



ANNUAL REPORT 2024/2025

#1 BEAUTY  
DESTINATION  
IN EUROPE

DOUGLAS  
GROUP



## DISCLAIMER ON FORWARD-LOOKING STATEMENTS

This annual report contains forward looking statements. A forward looking statement is any statement that does not relate to historical facts or events or to facts or events at the date of the annual report. Statements made using forward looking terminology such as "aim", "anticipate", "expect", "intend", "plan", "predict", "project" and "seek" or the negative of these words are an indication of forward looking statements.

The forward looking statements contained in the annual report are based on our current estimates and forecasts. They are based on assumptions, such as constant exchange rates, and are subject to risks, uncertainties and other factors, the occurrence or non-occurrence of which could cause actual circumstances including with respect to our business, results of operations, financial condition, cash flows and prospects to differ materially from or not to meet the expectations expressed or implied by the forward looking statements. Even if our future results are in line with the expectations expressed herein, they are not indicative of results in subsequent periods.

The forward looking statements contained in the annual report are only valid at the time of preparation of the annual report. We do not assume any obligation to update the forward looking statements made in this report beyond the statutory requirements.



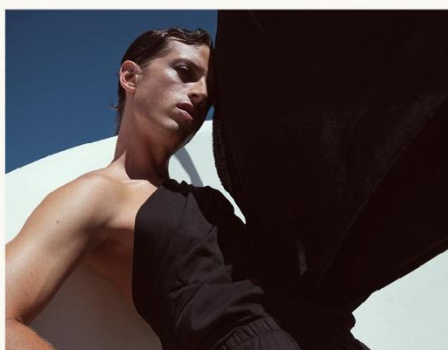
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# DOUGLAS at a glance

Highlights financial year 2024/2025

SALES (NET)

€4.58bn

3.5% sales growth excl. Disapo

ADJUSTED EBITDA

€768m

16.8% Adjusted EBITDA margin

NET INCOME

€175m

Previous year: €84m

AVERAGE NET WORKING CAPITAL  
AS A PERCENTAGE OF SALES

4.4%

Previous year: 5.3%

OPERATING FREE CASH FLOW

€461m

Previous year: €524m

NET LEVERAGE

2.9x

Previous year: 2.8x

STORES<sup>1</sup>

1,959

75 net openings

BEAUTY CARDS

>60m

Largest loyalty program in premium  
beauty in Europe

TOTAL GHG EMISSIONS (market-based)

211.7 ktCO<sub>2</sub>eq

Scope 1 & 2 GHG emissions (market-based)

24.1 ktCO<sub>2</sub>eq

Scope 3 GHG emissions

187.6 ktCO<sub>2</sub>eq

GENDER DISTRIBUTION  
ON TOP MANAGEMENT LEVEL

42% 58%

Women

Men

22 OMNICHANNEL COUNTRIES ORGANIZED INTO 12 CLUSTERS



<sup>1</sup> Including 129 franchise stores



# This is how we want to grow

To drive growth even in changing market conditions, we have sharpened our 'Let it Bloom' strategy with a stronger focus on the operating model and the business foundation.

## OUR THREE PILLARS

1



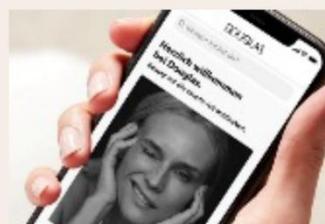
BE THE  
**#1 BEAUTY  
DESTINATION**  
IN ALL OUR  
MARKETS

2



OFFER THE MOST  
RELEVANT AND  
DISTINCTIVE  
**RANGE OF  
BRANDS**

3



DELIVER MOST  
CUSTOMER  
FRIENDLY  
**OMNICHANNEL  
EXPERIENCE**

## ONE FOUNDATION



GROW OUR **CULTURE  
& VALUES**



BUILD FOCUSED  
& EFFICIENT  
**OPERATING MODEL**





# NEW BEAUTY CARD



## #1 BEAUTY DESTINATION

> 60  
million  
Beauty Card members\*

30 yrs

The Beauty Card was first introduced  
30 years ago

1/3

Every third household in  
our largest markets has a  
Beauty Card

"OUR BEAUTY CARD IS  
THE LARGEST LOYALTY  
PROGRAM IN PREMIUM  
BEAUTY ACROSS  
EUROPE."

We have started the rollout of a fully redesigned CRM (customer relationship management) program, including a new Beauty Card. The new program brings new benefits and services, tailoring it even more closely to our customers' interests and needs. Following the launch in the Netherlands and Belgium in April 2025, it has been expanded to more countries since, including Italy and Germany in fall 2025.

\* as of 30 September 2025



A woman with dark, wavy hair pulled back, wearing a brown, long-sleeved, ribbed knit dress. She is looking out of a window with sheer white curtains. The lighting is soft and warm, coming from the window. The text "EXCLUSIVE BRAND LAUNCHES" is overlaid in large white letters.

# EXCLUSIVE BRAND LAUNCHES



## OFFER THE MOST RELEVANT AND DISTINCTIVE RANGE OF BRANDS

# 5

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Exclusive brand launches in  
our five core categories

"OUR UNPARALLELED  
RANGE OF PRODUCTS  
AND BRANDS IS AT THE  
HEART OF OUR OFFERING  
TO CUSTOMERS."

Driving desirability and exclusivity, we have made advancements in our product offering, further positioning DOUGLAS as the best place to shop premium beauty. Exclusive launches include TYPEBEA, the first exclusive launch in haircare, XO KHLOÉ, the first fragrance by Khloé Kardashian and the brands NEST, Iräye and Drybar. Meanwhile, Corporate Brands introduced the new bathcare sub-brand THE BOTANIST as part of our DOUGLAS/NOCIBÉ range.



# STORE NETWORK EXPANSION



## DELIVER THE MOST CUSTOMER-FRIENDLY OMNICHANNEL EXPERIENCE

1,959

stores across Europe\*

75

new openings in 2024/25 (net)\*

122

refurbishments in 2024/25\*

“HIGHLIGHT FLAGSHIP OPENINGS  
INCLUDE A 300M<sup>2</sup> STORE IN PARIS  
LA DÉFENSE, ONE OF EUROPE’S  
LARGEST SHOPPING CENTERS,  
A 500M<sup>2</sup> STORE IN ANTWERP,  
BELGIUM, AND A FLAGSHIP STORE  
IN ZAGREB, CROATIA,  
IN A PRESTIGE LOCATION”

Between 1 October 2024 and 30 September 2025, we have opened 75 new stores (net)\* and modernized 122 existing stores\*. As a true omnichannel company, we believe in the future of stationary retail and will continue investing in our footprint.

\* incl. franchise

# What makes the DOUGLAS stock attractive?

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UNIQUE  
OMNICHANNEL  
BUSINESS  
MODEL

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LEADING MARKET  
POSITION  
& UNMATCHED  
BRAND PORTFOLIO

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"LET IT BLOOM"  
STRATEGY FOCUSED  
ON PROFITABLE  
GROWTH

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SUPPLY CHAIN  
EXCELLENCE  
& INNOVATION





# Our history



## Since 1909 female leadership

In 1910, Berta Kolbe, head of the soap company "J. S. Douglas Söhne", licensed the Douglas name to Anna and Maria Carstens, who opened the first "Parfümerie Douglas" in Hamburg.

## 1821

## The origins of DOUGLAS

With the opening of a soap factory in Hamburg's Speicherstadt, our namesake, Scottish immigrant John Sharp Douglas, laid the foundation for our company today.



## 1969 from perfumery to corporation

Hussel AG acquires DOUGLAS perfumeries and, under CEO Dr Jörn Kreke, expands rapidly thereafter. The company restructures into a holding, and from 1976 all stores operate as "Parfümerie Douglas GmbH."

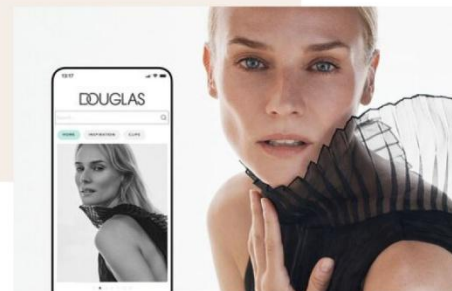
## 1973

## Growth in Europe

With the acquisition of Austria's "Parfümerie Ruttner", DOUGLAS begins its international expansion, growing in the 1980s across Europe and throughout Germany. By the 2000s, it operates in countries including Spain, Poland, Hungary, Romania, and Switzerland.

## 2000 Online retail

DOUGLAS opens its first online shop. More online shops follow in the international markets. In 2011, DOUGLAS reaches another milestone and expands its online offering with its mobile app.



## 2012

## Change of Ownership

The Kreke family and Advent International take private Douglas Holding AG, which also includes Thalia, Christ, Appelrath Cüpper, and Hussel, and focus the company on beauty retail. DOUGLAS expands internationally, acquires the French perfumery chain NOCIBÉ, is partially sold to CVC Capital Partners in 2015.

## 2017 #FORWARDBEAUTY

DOUGLAS launches the strategic offensive #FORWARDBEAUTY, strengthens e-commerce, and expands through acquisitions of parfumdreams (2018) and Niche Beauty (2019).

## „Let it Bloom“ 2023

DOUGLAS launches 'Let it Bloom - DOUGLAS 2026', an omnichannel growth strategy focused on becoming the leading premium beauty destination with a distinctive brand range, customer-friendly experience, and efficient operations.

## 2024 Publicly listed

The DOUGLAS Group returns to the Frankfurt Stock Exchange as Douglas AG.





# TO OUR SHARE- HOLDERS

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# CEO letter



Dear shareholders, dear ladies and gentlemen,

In 2025, we celebrated 115 years of DOUGLAS as a beauty retailer – and thus more than a century of company history in which we have been reinventing ourselves time and time again. DOUGLAS has transformed from a local perfumery in Hamburg to a pan-European omnichannel champion – with around 1,960 stores in 22 countries, modern online shops, and an omnichannel strategy that integrates offline and online retail. And the milestones don't stop there: 30 years ago, we introduced our iconic Beauty Card, and 25 years ago, we entered the world of E-Commerce with the first DOUGLAS online shop.

As you can see, change is part of the DOUGLAS Group's DNA. We have always looked at change as an opportunity – and in doing so, we have not only built our resilience, but also evolved into Europe's leading omnichannel premium beauty retailer. Today, we find ourselves once again in a phase of change, and we are facing it with confidence and a clear business plan.

After years of exceptional momentum, market growth for premium beauty in Europe has recently slowed down. We continue to operate in a segment that is growing structurally, but we also observe greater volatility. Geopolitical and macroeconomic uncertainties are weighing on consumer sentiment, particularly in our largest single markets, Germany and France. The implications of this volatility: fluctuations in sales and thus increased planning risks. We experienced this in 2024/2025: After a good start to the financial year, sales declined in the first months of 2025 before picking up again and stabilizing in the third and fourth quarter.

Changing consumer behavior, greater price sensitivity, and increased promotional pressure are further signs of a market characterized by consolidation and re-balancing.

Our response to these challenges is – in addition to a clear strategy – to focus on what makes us strong: our “customer first” mentality.

As a leading player in our industry with four successful retail brands, we are committed to offer our customers

the best shopping experience around. Not just in the stores and/or the online shop, but anytime, anywhere, and seamlessly connected. That's why we are investing in our brand, our product range, our supply chain, and the digital experience.

We want to be where our customers are. And we want to give them what they expect from us: the best range of products and brands, excellent advice across all channels, fast delivery, convenient services, and an attractive price-performance ratio. All of this is reflected in our "Let it Bloom" strategy, which we fundamentally believe in and will continue to pursue. We have only shifted our focus slightly, looking even more into efficiency and standardized processes. This includes significant investments in our Europe-wide IT landscape, the development and implementation of cross-organizational standards, and the continued rollout of our OWAC supply chain strategy (OWAC = "One Warehouse, All Channels").

At the same time, we take our responsibility very seriously – as an employer, retailer, and as a corporate citizen. We are very proud of our team of more than 19,000 motivated employees who work passionately to put a smile on our customers' faces – whether in direct contact in the stores or behind the scenes in our offices. Together, we not only strive to 'make life more beautiful', but we are also committed to sustainability along the entire value chain as an integral part of our identity. In the Non-Financial Statement starting on page 67 of the annual report, we outline the progress we have made in this area in the financial year 2024/2025.

Dear shareholders, ladies and gentlemen: The fact that we are still here and continue to grow – 115 years after the company was founded – is not something to be taken for granted, but the result of a long tradition of passionate brand management, strict customer focus, the courage to embrace change, and confidence in our own strengths. The DOUGLAS Group stands for the shopping of tomorrow, innovative spirit, and strong talent that brings our purpose to life.

That is why we are approaching the changing environment with a cool head and a clear plan – and the firm conviction that we will successfully continue on our path of profitable growth if we systematically grasp the opportunities that arise for us as a leading company.

I would like to take this opportunity, as CEO and on behalf of the entire Management Board, to thank everyone at DOUGLAS, NOCIBÉ, Parfumdreams, and Niche Beauty – and all of you, our shareholders, who believe in us and our strategy. We want to repay your trust by growing as a company, developing further, and becoming a little better every day – just as we have been doing for the past 115 years.

I wish you an enjoyable read of the DOUGLAS Group's Annual Report for 2024/2025.

Yours,

Sander van der Laan

CEO DOUGLAS Group



# Management Board



Alexander "Sander" van der Laan

## DOUGLAS Group CEO

Sander van der Laan has been Chief Executive Officer (CEO) of the DOUGLAS Group since November 2022.

Under his leadership, the "Let it Bloom – DOUGLAS 2026" strategy was introduced, which puts customers at the center of the business model and focuses on expanding the Group's omnichannel positioning. Before joining the DOUGLAS Group, Sander van der Laan led the Dutch non-food retailer Action as CEO for over six years, significantly increasing sales and driving expansion. He also spent more than 16 years in various management positions at the listed retail group Ahold Delhaize – most recently as CEO of the leading Dutch retail chain Albert Heijn. Earlier positions were as General Manager at the Dutch beverage specialist Gall & Gall and in Marketing and Sales at Unilever.

Sander van der Laan studied at the Nyenrode Business Universiteit in Breukelen, the Netherlands, and holds a Master of Business Administration (MBA) degree.



Marco Giorgetta

## DOUGLAS Group CFO

Marco Giorgetta has been Chief Financial Officer (CFO) of the DOUGLAS Group since May 2025.

Before he joined the DOUGLAS Group, he was CFO and Managing Director of Italian selective beauty retailer Limoni from 2013 to 2017. Following the acquisition of Limoni by the DOUGLAS Group in 2017, he was appointed CFO of DOUGLAS Italy and was responsible for the integration of the Italian businesses. In 2021, he also became CFO of DOUGLAS Southern Europe. Earlier experiences include private equity firms Bridgepoint and Orlando Italy, investment bank Morgan Stanley and IT consultancy firm Neptunus (now Moviri).

Marco Giorgetta graduated in Computer Engineering from Politecnico di Milano and holds a Master of Science in Computer Science from the University of Illinois at Chicago.



Dr. Philipp Andrée

## DOUGLAS Group CCO

Dr. Philipp Andrée is Chief Commercial Officer (CCO) of the DOUGLAS Group and has been a member of the Board since January 2023.

Before joining the DOUGLAS Group, he worked at Hamburg-based coffee roaster and retailer Tchibo for more than seven years, most recently as Member of the Management Board for Digital & Marketing. Previously, he built up and sold the online fashion platform Department47 as founder and Managing Director. He began his career at the management consultancy McKinsey & Company.

Dr. Philipp Andrée studied mechanical engineering at the Technical University of Hamburg and later earned a doctorate in marketing from the University of Hamburg.

# Supervisory Board



Dr. Henning Kreke  
Chairman of the Supervisory Board



Ulrike Grabe  
Vice-Chairwoman



Alexander Dibelius



Daniel Pindur



Can Toygar



Pamela Knapp



Georgia Melenikiotou



Ulrike Gaal



Vesna Mandalenakes



Stefanie Hübner



Petra Ringer



Peter König



## Dr. Henning Kreke Chairman of the Supervisory Board

Born in 1965, Henning Kreke completed his undergraduate and graduate studies in business administration at the University of Texas in Austin, TX, USA. In 1994, he was awarded a doctorate degree in political science from Christian-Albrechts University in Kiel, Germany. In 1990, Henning Kreke started his career at the investment bank Salomon Brothers in New York. He joined Douglas in 1993 as an assistant to the Management Board. He was a member of the Management Board of Douglas from 1997 until 2016 and was Chairman of the Management Board and Chief Executive Officer of Douglas from 2001 until 2016. Henning Kreke became Chairman of Douglas GmbH in 2016 and now serves as Chairman of Douglas AG's Supervisory Board. He is currently also a member of the Supervisory Board of Thalia Bücher GmbH and Deutsche Euroshop AG and a member of the Advisory Board of noventic GmbH, Perma-Tec GmbH & Co. KG, AXXUM Holding GmbH, and SLYRS Destillerie GmbH & Co. KG. He also is a manager and general partner (*Komplementär*) of Kreke Immobilien KG, Let's Go JMK KG, H & J Let's Go Commando KG and JMK Grundbesitz KG as well as managing director of JMK Immobilien Verwaltungs GmbH, Lobelia Beteiligungs GmbH, Lobelia 25+ Beteiligungs GmbH, Alvetra GmbH, yaska Kalorimeta GmbH, JMK Verwaltungs GmbH, Let's Go JMK Beteiligungs GmbH, H & J Seven Eleven Verwaltungs GmbH and Lobelia Lux S.à r.l.

## Ulrike Grabe Vice-Chairwoman

Born 1959, Ulrike Grabe, who is a trained drugstore assistant, started her career as a sales assistant working for other companies. In 1988, she joined Douglas where she was an area manager for West-Germany. Ulrike Grabe gained international experience as a distribution manager for Douglas in Moscow from 2002 until 2006 and for Douglas Turkey from 2009 until 2012. Since 2021, she has been an area manager for Douglas in Germany. Ulrike Grabe is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Alexander Dibelius

Born in 1959, Alexander Dibelius studied medicine at Ludwig-Maximilians University in Munich, Germany, from 1978 to 1984 and was awarded a doctorate in medicine in 1987. After graduating, he worked as an assistant physician at hospitals in Johannesburg and Cape Town, South Africa and later as a surgeon at a hospital in Germany. In 1987, he became a partner at McKinsey & Company in Vienna, Austria, and Munich, Germany, where he remained until 1992. In 1993, he joined Goldman Sachs, where he held various positions until 2015, including Chairman of the Board of Directors

of Goldman Sachs AG, Frankfurt, Germany. Since 2015, he has been working at CVC Advisers (Deutschland) GmbH in Frankfurt am Main, Germany, in the German coverage team of CVC Capital Partners, where he is a managing director (*Geschäftsführer*) and holds the position of managing partner. At CVC Capital Partners, he is also a member of the Boards of Directors of CVC Advisers (Luxembourg) S.à r.l. and CVC Capital Partners SICAV-FIS S.A.

Alexander Dibelius is currently also a member of the Supervisory Board of KION GROUP AG, managing director of Syntegon Technology GmbH and a member of the Shareholders' Committee of Tipico Group Ltd. Until 2023, Alexander Dibelius held various positions at Diebold Nixdorf, including as a member of the Board of Directors of Diebold Nixdorf, Inc., Chairman of the Supervisory Board of both Diebold Nixdorf International GmbH (until 2020) and chairman of the supervisory board of Diebold Nixdorf AG (until 2019). Until 2023, he also was a member of the Advisory Boards of Messer Industries USA, Inc., and Messer Industries GmbH. Until 2021, he was a member of the Supervisory Board of ironSource Mobile Ltd. and a member of the Advisory Board of DKV MOBILITY SERVICES HOLDING GmbH + Co. KG.

Besides these appointments, Alexander Dibelius is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Daniel Pindur

Born in 1978, Daniel Pindur studied finance and economics at the WHU, Otto Beisheim School of Management in Vallendar, Germany, from 1998 to 2002, where he obtained a diploma (*Diplom-Kaufmann*). He started his professional career as an analyst at Goldman Sachs. He worked for Goldman Sachs until 2004, when he decided to pursue a doctorate in economic sciences, which he was awarded from Ulm University in 2005. Thereafter, Daniel Pindur joined CVC Capital Partners where he is managing director of CVC Advisers (Deutschland) GmbH and holds the position of managing partner. He also serves on CVC's Private Equity Board and holds various board roles at CVC portfolio companies.

