CLIMATE TRANSITION PLAN

DOUGLAS
GROUP

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DEAR SHAREHOLDERS, DEAR READERS,

At the DOUGLAS Group, we believe that beauty goes hand in hand with responsibility. Acting on climate change is therefore not optional for us – it is a core part of how we think, decide, and operate.

With our Climate Transition Plan, we are setting a clear direction: to systematically reduce our environmental footprint while continuing to grow our business with purpose. We have defined ambitious targets across our operations and value chain, aligned with scientific frameworks and driven by measurable action. From reducing emissions in our own activities to working closely with partners and brands, we are embedding climate considerations into every layer of our business.

What matters most to us is not only where we aim to go, but how we get there. Progress requires transparency, accountability and the willingness to continuously learn and improve. We are committed to all three.

This plan marks another important step on our journey – one that we will pursue with determination, pragmatism and a clear sense of responsibility toward our customers, our people, and future generations.

Sander van der Laan
Chief Executive Officer (CEO)

DOUGLAS AT A GLANCE

HIGHLIGHTS FINANCIAL YEAR 2024/2025

SALES (NET)

€ 4.58 bn

3.5 % sales growth excl. Disapo

NET LEVERAGE

2.9 x

ADJUSTED EBITDA

€ 768 m

16.8 % adjusted EBITDA margin

BEAUTY CARDS

> 60 m

Largest loyalty program in premium beauty in Europe

NET INCOME

€ 175 m

TOTAL GHG EMISSIONS (market-based)

211.7 $ktCO_2eq$

Scope 1 & 2 GHG emissions (market-based)
24.1 $ktCO_2eq$

Scope 3 GHG emissions
187.6 $ktCO_2eq$

SPLIT E-COM VS. STORE SALES

32.8 % 67.2 %

OPERATING FREE CASH FLOW

€ 461 m

GENDER DISTRIBUTION ON TOP MANAGEMENT LEVEL

42 % Women

58 % Men

22 OMNICHANNEL COUNTRIES ORGANIZED INTO 9 CLUSTERS AND 2 ONLINE RETAILERS

- DOUGLAS DACH (Germany, Austria, Switzerland)
- NOCIBÉ France (France and Monaco)
- DOUGLAS Poland (Poland)
- DOUGLAS ITA (Italy, Croatia, Slovenia)
- DOUGLAS BeNe (The Netherlands and Belgium)
- DOUGLAS Balkan (Romania and Bulgaria)
- DOUGLAS Baltics (Lithuania, Latvia and Estonia)
- DOUGLAS Central Europe (Czech Republic, Hungary, Slovakia)
- DOUGLAS Iberia (Spain, Portugal and Andorra)

PARFUMDREAMS & NICHE BEAUTY

- Online only
- Not present

The DOUGLAS Group, with its brands DOUGLAS, NOCIBÉ, Parfumdreams, and Niche Beauty, is the number one omnichannel premium beauty retailer in Europe. It offers its product range both online and in more than 1,950 stores (as of 30.06.2026). Its market position and broad access to customers makes the DOUGLAS Group a strong partner for selective beauty brands. The DOUGLAS Group offers a premium range of selective and exclusive brands as well as Corporate Brands. The assortment includes fragrances, color cosmetics, skin care, hair care, accessories as well as beauty services.

SUSTAINABILITY EMBEDDED IN OUR DOUGLAS GROUP STRATEGY

Our company's direction is based on a solid framework:
Our strategy is structured around three key pillars and one foundation:

1 Be the **#1 PREMIUM BEAUTY DESTINATION** in all our markets

2 Offer most relevant **ASSORTMENT** with clear differentiation

3 Scale the most seamless **OMNICHANNEL** experience

FOUNDATION

Build the united, future-proof **FOUNDATION** for sustainable & profitable growth ↗

Within the foundation of our strategy, sustainability serves as a guiding principle across all operations and business activities. To make ESG part of everything we do, we focus on four key initiatives within our ESG strategy: **PEOPLE, PLANET, PRODUCTS** and **GOVERNANCE**.

To ensure effective implementation, we have further defined ambitions for these four key initiatives:

1. Build a unified way of working through lived values, shared behaviors, **PEOPLE** engagement & DEIB (Diversity equity inclusion & belonging)
2. Achieve our 2030 climate targets by deploying our **PLANET**-focused Climate Transition Plan
3. Reduce the environmental footprint of our **PRODUCTS**
4. Strengthen relevant corporate **GOVERNANCE** compliance

Our Climate Transition Plan focuses on the second and third initiatives.

OUR CLIMATE AMBITION

THE CONTEXT OF OUR CLIMATE TRANSITION PLAN

At the DOUGLAS Group, our ambition is to be a leading beauty retailer in sustainability. We recognize climate change as one of the most urgent global challenges and take responsibility for contributing to climate protection and sustainable resource management across our business and value chain.

In line with this commitment, we support the Paris Agreement (2015) and align our climate ambition with limiting global warming to 1.5°C. To turn this ambition into concrete action, we have developed our Climate Transition Plan, which outlines our climate ambitions, targets, and the key measures required to achieve them.

Our Climate Transition Plan is closely aligned with our ESG approach and commitments. As a signatory of the United Nations Global Compact, we are committed to advancing the Sustainable Development Goals (SDGs), with a particular focus on the five most relevant to our business. The Climate Transition Plan directly supports these priority SDGs and contributes to creating long-term value.

OUR FOCUS SDGS

CLIMATE TARGETS: OUR PATHWAY TO NET ZERO

Our previous climate target focused on our direct operations, aiming to reduce our Scope 1 and 2 emissions by 50 % by 2025 compared to our 2018/19[1] baseline. We achieved this target ahead of schedule: by the end of September 2024, we had reduced our Scope 1 and 2 emissions by 64.5 % compared with our 2018/19 baseline, decreasing from 70,510.0 tCO_2e (in 2018/19) to 25,046.4 tCO_2e. This progress was mainly driven by the expanded use of renewable electricity and continuous improvements in energy efficiency across our sites.

In January 2024, we committed to setting science-based targets (SBTs) which were validated by the Science Based Targets initiative (SBTi) in June 2026. This independent validation confirms that our near-term targets are aligned with climate science and support the goals of the Paris Agreement. Our Scope 1 and 2 target is aligned with a 1.5°C pathway[2], while our Scope 3 targets are aligned with a well-below 2°C pathway.

