportunities related to Business Conduct. Further details are provided in the General information section (IRO-1).

G1- 1 Policies related to business conduct

Drylock Technologies has established a set of business conduct policies that define the ethical principles and standards of behavior applicable across the Group. These policies apply across Drylock Technologies' own operations globally and extend, where relevant, to its value chain, including suppliers, contractors and other business partners.

These include the **Code of Conduct, the Ethics & Compliance Charter, the Supplier Code of Conduct, the Whistleblower Policy and our ABC (Anti-Bribery and Corruption) Policy**. These policies are approved by management, apply to employees and relevant third parties and are supported by training and awareness initiatives.

CODE OF CONDUCT

The **Code of Conduct** sets out the ethical principles, values and behavioral standards that apply to all employees as well as by all representatives and third parties acting on behalf of or working for Drylock Technologies. It covers topics such as integrity, conflicts of interest, anti-corruption, compliance with laws and regulations and the obligation to speak up in case of concerns. The Code is approved by management and supported by training and awareness initiatives.

ETHICS AND COMPLIANCE CHARTER

The Ethics & Compliance Charter defines the governance framework for ethical and compliant business conduct at Drylock Technologies. It outlines roles and responsibilities, the ownership of the Code of Conduct, and the principles of the ethics and compliance program, including monitoring, awareness and continuous improvement.

SUPPLIER CODE OF CONDUCT

The **Supplier Code of Conduct** defines the minimum ethical, legal and responsible business standards expected from suppliers, subcontractors and business partners. Drylock Technologies is committed to upholding the Ten Principles of the United Nations Global Compact (UNGC), the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. It includes requirements related to integrity, anti-corruption, conflicts of interest and whistleblowing, and forms part of Drylock's supplier due diligence and responsible sourcing framework.

WHISTLEBLOWER POLICY

The Whistleblower Policy provides a confidential and transparent framework for any person in a professional relationship with Drylock to report suspected misconduct or breaches of law. The policy protects whistle-blowers against retaliation and is aligned with the EU Whistleblower Directive (EU 2019/1937) and applies across the Drylock group. This Policy is the basis of the Whistleblowing framework at Drylock and will be implemented for the entire Group.

In case local whistleblowing law in Drylock's operating countries would differ from these principles as stated down below, an Annex to the Policy will be added covering the local requirements.

IABC (ANTI BRIBERY AND CORRUPTION) POLICY

Drylock has implemented an Anti-Bribery & Corruption Policy that addresses prevention, detection, prohibition of bribery, due diligence on third parties, internal controls, training, and reporting mechanisms. These elements are broadly aligned with internationally recognized anti-corruption frameworks, including the United Nations Convention against Corruption (UNCAC).

The policy applies to all employees, contractors and individuals engaged in work-related activities within Drylock Technologies and covers all business dealings and transactions across the countries in which the Company operates. While the policy applies across the entire organisation, Drylock recognizes that certain functions may be exposed to a higher risk of corruption and bribery due to the nature of their responsibilities. These include roles involved in sales and commercial activities, procurement, finance, and other functions interacting with third parties or government representatives. Members of management with external representation responsibilities are also considered to have higher exposure. These risk areas are addressed through targeted policies, due diligence procedures and integrity awareness activities.

ANTITRUST & COMPETITION POLICY

The Antitrust & Competition Policy establishes Drylock Technologies' commitment to fair competition and compliance with applicable antitrust laws across all markets in which it operates. It defines the principles and expected behaviors for employees and individuals acting on behalf of the Company to prevent anti-competitive practices and ensure fair market conduct. The policy applies across Drylock's own operations globally and is relevant to all employees, managers and third parties involved in commercial or procurement activities.

CONFLICT OF INTEREST POLICY

The Conflict-of-Interest Policy defines the principles and requirements to identify, disclose and manage actual or potential conflicts of interest that could compromise objective decision-making or the integrity of business operations. The policy applies to employees and third parties working on behalf of Drylock Technologies and supports the Company's commitment to conducting business with honesty, integrity and transparency across its operations and stakeholder interactions.

GIFTS & HOSPITALITY POLICY

The Gifts & Hospitality Policy provides guidance on the giving and receiving of gifts and hospitality in the context of business relationships. It aims to ensure that such practices are appropriate, transparent and do not create actual or perceived conflicts of interest or constitute improper influence in business decisions. The policy applies to employees and individuals acting on behalf of Drylock Technologies and governs interactions with customers, suppliers and other business partners across all geographies in which the Company operates.

THIRD-PARTY DUE DILIGENCE POLICY

The Third-Party Due Diligence Policy defines the framework for assessing and managing risks associated with engaging third parties, including suppliers, agents and business partners. It establishes requirements for due diligence processes, selection and monitoring of third parties to mitigate risks related to corruption, compliance and responsible business conduct. The policy applies across Drylock Technologies' value chain and supports risk management activities related to supplier engagement and external partnerships.

G1 – 2 Actions related to business conduct

ENGAGING WITH OUR SUPPLIERS ON SUSTAINABILITY

During the reporting period, Drylock integrated environmental, social and governance (ESG) considerations into supplier selection, assessment and engagement. ESG expectations are defined in the Supplier Code of Conduct and further specified through the Sustainability Charter for Suppliers, which serves as a practical reference framework in supplier dialogue, assessments and follow-up activities. ESG-related topics relevant to business conduct are embedded in awareness activities for procurement-related functions. Drylock engages with suppliers to support continuous improvement of their ESG performance and addresses non-compliance through corrective actions where necessary.

This action applies primarily to Drylock's value chain, with a focus on upstream suppliers globally, and involves procurement teams and suppliers engaged in sourcing activities.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

During the reporting period, Drylock implemented actions aimed at preventing and detecting corruption and bribery risks through its Code of Conduct and broader ethics and compliance framework. These actions include integrity and compliance awareness activities. These actions apply to Drylock's own operations globally, with a focus on functions with a higher exposure to corruption risks, such as roles involved in procurement, sales and other external stakeholder interactions, as well as members of the administrative, management and supervisory bodies. Integrity-related topics are communicated through training, awareness campaigns and internal guidance as part of the ethics and compliance framework.

These actions are implemented on an ongoing basis and are embedded in Drylock's annual risk management and compliance cycles.

G1-3 Targets related to business conduct

Drylock has defined targets related to business conduct as part of its governance and compliance framework. These targets aim to ensure consistent ethical behavior, integrity and compliance across the organization.

Unless otherwise specified, these targets apply across all entities and operations of Drylock Technologies, covering all geographical locations in which the Company operates.

Key targets include maintaining a high level of employee training on business ethics and the Code of Conduct, as well as a zero-tolerance approach to breaches related to anti-corruption and anti-competitive practices. Progress on these targets is monitored and reported in the "Sustainable Targets Governance" section of the Sustainability Report.

The achievement of these targets is supported by concrete actions implemented as part of Drylock Technologies' ethics and compliance framework, including training and awareness initiatives related to the Code of Conduct, anti-corruption measures and supplier engagement activities.

The targets have been defined based on a combination of internal assessments, including Drylock Technologies' risk management and compliance processes, and external reference frameworks and benchmarks, such as recognized industry practices and sustainability assessment frameworks (e.g. EcoVadis), as well as relevant regulatory requirements related to business conduct.

These targets were developed on a voluntary basis and are not mandated by law but are established to support effective risk management and the promotion of ethical business practices.