Daniel Pindur is currently also a member of the Supervisory Board of Breitling S.A., Chairman of the Shareholders' Committee of Tipico Group Ltd., a member and Chairman of the Supervisory Committee of Asterix Holdings S.à r.l. and a member of the Administrative Board of DKV MOBILITY GROUP SE. He is also a managing director of locada GmbH and locada investment Verwaltungs GmbH, and a member of the Board of Directors of Tintoretto Holdings S.à r.l., Tintoretto Luxembourg S.à r.l. and Gauguin Luxembourg S.à r.l. Furthermore, he is a limited partner (*Kommanditist*) of locada investment GmbH & Co KG. Until the beginning of 2024, he was a managing director of Kirk Beauty 2 Verwaltungs GmbH, Kirk Beauty Verwaltungs GmbH, and a member of the Board of Directors of Kirk Beauty International S.A., Kirk Beauty Investments S.A.

and Kirk Beauty S.à r.l. Until 2023, he was a director of Breitling Financing S.à r.l., Breitling Holdings S.à r.l., Breitling Intermediate S.à r.l., Breitling International S.à r.l., Orbiter Holdings S.à r.l., Orbiter Investments S.à r.l., Orbiter Luxembourg S.à r.l., Orbiter NewCo S.à r.l., Orbiter Management S.A., Orbiter MEPCo 2 S.A. and Orbiter MEPCo 3 S.A. Until 2023, Daniel Pindur also was a member of the Advisory Board of Messer Industries GmbH. Until 2021, he was a member of the Board of ironSource Mobile Ltd., a director of Tackle Luxembourg S.à r.l. (liquidated) and a member of the Advisory Board of DKV MOBILITY SERVICES HOLDING GmbH + Co. KG. Until 2019, Daniel Pindur was a managing director of Yeti Management Verwaltungs GmbH and a director of Sybil Holdings S.à r.l. (liquidated). Besides these appointments, Daniel Pindur is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Can Toygar

Born in 1982, Can Toygar studied business administration at the University of Mannheim, Germany, from 2003 until 2006, where he obtained a diploma (*Diplom-Kaufmann*). In 2006, he started his professional career as an analyst at J.P. Morgan Investment Banking in London, United Kingdom, and later also worked as an analyst for J.P. Morgan in New York, USA, and Frankfurt, Germany. Can Toygar joined CVC Advisers (Deutschland) GmbH in 2011 where he is a senior managing director. He also holds various board roles at CVC portfolio companies.

Can Toygar is a managing director of Asterix Verwaltungs GmbH, Azade GmbH, and Platin2025 Verwaltungs GmbH as well as a member of the Board of Directors of Asterix Holding S.à r.l., Asterix Luxembourg S.à r.l., Asterix TopCo S.à r.l., Asterix Investments S.à r.l., Gauguin Luxembourg S.à r.l., Platin2025 Acquisition S.à r.l., Platin2025 Holdings S.à r.l., Platin2025 Investments S.à r.l., Platin2025 Luxembourg S.à r.l., Platin 2025 Management S.à r.l., Tintoretto Holdings S.à r.l. and Tintoretto Luxembourg S.à r.l. and a director of Tackle Holdings Jersey Limited and Trius Co-Investment G.P. Limited. He is a member of the Supervisory Committee of Asterix Holdings S.à r.l. and of the Supervisory Board of Syntegon Technology GmbH.

Until the beginning of 2024, Can Toygar was managing director of Kirk Beauty 2 Verwaltungs GmbH, Kirk Beauty Verwaltungs GmbH as well as a member of the Board of Directors of Kirk Beauty Investments S.A. Until 2023, Can Toygar was managing director of Yeti Warehouse GmbH, and a director of Orbiter Holdings S.à r.l., Yeti Holdings S.à r.l., Yeti Investments S.à r.l., Breitling Financing S.à r.l., Breitling Holdings S.à r.l., Breitling Intermediate S.à r.l., Breitling International S.à r.l., Orbiter Investments S.à r.l., Orbiter Luxembourg S.à r.l., Orbiter NewCo S.à r.l., and a director of Orbiter Management S.A., Orbiter MEPCo 2 S.A. and Orbiter MEPCo 3 S.A. Until 2022, he was managing director of Asterix AcquiCo GmbH and Asterix HoldCo GmbH

and director of Arizona Luxembourg S.à r.l., Arizona Topco S.à r.l., Arizona Participations S.à r.l. and Platin 2025 S.à r.l. Until 2021, he was director of Arizona US AcquiCo Inc., Arizona US Midco Inc. and a managing director of Arizona MidCo GmbH, Arizona TopCo 1 GmbH, Arizona TopCo 2 GmbH, Arizona Master AcquiCo GmbH, Arizona US HoldCo GmbH, and a director of Tackle Luxembourg S.à r.l. (liquidated). Until 2020, he was director of Syntegon US Holding Inc. and a managing director of Syntegon GmbH and Syntegon Holding GmbH. Until 2019, he was managing director of Yeti Management Verwaltungs GmbH and Yeti NewCo 0 GmbH. Besides these appointments, Can Toygar is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Pamela Knapp

Pamela Knapp has been a member of the Supervisory Board since 2020. She is a member of the Audit Committee and a member of the Remuneration Committee. Her second term expires in 2028.

Pamela Knapp started her career as an M&A consultant at Deutsche Bank Morgan Grenfell and later at Fuchs Consult. In 1992, she joined Siemens, where she held various management positions. From 2000 to 2004 she headed the corporate department for Management Development and Senior Management remuneration, reporting directly to the Siemens CEO. From 2004 to 2008 she served as CFO of the Power Transmission & Distribution Group, in which role she was also responsible for IT, purchasing, compliance and the sales offices in Latin America and Western Europe. From 2009 to 2014, Pamela Knapp was a member of the Management Board and CFO of GfK SE. Business transformation, including IT and HR topics, have been a permanent element of Pamela Knapp's operational tasks and continue to be in her board memberships.

Pamela Knapp is a member of the Supervisory Boards of LANXESS, Compagnie de Saint-Gobain and Douglas. She is also a member of the German Monopolies Commission (Monopolkommission). On all her boards, Pamela Knapp is regularly involved in the sustainability aspects of the respective businesses. She was previously a member of the Supervisory Board of PSA Peugeot Citroën, the business of which was strongly influenced by regulation regarding reduction of CO2 emissions and shift to e-mobility. Pamela Knapp, a German national born in 1958, obtained a master's degree in economics from the University of Berlin. Pamela has lived and worked in Germany, Belgium and Austria, and has extensive working experience in Latin America, Asia and Western Europe.

## Georgia Melenikiotou

Born in 1959, Georgia Melenikiotou studied mechanical engineering at the National Technical University of Athens, Greece, where she obtained a master's degree. She also holds an MBA from the MIT Sloan School of

Management in Cambridge, MA, USA, which she attended as a Fulbright Scholar. Georgia Melenikiotou worked for the multinational pharmaceutical corporation Johnson & Johnson for 27 years in several leadership positions in seven countries (USA, United Kingdom, France, Italy, Belgium, Greece, and Switzerland), including as Global President of Beauty EMEA (Europe, Middle East, Africa), President J&J France, and Global President for Strategy and New Growth. After that, she joined Estée Lauder Companies Ltd., where she stayed for 11 years until she left the company in 2021. Based at the New York headquarters, Georgia Melenikiotou was Executive Vice President for Corporate Marketing and a member of Estée Lauder Companies' leadership team, reporting directly to the CEO.

Georgia Melenikiotou has been a non-executive member of the Board of Directors, Chair of the Nominations and Governance Committee, and a member of the Audit Committee of the listed US medical technology company Pulmonx Corporation and a non-executive member of the Board of Directors and a member of the Audit Committee of the listed US medical technology company Inspire Medical Systems, Inc. since 2019. Furthermore, she was a non-executive member of the Board of Directors and a member of the Strategy Committee of the listed Brazilian cosmetics corporation Natura & Co Holdings S.A. from 2021 to August 2024. From 2014 until 2022, Georgia Melenikiotou was a non-executive member of the Board of Directors, a member of the Strategy Committee, and a member of the Audit Committee of the listed Spanish pharmaceutical company Almirall S.A. Since 2012, she has also been a non-executive member of the Boards of Directors of the US non-profit organization MIT Sloan School of Management and One-to-World Fulbright. She has recently joined the Advisory Board of MIT's Social and Ethical Responsibilities of Computing and Artificial Intelligence (SERC). Besides these appointments, Georgia Melenikiotou is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Ulrike Gaal

Born in 1964, Ulrike Gaal, who is a trained hairdresser, started working in cosmetics retail in 1989. She joined Douglas in 2007. In 2018, she was elected as Chairwoman of the Works Council of the Group company Parfümerie Douglas Deutschland GmbH. Since 2022, she has also been Vice-Chairwoman of the Supervisory Board of the Group company Parfümerie Douglas Deutschland GmbH. Ulrike Gaal is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Vesna Mandalenakes

Born in 1969, Vesna Mandalenakes joined Douglas as a commercial employee in 2000. She was Chairwoman of the Works Council for the Munich region of the Group company Parfümerie Douglas Deutschland GmbH. In 2022, she was also appointed as a member of the Supervisory Board of the Group Company Parfümerie Douglas Deutschland GmbH. Vesna Mandalenakes is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Stefanie Hübner

Born in 1974, Stefanie Hübner studied economics and holds a degree from Technical University of Dortmund, Germany. She joined Douglas in 2003 and has since held various positions in the marketing and E-Com departments. Stefanie Hübner is Vice President of E-Commerce in the DACH region. Furthermore, Stefanie Hübner was appointed as authorized officer of the Group company Parfümerie Douglas Deutschland GmbH in 2023.

Stefanie Hübner is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Petra Ringer

Born in 1965, Petra Ringer holds a Bachelor Professional of Trade and Commerce (*Handelsfachwirtin*), a degree awarded by the German Chamber of Commerce and Industry. She has been working as a trade union secretary since 1996.

Petra Ringer is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.

## Peter König

Born in 1965, Peter König, who is a trained retail salesman, worked in retail from 1980 until 1993, when he became a trade union secretary for the trade union Deutsche Angestellten-Gewerkschaft (DAG). Since 2001, following the merger of the DAG and four other trade unions to form the Vereinte Dienstleistungsgewerkschaft (ver.di), Peter König has worked as a trade union secretary for ver.di.

Peter König is also a member of the Supervisory Board of Adler Modemärkte GmbH. Besides this appointment, Peter König is not and has not been a member of any administrative, management or supervisory body of any company or a partner in a partnership outside the Group within the last five years.



# Report of the Supervisory Board

pursuant to Section 171 (2) AktG and Section 25 (1) sentence 1 no. 2 MitbestG

## DOUGLAS AG

Financial year from 1 October 2024 to 30 September 2025

The Supervisory Board of Douglas AG (hereinafter also referred to as the "**Company**") dealt extensively with the business and strategic development of the Company and the entire group of companies managed by the Company as the Group holding company (hereinafter referred to as "**DOUGLAS Group**"). During the period from 1 October 2024 to 30 September 2025 (hereinafter the "**Reporting Year**"), the Supervisory Board continuously advised and monitored the Management Board in the management of the Company and the DOUGLAS Group within the scope of its powers and duties. The Supervisory Board fully performed the duties incumbent upon it in accordance with the law, the Articles of Association and the Rules of Procedure and was able to fulfill its legal and statutory duties without restriction.

### A. Cooperation between the Management Board and the Supervisory Board

There was a regular exchange of information between the Chairman of the Supervisory Board and the Chairman of the Management Board as well as the committee Chairs and the other members of the Management Board during the Reporting Year. In this way, the Supervisory Board was always informed about the intended business policy, corporate planning including financial, investment and personnel planning, the profitability of the business and the situation of the Company and the DOUGLAS Group. The Supervisory Board was able to satisfy itself of the legality, appropriateness and regularity of the Management Board's performance of its duties and was involved in decisions of fundamental importance to the Company

and/or the DOUGLAS Group. Where the approval of the Supervisory Board for decisions or measures taken by the Management Board was required by law, the Articles of Association or the Rules of Procedure, the members of the Supervisory Board approved these following preparation by the committees as well as, examination and discussion.

#### In detail:

The Management Board informed the Supervisory Board regularly, promptly and comprehensively in the Reporting Year, both in writing and verbally, about issues relevant to the Company and the DOUGLAS Group relating to strategy, planning, business development, the economic and financial situation, the risk situation, risk management and compliance. This relates to the preparation of both ordinary and extraordinary Supervisory Board meetings and applies regardless of the form chosen (face-to-face meeting, conference call, video conference or hybrid form). Timely and comprehensive information also applies to reporting outside of Supervisory Board meetings. The Management Board and Supervisory Board or the committee Chairs were in regular, close contact to discuss key issues affecting the Company and/or the DOUGLAS Group as well as other current management issues.

The reports of the Management Board in accordance with Section 6 (1) and (2) of the Rules of Procedure for the Company's Management Board were submitted. The Supervisory Board and its committees had sufficient opportunity to critically examine the reports submitted. Suggestions were made and taken into account.

At the meetings of the Supervisory Board and the committees, the course of business and the situation of the Company and the DOUGLAS Group were regularly discussed with the Management Board. Furthermore, the Management Board explained in detail the intended business policy, other fundamental issues of corporate planning and the Company's capital, assets and earnings position. Outside of the meetings, the Management Board also provided the Supervisory Board with a detailed regular overview of the current business situation of the Company and the DOUGLAS Group during the Reporting Year.

Conflicts of interest on the part of the Supervisory Board in connection with the position of the individual members and their activities were neither reported nor identifiable in the Reporting Year.

## B. Focus of the advisory and monitoring activities

### 1. General

The Supervisory Board and its committees continued to focus on realization of the "Let it Bloom" company strategy in the Reporting Year and on making nuanced adjustments to it in line with current market conditions. The Supervisory Board also regularly dealt with the situation and performance of the Company and the DOUGLAS Group during the Reporting Year.

It held four ordinary meetings and one extraordinary meeting in the Reporting Year. The extraordinary meeting on 28 February 2025 concerned a portion of the DOUGLAS Group's refinancing<sup>1</sup> and was held as a video conference. The ordinary meetings were held in hybrid form. The average attendance rate for all meetings of the Supervisory Board and its committees during the Reporting Year and all members of the Supervisory Board in office amounted to 96.69%.

The resolutions of the Supervisory Board were passed and recorded in the minutes of the meetings or as circular resolutions during the Reporting Year. There were no objections to the resolutions and their implementation.

### 2. Selection of individual key topics

At its ordinary meetings, the Supervisory Board always discussed and debated the current business situation of the Company and the DOUGLAS Group. The ordinary meetings took place on 17 December 2024, 11 March 2025, 11 June 2025, and 24 September 2025.

The planning for the 2025/2026 financial year and the multi-year planning for the subsequent 2026/2027 and 2027/2028 financial years were initially discussed at the ordinary meeting on 11 June 2025, further considered at the ordinary meeting of the Executive Committee on 12

August 2025 and eventually discussed and approved at the ordinary meeting on 24 September 2025.

The Supervisory Board discussed the progress of the audit at the ordinary annual financial statements meeting of the Supervisory Board on 24 September 2025. The plans had previously been prepared with the auditor at the ordinary meeting of the Audit Committee on 12 August 2025.

In August 2025, the Supervisory Board carried out an initial self-evaluation of its working methods in accordance with the recommendation of the German Corporate Governance Code. The results of this self-evaluation of the Supervisory Board were discussed in detail at the Supervisory Board's ordinary meeting on 24 September 2025. Further self-evaluation will be embedded as an integral part of the Supervisory Board's annual work in future.

At the ordinary Supervisory Board meeting on 24 September 2025, the Supervisory Board set its targets for the variable remuneration components of the Management Board compensation for the 2025/2026 financial year.

The following table shows the number of meetings of the Supervisory Board and the committees as well as the attendance of each member in the Reporting Year:



Name	Attendance		
	Meetings of the Supervisory Board <sup>(1)</sup>	Meetings of the Executive Committee <sup>(2)</sup>	Meetings of the Audit Committee <sup>(4)</sup>
Dr. Henning Kreke	5 out of 5	6 out of 6	/
Dr. Alexander Dibelius	5 out of 5	/	/
Dr. Daniel Pindur	5 out of 5	6 out of 6	4 out of 4
Can Toygar	5 out of 5	6 out of 6	4 out of 4
Pamela Knapp	5 out of 5	5 out of 6	4 out of 4
Georgia Garinois-Melenikiotou	5 out of 5	6 out of 6	3 out of 4
Ulrike Grabe	5 out of 5	6 out of 6	/
Stefanie Hübner	5 out of 5	/	4 out of 4
Ulrike Gaal	5 out of 5	5 out of 5 <sup>(3)</sup>	/
Vesna Mandalenakes	5 out of 5	/	/
Petra Ringer	4 out of 5	/	/
Peter König	4 out of 5	/	/

<sup>(1)</sup>The Supervisory Board held a total of five meetings during the Reporting Year.

<sup>(2)</sup>Six meetings of the Executive Committee were held during the Reporting Year.

<sup>(3)</sup>Ms. Gaal has been a member of the Executive Committee since 1 January 2025, and therefore did not attend meetings until the beginning of the calendar year.

<sup>(4)</sup>Four meetings of the Audit Committee were held during the Reporting Year.

## C. Committees

The Supervisory Board received continuous support and specialist advice from its committees during the Reporting Year. The Chairs of the Executive and Audit Committees informed the Supervisory Board at every ordinary meeting, always in detail, about the main topics of their most recent meetings.

### 1. Executive Committee

The Executive Committee has comprised seven members since 1 January 2025, following a resolution to this effect by the Supervisory Board at its ordinary meeting on 17 December 2024. As in the previous financial year, these included the Chair and Deputy Chair of the Supervisory Board, four additional Supervisory Board members elected by the shareholders, and effective 1 January 2025, one further member, Ulrike Gaal, representing the employees. The Chairman of the Executive Committee is also the Chairman of the Supervisory Board. During the Reporting Year, the Executive Committee coordinated the work of the Supervisory Board, prepared the meetings of the Supervisory Board and decided in place of the Supervisory Board on the approval of transactions with related parties in accordance with Section 111b AktG.

The members of the Executive Committee in the Reporting Year were Dr. Henning Kreke (Chair), Ms. Ulrike Grabe, Ms. Pamela Knapp, Ms. Georgia Garinois-

Melenikiotou, Dr. Daniel Pindur, Mr. Can Toygar, and as of 1 January 2025, Ms. Ulrike Gaal.

The Executive Committee held four ordinary meetings and two extraordinary meetings in the Reporting Year. The ordinary committee meetings were conducted in hybrid format. The extraordinary meetings concerned, firstly, the meeting on 10 March 2025 at which the change of Chief Financial Officer (CFO) from Mr. Mark Langer to Mr. Marco Giorgetta with effect as of 30 April 2025 was resolved. Secondly, at an extraordinary meeting on 20 March 2025, the adjustment of the market forecast and the corresponding notification of the capital market by way of an ad-hoc announcement was approved. Both extraordinary meetings were held by videoconference.

During the Reporting Year, the Executive Committee fully complied with its reporting obligations in accordance with Section 107 (3) sentence 8 AktG. At each ordinary meeting of the Executive Committee, the current situation of the Company was reviewed and deliberated on, and the Supervisory Board was informed thereof at its next ordinary meeting. To this end, the Executive Committee worked closely with the Management Board at all times and was kept fully informed about the Company's and the DOUGLAS Group's assets, financial and earnings position as well as sales performance.

Resolutions of the Executive Committee were adopted during the meetings in the Reporting Year. No objections regarding the adoption or implementation of resolutions were raised.

## 2. Audit Committee

The Audit Committee was responsible in the Reporting Year for monitoring the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system and compliance, as well as monitoring the audit of the financial statements, in particular the selection and independence of the auditor, the quality of the audit and the additional services provided by the auditor.

The membership of the Audit Committee was unchanged from the previous financial year, comprising Ms. Pamela Knapp (Chair), Ms. Georgia Garinois-Melenikiotou, Ms. Stefanie Hübner, Dr. Daniel Pindur and Mr. Can Toygar.

The Audit Committee held four ordinary meetings in the Reporting Year, all of them in hybrid format. In addition to the selection and monitoring of the auditor, the committee focused primarily on reviewing and discussing the quarterly reports, on current issues, and on monitoring accounting activities. The Chair of the Audit Committee was – even without engagement of the Management Board – in regular contact with the auditor about the progress of the audit, and reported on this in detail to the Audit Committee, the Supervisory Board and the Chief Financial Officer. She was also available at all times to answer questions from Supervisory Board and Audit Committee members. All resolutions of the Audit Committee were passed at the meetings; there were no objections to the resolutions or their execution.

