



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2025/2026



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Holland Colours' mission is to contribute to the development of a sustainable industry. This involves collaborating as co-design partners to create solutions that align with our clients' ESG objectives. Our ESG framework guides our approach to key Sustainable Development Goals (SDGs), helping us evaluate decisions related to products, processes and people. It also shapes the collective impact of every member of Holland Colours, from major strategic choices to everyday decisions, while supporting community outreach across our divisions in the US, Asia and Europe.

Sustainability at Holland Colours covers
Our Processes, Our Products and Our
People (3P)

On the technology side, our pigment encapsulation technology uses renewable resources where possible and puts us in a position to meet our clients' increasing sustainability demands. As they seek more sustainable solutions for their products, the need for renewable, recyclable or circular materials is growing. This is especially true for colorants and additives for packaging, but it also applies to building and construction materials and coatings, sealants and adhesives. Meeting sustainability and circular-economy requirements will be essential for our continued success.



Sustainability implementation

The sustainability reporting landscape has changed over the past year. Following the EU's Omnibus package, which raised the size thresholds for mandatory Corporate Sustainability Reporting Directive (CSRD) compliance, Holland Colours is no longer in scope. At the same time, new frameworks are emerging in other markets, including Indonesia's POJK 51/2017 and the global move toward ISSB (IFRS S1 and S2) standards.

We view this as a strategic opportunity rather than a reason to slow down. Rather than reducing our commitment, we have refined our strategy by developing a Resilient Strategic Matrix – VSME+. This comprises the Voluntary SME (VSME) standard with a more agile, business-led approach (“+”) that builds on the preparatory work we had completed under the European Sustainability Reporting Standards (ESRS).

Key milestones in the 2025/2026 financial year:

- **VSME+ Shift:** We adopted the Voluntary SME (VSME) standard as our core framework, with the supplementary “+”, representing a number of highly detailed metrics (GRI, ISSB and POJK 51/2017). We also used the EcoVadis sustainability rating platform to evaluate and translate our ESG performance into a credible rating. In 2025, Holland Colours NV completed its first comprehensive EcoVadis assessment, resulting in a Bronze Medal.
- **Pragmatic Governance:** We completed our first Double Materiality Assessment (DMA) based on the simplified ESRS. Through this, we can identify sustainability-related opportunities and risks to our 2035 roadmap, ensuring we continue to focus on material impact rather than administrative volume.



In accordance with the VSME standard, Holland Colours declares the following:

- **Selected Option:** Holland Colours has selected the VSME Basic Module and plans to extend to the Comprehensive Module in the future.
- **Implementation Status:** Holland Colours substantially complies with the VSME Basic Module and is applying selected elements of the Comprehensive Module on a phased basis, aligned with data readiness and relevance. Further enhancements will be reflected in future reporting periods.
- The ESG report is prepared on a consolidated basis. Its scope, period, and geographic coverage are the same as Holland Colours' financial report.
- Holland Colours confirms its exclusion from high-impact EU Reference Benchmarks: fossil fuels, chemicals as defined by Requirement 240 and energy intensity as defined by Article 12.1 and 12.2 of the Commission Delegated Regulation (EU) 2020/1818.
- Holland Colours operates under NACE 2012 (Manufacture of dyes and pigments), deriving no revenue from Division 20.2 of Annex I to Regulation (EC) No 1893/2006.

Sustainability governance

Sustainability is not a standalone topic at Holland Colours, but is anchored in our Value Creation Model (page 8), ensuring we manage our impacts with the same rigor as our financial performance. We put our VSME+ strategy into practice through strict oversight, open dialogue with stakeholders and a focus on the impacts that matter most to our business and stakeholders.

ESG GOVERNANCE STRUCTURE

Holland Colours' sustainability efforts are overseen by the Board of Management, which integrates ESG into our strategy and risk management. Implementation is led by our ESG program leaders.

In 2025/2026, we established a centralized ESG Committee consisting of the ESG Controller, ESG Program Leaders and the Head of Global Marketing to improve coordination across functions, enable periodic review and strengthen communication. We have reinforced the program structure by adding sustainability procurement and cybersecurity, and by merging People Excellence into a unified Sustainability People program.

This updated structure ensures all material topics are clearly owned and supported by consistent reporting and communication.



DOUBLE MATERIALITY ANALYSIS

Our ESG governance framework provides the structure to translate strategy into action. This begins with a Double Materiality Assessment (DMA) to identify where Holland Colours has the most significant impacts.

Although not required under VSME, this DMA was conducted with reference to ESRS to ensure a careful selection of material topics. The assessment evaluates Holland Colours' Impact Materiality (our effects on people and the planet) alongside Financial Materiality (ESG-related risks and opportunities affecting Holland Colours' value creation), to provide the transparency our shareholders expect.

We followed a four-stage DMA process to ensure completeness and inclusivity:



Our material topics are illustrated in the matrix below. The underlying assessment (IRO Table) is documented in the Appendix:

Topic	Value Chain Exposure		
E1: Climate Mitigation	▲	●	▼
E2: Pollution (Air/Water/Soil)		●	▼
E2: Substances of Concern		●	▼
E5: Resource Inflows	▲	●	
E5: Waste & Resource Outflows		●	▼
S1: Working Conditions		●	
S1: Diversity & Inclusion		●	
S4: Safety of Downstream Users			▼
G1: Supplier Relationships	▲	●	
G1: Business Conduct		●	

- ▲ Upstream
- Own operations
- ▼ Downstream

OUR SUSTAINABILITY REPORTING JOURNEY

Holland Colours has tracked and disclosed its sustainability performance for over 20 years. In 2025/2026, we refined our sustainability roadmap to bridge the gap between identified material impacts and business value creation, and to maintain our strategic flexibility in the post-Omnibus CSRD environment.

