NÖLKEN
HYGIENE PRODUCTS

15th SUSTAINABILITY REPORT | 2025

Ready for tomorrow

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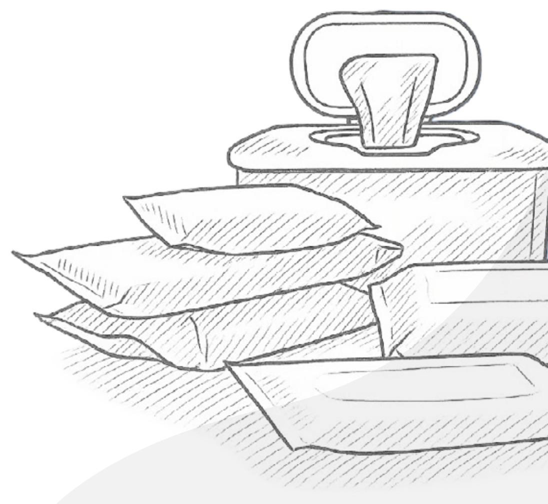


Together for a better quality of life

Who we are

C1 (47a-b)

From the first day of life to old age. At Nölken, we see ourselves as a partner who makes everyday life a little bit easier. Our diverse range from gentle wet wipes and high-quality cosmetics to protective nursing pads offers fast and effective solutions for every phase of life. Supporting families is particularly close to our hearts and, as a reliable companion, we help them master the balance between work and private life.

Variety is at the heart of what we do

We manufacture everything that care requires, whether it is mild baby care, reliable skin hygiene or individual body care products such as creams, shower gels, lotions, shampoos and peels, which we develop tailor-made for our customers. The fact that our nursing pads are valued in both retail and clinics underlines our promise: hygiene and care products must be accessible to everyone as essential everyday goods - from pharmacies to discounters.

As a full-service manufacturer, we see ourselves as part of a larger whole. We accompany our customers from the initial product idea and the selection of high-quality raw materials from responsible sources to the final delivery. This collaboration is based on long-term partnerships and ethical values, which we live by each day at our three production sites in Germany (Windhagen, Neustadt/Wied) and Poland (Nowogrodziec).

€128.5

million in turnover across 27 countries

Behind our success are the people

With a total of 469 (DE: 376; PL: 93, corresponding to full-time equivalents) dedicated employees, we most recently generated a turnover of €128.5 million. As an owner-managed company, we are proud to currently deliver our products to 27 countries worldwide - while always remaining closely connected to our main sales markets in the DACH region and Eastern Europe.

In dialogue: Responsibility in a challenging world

A review of 2025 and a preview from general management

Sustainability team: Welcome to the presentation of the 15th Sustainability Report. Mr Markus Nölken, when you look back over the past year, what do you feel about the current situation?

"What matters now is to maintain strategic clarity and to continue pursuing sustainability within our core business and our long-term strategy."
Markus Nölken, general management

Markus Nölken: I have mixed feelings. This report reflects a world that is changing rapidly and is often uncertain. We see growing geopolitical tensions and an unpredictable regulatory environment. However, this is precisely what strengthens our resolve on our path. What matters now is to maintain strategic clarity and to continue pursuing sustainability within our core business and our long-term strategy.

"We use the VSME Plus concept to go beyond the standard framework for SMEs. The Plus version allows us to supplement the report with bespoke content specifically tailored to our company and our market environment."
Daniel Nölken, general management

Sustainability team: Much has also happened in terms of regulation. Mr Daniel Nölken, the company is reporting according to the VSME Plus concept this year. What is behind this?

Daniel Nölken: We use the VSME Plus concept to go beyond the standard framework for SMEs. While the classic VSME framework forms the basis, the Plus version allows us to supplement the report with bespoke content specifically tailored to our company and our market environment. In this way, we purposefully cover the specific information needs of our various stakeholder groups, which go beyond purely regulatory minimum requirements.

"A good ESG score or a transparent sustainability report can have a direct influence on financing conditions."
Thomas Müllern, general management

Sustainability team: Mr Müller, sustainability is being weighted ever more heavily in the financial sector. What role does sustainability reporting play in your discussions with banks and financing partners?

Thomas Müller: It is steadily growing in importance. Today, lending is inseparably linked to ESG-related (Environment, Social, Governance) risks. Banks no longer demand vague declarations of intent, but rather resilient data for managing ESG. A good ESG score or a transparent sustainability report can have a direct influence on financing conditions.

"Today, our customers demand very precise ecological properties."
Thomas Schnittern, general management

Sustainability team: Mr Schnitter, to what extent do ecological aspects shape negotiations with your retail customers today?

Thomas Schnitter: They have become an indispensable pillar, even though parameters such as quality and delivery capability naturally remain the foundation. Today, our customers demand very precise ecological properties. It is all about maximising the proportion of recycled content, the certification of raw materials, and the consistent reduction of the CO_2 footprint per product unit.

"We are aiming for a realistic yet ambitious path that provides us with clear guidance for the coming years and makes our transformation measurable."
Alexander Streppn, general management

Sustainability team: In climate protection, energy security plays a key role alongside energy consumption. Mr Strepp, what milestones have there been here?

Alexander Strepp: We are resolutely committed to certified green electricity, our own photovoltaic (PV) systems and efficient machinery. However, we are not stopping at the status quo. Our next major milestone is the finalisation of our climate transformation plan. It is important to us that this roadmap comes directly from practical experience. We are developing the short- and long-term goals and measures in close coordination with our specialist departments. In this way, we ensure that decarbonisation is firmly anchored in our operational processes. We are aiming for a realistic yet ambitious path that provides us with clear guidance for the coming years and makes our transformation measurable.

"We are using the second half of 2026 to intensively analyse the data obtained and to further optimise the process."
Manfred Mussn, general management

Sustainability team: Mr Muss, a central building block for operational excellence at Nölken is the digitalisation of production. What status has Nölken reached here, and what comes next?

Manfred Muss: 2025 was the year in which our MES (Manufacturing Execution System) went into full operational use. After we had successfully digitalised the liquid filling and wipe production in Germany, the productive rollout at our site in Poland followed. Even though the implementation is technically complete, the project remains an ongoing process and we are using the second half of 2026 to intensively analyse the data obtained and to further optimise the process. We will also specifically digitalise the mixing area in 2026. In doing so, we are creating the seamless data transparency we need to minimise resource losses and achieve our efficiency targets.

Sustainability team: In conclusion: where is the journey headed?

Markus Nölken: Sustainability today is a business necessity. We always want to be one step ahead - as a reliable partner for customers and as an attractive employer for talented people who truly want to make a difference. Daniel Nölken: We cordially invite everyone to walk this path with us. Feedback is important to us, whether in a personal conversation, via our online questionnaire ↗, or directly by email (nachhaltigkeit@noelken.de). Together, we are shaping a future.

01

Governance

Family values in the modern age

Values that endure: Our strategy for a sustainable future C1 (47d)

For over 40 years, sustainable business has not been a trend for us, but an integral part of our DNA as a family company. Guided by our 'Only the best for our skin' standard, we resolutely align our actions with long-term goals. We are convinced that we can only secure a future worth living for coming generations if we harmonise economic opportunities, social justice and the protection of nature.

Our corporate values ↗ are based on responsibility, trust, integrity, fairness and openness. As a family business, we cultivate a culture of humanity and trust. For us, responsibility means moving forward courageously and innovatively, promoting potential, and creating a genuine sense of togetherness through transparent structures and appreciative communication. We have set ourselves the goal of becoming the leading and most sustainable private-label manufacturer in our industry - a path we are taking together with our customers, partners and employees.

Our three pillars of responsibility are guided by the Sustainable Development Goals (SDGs) and principles of the UN Global Compact (UNGC):

Products

Products
We develop solutions that make everyday life easier while minimising our environmental footprint. From raw material sourcing to disposal, we work to continuously reduce the environmental impact of our wet wipes, cosmetics and nursing pads without compromising on hygiene or functionality.

People

People
Ethical conduct is non-negotiable for us. We are committed to fair working conditions and compliance with international human rights standards - both within our company and throughout our entire supply chain. The health and safety of our employees are always our top priority.

Environment

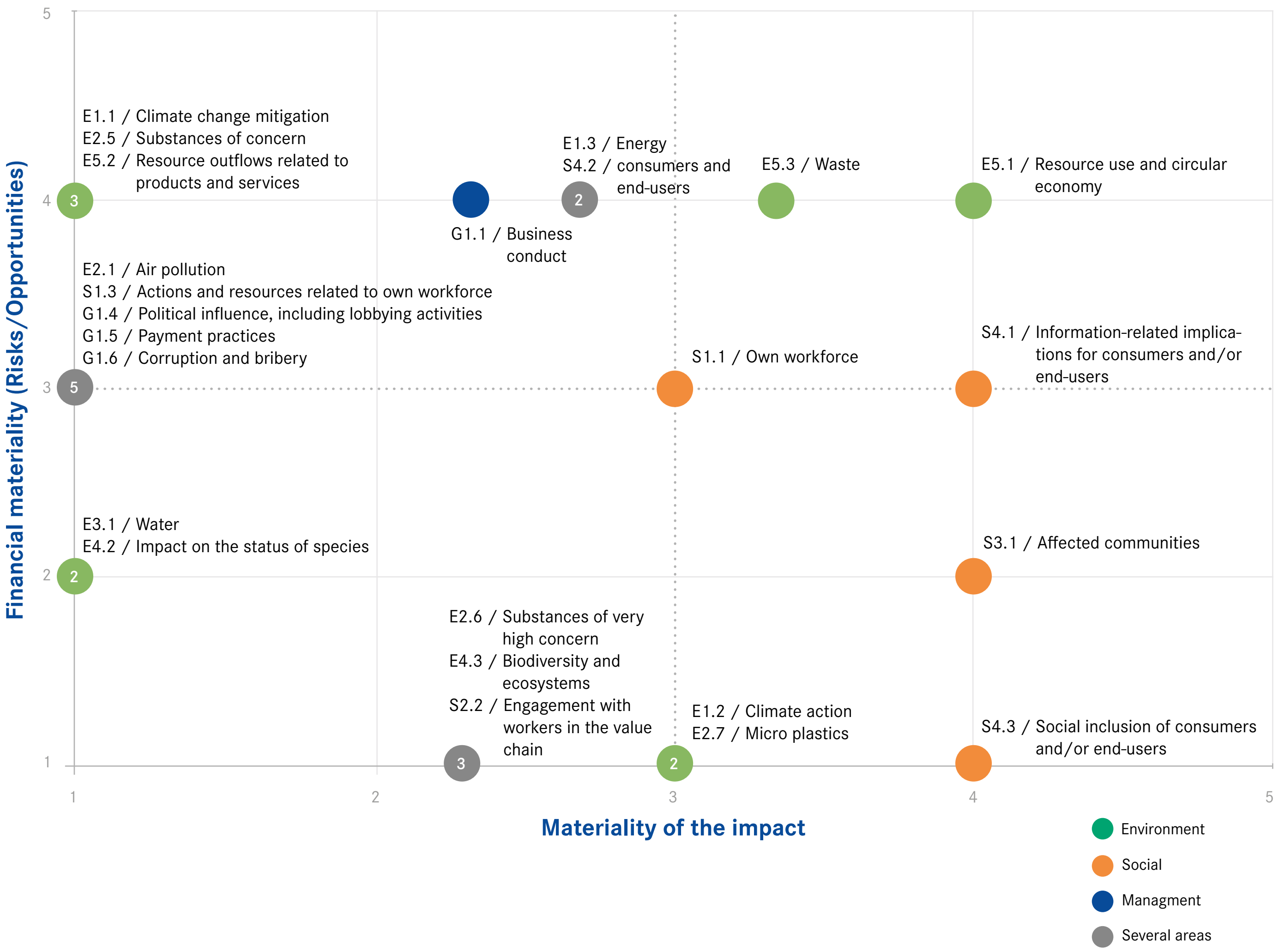
Environment
We take a precautionary approach to climate and resource protection. We invest in renewable energy and eco-friendly technologies to specifically minimise the negative impacts of our business activities and promote awareness of environmentally responsible practices.

We see ourselves as part of a global whole. We address the challenges of climate change and resource scarcity with tangible solutions and the daily drive to make a valuable contribution to sustainable, global growth.

Double materiality analysis

In the 2024 financial year, we comprehensively revised our double materiality analysis to align it with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the guidelines for small and medium-sized enterprises. In close cooperation between management, specialist departments and external experts, both external influences on our company (outside-in) and our own impacts on people and the environment (inside-out) were systematically assessed.