G1-4 Metrics related to corruption or bribery

Drylock reports **metrics related to incidents of corruption or bribery** in the Business Ethics section of the Social Data part. During the reporting period, no confirmed incidents of corruption or bribery occurred, no legal cases were initiated and no fines or monetary sanctions related to corruption or bribery were imposed.

G1-5 Metrics related to political influence, including lobbying activities

Not material

G1-6 Metric related to payment practices

Metrics related to payment practices are disclosed in the 'Additional Statements' section. This section provides further information on payment practices and the related internal controls in line with applicable legal and compliance frameworks.

7.3. Additional statements

General information (BP-1 & BP-2)

Company information

Drylock Technologies NV is a leading private label hygiene products manufacturer, whose shares are 75% owned by VM Invest N.V. and 25% by Sofina S.A. The registered office of the headquarters is Spinnerijstraat 12, 9240 Zele, Belgium. The Group mainly conducts operations in the fields of hygiene and health, in the following countries of operation: Belgium, United Kingdom, France, Germany, Italy, Spain, Czech Republic, Russia, Brazil and United States.

Entities included in the report

The sustainability statement has been prepared on a **consolidated basis**, using the **same reporting boundary as the consolidated financial statements**, with reference to the principles set out in the **Draft European Sustainability Reporting Standards (ESRS)**, as published in November 2025.

The reporting scope includes the parent company Drylock Technologies NV and all subsidiaries over which the Group exercises control, directly or indirectly. The entities included in the reporting scope comprise:

- the Group headquarters (Zele);
- manufacturing plants located in: Polígono de Hontoria, Hrádek nad Nisou, Nizhny Novgorod, Alabuga, Buccinasco, Eau Claire (Wisconsin), Reidsville (North Carolina), Capivari (São Paulo) and Poa.
- sales offices located in Cailloux-sur-Fontaines, Hertfordshire, Buchholz, Berlin and Bentonville.

All divisions and sites included in the financial consolidation are included in the sustainability reporting scope. Acquisitions are incorporated into the sustainability reporting scope from the moment they become part of the Group, in line with financial reporting practices. Joint ventures and other investments are reported consistently with the level of ownership and control, in line with the consolidation principles applied in the financial statements.

The same consolidation approach is applied consistently across all disclosures in this sustainability statement.

Coverage of own operations and value chain

This sustainability statement covers **Drylock Technologies' own operations**, as defined by the consolidated reporting scope, and extends to the **upstream and downstream value chain** where required to provide an understanding of the Group's material impacts, risks and opportunities.

The sustainability statement covers the entire value chain; however, **only material upstream and downstream value chain information is included**, in line with the outcome of the Double Materiality Assessment. A detailed description of the value chain and its key components is provided in **SBM-1: Strategy, business model and value chain**. The Double Materiality Assessment, including the identification of material impacts, risks and opportunities across own operations and the value chain, is described in **IRO-1.**

Policies, actions, targets and metrics disclosed under the topical standards extend to the upstream and downstream value chain where applicable and where such information is available without undue cost or effort.

Preparation with reference to the draft ESRS

This sustainability statement has been prepared on a voluntary basis and serves as a preparatory exercise in anticipation of future reporting obligations under the **CSRD (Corporate Sustainability Reporting Directive)**.

Where certain datapoints could not yet be fully reported for all entities or parts of the value chain due to data availability limitations, any such limitations are explicitly disclosed within the relevant disclosure requirements.

The structure and content of this report have been **developed with reference to the draft European Sustainability Reporting Standards (ESRS)**, as published in **November 2025**. As these standards are not yet legally applicable to the Group for the reporting period 2025, this report should not be interpreted as a formal ESRS-compliant sustainability statement.

A Double Materiality Assessment has nevertheless been performed in line with the ESRS methodology and serves as the basis for the selection of material topics disclosed in this report.

Timeframe and restatements

Unless otherwise stated, Drylock Technologies' Sustainability Report relates to the calendar year ending on December 31, 2025, aligning with the period for the Annual financial reporting. The publication date of this report is Q3 2026. The sustainability information is published annually.

Historical energy consumption figures have been updated to provide a more accurate and transparent disclosure of non-renewable energy consumption across reporting periods; the 2024 Scope 3 inventory was rebaselined following methodological improvements and data corrections related to transportation, business travel, and waste management, enhancing consistency, accuracy, and alignment with the GHG Protocol; the 2024 Procurement data has been updated to correct a typographical error in the figures reported in the previously published Sustainability Report 2024..

There are no significant changes on active sectors, value chain description and relevant business relationships, compared with previous reporting periods.

Contact point

For questions about the report or reported information, please reach out to sustainability@drylocktechnologies.com.

External assurance

The sustainability statement has been reviewed and endorsed by the Board of Directors prior to public disclosure.

In accordance with the timeline stipulated in the EU Corporate Sustainability Reporting Directive (CSRD) and the corresponding Belgian legislation, the sustainability statement for the financial year 2027, published in 2028, will be subject to a limited assurance engagement performed by an independent audit firm.

Statement on sustainability due diligence (GOV-3)

Core elements of due diligence	Paragraphs and sections in the Sustainability Report
a) Embedding due diligence in governance, strategy and business model	SBM-3: 5. Our ESG targets; 7.1 Double Materiality Assessment
(b) Engaging with affected stakeholders	SBM-2: 3: 5. Our ESG targets; 7.1 Double Materiality Assessment IRO-1: 5. Our ESG targets; 7.1 Double Materiality Assessment Policies: 5. Our ESG targets; 7.1 Double Materiality Assessment: E1-4, E5-1, S1-1,S2-1, S4-1, G1-1
c) Identifying and assessing negative impacts on people and the environment	IRO-1: Our ESG targets; 7.1 Double Materiality Assessment SBM-3: 5. Our ESG targets; 7.1 Double Materiality Assessment
(d) Taking action to address negative impacts on people and the environment	Actions: 5. Our ESG targets; 7.1 Double Materiality Assessment: E1-5, E5-2, S1-3, S2-3, S4-3, G1-2
(e) Tracking the effectiveness of these efforts	Metrics: 6. Yearly performance and future challenges; 6.1 Environmental data: E1-7, E1-8, E5-4, E5-5; 6.2 Social data: S1-5, S1-6, S1-8, S1-9, S1-10, S1-11, S1-12, S1-13, S1-14, S1-16; 6.2 Social data: section Business Ethics: G1-4, G1-5; Section 7. Additional statements: G1-6 Targets: 5. Our ESG targets; E1-6, E5-3, S1-4, S2-4, S4-4, G1-3

Risk management and internal control processes and systems (GOV-4)

Risk management and internal control related to sustainability reporting are embedded in existing governance and management processes. Internal control measures primarily consist of clear role allocation, functional validation of data, management review and alignment with internal policies and operational information. This approach aims to reduce the risk of material inaccuracies in sustainability reporting through transparency, consistency and appropriate management and Board oversight.

Statements on workers

EMPLOYEES

All employees' data presented in the Yearly Performance section in this report is based on a head-count methodology, where each individual employee is counted as one, regardless of their full-time or part-time status. This approach provides a straightforward view of the total number of people employed by the organization.

The numbers are reported as a snapshot at the end of the reporting period. This means that the headcount reflects the exact number of employees actively employed as of the final day of the specified period. Any fluctuations in staffing levels during the period are not captured in the data, as the figures represent a point-in-time measure rather than an average across the reporting period.