Looking further ahead, we support the European Union's and UN ambition of reaching Net Zero greenhouse gas emissions by 2050 at the latest. In July 2026, we therefore complemented our near term targets with long term climate goals to reach Net Zero by 2050[3].

1 The DOUGLAS Group's financial year starts on 1st of October and ends on 30th of September.
2 A 1.5°C pathway refers to a global decarbonization pathway which is consistent with the goal of the Paris Agreement to limit the increase in average global temperature to 1.5°C above pre-industrial levels. Achieving this pathway requires rapid and sustained reductions in greenhouse gas emissions across all sectors of the economy.
3 Our long-term targets have not been validated by the SBTi.

OUR CLIMATE TARGETS

2023/24	2030	2050
25,046.4 tCO_2e Scope 1 and 2 (market-based)	**– 42%** CO_2 emissions Scope 1 & 2	**– 90%** CO_2 emissions Scope 1 & 2
172,152.5 tCO_2e Scope 3 thereof **50,599** tCO_2e Scope 3.1 Indirect Services, Scope 3.3, 3.4 and 3.12*	**– 25%** CO_2 emissions Scope 3.1 Indirect Services, 3.3, 3.4, 3.12	**– 90%** CO_2 emissions Scope 3
	76% emission share supplier & producer engagement target	**10%** Carbon Removal of residual emissions
DOUGLAS GROUP BASE YEAR	**NEAR-TERM TARGETS** SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION	**LONG-TERM TARGET (NET ZERO)**

* Scope 3.1 Purchased Goods & Services, 3.3 Fuel- and energy-related activities, 3.4 Upstream transportation & distribution, 3.12 Products end-of-life

OUR BASELINE:
OUR CARBON FOOTPRINT IN 2023/24

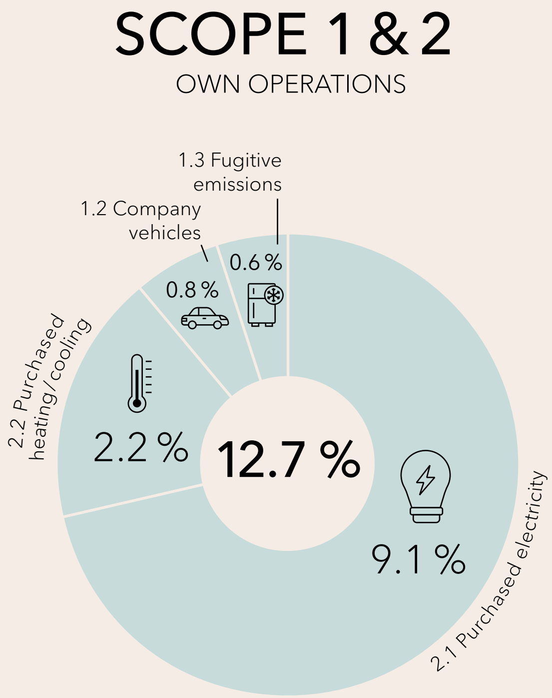
As a beauty retailer, the majority of our greenhouse gas emissions occur across our value chain. In our base year 2023/24, 12.7 % of total emissions originated from our direct operations (Scope 1 and 2), while 87.3 % came from upstream and downstream activities (Scope 3). This baseline serves as the reference point for our near-term 2030 targets and our long-term Net Zero ambition.

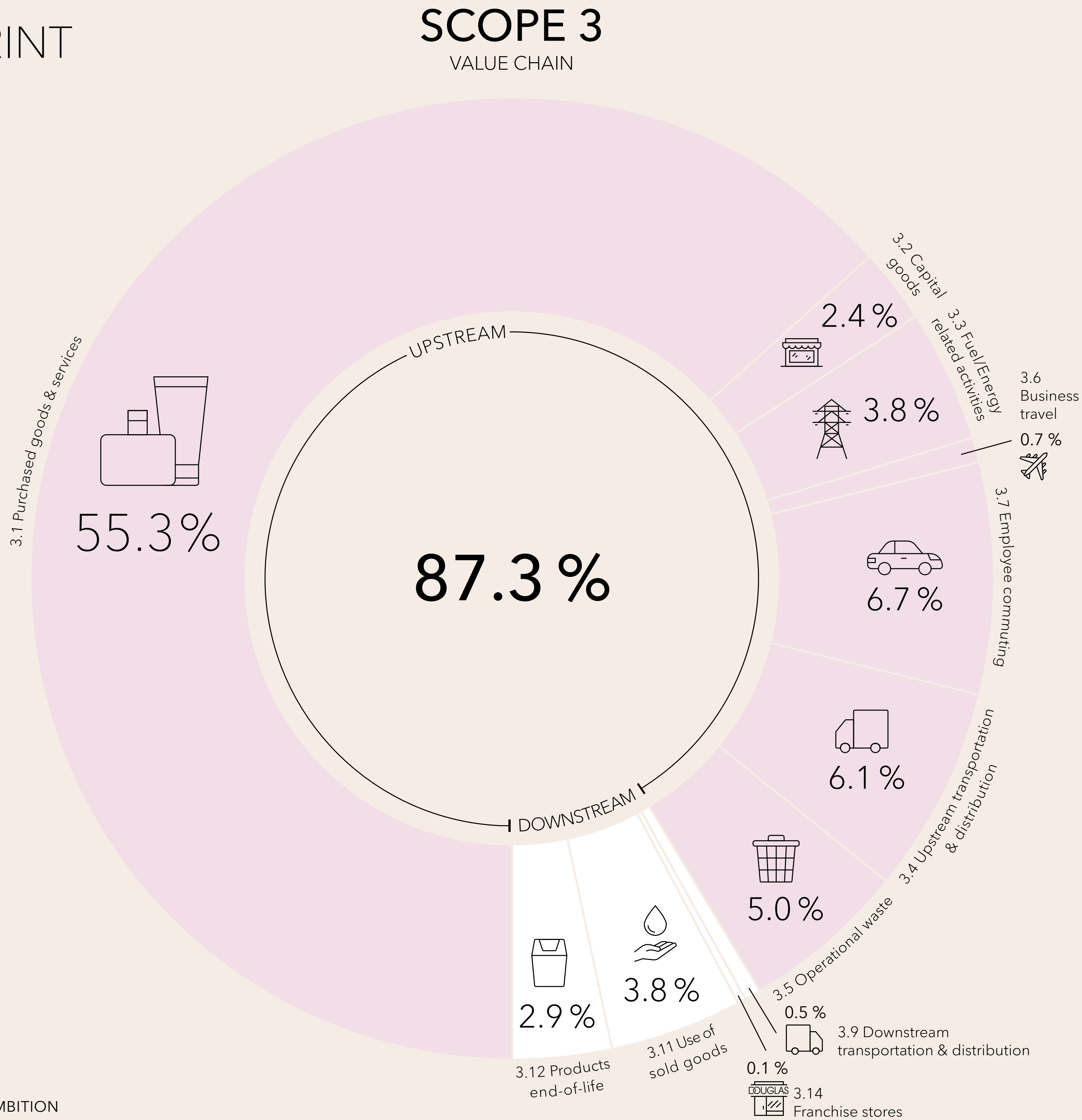
This emissions profile reflects the nature of our retail business model, where most emissions are linked to purchased goods and services, packaging, and logistics rather than owned operations. Reducing these emissions therefore requires close collaboration with suppliers and other value chain partners. As a result, value chain engagement and supplier collaboration are central elements of our Climate Transition Plan and central to achieving meaningful emission reductions.