## 3. Nomination Committee

The membership of the Nomination Committee was unchanged in the Reporting Year, comprising Dr. Henning Kreke (Chair), Dr. Daniel Pindur and Mr. Can Toygar. The composition of the Supervisory Board remained unchanged during the reporting period. There was no need to convene the Nomination Committee in the Reporting Year.

## 4. Mediation Committee pursuant to Section 27 (3) MitbestG

The membership of the Mediation Committee was unchanged in the Reporting Year, comprising Dr. Henning Kreke (Chair), Dr. Daniel Pindur as shareholder representative and Ms. Ulrike Gaal as employee representative. It was not necessary to convene the Mediation Committee during the Reporting Year.

## D. Personnel changes

### 1. Management Board

CFO of the Company, Mr. Mark Langer, resigned from office of his own accord effective from the end of 30 April 2025 at the ordinary Supervisory Board meeting on 11 March 2025. At the same meeting, Mr. Marco Giorgetta, previously CFO for Italy and Southern Europe, was appointed as the new CFO of the Company with effect from the end of 30 April 2025. This decision had been discussed in depth and prepared in advance at the extraordinary meeting of the Executive Committee on 10 March 2025.

### 2. Supervisory Board

The Supervisory Board continues to consist of 12 members and is made up of Dr. Henning Kreke (Chair), Ms. Ulrike Grabe (Deputy Chair), Dr. Alexander Dibelius, Dr. Daniel Pindur, Mr. Can Toygar (all representatives of the majority shareholders), Ms. Pamela Knapp, Ms. Georgia Garinois-Melenikiotou (both independent Supervisory Board members), Mr. Peter König, Ms. Petra Ringer (both union representatives), Ms. Ulrike Gaal, Ms. Stefanie Hübner and Ms. Vesna Mandalenakes (all employee representatives).

The members of the Supervisory Board receive support from the Company for their induction to office and for further training and development in connection with their membership of the Supervisory Board. In this way, the Company supports the members of the Supervisory Board, in particular in organizing seminars, and bears the associated costs. Reports from the DOUGLAS Group's specialist departments are also incorporated into the Supervisory Board meetings.

## E. Corporate governance and declaration of compliance

The Supervisory Board also addressed governance and the recommendations of the German Corporate Governance Code (GCGC) in the Reporting Year. The individual topics and recommendations of the GCGC were discussed and dealt with on a situation-specific basis, including the composition of the Supervisory Board and its committees as well as resolutions on remuneration issues. In light of the reporting obligation pursuant to Section 161 AktG, the Supervisory Board discussed the implementation of the recommendations and suggestions of the GCGC for the Reporting Year once again, at the ordinary Supervisory Board meeting on 24 September 2025, and adopted a declaration of compliance with the Management Board. The joint declaration of compliance by the Management Board and Supervisory Board is available on the website <https://douglas.group/en/investors/governance>. Further details on the implementation of the recommendations and suggestions of the GCGC can also be found in the corporate governance declaration.



The DOUGLAS Group has a procedure for monitoring **related party transactions**. In certain cases, transactions with related parties are subject to approval by the Supervisory Board and disclosure requirements. There were no cases in the Reporting Year in which the regulations on related party transactions required approval and disclosure.

## F. Audit of the annual and consolidated financial statements and the sustainability statement

### 1. Audit

KPMG AG - Wirtschaftsprüfungsgesellschaft, Luise-Straus-Ernst-Str. 2, 50679 Cologne (hereinafter also referred to as "**auditor**" or "**KPMG**") was appointed as auditor of the Company and the DOUGLAS Group by the Annual General Meeting on 19 February 2025. The Audit Committee awarded the audit mandate to KPMG at the ordinary meeting of the Audit Committee on 12 August 2025.

The auditor issued unqualified audit opinions for both the annual financial statements of the Company and the consolidated financial statements, including the combined management report in each case.

There are no circumstances that give rise to concerns about the auditor's impartiality.

The Audit Committee agreed with the auditor that the latter would inform the Audit Committee if the auditor discovered facts during the audit that indicate an inaccuracy in the declaration on the GCGC issued by the Management Board and Supervisory Board. The auditor did not inform the Audit Committee of such facts.

In accordance with Section 317 (4) HGB, the auditor audited the risk early warning and monitoring system integrated into the risk management system. The auditor concluded that the Management Board had taken the measures required by Section 91 (2) AktG in an appropriate manner and that the monitoring system is suitable in all material respects for identifying developments that could jeopardize the Company's continued existence at an early stage with sufficient certainty.

The report submitted by the Management Board on the relationships of the Company with affiliated companies in accordance with Section 312 AktG (dependent company report) for the Reporting Year was also audited by the auditor and issued with an unqualified audit opinion in accordance with Section 313 (3) AktG without any objections within the meaning of Section 313 (4) AktG, which has the following wording:

"After our due review and assessment, we confirm that

1. the factual statements in the report are correct, and
2. with respect to the legal transactions listed in the report, the company's performance was not unreasonably high."

The Management Board and Supervisory Board have prepared a compensation report in accordance with Section 162 AktG. The compensation report was formally audited by the auditor in accordance with Section 162 (3) AktG to determine whether the legally required disclosures pursuant to Section 162 (1) and (2) AktG had been made. The auditor confirmed this.

The auditor informed the Supervisory Board and the Audit Committee of all services provided by the auditor in addition to the auditing services.

### 2. Review by the Supervisory Board and Audit Committee

The Management Board has fulfilled its duty in accordance with Section 170 AktG. At the meeting on 17 December 2025, the Supervisory Board dealt with the annual financial statements of the Company, the consolidated financial statements and the combined management report (including the corporate governance statement) as well as the sustainability statement and the proposal for the appropriation of profits, each of which was issued with an unqualified audit opinion by the auditor.

For the ordinary meetings of the Audit Committee on 16 December 2025 and the Supervisory Board on 17 December 2025, all members of these bodies received the annual and consolidated financial statements as well as the dependent company report, the documents relating to the combined management report, the audit reports of the auditor and the compensation report in good time. At the respective meetings, the auditor reported comprehensively on the key findings of its audit and was available to provide additional information. The Chairwoman of the Audit Committee was also in close contact with the auditor between meetings regarding the progress of the audit and reported on this to the Audit Committee.

Based on the knowledge gained by the Supervisory Board and the Audit Committee in the course of their respective reviews and on the basis of further explanations provided by the Management Board and the auditor at their annual financial statements meetings on 16 and 17 December 2025, they are confident that the accounting complies with the legal requirements. In the opinion of the Supervisory Board and the Audit Committee, the annual financial statements of the Company have been prepared in accordance with generally accepted accounting principles and give a true and fair view of the net assets, financial position and results of operations of the Company.

Following the final result of the audit by the Audit Committee and its own review, the Supervisory Board concurred with the result of the audit by the auditor.

The Supervisory Board examined the Management Board's decision to offset the net loss for the year from the capital reserve, taking into account in particular the interests of the Company and the shareholders, and concurred with this decision.

The accounting judgments made in the annual financial statements were in the interests of the Company and are therefore, in the opinion of the Supervisory Board and the Audit Committee, both proper and appropriate.

The result of the Supervisory Board's own audit is consistent with the result of the audit of the financial statements.

### 3. Consent and approval

The Audit Committee prepared the documents for the audit of the consolidated financial statements, the annual financial statements of the Company, the combined management report, the dependent company report and the sustainability statement 2025 by the Supervisory Board, taking into account the audit reports of the auditor and the discussion with the auditor as well as its own findings, and reported on this at the Supervisory Board meeting on 17 December 2025 and recommended that the Supervisory Board approve both the annual and consolidated financial statements.

The Audit Committee and the Supervisory Board dealt with these documents in detail and discussed them intensively in the presence of the auditor, who reported on the results of the audit and in particular also addressed the key audit matters and the respective audit procedures, including the conclusions, and was available to answer additional questions and provide further information.

With knowledge of and taking into account the report of the Audit Committee presented at the meeting on 17 December 2025 and the auditor's report as well as discussions with the auditor, the Supervisory Board came to the conclusion that the documents are in order and that the assessments of the Management Board regarding the position of the Company and the DOUGLAS Group presented in the combined management report correspond to the assessments of the Supervisory Board. At the ordinary financial statements meeting on 17 December 2025, which was also attended by the auditor for the agenda items relating to the annual and consolidated financial statements, the dependent company report and the combined management report, the Supervisory Board approved the result of the audit by the auditor and approved the annual financial statements prepared by the Management Board, as well as the consolidated financial statements.

The annual financial statements are thereby adopted. Following the final result of the audit of the dependent company report, no objections were raised to the declaration of the Management Board at the end of the dependent company report. Following its independent review of the sustainability statement, the Supervisory Board had no objections.

The Supervisory Board would like to thank the members of the Management Board, the managers and all employees as well as the employee representatives of the DOUGLAS Group in Germany and abroad for their outstanding commitment and great dedication in the past financial year. The Supervisory Board would like to express its particular gratitude to Mr. Mark Langer, who stepped down from the Management Board by mutual agreement during the reporting period.

The Reporting Year brought with it many challenges that had to be overcome. With great personal commitment and a high level of motivation, everyone made a decisive contribution to ensuring that the DOUGLAS Group was able to close the past financial year with largely satisfactory results.

Düsseldorf, December 2025

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Dr. Henning Kreke  
Chairman of the Supervisory Board



# Our employees

"We make work life more beautiful for  
THE PEOPLE BEHIND BEAUTY!"

## 1. CORPORATE CULTURE AS A FOUNDATION

Our culture is the foundation of the DOUGLAS Group and is driven by our purpose 'Make Life More Beautiful' as well as our values. Our more than 19,900 employees (the people behind beauty), are the team behind Europe's leading premium beauty company.

Our aim is to create a working environment in which everyone can develop personally and professionally and to make the DOUGLAS Group a place of growth.

Our values - **Passion, Ownership and Appreciation** - are at the heart of everything we do and are firmly anchored in our strategy. They shape our HR guidelines and processes, from recruitment to further education and performance evaluation.

## 2. LEARNING & DEVELOPMENT (DEVELOP OUR PEOPLE)

"LET'S MAKE LEARNING MORE BEAUTIFUL."

### DOUGLAS ACADEMY

The DOUGLAS ACADEMY pursues an internationally standardized learning strategy that aims to create a consistent and professional learning culture. This culture inspires our employees and promotes their personal and professional growth.

Our e-learning platform was launched in the first quarter of our financial year 2024/2025. It offers comprehensive training on product knowledge and sales skills, initially specifically for our beauty consultants. In the future, we plan to expand the offering to other target groups, including our employees at the head offices across Europe.

The platform also supports the integration of training from our global suppliers and optimizes the creation of regional and local learning content. In addition, we offer flexible development opportunities that are supported by our digital learning offerings to enable sustainable and individual growth.

### #DOUGLASDIALOGUE

#DOUGLASDialogue is our established annual feedback meeting that gives employees the opportunity to reflect on and develop their individual priorities and behavior with regard to DOUGLAS values and skills.

By the end of the 2025/26 financial year, #DOUGLASDialogue will be introduced for all employees at headquarters. The corresponding SAP SuccessFactors module will support the rollout in all countries.

This objective feedback process is based on the DOUGLAS Competencies derived from our Purpose & Values. These competencies promote a work culture characterized by openness, appreciation and goal orientation, thus contributing to the individual development of employees and the success of the Company.

In addition, we offer global leadership training to establish leadership standards internationally and promote the exchange of ideas on leadership challenges at international level. This gives our managers the space to reflect on themselves and continuously optimize their leadership work. Our managers play a key role in ensuring that the DOUGLAS Group creates an environment in which employees can develop their potential and actively contribute to the Company's success.

### 3. DIVERSITY, EQUALITY & INCLUSION AS AN INTEGRAL PART (DRIVE DE&I)

#### "THE MANY WAYS OF MAKING (WORK) LIFE MORE BEAUTIFUL"

We are committed to creating a working environment that promotes diversity, equal opportunities and inclusion and actively promotes these through clear priorities. At the heart of this is a culture of belonging that strengthens collaboration and appreciation. As part of our ESG strategy, we have launched "Drive DE&I" as the cornerstone of our HR work, which promotes diversity, equal opportunities and inclusion across the Group.

In 2024/2025, an internationally applicable DE&I policy has been rolled out as a guiding framework for our common orientation, which at the same time enables our international teams to implement both local and international measures.

A detailed description on the topic of DE&I is included in the non-financial statement under ESRS S1 – Own workforce.

#### Women in leadership positions in the corporate functions

The first and second leadership levels are defined in accordance with the German Stock Corporation Act. Quotas are set for female managing directors, women on the Supervisory Board and in the two management levels within Douglas AG. Further details on the composition of the Management Board and the Supervisory Board can be found under "About DOUGLAS" on the company website: <https://douglas.group/en/investors>

Additionally, the following overview presents the proportion of women in leadership positions within the DOUGLAS Group. The figures are shown for the Supervisory Board, the Management Board, and the first and second management levels. The data refers to corporate functions and illustrates DOUGLAS' gender diversity across senior leadership levels.

As of 30 September 2025	2025	2024
Managing directors	0%	0%
Supervisory board	58%	58%
First management level	31%	40%
Second management level	31%	44%

### 4. EMPLOYER BRANDING & EMPLOYEE ENGAGEMENT (GROW OUR CULTURE)

#### "LET'S MAKE WORK MORE BEAUTIFUL"

To further promote a positive workplace and corporate culture, we continue to ask our employees' opinions and needs through our annual DOUGLAS Employee Engagement survey conducted in collaboration with Viva Glint®. In 2025, we expanded our survey to 13 countries, gathering valuable insights from more than 8,000 employees at both stores and headquarters. This participation enables us to capture diverse perspectives from across our international teams and derive meaningful actions that continuously enhance our culture.

A central element of our global employer strategy remains the "THE PEOPLE BEHIND BEAUTY" campaign, which unites our international employer presence under one authentic narrative. Through consistent imagery, messaging and storytelling across all markets, we highlight both the individuality of our employees and our collective strength as one DOUGLAS Group team.

Our employer branding initiatives aim to attract and engage talented professionals across all areas of the business, while positioning us as an internationally attractive employer that offers diverse career opportunities and a strong culture of belonging.

### 5. HR PROCESSES AND DIGITALIZATION

#### "LET'S MAKE THE ORGANIZATION DEVELOP MORE EFFECTIVELY."

We create an international organization with clearly defined roles and responsibilities based on collaboration and trust. Our international matrix structures and an efficient operating model support the optimal development of our organization. We focus on international professional exchange and project work across national borders.



Standardized operational processes enable efficiency and clarity, while we remain flexible and responsive to the needs of the 22 operational markets.

Our Group-wide HR digitalization strategy aims to modernize HR processes and standardize them internationally. The use of SAP SuccessFactors creates a consistent employee experience that promotes collaboration across national borders. Standardized processes ensure efficiency and enable fast support for our employees, especially in the stores.

Through digitalization, we are reducing administrative burdens and strengthening the strategic role of the HR department. This promotes the enhancement of our corporate culture and international understanding within the DOUGLAS Group.

Our goal is to integrate 80% of core HR processes into a digital system architecture that enables end-to-end process management. With the rollout of SAP SuccessFactors Employee Central (EC) in all 22 countries at the start of the financial year 2024/2025, we have reached an important first milestone in HR digitalization. In addition, we have built interfaces to local payroll

systems, launched the Performance and Goal Management (PMGM) module in the majority of our operating countries and are using the Compensation (COMP) module in DACH HQ for the salary increase processes and short-term incentives. Lastly, we have started to kick off the implementation of our new SAP Recruiting solution and aim to complete full international implementation by the end of January 2027.

## 6. PEOPLE KPIS

### NUMBER OF EMPLOYEES IN 2024/2025

The following table shows the number of employees (headcount, including temporary employees, trainees and interns) for the 2024/2025 financial year as of 30 September 2025, broken down by segment, gender, employment type, and function. In the 2024/2025 financial year, people from 133 nations worked for the DOUGLAS Group. In order to meet requirements at peak times, especially during the high season, we work with temporary staff.

As of 30 September 2025	Total	by gender		by employment type		by function		
Segment	Headcount	Female	Male	Full-time	Part-time	Stores	Warehouse	Office
DACH/NL	7,921	95%	5%	28%	72%	91%	2%	7%
France	3,727	96%	4%	78%	22%	92%	0%	8%
Southern Europe	3,598	94%	6%	56%	44%	91%	0%	9%
Central Eastern Europe	3,568	96%	4%	65%	35%	86%	1%	13%
Parfumdreams/Niche Beauty	304	85%	15%	58%	42%	43%	0%	57%
Central functions	865	55%	45%	90%	10%	0%	0%	100%
<b>Total employees</b>	<b>19,983</b>	<b>94%</b>	<b>6%</b>	<b>52%</b>	<b>48%</b>	<b>85%</b>	<b>1%</b>	<b>14%</b>

We employ part-time staff at both Group and store level, although the proportion of part-time staff is significantly higher at store level. In line with our industry and due to the high proportion of female employees in the stores, the proportion of women in the overall workforce is traditionally very high.

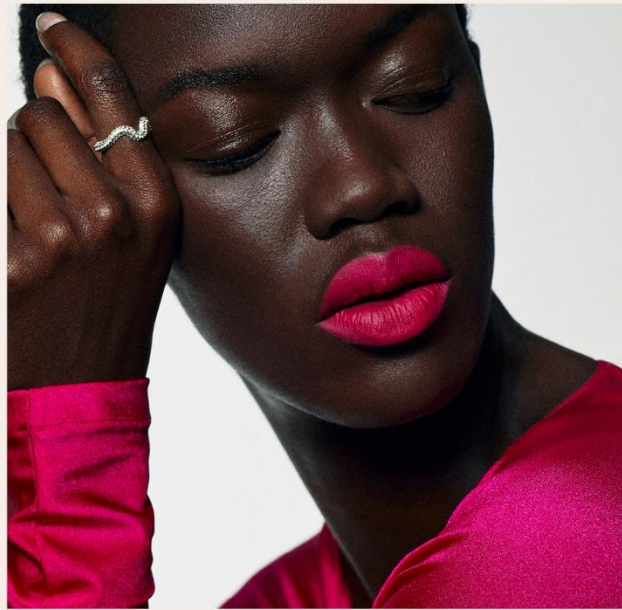
As of 30 September 2025	by age		
	<30 years	30-50 years	>50 years
Segment			
DACH/NL	38%	35%	28%
France	43%	42%	15%
Southern Europe	25%	53%	22%
Central Eastern Europe	39%	52%	9%
Parfumdreams/Niche Beauty	28%	51%	21%
Central functions (+ Disapo)	24%	62%	14%
<b>Total employees</b>	<b>36%</b>	<b>44%</b>	<b>20%</b>

The age structure of the DOUGLAS Group shows a balanced workforce across segments. As of 30 September 2025, 36% of employees were under 30 years old. The largest group (44%) is aged between 30 and 50, representing the organization's professional core. Employees aged over 50 account for 20%, bringing valuable experience and long-term expertise to the organization. This diversity of ages across all segments supports a dynamic mix of innovation, continuity and knowledge transfer throughout the Group. Additionally, the average length of service for all employees is 8.3 years, showcasing long-term commitment within the organization. The average age of employees as of 30 September 2025 was 37.5.

The reporting on our own workforce is covered in greater depth within the Non-Financial Statement (NFS). Therefore, the People section of this Annual Management Report has been intentionally shortened, with selected key figures and highlights presented.

## FEMALE EMPOWERMENT

# DOUGLAS Group ranks first among Forbes **World's Top Companies for Women** in Retail & Wholesale



The DOUGLAS Group, Europe's number one omnichannel destination for premium beauty, has been named a Top Company for Women in a global ranking by Forbes. In collaboration with the market research company Statista, the renowned business magazine has published its list of the world's best employers for women in 2024, and the DOUGLAS Group ranks first among global retail and wholesale companies, third in the comprehensive global cross-industry list, and first among all companies in Germany. The award recognizes the Group's ongoing commitment to creating a work environment that empowers and inspires women.

"Supporting female entrepreneurship is core to the DOUGLAS Group's identity. We are proud that our efforts to empower women in every possible way are reflected in the experience and perception of the women surveyed", said Mareike Mende-Ratnam, Chief Human Resources Officer (CHRO) of the DOUGLAS Group. "We are absolutely committed to continue on this path and to further boost our actions to inspire and support women so that they can evolve according to their individual vision."