This holistic approach integrates national and international standards such as the German Supply Chain Due Diligence Act (LkSG), the United Nations Global Compact (UNGC) principles and the Sustainable Development Goals (SDG). By identifying and assessing key risks and opportunities across short-, medium- and long-term horizons, we have already strengthened the resilience of our business model today. The results serve as a binding guideline for our risk management as well as the precise planning of measures in the specialist departments. In this way, we ensure that our sustainability strategy is not only potentially regulatory compliant but also future-proof. A detailed process description can be found on page 8 of the 2024 Sustainability Report ↗.



Impacts

In the environmental sector, waste generation through single-use products and emissions from raw material extraction represent the greatest levers. Resource and water consumption in manufacturing are also key impacts. Socially, we consider the entire value chain: from responsible raw material procurement to increasing customer satisfaction through innovative, sustainable product solutions, we are actively fulfilling our social responsibility. Customers value companies that perceive sustainability not just as a duty, but as the core of their identity. By focusing early on resource-conserving production processes and sustainable materials, we have been making an active contribution to climate protection and simultaneously differentiating ourselves in the competition over the long term.

Risks

Challenges primarily arise from volatile supply chains and global crises that influence raw material availability. In addition, increasing regulatory requirements - for instance, through new disposal/product directives or the LkSG - pose financial and reputational risks. Internally, the shortage of skilled labour in rural areas as well as the necessary investments in research and development (e.g. for formulation adjustments) represent significant factors which we are addressing with forward-looking planning. Both the potential inefficient use of materials and the necessary investments in research and development, e.g., when adjusting formulations due to changed raw materials, are also a considerable financial risk.

Opportunities

We proactively use sustainability as a competitive advantage. Through recognised certifications, the promotion of the circular economy and a steady increase in energy efficiency, we have been strengthening our market position. We see great potential in transparent supply chains and stable partnerships that consolidate the trust of our stakeholders. Attractive working conditions for employee retention as well as open communication represent further opportunities for us. Transparent and sustainable supply chains strengthen stakeholder trust and lead to long-term partnerships.

Sustainability programme B2 (26a, c, d), C2 (48)

We pursue priority short- and long-term goals that proactively address legal requirements and strategic developments relevant to our company. Progress is continuously monitored using KPIs from our ERP and IMS systems. This structured data collection ensures accurate assessment as well as full transparency and comparability of our results.

In addition, each goal is aligned with the United Nations Sustainable Development Goals (SDGs), through which we actively contribute to global sustainable development.

GOVERNANCE

SDG	Goal	KPI	Outcome 2025	Outcome 2024
SDG 17 Partnerships for the goals	Our aim is to foster continuous, cross-functional collaboration with multi-stakeholder initiatives, leveraging the collective mobilisation of knowledge and resources to drive sustainability goals both internally and externally.			
SDG 16 Peace, justice and strong institutions	Our aim is the seamless prevention of corruption and bribery in all their forms. Through consistent prevention, transparent detection and the thorough processing of every incident, we ensure a corporate culture of lasting integrity.	# reported incidents of corruption or bribery via the established whistle-blowing system	0 incidents of corruption or bribery	0 incidents of corruption or bribery

Products

SDG	Goal	KPI	Outcome 2025	Outcome 2024
SDG 12 Responsible consumption and production	We promote sustainable consumption through the targeted development of a responsible product range. Our aim is to increase the proportion of products with product seals, so that at least 60% of our annual turnover is generated from items with recognised cosmetic seals.	% annual turnover from products with recognised cosmetic seals	70.9% of annual turnover is generated from products with cosmetic seals (new metric, as we are no longer solely focusing on sustainability seals)	42.2% of annual turnover is generated from products with sustainability seals
	We promote the circular economy and sustainable value chains by: - procuring at least 65% of all nature-based raw materials from transparent, sustainable and/or certified production annually, - using 100% certified sustainable palm (kernel) oil derivatives annually, - increasing the use of plastics consisting of recycled content;	% sustainably certified procurement volume	74% of the procurement volume is sustainably certified	65% of the procurement volume is sustainably certified
		% RSPO-certified palm (kernel) oil derivatives of total volume of palm (kernel) oil derivatives	99.9% MB-certified palm (kernel) oil derivatives	98.4% MB-certified palm (kernel) oil derivatives
		% plastics consisting of recycled content	52.9% plastics consisting of PCR and 6.5% of PIR	3.2% plastics consisting of PCR. No data available for PIR.
SDG 15 Life on land	To protect ecosystems in our value chain, we promote sustainable forest management by purchasing 100% certified non-woven and cellulose materials.	% FSC- or PEFC-certified non-woven and cellulose materials	97.5% of non-woven and cellulose materials are FSC- or PEFC-certified	76.7% of non-woven and cellulose materials are FSC- or PEFC-certified
SDG 9 Industry, innovation and infrastructure	Promotion of innovations via an ideas management system	# submitted and implemented	10 ideas submitted 2 ideas implemented"	7 ideas submitted 3 ideas implemented
SDG 2 Zero hunger	We want to enable knowledge transfer for the sustainable management of agricultural raw materials in order to ensure independent local supply. To this end, we will maintain investments in rural development in developing countries.	€ contribution to the FONAP smallholder project (biodiversity offsets)	€8,000 donation to the FONAP smallholder project	€6,000 donation to the FONAP smallholder project

SOCIAL

SDG	Goal	KPI	Outcome 2025	Outcome 2024
SDG 8 Decent work and economic growth	Our goal is to protect human and labour rights in our value chain. Our goal is clear: zero human rights and labour law complaints and 100% processing of submissions via the whistleblower or grievance system.	# reports via the whistle-blower or grievance system	0 reports via the whistle-blower system 0 complaints regarding human and labour rights	0 reports via the whistle-blower system 0 complaints regarding human and labour rights
SDG 3 Good health and well-being	Our goal is to ensure a safe working environment, to avoid all accidents at work and to support the health of our employees. The vision is clear: we want to reduce the operational accident rate by 10% annually and the sickness rate to below 6.3% (industry average).	# reportable accidents at work	10 reportable accidents at work in DE and 2 in PL	11 reportable accidents at work in DE and 0 PL
		# reportable accidents at work	3.53 days in DE and 5 in PL	3.83 days in DE and 0 in PL
		% sickness rate	8.47% sickness rate in DE and 2.13% in PL	8.06% sickness rate in DE and 2.7% in PL
SDG 8 Decent work and economic growth	Our mission is to create a climate of trust and appreciation, to offer employees a protected and reliable working environment, and to achieve equal pay for work of equal value. To this end, we keep turnover rates and the gender pay gap below national averages and the length of service above national averages. Furthermore, 100% of complaints are resolved.	% fluctuation	Fluctuation of 11.3% in DE (national average 17.7%) and 11.4% in PL (national average 15-20%)	Fluctuation of 11.27% in DE and 13.5% in PL
		ø average length of service in years	Length of service of 7.65 years in DE and 9.5 years in PL	Length of service of 7.25 years in DE and 9.0 years in PL
		% gender pay gap	6.29% gender pay gap in DE and 18.5% in PL	9.01% gender pay gap in DE and 17.9% in PL
		% of complaints resolved	6 reports via the internal grievance system, of which 100% were resolved. 0 reports submitted via the whistleblower system.	12 reports via the internal grievance system, of which 100% were resolved. 0 reports submitted via the whistleblower system.
SDG 5 Gender equality	We want gender equality. To this end, we are committed to a gender-equal composition of the entire management level (50%) and ensure the full and effective participation and equal opportunities of women at all levels of decision-making.	% of women at management level	41.9% women at management level (department/team lead, DE and PL total)	45.2% women at management level (department/team lead, DE and PL total)
SDG 10 Reduced inequalities	We want to strengthen diversity, equity and inclusion and give all people the opportunity to fulfil their potential, regardless of gender, origin or disabilities.	# employees with disabilities	13 employees with disabilities (DE and PL total)	15 employees with disabilities (DE and PL total))
		# nationalities	24 nationalities	25 nationalities
SDG 4 Quality education	We want to ensure that all employees gain equal access to high-quality technical and vocational education. To this end, the average hours of further training are to be increased. In addition, we want to raise employee awareness on sustainable development. For this purpose, 50% of the workforce and 100% of all new apprentices are to be trained in sustainability annually.	# of training hours / trained employees	26.4 training hours in DE and 11.3 in PL	23.71 training hours in DE und 9.89 in PL
		# apprentices who have completed a rotation in the sustainability department	3 apprentices (75%) trained in sustainability	New key figure, therefore no data available
		% employees who were trained in sustainability	2.9% of the workforce 298 employees were trained on waste	1.9% of the workforce New key figure, therefore no data available

Environment

SDG	Goal	KPI	Outcome 2025	Outcome 2024
SDG 8 Decent work and economic growth	Our goal is to significantly improve resource efficiency by 2030 through continuous reduction of waste intensity and water intensity.	Waste intensity (waste generation / net sales revenue)	0.00037 waste intensity (reduction of 7.3% compared to the previous year)	0.000039 waste intensity
		Water intensity (water consumption / net sales revenue)	0.00045 water intensity (reduction of 4.21% compared to the previous year)	0.00048 water intensity
SDG 13 Climate action	Our mission is climate-friendly production and low-carbon business sites. To achieve this, we want to reduce our energy intensity and GHG intensity.	Energy intensity (energy consumption / net sales revenue)	0.000052 energy intensity (reduction of 5.45% compared to the previous year)	0.000055 energy intensity
		GHG intensity (scope 1-3 emissions)	0.00079% GHG intensity	0.00165% GHG intensity
SDG 7 Affordable and clean energy	We want to drive the energy transition forward and convert our energy requirements for production and mobility to 100% renewable sources.	% energy consumption from renewable sources	65.39% energy consumption from renewable sources (DE and PL total)	59.71% energy consumption from renewable sources (DE and PL total)
			100% of electricity demand met from renewable sources (DE and PL combined)	100% of electricity demand met from renewable sources (DE and PL combined)
		% self-produced energy of total energy	4.31% produced by own PV systems (DE and PL total)	2.87% produced by own PV systems (DE and PL total)
SDG 15 Life on land	We want to curb the loss of biological diversity and, to this end, promote biodiversity and species richness at our sites and in our value chain. Our goal is to continuously support environmentally and resource-friendly practices in the cultivation of agricultural raw materials and to fund the FONAP additional project annually.	# Actions that enhance the quality of biodiversity at the sites	5 bee colonies at the Neustadt/Wied site	5 bee colonies at the Neustadt/Wied site

Outstanding commitment: We set the standard

Awards

ESG Transparency Award: 'Excellency'

Once again, this year, our company has been honoured with the ESG Transparency Award and ranked in the Excellence category. With an impressive overall score of 91.36%, we were able to further improve upon our already excellent result from the previous year. This recognition solidifies our position as a 'Leading Company' and underscores our commitment to setting industry standards in sustainability and transparency.

Maz Zarinfar and Daniel Nölken (f. l. t. r.) receive the ESG Transparency Award 2025

Nomination German Sustainability Award: 'Ressources'

Our concentrated dishwashing foam in a refill sachet has been nominated for the 2025 German Sustainability Award. This market-ready 10x concentrate reduces packaging waste by up to 92% and significantly streamlines logistics: with 15% less transport weight, we achieve substantial resource savings. As a user-friendly liquid solution, this innovation combines maximum resource efficiency with high practicality for everyday use.

The Nölken team is delighted to receive the Spotlight Community Award

Spotlight Community Award Winner

At Cosmetic Business, our 'Cleansing Foam Concentrate in a Refill Pack' took first place. Among 30 competitors, the community was particularly impressed by the enormous potential for savings with the 10x concentrate in a compact sachet enabling a reduction in packaging of up to 92%. In addition to these massive material savings, the innovation stands out for its low shipping weight and up to 50% lower costs - a highly efficient and sustainable solution for the modern private-label sector.

2025 Honorary Award from the German Forum Sustainable Palm Oil (FONAP)

Our managing partners, Daniel and Markus Nölken, personally accepted the FONAP Honorary Award. The award recognised their longstanding contributions and tireless commitment to responsible raw material sourcing. This distinction reinforces our belief that true sustainability is not a solo effort, but rather the result of joint action by all partners along the supply chain.

Rankings

EcoVadis Gold Medal

In the most recent EcoVadis Scorecard, we achieved an impressive 78 out of a possible 100 points - a significant improvement over last year (69 points) - which allowed us to advance from Silver to Gold. This places Nölken among the top 5% of the companies evaluated.

