



SUSTAINABILITY REPORT

2024



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01 STRATEGY & MANAGEMENT

COMPANY PROFILE

Our diverse product range includes high-quality wet wipes, liquid and (semi)solid cosmetic care products and nursing pads. These practical companions make everyday life easier by, e.g., supporting parents in successfully balancing work and private lives. Our products stand for the highest quality and offer quick, effective solutions for different needs in all phases of life.

As a full-service manufacturer, we support the entire process from product development to delivery. Together with our customers, we develop, modify and optimize products that are tailored to individual requirements. In doing so, we rely on the careful selection of high-quality raw materials, which we obtain from long-term partners and carefully selected sources. Production, packaging and logistics



Our wet wipes cover a wide range of applications, from gentle baby care to thorough cleaning and disinfection in the home. We offer both tried-and-tested classics and innovative variants. In the field of cosmetic care, we develop and manufacture a large variety of body care products including creams, lotions, shower gels, shampoos and scrubs which we develop, produce and bottle individually for our customers. In addition, we produce high-quality nursing pads in various designs, which are available both in retail packaging and in bulk packs for clinics and hospitals.

Our products are available both directly to industry and trade and as established private labels in retail distribution. In 2024, we supplied national and multinational retail and industrial companies in 27 countries. The main sales markets are Germany, Austria, Slovakia, the Czech Republic, Hungary and Switzerland. We are committed to ensuring that hygiene and care products are accessible to all customer groups as essential everyday goods. Our products are therefore available in drugstores, retail outlets and discount stores also to make access easier for all consumers.

are the central pillars of our company, which we organize responsibly and in accordance with ethical and sustainable principles.

In 2024, Nölken generated sales of € 130.4 million with two fully consolidated, employee-managed companies in Germany and Poland. Our three production sites are located in Windhagen (DE), Neustadt/Wied (DE) and Nowogrodziec (PL). We employ 408 people in Germany and 90 in Poland.

Dear Reader,

This 14th Sustainability Report reflects the developments of the past year and at the same time takes a look into an increasingly unpredictable future. Our world is changing rapidly, often with dramatic consequences.

For us, sustainability is not just an obligation, but a central component of our corporate philosophy. We are convinced that economic success is only sustainable if it goes hand in hand with ecological and social responsibility. Our goal is to create long-term value for our stakeholders, society and our environment. This is why we consistently focus on environmentally friendly and socially responsible processes along the entire value chain.

The past few months have once again shown us how urgently sustainable action is needed: extreme weather events such as heatwaves, floods, droughts and forest fires are becoming more frequent around the world. At the same time, wars in the Middle East and Europe are jeopardizing global stability. Populism and political extremism pose additional challenges. In times like these, transparency, responsibility, social cohesion and trust are essential values that can strengthen family-run companies in particular.

Our commitment does not end at our own company boundaries. We not only want to operate more sustainably, but also support our partners, suppliers and customers in achieving their sustainability goals. In 2024, we implemented the following key approaches:

1. Sustainability as an integral part of the value chain:

We are continuously working to increase transparency in our global supplier network. In 2024, we further increased the proportion of our suppliers with a valid sustainability rating and are increasingly focusing on long-term partnerships with sustainable producers..

2. Climate protection through optimized energy supply:

The conscious use of energy remains a key issue. We therefore continue to rely on certified green electricity from verifiable sources and are increasingly using our company-owned solar

panels. In 2024, we also optimized our energy management by training our apprentices to become IHK-certified energy scouts. They identify potential savings in energy consumption and thus make a valuable contribution to climate protection.

3. Systematic sustainability reporting: A major milestone in 2024 was the establishment of a structured reporting system for key figures. For the first time, we are reporting selected key figures in accordance with the European Sustainability Reporting Standards (ESRS) in this report.

4. Focus through the double materiality analysis:

We have also updated our double materiality analysis in order to address the most important areas of action in sustainability in an even more targeted manner. Our sustainability team, which has now grown to 2.5 full-time positions, is working intensively on implementing our strategy.

We know that there are still many challenges ahead of us, but we are determined to continue on our path. Today, sustainability is not only a social responsibility, but also a business necessity. Our goal is to always be one step ahead and act as a reliable partner for customers, consumers and talented professionals who want to make a difference with us.

We cordially invite you to accompany us on this journey. Let us know what you think via our [Online-questionnaire](#) or write to us directly at nachhaltigkeit@noelken.de. Your feedback is important to us, because only together can we shape a more sustainable future.

Thank you for your trust and support! We look forward to keeping you informed about our progress.



Markus Nölken

Daniel Nölken

Thomas Müller

Thomas Schnitter

Alexander Strepp

SUSTAINABILITY STRATEGY

Our corporate policy is based on long-term goals, the careful use of natural resources and the promotion of social interaction. We are committed to ensuring a future worth living for generations to come.

For us, sustainability means maintaining a balance between economic opportunities, social justice and the protection of nature. Our vision is to meet the needs of today's generation through sustainable consumption, while respecting the ecological limits of our planet. Every step, no matter how small, contributes to achieving our goal: We want to become the leading and most sustainable manufacturer of private label products, especially in the areas of wet wipes, nursing pads and cosmetic care products. We can only achieve this goal in cooperation with consumers, our customers, partners and employees.

For over 40 years, sustainable management has been a central component of our corporate philosophy. As a family business, we manufacture products that live up to the motto "Only the best for our skins". It is our responsibility to align our decisions and actions with long-term goals as the basis for a sustainable future in the interests of future generations. In doing so, we follow a mission statement based on the values of responsibility, partnership, trust, fairness and openness. For us, this means acting courageously and innovatively, fostering open and respectful communication, promoting potential and establishing respectful interaction and transparent structures.

We are aware that global challenges such as climate change, resource scarcity and unequal opportunities for prosperity affect us all, as we are interconnected and interdependent.

To meet these challenges, we are continuously developing tangible solutions while working to contribute to sustainable growth.

OUR RESPONSIBILITY IS BASED ON THREE PILLARS:

Products: We strive to continuously develop sustainable products that are both environmentally friendly and functional. Our goal is to reduce the negative impact of wet wipes, liquid cosmetics and nursing pads while increasing their positive effects (such as hygiene standards, health, mobility, parental relief) from raw material extraction to disposal.

People: We are committed to ethical business practices and ensure compliance with international human rights and labor standards. This applies both to our company and to our suppliers. We offer fair working conditions and support our employees with health and safety measures.

Environment: Our environmental awareness is reflected in the minimization and avoidance of negative impacts of our business activities. We pursue a precautionary approach to environmental and climate protection, implemented through a certified environmental management system. We promote the development of environmentally friendly technologies, opt for renewable energies and take initiatives to promote greater environmental awareness.

AWARDS

ECOVADIS SILVER MEDAL

According to the EcoVadis Scorecard 2024 published in June 2024, the company achieved an outstanding score of 69 out of a possible 100 points, securing the silver medal. This puts Nölken in the top 15 percent of the companies assessed.

FUTURE PRIVATE LABEL COMPETITION

We submitted our wash foam from concentrate under our Private Comfort brand for participation in the "Future Private Label Competition" (new product competition) at the Private Label Fair 2024 in Poland and received the "Distinction" award.

NOMINATION GERMAN SUSTAINABILITY AWARD

In October 2024, Nölken was nominated for the German Sustainability Award in the "Products" category in the "Resources" transformation field. The nomination was for the development of our baby wipes, which for the first time contain mechanically processed PCR material (post-consumer recycling) in the composite film.

ESG TRANSPARENCY AWARD

In December 2024, we received the ESG Transparency Award for outstanding performance in our sustainability reporting. The committee honored our transparent presentation of social responsibility in the area of sustainability.



Daniel Nölken (right) at the ESG Transparency Award

STAKEHOLDER MANAGEMENT

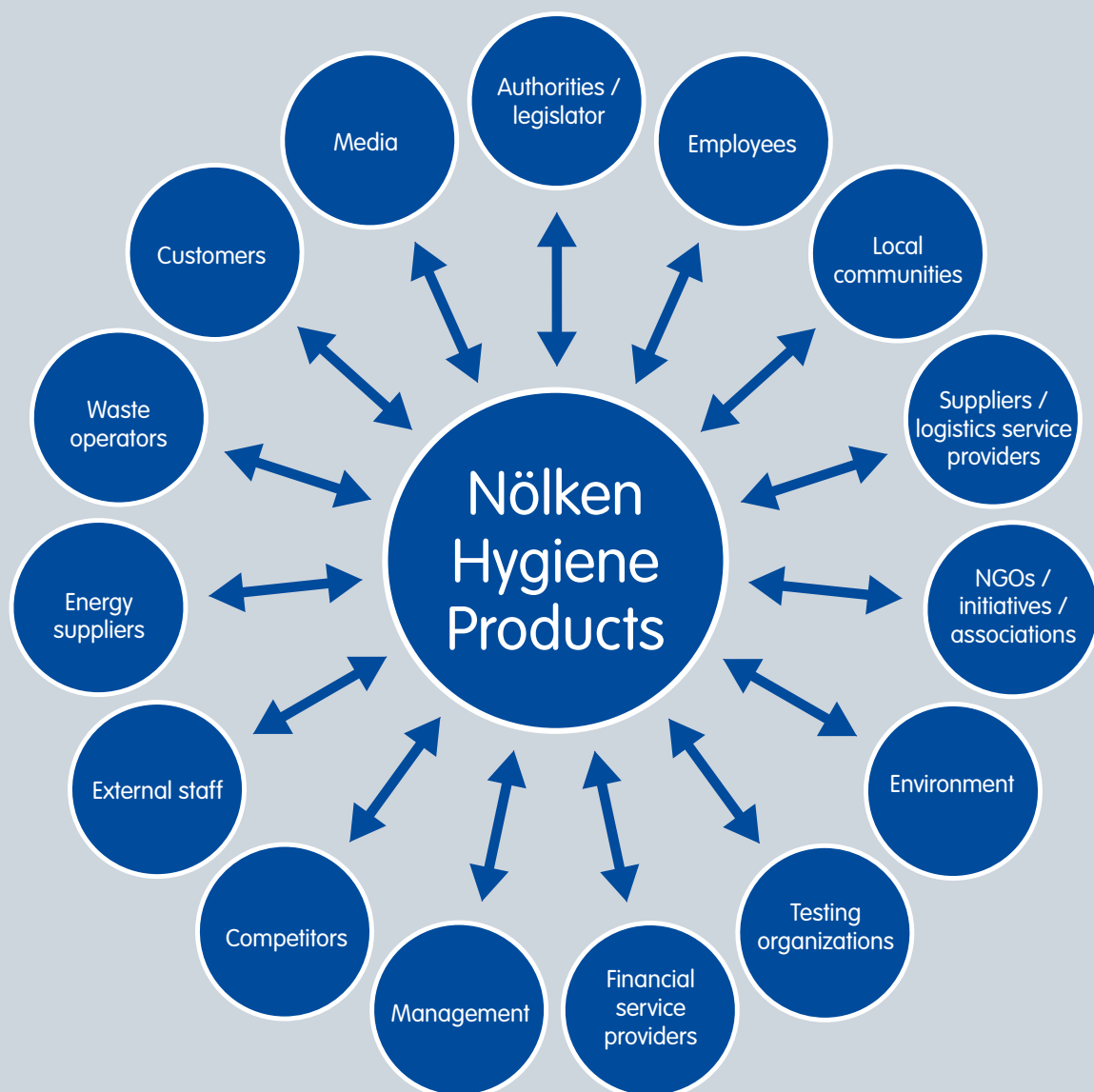
An open and constructive exchange with our stakeholders is of great importance to us. In dialog with them, we make our decisions and actions transparent in order to promote acceptance of our business activities. In this way, we strive to reconcile different interests, build trust and maintain it in the long term.

SELECTION AND EVALUATION OF STAKEHOLDERS

A stakeholder analysis was also carried out as part of the new double materiality analysis. We assessed the stakeholders according to their influence (very low to very high), their and our dependence on each other (very independent to very dependent), the degree of interaction (very low to

very high) and the frequency of contact (very infrequent to very frequent). The stakeholders were initially selected and evaluated by the sustainability department and then checked and approved by the specialist departments. Our most important stakeholder groups include our employees, our customers, our suppliers, management, testing organizations / certifiers and the environment. They have a significant influence on strategic corporate issues and the general development of our company. We therefore maintain a continuous dialog with these stakeholders.

Our Stakeholders



STAKEHOLDER DIALOG

We communicate with our customers through a combination of face-to-face meetings, trade fairs, marketing materials, surveys, workshops, audits and press releases. The topics of quality, products, safety, innovation, sustainability, performance, compliance and risk management play a key role here. Results from joint workshops with customers often lead to further product developments that also enable sustainable consumption, for example, our wet wipe packaging, which consists of 30% mechanically recycled PCR material (post-consumer recycled material) in the composite film. This has resulted in us having our sustainability commitment audited independently and communicating it transparently. We have therefore joined the EcoVadis platform and are audited annually. Our commitment to supply chain responsibility and the voluntary implementation of the Supply Chain Due Diligence Act also resulted from a customer dialog.

We regularly and proactively engage with our employees and management through internal updates in the form of notices, newsletters, the "Nölken inside" app, surveys, internal events and podcasts. The dominant topics here are careers and further training, occupational safety, equal opportunities, company pension schemes, social commitment and corporate responsibility. Our employees can also submit concerns to the HR department via our anonymous complaints system on the intranet. The results of our employee involvement are passed directly to HR management and the Executive Board in order to further develop our HR strategy and thus attract and retain talent. In the coming financial year, we will launch further initiatives to give our workforce the opportunity to further develop the sustainability strategy and actively participate in it.

Nölken cooperates closely with test organizations and certifiers to ensure the highest quality and sustainability standards. The exchange with these stakeholders takes place regularly and includes audits, certification processes and the continuous development of our standards. Through transparent communication and close cooperation we ensure that our products and processes comply with current legal and industry-specific requirements.

We communicate with our suppliers via our sustainability code, surveys and supplier audits, training and workshops. The focus here is on topics such as product quality, safety and innovation, environmental protection, labor and human rights, delivery performance, certifications, compliance and risk management.

PARTICIPATION IN INITIATIVES AND ASSOCIATION WORK

At the same time, we also take into account the concerns of other stakeholders to understand their expectations of our company and incorporate them into the further development of our corporate strategy. We are represented at both the specialist department level and executive level in numerous associations, initiatives, and organizations, engaging in dialog with NGOs, local politics, and local communities. The development and work within individual initiatives and associations are driven by our specialists, with regular updates provided to the company's management.

Nölken actively collaborates with various organizations, companies, associations, initiatives, and networks to pro-

mote sustainable development both within and beyond our company. We communicate our positions and perspectives through our association work. These associations represent our interests in politics and legislation and some are listed in the [EU Transparency-Register](#) and the [Lobby Register at the German Bundestag](#). Independence is of great importance to us; we only pay membership fees to the mentioned organizations and do not make donations to politicians or political parties. In the 2024 financial year, we paid approximately €64,850 in membership fees (previous year: €45,000).