## RANKING BASED ON INDIVIDUAL EXPERIENCES OF RESPONDENTS AND THEIR OUTSIDE IMAGE OF COMPANIES

The survey conducted by Forbes and Statista was carried out among 100,000 women employed in multinational corporations in 37 countries. The respondents, who were recruited via a panel, were asked to score companies on their general assessment of workplace conditions as well as gender-specific matters, including aspects such as gender pay equality, promotion opportunities, management's responses to female discrimination concerns, and the perception of industry competitors. The responses were aggregated to create an "employer brand score", a "public opinion score" and a "leadership score", and subsequently combined with survey data collected over the past three years. The top 400 international companies - including the DOUGLAS Group on third place globally - were awarded a certificate as World's Top Company for Women 2024. A requirement was that they were operating in at least two major regions, such as Central and Eastern Europe.



## SUPPORTING WOMEN AND FEMALE ENTREPRENEURSHIP IS CORE TO THE DOUGLAS GROUP'S IDENTITY

Supporting women is an integral part of the DOUGLAS Group's DNA: DOUGLAS was born and grew out of the vision of two sisters, and since then many courageous, passionate and entrepreneurial women have driven the continuous growth of the company. The above-average proportion of female employees (Financial Year 2022/23: around 97% in stores and around 70% in HQs) and women in management positions (FY 2022/23: 89%) are testament to the DOUGLAS Group's commitment to empower, inspire and motivate women to develop their full potential. At the same time, the Group is advocating for true inclusion and gender equality in line with its purpose to make life more beautiful for its employees, its customers and the world. This includes prioritizing equal opportunities, ensuring the representation of women and driving initiatives to attract and develop talent – such as mentoring programs and trainings to prepare women for future leadership roles.

# #1

Forbes and Statista award the world's best employers for women in 2024; DOUGLAS Group ranks #1 in Retail and Wholesale, #3 in the comprehensive global list, and #1 in Germany.

# 100,000

Ranking based on experience of 100,000 women surveyed and their perception of companies in relation to gender, including workplace practices, opportunities and promotion of equality.

**WORLD'S TOP  
COMPANIES  
FOR WOMEN**

**Forbes**

2022 - 2024

POWERED BY STATISTA

"WE ARE PROUD THAT OUR EFFORTS TO EMPOWER WOMEN ARE REFLECTED IN THE EXPERIENCE AND PERCEPTION OF THE WOMEN SURVEYED."

Mareike Mende-Ratnam, CHRO DOUGLAS Group

# DOUGLAS on the capital market

## INVESTOR RELATIONS AGENDA

DOUGLAS is committed to transparent and consistent financial reporting. The Company has an extensive financial communications program and engages in, and maintains an open dialogue with investors and financial analysts. The Investor Relations program, in which the Management Board participates, includes roadshows, investor conferences, (virtual) in-house meetings and the Annual General Meeting of shareholders.

During the financial year 2024/2025, DOUGLAS continued its open dialogue with the market. Under the IR program, conferences were attended in major financial hubs like Frankfurt, London, Munich, New York and Paris. In combination with (virtual) in-house meetings, well over 150 meetings took place, reaching almost 200 individual investment firms.

## SHARE PRICE DEVELOPMENT

The closing price for the Douglas share was EUR 12.38 on 30 September 2025, compared to EUR 20.60 on 30 September 2024. The average daily trading volume was

126 thousand shares during the financial year 2024/2025, compared to 163 thousand shares during the period from the IPO (21 March 2024) until the end of the financial year. Excluding the IPO trading day, during which more than 7 million shares were traded, the average daily trading volume up to September 30, 2025 amounted to approximately 111,000 shares.

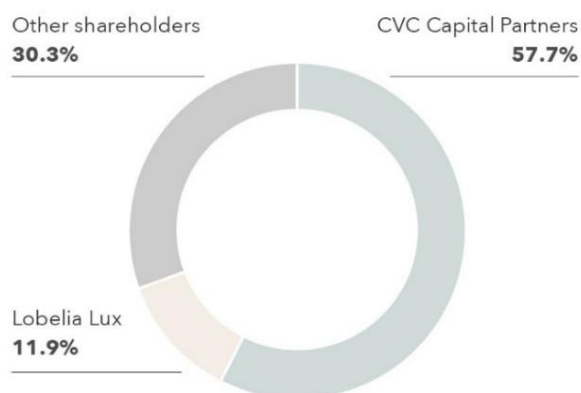
## FINANCIAL YEAR AND REPORTING

DOUGLAS' financial year runs from 1 October through 30 September. After every quarter, the Company publishes a comprehensive set of results and organizes an analyst and investor call that is webcast. The published material each quarter includes a press release, a financial report and an investor presentation. At the occasion of the full year results, the Company publishes its annual report. Press releases and financial and annual reports are published in both German (legally binding) and English. The investor presentations are published in English only. All financial publications and other important information, including an up-to-date financial calendar, can also be found on the Company's corporate website.

### Share price and volume 1 October 2024 – 30 September 2025

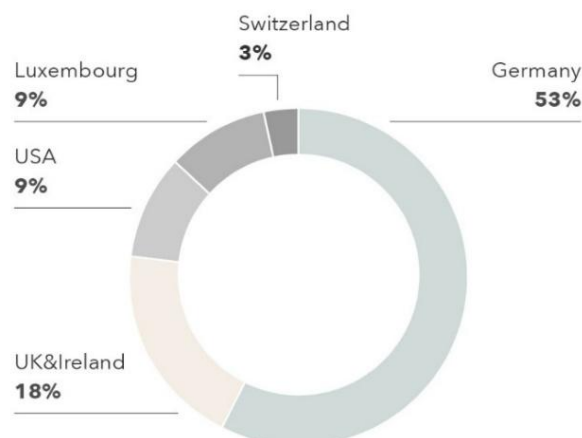


## SHAREHOLDER STRUCTURE AS OF 30 SEPTEMBER 2025



Source: Computershare

## INDICATIVE GEOGRAPHIC SPREAD OF OTHER SHAREHOLDERS



## SHAREHOLDER STRUCTURE

Since the IPO in March 2024, Douglas's largest shareholder, CVC Capital Partners, has owned 57.7% of the shares in the Company. The other major shareholder, Lobelia Lux (the investment vehicle of the Kreke family), made additional share purchases on the open market during the financial year 2024/2025 and owned 11.9% of the shares in the Company as of 30 September 2025. No other shareholder reported a stake of 3.0% or more in the Company as at the reporting date. This implies that the so-called free float amounts to 30.4% of the total number of shares outstanding.

An indicative 53% of the free float shares are held by German investors. Other important geographic regions with sizeable holdings include the UK and Ireland (18%), the USA (9%), Luxembourg (9%) and Switzerland (3%). An estimated 9% of the free float shares are held by retail investors (owning 5,000 shares or fewer), mainly in Germany.

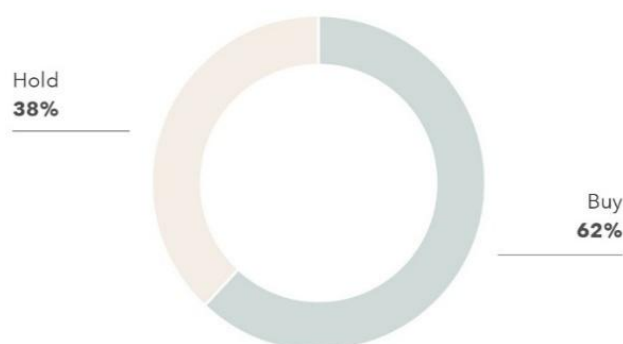
## ANALYST COVERAGE

Douglas AG is covered by a total of eight investment banks, whose financial analysts closely follow the Company's regular publications and broader market developments, and publish independent analyses.

Five analysts see the stock as a buy, while three analysts give it a hold rating. The average target share price is EUR 15.16.

Both the Management Board and Investor Relations are in regular contact with the financial analysts in order to create transparency and explain developments.

## ANALYST COVERAGE RATINGS



## LISTING

The Douglas AG share has been listed on the Frankfurt Stock Exchange (Börse Frankfurt) since 21 March 2024 and has been included in the SDAX Index since 24 June 2024.

On 19 February 2025, the Annual General Meeting of Douglas AG resolved to convert the no-par value bearer shares into no-par value registered shares at a ratio of 1:1 and to make the necessary amendments to the Articles of Association. These amendments to the Articles of Association were entered in the commercial register HRB 103560 at the Düsseldorf Local Court on 14 March 2025, and thus became effective.

The total number of shares outstanding amounts to 107,692,308. The ticker symbol is DOU, ISIN code DE000BEAU1Y4 and WKN code BEAU1Y.



## BASIC DATA ON DOUGLAS SHARES

ISIN	DE000BEAU7Y1
WKN	BEAU7Y
Ticker symbol	DOU
Number of shares	107.692.308
Market segment	Regulated market (Prime Standard)
Stock Exchange	Frankfurt Stock Exchange
Currency	Euro (EUR)



# COMBINED MANAGEMENT REPORT 2024/2025

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# Group Fundamentals

## BUSINESS ACTIVITIES AND GROUP STRUCTURE

### Business model

The DOUGLAS Group, with its retail brands DOUGLAS, NOCIBÉ, Parfumdreams, and Niche Beauty, is a leading omnichannel provider for premium beauty in Europe, and offers its product range both online and in 1,830 physical stores. Its market position and broad access to customers make the DOUGLAS Group a strong partner for beauty brands. The premium beauty segment comprises selected and exclusive industry brands and own brands in the fragrance, decorative cosmetics, skincare, haircare, and accessories categories; the DOUGLAS Group also offers beauty services in its stores. Reinforcing its successful omnichannel positioning, while consistently developing the customer experience is at the heart of the “Let it Bloom” corporate strategy.

The following chart provides an overview of market share in Europe in 2025<sup>1</sup>:

### EUROPEAN MARKET LEADER



Source: Own illustration (2025)

The DOUGLAS Group's Beauty Card is one of the leading omnichannel loyalty programs in Europe. There were more than 60 million program members as of 30 September 2025.

### Management of the Group

The Management Board of Douglas AG is responsible for setting the Company's overall strategy and making business decisions for the DOUGLAS Group. Supported by internal reporting, the Management Board meets weekly to discuss and decide on both operational and strategic matters. The Group's management approach is based on a framework established through the strategic planning process for the Group and its business segments. This framework is then translated into operational plans and specific objectives during the annual budgeting process. Progress in realizing these plans and objectives is continuously monitored through regular reviews of Group, business segment, and sales channel performance, using a range of management and performance metrics. In this context, the Management Board focuses in particular on the following key financial performance indicators.

These performance indicators are incorporated into both the annual plan and the medium-term plan of the DOUGLAS Group, which extends for an additional two years beyond the annual planning period.

<sup>1</sup>Data has been retrieved from Circana, Nielsen and Market Vector based on FYTD data. The overview shows the cumulative market share for the premium segment of the market in the ten largest countries. (Germany, France, Italy, Spain, the Netherlands, Poland, the Czech Republic, Slovakia, Romania, and Croatia).

France, Italy, Spain, the Netherlands, Poland, the Czech Republic, Slovakia, Romania, and Croatia).



## Sales

Sales are defined as revenue from the sale of goods, services rendered to external customers and commission income, less value added taxes (VAT) and sales deductions such as rebates or discounts, in accordance with IFRS 15, as recognized in the consolidated financial statements. The development of sales compared with the previous year (growth) serves as the primary indicator of the successful execution of the DOUGLAS Group's growth strategy and is therefore a key measure of the Group's overall performance.

## Adjusted EBITDA margin

The adjusted EBITDA margin serves as a key metric for assessing the operating profitability of the DOUGLAS Group. Adjusted EBITDA reflects profitability independent of company-specific financing activities, depreciation and amortization, and effects from various tax systems. In addition, it excludes items that, in the judgment of management, are non-recurring, extraordinary, or otherwise not suitable for internal management purposes.

Adjusted EBITDA is defined as EBITDA (as presented in the consolidated income statement), adjusted for those items, which, in the opinion and judgment of the management of the DOUGLAS Group are non-recurring, extraordinary or inappropriate for management purposes. These adjustments are typically categorized as follows: (i) strategic measures, (ii) M&A - investments and divestments, (iii) restructuring, and (iv) other adjustments. The adjusted EBITDA margin is defined as adjusted EBITDA divided by sales, and expressed as a percentage.

## Average net working capital as a percentage of sales

Net working capital (NWC) is an important indicator of operating cash generation and capital efficiency, and it serves as a key tool for managing the DOUGLAS Group's short-term liquidity. The development of net working capital, in addition to the development of EBITDA, is a major driver of the Company's operating cash flow.

Net working capital is defined as the sum of (i) inventories, (ii) trade receivables, (iii) receivables from payment service providers, (iv) trade payables, (v) liabilities from supply chain financing, (vi) receivables in connection with receivables from suppliers from agreements on discounts/bonuses and marketing subsidies, (vii) voucher liabilities and (viii) other operating receivables and liabilities.

The average net working capital as a percentage of sales is calculated as the arithmetic mean of the net working capital of the last 13 month-end values, with the first and last month-end values added together and weighted equally, divided by the sales of the last 12 months of a reporting period.

Average net working capital as a percentage of sales reflects the efficiency and profitability of the capital employed in net working capital.

## Capital expenditure (CAPEX)

Capital expenditure is defined as the sum of expenditure on other intangible assets and property, plant and equipment. Investments in right-of-use assets from leases within the meaning of IFRS 16 are not included in this metric.

## Net Leverage ratio

The net leverage ratio is calculated as the ratio of net debt to adjusted EBITDA, and is an important KPI for the Group.

The DOUGLAS Group defines the leverage ratio as the ratio of net debt (total of term promissory note loans, the term loan facility (Facility B)) and the term revolving credit facility (RCF), other liabilities to banks and lease liabilities pursuant to IFRS 16, less cash and any cash equivalents as of the respective reporting date) divided by adjusted EBITDA for the 12-month period ending on the same reporting date.

The Management Board decided to introduce the KPIs "adjusted EBITDA margin", "capital expenditure" and "leverage ratio". The most important KPI reported in the previous year, "adjusted EBITDA", was withdrawn.

## Overview of the Group structure

The DOUGLAS Group's reportable segments in accordance with IFRS 8 are:



\*Consisting of DACH and BENE

# Economic Report

## ECONOMIC ENVIRONMENT AND INDUSTRY DEVELOPMENTS

### ECONOMIC ENVIRONMENT

The global economy grew moderately during the 2024/2025 financial year. Although overall growth momentum remained subdued, global economic development improved slightly compared with the previous year. Lower energy and commodity prices, easing inflationary pressures, and more stable supply chains were the main drivers of slight but sustained growth. However, the growth development remains clouded by ongoing geopolitical tensions and structural imbalances (e.g., trade and current account imbalances, demographic developments, and differences in financial policy).

In a still challenging environment, the euro area economy proved to be comparatively resilient. Following interest rate cuts in 2024, the European Central Bank (ECB) largely maintained its monetary policy stance in 2025, keeping credit conditions stable and inflation expectations under control. Economic development in the euro area and the EU remained on a stable growth path during the reporting period.<sup>1</sup>

Between the fourth quarter of the 2024 calendar year and the third quarter of 2025, seasonally adjusted gross domestic product (GDP) grew steadily and moderately in both the euro area and the EU. In the fourth quarter of 2024, GDP increased by 0.4% in the euro area and 0.5% in the EU compared with the previous quarter. Year on

year, this corresponds to an increase of 1.3% in the euro area and 1.5% in the EU.

Economic performance continued to vary across member states. Germany, DOUGLAS' largest market, stagnated, while other key countries such as France, the Netherlands, and Poland all recorded positive growth.<sup>1</sup> – an indication of the still uneven but generally stabilizing economic development in Europe. Overall, financial year 2024/2025 was characterized by moderate but sustained growth momentum in the eurozone and the EU, with clear signs of recovery compared to the previous year.

Annual inflation rates (harmonized consumer price index) for the eurozone in total hovered around 2% during the financial year. The following inflation rates were recorded in our core markets: Germany (2.1%), Netherlands (2.8%), France (0.8%), Italy (1.6%), and Poland (2.7%)<sup>2</sup>.

The consumer confidence index in the eurozone and the EU weakened during the 2024/2025 financial year. In the eurozone, the indicator moved from -11.2 points in October 2024 to -14.3 points in September 2025, and in the EU from -12.4 points to -14.9 points over the same period. This means that consumer sentiment was recently below the long-term average of -11.8 points for the euro area and -11.2 points for the EU.<sup>3</sup>

### INDUSTRY DEVELOPMENTS

The growth of the global beauty industry slowed in the 2024/2025 financial year compared to the price-driven growth of previous years. In light of ongoing macroeconomic uncertainty, consumer behavior also

<sup>1</sup> European Central Bank: Monetary policy decisions 2024-2025  
<https://www.ecb.europa.eu/press/govcdec/mopo/html/index.en.html>

<sup>2</sup> European Central Bank: Inflation and consumer prices  
[https://www.ecb.europa.eu/stats/macroeconomic\\_and\\_sectoral/hicp/html/index.en.html](https://www.ecb.europa.eu/stats/macroeconomic_and_sectoral/hicp/html/index.en.html)

<sup>3</sup> European Commission: Business and Consumer Surveys – Consumer Confidence Indicator (September 2025). <https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/business-and-consumer-surveys>

changed: customers weighed their purchases more carefully but continued to seek quality and emotional rewards. The premium beauty and prestige segments remained important growth drivers, while overall market dynamics were characterized by lower spending in mature markets, selective up-trading in high-value categories, and a continuing shift toward online and influencer-led brands. These patterns are confirmed by industry studies and the results of publicly traded companies during this period.

### **Market volume and overall growth**

According to McKinsey's 2025 industry report, the global beauty market is expected to see mid-single-digit growth over the next few years. The report highlights a redefinition of "value" in consumer behavior and more disciplined and measured growth compared to the rapid growth seen in the post-pandemic period. Executives surveyed by McKinsey expect future growth to be driven less by price and more by product performance and perceived value.<sup>4</sup>

Data from Euromonitor shows that premium beauty products grew more strongly in 2024 and 2025, albeit with differences by country and distribution channel. The resilience of the premium beauty segment, supported by higher margins and more stable average selling prices, underscores its strategic importance for manufacturers and retailers alike.<sup>4</sup>

### **Category development**

Prestige fragrances, which benefit from their appeal and status as attractive gifts, continued to show resilience and strong growth. Skin care recorded only mid-single digit growth. Fragrances account for around 50% of the premium beauty market, decorative cosmetics around 25%, skin care just over 20% and hair care around 15% of the total segment.<sup>4</sup>

Hair care remained one of the fastest-growing categories in the premium beauty market in financial year 2024/2025, driven by premium treatments, scalp wellness products, and higher-priced styling products, achieving global growth of 6.7%. Decorative cosmetics saw a moderate recovery in certain markets, with overall growth of 5.8%, driven by innovation and trends promoted by social media.

<sup>4</sup> Euromonitor: <https://www.euromonitor.com/article/top-trends-shaping-the-beauty-and-personal-care-industry-in-2025>



## OVERALL ASSESSMENT OF THE DOUGLAS GROUP

The DOUGLAS Group continued to advance its growth strategy “Let it bloom” during the 2024/2025 financial year. A key milestone was the opening of 90 new stores, bringing our own total store network to 1,830 locations by year-end. Additionally, the Group invested to reinforce its own brand and its IT landscape and further optimization of its supply chain. This included the introduction of key major tech stack rollouts and centralized warehousing systems, supporting future scalability and operational efficiency.

Douglas AG has adjusted its forecast for the past 2024/2025 financial year due to the weakening performance of many European premium beauty markets, particularly in Germany and France. Consumer sentiment, which was already subdued due to global macroeconomic and political uncertainties, has deteriorated further since the beginning of the calendar year, leading to an increasing decline in customer traffic in stores and online.

Although the market has recently stabilized at a low level, the market environment has changed noticeably and market conditions remain challenging. The DOUGLAS Group attributes this development primarily to growing uncertainty as a result of macroeconomic and geopolitical tensions, the economic and political situation in Germany, and looming international trade conflicts, which could weigh on key industries and further weaken purchasing power in Europe.

Against this backdrop, the Management Board of Douglas AG decided to adjust its forecast for financial year 2024/2025 on 20 March 2025. Overall, the DOUGLAS Group achieved solid sales growth that was below the prior-year forecast, but still in line with the updated outlook published in March 2025. Sales increased by EUR 124.4 million (+2.8%) year on year, reaching EUR 4,575.3 million. This performance was driven by both the store and online channels, with the omnichannel offering, referred to as “cross-channel services,” emerging as a further relevant growth factor.