Stakeholder management

Through open and constructive dialogue with our stakeholders, we ensure transparency regarding our decisions and thereby foster acceptance of our business activities. We remain committed to our stakeholder management strategy of effectively reconciling diverse interests, building lasting trust and securing our future viability through long-term partnerships.

Selection and assessment of stakeholders

As part of our double materiality analysis, we evaluated our stakeholders based on influence, interdependence and degree of interaction. This analysis, validated by the relevant departments, identified our workforce, customers, suppliers our governance board and executives, certifiers, banks and the environment as key stakeholders. Since they significantly influence our strategic development, we maintain an ongoing dialogue with them.

Stakeholder dialogue

Ongoing communication with our stakeholders is the foundation of our effective growth. We utilise a variety of formats for early identification of needs and work together to develop solutions.

01 | GOVERNANCE

Customers[C1 (47b)]

We engage in close communication with our customers through meetings, trade shows and workshops. This dialogue leads directly to innovation. For example, in a partnership between a retailer, a tube manufacturer and Nölken, a key sustainability goal was achieved for a joint project in the baby cream sector whereby packaging underwent meticulous optimisation to significantly reduce the material weight per tube from 4.8 g to 3.9 g. We have our activities transparently audited and evaluated through the EcoVadis platform as well as the voluntary implementation of the LkSG. This active exchange is deepened through the use of collaborative consulting, the sharing of expertise, and/or training courses on future-oriented topics such as the circular economy and achieving climate goals.

Employees

We proactively keep our staff informed via the 'Nölken inside' app, newsletters and podcasts on topics such as workplace safety, career development and equal opportunity. We actively engage our employees through an anonymous reporting system and initiatives like the cross-departmental workshop on managing stress. The results are directly incorporated into our HR strategy.

Management

Internally, we focus on responsible corporate governance. We have developed a comprehensive corruption risk assessment, including a new policy. Training programmes and a gifts and hospitality register will be implemented in 2026. In addition, our crisis management system is undergoing a maturity analysis by external experts in order to continuously strengthen our resilience.

Suppliers

Through our sustainability code, audits and training programmes, we ensure high standards in environmental protection and human rights. To consolidate these processes digitally and increase transparency, we use supplier platforms that enable comprehensive documentation and evaluation. In addition to digital management, our procurement and sustainability team has relied on regular in-person exchanges with our top suppliers since 2025. Through such direct dialogue and collaborative workshops, we can define common goals more precisely, solve individual challenges, and ensure an efficient, trust-based flow of information across the entire supply chain.

Working together
to make a bigger impact

Associations and initiatives

We actively participate in numerous organisations and networks to help shape industry standards and promote sustainable development. For example, we have been a member of the UNGC since 2011 and are a founding member of FONAP. We are represented in associations such as Edana, IKW and VCI at both the departmental and executive management levels. In doing so, we also take into account the concerns of local politicians, Non-Governmental Organisations (NGO) and local communities. Our advocacy efforts are publicly visible through associations listed in the EU Transparency-Register ↗ and the Lobby Register of the German Bundestag ↗. To preserve our independence, we do not make donations to political parties or politicians. Department heads drive the work within the networks and keep company management continuously informed of developments. You can find additional national and international associations and initiatives on our website ↗.

Regional connection and educational institutions

As an employer with deep roots in the region, we foster dialogue with the next generation. One example of this is our partnership with Siebengebirgsgymnasium secondary school. During on-site visits, we provided pupils with insights into our operations and sustainable business practices through guided tours and workshops.

Daniel Nölken at the FONAP General Assembly

02

Compliance

A system for responsible action

Roles and responsibilities

As a family-run business, our company operates out of locations in Windhagen (Germany), Neustadt/Wied (Germany) and Nowogrodziec (Poland). Since January 2022, the general management team at our German locations has consisted of Markus Nölken, Daniel Nölken, Thomas Müller, Thomas Schnitter and Alexander Strepp. Our Polish subsidiary, Noelken Sp. z o.o., is jointly managed by Markus Nölken (since 2010) and Mariola Jarzab (since 2014).

GOVERNANCE BODY (DE and PL)

		Unit	2024	2025
Gender diversity ratio* governance body/C-Suite[C2 (49), C9 (65)]			**0.14**	**0.14**
	Women	%	14.3	14.3
	Men	%	85.7	85.7

* Gender diversity ratio = Number of female employees in governance body / Number of male employees in governance body

Strategic responsibility for ensuring that the company is managed in compliance with the law rests directly with the executive management and department heads. To ensure comprehensive oversight, we have also directly attached key functions - such as sustainability, occupational safety, quality, environmental- and hazardous materials management, as well as data protection - to the senior management level as staff units. Regular communication with executive management ensures the flow of information.

Markus Nölken, Mariola Jarzab

Thomas Schnitter, Markus Nölken, Alexander Strepp, Daniel Nölken, Thomas Müller (f. l. t. r.)

Control [B1 (25)]

To ensure the long-term future viability of our company and to minimise risks, we firmly integrate compliance into our corporate governance. The foundation is formed by our corporate values ↗, which lay down binding ethical values such as integrity, fairness and respect. We support our employees in implementing these principles through an employee handbook, in which topics such as anti-corruption, the prohibition of discrimination and complaint management are integrated. In this way, we ensure that statutory requirements and Nölken values are actually practiced.

We manage all business processes and compliance requirements via a cross-site Integrated Management System (IMS). This integrates the IFS HPC standard and also combines the following international standards:

- GMP (ISO 22716): Ensuring the highest product quality and compliance with Good Manufacturing Practice for cosmetics.
- ISO 9001: This standard provides the framework for quality management systems designed to ensure the provision of high-quality solutions through appropriate organisational processes.
- ISO 14001: Defines the framework for our environmental management at the German sites; certification for the Polish site is being sought.
- ISO 45001: Forms the internal basis for our proactive occupational health and safety and the promotion of safe, healthy workplaces based on ISO 45001.
- ISO 37301: Our compliance management system is based on the international standard for compliance management systems.
- Additionally, our IMS includes specific chain-of-custody certifications such as FSC® (Forest Stewardship Council), PEFC (Programme for the Endorsement of Forest Certification) and RSPO (Roundtable on Sustainable Palm Oil).

Our actions are based on the highest standards in occupational health, fire and environmental protection (including DGUV and immission control). We are committed to complying with all relevant legal regulations and ensure this through processes and responsibilities.

To safeguard our high standards in the areas of quality and sustainability, we rely on internal processes and responsibilities and have our work regularly audited externally. These are carried out in accordance with legal and regulatory requirements as well as the requirements of relevant certifications. In this way, we ensure that our processes are not only compliant but are also continuously optimised. All our certifications ↗ can be found on our homepage.

During the reporting period, there were no violations or complaints in connection with compliance within our company, and no fines were imposed. We assess the risk in this regard as low.[B11 (43)]

Export control and sanctions screening

Upon commencement of business, we subject potential contractual partners to a comprehensive screening for corruption, money laundering and sanctions violations. Through system-based integration into our ERP system, an automated comparison of all contacts with sanctions lists is performed. Furthermore, country-related, goods-related and end-use-related export controls take place.

In accordance with applicable EU regulations, the human resources department screens all new hires as well as the entire workforce on a continuous rotation.

This binding process ensures that no business relationships exist or are entered into with sanctioned persons or organisations and is secured by clear internal operating instructions when creating new contacts.

Corruption prevention

Nölken pursues a strict zero-tolerance policy towards corruption and bribery at all locations. Our strategy is based on international standards such as the principles of the UN Global Compact, the OECD Anti-Bribery Convention, the United Nations Convention against Corruption, the Council of Europe Criminal Law Convention on Corruptions as well as country-specific penal codes and corporate governance codes.

The foundation of our compliance is formed by our IMS with a comprehensive set of rules B2 (26b), C2 (48), consisting among others of the code of conduct, policies on data protection, IT security, whistleblowing and ethics, as well as the public supplier code of conduct. Following a self-imposed external audit of our compliance management system, we are introducing the final component – the Anti-Corruption and Bribery Policy – in spring 2026.
This specifies binding rules of conduct regarding:

- Approval procedures for sensitive transactions such as gifts, hospitality and invitations
- Facilitation payments and cash transactions
- Donations, sponsorship and discounted services
- Avoidance of conflicts of interest

The practical implementation of our compliance requirements is carried out on the basis of a practice-oriented risk analysis as well as the targeted awareness-raising of the workforce. A central element here is the four-eyes principle firmly anchored in all payment transactions, supplemented by a systematic review of our business partners. The monitoring of gifts and hospitality is the responsibility of a specifically designated person in the accounting department who reports directly to the management.

To maintain our compliance culture, we will train all affected employees on the new Anti-Corruption and Bribery Policy starting in spring 2026. The workforce in particularly exposed functions such as management, purchasing, logistics, finance and sales will be specifically involved. Additionally, all employees are continuously informed about the avoidance of conflicts of interest and the correct handling of benefits via the employee handbook as well as established reporting channels.

Supply chain

In a business environment, we expect all partners to fully comply with national laws and to respect internationally recognised standards and principles, such as those set out in the UN Global Compact and the Universal Declaration of Human Rights. Our business partners in the supply chain formally commit to complying with our Sustainability Code for Business Partners ↗. The requirements encompass environmental aspects (e.g. emission reduction, biodiversity, resource conservation, animal welfare, air pollution and water management), social standards (e.g. fair wages, occupational safety, working conditions, prohibition of child and forced labour), as well as economic standards (e.g. Compliance Management System). Compliance is monitored at the Tier 1 level through reports and audits. In the new year, affected processes and instructions regarding this will be reviewed once again for topicality and standards and adjusted accordingly.

Whistleblowing and complaints system

To detect regulatory violations – such as in the areas of product, consumer, environment, data protection, occupational safety, human rights, or corruption, including in connection with our sustainability code for business partners and applicable national or international law – Nölken offers a comprehensive complaints system for employees, supply chain partners and third parties. Reports can be directed via a specially established external whistleblowing system ↗ or internally via our complaints system (also anonymously) to the human resources department. Furthermore, employees can confide in persons of trust, supervisors and the management. We act in accordance with the Whistleblower Protection Act (HinSchG) and have documented the procedure internally. We guarantee feedback on the receipt of the report via the system within seven working days. The final processing as well as information on measures taken occur within three months.

IT/Cybersecurity

For us, information security is an essential foundation of our company's success. Since our business and production processes are highly digitised, the protection of sensitive data is our top priority. Strategic responsibility lies directly with senior management, while an internal information security officer oversees operational implementation. To systematically secure our IT infrastructure and information, we are currently implementing an information security management system (ISMS) in accordance with ISO/IEC 27001:2022. Building on established standards such as emergency plans and access controls, we are continuously refining our security measures: In addition to regular, comprehensive cybersecurity training, a specific AI policyB2 (26b) in the employee handbook ensures that all employees use cutting-edge technologies responsibly.

Data security

The protection of personal data and the safeguarding of our internal knowledge are of utmost importance to us. Beyond legal compliance, we view data protection as a trust-building element and a key safeguard for our reputation. Our cross-location data protection management system carefully implements the requirements of the GDPR, overseen by senior management in close collaboration with an external data protection officer. We ensure transparency through a publicly accessible privacy policy ↗ for visitors and applicants. Furthermore, data protection is firmly anchored in our corporate culture with all employees signing a written confidentiality agreement. Regular online training sessions and a dedicated module in the onboarding process - privacy policy regarding applications ↗ - ensure ongoing awareness.

03

Products

Responsibility you can feel

Responsible product development

As a full-service manufacturer, we offer both bespoke private-label solutions for an individual brand identity and efficient white-label concepts. Regardless of the distribution model, we integrate ecological and social criteria deep into the development process from the outset, as both we and our customers place great value on safe, sustainable and environmentally friendly care products.

For our company, strict adherence to regulatory requirements during product development is a matter of course. We ensure full compliance with all statutory criteria. This not only secures compliance but also drives our goal of continuously increasing the proportion of natural and ecologically sound ingredients. Through the meticulous planning and implementation of products – from raw material selection and formulation to application by the end consumer – and close interaction with our business partners during development, we enable consumers to make responsible purchasing decisions. To convey this added value even more effectively, we are intensifying sustainability training for our sales department. Our focus is on competently communicating product-related ecological aspects and thus strengthening the market position of our sustainable solutions.