We will report annually on our progress towards our targets in our non-financial statement[1] as part of our Annual Report.

1 according to the European Sustainability Reporting Standards (ESRS)

OUR CARBON FOOTPRINT IN 2023/24





OUR EMISSION REDUCTION ROADMAP

OUR DECARBONIZATION LEVERS

The Climate Transition Plan provides the roadmap for achieving our near-term 2030 emission reduction targets and sets us on a pathway towards Net Zero emissions by 2050[1]. Recognizing that the vast majority of our emissions occur across the value chain, our approach combines actions within our own operations with targeted measures to reduce emissions throughout our product portfolio and supply chain.

To drive progress, we have defined three strategic decarbonization levers, each aiming for clearly defined deliverables that will shape our emission-reduction journey across our own operations and the value chain:

1. Decarbonization of our own operations through energy efficiency measures, renewable energy, sourcing, and the reduction of operational emissions.
2. Reduction of the carbon footprint of our products by addressing emissions associated with products design, packaging, sourcing, and production.
3. Decarbonization of our supply chain through close collaboration with suppliers, logistics partners, and other stakeholders to reduce upstream and downstream emissions.

Together, these levers address the most material sources of emissions across our business and value chain and provide a clear framework for delivering our climate targets.

Successful implementation requires a joint and sustained commitment from the DOUGLAS Group, as well as from all clusters and central functions. Progress and key developments are regularly discussed within the DOUGLAS Group ESG Committee, which includes the management board and executives from relevant central functions and clusters.

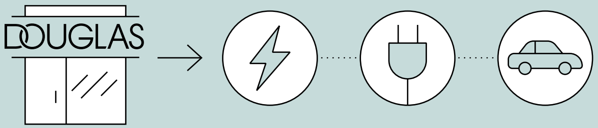
1 In the upcoming financial years, we will focus on developing further measures towards Net Zero. We will disclose information on this progress regulary.

3 DECARBONIZATION LEVERS

DRIVING EMISSION REDUCTIONS ACROSS OUR OPERATIONS AND VALUE CHAIN

1

DECARBONIZATION OF OUR OWN OPERATIONS

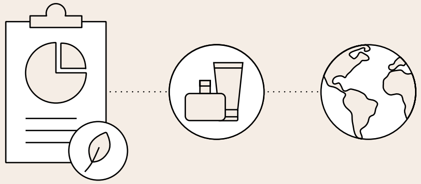


DELIVERABLES

I. Reduction of energy consumption
II. Switching to green electricity
III. Transition to electric company vehicles

2

REDUCTION OF THE CARBON FOOTPRINT OF OUR PRODUCTS

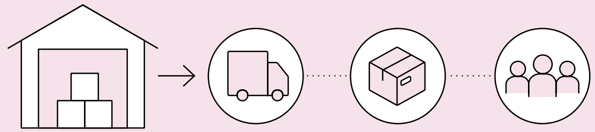


DELIVERABLES

I. Reduction of the carbon footprint of our Corporate Brands products
II. Collaboration on sustainability with our brand partners

3

DECARBONIZATION OF OUR SUPPLY CHAIN



DELIVERABLES

I. Reduction of the environmental impact of our supply chain operations

SCOPE 1 & 2

Our own operations
(stores, offices, warehouses)

SCOPE 3 (VALUE CHAIN)

Products we sell
(e.g. ingredients, packaging)

SCOPE 3 (VALUE CHAIN)

Our supply chain
(e.g. logistics, services)

Together, these levers address emissions across Scope 1, 2 and Scope 3 (Value Chain) categories.

1 DECARBONIZATION OF OUR OWN OPERATIONS

DELIVERABLE I: REDUCTION OF ENERGY CONSUMPTION

Our Group-wide Energy Policy includes a clear energy reduction target: to reduce our total energy consumption by 20 % by 2030 compared with our 2023/24 baseline. To achieve this target, we have implemented several related actions, including:

» Installing smart meters across our international store network to improve energy monitoring and identify energy-saving potential.
» Increasing the efficiency of our heating, ventilation and air conditioning (HVAC) systems.
» Switching to LED lighting in stores and offices. By 2027, we aim to achieve 90 % LED coverage across sales and back-of-house areas.

Reducing energy consumption in our own operations also contributes indirectly to emission reductions in Scope 3.3 (Energy- and fuel-related activities), supporting progress toward our Scope 3 climate targets.

DELIVERABLE II: SWITCHING TO RENEWABLE ELECTRICITY FOR OUR STORES, OFFICES AND WAREHOUSES

In 2022, we identified the transition to renewable electricity as the key driver to reduce our emissions from our own operations and began increasing the use of renewable electricity across our stores and offices. Our stores are often located in shopping centers and high-street locations with an average sales area size of 300 m^2, opportunities to generate renewable energy on-site are limited. We therefore focus on sourcing our renewable electricity through our energy procurement activities. We plan to continue increasing this share to a minimum of 90 % across stores, offices and warehouses on a step-by-step basis until 2030 to further reduce operational emissions.