Sustainability information disclosed with limited consistency and completeness

2006 AND EARLIER

The concept of sustainability has become part of our annual report. The beginning of environmental performance assessment

Legislation step-in, change of reporting and administrative burden

2021/2022

Disclosure of 3P Commitments: Our Processes, Our Products, Our People

2017/2018

First DMA (Double Materiality Assessment)

2013/2014

First disclosure of carbon footprint under GRI method

2010/2011

First sustainability chapter referring to GRI (General Reporting Initiative) standard

Voluntary systematic CSR reporting under GRI framework

2022/2023: YEAR OF TRANSITION

- Reporting philosophy transitioned from CSR to ESG
- Reporting framework transitioned from GRI to CSRD
- CO₂ recalculation method: from GRI to GHG protocol

2023/2024

Establishment of ESG governance structure

2024/2025

Double Materiality referring to ESRS

Post-Omnibus Period: From CSRD to VSME+

	2025/2026	Short-term	Medium-term
KPI management	• Revaluated 3P targets: Our Processes, Our Products, Our People • Published VSME+ strategy	• Refine ESG program KPIs	• Performance improvement • KPI monitoring
Governance	• Updated ESG governance structure	• Develop operating mechanisms	• Strengthen integration of ESG planning and control • Integrate ESG governance with business value creation
Reporting	• Improved ESG reporting structure and content	• Refine content and methodology	• Investigate need to get selected KPIs assured • Keep improving the range of assured KPIs
Data management	• Improved GHG accounting manual	• Verify existing data pipeline • Improve and automate data collection	

Sustainability strategies

Five years into Our Process, Our Product, Our People (3P) commitments, we reviewed and updated them this year. This is a strategic evolution from broad aspirations toward a disciplined, evidence-based framework. We will assess our targets regularly to ensure they continue to be relevant.

Regarding Our Process, having exceeded our 2030 target based on 2015/2016 emissions, we are resetting our baseline to 2021/2022, extending our goal to 2035 and raising our reduction target to 80%. This change addresses a structural data gap that became apparent after a retrospective internal review. We found we had omitted heating and cooling-medium amortization, so underestimating our original Scope 1 baseline by 8%. This gap exceeds the GHG Protocol's 5% significance threshold, justifying a baseline reset. By aligning our tracking with these standards and introducing a waste-per-kilogram measurement, we ensure we have a more substantive and transparent KPI.

Similarly, Our Product has been re-evaluated against volatile geopolitical dynamics and the changed ambitions of our customers. By including the characteristics of our products in the target, we have refined it so that it is both scientifically grounded and commercially viable.

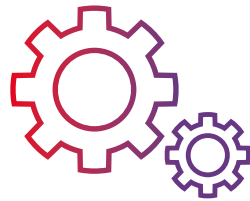


FOCUS AREAS

WE ENVISION A
COLORFUL WORLD
IN WHICH WE ARE
THE **WINNING**
SUSTAINABLE
SOLUTION



Based on the selected SDGs, we defined three focus areas:



Our Processes

Commitment

We service our customers with products that are produced regionally, and we design our processes to support the sustainable use of energy and raw materials.



Our Products

Together with our customers and partners, we co-create sustainable solutions and develop products that support recycling, the reduction of food waste and the reduction of energy consumption.



Our People

We protect the safety, health and welfare of Holland Colours' employees and offer development opportunities to all. Given our geographical spread, we consider it important to employ nationally.

2035 target (new)

By 2035, we will have reduced the CO₂ impact of our operational activities (Scope 1 and Scope 2) by 80% versus 2021/2022.
Target a 5% year-on-year reduction in waste intensity per kilogram of product.

We will structurally increase our annual investment in innovation. By 2035, 70% of our revenue will be based on products that contribute to sustainability.

Every year, we invest at least 2% of our wage costs in responsible care for our employees. This investment is used to deliver individual and team training development and/or as time that can be spent on local social aid activities.

2025/2026 progress

70% (Base year 2021/2022)

49%

2.9%

2030 target (previous)

By 2030, we will have reduced the CO₂ impact of our operational activities by 50% compared to 2015/2016.

We will structurally increase our annual investment in innovation. By 2030, 90% of our revenue will be based on products that contribute to sustainability.