Since 2025, we have been systematically analysing the life cycles of our best-selling products, from formulation to disposal, and creating product life cycle assessments. We use these findings to provide targeted advice to our customers regarding ecological material alternatives, the optimisation of material cycles and ensuring biodegradability according to international standards.

Our development department guarantees the highest safety standards. In doing so, we go beyond the statutory requirements of the EU Cosmetics Regulation and potentially critical substances are proactively replaced with safe and sustainable or regional alternatives in a forward-looking manner. For example, we consistently refrain from the use of PFAS (per- and polyfluorinated alkyl substances) and continuously refine our monitoring system. We also keep a close watch on maximum concentrations, areas of application, consumer groups and approved preservatives.

Guide to conscious consumption – Product claims and cosmetic seals

We pursue a strategy of offering end consumers maximum transparency and promoting conscious consumption out of conviction. In doing so, we place particular emphasis on product communication that complies with competition law and implements the requirements of the Empowering Consumers for the Green Transition (EmpCo) Directive by refraining from misleading or generic environmental claims and ensuring that all sustainable properties are based on scientifically sound facts.

To make these ecological, social and qualitative characteristics objectively verifiable, we rely on recognised labels and seals of quality audited by independent third parties. These serve as essential decision-making aids at the point of sale. Additionally, we promote the longevity and circularity of our products through detailed information on optimal use, disposal and recyclability directly on the packaging. We view the cosmetic seals we use as voluntary marks of quality and trust that make our products objectively assessable with regard to ecological, social and qualitative criteria. In this context, we are guided by the recommendations of recognised public rating portals, which enable consumers to quickly categorise the respective standards through well-founded background information.

Our portfolio includes seals with different focal points to meet the diverse requirements of our customers. This includes certifications for cruelty-free and vegan cosmetics as well as recognised standards for natural and organic cosmetics. Furthermore, we rely on labels for fair trade conditions as well as specialised labelling for allergy-friendly products.

70.9%

of our annual turnover is generated by products with recognised cosmetic seals

To take account of the increasing market relevance of certified products, we have set ourselves the goal of permanently maintaining the share of turnover from articles with recognised cosmetic seals at a minimum of 30%. Since the final decision on labelling rests with our customers, we see this as a collaborative task in the design of sustainable ranges.

9-1817-16-100-00

Product-related resource utilisation [B7 (c)]

In order to use resources for our products sustainably, we promote certified, nature-based materials such as cellulose and natural fibres. Through the preferential procurement from sustainable forestry, we support the preservation of important ecological functions and actively contribute to the restoration of natural ecosystems. Parallel to this, we are preparing intensively for the EU Deforestation Regulation (EUDR). Through precise traceability, we ensure that our raw materials (agricultural and timber products) do not originate from land that has been deforested after 31 December 2020. This seamless due diligence guarantees deforestation-free supply chains and makes a measurable contribution to global forest protection.

Nonwovens and cellulose for wipes and nursing pads

A significant proportion of the nonwovens we use now consists of nature-based fibres such as viscose, lyocell and cellulose. In addition, we also use plastic-based nonwovens or blends, the selection of which significantly determines characteristics such as the softness of the wet wipes. While nature-based virgin fibres like viscose, lyocell and cellulose dominate, the development department is increasingly researching the use of recycled fibres.[B7 (Guidance 159)]

Our product development creates products that go beyond statutory requirements, such as the EU Single-Use Plastics Directive (SUPD), and follow higher ecological standards. In this regard, we differentiate precisely between the materials used: while wipes containing synthetic or modified polymers (such as polyester) are subject to the labelling requirements of the SUPD, we promote the use of natural alternatives like lyocell and viscose, which are exempt from these regulations. To reduce the impact on marine ecosystems, we also rely on clear warning notices, such as the ‘do not flush’ label, thereby preventing incorrect disposal in the sewerage system.

2025 milestone: Almost 100% certified nonwovens at Nölken

Sustainability team: Nölken pursues an 'uncompromising sustainability strategy'. What does that mean in concrete terms for procurement?

Daniel Bons (Head of Procurement): It means establishing clear criteria for sourcing and then systematically applying these criteria. We prioritise certified raw materials from sustainable, deforestation-free forestry and ensure, through appropriate documentation, that our suppliers meet these requirements. Sustainability is therefore an integral part of our purchasing decisions.

Sustainability team: A central goal was to continuously increase the proportion of certified nonwovens and cellulose. Have you achieved this?

Daniel Bons: Yes. In 2025, we were able to achieve significant progress by switching a strategically relevant product. Currently, around 97.5% of the nonwovens and cellulose we use come from FSC or PEFC certified sources. This proportion applies across all relevant product groups – from wet wipes and moist toilet paper to nursing pads.

Sustainability team: What does this success mean for the company?

Daniel Bons: From a procurement perspective, it primarily means more security and transparency in the supply chain. A high quota of certified materials reduces ecological and regulatory risks and supports a stable long-term supply of raw materials. At the same time, we are making a measurable contribution to responsible sourcing.

Commitment to cruelty-free development and animal-free products

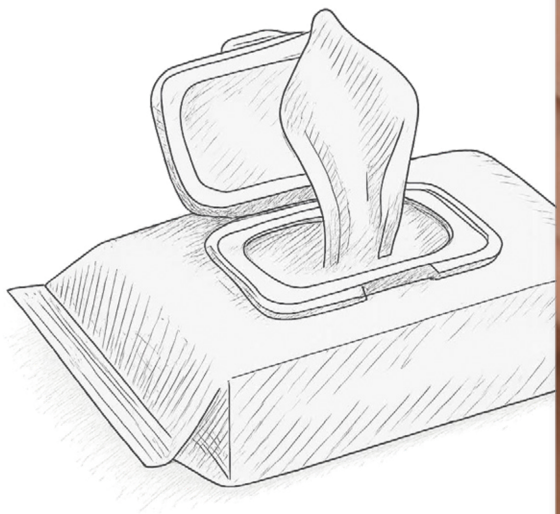
We comply with the EU Cosmetics Regulation (EC) No. 1223/2009, under which animal testing for cosmetic products and their ingredients, as well as the sale of such products has been prohibited in the EU since 2013. For us, the protection of animals is a matter of course.

To offer our customers maximum transparency, we clearly label vegan products. These articles, declared as animal-free, contain no animal components or by-products such as honey, lanolin or beeswax.

Guaranteed microplastic-free formulations

The selection of our ingredients is based on strict ecological criteria, with biodegradability being the top priority. To protect the environment and human health, we have refrained from using microplastics in all our formulations since 2019. In exfoliating products, we instead use purely organic alternatives such as cornmeal or ground apricot kernels.

We want to protect marine resources and are therefore continuously developing water-friendly product lines that make an active contribution to water protection through resource-efficient manufacturing.



Responsible and sustainable procurement policy for palm (kernel) oils

Many of our products contain palm oil-based ingredients. Our aim is to use these in a way that affects neither the environment nor society. To guarantee the protection of valuable ecosystems, we consistently rely on deforestation-free and conversion-free supply chains.

As part of our procurement guidelines, we are committed to the responsible use of palm oil, palm kernel oil and their derivatives. Our declared goal remains the full sourcing of all palm (kernel) oil-based ingredients in certified, sustainable quality, which we have established in internal work instructions. To actively promote sustainable cultivation methods, Nölken has been certified according to the RSPO standard since 2018 and is an active member of FONAP. While the RSPO standard provides the formal framework, the additional FONAP commitments function as a decisive qualitative upgrade that goes beyond the mere minimum requirements. We use these criteria to close specific ecological and social gaps. Additionally, we support smallholders in the cultivation regions via FONAP.

CERTIFIED SUSTAINABLE PALM OIL™ RSPO
9-1817-16-100-00

FORUM Sustainable Palm Oil

Circular economy [B7 (c)]

Through innovative design and meticulous development, we strive to minimise the ecological footprint of our products. We achieve this, on the one hand, by avoiding waste in production and, on the other, through the use and recirculation of recyclates throughout the entire product life cycle. Our product development follows the principles of the circular economy [B7 (Guidance 159)] to thereby avoid waste and environmental impacts.

Our efforts in optimising product packaging are in line with the new EU Packaging and Packaging Waste Regulation (PPWR). This sets strict requirements for the entire life cycle – from labelling and sustainability when placing products on the market to extended producer responsibility. The focus is on avoiding unnecessary packaging, promoting reuse systems, and optimising collection and recycling processes.

Our products are first packed in composite films or bottles, tubes, jars and refill pouches, then secured in cardboard outer packaging for dispatch. Nursing pads are packed in folding boxes. Shipping cartons are purchased with recycled content wherever possible. Furthermore, we rely on FSC or PEFC-certified folding boxes wherever possible to support responsible forestry.

In addition to material selection, we are optimising our internal logistics processes. Through a new palletising concept, we have been able to significantly reduce the requirement for corrugated board, cardboard and edge protection. This has not only led to lower material consumption but also optimised space utilisation and reduced transport burden. Additionally, a new wrapping machine was introduced at a German site, which has led to a more efficient use of packaging aids.

Daniel Kesseler, head of development, on our recyclability target for packaging

Recyclability is not a mere trend for us, but the central benchmark of our actions. In light of the statutory quotas – over 70% from 2030 and over 80% from 2038 – we pursue a holistic approach. We are optimising our entire portfolio: from primary packaging to transport solutions. By reducing material use and closing material cycles, we are making an active contribution to environmental protection.

A particular focus lies on our wet wipe packaging. Here, we consistently utilise recyclable composite films. In 2025, we were already able to increase this share to 98.5%. For the remaining PET/PE composites, which are still necessary due to high protective barriers, we are currently intensively developing circular alternatives.

We also have a positive balance for our liquid cosmetics: almost all tubes, jars and bottles are already recyclable today. At the same time, we are reducing the use of shrink films for multipacks and increasingly relying on mono-materials.

To permanently keep valuable raw materials in the cycle, providing information and raising awareness for end consumers also play a decisive role. We provide our products with clear labelling for environmentally friendly disposal and give precise instructions for professional recycling.

03 | PRODUCTS

Recycled materials

For us, sustainable packaging management means reducing material quantities and optimising circular processes through the use of recycled materials. In close cooperation with the supply chain, we are driving resource conservation forward. Our portfolio includes a diverse range of plastic packaging – from refill pouches and tubes to pumps and resealable labels. Although the integration of recyclates into these technically demanding components presents a challenge, we will continue to increase the continuous growth of the recycled content.

A key pillar of our strategy is the avoidance of unnecessary outer packaging and the clear reduction of material use. We close material cycles by increasingly relying on recycled materials (Post-Industrial Recycling, PIR and Post-Consumer Recycling, PCR). In 2025, the proportion of composite films containing recyclate was 73.8% (2024: 64.2%). In close collaboration with our partners and suppliers, we continue to develop sustainable packaging concepts. This also includes technically demanding components such as composite films, dispenser boxes, bottles, closures and dosing pumps. Despite the process-related challenges with these diverse components, it is our mission to continuously increase the recyclate content, which we have already implemented, for example, in tube blisters/thermoformed trays and jars which consist of 100% PCR material.

Our targets for recycled content quotas:

	2030	2040
Contact-sensitive packaging made from PET	30%	5%
Contact-sensitive packaging made from plastics other than PET	10%	25%
All other plastic packaging	35%	65%

Section appendix

MATERIALS (DE and PL)	Unit	2024	2025
Certified nonwovens	t	n/A	16,965
	%		97.5
Certified cellulose	t	n/A	2,302
	%		100
Recycled nonwovens/cellulose	t	n/A	0
	%		0
Total plastics*	t	No data	1,661.8
Plastics* with PCR	t	No data	880.5
	%	3.2	52.9
Plastics* with PIR	t	n/A	108.6
	%		6.5
Plastics* without recyclate	t	n/A	672.7
	%		40.5
Certified palm (kernel) oil derivatives	t	956.6	1,070.4
	%	98.4	99.9

Material intensity: Chemical substances****[B7 (38c)]		n/a new KPI	0.000024
Material intensity: Nonwovens and cellulose****[B7 (38c)]		n/a new KPI	0.000153
Material intensity: Plastics****[B7 (38c)]		n/a new KPI	0.000013

* All plastic-based packaging materials, incl. composite films, tubes, jars, bottles
** RSPO audit period corresponds to August 2023 to July 2024
*** RSPO audit period corresponds to August 2024 to July 2025
**** Total consumption per net sales revenue

04

Social

People first

Responsibility for our employees

At Nölken, our employees are at the heart of the family business and occupy a central position. Our conviction that satisfaction, professional development and health decisively determine corporate success and shape modern and respectful working environments.