For stores which are not covered by the DOUGLAS Group's energy procurement, we work on implementing green lease agreements with landlords. These agreements include sustainability-related commitments, such as the use of renewable electricity, to support shared climate targets.

Regarding our OWACs[1], we work with logistics partners who support our sustainability ambitions. We seek to collaborate with partners operating energy-efficient facilities and prioritize recognized building certifications such as BREEAM, a leading sustainability certification for buildings.

DELIVERABLE III: TRANSITION TO ELECTRIC COMPANY VEHICLES

As part of defining our 2030 climate targets, we introduced a Group wide Battery Electric Vehicles (BEV) policy to accelerate the decarbonization of our mobility. Since 1 May 2026, all newly leased company cars across the DOUGLAS Group have been required to be electric vehicles (EVs). This requirement applies to all employees eligible for a company car.

In certain markets, limited exceptions may apply where charging infrastructure remains insufficient for business-critical roles that involve extensive travel. These exceptions are reviewed on a case-by-case basis to balance operational requirement with our decarbonization ambitions.

The transition to electric vehicles is an important step in reducing emissions from our direct operations and supports with the achievement of our climate targets.

1 "One Warehouse All Channels"

2 REDUCTION OF THE CARBON FOOTPRINT OF OUR PRODUCTS[1]

At the DOUGLAS Group, we distinguish between the products of our Corporate Brands (own brands) portfolio and the products by our brand partners. This differentiation reflects the different levels of influence and responsibility we hold within our value chain.

The following section describes our approach to reducing Scope 3 emissions across both our Corporate Brands portfolio (page 13 & 14) as well as the products by our brand partners (page 15).

DELIVERABLE I: REDUCTION OF THE CARBON FOOTPRINT OF OUR CORPORATE BRANDS PRODUCTS

Improving transparency on the carbon footprint of our Corporate Brands portfolio is a key prerequisite for identifying and implementing emissions reduction opportunities together with our manufacturing partners. This includes increasing the use of lower-carbon ingredients, optimizing product formulations, and expanding the use of recycled and recyclable packaging materials. Through these and other initiatives, we are continuously working to reduce the environmental impact of our Corporate Brands.

As part of our 2030 climate targets, we have set a supplier engagement target covering producers that represent at least 90 %[2] of emissions from our Corporate Brands portfolio. These producers are expected to set climate targets aligned with the requirements of the Science-Based Targets initiative (SBTi).

ACTIONS

CARBON FOOTPRINT TRANSPARENCY AND ECO-DESIGN

» We collaborate with Fairglow, a service provider for product carbon footprint data, to increase transparency on the carbon footprint of our Corporate Brands portfolio. This includes conducting life cycle assessments (LCA) and holding eco-design workshops with our and our partners' product development teams.

» Results of this assessment showed that one of our main drivers to reduce the carbon footprint of our Corporate Brands portfolio is packaging optimization.

PACKAGING OPTIMIZATION

» We have a Corporate Brands Packaging Policy in place, aimed at increasing the use of recycled materials and reducing packaging-related emissions.

» In 2026, introduced further targets for 2030 and 2038 (see image page 14). The policy is a key driver of emission reductions in Scope 3.12 in support of our 2030 climate target.

PRODUCT AND PORTFOLIO OPTIMIZATION

We initiated a program to redesign our bestselling products to achieve measurable reductions in their product carbon footprint

SUPPLIER ENGAGEMENT

We launched a dedicated Corporate Brands engagement workstream. Within this workstream, we discuss ESG requirements, including the expectation to set climate targets aligned with SBTi methodology by the end of 2030.

CONSUMER TRANSPARENCY AND INTERNAL CAPABILITY BUILDING

» We assess the carbon footprint of our portfolio using the EcoBeauty Score[3] methodology and publishing the results on our website to support informed purchasing decisions.

» To strengthen internal expertise, we implemented sustainability upskilling sessions for our Corporate Brands teams, including training on packaging sustainability to work towards our emission reduction target for Scope 3.12.

1 Focusing on Scope 3.1 Purchased goods and services and Scope 3.12 End-of-life treatment of sold products
2 emission-share calculated on sell-in unit level: share of sell-in units per producer was translated as share of emissions
3 Further information: The EcoBeautyScore Association a breakthrough initiative

2

PACKAGING POLICY OVERVIEW

3 MAIN AXIS: REDUCE, REPLACE, RECYCLE

Three pillars, two milestones (2030 & 2038 – aligned with the European PPWR regulation)

REDUCE

Reduce raw packaging weight (packaging to formula ratio)

» Develop refill systems
» Lighten primary packaging
» Remove secondary packaging

2030
- 24 %
packaging weight per ml of formula

2038
- 44 %
packaging weight per ml of formula

REPLACE

Replace virgin materials with PCR content (Post-Consumer-Recycled)

Targets by material: Glass, Paper, PET Plastic, Non-PET Plastic, Metal

2030
20–50 %
PCR rate (by material)

2038
50–70 %
PCR rate (by material)

RECYCLE

Transform all products to recyclable formats

» Designed for recycling
» Recyclable at scale

2030
100 %[1]
Designed for recycling

2038
100 %[2]
Designed for recycling & Recyclable at scale

1 100 % portfolio Designed for recycling = 87 % portfolio recyclability
2 100 % portfolio Designed for recycling & Recyclable at scale = 89 % portfolio recyclability

ADDITIONAL OBJECTIVES

- Minimize substances of concern
- Introduce bio-based / compostable materials where feasible
- Improve transparency on labels
- FSC certified paper
- Improve data availability to refine analysis

2

DELIVERABLE II: COLLABORATION ON SUSTAINABILITY WITH OUR BRAND PARTNERS

At the DOUGLAS Group, we believe that close collaboration with our brand partners is essential to advancing sustainability in the beauty industry. While our influence on partner-brand operations is more limited than within our Corporate Brands, we actively engage in dialogue on sustainability topics and encourage shared ambitions and aligned actions.

As part of our 2030 climate targets, we aim to engage our brand partners representing at least 80 % of emission share[1] to set climate targets aligned with the requirements of the Science Based Targets initiative themselves.

ACTIONS

STRATEGIC DIALOGUE AND INDUSTRY ENGAGEMENT

ESG was established as a strategic topic at our annual Global Strategy Day (GSD). We include key sustainability topics such as decarbonization, microplastics, resource use, and circular economy principles.