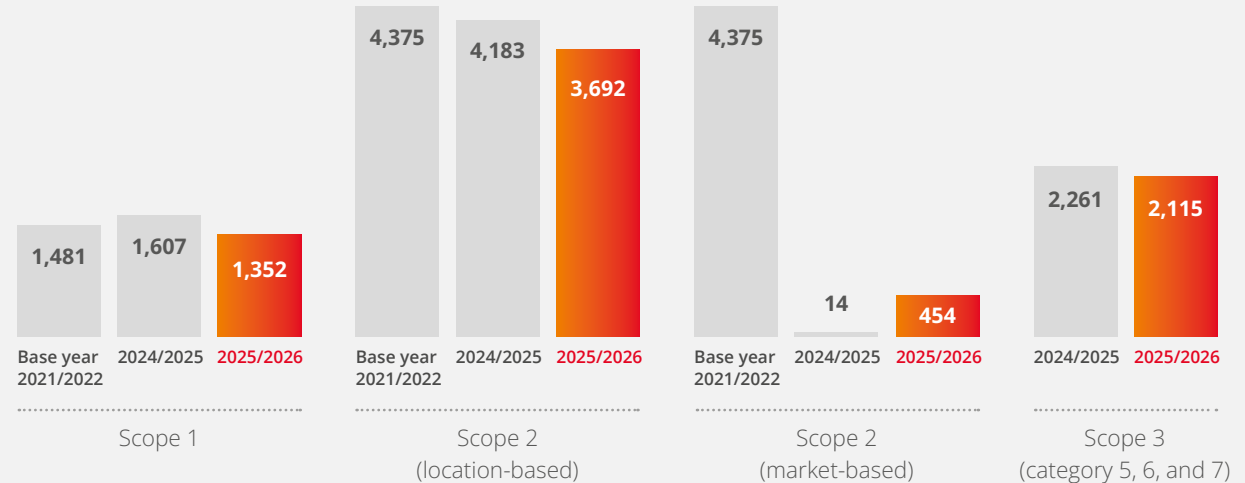
Unchanged

ENVIRONMENT

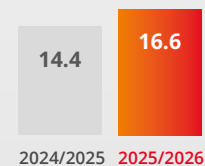
This section outlines our strategic response to the Our Process and Our Product targets, and other material environmental topics identified through our DMA.



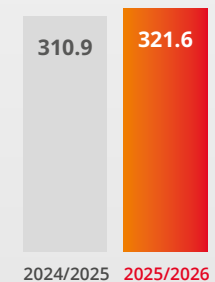
GHG emissions per scope Tonnes CO₂e



GHG intensity (based on Scope 1 and Scope 2) tonnes CO₂e per € million turnover



GHG intensity (based on Scope 1, 2, and 3) gCO₂e per kg product



IMPACTS OF OUR PROCESS

Holland Colours' environmental impact primarily stems from resource consumption, energy use and associated GHG emissions, as well as industrial discharge from manufacturing processes. Our business model has a low dependency on natural capital. Our site-specific environmental risk screening, based on a global biodiversity database and local permit reviews for our global production network, indicates that our manufacturing operations do not have a material impact on biodiversity-sensitive areas. Detailed disclosures under section B5 do not apply.

Energy use and GHG emissions

During 2025/2026, our Scope 1 emissions decreased by 16% compared to 2024/2025, primarily driven by the phase-out of diesel trucks in Richmond. Our location-based Scope 2 emissions decreased by 12%, whereas market-based emissions increased due to a timing misalignment between green certificate validity periods and the fiscal year. Some of the green electricity certificates acquired in FY2025/2026 were used to offset prior-year electricity consumption, resulting in lower certificate coverage for the current reporting year, and consequently an increase in GHG intensity. Our Scope 3 emissions (Categories 5, 6, and 7) decreased by 6.5% thanks to a reduction in business travel and waste.

Industrial discharge

Given we work with chemical substances, preventing environmental pollution and managing waste are central to Holland Colours' approach to environmental management. We take a rigorous, risk-based approach to pollution prevention and monitoring. For operations subject to mandatory pollutant reporting requirements, including the US EPA's Toxic Release Inventory (TRI), emissions data are reported to the competent authorities and made publicly available. For all other operations, historical assessments confirm that emissions remain below mandatory reporting thresholds.

As well as partnering with certified providers for the safe disposal of hazardous streams, we reduce waste by reusing materials within our processes and optimizing product changeovers and yields.

During 2025/2026, Holland Colours recorded zero environmental non-compliance incidents and no accidental leaks or spills across all operational sites. Total waste volume decreased by 9% compared to the previous year.

Water management

Although water is a relevant topic for the chemical industry, Holland Colours' water footprint is minimal, limited to cleaning equipment and production areas. Water is therefore not a current material topic for Holland Colours.

However, we remain committed to responsible resource management. We monitor water withdrawal and the quality of our effluent and our sites are equipped with containment systems and on-site water treatment plants to manage all water before discharge. In 2025/2026, an on-site treatment initiative at our Richmond facility reduced annual waste for disposal by approximately 66 tonnes, while lowering costs and downtime. However, our water withdrawal increased by 18% in 2025/2026 due to a temporary water leak because of faulty equipment at the Richmond site. This was identified and repaired in September 2025. Following the repair, water consumption returned to normal levels. There were no known instances of non-compliance regarding the quality or volume of wastewater discharge during 2025/2026.

ACTIONS TOWARD SUSTAINABLE PROCESSES AND PRODUCTS

We go beyond regulatory compliance by integrating decarbonization, climate resilience and circular innovation into both our operations and value-chain partnerships.

Climate action

Holland Colours is determined to drive climate mitigation across its value chain. In our own operations, we prioritize carbon accounting, renewable electricity procurement, phased electrification and continuous efficiency improvements.

Our roadmap for Scope 1 focuses on the gradual electrification of building heating and the replacement of fossil-powered vehicles with electric alternatives as existing units reach the end of their operational life.

Regarding Scope 2, 94% of our electricity in 2025/2026 came from renewable sources. We also replaced the conventional thermal wastewater treatment at Richmond with an advanced vacuum evaporation system powered by a heat pump, and we installed a heat exchange system at Apeldoorn. These upgrades significantly lower energy intensity by operating at reduced pressure and temperatures and enabling the reuse of water. By reducing the energy intensity of our products, we aim to lower both our operational costs and our reliance on Energy Attribute Certificates (EACs).

Beyond our own operations, we are addressing emissions across our value chain. For the upstream footprint, mainly due to raw material requirements, we continuously optimize product recipes to reduce the proportion of high-carbon-intensity raw materials.

To strengthen Holland Colours' competitiveness in an increasingly decarbonized market, our R&D department develops products with superior environmental benefits. This aligns with the targets we have set for Our Product.

Revive Colours, a key element of this strategy, became an independent legal unit in 2025/2026. Dedicated to bio-based and low-carbon colorants, it has completed Life Cycle Assessments (LCA) of several products. These results demonstrate a reduction of over 60% in Global Warming Potential (GWP) compared to conventional benchmarks, including biogenic emissions and carbon removals in the calculation.