In view of the low unemployment rates in the rural regions around Windhagen (5.3%) and Nowogrodziec (3.9%), we counter the shortage of skilled labour by consistently increasing our attractiveness as an employer. The company relies on an appreciative corporate culture based on trust and motivation. This process ranges from structured induction and diverse health measures to individual further training opportunities.

The effectiveness of this strategy is reflected in the current key figures for the 2025 financial year:

- **High loyalty to the company:** With an average length of service of 9.5 years in Poland, Nölken is significantly above the national average of 1.8 years. In Germany, a stable level is also maintained at 7.7 years.
- **Positive turnover trend:** In both Germany (11.28%) and at the Polish site (11.43%), staff turnover rates are below the national averages of 17.7% in Germany and 15-20% in Poland for the manufacturing sector.

Types of employment

Work-life balance is promoted through flexible working models tailored individually to the life situations of our employees. In addition to family-friendly working hours, part-time options and shift models, remote working has become firmly established – provided it is operationally feasible. In the 2025 financial year, an annual average of 133 administrative employees in Germany worked from home on average for 48 days. At the Polish site, remote working is currently not possible due to the purely production-related nature of the activities.

Remuneration

We guarantee fair, reliable and gender-neutral remuneration. All salaries are above the statutory minimum wage in Germany and Poland.[B10 (42a)] Regular monitoring of pay systems promotes the attractiveness of us as an employer and the closing of the gender pay gap. While transparency prevails in the production area through wage groups, the unadjusted gender pay gap at Nölken Germany, at 6.29%, is significantly below the federal average (16%); in Poland, at 18.5%, it corresponds to the national average.[B10 (42b)]

In addition, employees benefit from comprehensive perks: we offer further training, supplemented by flexible working hours, 30 days of holiday, and a company pension scheme. Occupational health management includes preventive measures such as flu vaccinations, health days including posture diagnostics, as well as financial protection in the event of illness, accidents or during parental leave.

Marcell Goerke is shift leader at the Neustadt/Wied site

Employee rights and human rights

We are fully committed to the principles of the United Nations Global Compact as well as the core labour standards of the International Labour Organization (ILO). Our internal guidelines are based on international standards and exceed the statutory requirements in Germany and Poland. We strictly reject any form of forced labour, child labour, human trafficking and discrimination. These values, as well as accident prevention and inclusion, are enshrined in our Ethics Policy for Employees ↗.[B2 (26b), C6 (61a-b)]

Respect for human and employee rights is the foundation of our business activities. We guarantee safe and healthy working conditions. This protection applies equally to our permanent workforce and to temporary agency workers. Binding codes of conduct are anchored in the employee handbook and are reinforced through regular team training. Based on compliance with high statutory standards at our production sites, we currently assess the risk of labour law violations through our business activities as extremely low. In 2025, there were no incidents or complaints regarding forced labour, child labour, human trafficking or discrimination.[C7 (62a-b)]

Employee involvement and freedom of association

We are guided by the principles of freedom of association and the opportunities for collective bargaining, about which we provide information in the employee handbook. An elected person of trust acts as the central link to the management. The election structure is being redesigned in 2026 to further strengthen participation and acceptance within the workforce. All details regarding this are transparently stored in the employee handbook.

Regular exchange is further promoted through:
- Flat hierarchies and short decision-making paths
- Idea management for submitting suggestions for improvement, including a bonus system
- Notices
- Newsletters
- ‘Nölken inside’ app
- Surveys
- Podcasts

Our female team in liquid filling

Complaints[C6 (61c)]

For the transparent handling of violations, Nölken offers various reporting channels: reports can be directed internally via supervisors, the management or persons of trust. Additionally, an anonymous internal complaints system in the human resources department and an independent external whistleblowing system ↗ are available. We encourage all employees to report any form of harassment or injustice. Every concern is carefully reviewed and resolved through appropriate measures, up to and including disciplinary consequences. In the 2025 financial year, a total of six internal complaints were reported and fully resolved. No serious human rights violations or incidents relating to our own workforce occurred.

04 | SOCIAL

Equal opportunities and development potential

We actively promote an inclusive working environment based on genuine equal opportunities. Diversity, integration and gender equality are firmly anchored in our ethical principles. Across our sites, we combine the expertise of employees from 24 nations. We place the highest value on respectful interaction and the appreciation of every individual – regardless of age, gender, nationality, religion or cultural background.

Anti-discrimination[C5 (59-60)]

At Nölken, a resolute prohibition applies to any form of discrimination, harassment, bullying or violence. Violations of these principles are strictly sanctioned. At the same time, we actively promote a corporate culture of diversity and equality, in which mutual respect forms the basis of our collaboration. Our positioning, as well as the corresponding measures and complaint procedures, are binding for all staff and set down in the employee handbook. All mandatory training sessions (safety, hygiene, health) are offered in the most widely spoken languages.

To ensure equal opportunities, our stance is firmly integrated into our human resources management. Statutory requirements are clearly implemented through the AGG (General Act on Equal Treatment) in Germany and relevant laws in Poland. We pursue a competence-based application process and use non-discriminatory language in job advertisements. Our goal is a sustainably inclusive working environment and the development of a strong employer brand. Our commitment is clear: we intend to maintain the rate of zero incidents in connection with discrimination, harassment, bullying and violence.

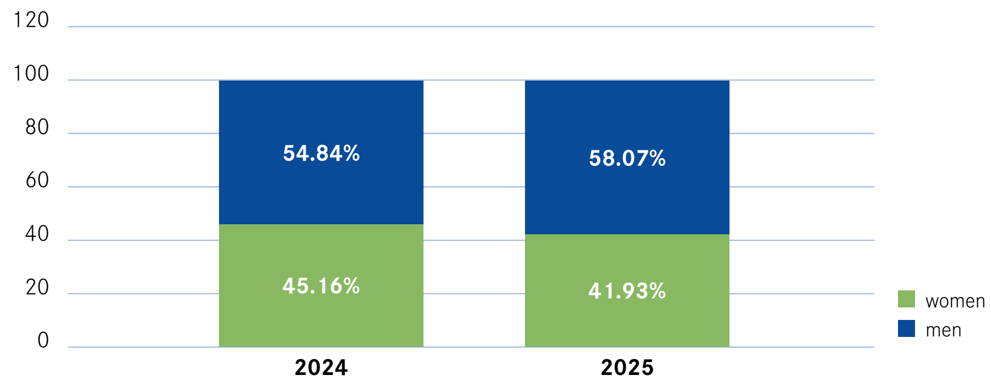
New employees undergo a structured Nölken onboarding process. All employees have equal access to development measures. As a family business, we consider individual needs and offer international employees personalised support, such as assistance with finding accommodation and German courses for various proficiency levels.

We view, assess and develop our diversity foundations in diversity using the Diversity Maturity Model ↗ of the Charta der Vielfalt (Diversity Charter). This systematic analysis helps us to challenge existing structures and to strengthen genuine equality in all areas of the company in the long term.

We pursue clear qualitative goals: the equality of women, the maintenance of a fair and performance-based remuneration system, and the inclusion of people with disabilities, measuring these against self-imposed KPIs.

The gender ratio in management positions below the governance body stood at 0.72 in 2025, following a figure of 0.82 in the previous year (2024).[C5 (59)] This key figure is calculated from the ratio of female to male managers.

Gender diversity in management*



*below the governance body (department heads and team leaders)

Training[B10 (42d)]

Our success is based on the professional competence of our employees. To secure our innovative strength, we rely on continuous learning and a standardised feedback culture: annual performance reviews with uniform evaluation sheets, as well as probationary period interviews, ensure structured development for all employees. In total, 62% of permanent employees in Germany and 17% in Poland received regular performance and career development reviews.

We accompany rapid technological changes with tailored further training. Via our digital training tool, employees, external companies and visitors complete mandatory instructions on hygiene, occupational safety and data protection. Additionally, in 2025, we established annual waste management training for the entire workforce. We continuously improve this programme through regular evaluations and support professional development by covering costs or providing time off.

Our intention is to raise awareness of sustainability topics to half of the workforce annually. All new employees receive sustainability training as part of their onboarding. In this regard, we were able to slightly increase the rate from 1.69% (2024) to 2.99% (2025). For 2026, we will set up sustainability training as a digital offering and aim to achieve a significant increase with this.

8

apprentices are currently in training with us (4 f, 4 m)

Since 1985, as an IHK-certified company, we have been promoting young talent and our apprentices. The training combines practical and project work, such as the IHK Energy Scouts 2025. Since the 2025/26 training year, the sustainability department has once again become an integral part of the training for our apprentices. As in the previous training year, we currently employ eight apprentices. Additionally, we support employees in dual or part-time degree programmes both financially and organisationally.

Our new apprentices starting their training

Safe and healthy workplaces

We pursue a preventative approach through an occupational health and safety management system based on ISO 45001. The foundation consists of quarterly OSH (Occupational Safety and Health) committee meetings as well as systematic risk analyses of technical equipment and stress factors. To strengthen our personnel, it is planned to expand the team by an additional specialist from April 2026.

Although the ambitious 2025 target of reducing reportable workplace accidents by 30% was not met, an 8% reduction was nonetheless achieved. To reduce reportable accidents, we use the 5M method for root cause analysis and record near-misses. Since 2025, quarterly reflection talks with those involved in accidents have promoted safety awareness. The focus for 2026 is on intensive training:

- **Mandatory instructions:** Basic safety and hygiene training for all employees. Training for employees in production, manufacturing and logistics are conducted in person.
- **Specialised training:** Due to an accumulation of incidents, mandatory instruction on the safe handling of utility knives is being carried out, supported by a partnership with a specialist manufacturer. To make the operation of industrial trucks safer, an external service provider will take over the training of material preparers in 2026.
- **Communication:** Use of digital platforms and occupational safety videos created by apprentices in the employee app.

We invest continuously in the safety of our buildings and facilities. Recent measures include the installation of modern air filtration systems, targeted noise reduction concepts and optical warning signals for collision avoidance in the logistics area. Protection against chemical risks has been further professionalised through specialised environmental cabinets and the testing of new personal protective equipment (PPE) in collaboration with suppliers. Additionally, we promote health through hygiene training, free PPE and flu vaccinations, and we ensure the protection of pregnant and breastfeeding employees through specific restrictions. This holistic approach is rounded off by ergonomic projects, such as professional posture diagnostics and further projects on health days, to proactively secure the long-term health of our employees.

Our OHM (Occupational Health Management) secures long-term motivation through benefits such as posture diagnostics, massages, (e-)bike leasing, and fitness offers. Thanks to supplementary company health insurance, our employees in Poland benefit from extended preventive services and receive fast access to specialised medical care. In 2025, 27.3% of our workforce in Germany (2024: 11.8%) and 59.1% in Poland already used these offers.

In the 2025 reporting year, the positive trend in safety figures has continued:

Reportable accidents	10 reportable accidents in Germany and 2 in PolandB9 (41a)
Accident severity	With 3.53 (DE) and 5 (PL) days lost per accident, we are significantly below the national averages of 16 (DE) and up to 50 days (PL).
1,000-man rate	Improvement from 29.02 to 24.51 in Germany, although we continue to strive for a closer alignment with the industry average (16.96).
Zero tolerance	Neither fatalities nor recognised occupational diseases were recorded.B9 (41b)
Days lost	Despite 2 serious individual events (commuting accident, bone fracture), the total days lost remained stable at 240 days (DE) and 10 (PL).
Sickness rate	8.47% (industry average 7.7%) in Germany; 2.13% (national average 7.4%) in Poland.

Sustainable procurement

As a member of the UNGC, we expressly commit to upholding international human rights, particularly the Universal Declaration of Human Rights, United Nations conventions, the ILO core labour standards and the OECD Guidelines for Multinational Enterprises.

Although we are not legally subject to the LkSG or the Corporate Sustainability Due Diligence Directive (CSDDD), we have been implementing their requirements on a voluntary basis since 2022. This strategic due diligence is managed directly by the executive management, who ensure responsible global value chains through appropriate measures.

Our supply chain management combines economic stability with ethical responsibility. To minimise risks such as supply interruptions, our procurement department provides materials with a focus on quality and cost-effectiveness. Together with our business partners, we safeguard human rights and environmental due diligence and rely on maximum transparency for resilient, sustainable supply relationships.