SUPPLIER ENGAGEMENT AND EXPECTATIONS

» We encourage our brand partners to actively assess, manage and reduce environmental impacts within their own operations, supporting a shared ambition to build a more sustainable value chain.
» We promote the integration of environmental considerations into product development, material selection, packaging design, and production planning wherever possible.
» We launched a dedicated supplier engagement workstream focused on climate targets. As part of this initiative, we have reached out to our brand partners to discuss the status of climate target settings and align on a common approach moving forward.

1 emission-share calculated on sell-in unit level: share of sell-in units per producer was translated as share of emissions

3 DECARBONIZATION OF OUR SUPPLY CHAIN

DELIVERABLE I: REDUCTION OF ENVIRONMENTAL IMPACT OF OUR SUPPLY CHAIN OPERATIONS

As the majority of our emissions occur across our value chain, collaboration with suppliers and logistics partners is essential to achieving our climate targets. Our decarbonization efforts focus primarily on the activities and partners that contribute most to our Scope 3 emissions, particularly the suppliers related to our indirect services as well as transportation and distribution.

ACTIONS

LOW-EMISSION TRANSPORT

- We are increasing the share of B2B[1] and B2C[2] deliveries using low- and zero-emission vehicles, including electric trucks. Therefore, we have introduced ESG criteria for carrier tenders, including requirements on the minimum share of low- and zero-emission vehicles for the upcoming years until 2030 (» see image page 17).
- We are expanding the range of lower-emission delivery options for B2C deliveries, with a focus on last-mile delivery.
- We have increased the availability of pick-up point deliveries, helping to reduce failed delivery attempts and associated transport emissions.

LOGISTICS NETWORK OPTIMIZATION

We continue to implement our One Warehouse All Channels (OWAC) strategy to streamline our logistics network. Within this strategy, we will implement seven OWACs for our clusters. The OWAC transformation establishes a more integrated, transparent and standardized European supply chain network, providing greater visibility and control over inventory, transport flows, packaging, warehouse operations and returns management. This enhanced operating model creates the foundation for identifying and scaling targeted CO_2 reduction initiatives, including improved demand forecasting, inventory sharing across markets, transport consolidation, optimized routing, packaging optimization and return reduction. The OWACs represent an enabler of our climate transition journey, providing the infrastructure, data transparency and governance required to systematically drive and monitor emission reductions across the supply chain.

PROCESS DIGITALIZATION

We are progressively shifting towards paperless processes, including digital invoices and paperless returns, to reduce material consumption, waste, and related emissions.

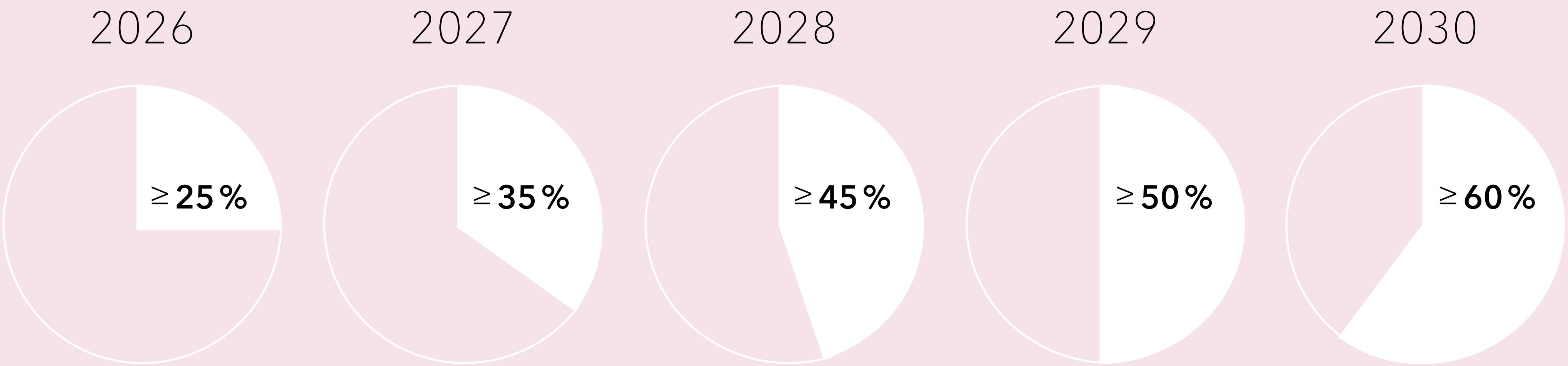
SUPPLIER ENGAGEMENT AND GOVERNANCE

- We have introduced our ESG Supply Chain Pledge, which sets out shared sustainability commitments for our suppliers responsible for our purchased goods and services not for resale and supports the reduction of Scope 3 emissions across our supply chain (» see image page 18).
- We established a Group Supply Chain Packaging Materials Policy, setting targets to reduce packaging-related environmental impacts.

1 Business to Business: deliveries from warehouse to stores
2 Business to Customer: e-commerce deliveries from warehouse to our customers

3

AMBITION FOR MINIMUM SHARE OF B2B AND B2C DELIVERIES WITH LOW-/ZERO EMISSION FLEET BY YEAR



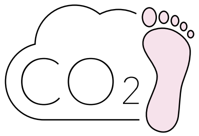
Low-/Zero-Emission vehicles include battery-electric vehicles, hydrogen vehicles, and other vehicles classified as low-emission according to EU standards.

Through our DOUGLAS Group Supply Chain Pledge, we establish strong partnerships with our suppliers to drive sustainability.

WE COMMONLY COMMIT TO FIVE KEY INITIATIVES:

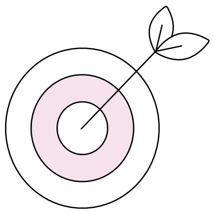
1

CARBON FOOTPRINT CALCULATION



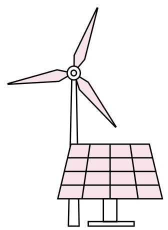
2

CLIMATE TARGETS IN LINE WITH SBTI



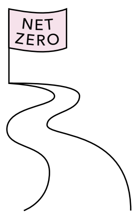
3

USE OF RENEWABLE ELECTRICITY



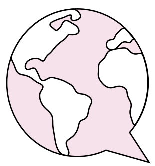
4

DEVELOPMENT OF NET ZERO PATHWAY



5

ENGAGING OUR SUPPLIERS FOR SUSTAINABILITY



Together, these levers contribute to achieving our 2030 targets and advancing our long-term Net Zero ambition. They address emissions across Scope 1, Scope 2, and the most relevant Scope 3 categories.