We have been a member of the United Nations Global Compact ([UNGC](#)) since 2011 and are also a member of the UN Global Compact Network Germany ([UN GCD](#)), committing ourselves to the principles established there. As a founding member of the Forum for Sustainable Palm Oil ([FONAP](#)), we advocate for ecological and social improvements in palm oil cultivation.

Key national and international associations and initiatives of which we are a member, often with active functions, include:

- Bundesverband der Industrie- und Handelsunternehmen für Arzneimittel, Reformwaren, Nahrungsergänzungsmittel und kosmetische Mittel e.V. ([BDIH](#))
- Die Familienunternehmer e.V.
- Der Mittelstand e.V. ([BVMW](#))
- European Disposables and Nonwovens Association ([EDANA](#))
- Forum Nachhaltiges Palmöl e.V. ([FONAP](#))
- Industrieverband Körperpflege- und Waschmittel e.V. ([IKW](#))
- Initiative pro Recyclingpapier ([IPR](#)) / [CEOs bekennen Farbe](#)
- Roundtable on Sustainable Palm Oil ([RSPO](#))
- [Stiftung Allianz](#) für Entwicklung und Klima
- Unternehmensnetzwerk [Erfolgsfaktor Familie](#)
- Verband der Chemischen Industrie e.V. ([VCI](#))
- Vereinigung der Seifen-, Parfüm-, Kosmetik- und Waschmittelfachleute e.V. ([SEPAWA](#))

DOUBLE MATERIALITY ANALYSIS

In the 2024 financial year, we conducted a comprehensive revision of our double materiality analysis. With external support, our sustainability management team, in close collaboration with the executive management and specialized departments, carried out a detailed internal analysis. This process incorporated insights from stakeholder dialogs, requirements of international and national sustainability programs (e.g., SDGs, FONAP), relevant standards (such as UNGC), existing legislation (e.g., the German Supply Chain Due Diligence Act (LkSG)), planned legislative initiatives (Corporate Sustainability Reporting Directive (CSRD)), and industry-specific regulations.

Our analysis followed a holistic approach, considering both external influences on our company (outside-in perspective) and our own impact on sustainability issues (inside-out perspective). The insights gained from this process form the foundation of our strategic orientation, risk management, and reporting. These areas of action serve as guidelines for specialized departments and working groups that implement targeted measures to further develop our sustainability program.

As part of this analysis, we identified key impacts as well as relevant risks and opportunities. We outlined how current and future material impacts, risks, and opportunities affect our business model, value chain, strategy, and decision-making processes and how we respond to them. Furthermore, we analyzed both positive and negative impacts on people and the environment and examined the connection between material impacts, our corporate strategy, and our business model. We also considered the expected time frames for these impacts and identified the types of activities or business relationships through which our company is involved in material impacts. Additionally, we assessed the expected financial impact of risks and opportunities on our financial position in the short, medium, and long term.

The objective of this study was to evaluate the resilience of our sustainability strategy and business model regarding our ability to manage significant impacts and risks while seizing opportunities.

Our analysis was based on the methodologies and assumptions outlined in the EFRAG guidelines for conducting materiality assessments. The process utilized an internal control system to identify, assess, prioritize, and monitor potential and actual impacts on people and the environment, in line with our due diligence obligations. Our analysis also incorporated stakeholder and external expert involvement to integrate their perspectives into risk assessment. Decision-making criteria were developed to classify negative impacts based on their severity and likelihood, as well as positive impacts based on their scale and probability of occurrence.

IMPACTS

In the environmental sector, waste generation from single-use products represents one of the biggest challenges. Additionally, transportation processes have a significant impact on our emissions balance. The climate burden is closely linked to resource consumption, particularly through raw material extraction and production. Production waste and water consumption in the manufacturing of our products are also key impacts of our business activities. Beyond environmental impacts, social factors also play a crucial role. These include increasing customer satisfaction through sustainable product solutions, the environmentally and socially responsible sourcing of natural raw materials, and the social impact of innovative products. We see it as our responsibility to uphold social accountability throughout the entire value chain and to continuously optimize our processes to address both environmental and social aspects.

RISKS

As part of the double materiality analysis, potential risks were identified, analyzed, and assessed. With appropriate measures, we aim to control, minimize, and mitigate these risks.

The increasing uncertainties regarding raw materials for our products—caused by complex supply chains and global crises such as the COVID-19 pandemic and wars—pose significant challenges. Supply chain disruptions, including those due to new regulations and legal requirements, represent the greatest risks to our business activities. Additionally, both the potential inefficient use of materials and the necessary investments in research & development—e.g. for adapting formulations due to changes in raw materials—constitute significant financial risks.

We consider the rising regulatory requirements for products, such as disposal guidelines for end products, as a risk to our business operations. Potential risks include costs related to environmental impacts, compliance with regulatory requirements, and possible reputational damage in the event of inadequate climate protection measures.

Employee turnover and a shortage of skilled workers in rural areas present a fundamental financial risk for Nölken. Furthermore, financial risks arise in the areas of occupational safety and health protection due to increasing regulatory requirements.

OPPORTUNITIES

Nölken sees numerous opportunities across various areas that can contribute to long-term business development and competitiveness. These include obtaining and maintaining relevant certifications, consistently adhering to customer standards, and continuously increasing employee satisfaction through attractive working conditions and development opportunities.

Another potential lies in expanding our range of services, implementing structured processes and management systems, and fostering sustainable and responsible relationships with customers and suppliers. A transparent and

sustainable supply chain can strengthen stakeholder trust and lead to long-term partnerships. Additionally, targeted sustainability initiatives and active support for the circular economy play a key role in combining ecological responsibility with economic success.

By continuously improving energy efficiency, maintaining transparent and open communication, and participating in collaborative initiatives, Nölken can not only strengthen its market position but also further increase stakeholder trust. Providing comprehensive product information complements this commitment, enabling customers and partners to be more effectively integrated into sustainable decision-making processes.



SDGS AND SUSTAINABILITY GOALS

Our company sets itself both short-term and long-term goals, which are subject to careful annual reviews. These goals are of high priority as they either proactively anticipate future regulatory requirements or address strategically significant developments for Nölken.

Progress toward achieving these goals is monitored through Key Performance Indicators (KPIs), which are recorded by the specialized departments using our Enterprise Resource Planning (ERP) system and Integrated Management System (IMS) processes. This structured data collection enables an accurate annual assessment of goal achievement, ensuring high reliability, comparability, consistency, and transparency of results.

Furthermore, each established goal contributes to achieving one or more of the United Nations' Sustainable Development Goals (SDGs), allowing our company to actively support global sustainable development.

GOVERNANCE					
SDG	Mission	Goal	KPI	Results 2023	Results 2024
SDG 17 - Partnerships for the Goals 	Our mission is to expand global partnerships for sustainable development. Our commitment is complemented by multi-stakeholder partnerships that mobilize and share knowledge and financial resources to support the SDGs in all countries.	Collaboration with various organizations, companies, associations, initiatives and networks to promote sustainable goals both inside and outside our company	% of total revenue spent on memberships in associations, initiatives and organizations	0.04 % of total sales were paid for memberships in associations.	0.05 % of total sales were paid for memberships in associations.
SDG 16 - Peace, Justice and Strong Institutions 	We want to prevent corruption and bribery in all its forms.	Our aim is to transparently prevent and uncover corruption and bribery in all business areas. All reported incidents are processed.	# reported incidents of corruption or bribery via established whistleblower procedure	There were no reported incidents of corruption or bribery.	There were no reported incidents of corruption or bribery.

PRODUCTS					
SDG	Mission	Goal	KPI	Results 2023	Results 2024
SDG 12 - Responsible Consumption and Production 	We promote sustainable consumption and will develop our product range with sustainability in mind.	Keep annual complaint rate below 1.5% At least 30% of annual sales should be achieved by products with eco-labels.	complaint rate % annual turnover with ecolabel products	complaint rate 0.59% 46.8% annual turnover with ecolabel products	complaint rate 0.55% 42.2% annual turnover with ecolabel products
SDG 12 - Responsible Consumption and Production 	We want to promote sustainable, certified and/or recycled raw materials in new products. In this way, we promote the circular economy and circular products and reduce the consumption of new (primary) raw materials.	Annual procurement of 50% of all nature-based raw materials from transparent, sustainable and/or certified production Use 100% certified sustainable palm (kernel) oil derivatives Use almost 100% recyclable composite films by 2025 Constantly increase percentage of paper and cardboard packaging containing recycled material	% sustainably certified purchasing volume % RSPO-certified palm (kernel) oil derivatives of total palm (kernel) oil derivatives % recyclable composite films of total film quantity % paper and cardboard packaging with recycled content	53.1% sustainably certified purchasing volume 100% RSPO MB-certified palm (kernel) oil derivatives 98.8% recyclable composite films of total film quantity 87.8% paper and cardboard packaging with recycled content	65.0% sustainably certified purchasing volume 99.9% RSPO MB-certified palm (kernel) oil derivatives 98.4% recyclable composite films of total film quantity 89.8% paper and cardboard packaging with recycled content
SDG 14 - Life Below Water 	We want to protect waters and reduce marine pollution.	Offer wet wipes with biodegradable non-wovens	% wet wipes made from biodegradable nonwovens of total volume	32.2% wet wipes made from biodegradable nonwovens Since 2021, 100% moist toilet tissue has been made from biodegradable non-wovens.	34.0% wet wipes made from biodegradable nonwovens Since 2021, 100% moist toilet tissue has been made from biodegradable non-wovens.

Continuation

PRODUCTS					
SDG	Mission	Goal	KPI	Results 2023	Results 2024
SDG 15 - Life on Land 	Our mission is to protect, restore and promote sustainable use and management of terrestrial ecosystems and forests, and to halt and reverse land degradation.	Promoting sustainable forest management and preserving biodiversity in our supply chains.	% FSC- or PEFC-certified nonwovens of total nonwoven volume	53.6% FSC- or PEFC-certified nonwovens of total nonwoven volume	76.7% FSC- or PEFC-certified nonwovens of total nonwoven volume
SDG 9 - Industry, Innovation and Infrastructure 	We aim to expand research and development by 2030 through a significant increase of expenditure and the number of employees in this field in order to promote innovations.	Promotion of innovations by means of an ideas management system and review of the innovations suggested We want to increase R&D investments in general and promote environmentally friendly investments.	# submitted and # implemented ideas % of sales for R&D investments	2 ideas submitted in G and PL 0 ideas implemented in G and PL No data available	7 ideas submitted in G and PL 3 ideas under review / implemented in G and PL No data available
SDG 2 - Zero Hunger 	Our mission is to facilitate the transfer of knowledge for the sustainable management of agricultural commodities in order to ensure local supply.	Continue investing in rural development to increase agricultural production capacity in developing countries	€ contribution to the FONAP smallholder project (biodiversity offsets)	€ 6 000 contribution to the FONAP smallholder project	€ 6 000 contribution to the FONAP smallholder project

PEOPLE					
SDG	Mission	Goal	KPI	Results 2023	Results 2024
SDG 8 - Decent Work and Economic Growth 	Our mission is to protect human and workers' rights in our supply chain.	Close to 100% of suppliers who have undergone a risk assessment Implement action plans for further development of critical direct suppliers No justified complaints 100% processing of complaints via the whistleblower or complaints system	% suppliers who have undergone a risk assessment. # complaints via the whistleblower or complaints system	50% suppliers have undergone a risk assessment. 0 complaints via the whistleblower or complaints system	72% suppliers have undergone a risk assessment. 0 complaints via the whistleblower or complaints system
SDG 3 - Good Health and Well-being 	Our mission is to ensure a safe working environment and prevent accidents at work. We strive to continuously support employees in their health.	Reduce company accident rate by 30% annually Reduce annual sickness rate to below 6.3% (industry average 2024)	# reportable accidents at work Accident severity in days # employees with occupational diseases % sickness rate	21 reportable accidents at work in G and PL Accident severity of 12.76 days in G and 0 in PL 0 employees with occupational diseases 9.0% sickness rate in G and 2.8 % in PL	11 reportable accidents at work in G and PL (reduction of 47.6% compared to previous year) Accident severity of 3.83 days in G and 0 in PL 0 employees with occupational diseases 8.06% sickness rate in G and 2.7% in PL

Continuation

PEOPLE					
SDG	Mission	Goal	KPI	Results 2023	Results 2024
SDG 8 - Decent Work and Economic Growth 	Our mission is to create a trusting and appreciative working atmosphere, to offer employees a protected and trusting working environment and to achieve equal pay for work of equal value.	Keep fluctuation rate below the national averages (Germany: approx. 30 - 35%; Poland: 22 - 27%) Length of service above the national average (Germany: 11 years; Poland: 1.8 years) 100% resolved complaints Average unadjusted gender pay gap below national average of 16% in G and 18.5% in PL	% fluctuation ø length of service in years % resolved complaints % gender pay gap	11.5% fluctuation in G and 19.4% in PL 7.75 years length of service in G and 8.5 years in PL 0 complaints via the internal complaints system and 0 complaints via the whistleblower system 11.5% gender pay gap in G and 18.4% in PL	11.3% fluctuation in G and 13.5% in PL 7.25 years length of service in G and 9.0 years in PL 12 complaints via the internal complaints system of which 100% complaints resolved and 0 complaints via the whistleblower system 9,01% gender pay gap in G and 17.9% in PL
SDG 5 - Gender Equality 	We want to achieve gender equality and empower all women and girls.	Gender-balanced staffing of the entire management level, above the industry average Ensuring the full and effective participation of women and their equal opportunities to take up management positions at all decision-making levels in our company	% share of women at management level	34.6% share of women at management level in G and 50.0% in PL	33.3% share of women at management level in G and 55.6% in PL
SDG 10 - Reduced Inequalities 	We want to strengthen diversity, inclusion and equality.	Reduce inequalities in the company and give all people the opportunity to realize their potential regardless of gender, origin or disability	% employees with disabilities of total number of employees	3.7% employees with disabilities in G and 1.2% in PL	3.5% employees with disabilities in G and 1.2% in PL
SDG 4 - Quality Education 	We want to ensure that all employees have equal access to high-quality technical and vocational training. By 2030, we want to ensure that all employees acquire the knowledge and skills needed to promote sustainable development.	Raise awareness of sustainability issues among 50% of the workforce every year Increase ø number of training hours / trained employees / year	% employees trained in sustainability # trainees who have passed through the sustainability department ø number of training hours / trained employees / year	2.6% (10 employees) of workforce in G trained in sustainability New KPI, therefore no data available New KPI, therefore no data available	1.9% (8 employees) trained in sustainability Start in training year 2025/2026 23.7 training hours / trained employee / year

ENVIRONMENT

SDG	Mission	Goal	KPI	Results 2023	Results 2024
SDG 8 - Decent Work and Economic Growth 	Gradual improvement in global resource efficiency in consumption and production by 2030 and efforts to decouple economic growth from environmental degradation	Significantly reduce the volume of waste by 2030 through prevention, reduction, recycling and reuse. Increase the recycling rate Reduction in water consumption and water intensity (total water consumption for the production process per net sales revenue) 100% recycled / certified printer / letter paper	Recycling rate % water intensity % recycled / certified printer and stationery	66.3% recycling rate in G and 4.8% in PL 0.00052% water intensity 100% recycled / certified printer and letter paper	72.0% recycling rate in G and 4.8% in PL 0.00048% water intensity (reduction of 7.69% compared to previous year) 100% recycled / certified printer and letter paper
SDG 13 - Climate Action 	Our mission is climate-friendly production and low-carbon operations. By 2030, modernization of Nölken's infrastructure to increase sustainability, resource efficiency and the use of clean and environmentally friendly technologies and industrial processes	Reduction in energy consumption and energy intensity (total energy consumption per net sales revenue) Reduction of CO ₂ e emissions and GHG intensity (GHG emissions in t CO ₂ e per net sales revenue)	% energy intensity overall company % GHG intensity	0.000061% energy intensity Not comparable as in 2024 analysis was expanded by all scope 3 emissions	0.000055% energy intensity (11.9% reduction compared to previous year) 0.0016518 % GHG intensity (taking into account all scope 1 to 3 emissions)
SDG 7 - Affordable and Clean Energy 	We want to drive forward the energy transition and achieve clean electricity for production and mobility at our production sites.	100% total energy consumption from renewable energy sources 10% self-produced energy of total energy	% total energy consumption from renewable energy sources % self-produced energy of total energy	57.03% of total energy consumption from renewable sources in G and 57.25% in PL 8.32% self-produced energy in G and 1.74% in PL	60.86% of total energy consumption from renewable sources in G and 54.86% in PL 3.65% self-produced energy in G (reinstallation of PV system planned for 2025) and 3.91% in PL
SDG 15 - Life on Land 	We want to stem the loss of biodiversity, preserve and promote biodiversity and species diversity.	Improving biodiversity at our locations	# actions that enhance the quality of biodiversity at the sites	5 bee colonies at the Fernthal site	5 bee colonies at the Fernthal site

ROLES AND RESPONSIBILITIES

The family-owned company Nölken operates at three locations: Windhagen (DE), Neustadt/Wied (DE), and Nowogrodziec (PL). Since January 1, 2022, the executive management of the German sites has consisted of five members: Markus Nölken, Daniel Nölken, Thomas Müller, Thomas Schnitter, and Alexander Strepp.