This methodology is used to ensure consistency and comparability across reporting periods, making it easier to track changes in the overall workforce size.

The total workforce consists of employees from **42** different countries, reflecting a diverse and international team. Of this total, **61%** are men and **39%** are women, demonstrating a balanced representation across genders. This breakdown provides insight into the overall composition and diversity of our global employee base.

During the reporting period, there were no significant fluctuations in the number of employees. Any changes that occurred were primarily due to regular turnover, seasonal hiring, or business growth, which are typical aspects of our operations. These variations were consistent with past trends and did not represent major shifts in the overall workforce size between reporting periods.

OTHER WORKERS

During the reporting period, the organization engaged 53 workers who were not employees, but whose work was controlled by the organization. The most common types of these workers are packers and warehouse workers, typically engaged through temporary or agency contracts. They support core operational functions, such as packaging and logistics, to ensure smooth production and distribution processes.

The data presented is based on a head-count methodology, whereby each worker is counted as one, regardless of the full-time or part-time status. This approach provides a clear view of the external workforce size at a specific point in time.

The numbers are reported as a snapshot at the end of the reporting period. Any fluctuations in external workforce levels during the period are not captured in the data, as the figures represent a point-in-time measure rather than an average across the reporting period. This methodology is used to ensure consistency and comparability across reporting periods, making it easier to track changes in the external workforce size.

Governance

GOVERNANCE STRUCTURE

Our governance structure includes a Board of Directors that addresses various aspects of the organization's operations and impacts. It's the highest governance body responsible for decision-making and oversight of the organization's impacts on the economy, environment and people. There is no separate Audit Committee, Compensation Committee nor Sustainability Committee.

The composition of the Board of Directors is diverse and balanced, comprising:

- Both executive and non-executive members, ensuring a mix of internal and external perspectives.
- One independent member, who provides objective judgment and oversight.
- Members with varying tenures, contributing to a blend of fresh insights and experienced judgment.
- Members who hold a limited number of significant positions outside the organization to ensure sufficient time and attention to their duties.
- Competencies that are relevant to the impacts of the organization, ensuring informed decision-making.

This structure and composition ensure that our governance body is well-equipped to oversee the organization's impacts effectively and make decisions that align with our commitment to sustainable development.

NOMINATION PROCESS OF HIGHEST GOVERNANCE BODY

While there is no specific selection process for our Board of Directors, we have a diverse and competent board that can effectively oversee the organization's impacts on the economy, environment, and people. The criteria used for appointing members of the Board of Directors include:

- Views of stakeholders (including shareholders): We consider the views of our stakeholders, including shareholders, to ensure that the governance body represents their interests and the broader community's interests.
- Diversity: We strive for a governance body that reflects the diversity of our society, including gender, cultural, and professional diversity, to enrich our discussions and decisions.
- Independence: Independence is a critical factor in our selection process to ensure that members can make objective decisions without conflicts of interest.
- Competencies relevant to the impacts of the organization: the Board of Directors is comprised of individuals with competencies that align with the organization's impacts on the economy, environment, and people, ensuring informed and effective oversight.

These criteria help us maintain a robust governance structure capable of steering the organization towards sustainable success.

CHAIRMAN OF THE BOARD

The Chair of our Board of Directors is a senior executive within the organization. Nonetheless, there is a clear separation of roles, which enhances the board's ability to provide independent oversight.

Since the Chair is also a senior executive, their responsibilities within the organization's management are clearly defined to avoid overlap with their role as Chair. The individual has extensive knowledge and experience within the company, providing valuable insights into executive management while leading the governance body. Conflicts of interest are prevented and mitigated through established policies, regular reviews, and disclosures, ensuring that the Chair's dual roles do not compromise their ability to act in the best interest of the organization and its stakeholders.

ESG IMPACTS MANAGEMENT AND RESPONSIBILITIES

Our organization's Board of Directors plays a pivotal role in steering the organization towards sustainable development. The Board of Directors, along with senior executives, is actively involved in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development. This ensures that our core values and objectives are aligned with our commitment to sustainability at all levels of operation.

The Board of Directors oversees the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people by:

- Engaging with stakeholders to support these processes and ensure that a wide range of perspectives are considered in decision-making.
- Considering the outcomes of these processes, to evaluate the effectiveness of its strategies and policies in achieving its sustainability goals.

The Board of Directors reviews the effectiveness of the organization's processes regularly. The frequency of this review is determined by the need to respond to dynamic external and internal factors, ensuring that its practices remain relevant and effective in managing its impacts.

Our organization's Board of Directors delegates responsibility for managing the organization's impacts on the economy, environment, and people as follows:

- The Board of Directors delegates responsibility by:
  - Appointing senior executives to manage impacts, ensuring a clear line of accountability within the organization's leadership structure.
  - Delegating responsibility for managing impacts to other employees, empowering them to take the necessary actions and make decisions within their areas of expertise.
- The process and frequency for senior executives or other employees to report back to the Board of Directors on the management of the organization's impacts are structured to ensure regular and comprehensive updates. The reporting is systematic and occurs at planned intervals to maintain consistent oversight and accountability.

SUSTAINABILITY REPORTING

Our Board of Directors is responsible for reviewing and approving the reported information, including the organization's material topics. The process for reviewing and approving the information involves several steps to ensure accuracy and completeness. Initially, the Sustainability Report is prepared by a dedicated team, which compiles all relevant data and narratives. This draft report is then reviewed by the Management Team and subsequently the members of the Board of Directors, focusing on different sustainability aspects. This process ensures that the reported information is thoroughly vetted and aligns with our organizational values and goals.

KNOWLEDGE ON SUSTAINABLE DEVELOPMENT

Our organization has implemented several measures to advance the collective knowledge, skills, and experience of the Board of Directors on sustainable development:

- We have established a continuous learning program that includes regular training sessions, workshops, and seminars focused on sustainable development topics. These educational initiatives are designed to keep the Board of Directors informed about the latest trends, practices, and regulations in sustainability.
- The members of the Board of Directors also participate in external sustainability forums and conferences, which provide opportunities for the Directors to engage with thought leaders and experts in the field, further enhancing their understanding and expertise.
- Additionally, we facilitate knowledge-sharing sessions where members of the Board can exchange insights and learn from each other's experiences related to sustainable development challenges and solutions.

These measures ensure that our Board of Directors remains at the forefront of sustainable development knowledge, enabling them to guide the organization effectively in its sustainability journey.

CONFLICTS OF INTEREST

To prevent and mitigate conflicts of interest, our Board of Directors implements rigorous processes, including:

- Regularly reviewing and updating our conflict-of-interest policy.
- Requiring members to disclose any potential conflicts proactively.
- Establishing clear guidelines for recusal and abstention from decision-making when conflicts are identified.

We are committed to transparency and disclose conflicts of interest to our stakeholders. This includes, but is not limited to, conflicts relating to:

- **Cross-board memberships:** We disclose any instances where members of our governance body serve on multiple boards, ensuring stakeholders are aware of such appointments.
- **Cross-shareholdings with suppliers and other stakeholders:** We disclose any significant shareholdings that could influence decision- making or relationships with suppliers and stakeholders.
- **Existence of controlling shareholders:** We identify any controlling shareholders and explain their influence on the organization.
- **Related parties, their relationships, transactions, and outstanding balances:** We provide detailed information on related-party relationships, transactions and outstanding balances to ensure transparency and avoid any perception of impropriety.