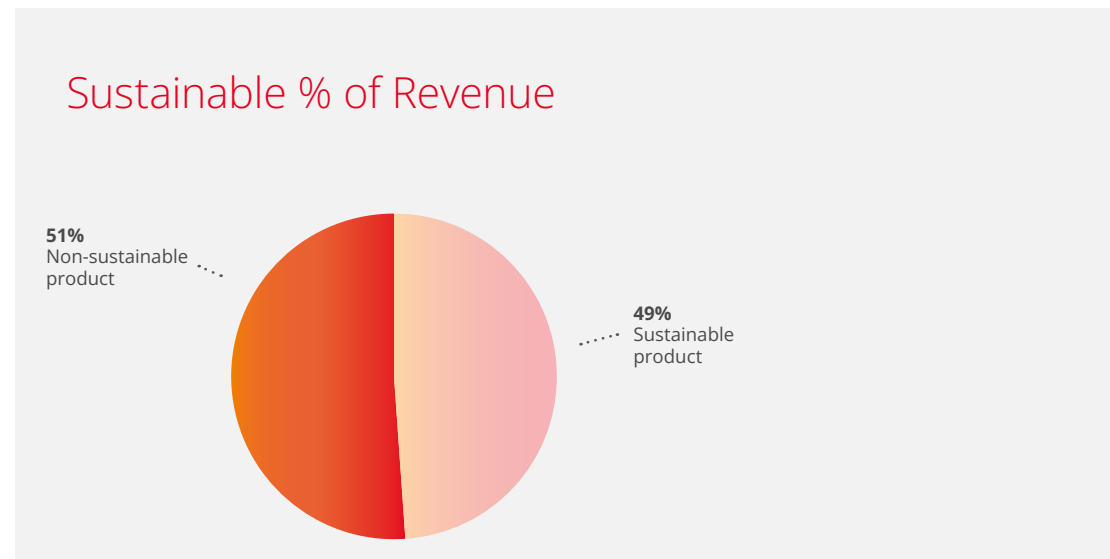
Holland Colours reduces downstream emissions by optimizing delivery logistics and developing products that lower the GHG emissions in the use phase.

We use compact and lightweight packaging and merge shipments to the same destination to maximize vehicle load capacity and reduce transport movements and associated GHG emissions. Where appropriate, we promote solid colorants over traditional liquid pigments in the coatings segment. Doing so lowers the carbon footprint in multiple ways. These include reducing the time and energy needed to disperse the product, plus its lower weight translates into lower costs and reduced carbon emissions during distribution and storage.

We also engineer our products to deliver energy savings during use. Our UV and light-blocking additives for PET food packaging contribute to a longer shelf life and help combat food waste, which responsible for 8-10% of total GHG emissions.

Circular transition

We integrate circular principles into our strategy by developing solutions that reduce industry reliance on virgin resources and enhance the recyclability of end products. In 2025/2026, all our products were assessed and labelled according to our sustainable product criteria¹. We derived 49% of our revenue from sustainable products.



¹ HCA sustainable product criteria:

- it enables our customer to have a lower CO₂/kg equivalent impact in material usage or their production versus the main alternative solution;
- it supports the increased recycling of materials.



Our recycling and material enhancement product portfolio has won praise in the market for its stabilization and protection systems. Our CircStab stabilizer, for example, prevents PET degradation during recycling, increases intrinsic viscosity by up to 10% and reduces acetaldehyde levels by up to 20% after melting extrusion. Both RecyClass (EU) and the Association of Plastic Recyclers (Americas) have recognized it for its recyclability. Our LightGuard 400 solid UV blocker for transparent PET has achieved RecyClass recognition for its ability to prevent rPET packaging from further degradation. It has also received a technical opinion from the European PET Bottle Platform (EPBP), confirming its full compatibility with existing European recycling streams under defined market penetration thresholds.

Harm minimization

We maintain high chemical safety standards and manage substances proactively to minimize environmental and health risks throughout our value chain. We comply with Commission Regulations and ECHA (European Chemicals Agency) opinions, continuously monitoring the ECHA Candidate List to ensure our operations comply with REACH and other applicable requirements. Our internal management systems identify and address potential SVHC risks, and while we strive to maintain concentrations well below the 0.1% threshold, we actively manage product lines where evolving regulatory interpretations may apply. Beyond mandatory compliance, we prioritize product stewardship by adjusting formulations to phase out substances with potential environmental impacts before official restrictions come into force.

In 2025/2026, we achieved zero REACH non-compliance incidents and received no customer complaints regarding chemical safety. To support this performance, we provide an up-to-date Safety Data Sheet (SDS) for 100% of our products worldwide. These documents detail compliance, potential impacts and safe handling instructions for downstream users. We actively engage with suppliers to ensure SDS transparency and follow a strict protocol to inform customers immediately if new risks are identified for existing products.

SOCIAL

Our social impact extends beyond our workforce. It includes the ways we engage with customers and ensure equal opportunity across all our business interactions. Our social strategy centers on fostering a safe, equal and high-performance culture in our operations, while building resilient partnerships across our value chain.



New hires by gender

In total

2025/2026
2024/2025

29
40

+

16
19

=

45

Diversity & Equal Opportunities

In %

2025/2026
2024/2025

23
23



28
22

Employees

Management*

* Board of Management and Senior Management

HEALTH AND SAFETY

Ensuring the safety and well-being of our employees is Holland Colours' top priority across all our operations, and our goal is Zero Harm. Safety is embedded in our Code of Conduct and integrated into management.

Our approach is built on three principles: Prevention, Continuous Learning and Active Participation. We enable our employees to go beyond compliance and embrace a culture of shared ownership in which every individual is responsible for their own and their colleagues' safety and well-being.