COLLABORATIONS

At the DOUGLAS Group, we recognize that achieving the transition to a Net Zero economy requires collective action and strong partnerships. We actively engage with our stakeholders across our value chain – including suppliers, industry partners, landlords, and logistics providers – to drive collaboration, increase transparency, and jointly reduce environmental impacts.

UNITED NATIONS GLOBAL COMPACT

In 2023, we became a signatory of the United Nations Global Compact, reaffirming our commitment to responsible business practices and sustainable development.

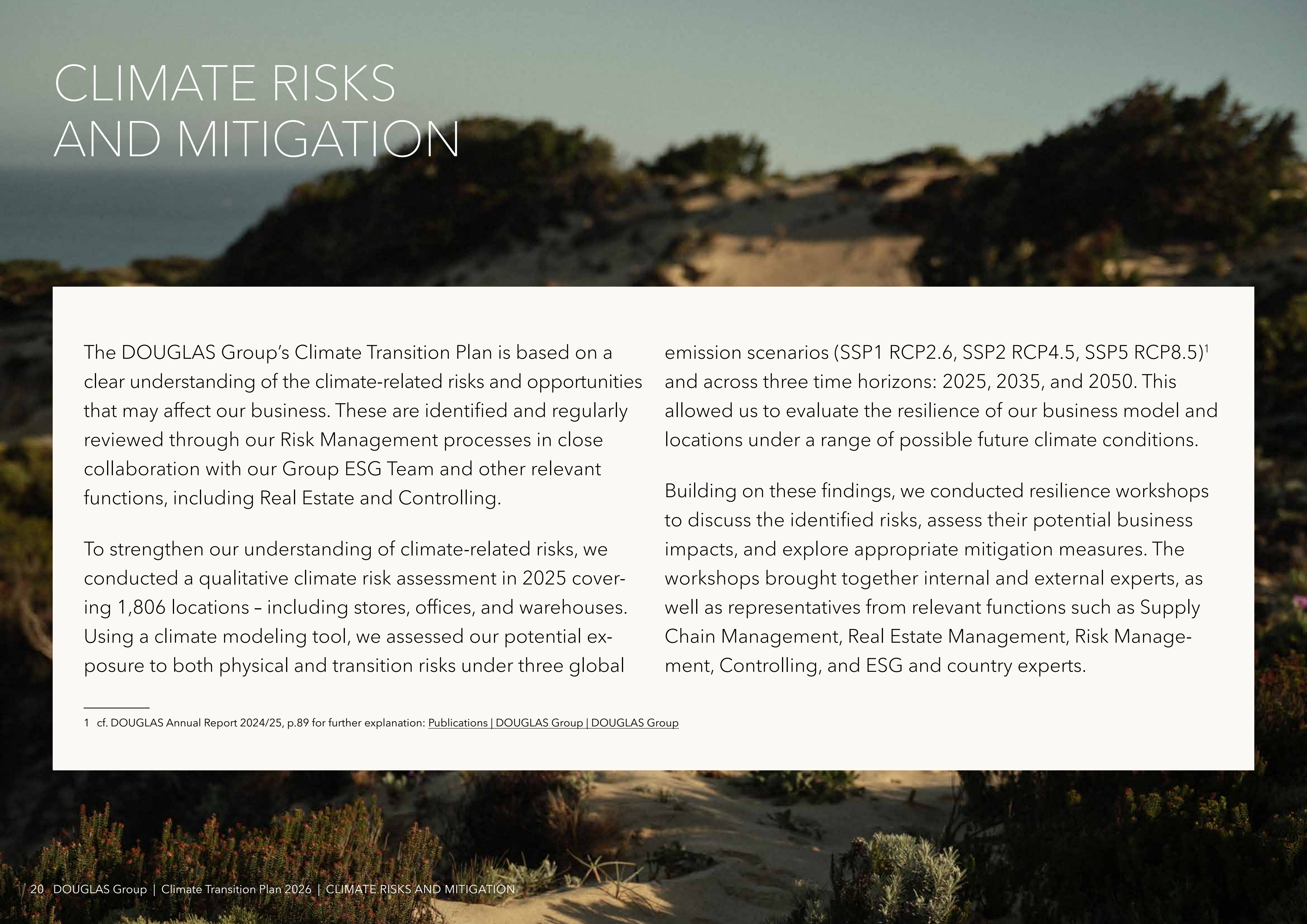
As part of this commitment, we contribute to the United Nations Development Goals (SDGs, with a focus on five priority goals most relevant to our business. Furthermore, we are an active participant of the UN GC Peer Learning Group on Climate Change in Germany, where we exchange ideas and challenges with other companies.

ECOBEAUTYSCORE CONSORTIUM

Working closely with our industry, we have joined the EcoBeautyScore Consortium, which aims to develop an environmental impact assessment and scoring system for cosmetic products to serve the growing expectations for transparency and sustainability from consumers and regulators.

CONSUMER GOODS FORUM

As a member of the Consumer Goods Forum (CGF), we joined the Climate Transition Coalition of Action, collaborating with industry peers on climate strategy and value chain decarbonization actions.



CLIMATE RISKS AND MITIGATION

The DOUGLAS Group's Climate Transition Plan is based on a clear understanding of the climate-related risks and opportunities that may affect our business. These are identified and regularly reviewed through our Risk Management processes in close collaboration with our Group ESG Team and other relevant functions, including Real Estate and Controlling.

To strengthen our understanding of climate-related risks, we conducted a qualitative climate risk assessment in 2025 covering 1,806 locations – including stores, offices, and warehouses. Using a climate modeling tool, we assessed our potential exposure to both physical and transition risks under three global emission scenarios (SSP1 RCP2.6, SSP2 RCP4.5, SSP5 RCP8.5)[1] and across three time horizons: 2025, 2035, and 2050. This allowed us to evaluate the resilience of our business model and locations under a range of possible future climate conditions.

Building on these findings, we conducted resilience workshops to discuss the identified risks, assess their potential business impacts, and explore appropriate mitigation measures. The workshops brought together internal and external experts, as well as representatives from relevant functions such as Supply Chain Management, Real Estate Management, Risk Management, Controlling, and ESG and country experts.