The Polish subsidiary, Noelken Sp. z o.o., is managed by Managing Partner E. Markus Nölken, who has held this position since 2010, along with Managing Director Mariola Jarzab, who has been in this role since 2014.

To ensure that all relevant aspects of sustainability are effectively managed and implemented, specific functional and responsibility areas have been integrated directly into the highest management level. These include quality man-

agement, occupational safety, fire protection, data protection, environmental management, waste management, dangerous goods and hazardous materials management, REACH compliance, and sustainability management.

Sustainability management has been a core part of Nölken's corporate strategy since 2011 and is firmly anchored in the parent company. Sustainability managers Johanna Jung, Kirsten Wiegand, and Mohammed Ali Zarinfar report directly to the executive management. Since January 2023, overall responsibility for sustainability has been held by Managing Partner U. Daniel Nölken, who participates in a weekly expert exchange. The entire executive management team is kept fully informed about sustainability developments through quarterly reports.



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



Mariola Jarzab, Markus Nölken

CORPORATE GOVERNANCE

Since 2011, we have managed all processes within our company through an Integrated Management System (IMS). This system encompasses all locations, subsidiaries, and business processes, defining requirements in the areas of product safety, quality assurance, environmental protection, compliance, occupational safety, and health protection. Through the IMS, we plan and regulate all business activities, optimize the use of financial and human resources, and ensure the high quality and safety of our product range across the entire value chain. Our goal is to maintain an annual complaint rate below 1.5%, which we successfully achieved in 2024 with a rate of 0.55% (2023: 0.59%).

Our IMS is based on the international IFS HPC (International Featured Standards Household and Personal Care Products) standard and is certified annually. It adheres to internationally recognized standards, including:

- ISO 9001: All our locations are certified according to ISO 9001, meeting international standards for a Quality Management System (QMS). This ensures that our products and services comply with both customer requirements and regulatory mandates.
- GMP / ISO 22716: Our products are manufactured according to Good Manufacturing Practice (GMP) guidelines.

This standard defines requirements for the production of pharmaceuticals and cosmetic products, ensuring strict quality control.

- ISO 14001: Our German sites are ISO 14001 certified, and we aim to extend this certification to our Polish location. This standard outlines the requirements for an Environmental Management System (EMS) and helps us continuously improve our environmental performance, meet legal requirements, and achieve ambitious sustainability goals.
- ISO 45001: Internally, all our locations comply with ISO 45001, the international standard for Occupational Health and Safety (OH&S) management systems. This helps us create safe and healthy workplaces, prevent work-related injuries and illnesses, and proactively enhance our occupational health and safety management system.

Additionally, our IMS includes specific certifications such as FSC® (Forest Stewardship Council), PEFC (Programme for the Endorsement of Forest Certification Scheme), and RSPO (Roundtable for Sustainable Palm Oil) for selected areas and product chains. These certifications, granted through regular audits, form an integral part of our holistic approach to ensuring quality, sustainability, and safety.

COMPLIANCE MANAGEMENT

Our goal is long-term and sustainable value creation, which is why compliance with all applicable laws, regulations, and guidelines is a fundamental principle for us. However, responsible corporate governance means more than just fulfilling legal requirements—it is based on high ethical standards as well as social and environmental principles. This is reflected in our actions through values such as honesty, transparency, fairness, and mutual respect, which shape our interactions with colleagues, business partners, customers, and the public. Additionally, we actively oppose corruption, extortion, bribery, forced labor, modern slavery, and human trafficking.

The executive management and department heads bear overall responsibility for compliance management. Representatives from controlling, quality management, procurement, and sustainability management work together to define appropriate objectives and measures.

Our Compliance Management System (CMS) pursues several goals. On one hand, we aim to mitigate risks to our company by ensuring compliance with all applicable laws. On the other hand, we strive to improve our corporate rating.

We expect all employees, regardless of their position, to uphold the same high ethical standards as our business partners. To reinforce this commitment, we inform all new employees about our Code of Values and support them with our Employee Handbook to ensure they adhere to it. To comply with legal requirements and company policies, we monitor internal processes and offer regular training sessions.

All employees have access to our Code of Ethics Handbook, which outlines our ethical principles. Additionally, we integrate compliance topics—such as integrity, anti-discrimination & anti-corruption, and grievance management—into our sustainability training program. In the 2024 fiscal year, eight employees participated in this training (compared to ten in the previous year).

Financial investments are carefully reviewed by executive management and controlling, taking both environmental and social factors into account.

Our compliance principles and [corporate values](#) are firmly embedded in all business processes and commit us to responsibly managing risks to safeguard the interests of all stakeholders. In doing so, we take into account key aspects such as human rights, working conditions, anti-corruption measures, and environmental protection, in alignment with the principles of the UN Global Compact. We adhere to binding ethical principles in our interactions with employees, suppliers, and other business partners—and require them to do the same.

Our compliance policies mandate the strict observance of all applicable laws, standards, and regulations in all areas. We expect the same commitment from our business partners, particularly regarding regulations that affect our corporate practices, production, or the marketing of our products. These include, among others Cosmetics Regulation No. 1223/2009, Claims Regulation No. 655/2013, Environmental assessments such as EUDR (EU Deforestation Regulation) and SUPD (Single-Use Plastics Directive), Drinking Water Ordinance and Soil Regulation, REACH Regulation No. 1907/2006, CLP Regulation No. 1272/2008 (Classification, Labeling, and Packaging of Substances and Mixtures), Packaging Regulation No. 10/2011 and General Data Protection Regulation (GDPR).

We conduct annual internal compliance audits, covering all technical, energy-related, and environmental aspects of our operations. These audits are carried out on the basis of current environmental and energy laws, regulatory requirements, and certification standards. So far, only minor deviations have been identified, which were immediately corrected to maintain full compliance.

ANTI-CORRUPTION

We are committed to complying with the principles of the UN Global Compact and actively oppose all forms of

corruption. Our goal is to ensure transparent prevention and detection of corruption and bribery across all business areas.

At our locations in Germany and Poland we have implemented measures to prevent corruption, including a Code of Conduct for our employees regarding gifts and benefits, a public Supplier Code of Conduct, and proactive screening of our business partners for potential risks such as corruption, money laundering, terrorist financing, and violations of economic sanctions. Approximately 15% of our employees work in high-risk functions (e.g., management, department heads, controlling, purchasing, sales) that require special awareness of integrity and anti-corruption policies. While we have not yet undergone a formal corruption risk assessment, we plan to implement this as part of our preparations for the CSRD (Corporate Sustainability Reporting Directive) reporting requirements.

DUE DILIGENCE

Our suppliers are required to adhere to and implement our Sustainability Code of Conduct for Business Partners, which is available on our corporate website and is provided to every new business partner. This also includes compliance with fair working conditions within the supply chain. Before entering into a business relationship, we conduct risk assessments of our contractual partners, checking for corruption, money laundering, terrorist financing, or violations of economic sanctions. To ensure that we do not engage in business with sanctioned individuals or organizations, we systematically cross-check all contacts against sanctions lists. For this purpose, we have integrated an automated screening function into our ERP system, which verifies all business contacts. Additionally, our employees are required to conduct manual screenings for new business partners to ensure full compliance.

COMPLAINT SYSTEM

Our business partners, employees, and all individuals affected within the supply chain have the options of reporting compliance-related concerns through a dedicated external [whistleblower system](#) or of addressing their issue via email (beschwerde@noelken.de) to an internal complaint office within the Quality Management department. The whistleblower system is intended for reporting potential violations within the company, particularly in the following areas:

- Product safety and conformity;
- Environmental protection;
- Health and safety at work;
- Consumer protection;
- Data protection and information security;
- Other areas and violations mentioned in Article 2, Paragraph 1 of Directive (EU) 2019/1937 (e.g., competition law);
- Criminal offenses (e.g., corruption, embezzlement, or fraud).

All concerns are acknowledged according to internal processes within seven working days and addressed within three months to ensure that all reported issues are followed up on. Our employees also have the option to directly approach the designated person of trust, the management, or their supervisor in case of suspicion. Additionally, employees can use our internal complaint system, even anonymously, to contact our Human Resources department.

During the reporting period, there were no compliance violations, corruption cases, or complaints related to compliance and/or anti-corruption, and no fines were imposed. Therefore, we assess the risk concerning compliance and corruption as low.

INFORMATION SECURITY AND DATA PROTECTION

Nölken places great importance on the protection of information, as it is an essential foundation for our business success. In today's digitalized world, almost all data is created, stored, transmitted, and processed using information technology (IT). Efficient business processes in production and administration are no longer conceivable without IT support. Inadequate protection of sensitive information can pose significant risks.

Information security is a high priority at Nölken and is managed by the executive board, with implementation overseen by an information security officer. We are currently establishing an Information Security Management System (ISMS) in accordance with ISO/IEC 27001:2022 to ensure the fundamental security of our IT infrastructure. In recent years, we have already implemented numerous security measures, including emergency plans and access controls. Cybersecurity and phishing training sessions were launched in Q3 2024 and will be completed by Q1 2025.

The protection of personal data—especially that of employees, applicants, and customers—as well as internal company knowledge is of utmost priority for Nölken. Data

protection is not only a legal obligation for us but also a crucial component in avoiding fines and maintaining our excellent reputation. Our data protection management system is designed to effectively minimize risks such as data theft and misuse, thereby securing the trust of our customers, employees, applicants, and suppliers.

At all our locations, we strictly comply with the requirements of the European General Data Protection Regulation (GDPR). Through targeted measures and continuous improvements we ensure that our data protection management remains up to date. The responsibility for this lies with the executive board, which works closely with an external data protection officer. This officer monitors and coordinates all data protection activities, identifies potential risks at an early stage, and actively promotes awareness of data protection throughout the company.

Our close cooperation with the external data protection officer has significantly increased awareness of data security within our company. Our corporate policies are available at any time on our website in the form of the [Privacy Policy](#) and the [Privacy Policy for Applications](#). All new



employees receive the handbook and the ethics policy at the beginning of their employment, which includes a commitment to data confidentiality. This document must be signed and returned to the HR department.

In 2024, 119 employees with PC workstations (83.2%; 2023: 45.8%) received targeted training on data protection topics. Furthermore, data protection is an integral part of the onboarding training for new employees. Our revised online GDPR training is conducted annually, and we regularly provide employees with up-to-date information on data protection regulations.

So far, our data protection record has been consistently positive: there have been no complaints, nor have any fines been imposed. We remain committed to continuously developing our data protection management system and adapting it to new legal and technological requirements to ensure the highest data protection standards in the long term.

OUR SOCIAL RESPONSIBILITY

As a family-owned company, it is important to us to take responsibility for the communities at our locations in addition to our core business and to build strong relationships with the local people. When making donations, we prioritize regionality, proximity to our employees, and relevance to our field of work. We support a variety of associations, initiatives, and organizations dedicated to family, sports, education, culture, religion, nature and animal protection, and safety.

Our approach to promoting charitable causes is based on two pillars: financial and material support for charitable initiatives, as well as the voluntary commitment of our employees. For 2025, we plan to develop and publish a policy for donations, sponsorships, and further social commitment.

We encourage our employees to get involved locally, as their dedication has a positive impact on social cohesion. Some of our employees, for example, are active in the volunteer fire department or support local sports clubs as coaches. Additionally, all employees can suggest charitable causes they would like to support. These proposals are reviewed and approved by management. Our focus is on promoting the common good, which is why we carefully assess the purposes of donations and organizations to exclude support for political parties, foundations, employer associations, or trade unions.

In 2024, we supported the following associations, initiatives, and institutions:

- St. Karl - Kirche für Leib und Seele e.V.
- Katholische Gemeinde Neustadt
- SV Eintracht Windhagen
- Handballspielgemeinschaft Römerwall Bad Hönningen/Rheinbrohl e.V.
- Reitclub Annaberger Hof Bonn e.V.
- Rollitennis e.V. Windhagen
- Karnevalsgesellschaft „Spitz pass op“ Oberhau e.V.
- Karnevalsverein Möhnenclub Rubbeldi-dupp e.V. Windhagen
- Junggesellenverein Dattenberg 1759 e.V.
- Tafel Linz e.V.
- AWO Bonn/Rhein Sieg
- Stark für Kinder e.V.
- Kindertagesstätte Wiesenwichel
- Freiwillige Feuerwehr Nowogrodziec
- FONAP-Mitgliedsprojekt



Markus Nölken (right) hands over the donation to St. Karl - Kirche für Leib und Seele e.V.

SUPPLY CHAIN MANAGEMENT

As a globally operating company with an international value chain, Nölken is firmly committed to upholding internationally recognized human rights. As part of our membership in the United Nations Global Compact (UNGC), we pledge to comply with key human rights agreements and standards. These include the Universal Declaration of Human Rights, United Nations conventions, the core labor standards of the International Labour Organization (ILO), and the OECD Guidelines for Multinational Enterprises.