Adjusted EBITDA was under pressure, primarily due to the challenging market conditions described above and the resulting lower sales growth and declining gross profit margin. This pressure was partially offset by stabilization measures in various variable cost items. Adjusted EBITDA decreased by EUR 40.2 million, from EUR 808.6 million in the previous year to EUR 768.4 million in the Reporting Year (-5.0%). Adjusted EBITDA came out below our original assumption of EUR 855 million to EUR 885 million for the financial year. However, it was in line with the forecast of approximately EUR 765 million that we adjusted in March 2025. The adjusted EBITDA margin declined from 18.2% to

16.8% (but hence still in line with the forecast range we revised in March 2025), reflecting strong competition and adverse mix effects – with faster growth in e-commerce and lower-margin fragrance categories. EBITDA rose by 3.6% to EUR 756.5 million (2023/2024: EUR 730.3 million) compared to the previous year, which was marked by one-off costs attributable to the IPO.

Average net working capital (NWC) improved by EUR 34.2 million, from EUR 234.4 million to EUR 200.2 million, primarily due to supply chain financing initiatives in the DACHNL region. This corresponds to average net working capital as a percentage of sales of 4.4%, which was in line with the forecast range of lower than 5%.

The DOUGLAS Group’s leverage ratio rose slightly from 2.8x to 2.9x in the reporting period, remaining virtually unchanged compared with the previous year. This was attributable to the decline in adjusted EBITDA.

During the course of financial year 2024/2025, the Group successfully restructured elements of its financing, thereby bolstering its financial position. This partial refinancing helped reduce net financial debt. Lease liabilities grew primarily due to the opening of new stores and central warehouses, as well as the extension of existing leases. As a result, the Group’s net debt remained stable overall.

CAPEX developed as planned and amounted to EUR 171.1 million the reporting period for (previous year: EUR 156.0 million).

Due to the challenging market environment, the Management Board believes that overall business performance remained below expectations.

The revised Group-level forecasts from March 2025 were achieved.

### Summary comparison of the forecast with actual business performance

To reflect the changed market environment, the DOUGLAS Group revised its forecast for the financial year 2024/2025 on 20 March 2025 to expected sales of around EUR 4.5 billion (previously: EUR 4.7 to 4.8 billion) and an adjusted EBITDA margin of around 17% (previously: EUR 855 to 885 million). The forecast for the

ratio of average NWC to sales was confirmed, at less than 5% of Group sales.

The forecasts at Group level reported in the combined management report for the previous year 2023/2024 were not achieved for sales or adjusted EBITDA.

	Forecast in the combined management report of the previous year 2023/2024 for the financial year 2024/2025	Updated forecast March 2025	Actual 2024/2025
Sales	EUR 4,700 to 4,800 million	approximately EUR 4,500 million	EUR 4,575.3 million
Adjusted EBITDA	EUR 855 to 885 million	approximately 17%, resulting in EUR 765 million	16,8% EUR 768.4 million
Average net working capital as a percentage of sales	< 5%	unchanged	4.4%

The following picture emerged for the **reporting segments**:

A "significant increase in sales" and a "significant increase in adjusted EBITDA" were forecast for **DACHNL**. Neither of the forecasts were met, with sales increasing solidly and adjusted EBITDA decreasing significantly. For DACHNL, a slight fall in average net working capital as a percentage of sales was forecast. This forecast was exceeded; the average net working capital as a percentage of sales decreased significantly driven by the rollout of a new supply chain financing program.

A "significant increase in sales" and a "vigorous increase in adjusted EBITDA" were expected for **France**. Neither forecast was met. Sales were in line with the previous year and adjusted EBITDA fell significantly. A vigorous fall in average net working capital as a percentage of sales was expected. This was not achieved, with the average net working capital as a percentage of sales increasing slightly.

A "significant increase in sales" and a "significant rise in adjusted EBITDA" were forecast for **Southern Europe**. Neither of the forecasts were met. Sales rose solidly and adjusted EBITDA fell slightly. An almost unchanged average net working capital as a percentage of sales was forecast, which was achieved.

"Strong growth in sales" and "strong growth in adjusted EBITDA" were expected for **Central Eastern Europe**. The forecast for sales was met, but the adjusted EBITDA fell slightly. In the Central Eastern Europe region a significant fall in average net working capital as a percentage of sales was expected. This forecast was not met. Average net working capital as a percentage of sales increased slightly.

For the **Parfumdreams/Niche Beauty** reporting segment, "strong growth in sales" and a "strong increase in adjusted EBITDA" were forecast. The sales forecast was achieved. The forecast for adjusted EBITDA was not met. Adjusted EBITDA fell strongly. A strong fall in average net working capital as a percentage of sales was expected, which was achieved.

## OVERVIEW OF THE 2024/2025 FINANCIAL YEAR

### **DOUGLAS Group sales rose by EUR 124.4 million to EUR 4,575.3 million.**

- Increase in sales by 2.8%, from EUR 4,451.0 million to EUR 4,575.3 million, or by 3.5% after adjusting for the sold-off online pharmacy Disapo
- 2.5% increase in store sales to EUR 3,075.7 million (previous year: EUR 2,999.5 million)
- E-commerce sales increased by 3.3% to EUR 1,499.7 million (previous year: EUR 1,451.4 million) or 5.6%, after adjusting for the sold-off online pharmacy Disapo

### **Decrease in adjusted EBITDA margin, from 18.2% to 16.8%.**

- Adjusted EBITDA declined by 5.0% in the financial year, from EUR 808.6 million to EUR 768.4 million. The adjusted EBITDA margin decreased from 18.2% in the previous year to 16.8% in the financial year 2024/2025.

### **Decrease in adjustments by EUR 66.4 million to EUR 11.9 million.**

- While the previous year was marked by one-off costs related to the IPO, the much lower level of adjustments in the 2024/2025 financial year were primarily attributable to the implementation of strategic initiatives. This includes mainly the implementation of the DOUGLAS growth strategy "Let It Bloom" as well as start-up costs in connection with the further roll-out of the OWAC (One Warehouse, All Channels) strategic logistics model.

### **Average Group net working capital as a percentage of sales decreased from 5.3% to 4.4%**

- Average net working capital as a percentage of sales is calculated as the arithmetic mean of net working capital of the last 13 month-end values, whereby the first and last month-end values are added together and weighted at half, divided by the sales of the last 12 months of a reporting period.
- The DOUGLAS Group's average net working capital improved by EUR 34.2 million, from EUR 234.4 million to EUR 200.2 million, primarily due to initiatives for financing the supply chain in the DACHNL region. Liabilities from supply chain financing rose by an average of EUR 75.5 million. In addition, the DOUGLAS Group's EUR 124.4 million increase in sales positively impacted this development.

## DOUGLAS Group's capital expenditure rose by EUR 15.1 million to EUR 171.1 million.

- Capital expenditure increased from EUR 156.0 million in the previous year to EUR 171.1 million in the financial year 2024/2025, an increase of 9.7%.
- Refurbishments and new store openings accounted for the vast majority of capital expenditure, in addition to IT projects for enhancing the technology platform to improve operational efficiency and the customer journey.

## Net leverage, financing and capital structure

- Net Leverage as of 30<sup>th</sup> September 2024/2025 was 2.9x (previous year: 2.8x).
- The DOUGLAS Group's net debt amounted to EUR 2,265.2 million at financial year-end 2024/2025 (previous year: EUR 2,286.8 million). Financial debt amounted to EUR 1,007.5 million (previous year: EUR 1,278.4 million).
- Cash and cash equivalents amounted to EUR 49.4 million (previous year: EUR 98.9 million); the Revolving Credit Facility (RCF) was not utilized in terms of liquidity as at the balance sheet date (no change compared with the previous year's balance sheet date).
- Free cash flow amounted to EUR 461.0 million (previous year: EUR 524.0 million).



## BUSINESS PERFORMANCE AND RESULT

### Sales

The **DOUGLAS Group** recorded sales of EUR 4,575.3 million in the financial year 2024/2025. This corresponds to a 2.8% year-on-year increase (2023/2024: EUR 4,451.0 million). Adjusted for the sold-off online pharmacy Disapo, sales increased by 3.5% year-on-year. All reporting segments contributed to this positive development, with the Parfumdreams/Niche Beauty (+10.6%) and Central Eastern Europe (+10.3%) segments showing the strongest growth.

Sales in the store business rose by 2.5% year-on-year (like-for-like: 0.2%), while the e-commerce business recorded an increase of 3.3% (5.6% adjusted for Disapo)

(like-for-like: 5.7%). Overall, the store business accounted for 67.2% of sales and the e-commerce business for 32.8%.

The 2.5% growth in sales in retail **stores** was mainly supported by a slight increase in visitor numbers due to new store openings, which was, however, offset by a slight decline in the conversion rate. Sales per transaction rose slightly in the retail store business. The number of items per shopping cart remained stable compared to the previous year.

The conversion rate in the DOUGLAS Group's e-commerce business remained stable despite declining traffic, with a significant increase in the average shopping basket value. This led to sales increasing from EUR 1,451.4 million to EUR 1,499.7 million.

### Reconciliation of the reporting segments' sales to the DOUGLAS Group's sales:

EUR m	2024/2025	2023/2024
Sales of the reportable segments	4,574.9	4,419.4
Sales included in reconciliation to Group	0.4	31.6
<b>Sales</b>	<b>4,575.3</b>	<b>4,451.0</b>

### Overview of sales and operated stores at reporting segment level:

	Sales		Stores	
	2024/2025	2023/2024	30/09/2025	30/09/2024
	EUR m	EUR m	Number	Number
DACHNL	2,120.50	2,073.1	486	470
France	840.4	838.2	438	432
Southern Europe	684.7	665.8	514	502
Central Eastern Europe	719.0	652.1	374	334
Parfumdreams/Niche Beauty	210.3	190.2	18	18
<b>Total of Reportable Segments</b>	<b>4,574.9</b>	<b>4,419.4</b>	<b>1,830</b>	<b>1,756</b>

Sales in the largest segment, **DACHNL**, amounted to EUR 2,120.5 million, representing an increase of 2.3% compared to the previous year (EUR 2,073.1 million). Both the store and e-commerce businesses contributed to this growth.

Sales in the store business rose by 1.4%, supported by store openings, refurbishments and increased footfall. The average shopping basket value increased vigorously compared with the prior year. The vigorous sales growth in the e-commerce business was primarily driven by a

higher average basket values and the implementation of the omnichannel pricing strategy.

In **France**, the second-largest segment, sales increased to EUR 840.4 million from EUR 838.2 million in the previous year, representing growth of 0.3%. This development was driven by the e-commerce business, while the store business remained in line with the previous year, supported by new openings and store refurbishments.

Store sales were flat. A decrease in footfall was largely offset by a solid increase in the average basket value. The e-commerce business benefited from a strong increase in the average shopping basket value, even as customer numbers slightly decreased.

The **Southern Europe** segment recorded a sales increase from EUR 665.8 million to EUR 684.7 million (+2.8%). Sales growth was driven in particular by a vigorous increase in store sales due to higher footfall following new store openings and refurbishments completed during the course of the year. This development more than compensated for the decline in average basket values.

By contrast, the e-commerce business showed a slight decrease in sales, mainly reflecting intensified market competition that resulted in slightly lower customer numbers. A strong increase in average basket values was not sufficient to fully offset this decrease.

The **Central Eastern Europe** segment achieved the second highest growth rate within the DOUGLAS Group. Sales increased from EUR 652.1 million to EUR 719.0 million, representing an increase of 10.3%. Growth was recorded in both the store and e-commerce businesses, with e-commerce sales (+16.5%) outpacing store sales (+8.5%).

The store business benefited from a strong increase in visitor numbers, boosted by new store openings and completed store refurbishments. The average basket value rose slightly. In the e-commerce business, customer numbers remained in line with the previous year, and the average basket value increased significantly, resulting in a strong rise in sales.

The **Parfumdreams/Niche Beauty** segment recorded the Group's highest growth rate, with sales up 10.6% from EUR 190.2 million to EUR 210.3 million. This growth was driven by a vigorous rise in the number of customers and a slight increase in the average basket value compared to the previous year.

## Adjusted EBITDA margin

The DOUGLAS Group's adjusted EBITDA declined by 5.0%, from EUR 808.6 million to EUR 768.4 million, as a result of a modest market growth rate in combination with gross profit margin pressure due to an intensified competitive environment in all markets. As part of the implementation of the "Let it Bloom" growth strategy, IT costs rose as a percentage of sales for the introduction of new technologies to enhance the omnichannel customer journey. The adjusted EBITDA margin declined from 18.2% in the previous year to 16.8% in the reporting year.

**Overview of EBITDA, EBITDA-margin, adjustments, adjusted EBITDA, and adjusted EBITDA-margin at reporting segment level:**

		DACHNL		France	
		2024/2025	2023/2024	2024/2025	2023/2024
EBITDA	EUR m	423.2	445.1	163.3	171.9
EBITDA margin	%	20.0	21.5	19.4	20.5
Adjustments to EBITDA	EUR m	0.2	11.1	-0.2	4.3
Adjusted EBITDA	EUR m	423.3	456.2	163.1	176.2
Adjusted EBITDA margin	%	20.0	22.0	19.4	21.0

		Southern Europe		Central Eastern Europe	
		2024/2025	2023/2024	2024/2025	2023/2024
EBITDA	EUR m	140.8	147.2	166.1	169.7
EBITDA margin	%	20.6	22.1	23.1	26.0
Adjustments to EBITDA	EUR m	3.4	-0.6	1.8	1.5
Adjusted EBITDA	EUR m	144.2	146.6	167.9	171.2
Adjusted EBITDA margin	%	21.1	22.0	23.4	26.2

		Parfumdreams/Niche Beauty		Total Reportable Segments	
		2024/2025	2023/2024	2024/2025	2023/2024
EBITDA	EUR m	4.5	8.0	897.8	942.0
EBITDA margin	%	2.1	4.2	19.6	21.3
Adjustments to EBITDA	EUR m	0.0	-1.1	5.2	15.2
Adjusted EBITDA	EUR m	4.4	7.0	903.0	957.1
Adjusted EBITDA margin	%	2.1	3.7	19.7	21.7

In the **DACHNL** segment, adjusted EBITDA decreased by 7.2%, from EUR 456.2 million to EUR 423.3 million. Market pressure has led to increased discounts and promotional campaigns, which has resulted in a decline in gross profit margin. While an increase in IT costs, other operating cost ratios remained broadly in line with the previous year. The ratio to sales also decreased, from 22.0% in the previous year to 20.0% in the Reporting Year.

In the **France** segment, adjusted EBITDA declined by 7.5%, from EUR 176.2 million to EUR 163.1 million and the adjusted EBITDA margin declined from 21.0% in the previous year to 19.4% in the current year. The decrease in profitability was largely attributable to a lower gross profit margin as a result of an intensified promotional environment in France. Despite an increase in personnel

expenses driven by wage and salary increases, the personnel expense ratio remained stable.

The **Southern Europe** segment's adjusted EBITDA declined 1.6% from EUR 146.6 million to EUR 144.2 million, translating into an adjusted EBITDA margin of 21.1%, compared with 22.0% in the prior year. The decrease reflects a lower gross profit margin along with higher IT costs. Despite increased headcount in the stores as well as wage and salary increases, the personnel expense ratio remained in line with the previous year.

In the **Central Eastern Europe** segment, adjusted EBITDA decreased from EUR 171.2 million to EUR 167.9 million (-1.9%). The adjusted EBITDA margin declined from 26.2% in the previous year to 23.4% in the Reporting Year. The decrease was driven in particular by a deterioration in



gross profit margin, higher IT costs and an increase in delivery costs in relation to the opening of the new OWAC (One Warehouse, All Channels) in Poland. Personnel costs remained stable relative to sales, despite wage and salary increases and additional staffing for new store openings.

The **Parfumdreams/Niche Beauty** segment's adjusted EBITDA declined by 36.1%, from EUR 7.0 million to EUR 4.4 million. While sales increased year on year, the gross profit margin fell compared to the previous year driven

by intensified promotional activities. The drop in adjusted EBITDA was further driven by lower marketing income and higher delivery costs. The ratio of personnel expenses to net sales decreased after the integration of Parfumdreams into the German OWAC in the course of 2024 calendar year. This resulted in an adjusted EBITDA margin of 2.1% for the current year, compared with 3.7% in the prior year.

#### Reconciliation of the adjusted EBITDA of the reporting segments to the DOUGLAS Group's EBITDA

EUR m	2024/2025	2023/2024
<b>Adjusted EBITDA of the Reportable Segments</b>	<b>903.0</b>	<b>957.1</b>
Adjusted EBITDA of the reconciliation to the DOUGLAS Group	-134.2	-148.6
Consolidation effects	-0.3	0.1
<b>Adjusted EBITDA</b>	<b>768.4</b>	<b>808.6</b>
Strategic Initiatives	14.5	17.3
M&A - Investments and Divestments	0.0	10.4
Restructuring	-0.6	-1.7
Other	-2.0	52.3
<b>Adjustments to EBITDA</b>	<b>11.9</b>	<b>78.3</b>
<b>EBITDA</b>	<b>756.5</b>	<b>730.3</b>

In the 2024/2025 financial year, adjustments primarily related to strategic projects. EUR 5.5 million (previous year: EUR 6.7 million) of these were attributable to start-up costs in connection with the opening of OWAC logistics centers. A further EUR 2.8 million related to the implementation of the DOUGLAS Group's "Let It Bloom" strategy (previous year: EUR 6.6 million) and EUR 1.3 million was related to the relocation of the administration and the OWAC central warehouse in France (previous year: EUR 3.9 million).

Further information on the adjustments can be found in the notes to the financial statements under the "Segment reporting" disclosures.

#### Average net working capital as a percentage of sales

In the Reporting Year, the average Group net working capital as a percentage of sales fell from 5.3% to 4.4%. The DOUGLAS Group's average net working capital improved by EUR 34.2 million, from EUR 234.4 million to EUR 200.2 million, primarily due to initiatives for supply chain financing in the DACHNL region. This was partly offset by higher average inventories, higher trade receivables and lower trade payables. Besides decreasing average net working capital, also the increase in the DOUGLAS Group's sales of EUR 124.4 million contributed to a decreasing ratio of average net working capital as a percentage of net sales.

## Overview of average net working capital as a percentage of sales at reportable segment level:

	DACHNL		France	
	2024/2025	2023/2024	2024/2025	2023/2024
Average NWC as % of sales	-3.4	-1.0	9.4	9.0
	Southern Europe		Central Eastern Europe	
	2024/2025	2023/2024	2024/2025	2023/2024
Average NWC as % of sales	7.9	7.8	16.4	15.9
	Parfumdreams/Niche Beauty		Total Reportable Segments	
	2024/2025	2023/2024	2024/2025	2023/2024
Average NWC as % of sales	4.9	10.3	4.1	5.2

In the **DACHNL** reporting segment, the average net working capital as a percentage of sales fell from -1.0% to -3.4%. While sales increased by EUR 47.4 million, average net working capital fell by EUR 50.7 million to EUR -72.3 million driven primarily by the roll-out of a new supply chain financing program.

In the **France** segment, average net working capital as a percentage of sales rose by 0.4 percentage points from 9.0% to 9.4%. The year-on-year increase in average net working capital of EUR 3.7 million, this rose disproportionately to sales, which grew by EUR 2.2 million.

In the **Southern Europe** segment, average net working capital as a percentage of sales rose by 0.1 percentage points from 7.8% to 7.9%. In the Reporting Year, sales increased by EUR 18.9 million and the average net working capital rose by EUR 2.2 million, disproportionately to sales.

In the **Central Eastern Europe** segment, average net working capital as a percentage of sales rose by 0.5 percentage points from 15.9% to 16.4%. In the Reporting Year, sales increased by EUR 66.9 million, while average net working capital recorded a disproportionately large increase of EUR 14.6 million.

In the **Parfumdreams/Niche Beauty** reporting segment, average net working capital as a percentage of sales fell by 5.5 percentage points from 10.3% to 4.9%. While sales increased by EUR 20.1 million, average net working capital fell disproportionately to sales by EUR 9.4 million to EUR 10.3 million.

### Capital expenditure

In the 2024/2025 financial year, the DOUGLAS Group's investments amounted to EUR 171.1 million (previous year: EUR 156.0 million) to further strengthen its strategic positioning.

During the Reporting Year, capital expenditure primarily related to store openings and refurbishments as part of the "Let it Bloom" strategy. Moreover, investments in the tech stack standardization and enhancement were made, as well as on various digital initiatives.