Our requirements for suppliers

Our binding Sustainability Code for Business Partners ↗ forms the operational basis for sustainable procurement. It requires our suppliers to strictly comply with national laws, the ILO core labour standards and the Universal Declaration of Human Rights. Suppliers guarantee safe and healthy working conditions and adhere to the prohibition of child and forced labour. Beyond purely social aspects, we require from suppliers proactive environmental management that includes the efficient use of natural resources (energy, water, raw materials) and the minimisation of hazardous substances and emissions. We expect our partners to ensure these standards through appropriate management systems and to provide us with the necessary information as required. While 101 of our partners have already signed the sustainability code of conduct, our actual work has then only just begun: we rely on active responsibility that largely goes beyond purely formal commitments.

Supplier selection, evaluation and development

The selection of our Tier 1 suppliers is based on a multi-stage audit process. We lay the foundation through detailed initial audits and close, partnership-based cooperation. Supplementing this, we evaluate new business partners using an ESG-based risk management system. Particular attention is paid to the qualification of new suppliers for our strategically most important raw materials to ensure maximum transparency and security.

Building on this, we ensure continuous monitoring through annual audits. In 2025, we subjected the 42 most important suppliers (accounting for 95% of our purchasing volume) to a detailed supplier evaluation. Sustainability criteria and risks were also assessed during this process.

When we identify ESG risks during our audits, we rely on partnership-based dialogue and work with the supplier to develop binding corrective measures, which are then verified in follow-up audits.

Furthermore, we plan to collect CO_{2e} emissions data for essential materials and to create Life Cycle Assessments (LCAs) for our highest-turnover and highest-volume products to further optimise our climate strategy and measurably reduce the ecological footprint of our value chain.

Systematic ESG risk identification

Our ESG-based risk management system ensures seamless monitoring of human rights and environmental standards. The starting point is an abstract risk analysis. Here, we evaluate both our own industry and those of our direct suppliers based on country and industry risks, for example, using ESG indicators from renowned institutions such as the World Bank and the United Nations.

Based on these findings, a specific risk analysis follows in the second step. With the help of structured questionnaires based on international standards, we create transparency regarding actual conditions on site. The evaluation covers central categories such as anti-corruption and anti-bribery, environmental protection, human and labour rights, occupational safety and supply chain responsibility.

In the third step, we carry out a thematic prioritisation in which the probability of occurrence is correlated with the severity of a potential risk.

In addition to this risk identification, we maintain continuous monitoring. Through broad news screening, we track reports beyond our immediate supplier base to react promptly to critical developments or acute violations. The combination of questionnaire data and real-time monitoring ultimately leads to a classification into the categories 'low risk', 'medium risk', or 'high risk'.

Our top suppliers are predominantly based in the European Union – particularly in Germany, Italy, Finland and Spain – which is why we see a rather low risk here. We are not aware of any incidents affecting workers in the value chain, affected communities, consumers or end users.[C7 (62c)]

04 | SOCIAL

Complaints mechanism

Our complaint and whistleblowing system is described on p. 21.

Supply chain standards as a guarantee for human rights

A central pillar of our corporate responsibility is the safeguarding of human rights along the entire value chain. Since our risk analyses in recent years have identified potential ecological and human rights risks, particularly in the case of nature-based nonwovens and palm-based derivatives, we address these specifically by purchasing certified materials (FSC, PEFC and RSPO). In order to pass this certification on within the supply chain, we ourselves have also been certified according to FSC and PEFC since 2011 and according to RSPO since 2018.

These certifications function as essential protective instruments, as they anchor binding social criteria within their regulatory frameworks:

FSC/PEFC standards: Beyond sustainable forest management, these standards mandate compliance with the ILO core labour standards. This includes the prohibition of child and forced labour, freedom from discrimination and respect for trade union rights. Furthermore, they include the protection of the rights of indigenous peoples and local communities, whose livelihoods are often inextricably linked to forest ecosystems.

RSPO standard (principles & criteria): In addition to deforestation-free and transparent supply chains, the RSPO standard sets explicit requirements for ethical conduct and human rights. It calls for the implementation of the principle of Free, Prior and Informed Consent (FPIC) for land-use changes to prevent land grabbing. Furthermore, certified operations must pay living wages and guarantee comprehensive occupational health and safety measures.

In the 2025 reporting year, we were able to increase the share of these sustainably certified materials to 74.0% of our total procurement volume (2024: 65%). We have thus once again significantly exceeded our target of sourcing at least half of our nature-based raw materials from transparent and certified sources annually, strengthening the resilience of our supply chain against human rights risks.

74.0%

of our procurement volume is sustainably certified (previous year: 65%)

Focus on palm (kernel) oil: A dual strategy

For palm (kernel) oil derivatives, we combine certified standards with targeted project engagement to sustainably improve the complex supply chain:

- **Full certification:** We have optimised our processes and ensure physical traceability to the sub-supplier through RSPO MB (Mass Balance) certification for all palm (kernel) oil-based derivatives used. This ensures that the quantity of sustainable derivatives purchased actually corresponds to the quantity fed into the system by certified mills.

- **FONAP project as an additional measure:** Beyond pure certification, Nölken is involved in a FONAP member project to promote the living and working conditions of smallholder farmers. The funding of the in-field project also aims to increase the availability of EUDR- and RSPO-compliant raw materials through regenerative practices and higher transparency in the value chain. FONAP membership goes significantly beyond current standards: through a voluntary self-commitment and strict additional criteria, we not only use 100% sustainably produced palm oil, palm kernel oil and their derivatives, but also commit to mitigating negative impacts on biodiversity and ecosystems, as well as actively exercising our human rights due diligence through continuous supplier dialogue and local projects.

Our corporate social responsibility

As a family-run company with roots in Windhagen, Nowogrodziec and Neustadt/Wied, we see ourselves as an active part of the community and assume responsibility for the people at our locations far beyond our core business. When it comes to our donations, we place particular value on regionality, proximity to our employees and a connection to our field of activity.

A particular matter close to our hearts is the promotion of youth, leisure and family sports, as well as local cultural and educational initiatives. We are convinced that physical activity, cultural diversity and strong family cohesion form the foundation for a region worth living in. Our commitment is based on two strong pillars: targeted financial and material support for charitable projects, and the impressive voluntary commitment of our employees, who are active, for example, as coaches in sports clubs or in the volunteer fire brigade.

We expressly encourage our workforce to submit their own suggestions for charitable causes, which can be supported following careful review by the management. Donation and sponsorship activities are always reviewed according to the four-eyes principle. In doing so, we place great importance on political independence and the promotion of the common good. For us, responsibility, community and long-term commitment are central – values that we, as a family business, practice and promote in our region out of conviction.

Our apprentices assist with the FC Köln food distribution

Rhine CleanUp

As part of our social commitment, colleagues set a strong example for nature conservation right on our doorstep. At the Rhine CleanUp in Erpel, Nölken participated with a 15-member delegation to clear the banks of the Rhine of waste. The results of the campaign were impressive: an entire trailer was filled with the collected rubbish. Although a pleasing trend can be observed where waste volumes have been steadily decreasing since the initiative began a few years ago, the full trailer clearly underscores that a need for action remains. As a special thank you, all participants received the new 'Nölken Anpacker Shirt' (Nölken Doer Shirt), which symbolises those team members who take responsibility for the environment and society beyond their daily working lives.

This commitment shows once again that we are firmly rooted in the region as a company and contribute proactively to the preservation of our living spaces.

The Nölken team at the Rhine CleanUp in Erpel

04 | SOCIAL

Section appendix

Employees (DE and PL)	Unit	2024	2025
Gender diversity ratio* in the governance body/C-Suite [C2 (49), C9 (65)]		0.17	0.17
Women	%	14.3	14.3
Men	%	85.7	85.7
Total permanent* [B8 (39a)]	#	472	469
Total fixed-term* [B8 (39a)]	#	0	0
Total women* [B8 (39b)]	#	164	159
Total men* [B8 (39b)]	#	299	310
Total administration (white-collar)**	#	127	138
Total production (blue-collar)**	#	371	366
Full-time employees**	#	469	470
Part-time employees**	#	29	34
Employees from minority and/or vulnerable groups in relation to the entire organisation	%	No Data	40.15
Employees with disabilities	#	15	13
Total agency/temporary workers ø per day [C5 (60)]	#	10.5	10.99
Total country of employment contract: Germany* [B8 (39c)]	#	382	376
Total country of employment contract: Poland*B8 (39c)	#	90	93
Employees covered by collective bargaining agreements [B10 (42c)]	%	0	0
Turnover rate** Germany [B8 (40)]	%	11.27	11.28
Turnover rate** Poland [B8 (40)]	%	13.46	11.43
Sickness rate Germany	%	8.06	8.47
Sickness rate Poland	%	2.7	2.13
ø Training hours total Germany	#	23.71	26.36
ø Training hours women Germany [B10 (42d)]	#	17.52	24.5
ø Training hours men Germany [B10 (42d)]	#	28.35	28.22
ø Training hours total Poland	#	9.89	11.33
ø Training hours women Poland [B10 (42d)]	#	8.5	12.0
ø Training hours men Poland [B10 (42d)]	#	10.6	11.5
Hours worked	#	596,197	584,470

* FTE (Full-Time Equivalent)
** Headcount
*** Schlüter formula

05

Environment

Gentle on the world. Safe for you.

Farsighted ecological action

Our operational environmental protection follows a forward-looking strategy that goes far beyond the minimum legal requirements. The aim is to minimise site-related environmental impacts through efficient processes and to strengthen corporate resilience. Since 2013, a certified environmental management system according to DIN EN ISO 14001:2015 has formed the backbone of our operational control. All relevant requirements in areas such as waste management, water protection and immission control are adhered to. In the 2025 financial year, no violations of environmental regulations were recorded.

Plant safety and hazardous substance management

The highest safety standards characterise the handling of water-polluting substances and bulk goods. Our hazardous substance management is fully integrated into risk assessments, while a dangerous goods officer documents safe transport in an annual report to the executive management. To prevent environmental incidents, we use a multi-stage safety concept:

- Preventative maintenance: Systematic maintenance cycles minimise technical defects.
- Containment systems: Established protective devices prevent the escape of liquids into the soil or sewerage system.
- Emergency management: Robust emergency and water protection plans regulate behaviour in the event of leaks or the accumulation of extinguishing water and are regularly tested for their effectiveness.

Emissions and air quality control[B4 (32)]

Nölken does not operate any plants that externally emit process-related air pollutants. To ensure workplace quality and product purity in nonwovens processing at our Neustadt/Wied production site, twelve modern fine dust extraction systems are used in the cleanrooms. These ensure effective particle filtration directly at the source. Emissions from internal material traffic between production and warehouse are classified as negligible due to the short distances.

Resource monitoring and operational efficiency

The increase in resource efficiency is based on the systematic digitalisation of operational data. Following the successful expansion of monitoring to the entire wet wipe production in 2025, we can analyse the consumption of electricity, nonwovens, films and impregnation liquids in real time. This transparency enables us to identify potential savings. Additionally, since 2014, we have been reducing our material footprint by exclusively using certified recycled paper (Blue Angel and FSC/PEFC).

Awareness and training

The active involvement of employees is essential for the success of our measures. During the reporting period, specific training sessions on environmental topics were conducted, such as energy saving and waste separation, which are also laid down in work instructions. Furthermore, continuous awareness-raising takes place via internal communication channels (e.g. the Nölken-Inside app) to consolidate awareness of resource consumption and sustainable action in daily work.

Climate protection

Climate change represents one of the most significant and complex transformative challenges of our time - with far-reaching implications for global society, the economy, and the ecological balance. The effects are already being felt globally and require consistent corporate action.

Physical risks such as rising global average temperatures, the increasing frequency and intensity of extreme weather events, water scarcity, forest and wildfires, and rising sea levels are threatening critical infrastructure, corporate value chains and economies worldwide. These developments require a strategic reassessment of risks and opportunities and underscore the need for resilience, adaptation and decarbonisation in our business models.

We are committed to making Nölken resilient and actively contributing to climate protection by minimising or avoiding CO_{2e} emissions wherever possible. While we currently track and reduce our annual CO_{2e} footprint (Scope 1-3), we aim to achieve net-zero by 2045, i.e., a reduction in CO_{2e} emissions across the entire value chain. This will be achieved through systematic climate management and a dedicated transformation plan. In addition to direct emissions (Scope 1 and 2), this plan particularly focuses on decarbonising the supply chain to reduce the carbon footprint across the entire value chain.