Although due to the size of our company we are not required to comply with the German Supply Chain Due Diligence Act (LkSG) or the Corporate Sustainability Due Diligence Directive (CSDDD), we have voluntarily been implementing their requirements step by step since 2022. A key element of our commitment is the regular evaluation of our suppliers. In this process, we assess and monitor whether our business partners have signed our Sustainability Code of Conduct and actively promote continuous improvements. To further enhance transparency within our supply chain, we have been a member of the SEDEX assessment platform since 2012. This platform allows our customers to gain detailed insights into our supply chain and verify compliance with social and environmental standards.

The strategic organization of our supply chain management is directly overseen by the executive board. Through key decisions and targeted measures, they actively contribute to fulfilling our human rights and sustainability-related due diligence obligations.

GOALS OF OUR SUPPLY CHAIN MANAGEMENT

Supply chain disruptions are among the greatest risks to our business activities. Therefore, our procurement strategy aims to source materials and services with a balanced approach to quality and cost in order to ensure economic stability. In close cooperation with our business partners and suppliers we are committed to upholding human rights and environmental due diligence obligations throughout the entire supply chain. We place particular emphasis on maximum transparency to identify risks early and foster sustainable supplier relationships.

A key initiative for 2024 was the completion of our supplier assessment. On this basis, we will develop targeted action plans for potentially critical suppliers in the 2025 fiscal year to further enhance sustainability standards. Additionally, we are investing in training for our procurement team to ensure that due diligence obligations are fully understood and effectively implemented. Furthermore, we plan to assess the carbon footprint of key suppliers and establish the product carbon footprint for major products, thus contributing to our climate strategy and enabling us to measurably reduce the environmental footprint of our value chain.

OUR REQUIREMENTS FOR SUPPLIERS

Nölken's Sustainability Code defines clear principles that all business partners and their subcontractors must adhere to throughout the entire production and value chain. This code covers the areas of business conduct, social responsibility, and environmental protection.

In the business environment, we expect our partners to fully comply with national laws and respect internationally recognized standards and principles, such as those outlined in the UN Global Compact and the Universal Declaration of Human Rights. Social responsibility includes compliance with fair working conditions, such as safe and health-promoting workplaces, reasonable working hours, fair wages and social benefits, and opportunities for professional development. Particular emphasis is placed on safeguarding human and fundamental rights, including the prohibition of child and forced labor, as well as respecting freedom of association and the right to collective bargaining.

To ensure compliance with these and other legal provisions, we require our business partners, suppliers, and their upstream suppliers to implement our Sustainability [Code of Conduct for our Business Partners](#) (↗). In terms of environmental protection, we expect our partners to actively minimize environmental impacts, implement climate protection measures, and promote sustainable resource use. This includes reducing emissions and waste, supporting the circular economy, ensuring humane animal husbandry, and refraining from animal testing.

To guarantee the implementation of these requirements, business partners are expected to regularly report on their progress and allow audits. In case of suspected violations, prompt reporting is required. Additionally, all partners must formally confirm their compliance with the code. The assessment of sustainability criteria is carried out at the first supplier level (Tier-1).

COMPLAINT MECHANISM

Stakeholders along our entire value chain have the option to submit complaints related to our Sustainability Code or applicable national and international laws. They can do so through two channels: By directly contacting our internal quality management complaint office via E-Mail (beschwerde@noelken.de ↗) and by using our [Whistleblower system](#) (↗). Every submitted complaint is officially acknowledged within seven days and processed in accordance with internal guidelines within three months. This ensures that all concerns are thoroughly reviewed and appropriate measures are taken. To date, no complaints have been reported.

SUPPLIER SELECTION AND EVALUATION

When selecting our Tier-1 suppliers, we focus on thorough assessment and close collaboration. In 2024, we successfully worked with over 418 active suppliers, all of whom are based within the European Union—primarily in Germany, Italy, Finland, and Spain. This concentration within the EU helps minimize potential risks.

At the same time, we recognize that some raw materials, despite our primary sourcing structure, may originate outside the EU. To identify and mitigate potential risks along the supply chain at an early stage, we continuously optimize our risk management. We utilize ESG (Environmental, Social, and Governance) risk management software, which facilitates a comprehensive and in-depth analysis of our suppliers.

Our risk management follows a multi-stage approach. We conduct an initial risk assessment by evaluating country and industry risks related to human rights and environmental standards—both in our own business operations and on the part of our direct suppliers. This analysis is based on quantitative indicators from renowned institutions such as the World Bank and the United Nations, allowing us to assess potential risks in a differentiated manner.

In the second step, we carry out a concrete risk analysis, where we take a closer look at the risks identified in the abstract assessment. Suppliers classified as medium or high risk undergo a priority review. To evaluate their response to identified risks, we use questionnaires based on international standards, focusing on key criteria such as anti-corruption and anti-bribery measures, environmental protection, human and labor rights, occupational safety, supply chain responsibility, and quality management. By combining questionnaire responses with the results of the abstract risk analysis, we categorize the actual risk as low, medium, or high, helping us assess the likelihood of human rights violations or breaches of environmental standards. Additionally, we conduct continuous monitoring to track critical reports related to our suppliers, ensuring that we remain informed about human rights and environmental issues and can respond proactively.

In the third step, we prioritize risks based on thematic areas and evaluate them using appropriateness criteria. The assessment takes into account the likelihood of occurrence, determined through abstract and concrete risk analysis, as well as the severity of the risk in order to identify key risk areas. When prioritizing direct suppliers, we also consider our influence, while we address risks within our own business operations with particular urgency to fulfill our corporate responsibility.

As part of this analysis, 371 suppliers were invited to participate in an assessment, and 301 provided results, a response rate of 72%. The evaluation showed that 52% of the suppliers were fully compliant, 33% fell into the medium-risk category, and 15% were identified as potentially critical. For the suppliers classified as potentially critical, we conduct individual assessments to determine whether an actual risk exists. Based on these findings, we implement targeted preventive measures, develop corrective actions, and roll out action plans to ensure compliance with sustainability and ethical standards. In recent years, we have conducted comprehensive risk

65.0%
of our procurement
volume are sustainably
certified

analyses for two key raw materials: natural-based nonwovens and palm-based derivatives. These analyses have shown that potential environmental and human rights risks may exist within our supply chain. We mitigate these risks by sourcing sustainable materials from certified supply chains (FSC, PEFC, and RSPO). In the 2024 reporting year, this accounted for 65.0% of our total procurement volume (2023: 53.1%; 2022: 52.6%). We have successfully achieved our goal of sourcing at least 50% of all natural-based raw materials annually from transparent, sustainable, and/or certified sources.



PRODUCT DEVELOPMENT

Already in the development phase, we focus on ecological and social aspects. Close communication with suppliers and customers throughout the entire development process ensures that our products, the selection of raw materials and ingredients are tailored to the wishes of our customers, while social and environmental requirements are given due consideration. With sustainably produced products, we enable consumers to make conscious and responsible purchasing decisions.

In 2024, we began carefully analyzing the entire lifecycle of selected products, from formulation and packaging development to disposal. On the basis of these lifecycle considerations we advise our customers on alternative eco-friendly raw materials.

All raw materials and cosmetic ingredients are selected with the utmost care to ensure both their environmental compatibility and positive impact on human health. Our focus is on optimizing material cycles and continuously improving the recyclability of our products for both branded and white-label products.

Our research and development department takes responsibility for identifying potentially critical developments in raw material procurement early on. This is done through market analyses, collaboration with industry associations, and dialog with stakeholders. If certain ingredients are considered problematic or socially unacceptable, we proactively seek sustainable and/or regional alternatives.

The safety of new products is ensured through comprehensive testing. We go beyond legal requirements such as the EU Cosmetics Regulation and often set even stricter standards. For this purpose, Nölken conducts the following tests and documentation as needed:

- Microbiological examinations
- Product safety assessments
- Tests for physical-chemical stability
- Compilation of safety data sheets

The skin compatibility of our products is ensured in collaboration with dermatological institutes through tests on skin models or directly on test subjects. We strictly reject animal testing and do not commission third parties to carry out such tests. New scientific findings are immediately integrated into our processes. Additionally, we conduct stability tests under different temperature conditions to ensure perfect durability throughout the entire application period.

Since the 2021 financial year, we have been checking the biodegradability of our products based on international standards, such as the OECD guidelines and the ECHA register. A significant portion of our range already meets these requirements. In the future, we will conduct Life Cycle Assessments (LCA) for selected products.

In product communication, we place particular emphasis on making sure that consumers find clear and understandable information about sustainable product features directly on the packaging. We take responsibility by providing comprehensive product information that ensures the proper use and disposal of our products. We strictly adhere to legal labeling requirements, certification standards, and industry guidelines for environmental claims and eco-labels. All statements about our products are legally compliant, transparent, and truthful. Our goal is to promote fair competition and avoid misleading or unclear claims, thus enabling consumers to make informed purchasing decisions.

As a full-service manufacturer within the value chain, we strive to leverage our influence, within our means, in collaboration with retail partners, customers, and suppliers. The development of our product range takes place in close cooperation with our partners, for example, through workshops where key requirements are collaboratively developed.



SEALS AND LABELS FOR SUSTAINABLE CONSUMPTION

Our primary goal is to ensure that our customers and consumers are confident that all our products are safe and compatible. In addition, we strive to promote sustainable consumption and conscious consumerism. Recognized seals and labels are particularly effective tools in

42.2%
of our annual turnover
are accounted for
by products with
sustainability labels

highlighting the sustainable qualities of our products and enabling informed purchasing decisions. The sustainability certification marks we use are defined as voluntary trust marks, quality marks, or equivalent public or private marks aimed at labeling and promoting a product,

process, or company regarding its ecological or social aspects, or both. Public evaluation portals assess seals, labels, and quality marks and provide background information to help consumers quickly understand the quality behind them. Labels found on our products are recommended on accessible portals.

We have recognized that the importance of products marked with sustainability labels is increasing significantly. We want to support this development and have set ourselves the goal that products with sustainability labels should make up at least 30% of our annual turnover.

However, it is always our customers' decision whether sustainability labels should be used. In the reporting year 2024, 42.2% of our annual turnover was generated from such labeled products (2023: 46.8%, 2022: 34.8%). The slight decrease compared to the previous year is due to many of our customers opting against the „Climate Neutral“ label, as advertising with compensation of product-related CO₂ emissions through CO₂ certificates will no longer be permitted under the Green Claims Directive.

Nordic Ecolabel: The Nordic Ecolabel (Swan)* evaluates the environmental and health aspects of a product throughout its entire life cycle. It serves as a benchmark for environmental compatibility compared to competing products.

Vegan Flower: The Vegan Flower* label requires that a product is free from animal ingredients or by-products and that no animal testing has been conducted during the entire manufacturing process.

BDIH Standard: The BDIH certification mark is awarded by the Federal Association of Industrial and Trading Enterprises* for pharmaceuticals, dietetic food, food supplements and cosmetics. It goes beyond legal requirements and takes into account the source of raw materials, the manufacturing process, and the end product. The use of synthetic ingredients is not permitted.

DAAB Label: The German Allergy and Asthma Association awards the DAAB Label* exclusively to products that are suitable for allergy sufferers and people with atopic dermatitis, both children and adults. These products contain no fragrances, preservatives, or colorants.

FSC Label: The Forest Stewardship Council certifies products from sustainable forestry with its label. The certification is based on 10 principles and 70 criteria, covering the

entire process from forest management to working conditions and the final product.

PEFC Label: The PEFC label stands for sustainable forest management and is awarded only to companies that comply with ecological, economic, and social standards. In addition, the entire product chain must be traceable without gaps.

RSPO Label: The certification according to the RSPO Supply Chain Standard (Roundtable on Sustainable Palm Oil) confirms the sustainable extraction, processing, and traceability of palm oil. This initiative was originally launched by the WWF.

SAS Label: The Swiss Allergy Seal of Approval (SAS*) is awarded to products that have been independently tested and confirmed to be particularly suitable for people with allergies and intolerances.

ECARF Label: The European Centre for Allergy Research Foundation (ECARF*) seal is awarded to products and services that are safe for allergy sufferers. Cosmetics with this label are characterized by a particularly skin-friendly formulation.

*The labels are only to be used in connection with the certified products.



COSMETIC INGREDIENTS

Our customers value sustainable, environmentally friendly care products. When developing our products, we follow clearly defined goals and criteria to fulfill our responsibility. We avoid harmful substances, prefer biodegradable ingredients, carefully select preservatives, and increase the proportion of natural, traceable, and/or ecological ingredients. At Nölken, we combine the highest quality with social and ecological responsibility, continuously improving our products and making a sustainable contribution to the environment and society.

The EU Regulation (EU) 2023/1115 (European Union Deforestation Regulation, EUDR) regulates the import and sale of products linked to deforestation, and it also affects the cosmetics industry. Companies must prove that raw materials like palm oil, soy, or timber do not come from areas deforested after December 31, 2020. This requires precise supply chain traceability. Our preparation for the EUDR aims to reduce global deforestation and promote the use of deforestation-free products.

COMMITMENT TO ANIMAL TESTING-FREE DEVELOPMENT AND ANIMAL-FREE PRODUCTS

We adhere to the EU Regulation (EC) No. 1223/2009 for cosmetics, which decreed a ban on animal testing of cosmetics and their ingredients in the EU beginning in 2013. It is also prohibited to place cosmetics on the EU market that have been tested on animals outside the EU. At Nölken, animal protection is a matter of course, and we strictly reject any form of animal cruelty.

Vegan products are clearly labeled and accompanied by relevant information. Items labeled as animal-free contain no animal ingredients or substances derived from animals, such as honey, lanolin, or beeswax.

100%
palm(kernel)
oil derivatives are of
sustainable origin

GUARANTEED MICROPLASTIC-FREE FORMULATIONS

We select our ingredients based on various criteria, including their biodegradability. Microplastics are increasingly criticized for potentially causing health and environmental issues. To avoid water pollution, we have completely eliminated microplastics from all our formulations since 2019. Instead, we use alternative, organic exfoliating agents, such as corn grits or ground apricot kernels, in products like scrubs. To protect marine resources and address water-related challenges, we continuously develop sustainable product lines that focus on water-friendly and resource-efficient production.

RESPONSIBLE AND SUSTAINABLE PROCUREMENT POLICY FOR PALM (KERNEL) OILS

Many Nölken products contain ingredients derived from palm oil. Our goal is to use palm oil in a way that does not harm the environment or society. To ensure that the production of our palm (kernel) oil derivatives does not destroy ecosystems, we are committed to deforestation- and conversion-free supply chains. As part of our procurement policies, we focus on responsible sourcing of palm oil, palm kernel oil, and their derivatives. Since 2018, we have been a member of the RSPO (Roundtable on Sustainable Palm Oil) and FONAP (Forum for Sustainable Palm Oil) to actively support sustainable farming methods. Our goal is to source all palm (kernel) oil derivatives in certified sustainable quality. We achieved

this goal in 2022 and now use 100% certified sustainable palm (kernel) oil derivatives under the RSPO Mass Balance (MB) trading model. In the RSPO verification period 2023/24 from August to July of each year this amounted to 956.6 tons (2022/23: 817.1 tons; 2021/22: 872.5 tons).