Standardizing safety

We apply 10 Global Safety Rules throughout the organization. These are complemented by local work instructions and emergency handbooks that are tailored to specific divisional risks. We use the L1-L4 classification system to ensure a swift and appropriate response to every incident, from near misses to lost-time injuries.

In financial year 2020/2021, Holland Colours introduced the Safety Culture Ladder program to move the organization from reactive safety management to a proactive safety culture. This program aims to drive a cultural shift towards safety by encouraging the active participation of every employee in identifying and mitigating potential risks. It goes beyond simple compliance with regulations, emphasizing not only adherence to protocols but also a vigilant approach to hazard recognition.

In Asia, we launched a Hazard Identification and Risk Assessment (HIRA), which provides the basis for inspections and proactive hazard mitigation. The HIRA is a living document that is updated through corrective actions and emergency training to ensure our operation remains safe.

Safety performance in 2025/2026

In 2025/2026, we maintained a four-year record of no lost-time incidents in our US, Indonesian and Hungarian sites. There was a noticeable increase in the reporting of L4 (Near Misses), a proactive indicator for safety risk identification. This reflects our investment in developing safety awareness and more effective reporting mechanisms. The latter include the shared reporting KPI in Asia and Ultimo, a global digital platform through which employees can identify and report near misses instantly, using mobile devices.

We regret to report one L1 (Lost-Time Injury) incident at our Apeldoorn site. An operator slipped while descending a small ladder. In response, the Solids department launched a 'good housekeeping' program to establish clear principles for workplace organization and reduce the risk of similar accidents.

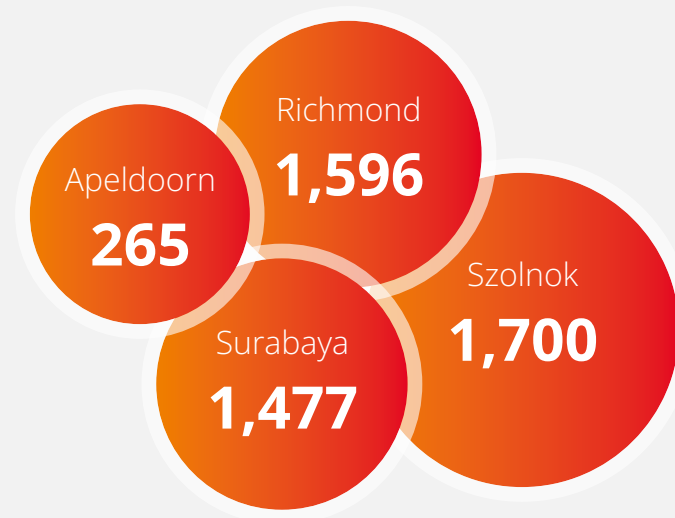
Safety	2025/2026	2024/2025
L1: Lost time	1	0
L2: Medical Treatment / Restricted Duty	4	5
L3: First Aid / Material Damage / Fire	49	37
L4: Near Miss (Risk Point Identified)	611	520
Safety training (hours)	3,555	2,381

Continuous enhancement & engagement

We continue to move up the Safety Culture Ladder by focusing on the human aspect of safety:

- **Measuring Safety Culture:** In February 2026, our Apeldoorn site conducted an external safety audit to measure our progress in establishing a proactive safety culture in which our people can address unsafe behaviors. The score was above level three on the Safety Ladder, moving toward level four. A gap analysis against level four indicated room for improvement in individual safety awareness and communication with external parties such as suppliers and contractors. The results indicate that our Dutch site has successfully embedded strong safety practices. We will continue to accelerate internal and external knowledge sharing to further strengthen our safety skills and organizational awareness.
- **Cultivating Safety Awareness and Behavior:** We launched visual campaigns in the Netherlands and Hungary to keep safety top-of-mind. To encourage participation in the US, we implemented the 'Safety Bucks' program to reward speaking up, while in Indonesia, we integrated near-miss reporting into shared KPIs and organized safety competitions. These efforts were supported by internal behavioral audits to monitor and improve safety performance.
- **Visual Safety Management and Compliance:** Our recent annual ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road) inspection confirmed full compliance, with identified minor improvements already integrated into our standard operating procedures. We have deployed Personal Protective Equipment (PPE) overviews and audit programs across all operational departments. By making mandatory safety requirements clearly visible, we simplify compliance, encourage mutual accountability and increase the use of PPE.
- **Capability Building:** We conducted 40 safety workshops globally in 2025/2026, focusing on first aid and hazard mitigation. These workshops ensure our safety protocols reflect frontline feedback and practical expertise.

Days without lost time incident (LTI)



PARTNERING WITH OUR CUSTOMERS

Holland Colours is a customer-focused organization. We prioritize building strong relationships through mutual communication, aligning our business with evolving customer expectations and pre-emptively addressing the health and safety needs of our customers and end users.

Customer service

Our customer service operations are governed by a policy book that ensures we offer consistent services across key areas, such as technical support, packaging, logistics and documentation. Through a Service Level Agreement (SLA), we streamline workflows and optimize how resources are allocated to provide reliable, tailor-made solutions. This framework is reviewed every six months to ensure our service continues to be responsive to customer needs.

At the operational level, we improve efficiency by standardizing Customer Information Sheets (CIS) and regulatory documentation. This minimizes administrative complexity and accelerates delivery. We monitor performance closely, and the divisions have targets to

improve customer satisfaction. The targets, combined with external feedback, underpin our continuous improvement process, ensuring we deliver dependable, high-quality customer support.

Customer engagement

In addition to the daily interactions between our salespeople and customers, our global CRM system gathers quantifiable feedback through an annual customer survey. This survey invites our A and B customers to assess our performance across several critical dimensions.