Total investments in property, plant and equipment amounted to EUR 151.1 million, while investments in other intangible assets totaled EUR 20.0 million. During the Reporting Year, the DOUGLAS Group carried out 20 store relocations and 119 refurbishments. As of 30 September 2025, the store network comprised a total of 1,830 company owned stores (previous year: 1,756).

**Overview of investments at reportable segment level:**

		DACHNL		France	
		2024/2025	2023/2024	2024/2025	2023/2024
Capital expenditure	EUR m	56.5	52.1	38.7	29.9
		Southern Europe		Central Eastern Europe	
		2024/2025	2023/2024	2024/2025	2023/2024
Capital expenditure	EUR m	19.3	20.3	28.3	29.9
		Parfumdreams/Niche Beauty		Total Reportable Segments	
		2024/2025	2023/2024	2024/2025	2023/2024
Capital expenditure	EUR m	4.4	3.0	147.3	135.3

In the **DACHNL** reporting segment, capital expenditure amounted to EUR 56.5 million, representing an increase of 8.5%.

In the **France** reporting segment, capital expenditure rose by 29.3% to EUR 38.7 million.

In the **Southern Europe** reporting segment, capital expenditure decreased by 5.0%, from EUR 20.3 million in the previous year to EUR 19.3 million in the Reporting Year.

In the **Central Eastern Europe** reporting segment, capital expenditure amounted EUR 28.3 million, representing a decrease of 5.5% compared with the previous year.

In the **Parfumdreams/Niche Beauty** reporting segment, capital expenditure increased from EUR 3.0 million the previous year to EUR 4.4 million in the Reporting Year, marking an increase of 47.8%. The main driver was capital expenditure on the e-commerce shop.

## NET LEVERAGE

The DOUGLAS Group's net leverage ratio rose slightly from 2.8x in the previous financial year 2023/2024 to 2.9x in the reporting period, remaining virtually unchanged year on year.

Finance liabilities improved yoy, almost fully compensated by an increase in lease liabilities stemming primarily from new store openings, contract renewals and new warehousing agreements, leading to a stable net debt. Overall the rise in net leverage was attributable to the decline in adjusted EBITDA.

		DOUGLAS Group	
		2024/2025	2023/2024
<b>Finance liabilities (total from bank and promissory note loans)</b>	EUR m	<b>1,007.5</b>	<b>1,278.4</b>
Lease liabilities within the meaning of IFRS 16	EUR m	1,307.1	1,107.3
<b>Total</b>	EUR m	<b>2,314.6</b>	<b>2,385.7</b>
Cash and cash equivalents	EUR m	49.4	98.9
<b>Net debt</b>	EUR m	<b>2,265.2</b>	<b>2,286.8</b>
Adjusted EBITDA	EUR m	768.4	808.6
<b>Net Leverage</b>	<b>Multiple</b>	<b>2.9x</b>	<b>2.8x</b>

## RESULTS OF OPERATIONS

EUR m	2024/2025	2023/2024
Sales	4,575.3	4,451.0
Cost of raw materials, consumables and supplies and merchandise	-2,539.3	-2,415.0
<b>Gross Profit</b>	<b>2,036.1</b>	<b>2,036.0</b>
Other operating income	309.8	294.2
Personnel expenses	-680.8	-679.8
Other operating expenses	-908.5	-920.1
<b>EBITDA</b>	<b>756.5</b>	<b>730.3</b>
Amortization/depreciation/impairment	-388.0	-346.9
<b>EBIT</b>	<b>368.6</b>	<b>383.5</b>
Finance income	19.6	51.0
Finance expenses	-152.6	-352.0
Finance result	-133.0	-301.0
<b>EBT</b>	<b>235.6</b>	<b>82.5</b>
Income taxes	-60.2	1.6
<b>Profit (+) or Loss (-) of the period (Net Income)</b>	<b>175.4</b>	<b>84.0</b>



In the 2024/2025 financial year, the **cost of raw materials, consumables and supplies and merchandise** increased to EUR 2,539.3 million (previous year: EUR 2,415.0 million). This corresponds to a disproportionately higher increase in relation to sales growth (EUR 4,573.3 million from EUR 4,451.0 million in the previous year), with gross profit remaining broadly stable at EUR 2,036.1 million (previous year: EUR 2,036.0 million). The decline in the gross profit margin from 45.7% to 44.5% is attributable primarily to competitive pressure.

**Other operating income** rose strongly from EUR 294.2 million to EUR 309.8 million, driven primarily by higher advertising subsidies.

Adjustments to EBITDA allocated to other operating income amounted to EUR 11.8 million in the Reporting Year. These related primarily to reversals of provisions for previously adjusted items.

**Personnel expenses** totaled EUR 680.8 million in the Reporting Year, and were therefore in line with the previous year's level of EUR 679.8 million. Despite the increase in the number of salaried employees and the continued rise in payroll costs, personnel expenses remained stable in the 2024/2025 reporting period. In addition to lower target achievement rates for variable remuneration components, special factors relating to performance-based remuneration components in connection with the IPO recognized in the previous year, had a positive effect. The personnel expense ratio decreased from 15.3% to 14.9%.

The adjustments to EBITDA allocated to personnel expenses amounted to EUR 1.4 million in the 2024/2025 financial year and were mainly related to the expenses for relocating the head office and warehouse in France.

**Other operating expenses** amounted to EUR 908.5 million in the Reporting Year (previous year: EUR 920.1 million). The EUR 11.6 million decline is primarily attributable to lower consulting, legal, and auditing expenses in connection with the IPO in the previous year. Marketing and IT expenses increased, with the latter attributable to higher expenses for the digital transformation of business processes and the customer journey. The cost ratio in relation to sales decreased from 20.7% in the prior year to 19.9% in the Reporting Year.

The adjustments to EBITDA allocated to other operating expenses amounted to EUR 22.2 million in the financial year 2024/2025 and were mainly attributable to the implementation of the DOUGLAS Group's "Let It Bloom" strategy and the strategic OWAC logistics projects.

**EBITDA** for the reporting period amounted to EUR 756.5 million (previous year: EUR 730.3 million), which corresponds to an increase of EUR 26.2 million or 3.6% compared to the previous year. The **adjustments** to

EBITDA totaled EUR 11.9 million (previous year: EUR 78.3 million), resulting in an **adjusted EBITDA** of EUR 768.4 million (previous year: EUR 808.6 million).

**Depreciation, amortization and impairments** increased by EUR 41.1 million to EUR 388.0 million in the 2024/2025 financial year. With the expansion and refurbishment of the store network in mind, the increase was primarily attributable to depreciation of property, plant, and equipment, and right-of-use assets from leases. Higher impairments were also recorded in the area of other intangible assets.

The **finance result** for the 2024/2025 financial year amounted to EUR -133.0 million (previous year: EUR -301.0 million). The positive change of EUR 168.0 million compared to the previous year reflects the new financing structure, resulting in significantly less interest expenses.

## FINANCIAL POSITION

### Principles and objectives of financial activities

The management of liquidity, centralized financing and the hedging of financial risks (in particular interest rate risk) continue to be of great importance to the DOUGLAS Group. The Group's financial management is centralized at the level of Douglas AG. The objective is to optimally cover the DOUGLAS Group's financial requirements via banks and debt capital markets and by utilizing internal Group cash pool structures, to minimize financing costs and risks, and thus to ensure the Group's solvency.

Further explanations can be found in the notes to the consolidated financial statements in the disclosures on "Management of financial risks".

### Capital structure and financing

Non-current liabilities amounted to EUR 2,223.1 million (previous year: EUR 2,294.3 million), of which EUR 993.0 million (previous year: EUR 1,240.0 million) was attributable to non-current financial liabilities in the form of bank loans and promissory note loans of EUR 1,057.1 million (previous year: EUR 868.0 million) to non-current lease liabilities.

As at the reporting date, current liabilities totaled EUR 1,531.5 million (previous year: EUR 1,424.4 million). Current liabilities mainly comprised trade payables of EUR 639.4 million (previous year: EUR 657.2 million), current lease liabilities of EUR 268.5 million (previous year: EUR 257.7 million), liabilities from gift vouchers not yet redeemed of EUR 167.9 million (previous year: EUR 166.4 million), and liabilities from supply chain financing of EUR 145.0 million (previous year: EUR 0.0 million). In

addition, current provisions amounted to EUR 86.5 million (previous year: EUR 102.8 million), while personnel-related other liabilities totaled EUR 63.1 million (previous year: EUR 59.7 million).

In the previous year 2023/2024, Douglas AG had concluded a financing agreement with a consortium of banks for the refinancing of the Group after its IPO in the total amount of EUR 1.6 billion. The agreement comprises a long-term syndicated loan (Facility B) in the amount of EUR 800.0 million and maturing in early 2029, a bridge loan (Term Loan A) in the nominal amount of EUR 450.0 million, and a revolving credit facility (RCF) in the amount of EUR 350.0 million. After the one-year term expired, Douglas AG repaid the bridge term loan (Term Loan A) in the nominal amount of EUR 450 million on March 7, 2025. None of the extension options were exercised. In addition to EUR 250 million in own liquidity, Douglas AG used proceeds from the placement of promissory note loans ("Schuldscheindarlehen") in the

nominal amount of EUR 200 million for the repayment. The promissory note loan agreements comprise six agreements with terms of 3, 5, and 7 years and are subject to fixed or variable interest rates for each term.

Since the second quarter of financial year 2024/2025, the DOUGLAS Group has been participating in a supply chain financing program. The program enables the short-term financing of original supplier liabilities with a term of 60 days (and no change in payment to the suppliers). This results in a short-term other financial liability to financing partners, which is allocated to net working capital. The cash flows associated with the payment service provider are allocated to financing activities in the consolidated cash flow statement and reported under "Balance of cash inflows and outflows from supply chain financing." Payments to suppliers continue to be allocated to operating activities.

As of September 30 2025, the following significant financing agreements were in place at Group level.

	Financing volumes	Interest rate conditions	Maturity
	EUR m	%	Date
Term Loan Facility (Facility B)	800.0	3-6M EURIBOR + Margin	8 March 2029
Revolving Credit Facility (RCF)	350.0	1-6M EURIBOR + Margin	8 March 2029
Promissory note loans (Schuldschein loans)	200.0		
-- thereof with a term of 3 years and a fixed interest rate	28.0	3.883%	7 March 2028
-- thereof with a term of 3 years and a variable interest rate	141.5	6M EURIBOR + 175 bps	7 March 2028
-- thereof with a term of 5 years and a fixed interest rate	8.5	3.937%	7 March 2030
-- thereof with a term of 5 years and a variable interest rate	10.0	6M EURIBOR + 175 bps	7 March 2030
-- thereof with a term of 7 years and a fixed interest rate	1.5	4.190%	8 March 2032
-- thereof with a term of 7 years and a variable interest rate	10.5	6M EURIBOR + 195 bps	8 March 2032
<b>Total</b>	<b>1,350.0</b>		

The RCF had not been drawn down in terms of liquidity as at the balance sheet date, although it was utilized in the form of collateral for rental guarantees for an amount of EUR 19.3 million

The DOUGLAS Group's net debt amounted to EUR 2.265,2 million (previous year: EUR 2,286.8 million) as of the balance sheet date and was calculated as follows:

	30/09/2025	30/09/2024
EUR m	Carrying amount	Carrying amount
Term Loan Facility (Facility B)	802,0	815,9
Promissory note loans (Schuldschein loans)	200,4	0,0
Bridge Term Loan Facility (Facility A)	0,0	461,0
Revolving Credit Facility (RCF)	0,0	0,6
Other borrowings	5,1	0,9
<b>Finance liabilities (total from bank and promissory note loans)</b>	<b>1.007,5</b>	<b>1.278,4</b>
Lease liabilities within the meaning of IFRS 16	1.307,1	1.107,3
<b>Total</b>	<b>2.314,6</b>	<b>2.385,7</b>
Cash and cash equivalents	49,4	98,9
<b>Net debt</b>	<b>2.265,2</b>	<b>2.286,8</b>

The change in net debt was mainly attributable to the repayment of the bridge loan, which was financed, among other sources, through the issuance of a promissory note loan and the utilization of cash reserves and the increase in lease liabilities (within the meaning of IFRS 16) in the context of investments in the store network.

## Liquidity

The **cash inflow from operating activities** in the Reporting Year amounted to EUR 629.3 million (previous year: EUR 683.6 million). Based on an EBITDA of EUR 756.5 million, the main factors contributing to this development were the decrease in provisions and the reduction of trade payables (before supply-chain financing).

The **cash outflow from investing activities** amounted to EUR 168.3 million in the 2024/2025 financial year

(previous year: EUR 159.6 million) and was primarily related to investments in the store network and additionally in the technology platform, which together totaled EUR 171.1 million (previous year: EUR 151.3 million). As a result, **free cash flow** (total of cash flows from operating and investing activities) in financial year 2024/2025 amounted to EUR 461.0 million (previous year: EUR 524.0 million).

In the 2024/2025 financial year, the **cash outflow from financing activities** amounted to EUR 510.7 million (previous year: EUR 689.3 million). The main drivers were the repayment of the bridge loan and the redemption and interest payments related to lease liabilities, partly offset by payments received from the issuance of promissory note loans and supply chain financing.

## NET ASSETS

Total assets amounted to EUR 4,695.9 million as at the balance sheet date (previous year: EUR 4,481.3 million).

As in the previous year, assets primarily consisted of goodwill in the amount of EUR 1,033.2 million (previous year: EUR 1,033.0 million), right-of-use assets from leases in the amount of EUR 1,205.7 million (previous year: EUR

1,021.0 million), other intangible assets in the amount of EUR 810.8 million (previous year: EUR 833.4 million), and inventories in the amount of EUR 830.9 million (previous year: EUR 793.5 million).

**The allocation of goodwill to the reportable and operating segments and to the Group of cash-generating units (CGUs) is shown below.**

EUR m	30/09/2025			30/09/2024		
	Reportable Segment	Operating Segment	Group of CGU	Reportable Segment	Operating Segment	Group of CGU
DACHNL	488.6			488.6		
DACH		287.0			287.0	
Germany			287.0			287.0
BENE		201.6			201.6	
The Netherlands			201.6			201.6
France	437.0	437.0	437.0	437.0	437.0	437.0
Southern Europe	3.2	3.2		3.2	3.2	
Italy			3.2			3.2
Central Eastern Europe	92.2	92.2		92.0	92.0	
Poland			63.0			62.8
Other Central-Eastern-Europe			29.3			29.1
Parfumdreams/Niche Beauty	12.2	12.2	12.2	12.2	12.2	12.2
<b>Total</b>	<b>1,033.2</b>	<b>1,033.2</b>	<b>1,033.2</b>	<b>1,033.0</b>	<b>1,033.0</b>	<b>1,033.0</b>

The majority of the other intangible assets is attributable to the core brands "Douglas" and "Nocibé." The DOUGLAS Group assumes that the useful life of the "Douglas" and "Nocibé" brands is indefinite due to ongoing brand preservation measures. As in the previous year, EUR 534.4 million is attributable to the "Douglas" brand and EUR 172.7 million to the "Nocibé" brand. While the "Nocibé" brand is used exclusively in the France segment, the "Douglas" brand is used in the other segments with exception of Parfumdreams/Niche Beauty.

The right-of-use assets from leases mainly relate to the rental of stores as well as warehouses and business premises.

As of the balance sheet date, the DOUGLAS Group had cash and cash equivalents of EUR 49.4 million (previous

year: EUR 98.9 million). In addition, there are freely available credit lines from the RCF in the amount of EUR 330.6 million.



# DOUGLAS Group outlook for 2025/2026

The beauty industry growth forecast for 2026 from the previous year has changed during the course of the Reporting Year. Whereas the previous forecasts assumed a compound annual growth rate (CAGR) of 5.4% for the period 2023-2028 – due to strong consumer demand and robust purchasing power – current analyses indicate a downward revision of around one to two percentage points, implying that the market is cooling faster than originally expected. However, the Management Board does not see this slowdown as a sign of structural weakness, but rather as a consolidation following two years of comparatively high inflation and price effects as opposed to volume effects.<sup>1</sup>

Moreover, persistent geopolitical tensions continue to affect the outlook for the beauty market. Ongoing conflicts, fluctuating energy prices, and the rising cost of living are likely to sustain consumer price sensitivity and increase consumer restraint throughout Europe. Beauty market categories such as skin care and hair care have proven the most resilient. Market research shows that consumers increasingly perceive these segments as luxury items for their personal well-being and attach more value to them. It can therefore be assumed that spending on such items will remain stable, even under macroeconomic pressure, and categories like skin care and hair care will develop more in the direction of basic necessities.

Inflation is expected to consolidate further in the medium term, supporting the transition from price-led to volume-led growth in key markets, although short-term projections differ by institution and region. The OECD's Economic Outlook indicates a moderate recovery of the economy and a significant easing of inflation compared with the peaks witnessed in the 2022/2023 period. The ECB projects inflation for the eurozone of around 2.2% for next year. These macroeconomic assumptions underpin forecasts that predict low single-digit price and volume growth for 2026 in the mature markets.<sup>2</sup>

The e-commerce channel remains a key growth channel. At the same time, there has been a strong recovery in physical retail, which underscores the importance of omnichannel models in the beauty market. Physical stores will continue to play a decisive role going forward, and materially support the growth in e-commerce. Most forecasts predict slightly stronger growth in e-commerce than in brick-and-mortar retail in the coming years. Most forecasts assume somewhat stronger growth in e-commerce than in the store channel in the coming years.

Sources: OC&C, Circana, Skopos,

<sup>1</sup>McKinsey & Company: <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/state-of-beauty>

<sup>2</sup>Euromonitor: <https://www.euromonitor.com/article/top-trends-shaping-the-beauty-and-personal-care-industry-in-2025>

## DOUGLAS GROUP GUIDANCE

	2024/2025	2025/2026
	reported	forecast
Sales	EUR 4.6 billion	EUR 4.65 to 4.80 billion
Adjusted EBITDA margin	16.8%	approx. 16,5%
Average net working capital as % of sales	4.4%	< 4%
Capital expenditure	EUR 171.1 million	approx. EUR 150 million
Net Leverage	2.9x	2.5x to 3.0x

### DOUGLAS GROUP GUIDANCE for 2025/2026 financial year

In light of the general economic and sector-specific conditions outlined earlier, and based on corporate planning, the DOUGLAS Group Management Board provides the following guidance for 2025/2026.

The DOUGLAS Group expects sales of between EUR 4.65 billion and EUR 4.80 billion for the financial year 2025/2026. Growth will be driven by the omnichannel model, consisting of the store channel and the e-commerce channels, to which all segments are expected to contribute. The main growth driver is expected to be the Central Eastern Europe region, benefiting from a growing premium beauty market in combination with DOUGLAS' expansion strategy.

This forecast is based on sustained omnichannel growth in a structurally growing premium beauty market. In addition, sales growth is expected from the implementation of the "Let it Bloom" strategy, which includes store network expansion. Positive momentum is also expected from the development of our five core beauty categories. The focus is on setting our product range apart by means of including and exploiting the potential of exclusive brands and own brands, and on scaling adjacent partner program categories. Additional sales growth is expected from omnichannel CRM sales thanks to customer data analysis and efficient customer activation, as well as the refined Beauty Card loyalty program. Further growth is also expected in the omnichannel business thanks to the international rollout of all cross-channel services, such as the Click & Collect Express service.

The adjusted EBITDA margin is expected to be around 16.5% at Group level based on the assumption that competitive pressure on the gross profit margin will persist. Positive impetus is expected from the growth initiatives outlined above. However, strict cost management remains a priority in order to counter ongoing competitive pressure.

For the financial year 2025/2026, the DOUGLAS Group expects average net working capital as a percentage of sales to improve to below 4%. This forecast is based on various strategic initiatives that are being pursued intensively throughout the Group. These include, in particular, our seven strategic logistics projects, "One Warehouse, All Channels" (OWAC), with the aim to improve supply chain performance with better services relating to product availability and delivery times, but also lower net working capital. The OWAC sites are already in operation in Germany, France, Poland, Italy and Spain, along with planned projects in the Netherlands and Romania. Moreover, the average net working capital stands to benefit in financial year 2025/2026 from the full-year effect of the supply chain financing program, which was in place as of the end of September 2025 but only affected the average calculation in financial year 2024/2025 from March 2025.

Capital expenditure is expected to amount to approximately EUR 150 million and is in line with the store network development program and the ongoing introduction of standardized technology solutions, in order to improve both the digital customer journey and the store experience in addition to the material business processes.