COMMUNICATION OF CRITICAL CONCERNS

Critical concerns are communicated to the Board of Directors through a structured process that ensures timely and efficient transmission of information. This process includes regular reports, ad-hoc meetings, and a dedicated communication channel for urgent matters. The Board of Directors is kept informed of all critical concerns to support sound decision-making and appropriate action. During the reporting period, no critical concerns were reported to the highest governance body.

PERFORMANCE EVALUATION

The performance of the Board of Directors is evaluated through self-assessments. This process is designed to assess the effectiveness of the governance body in overseeing the management of the organization's impacts on the economy, environment, and people. The evaluation considers various factors, including strategic leadership, risk management, and sustainability integration into corporate strategy. The evaluations are conducted internally on a continuous basis.

Actions taken in response to the evaluations include adjustments to organizational practices to enhance governance effectiveness. These actions are part of our commitment to maintaining a high standard of governance and ensuring that our governance body is well- equipped to lead the organization towards sustainable success.

INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES (GOV-2)

There are currently no incentive or remuneration schemes for members of the administrative, management and supervisory bodies that are linked to the achievement of sustainability-related objectives or performance indicators.

Policies and practices

EMBEDDING POLICY COMMITMENTS

We are deeply committed to responsible business conduct, ensuring that our ethical, environmental, and social commitments are fully integrated into all aspects of our operations and partnerships.

Responsibility for implementing our policy commitments is distributed across multiple levels of the organization, ensuring alignment from leadership to day-to-day operations. The Legal Team oversees the strategic direction and ensures compliance with our commitments at C-level. Operational responsibility is further delegated to department heads and managers, who are accountable for embedding these commitments into their respective teams and functions. Clear roles and responsibilities are outlined for each department, with regular performance reviews and audits to monitor progress.

Our commitments are integrated into the core of our organizational strategies through key sustainability and governance frameworks. They are reflected in:

- **Strategic planning:** Sustainability and responsible business practices are central to our long-term goals and are embedded into our corporate strategy.
- **Operational policies:** Policies such as our Code of Conduct, Environmental Policy and Human Rights Policy outline how we implement responsible practices in areas like supply chain management, labor practices, and environmental stewardship.
- **Procedures:** These commitments guide day-to-day decision-making, from procurement processes to stakeholder engagement.

Each business unit has developed operational procedures that ensure adherence to these commitments.

We place strong emphasis on implementing our responsible business commitments in collaboration with our partners and stakeholders. This includes:

- **Supplier engagement:** We incorporate our ethical and sustainability standards into supplier contracts and monitor compliance with our environmental, social, and governance (ESG) expectations.
- **Partnerships and collaborations:** We work closely with stakeholders, including industry associations, NGOs, and local communities, to uphold our commitments to responsible conduct. We actively engage in dialogue and encourage partners to adopt similar practices.

To ensure thorough understanding and effective implementation of our commitments, we provide regular training to employees across all levels.

REMEDIATION OF NEGATIVE IMPACTS

As a responsible company in the hygienic disposable sector, we are committed to addressing any negative impacts that may arise from our operations. Our commitment is to not only comply with legal requirements but to ensure that any harm is rectified in a fair and transparent manner, with the involvement of affected stakeholders. Therefore, we are looking into developing comprehensive systems to identify and remediate negative impacts caused by our activities.

We have a formal Whistleblowing Policy to allow individuals or groups to report any issues related to our operations. While we currently accept feedback through customer service channels and employee reporting systems, we are working towards implementing a structured grievance process that ensures timely and effective resolution. This system will be accessible to all stakeholders, including customers, employees, and suppliers.

In addition to grievance mechanisms, we are actively designing processes to identify and mitigate any negative impacts that we may contribute to. This includes collaborating with our suppliers and partners to ensure ethical practices throughout our supply chain. As part of our long-term sustainability goals, we are exploring partnerships with third-party organizations to help assess and remediate impacts on communities and the environment.

We believe that the effectiveness of our grievance approach depends on the active involvement of stakeholders. We are committed to involving the intended users, customers, employees, and suppliers in the design and review of these mechanisms. Our aim is to establish regular stakeholder consultations and feedback sessions to ensure the process is user-friendly, accessible, and responsive to stakeholder needs.

We are committed to ensuring that our grievance mechanisms are effective in addressing concerns. While we are in the early stages of establishing a formal tracking process, our goal is to implement key performance indicators (KPIs) to monitor the time to resolution, stakeholder satisfaction, and recurrence of issues. We will also actively seek feedback from system users to make continuous improvements and ensure transparency in how grievances are addressed.

LEGAL AND REGULATORY COMPLIANCE

During the reporting period, we had no significant instances of non-compliance with laws and regulations. This outcome reflects our strong commitment to legal compliance across all operational areas. We continuously monitor our activities to ensure adherence to all applicable regulations in the hygiene retail sector.

During the reporting period, we did not incur any fines or non-monetary sanctions related to non-compliance with laws and regulations. Internal controls are embedded within our finance procedure, and compliance awareness programs help ensure that all operations meet the highest standards of regulatory compliance.

We define 'significant instances of non-compliance' as any violation of laws or regulations that results in substantial financial penalties, non-monetary sanctions, or significant reputational damage. We determine these instances through a combination of internal monitoring, legal compliance reviews, and feedback from external stakeholders. Our legal

& compliance team works closely with all departments to ensure early detection and rapid response to any potential compliance issues.

SUPPLIER PAYMENT PRACTICES (G1-6)

We are committed to timely and fair payments to all suppliers, treating every vendor equally, reinforcing trust and fairness across our supply chain. While we do not apply a single standard payment term across our supplier base, terms are defined individually through contractual agreements. These terms vary depending on the nature of the relationship, region, or category of goods and services. That said, most of our contracts stipulate a 60-day payment period from the invoice date, which aligns with industry norms. Since payment terms differ from vendor to vendor, we are currently unable to calculate or disclose the percentage of payments aligned with a single standard term.

We ensure accurate and timely payments by implementing strong internal controls. Invoices are carefully matched with purchase orders and delivery records, and an approval process is followed when a purchase order is not available. Vendor bank account details are formally verified to ensure secure payments. Payments are processed in regular weekly cycles, in line with contractual agreements.

In 2025, our average Days Payable Outstanding (DPO) was 50 days, reflecting strong performance and adherence to agreed terms. As of year-end, we had no outstanding legal proceedings related to late payments. We continuously monitor our payment timelines to maintain this performance.

Responsible payment practices are central to our sustainable supply chain strategy. Timely payments support supplier stability especially for SMEs and foster long-term partnerships based on transparency and shared values. Through consistent compliance and fulfilment of our commitments, we support a resilient and ethical value chain.

Stakeholder engagement

The organization's approach to stakeholder engagement is designed to be inclusive, transparent and responsive.

We engage with a diverse group of stakeholders, including employees, customers, suppliers, local communities, investors and regulatory bodies. Stakeholders are identified based on their interest in and impact on our business operations.

The purpose of our stakeholder engagement is to understand and consider the different perspectives and needs of our stakeholders. This helps us make informed decisions, foster trust, and build long-term relationships.

To ensure meaningful engagement, we employ various methods such as surveys, focus groups, public consultations, and direct dialogue. We also provide regular updates on our activities and progress, ensuring that stakeholder feedback is considered in our decision- making processes.