The Net Promoter Score (NPS) is a core metric. This measures customer loyalty and how likely they are to recommend Holland Colours. Our most recent survey received 133 responses worldwide. The results indicate a high level of trust, with an overall NPS of 44%. While these scores reflect strong satisfaction, the feedback also indicated that delivery reliability is a key area in which we can improve. We are defining and implementing corrective plans based on this feedback.



Our primary focus will be on achieving a measurable improvement in delivery reliability scores across all divisions.

Winning behaviors

In 2024, we launched a global culture program to further improve our ability to connect and collaborate with our customers through behavior. Winning Behaviors facilitates effective partnerships by empowering our teams to engage with and solve complex challenges alongside our customers. The program translated our core values into four key behaviors: Team Up to Excel, Beat Customers Expectations, Dare to Take Chances and Win and Be a Sustainable Champion. In 2025, we embedded these behaviors into the divisions' daily operations:

- In the EMEIA division, we established a unified operational framework to dismantle silos and accelerate cross-divisional collaboration.
- In the Americas division, we worked to increase leadership visibility and the transparency and consistency of communication.
- In the Asia division, the cultural program improved meeting quality, workload prioritization and team collaboration.

Together, these actions have laid a solid foundation for strategic cultural development. We will continue to develop the competencies underpinning the Winning Behaviors and align them with our Merit Appraisal Process to build a stronger organization.

Customer health and safety

As a responsible supplier in the intermediate supply chain, and especially the food contact supply chain, Holland Colours proactively manages the health and safety risks of our

customers and their consumers. We monitor regulations closely and implement new and updated rules quickly. We assess all formulations against applicable international and local regulatory requirements and inform and involve stakeholders, in line with our commitment to caring for both our customers and employees.

We evaluate products based on their full composition, including trace impurities, to provide conservative safety margins. This information is included in a Declaration of Compliance (DoC) for 100% of our products for food contact packaging applications. Safety Data Sheets also serve as safety guides for our downstream value chain partners. By providing detailed instructions on safe storage, handling, processing and transportation, we aim to protect the health and safety of anyone who might encounter our products.

BUILDING A REWARDING WORKPLACE

We strive to be an employer of choice by providing an environment that fosters continuous growth, celebrates diversity and equity and prioritizes the overall well-being of our people.

Fairness and competitive remuneration

Fair pay is more than a contractual obligation; it is part of our responsibility toward our employees' well-being. Our remuneration strategy comprises two elements: Living Wage Compliance and Market Competitiveness.

We ensure that everyone who works for us is compensated at or above the local statutory minimum wage. In addition to legal compliance, we are aligning our remuneration framework with local living wage standards to support a good quality of life for all employees.

To formalize the living wage commitment, we have implemented annual salary benchmarking across the EMEA and Americas divisions. We are developing a validation process for our Asia division, and this is scheduled to go into operation in 2026/2027. Together, these actions will ensure our regional remuneration structures consistently meet or exceed living wage benchmarks, ensuring global parity in our commitment to employee well-being.

Beyond paying a living wage, we aim to position our remuneration package at the market median. By combining structured salary scales and comprehensive employee benefits including profit-sharing bonus, we can continue to attract and retain the right talent in an increasingly competitive global landscape.

Learning and development

Continuous learning enables our employees to develop with the company and is central to our success and ability to innovate. We invest at least 2% of our annual personnel wages in employee development, and this investment funds formal training, individual and team development and the time our people dedicate to local social aid. In 2025/2026, employee development spending reached 2.9%, exceeding our target.

In 2025/2026, we extended the Microsoft 365 training project across our offices, establishing a standard way of working to enhance global collaboration and productivity. We also invested in building strategic capabilities across our divisions, including providing sales excellence training in the Asia and EMEA regions, training in the 5S workplace methodology in the Netherlands to optimize preventive maintenance, and tailored individual programs in Szolnok.

We also provided Dutch and English language teaching to ease the integration of international colleagues into local work environments and facilitate an inclusive culture. For our Executive Leadership Team, we launched a structured Leadership Development Program. In the Americas division, our workforce welfare training equipped managers to recognize and support mental health challenges in the workplace, helping to create a more resilient and supportive workplace culture.





Better together dialogue

The Better Together Dialogue (BTD) is our cross-divisional framework for employee development and is intended to support every employee by aligning their ambitions and talents with the company's Accelerate to Win strategy. Going further than traditional performance reviews, the BTD cycles aim to encourage continuous feedback, with employees and managers collaborating to build personalized development plans that focus on long-term career progression. Through open conversations about individual development and the Winning Behaviors, the BTD identifies the specific support and training each person needs to develop in their role and achieve their potential.

At the Apeldoorn site, internal dialogue resulted in the internal recruitment of four technical production employees to cover first-line technical support during evening shifts. This enables the Maintenance team to focus on preventive maintenance during day shifts.

In addition, the BTDs give us greater insight into internal mobility opportunities. Based on these conversations, employees who wish to can begin to develop the skills they need to move into new roles through training, coaching and on-the-job learning. In 2025/2026, 33 colleagues moved to a different position within the company.

Equal opportunities

Respect and equal treatment are the basis of a healthy working environment and so central to Holland Colours' Code of Conduct. Our Global Diversity Policy ensures we consider the various perspectives of our diverse workforce when making decisions.

To maintain a working environment free of discrimination and harassment, we have established multiple channels through which to raise undesirable behavior. These include the IntegrityLog online reporting tool and encouragement from leadership and HR to report undesirable behaviors. In 2025/2026, zero discrimination or harassment-related incidents were detected.