NONWOVENS AND PULP

Our wet wipes and nursing pads play a significant role in the daily lives of many people. The majority of our purchasing volume consists of nonwoven fabrics and pulp, which are required for the production of wet wipes and nursing pads. Traceability as well as ecological and social aspects of these primary materials are becoming increasingly important to consumers. With our products, we aim to promote sustainable forest management and preserve biodiversity within our supply chains.



The majority of the nonwoven fabrics we use are made from bio-based fibers such as viscose or lyocell, while the pulp for the nursing pads is exclusively of natural origin. Additionally, we also use plastic-based nonwoven fabrics or blends, whose selection significantly determines the properties and characteristics of the wet wipes and is often made by our customers. Bio-based fibers such

as viscose and lyocell are always FSC- or PEFC-certified, thereby reducing the ecological footprint of our products.

76.7%
of nonwoven fabrics
and pulp are bio-based
and certified according
to FSC or PEFC

To ensure that no ecosystems are destroyed in the production of our bio-based nonwovens, we collaborate with our customers to promote deforestation- and conversion-free supply chains by increasingly using FSC- or PEFC-certified nonwoven fabrics and, if possible, increasing their share. In the reporting year, 76.7% of the nonwoven fabrics and pulps purchased were sustainably certified (2023: 53.6%; 2022: 54.3%).

Our R&D, in collaboration with suppliers and customers, tests alternative sustainable materials such as pure natural fibers or recycled plastic fibers for various applications.

	Unit	2022	2023	2024
Total amount of certified nonwoven fabrics / pulp	m²	185 023 869	191 195 051	285 680 184
Of which FSC	m ²	42 533 901	39 075 125	43 026 366
	%	23.0	20.4	15.1
Of which PEFC	m ²	142 489 968	152 119 926	242 653 818
	%	77.0	79.6	84.9

DISPOSAL OF WET WIPES AND NURSING PADS AFTER USE

The end of the life cycle and the disposal of wet wipes are crucial aspects of the development of these products. As a manufacturer, we take responsibility for ensuring the optimal disposal of our products after use. We always present our customers with environmentally friendly product alternatives that support the circular economy.

Our products are designed to be as eco-friendly as possible, and we provide consumers with targeted information on proper use and disposal. Our packaging includes clear instructions for optimal disposal: Nursing pads and wet wipes should be disposed of in household waste, as they are labeled as „not flushable“ to prevent issues in sewage treatment plants and plumbing systems. In contrast, moist toilet paper is marked as „flushable“ and can be safely disposed of via the toilet.

Since mid-2021, the Implementing Regulation (EU) 2020/2151 has mandated labeling for single-use plastic products under the Single-Use Plastics Directive (SUP Directive). This requirement also applies to wet wipes containing fibers made from non-natural polymers or chemically modified natural polymers, such as polyester or viscose. Wet wipes made from purely natural or unmodified polymers like lyocell are exempt from this regulation. The labeling requirement aims to provide consumers with transparent information about product composition, reduce the use of single-use plastics, minimize environmental impact, and strengthen the circular economy.



We are continuously working to increase the share of natural and biodegradable fibers from certified sources in our wet wipes to enhance their recyclability. In the 2024 financial year, 34.0% of our wet wipes (2023: 32.2%; 2022: 34.0%) were made from biodegradable polymers. Our moist toilet paper has been 100% biodegradable since 2020, contains no synthetic fibers, and can be safely flushed down the toilet.

	Unit	2022	2023	2024
Wet wipes biodegradable	%	34.0	32.2	34.0
Wet wipes non-biodegradable	%	66.0	67.8	66.0

PACKAGING

The production of packaging requires natural resources and has an impact on the environment. Therefore, we rely on well-thought-out, innovative design and considerable development efforts to minimize negative effects. Our goal is to prevent waste, reduce environmental pollution, and reintegrate recycled plastics of the highest quality into the circular economy.

64.2%
of composite films
for wet wipe
packaging contain
recycled materials

PROMOTING THE CIRCULAR ECONOMY

Our product development team is actively working on environmentally friendly and resource-efficient packaging solutions to minimize our ecological footprint. We use a wide range of packaging components, each carefully selected and evaluated for quality and sustainability to best suit the respective product. Our aim is to continuously increase the use of recycled and recyclable materials while introducing innovative alternatives to conventional packaging.

When developing new products, avoiding unnecessary secondary packaging is our top priority. We optimize material cycles by increasingly using recycled materials (post-industrial recycling and post-consumer recycling) and reducing overall material consumption. Additionally, we collaborate closely with our partners and suppliers to further develop sustainable packaging strategies, actively contributing to environmental protection and resource conservation.

	Unit	2022	2023	2024
Total amount of composite film without recycled material	%	33.8	38.0	35.8
Total amount of composite film with recycled material	%	66.2	62.0	64.2



The plastic-based product packaging consists, on one hand, of composite film and, on the other hand, of components such as bags (e.g., refill bags, carrier bags, bags for nursing pads), wet wipe dispenser boxes, removal caps, cans/jars, bottles, refastenable lids, pumps, tubes, tube trays, reclosure labels, carrying handles for multipacks, and suction cups. For these various packaging components, the transition to alternatives containing recycled materials is more challenging, but we are committed to continuously increasing this share.

In the 2024 financial year, 3.2% (2023: 2.1%; 2022: 2.0%) of the total amount of plastic packaging contained post-consumer recycled (PCR) materials. Our composite films used for wet wipes and moist toilet paper already contained 64.2% recycled material (2023: 62.0%; 2022: 66.2%) in the past financial year.

	Unit	2022	2023	2024
Total amount of plastic packaging without recycled material	%	99.0	97.9	96.8
Total amount of plastic packaging with recycled material	%	1.0	2.1	3.2



RECYCLABILITY OF PLASTIC-BASED PRODUCT PACKAGING

At Nölken, we place great importance on reducing packaging and making it recyclable. Therefore, we primarily use recyclable composite films for new products and relaunches. In 2024, 98.4% of the composite films used were mostly recyclable (2023: 98.8%; 2022: 98.7%). A small portion consists of PET/PE, which, due to stricter product specifications, is currently not mechanically recyclable. Together with our business partners, we are working intensively to transition these materials to fully recyclable alternatives.

All of our liquid cosmetics are packaged in recyclable product packaging. In 2024, 97.0% of the plastic packaging used was fully recyclable (2023: 97.0%; 2022: 97.0%). Our goal is to make the remaining quantities recyclable as well, and we are working closely with our suppliers on this.

We are increasingly using mono-materials for carrying handles on multi-packs of wet wipes to optimize their recyclability. However, at our customers' requests, we continue to offer carrying handles with paper inserts. Additionally, we are reducing the use of shrink films to further lower material consumption and minimize environmental impact, and currently, we only have one product still using shrink film.

RECYCLABILITY AND ENVIRONMENTAL FRIENDLINESS OF PAPER AND CARTON PACKAGING

Sustainable packaging solutions play a central role in our corporate strategy. Our products are packed for shipping in additional cardboard packaging, while the nursing pads are provided in high-quality presentation boxes/folding cartons and then shipped in additional cardboard packaging. All paper and cardboard packaging used as primary, secondary, or tertiary packaging primarily consists of recycled material. Wherever possible, we also use FSC- or PEFC-certified folding cartons to support sustainable forestry and responsibly manage raw material usage.

The recyclability of our paper and cardboard packaging is of the highest priority. In 2024, 98.0% of the primary and secondary paper and cardboard packaging was recyclable—a figure that was achieved already in both 2023 and 2022. The small remaining portion consists of coated cardboard packaging, which cannot be fully recycled for technical reasons. However, our product development is continuously working to make even these packaging solutions more sustainable. Alternative, environmentally friendly coatings and innovative materials are being researched and tested.

In addition to material selection, we focus on the resource-efficient design of our packaging. By optimizing designs and reducing material thicknesses, we lower material consumption without compromising the protective function of the packaging. We also use climate-friendly printing methods with water-based or mineral oil-free inks to further minimize our ecological footprint.

Furthermore, we raise awareness among our customers about the environmentally responsible disposal of our packaging. Clear labeling on our products informs consumers about how to properly recycle the materials. In this way, we actively contribute to ensuring that valuable raw materials are reintroduced into the recycling loop and reduce environmental impact from packaging waste.

	Unit	2022	2023	2024
Total quantity of paper and cardboard packaging	pcs.	16 557 221	18 127 615	21 214 095
Of which without recycle	pcs.	1 777 015	1 986 465	1 895 960
	%	10.7	11.0	8.9
Of which with recycle	pcs.	14 578 666	15 920 850	19 053 415
	%	88.1	87.8	89.8
Of which from FSC / PEFC material	pcs.	201 540	220 300	264 720
	%	1.2	1.2	1.2



EMPLOYEE RESPONSIBILITY

Our employees are the heart of our family business. Their satisfaction, professional development, and health are crucial to our success. That's why we place great value on a modern and respectful work environment. A potential challenge lies in the costs associated with employee turnover and the shortage of skilled workers in our rural locations, Windhagen and Nowogrodziec. At the same time, effective personnel management offers the opportunity to strengthen employee retention.

With a moderate unemployment rate of 5.1% in the Windhagen/Neustadt (Wied) region and 4.6% in Nowogrodziec, recruiting qualified staff in these areas presents a particular challenge. To attract talent on a long-term basis, we focus on attractive working conditions and a supportive company culture based on trust and motivation. Our goal is to continuously enhance employee satisfaction from targeted recruitment and structured onboarding to training opportunities and health promotion initiatives. These processes are managed and monitored through our Integrated Management System.

To measure employee satisfaction, we analyze key metrics such as turnover rate and average length of service. In 2024, our turnover rate was 11.27% in Germany (2023: 11.5%; 2022: 14.94%) and 13.46% in Poland (2023: 19.44%; 2022: 13.46%). The turnover rate is calculated using the Schlüter formula, dividing employee departures by the initial workforce plus new hires. The average length of service at our German sites was 7.25 years (2023: 7.75), while in Poland, it was 9.0 years (2023: 8.5). Our aim is to maintain our length of service above the national averages of 11 years in Germany and 1.8 years in Poland. These two indicators provide insights into employee movements and help us identify potential areas for improvement early on. We strive to keep our turnover rate below the national averages.

GERMANY

	Unit	2022	2023	2024
Employees who have left the company	#	n.a.	n.a.	46
Employee turnover rate	%	14.94	11.5	11.27

POLAND

	Unit	2022	2023	2024
Employees who have left the company	#	14	21	14
Employee turnover rate	%	13.46	19.44	13.46

COMPENSATION

We also place great importance on fair and reliable compensation as well as appropriate working hours in accordance with national regulations. Compensation is based solely on the respective position and is granted independently of gender or other personal characteristics. All employees receive a salary above the statutory minimum wage of €12.82 gross per hour in Germany and 30.50 PLN (approximately €7.32) gross per hour in Poland. For administrative jobs, salary models consist of fixed and variable components. In addition to overarching company goals, individually defined goals derived from them positively influence compensation in cases of exceptional performance. To remain an attractive employer in the fu-

ture and further reduce the gender pay gap, we regularly review our compensation systems. Currently, sustainability goals are not integrated into the compensation system, and 0% of our employees are covered by collective agreements.

While there is no adjusted gender pay gap in the production sector due to a transparent, tiered wage group system, minor differences exist in administration due to factors such as age, length of service, and qualifications. Nevertheless, our unadjusted gender pay gap in Germany stands at 9.01%, significantly below the national average of 16%. At our Polish site, the gap is 17.09%, remaining below the national average of 18.5%.

In addition to remuneration, our employees profit from numerous additional benefits beyond their salary. These include further training and education at the company's own Nölken Academy, flexible working hours, 30 days' annual leave and a supplementary company pension scheme. We also offer various health measures such as flu vaccinations and provide financial security in the event

of illness, accidents at work, parental leave and retirement, and reward employees who take few sick days. With these measures, we ensure that our employees have a safe, supportive and motivating working environment that promotes their personal and professional development.

EMPLOYEE RIGHTS

As a company, we actively promote respectful and fair cooperation. Respect for human rights, including employee rights, is a fundamental pillar of our business activities. Across all our locations and throughout the entire value chain, we ensure safe, healthy, and protected working conditions for our employees throughout the production, manufacturing, and distribution processes.

Nölken is committed to the principles of the United Nations Global Compact and the core labor standards of the International Labour Organization (ILO). Our internal policies are aligned with internationally recognized standards and exceed the labor laws applicable in Germany and Poland. We explicitly oppose all forms of human trafficking, forced labor, child labor, or any other form of involuntary employment. Our internal regulations, as well as the selection and monitoring of our business partners, ensure compliance with these principles throughout the value chain. Temporary workers employed through staffing agencies also benefit from these rights and regulations, ensuring they receive the same protection as our permanent employees.

At our locations in Germany and Poland, we are committed to complying with national labor standards and strengthening the rights of all employees. In collaboration with management, we have developed binding internal and external codes of conduct, which are stated firmly in our employee handbook. Regular training sessions ensure that our employees are familiar with these guidelines. Although we have not yet conducted a specific risk analysis in the area of employee rights, we consider compliance with existing labor laws and high standards at all our production sites to be ensured. We currently see no risks arising from our business operations or products.

We fully uphold the right to freedom of association and recognize the right to collective bargaining. An employee representative serves as the central point of contact, ensuring that employees' concerns are considered in management decision-making processes.

VALUES-BASED COMPANY CULTURE AND ACTIVE EMPLOYEE INVOLVEMENT

Our company culture is firmly rooted in shared core values and trust. Openness, respect, and trust shape our work environment and create a motivating atmosphere for our workforce. We place great emphasis on actively involving employees in decision-making processes and fostering appreciative communication in all meetings.



To maintain regular dialog with our employees, we use various internal communication channels, including bulletin boards, newsletters, the „Nölken inside“ app, surveys, internal events, and podcasts. These platforms facilitate transparent discussions on topics such as career development, occupational safety, equal opportunities, pension schemes, social commitment, and corporate responsibility.

Our corporate culture is designed to empower our workforce to help shape the future of work. Flat hierarchies and short decision-making processes encourage a high level of employee commitment beyond daily tasks. Through our ideas management system colleagues can contribute suggestions for improving the company. Successful projects are rewarded with bonuses amounting to 10% of the financial savings generated. Even ideas that are not implemented receive recognition, for example, in the form of vouchers as a token of appreciation. In the reporting year 2024, seven ideas were submitted, of which three were implemented (2023: two submitted, none implemented).

DIVERSITY AND INCLUSION

We actively support diversity and inclusion and are committed to creating a working environment that ensures equal opportunities for all employees. The promotion of diversity, support of integration and gender equality, as well as protection against discrimination are essential components of our ethical corporate principles. Colleagues from 25 different nations work at our sites, and we attach great importance to respectful cooperation regardless of age, gender, nationality, religion or cultural background.