Business ethics

ANTI-COMPETITIVE BEHAVIOR

As a hygiene products manufacturer we recognize the importance of fair competition, and we maintain a zero-tolerance approach to any violations of antitrust, anti-competitive and monopoly legislation. We have established clear policies and training to ensure all employees and partners are aligned with these legal frameworks. We are committed to taking immediate corrective action if any issues are identified through our internal or external monitoring or audits.

In the reporting period, we maintained a strong commitment to legal compliance and adherence to regulations. There were no completed legal actions resulting in decisions, judgments or fines against the company during the reporting period.

Drylock Technologies uses artificial intelligence (AI) as a supporting tool in the drafting and editing of certain report content. AI is used solely to enhance clarity, consistency, and readability and does not replace expert judgement. All data, disclosures, and conclusions are derived from internally validated information and are reviewed and approved by relevant subject-matter experts before publication. This approach helps ensure the accuracy, integrity, and quality of our reporting.

7.4. GRI Index

Statement of use	The GRI-ESRS Interoperability Index, jointly developed by GRI and EFRAG, was used as a reference document to identify and map the relationships between the GRI Standards and the ESRS disclosure requirements. The index supports the alignment of disclosures across both reporting frameworks and facilitates reporting with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
ESRS used	Delegated Regulation (EU) 2023/ 2772 Supplementing Directive 2013/34/EU (European Sustainability Reporting Standards – ESRS)
Applicable GRI Sector Standard(s)	None

GRI Standard	Disclosure and name	ESRS Disclosure requirements	Location	Omission/ Reason/ Explanation
General Disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	See requirements of Directive 2013/34/EU	7. Annex; 7.3 Additional statements	
	2-2 Entities included in the organization's sustainability reporting	**ESRS 1** 5.1; **ESRS 2** BP-1 §5 (a) and (b) i	7. Annex; 7.3 Additional statements	
	2-3 Reporting period, frequency and contact point	**ESRS 1** §73	7. Annex; 7.3 Additional statements	
	2-4 Restatements of information	**ESRS 2** BP-2 §13, §14 (a) to (b)	7. Annex; 7.3 Additional statements	
	2-5 External assurance	See external assurance requirements of Directive (EU) 2022/2464	7. Annex; 7.3 Additional statements	
	2-6 Activities, value chain and other business relationships	**ESRS 2** SBM-1 §40 (a) i to (a) ii, (b) to (c), §42 (c)	2. Our company; 2.3 Business model & Value Chain; 2.4 Our business categories; 3. Our ESG strategy; 4. Transparency as our main driver; 5. Our ESG targets; 7. Annex	
	2-7 Employees	**ESRS 2** SBM-1 §40 (a) iii; **ESRS S1** S1-6 §50 (a) to (b) and (d) to (e), §51 to §52	6. Yearly performance and future challenges; 6.2 Social data; 7. Annex; 7.2 ESRS statements; 7.3 Additional statements	**Omission:** 2-7 **Reason/ Explanation:** Information unavailable/ incomplete
	2-8 Workers who are not employees	**ESRS S1** S1-7 §55 to §56	7. Annex; 7.3 Additional statements	
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	**ESRS 2** GOV-1 §21, §22 (a), §23; **ESRS G1** §5 (b) See also corporate governance statement requirements of Directive 2013/34/EU for public-interest entities	7. Annex; 7.2 ESRS statements; 7.3 Additional statements	
	2-10 Nomination and selection of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16	7. Annex; 7.3 Additional statements	
	2-11 Chair of the highest governance body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.	7. Annex; 7.3 Additional statements	
	2-12 Role of the highest governance body in overseeing the management of impacts	**ESRS 2** GOV-1 §22 (c); GOV-2 §26 (a) to (b); SBM-2 §45 (d); **ESRS G1** §5 (a)	7. Annex; 7.3 Additional statements	
	2-13 Delegation of responsibility for managing impacts	**ESRS 2** GOV-1 §22 (c) i and ii; GOV-2 §26 (a); **ESRS G1** G1-3 §18 (c)	7. Annex; 7.3 Additional statements	
	2-14 Role of the highest governance body in sustainability reporting	**ESRS 2** GOV-1 §AR 3 (a) ii and iv; IRO-1 §53 (d)	7. Annex; 7.3 Additional statements	
	2-15 Conflicts of interest	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.	7. Annex; 7.3 Additional statements	
	2-16 Communication of critical concerns	**ESRS 2** GOV-2 §26 (a); **ESRS G1** G1-1 AR 1 (a); G1-3 §18 (c)	7. Annex; 7.2 ESRS statements; 7.3 Additional statements	
	2-17 Collective knowledge of the highest governance body	**ESRS 2** GOV-1 §23	7. Annex; 7.3 Additional statements	
	2-18 Evaluation of the performance of the highest governance body	This topic is not covered by the list of sustainability matters in **ESRS 1** AR §16.	7. Annex; 7.3 Additional statements	