As we continue to develop our Diversity, Equity and Inclusion (DEI) framework, we will roll out role-specific training for managers and employees to create an environment in which unwanted behavior is openly discussed and prevented. In addition, we are investing in Trusted Representatives across our global locations so we can provide expert local support. We are also implementing equal pay and transparency initiatives in line with the EU Pay Transparency Directive.

Health and well-being

Holland Colours is committed to supporting the physical and mental health of our employees. We therefore allocate a minimum of 10% of our annual development budget to medical screenings and health promotion.

In the Netherlands, our 2025 Preventive Medical Examination (PMO) showed the effectiveness of our initiatives, with participating employees scoring above industry benchmarks in mental health, vitality and emotional resilience. In response to feedback about sleep and nutrition, we will introduce targeted wellness workshops in 2026.

Our US site reduced the qualifying period for medical, dental and life insurance from 90 to 30 days, offering greater security to new hires while also strengthening our competitive position in the local labor market. The site also ran an annual health fair, providing comprehensive metabolic and diagnostic testing for both employees and their spouses.

In locations where local compliance requirements are lower, such as Asia and Hungary, Holland Colours voluntarily provides additional medical coverage, such as annual specialist consultations, vision testing and comprehensive diagnostic scans. By facilitating one-to-one doctor consultations and covering the costs of elective preventive screenings, we ensure that our global workforce has access to good health care regardless of where they work.

EMPLOYEE ENGAGEMENT

Our engagement strategy ensures we listen to our employees and act on what we hear. Using employee representatives, employee surveys and the Better Together Dialogues, we gather feedback to improve working conditions and strengthen our Winning Behaviors.

Employee representation

Every employee is a shareholder in Holland Pigments BV, the majority stakeholder in Holland Colours. This unique structure supports an independent, co-ownership culture. Each division elects its own Holland Pigments Official, whose role is to promote employee involvement in the shareholder model. This model ensures employees are actively involved in matters affecting organizational continuity. For instance, the Board's proposal regarding the closure of our Gillingham (UK) facility was discussed with employee shareholders, demonstrating their integral role in strategic decision-making.

In addition to the shareholder model, each division operates an employee representation system to consult on impactful changes. In the Netherlands, while exempt from operating a formal Works Council, we have a "Vertrouwenscommissie" (Trust Committee), which is governed by the Dutch Works Councils Act (Wet op de Ondernemingsraden).

In 2025/2026, management sought a right of consent (instemmingsrecht) to update the Work from Home policy and the Code of Conduct. No matters were discussed under the right of advice (adviesrecht).

Globally, site directors meet regularly with employee representatives to discuss key topics, including collective approaches to maintaining purchasing power amid rising costs.

EMPLOYEE SURVEY



The 2025/2026 annual employee survey mainly focused on four key dimensions: Engagement, Leadership, Winning Behaviors and Workload. With a response rate of 70%, our overall score improved from 7.6 to 7.7, above the industry benchmark. As a result, Holland Colours received the Effortory World-class Workplace Label for 2025/2026.

Based on the results, teams across the organization undertook structured dialogues to identify organizational strengths and development opportunities. To ensure they had a measurable impact, each team selected one or two priority areas in which to implement practical, employee-driven actions. This localized approach ensures that improvements are aligned with specific site needs while reinforcing our global commitment to an inclusive and high-performance workplace culture.

UPHOLDING HUMAN RIGHTS AND LABOR STANDARDS

Holland Colours' commitment to human rights is embedded in our Code of Conduct. We prohibit child labor, forced labor and human trafficking. We operate an age-verification process when hiring and we never retain original identity documents. Employment is strictly voluntary, and we do not charge recruitment fees or deposits. After fulfilling their legal notice periods, all employees are free to resign without fear of wage penalties.

Our labor standards prioritize the dignity and privacy of our workforce. We protect personal data and ensure that workplace monitoring is restricted to essential security needs, respecting the private communications of our staff. Furthermore, we manage working hours and overtime to safeguard the rights to rest, public holidays and paid annual leave. We champion the right to freedom of association and recognize the importance of collective bargaining, which is integrated in our employee participation and collective bargaining mechanisms.

To address geographic variations in human rights risks, we maintain ISO 45001:2018 certification and tailored oversight to prioritize compliance in high-risk regions. This systematic approach ensures that our high standards for safety and labor rights are upheld across all global locations.

TEAM UP WITH LOCAL COMMUNITIES

We are committed to being a responsible corporate citizen by strengthening meaningful connections within our neighboring communities. Globally, every Holland Colours location organizes annual activities tailored to local social needs. In 2025/2026, our efforts ranged from improving the facility of a new orphanage and elderly care home in Asia, where our Surabaya team also volunteered and gave financial aid, to cultural and youth development activities in Hungary, where we supported local handball organizations, folk dance traditions and charities dedicated to helping children with disabilities.

In the Netherlands, we partnered with Present, a volunteer organization, to organize a day of service in which our teams engaged in various community projects ranging from domestic assistance and gardening to preparing meals for individuals in recovery from health challenges and supporting facilities for those with intellectual and developmental disabilities. We further extended our local impact through education, hosting a specialized "Science of Color" workshop for Kids College Apeldoorn. Meanwhile, our Americas location continued its vital "Laundry and Diaper Project," achieving a significant milestone by distributing 686 packs of diapers, 456 packs of wipes and 347 feminine hygiene products to local families.

GOVERNANCE

SUSTAINABLE PROCUREMENT

This section focuses on how we use Sustainable Procurement to apply our standards within our supply chain, which also supports the target set for the Our Product commitment.

Holland Colours treats its suppliers as essential partners in achieving long-term value and operational sustainability. Our Supplier Code of Conduct is the framework for this collaboration, requiring partners to maintain high standards of ethical conduct, human rights and environmental responsibility. This includes compliance with laws on anti-corruption, fair competition and transparent documentation.