Our double materiality analysis did not identify any specific risks in the area of diversity and inclusion. We are currently pursuing qualitative goals, in particular the equality of women, the promotion of a diverse workforce and the integration of people with disabilities. To break down language barriers, we offer our international employees German courses and also support them in finding accommodation if necessary.

Our [ethical guidelines for employees](#) (↗) include clear commitments to inclusion and targeted measures for particularly vulnerable groups in our workforce. Discrimination is prevented, mitigated and consistently punished through specific procedures. At the same time, we are actively committed to greater diversity and equal opportunities.

An important part of our integration strategy is the equal participation of people with health impairments. We create an environment that offers them the same development opportunities as all other employees. In 2025, we want to take the topic of inclusion another step forward.

In recent years in particular, we have specifically promoted, motivated and supported women in management positions at levels below management in their professional development. This enabled us to achieve a proportion

GERMANY

	Unit	2022	2023	2024
Employees with disabilities	#	15	14	14
	%	4.2	3.7	3.5
women	#	3	3	5
women (in relation to total)	%	0.8	0.8	1.2
men	#	12	11	9
men (in relation to total)	%	3.4	2.9	2.2

POLAND

	Unit	2022	2023	2024
Employees with disabilities	#	1	1	1
	%	1.1	1.2	1.2
women	#	1	1	1
women (in relation to total)	%	1.1	1.2	1.2
men	#	0	0	0
men (in relation to total)	%	0.0	0.0	0.0

GERMANY

	Unit	2022	2023	2024
Management / department heads / team leaders	#	23	26	27
women	#	8	9	9
women	%*	34.8	34.6	33.3
men	#	15	17	18
men	%*	65.2	65.4	66.7
Employees	#	331	348	373
women	#	120	123	130
men	#	211	225	243
Apprentices / interns / students	#	7	5	8
women	#	3	4	5
men	#	4	1	3
Total	#	361	379	408
Total women	#	131	136	144
Total men	#	230	243	264

*The gender diversity of management/ department heads / team leaders is calculated as the average female to male ratio

POLAND

	Unit	2022	2023	2024
Management / department heads / team leaders	#	10	10	9
women	#	5	5	5
women	%*	50.0	50.0	55.6
men	#	5	5	4
men	%*	50.0	50.0	44.4
Employees	#	80	77	81
women	#	33	28	29
men	#	47	49	52
Apprentices / interns / students	#	0	0	0
women	#	0	0	0
men	#	0	0	0
Total	#	90	87	90
Total women	#	38	33	34
Total men	#	52	54	56

*The gender diversity of management/ department heads / team leaders is calculated as the average female to male ratio

of 40.9% women in these positions in Germany in 2024 (2023: 42.8%). In Poland, the proportion rose to 57% (2023: 50%). With these measures, we are sending a clear signal for more equality and diversity in our company.



AGE

The analysis of the age structure at the German and Polish locations shows no changes and corresponds to the German and Polish corporate landscape: older employees over the age of 50 are represented above average, while employees under the age of 30 have been represented below average in recent reporting years. In order to meet

this challenge, we intend to create targeted offers for older employees, but also make our company more attractive to the younger generation. We do this, for example, through excursions, events, projects and further training for our apprentices.

GERMANY

	Unit	2022	2023	2024
Below 30 years	#	66	67	61
	%	18.3	17.7	15.0
30 - 50 years	#	183	195	216
	%	50.7	51.5	52.9
Over 50 years	#	112	117	131
	%	31.0	30.9	32.1

POLAND

	Unit	2022	2023	2024
Below 30 years	#	18	19	18
	%	20.0	21.8	20.0
30 - 50 years	#	53	50	51
	%	58.9	57.5	56.7
Over 50 years	#	19	18	21
	%	21.1	20.7	23.3

TYPES OF EMPLOYMENT

At Nölken, we actively support our employees in finding the right balance between work and private life. We offer them the opportunity to flexibly adapt their professional development to their individual life situation and potential. During the COVID-19 pandemic, we worked with our teams to develop flexible workplace models, which we continue to maintain where feasible.

In order to meet the different needs of our workforce, we rely on family-friendly working models such as flexible working hours, part-time options and shift work. We also enable mobile working where possible, so that our employees can work regardless of time and place. In the 2024 financial year, our 123 administrative employees in Germany worked from home for an average of 47 days. Working from home is currently not feasible at the Polish site, because all jobs are related to production and necessitate the employees' presence on site.

GERMANY

	Unit	2022	2023	2024
Full-time employees	#	338	357	379
women	#	109	114	118
men	#	229	243	261
Part-time employees	#	23	22	29
women	#	22	22	26
men	#	1	0	3
Temporary workers* (ø quantity per day)	#	15.0	9.5	8.5
women	#	n.a.	5	5
men	#	n.a.	5	3.5

POLAND

	Unit	2022	2023	2024
Full-time employees	#	90	87	90
women	#	38	33	34
men	#	52	54	56
Part-time employees	#	0	0	0
women	#	0	0	0
men	#	0	0	0
Temporary workers* (ø quantity per day)	#	12.0	0	2.0
women	#	n.a.	n.a.	n.a.
men	#	n.a.	n.a.	n.a.

ANTI-DISCRIMINATION

At Nölken, we stand firmly against all forms of discrimination and we do not tolerate injustice or harassment. The success of our employees is based on their talent and performance, not on their origin or personal identity. We see it as a valuable opportunity to include all employees without prejudice and to promote them according to their individual strengths. We respect the dignity, privacy and personal rights of every individual and work with people regardless of their ethnicity, culture, religion, age, disability, sexual identity, ideology or gender.

Discrimination in working life can occur when people are disadvantaged or treated unequally on the basis of characteristics that are not related to their qualifications or job requirements. In principle, discrimination can occur in various work-related areas, including access to employment, certain fields of work, further training and social security. It can also relate to working conditions, such as recruitment, pay, working hours and rest periods, paid leave, maternity leave, job security, task allocation, performance evaluation, promotion opportunities, training opportunities, career development, health and safety or dismissal. Nölken explicitly includes these aspects in its guidelines and measures in order to prevent discrimination and ensure equal opportunities. In our human resources management, we comply with the General Equal Treatment Act in Germany and the corresponding anti-discrimination laws and regulations in Poland. Our binding [Ethics-guideline for employees \(↗\)](#) is the code of conduct for working together at Nölken. It defines the basic values for our cooperation. In addition, the handbook is available to every employee at Nölken or is given to them when they are newly hired. In it, we ex-

PLICITLY address our anti-discrimination position, measures and the complaints procedure.

Nölken has developed a clear process for dealing with possible violations quickly and transparently. If employees feel that they or a colleague are being harassed or treated unfairly, we encourage them to contact their line manager, a person of trust or the HR department. All employees who wish to make a complaint based on applicable national/international laws can submit their concerns to an independent third party via our external [Whistleblower system \(↗\)](#). It is also possible to submit a complaint anonymously directly to the HR department via the internal complaints management system. We take every complaint extremely seriously and take all appropriate measures to resolve the situation, including disciplinary measures. In the 2024 financial year, there were 12 internal complaints, of which 100% were resolved. There were no serious human rights violations or incidents relating to our own workforce.

GERMANY AND POLAND

	Unit	2022	2023	2024
Internal complaints	#	11	0	12
women	#	6	0	4
men	#	5	0	6
anonymous	#	0	0	2
Of which tracked in action plans	#	0	0	12
Of which resolved	#	11	0	12
Of which discrimination incidents, including harassment	#	1	0	0
Number of remaining complaints	#	0	0	0
Number of serious human rights violations and incidents related to the workforce (incl. violations of UN Guiding Principles, OECD Guidelines)	#	0	0	0
Total amount of fines, penalties and compensation payments for violations of social and human rights factors	EUR	0	0	0

QUALIFICATION

The success of Nölken is based on the commitment and expertise of our employees. In order to remain a competitive and innovative company in the long term, we continuously invest in their further training and actively promote young talents. The diversity of knowledge and skills within our team forms the foundation of our innovation power and competitiveness. Therefore, we focus on continuous learning, targeted development, and a working environment that creates room for personal growth. Since we have not identified any qualification gaps, we continue to rely on our proven development strategies.

Technological advancements and digitalization are rapidly changing the world of work and require our employees to be highly flexible and continually willing to learn. To prepare them optimally, we offer tailored training programs. Since the end of 2023, we have been providing mandatory training on hygiene as well as health and safety via our digital training tool, which is also accessible to external companies and visitors. A mandatory annual waste management training for all employees is planned for 2025. In addition, all employees receive training on fire protection, hygiene, as well as health and safety, while data protection training is mandatory for employees working at computer stations.

Regardless of their life stage, our employees have the opportunity to continuously develop. The Nölken Academy regularly evaluates all training measures to optimize the range of offers based on participant feedback. Nölken covers the full or partial costs of these training programs, and for more extensive training, time off may be granted.

In 2024, we conducted a total of 996 training hours for 42 employees in Germany, and in Poland 178 hours for 18 participants. This resulted in an average training duration of 23.71 hours per participant in Germany and 9.89 hours in Poland. Through our training programs, we also aim to ensure that all employees acquire the knowledge and skills necessary to promote sustainable development. Our goal is to sensitize half of our workforce to sustainability topics every year. In fiscal year 2024, 1.9% of the workforce received sustainability training (2023: 2.6%).

Since 1985, Nölken has supported young talent as a training company certified by the Chamber of Industry and Commerce (IHK). Internships offer insights with a prospect of permanent employment. Apprentices are trained in their professional fields, integrated into the workforce, and

involved in sustainability projects for example, in 2024, as IHK Energy Scouts identifying energy-saving potential. This led to savings in the use of compressed air. Starting in the new training year 2025/26, training in the sustainability department will again be part of the training program for office clerks.



We offer apprenticeships in various professions, including chemical technicians, warehouse logistics specialists, industrial clerks, digital and print media designers, and IT specialists for system integration. Last year, we successfully filled two apprenticeship positions. In addition, we support employees who wish to pursue part-time or dual-sector education both financially and organizationally to help them successfully complete their degree.

OCCUPATIONAL SAFETY

The health and well-being of our employees is our top priority. Our primary goal is to completely avoid health risks. If health risks do occur, they are systematically recorded, assessed and reduced to a minimum. Particularly in light of the COVID-19 pandemic and an ageing workforce, protecting health and occupational safety have become even more important. We are therefore continuously working to prevent or at least minimize accidents at work and work-related illnesses. A key objective is to reduce the number of reportable accidents at work by 30% compared to the previous year.

We have implemented a comprehensive occupational safety management system at our production sites, which is fully integrated into our company-wide management system. The occupational safety officers are responsible for implementing preventive safety measures. In addition, the occupational safety committees, consisting of the management, the appointed occupational safety specialist, the company doctor and the employee representative, meet four times a year to develop and implement strategies to improve occupational safety.

Our measures to increase occupational health and safety are continuously being developed. These include risk analyses and preventive measures that are coordinated across departments. Workplaces and technical equipment are regularly checked for physical and mental stress, and any risks identified are eliminated immediately. In addition, all employees receive annual training on occupational health and safety as well as fire safety to raise awareness of safety-related issues. We use a digital training platform for the targeted transfer of knowledge to various employee groups, external service providers and visitors. From mid-2024, the system has been expanded to include short instructional films on various occupational safety topics. Production employees are also provided with personal pro-

TECTIVE equipment such as safety shoes, gloves and hearing protection.

For several years, we have been analyzing every reportable accident at work in detail and evaluating unusual incidents using the 5-M method. We also record near misses in order

-47.6%
reduction in reportable
accidents compared to
the previous year

to identify potential sources of danger at an early stage and discuss them with employees. To further optimize occupational health and safety, we rely on the "Sicher mit System" occupational health and safety management system, which provides managers with a structured assessment and a target/actual comparison. This allows targeted measures to be derived to improve safety standards.

To ensure long-term fitness for work, we conduct return-to-work interviews with employees who are returning to work after a long period of illness. In addition, we always consider the improvement of occupational safety when investing in buildings or machinery.

Our goal is to reduce the number of reportable accidents by 30% each year. In the reporting period, reportable accidents at work were reduced by 47.6% compared to the previous year. The accident rate was also reduced slightly at both sites. There were neither work-related fatalities nor recognized occupational illnesses. To improve the assess-

GERMANY AND POLAND

	Unit	2022	2023	2024
Percentage of own employees affected by the occupational health and safety management system	%	100	100	100
Total occupational accidents	#	70	70	64
women	#	11	11	13
men	#	59	59	51
Of which reportable	#	21	21	11
women	#	n.a.	n.a.	1
men	#	n.a.	n.a.	10
Occupational accidents (Total accidents / total number employees)	%	19.39	18.47	15.69
Days lost	days	621	893	245
Accident severity rate*	days	8.87	12.76	3.83
Fatalities due to work-related injuries and work-related illnesses	#	0	0	0

*To calculate the average severity of accidents (number of days lost), the total number of days lost from all accidents at work is divided by the number of accidents at work.

ment and comparability of our occupational health and safety management, we now also publish the total number of reportable accidents and the severity of accidents. This is calculated by dividing the total number of days lost from all accidents at work by the number of accidents at work

(Lost Time Injury (LTI)). In 2024, the accident severity rate was 3.8 days (2023: 12.8 days) and thus significantly below the national average of 16 days.

HEALTH PROTECTION

Our goal is to actively promote and strengthen the well-being and health of our employees in the long term while supporting their recovery in case of illness. To achieve this, we have implemented a holistic occupational health management system that includes preventive measures, occupational medical care, and individualized health promotion. A key component of this approach is our occupational health service, which offers regular preventive check-ups such as hearing and vision tests as well as flu vaccinations. Additionally, we continuously raise awareness of health risks through education and training.

Despite extensive preventive measures, our industry inherently carries the risk of occupational diseases caused by chemical or physical influences. To counteract these risks, we have established strict protective measures that ensure a safe working environment. In the reporting year, there were once again no reported occupational diseases, highlighting the effectiveness of our initiatives. Nevertheless, we closely monitor the sickness absence rate: In 2024, it was 8.06% at our German locations (2023: 9.0%), while the chemical industry's average is 6.3%. At our Polish location, the sickness absence rate in 2024 was 2.7% (2023: 2.8%, correction to sustainability report 2023), which is below the national average of 2.8%.

To further improve employee health and reduce sick leave, we increasingly focus on prevention. In 2024, we implemented targeted measures to curb respiratory illnesses, including regular hygiene training, mandatory online briefings, risk assessments, and the provision of free face masks and disinfectants. In addition to emails and the intranet, we have been using the Nölken Inside app since early 2024 to communicate health topics and raise awareness of preventive measures.

Furthermore, we offer a wide range of health and wellness programs, such as massages advised by an occupational physician, discounted gym memberships, health days, and sports activities like running clubs, badminton, free participation in city and marathon races, and (e-)bike leasing. These initiatives not only enhance physical fitness but also foster team spirit and employee motivation.

Our efforts have proven effective: In Germany, a total of 114 employees (27.9% of the workforce) participated in our health programs in 2024, a significant increase compared to 2023 (55 participants). While no such programs have been implemented in Poland yet, we are currently exploring future possibilities for introducing health initiatives at this location.