GRI Standard	Disclosure and name	ESRS Disclosure requirements	Location	Omission/ Reason/ Explanation
GRI 2: General Disclosures 2021	2-19 Remuneration policies	**ESRS 2** GOV-3 §29 (a) to (c); **ESRS E1** §13 See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings	No data yet	**Omission:** 2-19 **Reason/ Explanation:** Information unavailable/ incomplete
	2-20 Process to determine remuneration	**ESRS 2** GOV-3 §29 (e) See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings	No data yet	**Omission:** 2-20 **Reason/ Explanation:** Information unavailable/ incomplete
	2-21 Annual total compensation ratio	**ESRS S1** S1-16 §97 (b) to (c)	No data yet	**Omission:** 2-21 **Reason/ Explanation:** Information unavailable/ incomplete
	2-22 Statement on sustainable development strategy	**ESRS 2** SBM-1 §40 (g)	1. Introduction; 1.1 Statement from our CEO	
	2-23 Policy commitments	**ESRS 2** GOV-4; MDR-P §65 (b) to (c) and (f); **ESRS S1** S1-1 §19 to §21, §24 (c) and §AR 14; **ESRS S2** S2-1 §16 to §17, §19, and §AR 16; **ESRS S3** S3-1 §14, §16 to §17 and §AR 11; **ESRS S4** S4-1 §15 to §17, and §AR 13; **ESRS G1** G1-1 §7 and §AR 1 (b)	3.Our ESG strategy; 4. Transparency as our main driver; 5. Our ESG targets; 7. Annex; 7.2 ESRS statements	S3: Affected communities: not material
	2-24 Embedding policy commitments	**ESRS 2** GOV-2 §26 (b); MDR-P §65 (c); **ESRS S1** S1-4 §AR 35; **ESRS S2** S2-4 §AR 30; **ESRS S3** S3-4 §AR 27; **ESRS S4** S4-4 §AR 27; **ESRS G1** G1-1 §9 and §10 (g)	7. Annex; 7.2 ESRS statements; 7.3 Additional statements	S3: Affected communities: not material
	2-25 Processes to remediate negative impacts	**ESRS S1** S1-1 §20 (c), §AR 17 (g); S1-3 §32 (a), (b) and (e), §AR 31; **ESRS S2** S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §AR 26; S2-4 §33 (c); **ESRS S3** S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §AR 23; S3-4 §33 (c); **ESRS S4** S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §AR 23; S4-4 §32 (c)	7. Annex; 7.2 ESRS statements; 7.3 Additional statements	S3: Affected communities: not material
	2-26 Mechanisms for seeking advice and raising concerns	**ESRS S1** S1-3 §AR 32 (d); **ESRS S2** S2-3 §AR 27 (d); **ESRS S3** S3-3 §AR24 (d); **ESRS S4** S4-3 §AR 24 (d); **ESRS G1** G1-1 §10 (a); G1-3 §18 (a)	3.Our ESG strategy; 4. Transparency as our main driver; 7. Annex; 7.2 ESRS statements	S3: Affected communities: not material
	2-27 Compliance with laws and regulations	**ESRS 2** SBM-3 §48 (d); **ESRS E2** E2-4 §AR 25 (b); **ESRS S1** S1-17 §103 (c) to (d) and §104 (b); **ESRS G1** G1-4 §24 (a)	7. Annex; 7.2 ESRS statements; 7.3 Additional statements	
	2-28 Membership associations	'Political engagement' is a sustainability matter for G1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	7. Annex; 7.2 ESRS statements	
	2-29 Approach to stakeholder engagement	**ESRS 2** SBM-2 §45 (a) i to (a) iv; **ESRS S1** S1-1 §20 (b); S1-2 §27 (e) and §28; **ESRS S2** S2-1 §17 (b); S2-2 §22 (e) and §23; **ESRS S3** S3-1 §16 (b); S3-2 §21 (d) and §22; **ESRS S4** S4-1 §16 (b); S4-2 §20 (d) and §21	7. Annex; 7.2 ESRS statements; 7.3 Additional statements	
	2-30 Collective bargaining agreements	**ESRS S1** S1-8 §60 (a) and §61	No data yet	**Omission:** 2-30 **Reason/Explanation:** Information unavailable/incomplete
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESRS 2 BP-1 §AR 1 (a); IRO-1 §53 (b) ii to (b) iv	7. Annex; 7.1 Double materiality assessment	
	3-2 List of material topics	ESRS 2 SBM-3 §48 (a) and (g); BP-2 §17 (a)	7. Annex; 7.1 Double materiality assessment	
Anti-corruption				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS G1** G1-1 §7; G1-3 §18 (a); G1- 4 §24 (b)	4. Transparency as our main driver; 4.3 Protect: being socially transparent; 4.4 Drive: being ethically transparent; 7. Annex; 7.2 ESRS statements	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	**ESRS G1** G1-3 §AR 5	6. Yearly performance and future challenges; 6.2 Social data	**Omission:** 205-1b **Reason/Explanation:** Information unavailable/incomplete
	205-2 Communication and training about anti-corruption policies and procedures	**ESRS G1** G1-3 §20, §21 (b) and (c) and §AR 7 and 8	6. Yearly performance and future challenges; 6.2 Social data	**Omission:** 205-2 **Reason/Explanation:** Information unavailable/incomplete
	205-3 Confirmed incidents of corruption and actions taken	**ESRS G1** G1-4 §25	6. Yearly performance and future challenges; 6.2 Social data	
Anti-competitive Behavior				
GRI 3: Material Topics 2021	3-3 Management of material topics			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.	6. Yearly performance and future challenges; 6.2 Social data	

GRI Standard	Disclosure and name	ESRS Disclosure requirements	Location	Omission/ Reason/ Explanation
Materials				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS E5** E5-1 §14; E5-2 §19; E5-3 §23	7. Annex; 7.2 ESRS statements	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	**ESRS E5** E5-4 §31 (a) and (b)	7. Annex; 7.2 ESRS statements; 6.1 Environmental data	
	301-2 Recycled input materials used	**ESRS E5** E5-4 §31 (c)	7. Annex; 7.2 ESRS statements; 6.1 Environmental data	
	301-3 Reclaimed products and their packaging materials	'Resource outflows related to products and services' and 'Waste' are sustainability matters for E5 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	7. Annex; 7.2 ESRS statements; 6.1 Environmental data	
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS E1** E1-2 §24 and §25 (c) to (d); E1-3 §28; E1-4 §32 and §33	7. Annex; 7.2 ESRS statements	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	**ESRS E1** E1-5 §37; §38	6. Yearly performance and future challenges; 6.1 Environmental data	
	302-2 Energy consumption outside of the organization	Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an Entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	6. Yearly performance and future challenges; 6.1 Environmental data	
	302-3 Energy intensity	**ESRS E1** E1-5 §40	6. Yearly performance and future challenges; 6.1 Environmental data	
	302-4 Reduction of energy consumption	'Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an Entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	6. Yearly performance and future challenges; 6.1 Environmental data	
	302-5 Reductions in energy requirements of products and services	'Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an Entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M	6. Yearly performance and future challenges; 6.1 Environmental data	

GRI Standard	Disclosure and name	ESRS Disclosure requirements	Location	Omission/ Reason/ Explanation
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS E1** E1-2 §24; E1-3 §28; E1-4 §32, §33 and §34 (b); E1-7 §56 §58 (a); §59 (a); §61 (a) and (c); §AR 61; §AR 62 (b); **ESRS E2** §AR 9 (b); E2-1 §14; E2-2 §18 and §19; E2-3 §22	7. Annex; 7.2 ESRS statements	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	**ESRS E1** E1-4 §34 (c); E1-6 §44 (a);§46; §48 (a); §50; §AR 25 (b) and(c); §AR 39 (a) to (d); §AR 40; AR §43 (c) to (d)	6. Yearly performance and future challenges; 6.1 Environmental data	
	305-2 Energy indirect (Scope 2) GHG emissions	**ESRS E1** E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; §AR 45 (a), (c), (d), and (f)	6. Yearly performance and future challenges; 6.1 Environmental data	
	305-3 Other indirect (Scope 3) GHG emissions	**ESRS E1** E1-4 §34 (c); E1-6 §44 (c); §51; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 46 (a) (i) to (k)	6. Yearly performance and future challenges; 6.1 Environmental data	
	305-4 GHG emissions intensity	**ESRS E1** E1-6 §53; §AR 39 (c)	6. Yearly performance and future challenges; 6.1 Environmental data	
	305-5 Reduction of GHG emissions	**ESRS E1** E1-3 §29 (b); E1-4 §34 (a) to (c); §AR 25 (b) and (c); E1-7 §56(b)	5. Our ESG targets	
	305-6 Emissions of ozone-depleting substances (ODS)	**ESRS E2** E2-5 §34	Not material	**Omission:** 305-6 **Reason/ Explanation:** Information unavailable/ incomplete
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	**ESRS E2** E2-4 §28 (a); §30 (b) and (c); §31; §AR 21	Not material	**Omission:** 305-7 **Reason/ Explanation:** Information unavailable/ incomplete
Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS E5** §AR 7 (a); E5-1 §14; E5-2 §19; E5-3 §23	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	**ESRS 2** SBM-3 §48 (a), (c) ii and iv; ESRS E5 §AR 7 (f); E5-4 §30	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
	306-2 Management of significant waste-related impacts	**ESRS E5** E5-2 §19 and §20 (e) and (f); E5-5 §40 and §AR 33 (c)	7. Annex; 7.2 ESRS statements; 5.Our ESG targets	
	306-3 Waste generated	**ESRS E5** E5-5 §37 (a), §38 to §40	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
	306-4 Waste diverted from disposal	**ESRS E5** E5-5 §37 (b), §38 and §40	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
	306-5 Waste directed to disposal	**ESRS E5** E5-5 §37 (c), §38 and §40	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	