The protection of human rights is central to our procurement strategy. In line with ILO conventions, we require all suppliers to respect internationally recognized labor standards, including the prohibition of forced labor, child labor and discrimination, while ensuring fair wages and safe working conditions. Holland Colours does not use conflict minerals (3TG) in its products. We require suppliers to comply with global frameworks such as the OECD Due Diligence Guidance, the US Dodd-Frank Act and the EU Conflict Minerals Regulation to ensure that no materials supplied to Holland Colours finance armed conflict or contribute to human rights abuses.

The Governance pillar of Holland Colours' sustainability framework is closely aligned with our broader corporate governance. To avoid repetition, governance disclosures covering whistleblower protections, cybersecurity, anti-corruption and bribery are set out in the Corporate Governance section.



ANNEX

ESG Metrics

Category	KPI metric	Unit	2025/2026	2024/2025
Environmental	Energy			
	Total energy consumption	MWh	15,953	13,167
	Renewable electricity usage	MWh	9,585	6,249
	Non-renewable electricity usage	MWh	582	18
	Non-renewable fuels usage	MWh	5,787	6,900
	Renewable fuels usage	MWh	0	0
	GHG Emission			
	Gross GHG emissions	tCO ₂ e	3,922	3,882
	Scope 1 GHG emissions	tCO ₂ e	1,352	1,607
	Location-based Scope 2 GHG emissions	tCO ₂ e	3,692	4,183
	Market-based Scope 2 GHG emissions	tCO ₂ e	454	14
	GHG intensity (Scope 1 and Scope 2 based)	tCO ₂ e/€M Revenue	16.6	14.4
	Gross Scope 3 GHG emissions (category 5, 6, and 7)	tCO ₂ e	2,115	2,261
	Gross upstream Scope 3 GHG emissions	tCO ₂ e	Not available	
	Gross downstream Scope 3 GHG emissions	tCO ₂ e	2,115	2,261
	GHG intensity (Gross GHG emission based)	gCO ₂ e/kg product	321.6	310.9
	Pollution			
	Number of confirmed pollution incidents	Number	0	0
	Total amount of pollution-related fines	Euro	0	0
	Water			
	Water withdrawal	m ³	10,600	8,976
	Water withdrawal at high-stress sites	m ³	1,718	2,156
	Water discharge	m ³	8,960	7,286
	Water consumption	m ³	1,640	1,690
	Water recycled and reused	m ³	0	0
	Resource use and waste			
	Annual mass flow of raw material used	tonnes	12,452	12,723
	Internal material reuse	tonnes	236	205
	Non-hazardous waste	tonnes	730	809
	Hazardous waste	tonnes	36	31
	Total annual waste diverted to recycling or reuse	tonnes	79	111
Social	Workforce general characteristics			
	Number of employees The Netherlands	Headcount	156	144
	Number of employees Indonesia	Headcount	93	92
	Number of employees United States	Headcount	89	80

Category	KPI metric	Unit	2025/2026	2024/2025
Social	Workforce general characteristics			
	Number of employees Hungary	Headcount	88	86
	Number of employees Mexico	Headcount	7	7
	Number of employees Canada	Headcount	1	1
	Number of employees England	Headcount	0	2
	Employees with temporary contract	Headcount	27	Not available
	Employees with permanent contract	Headcount	407	Not available
	Female employees	Headcount	101	96
	Male employees	Headcount	333	316
	Employee turnover rate	%	12	11
	Female/male ratio in management	n:n	8:21	6:17
	Self-employed and temporary agency workers	Headcount	50	56
	Total non-employee labor	Headcount	54	57
	Percentage of employees with disabilities	%	0	0
	Percentage of employees with disabilities at top management level	%	0	0
	Annual total compensation: Highest-paid individual	Thousands of EUR	435	529
	Pay ratio	Ratio	7.6	8.7
	Percentage of women in the organization's Supervisory Board	%	50	50
	Percentage of women in the organization's Board of Management and Senior Management Team	%	28	22
	Health and safety			
	Number of fatalities because of work-related injuries or ill health	Number	0	0
	Number of recordable work-related accidents	Number	4	5
	Number of hours worked	Hours	814,478	793,315
	Number of hours lost to work-related injuries, fatalities and ill health	Hours	136	0
	Rate of recordable work-related accidents	Rate per 100 employees	0.98	1.26
	Number of recordable incidents related to product safety	Number	0	0
	Number of product recalls	Number	0	0
	Remuneration, collective bargaining and training			
	Employees receiving minimum wage	%	100	100
	Employees covered by collective bargaining agreements	%	100	100
	Average training hours per female employee (safety training only)	Hours	9.7	7.1
	Average training hours per male employee (safety training only)	Hours	7.7	5.4
	Percentage of direct employees covered by the living wage benchmark analysis	%	79	78
	Percentage of direct employees paid below the living wage	%	0	0
	Confirmed human rights incidents in Holland Colours' own workforce related to child labor, forced labor, human trafficking and discrimination	Number	0	0
Governance	Number of confirmed corruption and bribery convictions incidents	Number	0	0
	Total amount of corruption and bribery-related fines	Euro	0	0
	Number of reports related to whistleblower procedure	Number	0	0
	Number of confirmed information security incidents	Number	1	0

ESG Disclosure Index

Section	Disclosure Index
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Energy Use and GHG Emissions; ESG Metrics	VSME B3
Industrial Discharge; ESG Metrics	VSME B4
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Our Products & Innovation; Our Value Creation and Value Chain Overview; Sustainability Strategies; Focus Areas; Notes to the Consolidated Financial Statements – Segment Information	VSME C1
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ESG Metrics	VSME C9



FIND OUT MORE

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