The leverage ratio is expected to improve to a range of 2.5x to 3.0x.

## SEGMENT-BASED FORECAST

The following forecasts were made on the basis of the above statements and relate to the DACHNL, France, Southern Europe, Central Eastern Europe and Parfumdreams/Niche Beauty reporting segments.

The DOUGLAS Group's management expects the following segment developments at consolidated level for the 2025/2026 financial year.

- For the DACHNL segment, the Group management expects solid growth in sales, a slightly lower adjusted EBITDA margin, strong reduction in average net working capital as a percentage of sales, and strong reduced capital expenditure.
- For the France segment, Group management expects a vigorous increase in sales, a slightly higher adjusted EBITDA margin while net working capital as a percentage of sales stays in line with the previous year, and strong reduced capital expenditure.

→ For the Southern Europe segment, Group management expects a slight increase in sales, a slightly lower adjusted EBITDA margin, a slight fall in average net working capital as a percentage of sales, and a capital expenditure in line with the previous year.

→ For the Central Eastern Europe segment, Group management is forecasting significant growth in sales and a slight increase in the adjusted EBITDA margin, average net working capital as a percentage of sales in line with previous year, and a vigorous increase in capital expenditure.

→ For the Parfumdreams/Niche Beauty segment, Group management expects strong growth in sales, a slight increase in the adjusted EBITDA margin, a slight increase in average net working capital as a percentage of sales, and solid reduced capital expenditure.

The following ranking is based on the qualified comparative statements on sales, the adjusted EBITDA margin, average net working capital as a percentage of sales, and capital expenditure

Ranking	Characteristics of the qualified comparative forecasts
1	in line with the previous year
2	slightly
3	solid
4	vigorous
5	significantly
6	strongly

Sources: OC&C, Circana, Skopos,

[www.oecd.org/content/dam/oecd/en/publications/reports/2025/06/oecd-economic-outlook-volume-2025-issue-1\\_1fd979a8/83363382-en.pdf](https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/06/oecd-economic-outlook-volume-2025-issue-1_1fd979a8/83363382-en.pdf),

[www.mckinsey.com/industries/consumer-packaged-goods/our-insights/the-beauty-boom-and-beyond-can-the-industry-maintain-its-growth](https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/the-beauty-boom-and-beyond-can-the-industry-maintain-its-growth)

# Risk and opportunity report

The DOUGLAS Group is exposed to a variety of risks and opportunities in the course of its business activities. Among other things, these result from entrepreneurial activities aimed at developing and utilizing opportunities to improve the Company's competitiveness. The following section describes the DOUGLAS Group's risk management system and provides an overview of the current risk and opportunity situation.

## RISK POLICY, STRATEGY AND OBJECTIVES

The Management Board of Douglas AG has adopted a risk policy that defines the risk strategy and objectives, the risk culture, and the communication concept. The risk strategy is consistent with the corporate strategy. The target vision of the risk culture is to exploit opportunities and manage risks effectively.

In the risk strategy, the Management Board has stipulated that, in accordance with the business judgment rule (Section 93 (1) sentence 2 AktG), it will make business decisions in the best long-term interests of the DOUGLAS Group by carefully considering appropriate information on potential risks and alternatives.

The key objectives of risk and opportunity management at the DOUGLAS Group are to identify and assess significant risks and opportunities, in particular the early identification of risks that could jeopardize the company's existence. Specifically, risk management addresses the following topics:

- Creating risk awareness within the DOUGLAS Group
- Detailed knowledge and transparency regarding the current risk position (risk identification, assessment, and control)

- Early initiation of mitigating measures
- Information about possible deviations from planned targets

Risks and opportunities include all future developments or events that could lead to a negative (risk) or positive (opportunity) deviation from the forecast targets. The DOUGLAS Group's risk management system is based on the elements of Auditing Standard 981 of the Institute of Public Auditors in Germany (IDW) and is anchored in a Group-wide binding guideline that is accessible to all employees.

The DOUGLAS Group trains employees according to their respective roles in risk and opportunity management.

## ORGANIZATION

The Management Board of the DOUGLAS Group is responsible for developing and maintaining an appropriate and effective risk management and early risk detection system in accordance with Section 91 (2) and (3) of the German Stock Corporation Act (AktG). The Risk Committee supports the Management Board in this task by validating and reviewing the Group-wide risk situation.

The DOUGLAS Group's risk management system is organized in line with the organizational structure and involves the segments and national companies as well as the specialist departments within the Group.

The Group Risk Office is responsible for implementing the Group-wide risk management process in accordance with the guidelines. It is organizationally assigned to Group Controlling. It continuously defines and develops the risk management framework, coordinates its procedural implementation, and ensures the quality of internal Group reporting.

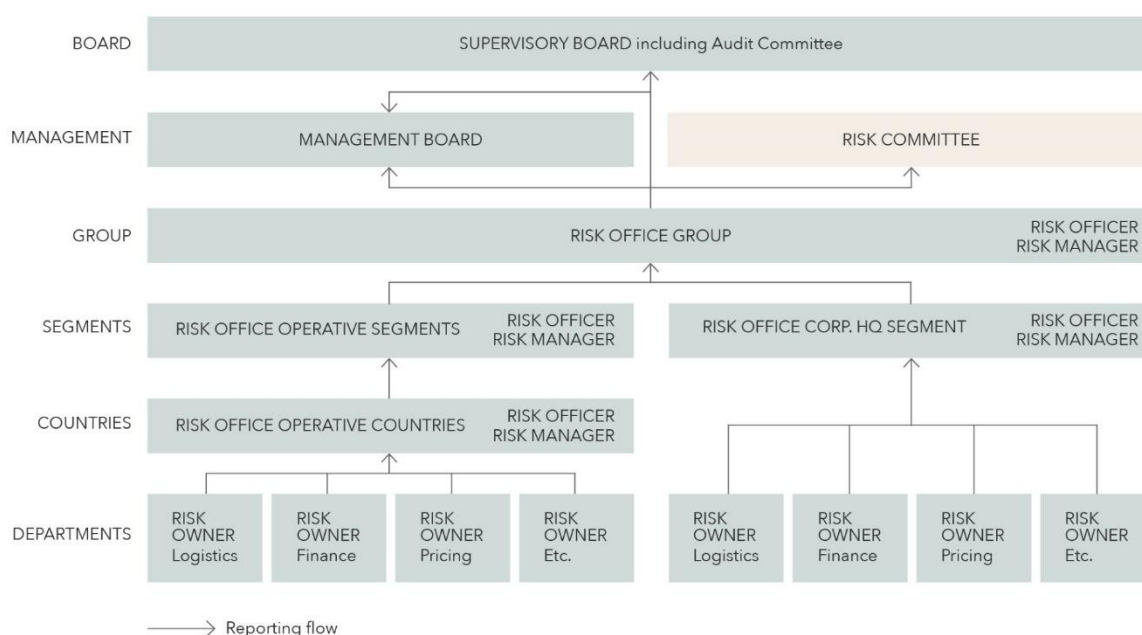


The risk offices in the segments and countries are responsible for the operational implementation of the risk management framework and for the correct and complete assessment of all risks and opportunities. These are organizationally assigned to the CFO of the respective unit. The risk owners report to the risk office of the countries. They are responsible for identifying risks and opportunities, as well as for assessing and controlling countermeasures for risks and implementing identified opportunities.

All process participants are continuously informed about the requirements, methods, and innovations of the risk management system through training courses, information events, and communication initiatives.

The following chart illustrates the DOUGLAS Group's risk management organization as described above:

#### ORGANISATION RISK MANAGEMENT



## IDENTIFICATION

Two comprehensive inventories of risks and opportunities are carried out annually. All risks and opportunities are systematically recorded, assessed, and documented by the risk owners. This is done on the basis of a Group-wide standardized catalog of risks and opportunities, which can be supplemented with new items if the catalog does not yet cover them. Risks and opportunities are also identified by the Management Board. Identified risks and opportunities are assigned to predefined areas that are aligned with the departmental structure.

## EVALUATION AND CONTROL

The DOUGLAS Group considers risks and opportunities for the coming financial year. For this period, the probability of occurrence and the financial impact are assessed in three scenarios (pessimistic, realistic, and optimistic).

Risks and opportunities are assessed that could lead to deviations from the DOUGLAS Group's forecast-relevant performance indicators and influence the decisions of a reasonable addressee.

## ANALYSIS

This year, the Group Risk Office improved the methodology for analyzing the DOUGLAS Group's risk situation, thereby further refining risk management. The process is explained below.

A multi-stage quality assurance process for the reported risks and opportunities is carried out both by the Group Risk Office across all organizational units and by the corresponding departments at the corporate headquarters. This serves to check the plausibility of risk identification and assessment and increases the quality of the risk management process.

To assess the overall risk situation of the DOUGLAS Group, a simulation of all risks is carried out using a stochastic simulation method (Monte Carlo simulation), taking into account their interactions and effective countermeasures. For this purpose, the value at risk (VaR) ratio is determined with a confidence level of 95 percent for the overall risk portfolio and for each risk in the pre-recorded catalog.

A multi-stage analysis is performed to identify and evaluate individual risks and aggregated risks.

First, the reported risks and opportunities are evaluated in a matrix after taking planned countermeasures into account. The classification is based on the respective probability and the mean value of the impact after taking planned countermeasures into account across all three scenarios.

The matrix classifies risks into the following categories: low (L), medium (M), high (H), and very high (VH). The value limits for the impact and probability classes and the classification of the categories are defined uniformly across the Group and are consistent with the objectives of the risk management system.

The same risks reported in different companies are then combined (hereinafter referred to as consolidated risks). These are also classified in the matrix described above.

The classification is based on the weighted average of the probabilities and the sum of all mean values of the impacts after taking into account planned countermeasures across all scenarios. In addition, the classification is compared with the results of the stochastic simulation process in order to take into account interactions between risks. In this way, risks are identified that could significantly influence the decisions of a reasonable addressee. These include all material risks as well as risks in the "medium (M)" category, provided they have medium, high, or very high financial impacts.

Finally, the results are reviewed with the Management Board of the DOUGLAS Group. If necessary, risks are supplemented or adjusted accordingly in terms of their assessment.

## MONITORING OF RISK-BEARING CAPACITY

To assess risk-bearing capacity, the value at risk (VaR) ratio with a confidence level of 95 percent for the overall risk portfolio is compared with the DOUGLAS Group's risk-covering capital. The risk-covering capital takes into account the Group's equity. Additional early warning indicators are used to monitor risk-bearing capacity and detect risks at an early stage.

## COMMUNICATION

Communication with the Management Board and Supervisory Board of Douglas AG and the Risk Committee takes place regularly via the Group Risk Office. This includes statements on risk-bearing capacity and significant risks and opportunities. In addition, ad hoc reporting has been implemented to inform the Management Board and the Group Risk Office about significant risks and opportunities outside of regular reporting dates.

## MONITORING OF APPROPRIATENESS AND EFFECTIVENESS

The Supervisory Board monitors the adequacy and effectiveness of the risk management system and the appropriate handling of risks and opportunities. In addition, as part of the audit of the annual financial statements, the auditor assesses whether the Management Board has taken the measures incumbent upon it under Section 91 (2) of the German Stock Corporation Act (AktG) in an appropriate form and whether the monitoring system to be set up in accordance with this can fulfill its tasks. An audit was also carried out by the Internal Audit department.

## OVERALL STATEMENT ON THE RISK SITUATION

At the time this report was prepared, the Management Board of Douglas AG was not aware of any individual or aggregate risks that could jeopardize the Company's continued existence during the forecast period. All individual risks that are part of the DOUGLAS Group's risk landscape were summarized using a Monte Carlo simulation to determine the overall risk. No threat to the

Company's continued existence was identified in the forecast period here either.

As part of the last annual risk process, a total of 1,893 risks were reported (2023/2024: 1,866 risks) that could have a negative impact on the DOUGLAS Group's forecast. Comparable risks of the national companies were then summarized. As a result, 169 consolidated risks are considered.

These are shown in the matrix below<sup>1</sup>:

### MATRIX - NET RISK INVENTORY

Financial impact	very high	≥ 20% of planned adjusted EBITDA	0	0	0	0	0
	high	≥ 10% but < 20% of planned adjusted EBITDA	1	0	0	0	0
	mid	≥ 5% but < 10% of planned adjusted EBITDA	8	2	0	0	0
	low	≥ 1% but < 5% of planned adjusted EBITDA	80	9	0	0	0
	very low	< 1% of planned adjusted EBITDA	61	7	1	0	0
			< 20%	≥ 20% but < 40%	≥ 40% but < 50%	≥ 50% but < 75%	≥ 75%
			very low	low	mid	high	very high
			Probability of occurrence				
Risk Category		Count					
very high		0					
high		0					
mid		21					
low		148					
Total		169					

Of the 169 consolidated risks, none were classified as "very high (SH)" or "high (H)", 21 were classified as "medium (M)" and all others as "low (G)".

Even though no significant risks (high or very high) were identified, 11 medium risks have medium or high financial implications.

These 11 risks can be grouped into 4 risk areas, which we present below:

- Risks due to political and economic conditions
- Risks relating to the competitive situation, pricing, and marketing
- Risks arising from IT systems and data security

- Risks related to the supply chain

The overall risk situation for the DOUGLAS Group has not changed significantly compared to the previous year. Compared to the previous year, the risks arising from competition have decreased slightly in significance, as some of these risks materialized last year and were therefore incorporated into planning and forecasting. On the other hand, risks arising from political and economic conditions and IT systems have increased in significance.

<sup>1</sup> The information on the risk management scales in accordance with ESRS 2 IRO 1 53 c ii) is included by reference in the DOUGLAS Group's sustainability statement for the 2024/2025 financial year.

## Risks due to political and economic conditions

Demand for the DOUGLAS Group's products and, consequently, its growth and business activities, depend largely on consumer confidence and the consumer climate.

Uncertainty regarding changes in economic and political conditions can have a significant impact on the consumer climate. The war in Ukraine, but also other geopolitical conflicts and social unrest, can have a negative impact on consumer confidence. A recession or high inflation can also have a negative effect. Changes in social and economic behavior can lead to a decline in customer footfall in traditional retail locations such as city centers and shopping malls.

If the risks described materialize, they could have a negative impact on the forecasts for revenue and the adjusted EBITDA margin. Indirectly, expectations regarding average net working capital as a percentage of sales and net leverage may also be affected. In addition to the effects mentioned above, a reduction in adjusted EBITDA may also lead to significant impairment of assets.

The risks in this risk area are classified as "medium (M)". The risks arising from geopolitical conditions, recession and high inflation are assessed as having a medium level of damage and a low probability of occurrence. The risk arising from changes in social and economic behavior is assessed as having a medium level of damage and a very low probability of occurrence.

## Risks arising from the competitive situation, pricing, and marketing

In addition to the risks arising from political and economic conditions, the DOUGLAS Group's marketing and pricing policies as well as the behavior of competitors may also have a negative impact on the performance indicators forecast below.

The successful implementation of planned marketing and communication measures is crucial to the Company's success. Failure to address the right channels or target groups could lead to lower customer loyalty and acquisition and weaker sales development. Errors in the DOUGLAS Group's pricing and pricing strategy or a significantly more aggressive pricing policy on the part of our competitors could also lead to a decline in demand or customer churn.

If the risks described materialize, they could have a negative impact on the forecasts for sales and the adjusted EBITDA margin. Indirectly, expectations regarding average net working capital as a percentage of sales and net leverage may also be affected. In

addition to the effects mentioned above, the occurrence of these risks may also result in significant impairment of assets.

The risks in this risk area are classified as "medium (M)", with a medium level of damage and a very low probability of occurrence.

## Risks from the area of IT systems and data security

The DOUGLAS Group requires complex IT systems for its e-commerce business and for other areas such as payment processing, the supply chain, and procurement. A disruption, failure, or external attack could result in a loss of sales and earnings.

The DOUGLAS Group has already been confronted with cyber-attacks in the past, which have not caused any significant damage to date. The DOUGLAS Group expects cyber-attacks to remain an ongoing risk. Cybercriminals may develop new ways to gain unauthorized access to protected information systems. Threats to the DOUGLAS Group's systems or the systems of contractual partners may also arise from internal factors such as employee errors, misconduct, system errors, system vulnerabilities, or careless user behavior.

Although systems and processes are in place to protect against unauthorized access or use of secure data and to prevent data loss, there is no guarantee that these procedures will be sufficient to prevent all data breaches or data misuse. Similarly, there can be no guarantee that the DOUGLAS Group will be able to anticipate the exact nature of these threats and take appropriate preventive measures.

Any significant impairment or breach of data security or any misuse of data could damage reputation and lead to the disclosure of confidential customer, employee, supplier, or business information.

If the risks mentioned occur, they may have a negative impact on forecasts for, sales, and the adjusted EBITDA margin. As a result, expectations regarding average net working capital as a percentage of sales and net leverage may also be indirectly affected.

The risks in this risk area are classified as "medium (M)", with a medium level of damage and a very low probability of occurrence.

## Risks from the supply chain

Technical failures, natural disasters, or extreme weather conditions could significantly impair the business activities of our logistics infrastructure, both at the DOUGLAS Group and at suppliers and logistics partners.



Such events can lead to delivery delays, higher procurement costs, or, in extreme cases, interruptions in sales.

If the risks described occur, they could have a negative impact on the forecasts for sales and the adjusted EBITDA margin. Indirectly, they could also affect expectations for average net working capital as a percentage of sales and net leverage.

The risk has been classified as "medium (M)" with a high level of damage and a very low probability of occurrence.

## OPPORTUNITIES

The DOUGLAS Group has identified three areas of opportunity resulting from both an improvement in the overall economic environment and internal initiatives to strengthen customer loyalty. These developments offer the opportunity to further expand the market position, achieve profitable growth, and increase the efficiency of central sales and marketing processes.

### Improvement in the macroeconomic environment and profitable growth

Last year, not only the DOUGLAS Group but also the entire industry was confronted with volatile and challenging market conditions due to macroeconomic conditions. A recovery in consumer demand and a more stable development of purchasing power beyond the level taken into account in the forecast could lead to a more favorable market environment. For the DOUGLAS Group, this presents opportunities to consolidate its existing market position and increase market penetration in the segments.

If the opportunity described materializes, it could have a positive impact on the forecasts for sales and the adjusted EBITDA margin. Indirectly, it could also have a positive impact on expectations for average net working capital as a percentage of sales and the net leverage ratio.

### Opportunities arising from improvements in the market and competitive environment

Targeted product range optimizations, improved product availability, and efficient pricing and promotional strategies are creating potential for the DOUGLAS Group. If these planned measures were to have a stronger effect than anticipated in the forecast, this would result in opportunities.

In addition, opportunities are arising from increasing market consolidation in both online and offline retail,

which could result in competitive advantages for the DOUGLAS Group. Greater integration of online and offline sales channels (omnichannel approach) offers additional potential. In conjunction with consistent cost control and process optimization, these measures could further strengthen the Group's competitive position.

If the opportunities described materialize, they could have a positive impact on the forecasts for sales and the adjusted EBITDA margin. Indirectly, they could also have a positive impact on expectations for average net working capital as a percentage of sales and the net leverage ratio.

### Strengthening customer relationships and optimizing marketing measures

In addition to external conditions, internal measures also contribute significantly to positive business development. Through the consistent further development of customer relationship management (CRM), the optimization of internal processes, and the increased use of data-driven models, e.g., through artificial intelligence (AI), processes can be made more efficient and customer needs can be addressed in a more targeted manner. In addition, uniform marketing tools throughout the Group promote a consistent customer approach across all sales companies and channels.

In particular, the Group-wide introduction of uniform campaigns can achieve consistent brand perception across all sales companies and channels. This harmonization of communication has the potential to increase brand strength and customer loyalty more significantly than assumed in the forecast. In addition, personalized offers, improved customer analyses, and conscious campaign management can further increase the efficiency of marketing measures beyond what was planned. If these initiatives prove more successful or take effect more quickly than expected, this could result in opportunities for the DOUGLAS Group.

If the opportunities described materialize, they could have a positive impact on the forecasts for sales and the adjusted EBITDA margin. Indirectly, they could also have a positive impact on expectations for average net working capital as a percentage of sales and the net leverage ratio.

### Key features of the accounting-related internal control system

The accounting-related internal control system is an integral part of the DOUGLAS Group's accounting and financial reporting system and aims to identify, assess, manage, and monitor risks that could have a material impact on proper accounting and financial reporting by means of principles, procedures, and measures.

All important guidelines are made available to employees. These Group-wide and uniform basic rules ensure compliance with national and international regulations as well as the requirements and specifications of the Management Board, in particular compliance with the legal framework.