1 cf. DOUGLAS Annual Report 2024/25, p.89 for further explanation: Publications | DOUGLAS Group | DOUGLAS Group

RESULTS OF THE CLIMATE RISK ANALYSIS AND DEFINED ADAPTATION ACTIONS

Table 1 (» see page 21) shows an overview of the identified key physical and transition climate-related risks which were discussed in the resilience workshops.

Additionally, we have developed adaptation actions to mitigate these potential risks.

RESULTS OF THE RESILIENCE ANALYSIS

Based on the results of the analysis, we conclude that our business model and locations demonstrate resilience to climate change across near-, mid- and long-term time horizons from 2025 to 2050. This resilience is supported by our omnichannel business model, diversified product portfolio, and broad supplier network, which enable us to adapt to changing market conditions and customer preferences.

To further strengthen our resilience, we have identified a range of adaptation measures that support our ability to manage and navigate potential climate-related risks. These actions complement our existing operational flexibility and are intended to ensure sustained business continuity under changing climate conditions.

As part of our Double Materiality Assessment (DMA), we did not identify climate-related risks or opportunities that are currently considered financially material. Nevertheless, the risks identified through the Climate Risk Analysis have been incorporated into our Group Risk Catalogue and are reviewed annually as part of our established risk-management processes.

ADAPTATION ACTIONS

As an omnichannel beauty retailer, we can flexibly respond to climate related disruptions across our markets. To reduce potential dependencies on physical store locations, we continue to strengthen our e commerce business, helping to maintain customer access during extreme weather events.

To maintain safe and comfortable conditions during periods of heat stress, our stores are equipped with modern, energy efficient air conditioning systems that protect the well being of both our customers and employees.

When selecting new store locations, we increasingly prioritize professionally managed shopping centers, which often provide robust infrastructure and established risk management processes for climate related hazards.

In addition, the DOUGLAS Group maintains comprehensive insurance coverage across all 22 countries. This helps mitigate the financial impacts of extreme weather events that could damage our stores, products, or interior assets.

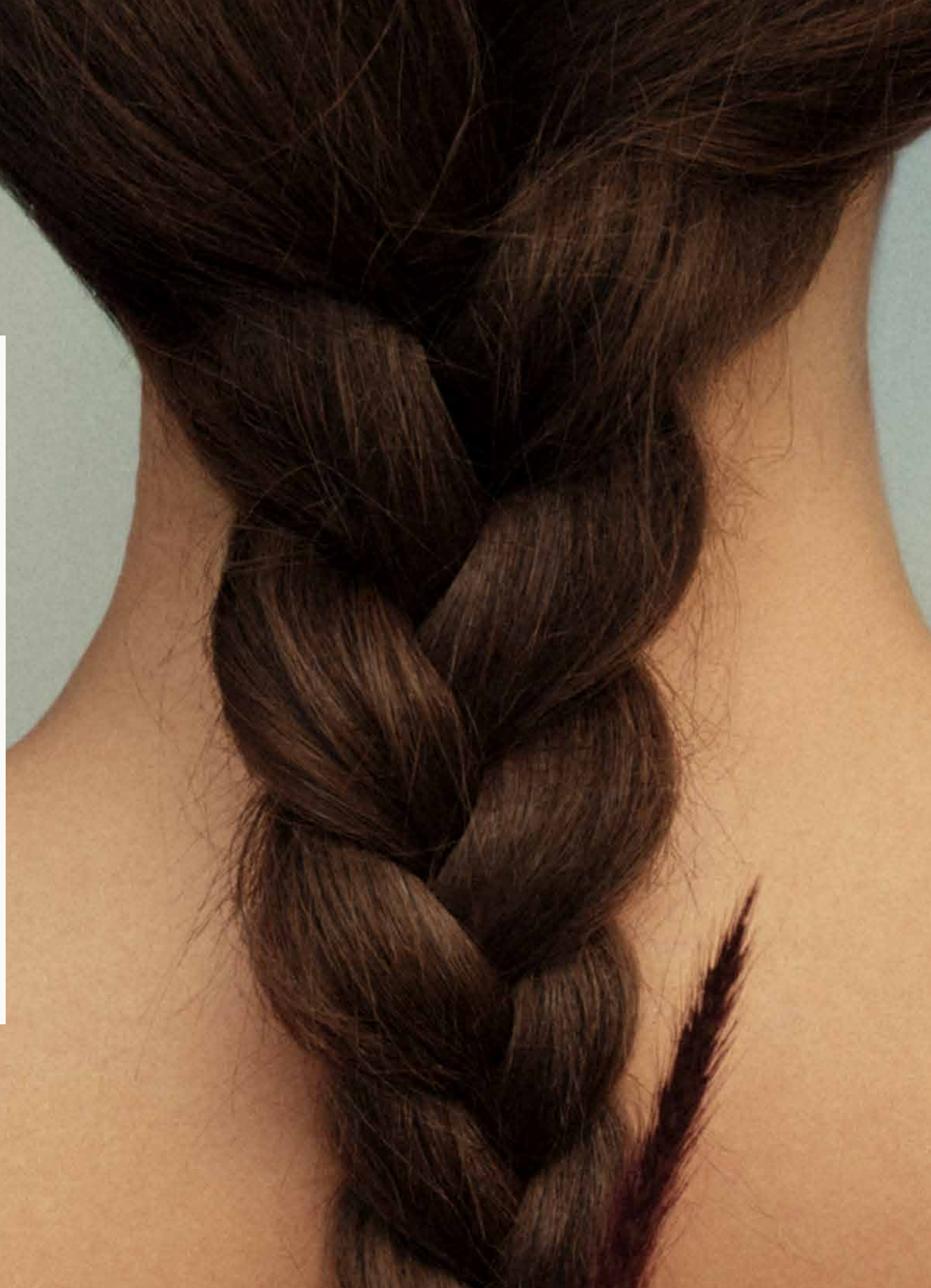
OVERVIEW OF IDENTIFIED CLIMATE RISKS

IDENTIFIED RISK	TYPE OF RISK	TREND	DESCRIPTION
Impact of heat on our stores operations and our employees in all business units	Physical risk	Risk increases in higher emission scenarios	Heat days could impact sales instore and could affect wellbeing of our employees
Impact of heat on product portfolio	Physical risk	Risk increases in higher emission scenarios	Heat could potentially affect product longevity and product substance
Increased energy consumption and costs due to higher cooling demands due to heat	Physical risk	Risk increases in higher emission scenarios	Heat days lead to increased cooling demands across stores and offices
Floods in our stores and warehouses	Physical risk	Risk increases in higher emission scenarios	Floods could lead to business disruptions in stores and warehouses and damage purchased goods
Customer demand shifts regarding product portfolio	Transition risk	Risk is steady for all scenarios	Customer demand for certain products might increase or reduce (e.g. a higher demand for light facial creams and sunscreen due to climate change or higher demand for vegan products due to increased awareness)

ESG GOVERNANCE

The DOUGLAS Group's ESG governance and management structure reflects the importance of ESG to and for our Group and our business. Responsibility for ESG is anchored at the highest level of the organization, with the CEO overseeing the DOUGLAS Group's ESG agenda.