GRI Standard	Disclosure and name	ESRS Disclosure requirements	Location	Omission/ Reason/ Explanation
Supplier Environmental Assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	ESRS G1 G1-2 §15 (a)	7. Annex; 7.2 ESRS statements	
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	**ESRS G1** G1-2 §15 (b)	6. Yearly performance and future challenges; 6.3 Procurement data	
	308-2 Negative environmental impacts in the supply chain and actions taken	**ESRS 2** SBM-3 §48 (c) i and iv	7. Annex; 7.2 ESRS statements	
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS S1** S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); **ESRS S2** §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c)	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	**ESRS S1** S1-6 §50 (c)		**Omission:** 401-1 **Reason/ Explanation:** Information unavailable/ incomplete
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	**ESRS S1** S1-11 §74; §75; §AR 75		**Omission:** 401-2 **Reason/ Explanation:** Information unavailable/ incomplete
	401-3 Parental leave	ESRS S1 S1-15 §93	6. Yearly performance and future challenges; 6.2 Social data	
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS S1** S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); **ESRS S2** §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36(a); S2-5 §41, §42 (b) and (c)	7. Annex; 7.2 ESRS statements;	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	**ESRS S1** S1-1 §23		
	403-2 Hazard identification, risk assessment, and incident investigation	**ESRS S1** S1-3 §32 (b) and §33	7. Annex; 7.2 ESRS statements;	
	403-3 Occupational health services	**ESRS S1** S1-1 §AR 17 (d)		**Omission:** 403-3 **Reason/ Explanation:** Information unavailable/ incomplete
	403-4 Worker participation, consultation, and communication on occupational health and safety	'Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M..	7. Annex; 7.2 ESRS statements;	
	403-5 Worker training on occupational health and safety	'Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M..	7. Annex; 7.2 ESRS statements;	
	403-6 Promotion of worker health	'Social protection' is a sustainability matter for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.		**Omission:** 403-6 **Reason/ Explanation:** Information unavailable/ incomplete
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	**ESRS S2** S2-4 §32 (a)	6. Yearly performance and future challenges; 6.3 Procurement data	
	403-8 Workers covered by an occupational health and safety management system	**ESRS S1** S1-14 §88 (a); §90	6. Yearly performance and future challenges; 6.2 Social data	
	403-9 Work-related injuries	**ESRS S1** S1-4, §38 (a);	6. Yearly performance and future challenges; 6.2 Social data	
	403-10 Work-related ill health	**ESRS S1** S1-4, §38 (a); S1-14 §88 (b) and (d); §89; §AR 82		**Omission:** 403-10 **Reason/ Explanation:** Information unavailable/ incomplete

GRI Standard	Disclosure and name	ESRS Disclosure requirements	Location	Omission/ Reason/ Explanation
Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS S1** S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); **ESRS S2** §11 (c); S2-1§16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36(a); S2-5 §41, §42 (b) and (c) and **ESRS S1** §24 (a)	7. Annex; 7.2 ESRS statements;	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	**ESRS 2** GOV-1 §21 (d); **ESRS S1** S1-6 §50 (a); S1-9 §66 (a) to (b); S1-12 §79	6. Yearly performance and future challenges; 6.2 Social data	
	405-2 Ratio of basic salary and remuneration of women to men	**ESRS S1** S1-16 §97 and §98		**Omission:** 405-2 **Reason/ Explanation:** Information unavailable/ incomplete
Supplier Social Assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS G1** G1-2 §15 (a)	7. Annex; 7.2 ESRS statements;	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	**ESRS G1** G1-2 §15 (b)	6. Yearly performance and future challenges; 6.3 Procurement data	
	414-2 Negative social impacts in the supply chain and actions taken	**ESRS 2** SBM-3 §48 (c) i and iv	7. Annex; 7.2 ESRS statements;	
Customer Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	**ESRS S4** §10 (b); S4-1 §15 and §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §41, §41 (b) and (c)	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	'Personal safety of consumers and end-users' is a sustainability matter for S4 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.	7. Annex; 7.2 ESRS statements;	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	**ESRS S4** S4-4 §35	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	

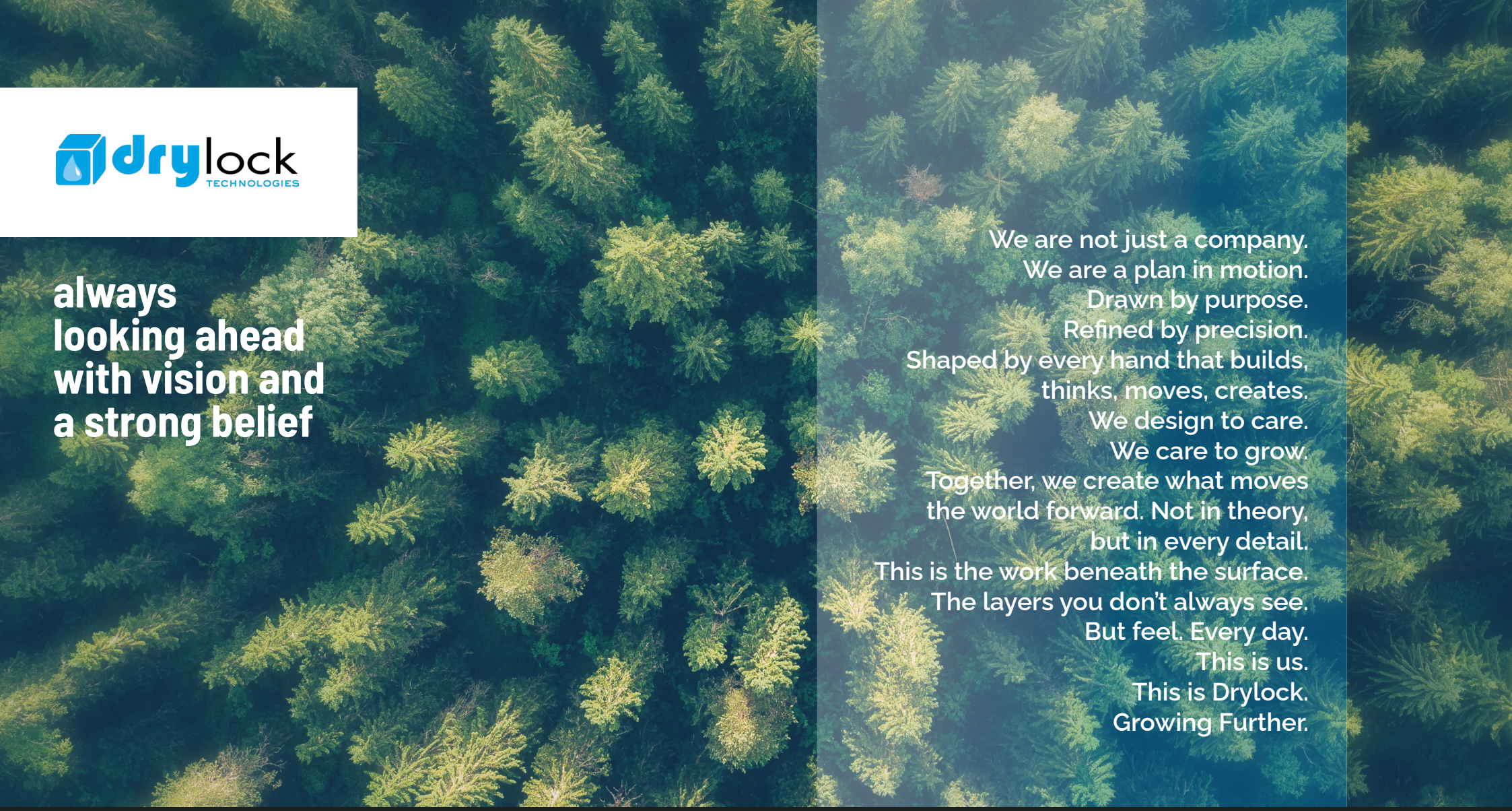
7.4. ESRS Index

Statement of use	Drylock Technologies has reported on a voluntary basis with reference to the draft ESRS 2025, as published in November 2025 for the period 1 January 2025 – 31 December 2025.
ESRS used	Draft European Sustainability Reporting Standards, as published by EFRAG November 2025