Climate transformation plan[B2 (26c), C2 (48)]

The climate transformation plan is a strategic document that systematically aligns our business activities with international climate goals and the requirements of a sustainable economy, and aims to identify short- and long-term reduction projects based on current emission sources throughout the value chain. Taking into account both acute and chronic climate risks, this plan establishes a clear roadmap to net-zero by 2045, ensuring that our company is guided into the future in a robust, resilient and competitive manner.

Following the initial climate risk assessment (Q4 2025), targeted interviews will be conducted in early 2026 to close knowledge gaps and identify specific measures. In Q2 and Q3 2026, work will focus on setting a scientifically sound short-term target and developing a realistic action plan. In parallel, the process of defining long-term goals up to 2045 will begin, leading to detailed planning and implementation by the end of 2026, taking into account Scope 3 and climate risks.C3 (54a-e) The process will conclude with a communication campaign at the end of 2026, through which the goals will be publicly announced and permanently anchored in the corporate strategy.

In doing so, we actively support the European Green Deal and the Paris Agreement, in particular the goal of reducing GHG (greenhouse gas) emissions by 55% by 2030 compared to 1990 levels and achieving net-zero by 2045.

Our goal:
Net-zero CO_{2e} emissions by 2045

Climate risk analysis[C4 (57a-d), C4 (58)]

Climate change presents Nölken with challenges that we are addressing through a systematic analysis of physical and transitional risks in accordance with the TCFD (Task Force on Climate-related Financial Disclosures). Our goal is to ensure our competitiveness and to capitalise on all opportunities offered by the development of product innovations.

As part of our climate risk analysis, which is already underway, we have prioritised specific climate hazards that have a direct impact on our value creation. Physical risks manifest themselves primarily through hydrological changes (altered precipitation patterns and types), which can lead to water scarcity and a corresponding impairment of raw material availability. In addition, extreme weather events such as storms threaten the stability of our logistics chains due to the risk of transport disruptions. Internally, the focus is on production interruptions caused by temperature changes, heat waves and heat stress, as well as the necessary adaptation of working conditions and processes to rising temperatures. At the regulatory level, we are addressing, in particular, stricter regulatory requirements for companies with high water consumption and wastewater discharge, as well as liability risks arising from unsustainable supply chains.

To mitigate physical impacts, we have so far safeguarded our production by installing modern cooling systems, investing in energy efficiency and expanding our use of renewable energy. Furthermore, as part of our climate transformation plan, we will focus on the materials we source and implement far-reaching measures throughout the value chain.

Our approach to managing transitional risks drives the development of sustainable product lines and the use of environmentally friendly raw materials. Fundamentally, diversified supply chain management ensures our access to raw materials. These operational steps are supported by a strict climate and environmental protection policy, as well as a clear commitment to the circular economy and the preservation of biodiversity, in order to meet legal requirements and market standards in the long term.

Carbon footprint[C2 (50, 52)]

As part of our strategy to create climate-friendly production processes, we are committed to significantly increasing resource efficiency and continuously reducing both absolute CO_2e emissions and GHG intensity.

The foundation of our climate protection management is the Corporate Carbon Footprint (CCF), which was prepared in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol) and calculated using the market-based method.

- **Scope of reporting:** The calculation includes all seven greenhouse gases relevant to the Kyoto Protocol (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3).
- **Consolidation scope:** The operational control approach is applied for the collection of Scopes 1, 2 and 3. Thus, Nölken reports on all emissions from processes over which the company exercises direct and indirect operational influence.
- **Quality assurance:** To ensure data integrity, the GHG data is validated by an independent third party.

For the year 2025, our GHG intensity was 0.00079 (GHG per net sales revenue). This metric shows the ratio of our emissions to total operational value added - an important indicator of our efficiency and progress in climate protection.

Scope 1 emissions
Our direct emissions (Scope 1) primarily stem from our vehicle fleet, heat generation and the electricity we generate ourselves through our PV systems at our sites in Windhagen, Neustadt/Wied and Nowogrodziec. A key lever for decarbonisation therefore lies in the increased use and in-house production of electricity from renewable sources such as our PV systems. By expanding these capacities, we not only reduce our environmental footprint but also increase our energy independence.

For internal transport, the use of an electric swap body vehicle was also thoroughly evaluated. However, due to charging times that are currently still too long relative to the high frequency of use, this transition is not economically viable at present; it will be reevaluated as technological advancements are made.

Time-bound quantitative absolute targets for reducing Scope 1 GHG emissions at the corporate level will be set by the end of 2026 as part of the climate transformation plan.

Scope 2 emissions
Our site-specific Scope 2 emissions primarily result from the purchase of electricity for our sites and the power supply for electric vehicles that are not charged at our company locations. A key pillar of our strategy here is the consistent procurement of certified and traceable green electricity at both locations, which already significantly minimises indirect emissions from electricity supply.

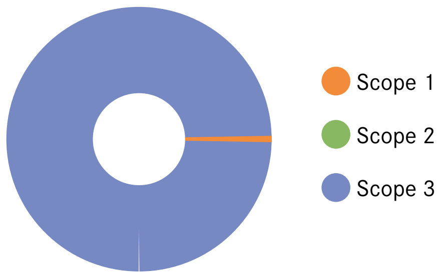
An important milestone was already achieved in 2023 with the complete electrification of all industrial trucks, which is reflected in Scope 1 emissions.

As part of the climate transformation plan, we will set binding, time-bound and quantitative targets for reducing absolute Scope 2 greenhouse gas emissions at the corporate level by the end of 2026. This ensures transparent and measurable decarbonisation of our entire electricity supply chain.

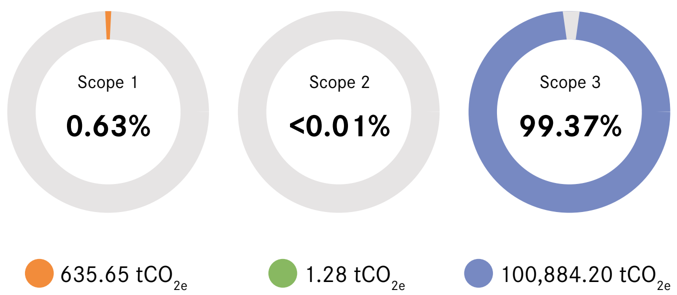
Emissions from our upstream and downstream value chain (Scope 3)[C2 (50-51)]
We have comprehensively surveyed our Scope 3 emissions, focusing on the categories of purchased goods, logistics, waste, as well as business travel and employee commuting. By conducting a more detailed accounting of purchased raw materials, we have significantly increased data quality and determined more precise market-based CO_{2e} values. Our balance sheet for the year 2025 illustrates that 93.9% of emissions result from purchased goods – particularly non-woven fabrics. In the area of transport logistics, we achieved a much more accurate representation by correcting a calculation error from the previous year. As a result, transport emissions are significantly reduced in the balance sheet and now account for a realistic market-based 1.75% of total emissions. Based on this sound GHG data, we will define time-bound, quantitative and absolute reduction targets for Scope 3 at the corporate level by the end of 2026.

Company Footprint

Total emissions: 101,521.13 tCO_{2e}



Scopes



Focus on mobility and transport
- **Mobility analysis:** A significant lever for reducing emissions lies in commuting behaviour. As part of their training as IHK Energy Scouts (since Q4 2025), our apprentices conducted a detailed mobility analysis and employee survey. The insights gained have provided us with reliable data and serve as a basis for projects to promote alternative commuting methods.
- **Mobility policy:** To strengthen awareness of sustainable travel options, our new mobility policyB2 (26b) came into force in January 2025, setting clear incentives for eco-friendly travel.
- **Employee mobility:** To make the transformation flexible, we rely on a mix of electric, hybrid and combustion models, supplemented by an attractive bicycle leasing offer in Germany. With a total of eleven e-charging stations, we also promote climate-friendly mobility for company vehicles directly on-site.

Logistics optimisation
In parallel, we are optimising our logistics processes at the interface between suppliers and customers. Supply chain management controls the flow of goods and stock levels from global procurement to distribution under ecological aspects, in order to minimise environmental impacts at an early stage and continuously improve processes.

Our apprentices are trained as IHK Energy Scouts

Energy

We are continuously driving the energy transition forward to ensure a clean energy supply for manufacturing and mobility at our production sites. For us, the consistent use of green electricity is far more than a formal decision: it is an expression of our environmental responsibility and a key component in sustainably minimising our CO_{2e} footprint and advancing decarbonisation along the entire value chain.

By relying on renewable sources, we not only reduce harmful emissions in the electricity supply chain but also make an active contribution to climate protection and strengthen our company's future viability in a challenging regulatory market environment.

Especially in times of economic volatility, we are pursuing a dual strategy of reducing energy consumption while simultaneously expanding our self-supply from renewable sources. Our goal is decoupled growth, in which we increase production capacity without raising absolute energy demand. The success of this strategy is demonstrated by the reduction of our energy intensity from 0.000055 to 0.000052 (kWh per net sales revenue), which corresponds to a reduction of 5.45%. To manage this development in a data-driven manner, we have firmly integrated our Energy Management System (EMS) into the IMS. An internal working group continuously develops efficiency measures that already meet the requirements of ISO 50001.

The success of these measures is reflected in our key figures: By 2025, 65.4% of the energy we used already came from renewable sources. Since 2018 and 2021, respectively, we have been sourcing certified green electricity from solar and wind power, biomass and hydropower at our sites in Windhagen, Neustadt/Wied and Nowogrodziec. To further increase our independence from fluctuating market prices, we are also expanding our own electricity generation through photovoltaics. Currently, these systems cover 4.31% of our total energy needs. For our blending plants, we use natural gas, and the supplier purchases environmental protection certificates that support environmental protection and social welfare.

Our measures[B2 (26a, 27), C2 (48)]

This progress is supported by technical innovations and structural improvements. When purchasing new equipment, we prioritise energy-efficient machines and rely on smart control systems for lighting and heating. A key milestone in this regard was the implementation in 2025 of a system for collecting machine and operational data in wet wipe production and liquid filling, which enables us to conduct a precise analysis of resource usage. Additionally, we utilise the waste heat from our compressors via heat recovery systems and invest in the energy-efficient retrofitting of our buildings.

In 2025,
65.4%
of our energy was already from renewable sources

The originally roof-mounted PV system was converted to a ground-mounted PV solution

05 | ENVIRONMENT

Waste

Our goal is proactive waste management that conserves resources and minimises environmental impact. In doing so, we strictly adhere to the legal waste hierarchy: prevention comes first, followed by reuse and recycling. Incineration and disposal are only considered as a last resort.[B7 (37)]

Based on the industry average, we aim to recycle at least 70% of our waste annually, but we strive for continuous improvement. To further improve our current recycling rate of 64.8%, we rely on holistic management throughout the entire value chain. We systematically assess environmental aspects at every single process step to prevent waste at source and optimise material usage and packaging in collaboration with our suppliers. We entrust appropriate disposal exclusively to certified service providers, whose reliability we ensure without exception through annual audits and the continuous reconciliation of weighing slips, delivery notes and invoices.

Our measures[B2 (26a, 27), C2 (48)]

- **Recycling:** Since 2021, waste paper from labelling has been recycled. PET strapping bands are already being returned to the material cycle.
- **Resource efficiency:** To specifically reduce waste, we have established a new, interdisciplinary working group comprising members from sales, strategic and operational procurement, product development and sustainability. The group's mission is to examine overproduction and waste disposal, leverage valuable synergies and develop effective strategies to raise awareness among all stakeholders.
- **Water management:** Process water discharged into municipal wastewater treatment plants meets regulatory standards and contributes positively to our recycling balance.
- **Site development:** In Poland, we are stepping up our efforts to expand local recycling partnerships.

7.3%
reduction in waste intensity compared to the previous year

From 2024 to 2025, we reduced our waste intensity by 7.3% (total waste generation per net sales revenue).
The success of our system relies on our employees. Since 2025, we have been conducting mandatory annual training sessions on waste management, supplemented by short, needs-based sessions on correct waste separation.

Water

In light of global climate change and increasing water scarcity, we view the protection of drinking water and the careful treatment of wastewater as essential components of our corporate responsibility. We are committed to using water responsibly. Our commitment goes beyond the minimum legal requirements and is firmly embedded in our environmental management system.

Since our production facilities are not located in regions with significant water risk or high water stress, we benefit from a stable water supply. At our production sites, we source fresh water from the public water supply and treat it for the production of wet wipes, liquid cosmetics and bulk products using state-of-the-art processes such as reverse osmosis and UV disinfection. Close monitoring via water meters at all relevant consumption points ensures that deviations are detected immediately and that data-driven optimisation measures can be implemented.