Through our comprehensive occupational health management system, we aim not only to enhance the well-being of our employees but also to create a long-term healthy and motivated work environment. Our goal is to engage the entire workforce in our health initiatives and encourage participation.





05 ENVIRONMENT

OUR CORPORATE APPROACH TO ENVIRONMENTAL PROTECTION

In times of increasing ecological challenges, we see it as our responsibility to take measures beyond legal requirements to ensure the protection of the environment. We focus on proactive approaches to analyze and minimize the global impacts of our business activities. Our focus is on innovative solutions that support both sustainable environmental practices and our long-term business success. Our goal is to keep site-specific environmental impacts as low as possible and actively contribute to climate protection to secure the quality of life for future generations.

At our production sites in Windhagen, Neustadt/Wied, and Nowogrodziec, we operate six modern production facilities that meet the highest environmental, safety, and hygiene standards. Here, we responsibly produce high-quality wet wipes, nursing pads, and liquid and semi-solid cosmetic products that are safe for health. In all areas of our business, we consistently focus on the sustainable use of natural resources and environmentally friendly, low-emission manufacturing processes.

A central component of our environmental strategy is the reduction of CO₂ emissions. We achieve this through efficient use of raw materials and energy, increased use of renewable energies, and their self-production. Optimizing our logistics processes also plays a crucial role: as an interface between suppliers and customers, we place great emphasis on resource-efficient transport logistics—from global procurement to distribution. Our supply chain management focuses on efficiently managing goods flows and inventories to identify negative environmental impacts early and continuously improve processes.

Environmental and sustainability issues are firmly anchored in our corporate structure. Our certified environmental management system according to DIN EN ISO 14001:2015 ensures compliance with relevant norms, standards, and legal requirements in Germany and the EU. Clear management and organizational structures ensure that environmental and occupational health and safety measures are systematically implemented at all levels of our company.

An important step towards further improving our environmental performance is the ongoing digitalization of operational data, including production volumes, energy consumption, and raw material usage. The continuing project to systematically record machine and operational data, including production quantities and times, as well as

material and energy consumption, was initiated in 2023 for selected production lines. In 2024, these measures were gradually expanded to the wet wipe production sector to enable more comprehensive data collection and more precise analysis of production processes.

The involvement of our employees plays a key role in our environmental and energy management. In the reporting year, we offered targeted training on environmental issues and included relevant content, such as energy consumption, in our employee magazine. Our environmental officer regularly reports directly to the management to ensure that environmental and sustainability aspects are an integral part of our corporate strategy.

Our sites in Windhagen and Neustadt/Wied are audited annually by independent certification bodies according to DIN EN ISO 14001:2015. In 2024, we successfully completed recertification, confirming the effectiveness of our environmental measures. We regularly document the results and progress of our environmental activities in our sustainability report.

In the 2024 financial year, no violations of German or European environmental laws were found. Through our proactive risk management within the framework of the integrated management system, we continue to assess the risk to our business operations as low. We remain committed to our responsibility and consistently advocate for sustainable development and the protection of our environment.

CLIMATE CHANGE AND CLIMATE PROTECTION

Nölken, as a manufacturer of hygiene and personal care products, depends on a stable supply chain, sustainable raw material sourcing, and efficient production processes. Climate change poses various risks that could have potential impacts on us. It affects our operations through changing climatic conditions, which influence production processes, raw material availability, and supply chains. At the same time, we as a company contribute to climate change through our activities—a situation we aim to actively mitigate through consistent climate protection measures.

Physical risks include extreme weather events such as storms, heavy rainfall, and flooding, which could affect production facilities or logistics routes. Higher temperatures could make working conditions in production more challenging and increase the energy demand for cooling systems. A long-term rise in temperatures could also affect the availability of water resources. Transitional risks include regulatory risks such as carbon pricing and stricter environmental regulations, as well as an expanded reporting obligation for climate transparency. Potential market and reputational risks could also arise from a changing customer demand for climate-friendly products, the availability of natural raw materials, and sustainability requirements from stakeholders.

Our central goal is to make Nölken more resilient to the impacts of climate change while also actively contributing to climate protection. We are committed to consistently

minimizing or entirely avoiding the CO₂ emissions resulting from our operations. Currently, we measure, reduce, and offset our CO₂ emissions annually at the corporate level. However, in the long term, we aim for climate neutrality by 2045. To achieve this goal, we will implement a systematic and comprehensive climate management approach. An essential component of our climate strategy is also the decarbonization of our supply chain. Through targeted measures, we aim not only to reduce our direct emissions but also to minimize the carbon footprint across the entire value chain.

Our climate risk mitigation measures address both physical and transitional risks. To counter the impacts of physical risks, we focus on protective measures against rising temperatures by installing cooling systems in our production facilities. Additionally, we invest in energy-efficient production processes and the expansion of renewable energy sources.

Transitional risks are also integrated into our strategy. This includes the continuous development of sustainable product lines and the increased use of environmentally friendly raw materials to reduce the ecological footprint of our products. At the same time, we optimize our supply chain management by diversifying our suppliers to avoid bottlenecks and ensure the availability of raw materials. Furthermore, we rely on climate and environmental protection policies, certifications, support for the transition to a circular economy, and biodiversity protection to meet



both legal and market-specific requirements and consistently implement long-term reduction targets.

Climate change presents both challenges and opportunities for Nölken in terms of product innovation and corporate reputation. By strategically adapting to physical and transitional climate risks, we can secure our competitiveness and achieve long-term sustainability goals. Continuous monitoring and adjustment of our actions is essential to remain flexible in response to new developments.



By the end of 2025, we will have aligned our climate goals with the Science Based Targets initiative (SBTi) requirements to ensure they are scientifically grounded and in line with the 1.5°C goal. In doing so, we will make a direct contribution to the implementation of the European Green Deal and the goals of the Paris Agreement. Specifically, we are committed to reducing greenhouse gas emissions by 55% compared to 1990, in active support of the goal of climate neutrality in Europe by 2050.

MOBILITY

Another area where we can reduce CO₂ emissions is mobility, which includes our fleet, travel, and employee commuting. Our fleet includes electric and hybrid vehicles as well as gasoline and diesel cars, which our employees can use depending on their preference. In addition, a total of 11 charging stations are available for employees to charge both business and private vehicles. In Germany, we further promote climate-friendly mobility for our employees with leased bicycles (2024: 37 units; 2023: 31 units; 2022: 33 units). All forklifts have been electrically operated since 2023. Furthermore, we will conduct a survey of employees regarding commuting and work travel to both improve our CO₂ data quality and explore potential alternative commuting options. The fuel consumption of our entire fleet (Germany and Poland) is shown in the energy table on page 44. To raise awareness among our employees about sustainable travel options, our new mobility policy came into effect in January 2025.

CARBON FOOTPRINT

As part of our mission to organize our production in a climate-friendly way and to create low-CO₂ production sites, we at Nölken are pursuing the goal of comprehensively modernizing our infrastructure and production processes by 2030. With this conversion, we not only want to increase our resource efficiency, but also significantly reduce our CO₂ emissions and greenhouse gas intensity. We are paving the way to this goal by increasing the use of clean, environmentally friendly technologies and sustainable industrial processes.

The basis for all measures as part of our climate protection management is the systematic CO₂ accounting of our company along Scopes 1 to 3 in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). Our Corporate Carbon Footprint (CCF) provides the necessary transparency. All greenhouse gases relevant under the Kyoto Protocol were taken into account when calculating the CCF: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC/HFC), perfluorocarbons (HFC/PFC), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

In the past, our focus was on recording Scope 1 and Scope 2 emissions at the German and Polish sites, as these are directly subject to our influence and are comparatively easy to quantify. In the 2024 financial year, we took a decisive step forward with the help of our own accounting software: We recorded all Scope 3 emissions, including purchased materials, transportation. In some cases, we still had to rely on conservative and average CO₂ emission values because we did not have any detailed data available. However, we will press ahead with improving and expanding the data situation over the course of the next financial year. The operational control approach of the GHG (Greenhouse Gas) Protocol was chosen for the survey. This is a method for recording and reporting greenhouse gas (GHG) emissions in a company. This approach focuses on emissions that are caused directly by the company's operational activities and processes and

which it can influence directly.

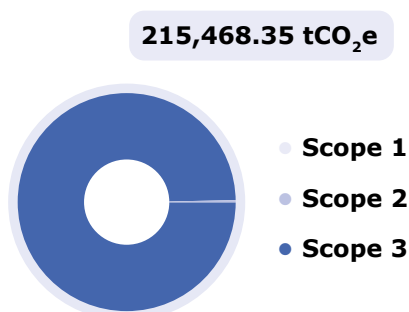
The carbon footprint of our corporate activities for 2024 amounts to a total of 215,468.35 tons of CO₂e across all locations.

- **Scope 1** emissions are primarily caused by heat generation.
- **Scope 2** emissions are due to purchased energy, in particular the electricity supply chain.
- **Scope 3** emissions result primarily from purchased transportation and logistics as well as the purchased materials for our products, especially nonwovens. The high quality of the transportation data recorded is particularly noteworthy: Each individual journey was precisely documented and offset against the exact weight of the transported goods. This enabled emissions in this area to be recorded in a particularly reliable and detailed manner.

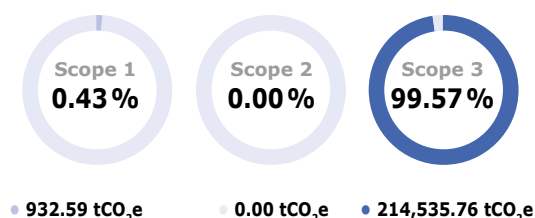
Our greenhouse gas intensity (GHG intensity) for 2024 was 0.0016518%. This key figure shows the ratio of our emissions to total operational value creation - an important indicator of our efficiency and progress in climate protection. The calculation was carried out based on the market based method as we use certified and traceable green power.

With our comprehensive carbon footprint, we create the necessary data basis to plan and implement targeted reduction measures and make their effectiveness measurable. We are convinced that we can only live up to our responsibility for climate protection through consistent transparency and continuous improvement.

Footprint of the company



Scopes



ENERGY

We aim to drive the energy transition and achieve clean electricity for production and mobility at our production sites. In times of economic uncertainty, we place particular emphasis on reducing energy consumption and increasing the share of self-generated renewable energy. Our goal is to increase production without increasing energy consumption. By integrating our Energy Management System (EMS) into our Integrated Management System (IMS), we focus on recording accurate consumption values and implementing targeted measures to reduce energy consumption.

An internal working group is developing solutions to increase energy efficiency and measures to lower energy consumption, in order to meet future requirements of an Energy Management System according to ISO 50001. When purchasing new machinery, we prefer models with low consumption. To reduce electricity and gas consumption, we are gradually transitioning all buildings to intelligent lighting and smart heating control. The ongoing project for capturing machine and operational data (production quantities/times,

material/energy consumption) was launched in 2023 for the first production lines and was gradually implemented in the wet wipe production area in 2024. This increased transparency enables us to better analyze and optimize our resource use.

-11.9%
reduction in energy
intensity compared to
the previous year

For building heating, we use the waste heat from two compressors with integrated heat recovery. Additionally, we conducted an energy analysis of a building in the past business year, created a renovation plan, and renovated the roof of our central warehouse, also insulating it according to

the recommendations from the energy audit. In our mixing plants, we use natural gas that has already been offset by environmental protection projects.

Since 2018, we have been using certified green electricity from wind, solar, and biomass energy at our Windhagen and Neustadt/Wied sites, and since 2021 from wind, hydro, and solar power at the Nowogrodziec site. This measure is already contributes to the reduction of emissions in the

upstream electricity supply chain. In the business year 2024, we were able to source 60.86% of our total energy consumption from renewable sources in Germany (2023: 57.03%; 2022: 58.26%). In Poland, this figure was 54.86% (2023: 57.25%; 2022: 60.02%). Our goal is to source 100% of our total energy consumption from renewable energy sources.

To increase our independence from electricity market prices, we use multiple PV systems at our sites in Germany and, since 2023, also in Nowogrodzic, which generate a total of 472.8 MWh. We aim to meet 10% of the annual energy demand at our production sites with self-produced energy. Previously, we operated two efficient combined heat



and power plants (CHP) with natural gas at the Windhagen site. For economic reasons, both were taken out of service in 2022 and 2024, respectively. Our electrically-powered steam generators for emergency operation are powered by green electricity or self-generated PV electricity, providing an environmentally friendly alternative for emergency production operations.

Starting with fiscal year 2024, the total energy consumption calculation includes the fuel consumption of our vehicle fleet. Therefore, there are differences compared to the sustainability reports of previous years.

GERMANY

	Unit	2022	2023	2024
Total energy consumption across all sources	MWh	6 081.96	6 250.81	5 928.47
Total energy consumption from non-renewable sources	MWh	2 538.53	2 686.00	2 320.36
Of which nuclear	MWh			
Of which coal	MWh			
Of which fuel for vehicle fleet	MWh	457.00	540.00	465.86
Of which natural gas	MWh	2 081.53	2 146.00	1 854.50
Of which other non-renewable sources	MWh			
Of which electricity, heat, steam, and cooling	MWh	0.00	0.00	0.00
Total energy consumption from renewable sources	MWh	3 543.43	3 564.81	3 608.11
Renewable sources, including biomass (including industrial and municipal waste of biological origin), biofuels, biogas, and hydrogen from renewable sources	MWh	0.00	0.00	0.00
Electricity, heat, steam, and cooling from renewable sources	MWh	3 299.39	3 239.41	3 450.10
Self-generated renewable energy, other than fuels	MWh	244.04	325.40	158.01
Percentage of consumption from self-generated electricity	%	8.04	8.32	3.65

POLAND

	Unit	2022	2023	2024
Total energy consumption across all sources	MWh	1 062.22	1 130.64	1 217.92
Total energy consumption from non-renewable sources	MWh	436.15	494.14	559.17
Of which nuclear	MWh			
Of which coal	MWh			
Of which fuel for vehicle fleet	MWh	18.8	18.8	16.7
Of which natural gas	MWh			
Of which other non-renewable sources	MWh	417.35	475.34	542.47
Of which electricity, heat, steam, and cooling	MWh	0.00	0.00	0.00
Total energy consumption from renewable sources	MWh	626.07	636.50	658.75
Renewable sources, including biomass (including industrial and municipal waste of biological origin), biofuels, biogas, and hydrogen from renewable sources	MWh	0	0	0
Electricity, heat, steam, and cooling from renewable sources	MWh	626.07	617.10	611.75
Self-generated renewable energy, other than fuels	MWh	0	19.40	47.00
Percentage of consumption from self-generated electricity	%	0.00	1.74	3.91

GERMANY AND POLAND

	Unit	2022	2023	2024
Energy intensity of entire company*	MWh/€	0.000067	0.000061	0.000055

* Total Energy Consumption in Germany and Poland (MWh) per Net Revenue

WASTE

In our production facilities, various types of waste are generated. Through professional and forward-thinking management, we are able to reduce waste generation and make a valuable contribution to environmental protection. Our primary goal is to avoid waste whenever possible. Where this is not achievable, we focus on continuously increasing the recycling rate. Technically feasible and economically viable solutions such as reuse, recycling, or proper disposal are our top priorities. Our principles are: avoid, reuse, recycle, recover, and dispose.