Standard	Location	Omission/ Reason/ Explanation
ESRS 2 general disclosures		
BP-1 Basis for preparation of the sustainability statement	7.3 Additional statements	
BP-2 Specific information if the undertaking uses phasing-in options	7. Annex; 7.1 Double materiality assessment	
GOV-1 The role of administrative, management and supervisory bodies		Confidential
GOV-2 Integration of sustainability -related performance in incentive schemes		Not Applicable
GOV-3 Statement on due diligence	7.3 Additional statements	
GOV- 4 Risk management and internal controls over sustainability reporting	7.3 Additional statements	
SBM-1 Strategy, business model and value chain	2. Our company; 2.3 Business model & Value Chain	
SBM-2 Interests and views of stakeholders	7. Annex; 7.1 Double materiality assessment	
SBM-3 Interaction of material impacts risks and opportunities with strategy and business model and financial effects	7. Annex; 7.1 Double materiality assessment	
IRO-1 Description of the process to identify and assess material impacts, risks and opportunities and material information to be reported	7. Annex; 7.1 Double materiality assessment	
IRO-2 Material impacts, risks and opportunities and disclosure requirements included in the sustainability statement	7. Annex; 7.1 Double materiality assessment	
E1 Climate Change		
E1-1 Transition plan for climate change mitigation	7. Annex; 7.2 ESRS statements	
E1-2 Identification of climate-related risks and scenario analysis	7. Annex; 7.2 ESRS statements	
E1-3 Resilience in relation to climate change	7. Annex; 7.2 ESRS statements	
E1-4 Policies related to climate change mitigation and adaptation	7. Annex; 7.2 ESRS statements	
E1- 5 Actions and resources in relation to climate change mitigation and adaptation	7. Annex; 7.2 ESRS statements	
E1- 6 Targets related to climate change	5. Our ESG targets	
E1-7 Energy consumption and mix	6. Yearly performance and future challenges; 6.1 Environmental data	
E1-8 Gross scope 1, 2, 3 GHG emissions	6. Yearly performance and future challenges; 6.1 Environmental data	
E1-9 GHG removals and GHG mitigation projects financed through carbon credits		Not Applicable
E1-10 Internal carbon pricing		Not Applicable
E1-11 Anticipated financial effects from material physical and transition risks and potential climate related opportunities		No Data Yet
E2 Pollution		**Not Material**
E3 Water and marine resources		**Not Material**
E4 Biodiversity and ecosystems		**Not Material**
E5 Resource use and circular economy		
E5-1 Policies related to resource use and circular economy	7. Annex; 7.2 ESRS statements	
E5-2 Actions and resources related to resource use and circular economy	7. Annex; 7.2 ESRS statements	
E5-3 Targets related to resource use and circular economy	7. Annex; 7.2 ESRS statements	
E5-4 Resource inflows	7. Annex; 7.2 ESRS statements	
E5-5 Resource outflows	7. Annex; 7.2 ESRS statements	
S1 Own Workforce		
S1-1 Policies related to own workforce	7. Annex; 7.2 ESRS statements	
S1-2 Engagement with own workforce and workers' representatives, existence of channels for own workforce to raise concerns or needs and approaches to remedy	7. Annex; 7.2 ESRS statements	
S1-3 Actions and resources related to own workforce	7. Annex; 7.2 ESRS statements	

Standard	Location	Omission/ Reason/ Explanation
S1-4 Targets related to own workforce	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
S1-5 Characteristics of the undertaking's employees	6. Yearly performance and future challenges	
S1-6 Characteristics of non-employees in the undertaking's own workforce	6. Yearly performance and future challenges; 6.2 Social data	
S1-7 Collective bargaining coverage and social dialogue	6. Yearly performance and future challenges; 6.2 Social data	
S1-8 Diversity metrics	6. Yearly performance and future challenges; 6.2 Social data	
S1-9 Adequate wages	6. Yearly performance and future challenges; 6.2 Social data	
S1-10 Social protection	6. Yearly performance and future challenges; 6.2 Social data	
S1-11 Persons with disabilities	6. Yearly performance and future challenges; 6.2 Social data	
S1-12 Training and skills development metrics		Not Material
S1-13 Health and safety metrics	6. Yearly performance and future challenges; 6.2 Social data	
S1-14 Work-life balance metrics	6. Yearly performance and future challenges; 6.2 Social data	
S1-15 Remuneration metrics		No Data Yet
S1-16 Incidents of discrimination and other human rights incidents	6. Yearly performance and future challenges; 6.2 Social data	
S2 Workers in the Value Chain		
S2-1 Policies related to workers in the value chain	7. Annex; 7.2 ESRS statements	
S2-2 Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy	7. Annex; 7.2 ESRS statements	
S2-3 Actions and resources related to workers in the value chain	7. Annex; 7.2 ESRS statements	
S2-4 Targets related to workers in the value chain	6. Yearly performance and future challenges; 6.3 Procurement data	

Standard	Location	Omission/ Reason/ Explanation
S3 Affected communities		**Not Material**
S4 Consumers and end-users		
S4-1 Policies related to consumers and end-users	7. Annex; 7.2 ESRS statements	
S4-2 Engagement with consumers and end-users, existence of channels for consumers and end-users to raise concerns or needs and approaches to remedy	7. Annex; 7.2 ESRS statements	
S4-3 Actions and resources related to consumers and end-users	7. Annex; 7.2 ESRS statements	
S4-4 Targets related to consumers and end-users	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
G1 Business Conduct		
G1-1 Policies related to business conduct	7. Annex; 7.2 ESRS statements	
G1-2 Actions related to business conduct	7. Annex; 7.2 ESRS statements	
G1-3 Targets related to business conduct	7. Annex; 7.2 ESRS statements; 5. Our ESG targets	
G1-4 Metrics related to corruption or bribery	6. Yearly performance and future challenges; 6.2 Social data	
G1-5 Metrics related to political influence, including lobbying activities		Not Material
G1-6 Metrics related to payment practices	7. Annex; 7.3 Additional statements	



drylock TECHNOLOGIES

always looking ahead with vision and a strong belief

We are not just a company.
We are a plan in motion.
Drawn by purpose.
Refined by precision.
Shaped by every hand that builds,
thinks, moves, creates.
We design to care.
We care to grow.
Together, we create what moves
the world forward. Not in theory,
but in every detail.
This is the work beneath the surface.
The layers you don't always see.
But feel. Every day.
This is us.
This is Drylock.
Growing Further.

Bart Van Malderen
CEO Drylock Technologies