To effectively implement our ESG strategy and embed sustainability across our organization, we have established clear ownership and responsibilities within our management structures. Every cluster and central function has defined relevant sustainability targets on fiscal year level. As a key governance tool, the achievement of ESG targets is integrated into the incentive schemes.



OUR ESG COMMITTEE

We have established a dedicated ESG governance framework, with the ESG Committee acting as the central steering and decision-making body. The ESG Committee is chaired by CEO Sander van der Laan and functions as a sub-committee of the DOUGLAS Group Management Board.

MEMBERS OF THE ESG COMMITTEE CURRENTLY ARE:

MANAGEMENT BOARD	CENTRAL FUNCTIONS	CLUSTER
Sander van der Laan Chief Executive Officer	**Peter Wübben** SVP Corporate Communi-cations & Sustainability	**Veit Weiland** CEO DOUGLAS Germany, Austria, Switzerland (DACH)
Marco Giorgetta Chief Financial Officer (CFO)	**Sarah Schlegel** Director Group Sustain-ability & Product Quality	**Sebastiaan de Jong** CEO DOUGLAS Belgium & Netherlands (BENE)
MANAGEMENT COMMITTEE	**Mareike Mende-Ratnam** Chief Human Resources Officer (CHRO)	**Agnieszka Mosurek-Zava** CEO DOUGLAS Central Eastern Europe (CEE)
Rik Strubel Chief Marketing Officer (CMO)	**Henning Waje** SVP Controlling & Real Estate	**Fabio Pampani** CEO DOUGLAS Southern Europe (SE)
Marcel Uphues Chief E-Commerce Officer	**Kai Niclas Schaal** SVP Supply Chain Management	**Nicolas Debray** CEO NOCIBÉ
Stefanie von Albert Chief Assortment Officer	**Lena Krömer** SVP Corporate Brands	**Nina Pütz** CEO Niche Beauty & Parfumdreams
	Dr. Oliver Trautmann Group General Counsel	

This composition ensures representation of all key business functions and regions and enables effective oversight, ownership and implementation of ESG initiatives across the Group.

The Supervisory Board is regularly involved in ESG-related topics through its role in overseeing the corporate strategy of the DOUGLAS Group and receives updates on matters discussed at ESG Committee level.

THE ESG COUNCIL

At the operational level, a Group-wide ESG Council is responsible for implementing strategic ESG initiatives within the framework of the ESG strategy and the Climate Transition Plan. It coordinates implementation across functions and countries, monitors progress, and supports the ESG Committee by identifying risks and providing regular updates on key developments and achievements.

The ESG Committee and the ESG Council are supported by the Group ESG team, led by the Director Group Sustainability & Quality Assurance (QA). The ESG team develops and regularly reviews the ESG framework, tracks implementation and coordinates stake-holder engagement. The Director Group Sustainability & QA reports to the Senior Vice President Group Communications & Sustainability.

Sustainability activities across the Group are implemented on a cross-functional basis to ensure alignment with business priorities and long-term value creation.

FINANCIAL PLANNING FOR CLIMATE TRANSITION PLAN

The implementation of the DOUGLAS Group's Climate Transition Plan is integrated into our existing business planning, investment decisions, and operational management processes. This ensures that climate related actions are aligned with our overall business strategy and long-term value creation.

Measures to reduce greenhouse gas emissions across our own operations and value chain require investments in both operational expenditures (OpEx) and capital expenditures (CapEx). These investments include, for example, energy efficiency improvements in stores and offices, the transition to renewable electricity, the electrification of company vehicles, and the adaptation of logistics and supply chain processes together with partners. Where relevant, investments are assessed alongside their expected environmental impact, operational benefits, and cost efficiency.

Investment decisions related to the Climate Transition Plan follow existing governance and approval processes and are assessed cross functionally, ensuring alignment between financial performance, climate objectives, and operational feasibility. Climate related investments are embedded into regular investment cycles, such as store refurbishments, logistics tenders, or IT projects, to maximize synergies and efficiency.

Given that most of our emissions occur within our value chain, delivering our climate targets also depend on collaboration with suppliers and partners. Supplier engagement, long term partnerships, and contractual arrangements therefore play an important role in supporting emission reductions while managing financial impacts.

We recognize that the financial implications of the transition to a low carbon economy will continue to evolve over time as technologies, data availability, regulatory requirements, and market conditions develop. The DOUGLAS Group will regularly review the financial impacts of its Climate Transition Plan and further integrate climate considerations into financial planning and decision making processes as transparency and maturity increase.

OUTLOOK

Reducing greenhouse gas emissions across our operations and value chain is the cornerstone of the DOUGLAS Group's Climate Transition Plan. Through the actions and decarbonization levers outlined in this plan, we aim to achieve our science based targets and progress towards Net Zero emissions by 2050.

While emissions reductions remain our primary focus, we recognize that a limited amount of residual emissions may remain. Our priority remains to reduce emissions within our own operations and across our value chain first. Future use of neutralization measures will be considered to address residual emissions that cannot be eliminated and will focus on high quality, permanent carbon removal solutions.

The transition to a low carbon economy is an evolving process. Methodologies, technologies, data quality, and market conditions continue to develop. We therefore view our Climate Transition Plan as a living framework that will be regularly reviewed and updated to reflect new insights, updated targets and initiatives, and progress made together with our suppliers, brand partners, and other stakeholders.

DOUGLAS
GROUP

IMPRINT

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