Our measures[B2 (26a, 27), C2 (48)]

Since May 2025, a specialised water management working group has been coordinating technical responsibility for this area. As part of a meticulous assessment, detailed plans were drawn up for all water pathways and types of water in and around the company buildings, and a comprehensive consumption survey was conducted. The strategy focuses on four core objectives: the reduction and efficient separation of process wastewater, the conservation of fresh water, the substitution of rainwater, and the specific reduction of cooling water requirements along with the potential treatment of water for use as cooling water.

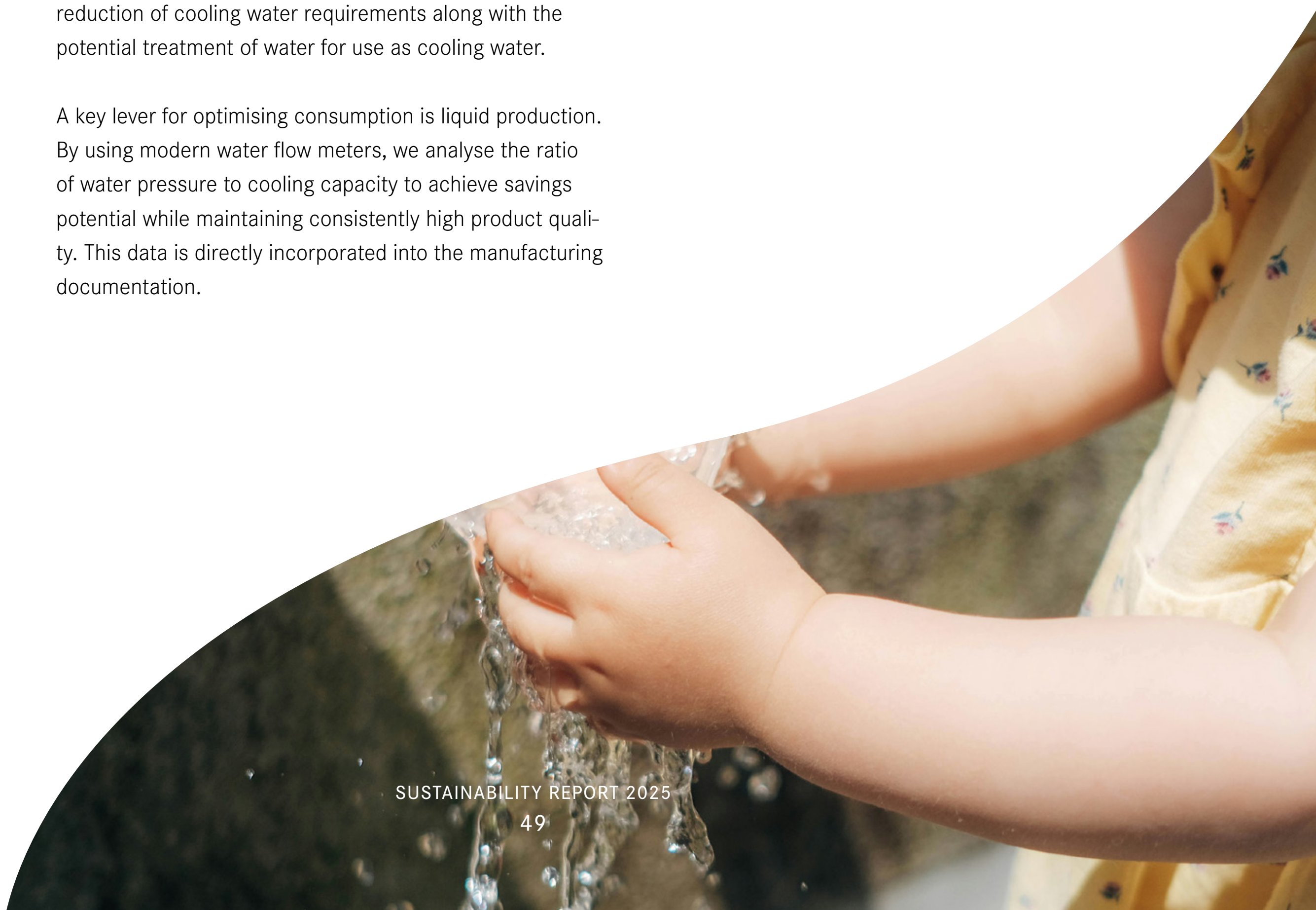
A key lever for optimising consumption is liquid production. By using modern water flow meters, we analyse the ratio of water pressure to cooling capacity to achieve savings potential while maintaining consistently high product quality. This data is directly incorporated into the manufacturing documentation.

To prevent water pollution, wastewater from cleaning is collected separately, disposed of properly, and the processes are regularly checked for potential environmental impacts.

A key indicator of our resource efficiency is water intensity, which measures water consumption relative to net sales revenue. During the reporting period, this figure was reduced from 0.00048 to 0.00045. This 4.21% reduction demonstrates a significant improvement in our operational processes. We are increasingly succeeding in decoupling economic growth from resource consumption and using less water per euro of revenue generated.

4.21%

reduction in water intensity compared to the previous year



Biodiversity

The production of hygiene and cleaning products poses biodiversity risks to terrestrial, marine and freshwater ecosystems. Key drivers include nature-based raw materials such as palm (kernel) oil, plant extracts and cellulosic fibres (e.g., viscose, lyocell), the extraction of which can impact natural habitats.

We are committed to systematically minimising the environmental impacts of our business activities. In doing so, we consider both direct effects at our sites and indirect impacts along the upstream and downstream value chain. Our goal is to limit the loss of biological diversity and to actively protect and promote biodiversity and species diversity. To this end, we implement measures at our own sites and throughout the supply chain. Biodiversity and targeted measures related to it will form a dedicated working group within the framework of the climate transformation plan, with significant support from our trainees at the sites.

Physical risks primarily arise from land-use changes associated with palm oil and timber plantations. Deforestation and monocultures can reduce biodiversity, contribute to soil erosion and impair ecosystem services. Freshwater ecosystems are particularly affected by water withdrawals during production and in upstream processes; pulp production is especially water-intensive and can place a strain on local resources in water-scarce regions.

Transition risks arise from regulatory and market changes. Regulations such as the EUDR, CSRD and the EU Supply Chain Directive are raising the bar for transparency and sustainable procurement. In addition, water-related regulations may impose restrictions on usage.

At the same time, demand for environmentally friendly and biodegradable products is on the rise.

Our sites in Germany and Poland are located neither in protected areas nor in key biodiversity areas.[B5 (33)] Currently, the proportion of sealed land at our sites is 21.3%, while the majority of the land is designed to be close to nature and thus fulfils important ecological compensation functions. To create an even more precise data foundation for our biodiversity efforts, we will update and assess these areas in 2026 using drone imagery and calculations.

To minimise risk, we reduce freshwater consumption through water-efficient processes and wastewater pretreatment. In addition, we have been promoting local biodiversity since 2022 by caring for bee colonies at our Neustadt/Wied site. Sustainable product development, microplastic-free formulations and the preferred use of FSC- or PEFC-certified wood fibres and sustainably certified palm (kernel) oil derivatives further contribute to reducing our ecological footprint.

Sustainable palm kernel oil production and FONAP engagement

- **Promotion of sustainable cultivation methods:** Support for environmentally friendly and resource-saving practices in the cultivation of raw materials such as palm (kernel) oil.
- **FONAP smallholder project:** Engagement in the project to strengthen Indonesian smallholders in the sustainable management of oil palm plantations; FONAP smallholder project ↗.
- **Training and practical knowledge:** Imparting eco-friendly cultivation methods, e.g., the use of organic fertilisers to reduce the use of pesticides.
- **Protection of biodiversity:** Active contribution to the preservation of biological diversity through sustainable management.
- **Stakeholder collaboration:** Membership in FONAP and joint commitment to sustainable palm (kernel) oil and its derivatives.

Section appendix

Environmental Key Figures (DE and PL)	Unit	2024	2025
Total energy consumption[B3 (29)]	**MWh**	**7,146.39**	**6,688.87**
Electricity consumption from non-renewable sources[B3 (29), C2 (53)]	MWh	2,879.53	1,746.02
Energy consumption from non-renewable sources	%	40.29	26.10
Electricity consumption from renewable sources[B3 (29), C2 (53)]	MWh	4,266.86	4,373.73
Energy consumption from renewable sources (purchased; self-generated)	%	59.71	65.39
Self-generated and consumed renewable energy (PV)	MWh	205.01	288.61
Self-generated and consumed renewable energy (PV)	%	2.87	4.31
Energy intensity*		**0.000055**	**0.000052**
Scope 1 CO_{2e} emissions[B3 (30a)]	t	932.59	635.65
Scope 2 CO_{2e} emissions[B3 (30b)]	t	0.0	1.28
Scope 3 CO_{2e} emissions	t	214,535.76	100,884.20
Total CO_{2e} emissions[B3 (30)]	t	215,468.35	101,521.13
Greenhouse gas (GHG) intensity*[B3 (31)]		**0.00165****	**0.00079**
Total waste	t	5,198.8	4,749.90
Non-hazardous waste[B7 (38a)]	t	4,928.42	4,549.88
Non-hazardous waste: recycling; reuse[B7 (38b)]	t	3,256.47	3,076.27
Hazardous waste[B7 (38a)]	t	127.05	119.75
Hazardous waste: recycling; reuse[B7 (38b)]	t	6.55	7.96
Waste intensity*		**0.000039**	**0.000037**
Total freshwater[B6 (35)]	m^3	61,994.0	58,431.5
Total production water[B6 (36)]	m^3	41,667.0	41,854.8
Total wastewater	m^3	20,327	17,258.71
Water intensity*		**0.00048**	**0.00045**
Total land use[B5 (34a)]	m^2	126,376	126,359
Total sealed surface[B5 (34b)]	m^2	26,362	26,896
Total sealed surface	%	20.86	21.29
Total semi-natural area on-site[B5 (34c)]	m^2	100,014	99,463
Total semi-natural area off-site[B5 (34d)]	m^2	0	0

* Total consumption per net sales revenue

** Calculation error 2024

06 Useful Information

About this report [B1 (24a-d)]

Since 2011, we have been continuously documenting our development: with our 15th sustainability report, we transparently present how our actions impact the economy, the environment and society. The focus is on our five core areas: governance, compliance, products, people and environment.

This report provides our stakeholders – from customers and partners to representatives from politics, science and our own workforce – with a detailed insight into the 2025 financial year (January–December). It illustrates our strategy as well as the progress made in the sustainable design of our product range and our supply chain. All data is current as of 31 December 2025.

This report contains information on a consolidated or cumulative basis, unless otherwise stated:

Name	Total assets	Turnover	Employees FTE	NACE codes
Nölken Hygiene Products GmbH			376	17.22; 20.42
Noelken Sp. z o.o.	–	–	93	17.22
NW-Chemie GmbH	Excluded from this report			

The subsidiary NW-Chemie GmbH, Troisdorf, has thus far been excluded from this report.

Sites	Adress	Postcode	City	Coordinates
Nölken Hygiene Products GmbH, head office	Klarenplatz 2	53578	Windhagen	50.6382398 7.3464678
Nölken Hygiene Products GmbH, production	Im Nassen 2	53578	Windhagen	50.6387 7.3486
Nölken Hygiene Products GmbH, production	Im Nassen 4	53578	Windhagen	50.6387 7.3486
Nölken Hygiene Products GmbH, production	Im Nassen 8	53578	Windhagen	50.6387 7.3486
Nölken Hygiene Products GmbH, production	Zum Büchel 20	53577	Neustadt/Wied	50.6045075 7.4333391
Noelken Sp. z o.o.. production	ul. Bolesława Chrobrego 29	59-730	Nowogrodziec Polen	51.1907573 15.3693174
NW-Chemie GmbH (excluded)	Langbaurghstraße 15	53842	Troisdorf-Spich	50.821907 7.1090078

The present Sustainability Report 2025 applies the requirements of the VSME Basic Module and the Supplementary Module. Furthermore, with the VSME-Plus concept, we report on additional sustainability aspects that cover the specific interests of further stakeholder groups and follow the ten principles of the UNGC. External auditing has been waived. All passages relevant to the VSME and the UNGC are marked accordingly in the text and in the overviews (editorial deadline: 01.03.2026). Created using the text-based Gemini assistant.

For reasons of better readability, we mostly use the male form for gender-specific terms; this is expressly intended to be gender-neutral. We plan to publish our next report in the first half of 2027.

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