As part of our environmental management system, we assess environmental aspects such as waste generation in individual process steps. To minimize environmental impacts not only within our company but throughout the entire value chain, we take waste prevention measures already in the supply chain. These include optimizing material use and packaging, as well as collaborating with suppliers to develop sustainable solutions, such as reprocessing nonwoven waste into recycling materials for nonwoven production. Even downstream, i.e. at the consumer end, we explore possibilities for returning materials to the recycling loop to ensure sustainable resource usage.

72.0%
recycling rate
of waste

In light of rising disposal costs and increasing regulatory requirements, we are continuously working to optimize our waste management. A central element of our waste management strategy is the targeted and precise separation of different waste fractions. This ensures that materials are sorted into the correct waste stream and are optimally recycled. We follow the waste hierarchy, which prioritizes waste prevention, followed by reuse, recycling, and as a last resort disposal. Our goal is to continuously increase the recycling rate and further reduce thermal treatment.

A concrete example of this is the recycling of waste carrier paper from label rolls, which has been integrated into the recycling loop since 2021. The quantities recycled have steadily increased (2024:

65.0 tons; 2023: 64.8 tons; 2022: 63.9 tons), which reduces both CO₂ emissions and disposal costs. Additionally, PET strapping bands are shredded and returned to the material cycle through the disposal company. Process water, which has been directed to the municipal wastewater treatment plant since 2021, is also accounted for as a recycling component.

GERMANY

	Unit	CLASSIFICATION OF MAIN WASTE TYPE	DISPOSAL METHOD	2022	2023	2024
Glass waste	t	non-hazardous	Average disposal	0.0	0.7	0.9
Mixed scrap	t	non-hazardous	Average disposal	3.7	24.2	6.6
Electronic waste, fluorescent tubes, spray cans, oil-stained items	t	hazardous	Recycling	0.2	0.2	0.6
Nonwoven waste	t	non-hazardous	Incineration	883.9	1 115.0	933.5
Plastic films, plastic parts, PP twin-wall sheets, carrier tapes	t	non-hazardous	Recycling	168.3	174.0	169.8
Rinse water	t	non-hazardous	Recycling	2 531.3	2 491.3	2 729.0
Wood	t	non-hazardous	Average disposal	5.4	2.7	3.5
Cardboard, paper cores	t	non-hazardous	Recycling	318.4	322.1	325.3
Recyclable waste mix	t	non-hazardous	Incineration	87.6	83.2	77.8
Retention samples / complaints	t	non-hazardous	Incineration	1.9	193.1	49.5
Metal and plastic packaging	t	hazardous	Recycling	6.7	5.7	5.1
Hazardous cosmetic waste	t	hazardous	Incineration	81.2	102.1	87.1
Non-hazardous cosmetic waste	t	non-hazardous	Incineration	41.7	30.0	34.2
Total	t			4 130.4	4 544.4	4 422.9
Of which recycled: recycling; reuse	t			3 025.0	3 017.5	3 184.4
	%			73.1	66.3	72.0
Of which not recycled: incineration; landfilling	t			1 101.8	1 532.8	1 003.3
	%			26.8	33.7	22.7

POLAND

	Unit	CLASSIFICATION OF MAIN WASTE TYPE	DISPOSAL METHOD	2022	2023	2024
Glass waste	t	non-hazardous	Average disposal	0.0	0.0	0.0
Mixed scrap	t	non-hazardous	Average disposal	0.0	0.0	0.0
Electronic waste, fluorescent tubes, spray cans, oil-stained items	t	hazardous	Recycling	0.0	0.0	0.3
Nonwoven waste	t	non-hazardous	Incineration	452.2	569.5	547.2
Plastic films, plastic parts, PP twin-wall sheets, carrier tapes	t	non-hazardous	Recycling	19.0	18.2	25.8
Rinse water	t	non-hazardous		216.0	0.0	143.3
Wood	t	non-hazardous	Average disposal	0.0	0.0	0.0
Cardboard, paper cores	t	non-hazardous	Recycling	48.6	10.8	10.6
Recyclable waste mix	t	non-hazardous	Incineration	20.7	8.8	14.7
Retention samples / complaints	t	non-hazardous	Incineration	0.0	0.0	0.0
Metal and plastic packaging	t	hazardous	Recycling	0.0	0.0	0.5
Hazardous cosmetic waste	t	hazardous	Incineration	0.0	0.0	33.4
Non-hazardous cosmetic waste	t	non-hazardous	Incineration	0.0	0.0	0.1
Total	t			756.5	607.3	775.9
Of which recycled: recycling; reuse	t			67.6	29.0	37.2
	%			8.9	4.8	4.8
Of which not recycled: incineration; landfilling	t			688.9	578.3	738.7
	%			91.1	95.2	95.2

Training our employees in waste management is an important part of our sustainability approach. Starting in the first quarter of 2025, a waste management training course will be conducted at least once a year for all employees (with access to a PC workstation). Additionally, short training sessions will be offered as needed.

Our efforts towards a circular economy are already showing success: In Germany, the recycling rate is 72.0%, while in Poland it remained the same as in the previous year at 4.8%. We owe this positive development to our dedicated waste management. The proper disposal of all waste is carried out exclusively by certified and audited service providers, whom we audit annually. Additionally, we regularly request proof of certification such as the waste disposal company certificate, as well as the trans-

port and discharge permits. To ensure traceability, we reconcile weigh bills with delivery notes and invoices.

Our waste reduction and optimization efforts are part of our long-term sustainability strategy. Our goal to improve waste management is directly related to reducing, reusing, and recycling materials along the entire value chain. This goal is in line with the waste hierarchy and supports our commitment to using resources efficiently and minimizing negative environmental impacts.

At our Polish location, we are intensifying our efforts to gain additional recycling partners and sustainably reduce waste. We are confident that we will make further progress in the next fiscal year and increase the proportion of recyclable materials.

BIODIVERSITY

The production of hygiene and cleaning products presents various risks to biodiversity. These concerns affect terrestrial, marine, and freshwater ecosystems, as some of the raw materials used are nature-based, such as palm (kernel) oil, chamomile extract, aloe vera, viscose, or lyocell.

Although we strive to minimize the impact of our operations on biodiversity, we are aware that both direct and indirect influences on ecosystems exist. Our goal is to minimize the loss of biological diversity and actively protect and promote biodiversity and species diversity. To this end, we engage in a range of measures for the conservation and restoration of biodiversity—both at our sites and within our supply chain. In order to better understand the impacts and risks of our operations, we will conduct a comprehensive biodiversity risk analysis in 2025 and actively engage in dialog with experts in the field.

Physical risks arise from the direct impact on the environment along the entire value chain. In the area of terrestrial biodiversity, land use changes due to palm oil or wood plantations/forests present a significant challenge. This leads not only to the loss of biodiversity but can also promote soil erosion and disrupt natural ecosystem services. Similarly, the widespread use of monocultures displaces natural plant and animal life, disrupts ecological balance, and increases dependence on chemical fertilizers and pesticides.

Freshwater ecosystems are primarily impacted by water consumption in our own production as well as in the upstream manufacturing in the supply chain. The production of pulp in the upstream supply chain requires large amounts of water, which can place significant strain on local water supplies, especially in water-scarce regions.

In addition to physical risks, there are also significant transition risks. These arise from regulatory requirements, economic changes, and societal expectations. Legislative initiatives such as the EU Deforestation Regulation (EUDR), the CSRD reporting obligation, or the European Supply Chain Directive increase the requirements for the sustainable procurement of raw materials, while new

water regulations may restrict the use of water resources. Additionally, consumer preferences are increasingly shifting in favor of environmentally friendly and biodegradable products.



To mitigate these risks, we are implementing targeted measures. One of our central strategies is the reduction of fresh water consumption through the implementation of water-efficient production processes and the pre-treatment of wastewater. Our facilities in Germany and Poland are neither located in protected areas nor in areas of particular importance for biodiversity (Key Biodiversity Areas, KBA), nor are they in their immediate vicinity. To support biodiversity, we have been cooperating with a beekeeper since 2022, who manages five beehives at our production site in Neustadt/Wied.

Furthermore, we are continuously developing sustainable product lines that focus on water-friendly and resource-efficient production, and we are committed to microplastic-free formulations. Additionally, we are reducing our ecological footprint on land by preferentially using FSC- or PEFC-certified wood fibers and promoting sustainable cultivation methods for raw materials such as palm (kernel) oil. We are committed to the [FONAP smallholder project](#) (↗), which supports Indonesian small-

holder farmers in the sustainable management of oil palm plantations. Through targeted training on environmentally friendly cultivation methods, such as the use of organic fertilizers to reduce pesticides, the project actively contributes to the preservation of biodiversity. As a member of FONAP, we work together with other stakeholders to promote sustainable palm (kernel) oil and its derivatives.

EMISSIONS

Nölken ensures compliance with all applicable environmental laws to avoid undesirable emissions into air, water, or soil. To continuously monitor and minimize environmental risks, we have implemented a comprehensive environmental management system that involves our environmental, dangerous goods, and hazardous materials management officers in all processes. Additionally, we rely on preventive measures to identify and avoid potential environmental impacts at an early stage.

During the reporting period, no violations of legal regulations or reportable environmental pollution or leaks were detected at any of our locations. However, in 2024, there were three minor leaks at our German production site (2023: 4; 2022: 2), where defective containers with

bulk goods had to be pumped out. Thanks to immediate countermeasures, no consequential damage occurred. At the Nowogrodziec site, there were no leaks.

This positive outcome is the result of our long-standing safety precautions in the production and storage of bulk goods. We have established effective containment systems to safely capture any escaping liquids in the event of a leak. Furthermore, we rely on regular maintenance and technical improvements to further optimize safety. All employees working in this area receive annual training on proper handling of leaks and are specifically instructed in preventive measures. Additionally, we analyze all incidents in detail to learn from them and further reduce future risks.

PAPER

Since 2014, we have consistently used environmentally friendly printer paper made from recycled fibers with the „Blue Angel“ environmental label at our locations in Germany and Poland, as well as letterhead paper with FSC or PEFC certification. As an active member of the „CEOs pro Recyclingpapier“ initiative, we publicly advocate for the increased use of recycled paper, thus making an important contribution to resource conservation and the circular economy.

As part of our sustainability strategy, we aim to continuously reduce our paper consumption. To further raise awareness among our employees, we actively communicate measures for paper reduction through our intranet. Additionally, we have implemented a printer monitoring system to systematically track the use of copy and letterhead paper and identify optimization potential.

Although letterhead paper constitutes only a small portion of the raw materials we use, we specifically

100%
recycled and/or
certified printer and
letterhead paper

focus on further reductions by increasingly shifting to digital processes. This includes the complete digital receipt and dispatch of order documents and invoices. Furthermore, we have already introduced paperless archiving and switched to digital vacation requests in the administrative area. Through these measures, we advance digitalization and actively contribute to minimizing paper consumption.

WATER

Water is an essential resource that is becoming increasingly scarce due to climate change and global population growth. At Nölken, we place great importance on protecting clean drinking water and ensuring efficient wastewater treatment. Our goal is to handle water responsibly and take measures to conserve this valuable resource beyond the legal requirements. Sustainable water management is therefore a central component of our environmental concept.

Our water strategy includes the following key areas:

- **Water management:** Our environmental management system considers all aspects of water management, from sourcing to consumption and disposal. Through monitoring with water meters at relevant consumption points, we capture our water usage and derive optimization measures from this data.
- **Water use and sourcing:** At our production sites, we source fresh water from public drinking water networks. We ensure that water is used efficiently.
- **Water treatment:** For the production of our wet wipes, we rely on state-of-the-art water treatment processes, including reverse osmosis and UV disinfection, to ensure the highest quality standards.
- **Prevention and reduction of water pollution:** Wastewater generated during the cleaning of our production facilities is collected separately and disposed of professionally. We regularly review our processes to minimize potential environmental impacts.
- **Reduction of water consumption:** Although our production sites are not located in water-stressed areas, we are proactively committed to reducing our water consumption. This is achieved through continuous optimization of our production processes and the promotion of efficient water use methods.

A key goal of our environmental strategy is the continuous reduction of water consumption and water intensity, measured by total water consumption per net sales revenue. In the reporting year 2024, the total freshwater consumption was slightly reduced compared to the previous year. Furthermore, we have seen a consistent reduction in water intensity over the past years, with a further saving of 7.69% compared to 2023. These positive developments confirm the effectiveness of our resource-saving measures and motivate us to continue optimizing our water usage in the future.

ures and motivate us to continue optimizing our water usage in the future.

We were able to reduce our wastewater volume by 17.57% compared to the previous year.

-7.69%
reduction of water
intensity compared to
the previous year

GERMANY AND POLAND

	Unit	2022	2023	2024
Water consumption in areas with significant water risk, including areas with high water stress	m ³	0	0	0
Total freshwater G	m ³	57 970	54 430	52 034
Total wastewater G	m ³	26 403	23 750	19 517
Total freshwater PL	m ³	7 759	8 587	9 960
Total wastewater PL	m ³	868	910	810
Total volume of stored water and percentage change	m³	0	0	0
Total recycled and reused water	m³	0	0	0
Total freshwater company-wide	m³	65 729	63 017	61 994
Total wastewater company-wide	m³	27 271	24 660	20 327
Water intensity* company-wide	m³	0.00062	0.00052	0.00048

* Total water consumption in own operations in m³/net sales revenue

06 USEFUL INFORMATION

ABOUT THIS REPORT

Since 2011, sustainability has been a central component of Nölken's corporate strategy. Our goal is to sustainably anchor topics such as future viability, resource-efficient production, and ecological and social commitment within the company and continuously develop them further.

The report is divided into five main chapters: 1) Strategy and Management, 2) Business Ethics, 3) Products, 4) People, and 5) Environment. These chapters describe the key sustainability challenges related to our business and Nölken's respective management approaches.

With our 14th Sustainability Report, we once again present our progress and highlight the economic, ecological, and social impacts of our activities. This report is addressed to all our stakeholders including customers, service providers, suppliers, non-governmental organizations, political institutions, authorities, academia, the media, the public, our neighbors, and employees.

The report covers the period from January to December 2024 and provides a comprehensive overview of our sustainability strategy, the goals set, and progress achieved. We inform about our measures for the sustainable design of our range of products, services, and value chain. All data presented is based on the status as of December 31, 2024.

Included are the activities of Nölken Hygiene Products GmbH and Noelken Sp. z o.o. at the locations in Windhagen, Neustadt/Wied, and Nowogrodziec are included. The reporting boundaries are largely aligned with our production sites. The editorial deadline was March 1, 2025.

The 2024 Sustainability Report follows the guidelines of the German Sustainability Code and the ten principles of the UN Global Compact. No external audit was conducted by an independent body.

The text passages relevant to the UNGC and DNK are marked in the following overviews.

The publication of the next comprehensive sustainability report is scheduled for the first half of 2026.

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Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	15 – 16
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