The key accounting-related processes are explained in more detail below:

An IFRS accounting policy that applies across the Group and must be applied by all companies included in the consolidated financial statements ensures uniform accounting in accordance with IFRS for the DOUGLAS Group.

For each reporting occasion, central procedural instructions and deadlines for global milestones are specified and communicated, and compliance with the global financial statement calendar is monitored by the Group Accounting department.

Local accounting and financial statement preparation for the companies included in the consolidation is generally carried out in SAP-based accounting systems based on a uniform chart of accounts.

Local accounting-related business data is consolidated using a central consolidation system that includes all consolidated companies of the DOUGLAS Group. After the local data has been transferred to the consolidation system, (partially) automated plausibility checks are performed. Any error or warning messages that occur are processed by the person responsible for the financial statements before the data is forwarded to the consolidation department. The consolidation steps required to prepare the consolidated financial statements are subject to various system-related and manual controls.

As part of its monitoring function, the Internal Audit department checks compliance with legal requirements and internal Group guidelines. The content of the annual audit plan is based on the company's risks and is coordinated with the full Management Board and the Chair of the Audit Committee of the Supervisory Board. Supplementary ad hoc audits may be conducted at any time in response to sudden risk events. The results of the audits are reported directly to the Management Board, and measures are taken with the audited area to minimize the risks identified. The Internal Audit department reports regularly to the Audit Committee of the Supervisory Board on its findings and risks. In case of

findings made during internal or external audits, the DOUGLAS Group continuously improves its ICS.

## Key features of the internal control and risk management system and statement on its adequacy and effectiveness<sup>1</sup>

Overall responsibility for implementing an appropriate and effective internal control and risk management system lies with the Management Board of Douglas AG. The Audit Committee of the Supervisory Board of Douglas AG monitors the effectiveness of the internal control and risk management system.

Under the leadership of the Chief Financial Officer, the Group Internal Controls department defines Group-wide minimum requirements for the design of the internal control system (ICS) and continuously develops these further.

The structure and organization of Douglas AG's ICS are based on the generally accepted COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework and are continuously adapted to the specific requirements of Douglas AG.

The internal control system contributes to the following overarching objectives:

- Compliance with laws and other regulations
- Securing operating assets/protection against asset losses
- Prevention, avoidance, and detection of errors and irregularities
- Reliability and efficiency of business processes

The DOUGLAS Group's internal control system covers both financial and operational processes. Significant risks are identified as part of risk analyses. The necessary minimum requirements for control measures and their documentation are specified centrally and uniformly. In order to assess the effectiveness of the internal control system and to improve it on an ongoing basis, the major Group companies are required to evaluate the adequacy and functionality of the controls annually (in the form of a self-assessment). A uniform methodology is specified for this purpose throughout the Group. In the event of control weaknesses, measures must be defined to eliminate them. The results of the self-assessments are validated centrally, summarized in an overall report on the DOUGLAS Group's internal control system, and reported to the Risk Committee, the Management Board, the Supervisory Board, and the Audit Committee.

In addition to the self-assessment of effectiveness, the Internal Audit department also reviews the adequacy

<sup>1</sup>This statement by the Management Board is a disclosure required by the German Corporate Governance Code 2022 and, as it is not part of the

management report, is not subject to the audit of the financial statements.

and functionality of internal controls as part of its annual audit activities. The control activities of the Internal Audit department are aimed at ensuring the effectiveness and efficiency of operational business activities through optimized processes and the safeguarding of company assets. As part of its monitoring function, it checks compliance with and the effectiveness of defined processes and controls (including the internal control system and risk management) and regularly checks the security and reliability of IT systems and the effectiveness of the control mechanisms implemented. If necessary, appropriate measures are initiated in cooperation with the relevant department and, if required, with the Internal Controls and Risk Management departments in order to remedy the identified weaknesses within the framework of a defined process. Internal Audit regularly reports the results of its work to the Management Board and the Audit Committee of the DOUGLAS Group.

Based on the aggregated results of the self-assessments and the findings from the Internal Audit audits, the Management Board has no reason to doubt the overall adequacy and effectiveness of the internal control system in the financial year in all material respects, taking into account the continuous improvement initiatives. In the event of findings made during internal audits or external audits, the DOUGLAS Group makes continuous improvements to the ICS.

# Subsequent events reporting

Events requiring disclosure between the end of the financial year ending 30 September 2025, and the date of approval of the consolidated financial statements for publication are reported in the notes to the consolidated financial statements under "Events after the balance sheet date."





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# ESRS 2 - General Information<sup>1</sup>

## Basis for Preparation

### BP-1 General basis for preparation of the sustainability statement

This chapter is part of the Group management report and constitutes the combined non-financial statements (NFS) of Douglas AG (hereinafter also referred to as the sustainability statement) pursuant to §§ 315b and 315c of the German Commercial Code (HGB) in conjunction with §§ 289b to 289e HGB. It additionally includes disclosures according to the EU Taxonomy Regulation 2020/582 and the associated delegated acts. This sustainability statement provides the necessary non-financial information for both the DOUGLAS Group and Douglas AG. As all described aspects apply equally to Douglas AG and the Group, no separate application of a framework pursuant to § 289d HGB was made for the parent company. The reporting period spans the financial year from 1 October 2024, to 30 September 2025. The sustainability statement has been prepared on a consolidated basis for Douglas AG and its subsidiaries (the DOUGLAS Group) according to the European Sustainability Reporting Standards (ESRS), delegated act (EU) 2023/2772

HR IT systems are currently being consolidated and harmonized at Group level as part of our ongoing digital transformation. As of the reporting date, this consolidation process was not yet finalized, and we were therefore unable to disclose a complete and reconciled dataset that meets our internal standards for data quality (completeness, accuracy and comparability). Consequently, the disclosure requirements with respect to S1-16 97a) 'gender pay gap' and 97b) 'annual total remuneration ratio' were excluded from the sustainability statement. The DOUGLAS Group is enhancing its HR data and reporting infrastructure with the clear objective of incorporating these disclosures in future reporting periods. The DOUGLAS Group highlights the general uncertainties, particularly regarding interpretative questions during the initial application of the ESRS, as well as in using the ESRS as a framework for non-financial statements. The following table shows a list of the material matters in accordance with Sections 289b in conjunction with Sections 315c of the German Commercial Code (HGB) compared to the material ESRS topics identified by DOUGLAS Group in the context of the double materiality assessment.

<sup>1</sup> The audit of this sustainability statement by the statutory auditor is limited to verifying that it has been submitted. No substantive audit was performed.

HGB sustainability aspects	ESRS topic report sections
Description of the business model	General Information (ESRS 2)
Environmental matters	Climate Change (ESRS E1)
	Pollution (ESRS E2)
	Resource Use and Circular Economy (ESRS E5)
Social matters	Own Workforce (ESRS S1)
Social matters	Consumers and End-Users (ESRS S4)
Respect for human rights	Own Workforce (ESRS S1)
	Consumers and End-Users (ESRS S4)
Combating corruption and bribery	Business Conduct (ESRS G1)

### Consolidation

The scope of consolidation is the same as for the DOUGLAS Group Financial Statements as of 30 September 2025, and includes all fully consolidated subsidiaries. Further information on the scope of consolidation can be found in the [Annual Report – Shareholdings of the Group](#) according to Section 313 German Commercial Code (HGB). The requirements according to ESRS 1.123 are thus fulfilled.

### Methodology

The sustainability statement includes aspects of our value chain, specifically focusing on our own operations, upstream and downstream activities. In the present sustainability statement, we provide information on the development status of our sustainability strategy as well as the associated management approaches, governance structures, key actions, and progress achieved during the financial year along our upstream and downstream value chain. No secondary data from indirect sources or sector data has been used for these sections. Information regarding upstream and downstream value chain activities was utilized in ESRS E1, whereas all other standards concentrate on our own operations. Achieving full transparency within the complex layers of our upstream and downstream supply chain remains a challenge. DOUGLAS Group has thoroughly reviewed all ESRS standards and related topics, prioritizing its significant impacts, risks, and opportunities. The disclosures have been prepared following the guidelines provided in ESRS 1. Please refer to further details of the value chain in SBM-1.

ESRS 1\_77 permits the omission of specific information concerning intellectual property, know-how, or the results of innovations. This option was not applied by DOUGLAS Group.

DOUGLAS Group does not make use of the exemption allowing the omission of unfavorable information as provided under section 289e of the German Commercial Code (HGB), which transposes Articles 19a (3) and 29a (3) of Directive 2013/34/EU into German law. In addition,

the DOUGLAS Group utilizes all phase-ins in accordance with ESRS 1 Appendix C.

### BP-2 Disclosures in relation to specific circumstances

#### Definitions of time horizon

DOUGLAS Group utilizes specific time horizons in our planning and reporting processes, which are tailored to align with our retail business model.

Our short-term horizon is one year, medium-term extends for two additional years, and long-term spans beyond three years. These durations, while shorter than those suggested by ESRS standards, effectively capture business dynamics and guide strategic decisions, making deviations from our established frameworks impractical.

For the resilience analysis please refer to ESRS E1 SBM-3, we included three greenhouse gas emission scenarios, present (2025), 2035, and 2050. The analysis, however, is not limited exclusively to these three years, but includes a preceding and succeeding period of +/- 5 years.

#### Measurement basis

The details regarding methodologies and, if applicable, calculation factors, estimates (including value chain estimates, sources, measurement and outcome uncertainties, planned actions to enhance metric accuracy, approximations, and judgements), along with assumptions and limitations, are explained alongside the respective disclosures within the topical chapters (E1-6).

DOUGLAS Group is currently establishing internal working groups to continuously improve the data basis for metrics and corresponding estimates. It should be noted that estimates inherently carry a high degree of measurement uncertainty.

Although the CSRD has not yet been adopted into German law, DOUGLAS Group has decided to report the non-financial declaration for the first time in accordance with the ESRS. As a result, the content and structure of the statement have changed significantly compared to

previous years. Information and data previously reported have been reorganized, expanded, or supplanted by newly mandated disclosures. In line with the provisions of the ESRS, comparative figures for previous periods are not consistently reported because they lack comparability for certain datapoints.

The 2023/2024 financial year historical data for the EU Taxonomy has been restated to align with the updated

methodology for calculating CAPEX, resulting in a revised share of taxonomy-eligible activities.

The emissions (in t CO<sub>2</sub>e) for the corporate carbon footprint of the DOUGLAS Group have been updated for the figures reported and published in the Annual Report of the financial year 2023/2024 to fulfill the CSRD requirements as a base year. For further detailed information, please refer to chapter ESRS E1.

**Incorporation by reference**

The following information is incorporated by reference into this sustainability statement:

Standard and Section Document	Document
ESRS 2 GOV-1 22a - The role of the administrative, management and supervisory bodies	Description of the role of the administrative, management and supervisory bodies as part of the Annual Report 2024/2025 in the chapter 'corporate bodies'.
ESRS 2 IRO-1 53c ii - Description of the process to identify and assess material impacts, risks and opportunities	Description of the financial assessment scales as part of the Management Report 2024/2025 in the chapter 'risk and opportunity report'.

**Governance**

**GOV-1 The role of the administrative, management and supervisory bodies**

The DOUGLAS Group operates as a German Public Limited Company (Aktiengesellschaft) under the jurisdiction of the German Stock Corporation Act (Aktiengesetz – AktG), which mandates a dual-board system. In this system, the Management Board is responsible for managing the company, representing it externally, and conducting operations in compliance with legal and internal regulations. Key statutory responsibilities include setting the strategic direction, leading Douglas AG and the DOUGLAS Group, and ensuring effective control and risk management systems are in place. The members of the Management Board collectively manage the company, requiring resolutions from the shareholders and/or the Supervisory Board for significant matters affecting business strategy, finances, or employees, as mandated by law or governance documents. Meanwhile, the Supervisory Board oversees advisory functions and collaborates closely with the Management Board to serve the company's best interests. In Addition the Supervisory Board has enacted Rules of Procedure for the Management Board.

As of 30 September 2025, the DOUGLAS Group Management Board consists of three male members (100% men and 0% women), resulting in an average ratio of female to male management board members of zero.

The DOUGLAS Group Supervisory Board consists of twelve members: five men and seven women, corresponding to approximately 42% male and 58%

female representation with an average ratio of 1.4 female to male members. In line with the requirements of the German Co-Determination Act (MitbestG), the Supervisory Board includes representatives from both shareholders and employees. It consists of six shareholder representatives and six employee representatives in accordance with the German Co-Determination Act (Mitbestimmungsgesetz – MitbestG). Of the six members appointed by shareholders (four men and two women), two are independent Supervisory Board members. With regard to the independence of its board members, the Supervisory Board adheres to the German Corporate Governance Code (GCGC; Deutscher Corporate Governance Kodex, DCGK). More than half of the shareholder representatives should be independent of the Company and the Management Board. Members of the Supervisory Board are considered independent if they do not have any personal or business relationship with the Company or its Management Board that could lead to a substantial – and not merely temporary – conflict of interest. Based on this definition, the Supervisory Board determined that all shareholder representatives were deemed independent during the Reporting Year. Consequently, the proportion of independent shareholder representatives is 100% – and 50% with regard to the whole Supervisory Board.

The six employee representatives include one man and five women, appointed in accordance with MitbestG, encompassing four employees from DOUGLAS Group and two union representatives (from the German trade union Ver.di). The Supervisory Board consistently fulfills statutory gender requirements, maintaining a composition of at least 30% women and 30% men as per Section 96 (2) AktG. Additionally, the regular age limit for



members is defined in the Rules of Procedure as the end of the Annual General Meeting following a member's seventy-second birthday.

All current members of the Management Board and Supervisory Board are listed in the DOUGLAS Group Annual Report in the chapter '[corporate bodies](#)'.

The composition of the Management Board is determined by the Supervisory Board. When appointing Management Board members, the Supervisory Board's focus within the selection process is always on the best interests of DOUGLAS Group, considering the individual circumstances of each case. The Supervisory Board attaches great importance to the professional knowledge, skills, personal experience and suitability of the candidates. The Supervisory Board has set an age limit for members of the Management Board, according to which Management Board members must retire from office at the age of 67. The Management Board currently consists of three members.

In accordance with Section 111 (5) sentence 1 AktG, the Supervisory Board resolved on 11 March 2024, to set a target of 0% for the proportion of women on the Management Board by 29 February 2028. This target stems from the fact that the three former members of the Management Board (Mr. van der Laan, Dr. Andrée and Mr. Langer) were already serving as Managing Directors of DOUGLAS Service GmbH, which used to manage the Group prior to the IPO. In the view of the Supervisory Board, the continuity in the previous composition of the Management Board within DOUGLAS Group has contributed significantly to the success of DOUGLAS Group after the IPO. After the resignation of Mark Langer, Marco Giorgetta was appointed as the Group Chief Financial Officer (CFO) effective 1 May 2025. He previously distinguished himself as CFO for Italy and Southern Europe within the DOUGLAS Group for several years, gaining extensive expertise in financial management and the organization's dynamics.

Overall, the proportion of women at DOUGLAS stands at 94%, with 42% women serving in leadership roles below the Board level (ESRS S1-6).

The Supervisory Board acknowledges the legislative aim of enhancing female representation on the Management Board as a matter of significant importance. Historically and continuing into the future, women have held and will continue to hold pivotal roles across all levels of management within DOUGLAS Group with a clear commitment to increasing their representation in top executive positions including the Management Board. Should there be unforeseen changes or expansions within the Management Board, the Supervisory Board is committed to incorporating the objective of raising female representation on the Management Board into its medium-term decision-making process.

More detailed information on each member of the Management Board, including their expertise, skills and experience relevant to DOUGLAS Group's business, can be found in the DOUGLAS Group Annual Report in chapter '[corporate bodies](#)'.

### Management Board competencies

The Supervisory Board of Douglas AG has adopted a competence profile in line with the GCGCs' recommendations. Although the current Management Board is exclusively male, the competency profile includes criteria that aim for proportional representation based on gender and diversity aspects. The goal is to ensure a broad spectrum of knowledge, skills, and experience within the board that enables strategic business decision, particularly with regard to ESG requirements. These cover topics such as climate change, environment, circular economy, social responsibility, and corporate governance, aligned with the company's principal impacts, risks, and opportunities.

The Management Board consists of three members, who as a whole possess the following knowledge, skills and professional experience:

- **Leadership experience:** Managing international units, engaging with employee representatives, leading and motivating employees, and dealing with succession planning.
- **Business understanding:** Knowledge/experience in the consumer goods & retail business and key markets, taking into account the social and societal environment in which DOUGLAS Group operates, as well as knowledge/experience in the areas of marketing/sales and digitalization/E-Com. Expertise in research and development, technology and sustainable business practices, particularly in integrating sustainability topics into business processes.
- **Strategic expertise:** Developing future perspectives and strategies and implementing them.
- **Financial expertise:** Experience in accounting, auditing, financing, and capital market issues.
- **Governance/compliance/ethics:** Experience in the interaction of corporate bodies (governance), and a modern understanding of corporate ethics and its implementation.

### Supervisory Board competencies

In accordance with Section 100 (5) AktG, the Supervisory Board must be familiar with the sector in which Douglas AG operates as a whole. In addition, the Supervisory Board of Douglas AG adopted a competence profile which follows the recommendations of the GCGC and is considered in particular when appointing members to the Supervisory Board by the Nomination Committee and selecting candidates for election at the Annual General Meeting. According to the competence profile, the Supervisory Board as a whole should have in-depth experience and knowledge in different business, legal and/or management area as relevant to DOUGLAS

Group (e.g. wholesale, retail and E-Com, sustainability, IT, recruitment, accounting and financial reporting, controlling, risk management, corporate governance, compliance, etc.). For detailed information, please see DOUGLAS Group Annual Report in the chapter '[corporate bodies](#)'.

New Supervisory Board members receive onboarding on corporate values, codes, structure, strategy, and responsibilities. The Board collectively possesses knowledge, skills, and professional experience across various areas, based on their individual expertise. These areas include:

- **Understanding of the business:** Experience in research and development, marketing, sales and distribution, digitalization/E-Com and knowledge of consumer goods sectors and key markets where DOUGLAS Group operates.
- **Sustainability:** Experience in sustainable business practices, particularly in integrating sustainability topics into business processes.

The following bodies are responsible for overseeing impacts, risks and opportunities related to sustainability:

- Management Board
- Supervisory Board (in cases of urgency, the Executive Committee of the Supervisory Board)
- Audit Committee of the Supervisory Board
- ESG Committee (GOV-1)

The Management Board has established certain expert teams, some of which are led by a single Management Board member, to advise and make decisions on specific issues, particularly regarding acquisitions, divestments, investments, HR policies, capital market communication and sustainability matters. These committees review planned actions and evaluate risks and opportunities. This in particular applies to the ESG Committee, which is chaired by the CEO.

The Audit Committee is an independent body within the Supervisory Board and operates independently from the Management Board and the expert teams. It oversees key financial and governance functions, including the accounting process, the design and effectiveness of internal controls, risk management, internal audit, compliance, and the monitoring of financial reports. The Supervisory Board members collectively fulfill their duties according to the Articles of Association, monitoring and advising the Management Board concerning company management. Certain transactions require their prior approval, including significant dealings with related parties as per Section 111b (1) AktG. The Rules of Procedure for the Supervisory Board are accessible on the [DOUGLAS Group website](#). Supervisory Board meetings are convened by the Chair in the ordinary course of business at least twice per half-year or in extraordinary cases that require the Supervisory Board's attention, with six meetings held in the 2024/2025 financial year. Resolutions are typically

passed in meetings, with conference calls or electronic methods permitted at the Chair's discretion. The Supervisory Board actively advised and monitored the Management Board and participated in all major decisions based on comprehensive reports during the Reporting Year.

### Sustainability at the DOUGLAS Group

Sustainability management at DOUGLAS Group, encompassing impacts, risks, and opportunities, is embedded within the organizational structure. Chief Executive Officer of DOUGLAS Group (CEO) Alexander van der Laan holds overall responsibility for our sustainability strategy and compliance organization and is updated on a monthly basis. The Management Board, under his leadership, keeps the Supervisory Board informed about all relevant matters, including strategy. It discusses the status of strategy implementation including the progress on actions and targets and establishes new targets as necessary. The ESG Committee, chaired by the CEO, directs sustainability initiatives. Its members include Chief Financial Officer (CFO) Marco Giorgetta, executive managers from the relevant central functions, and CEOs of the five DOUGLAS Group reporting segments DACHNL (Germany, Austria, Switzerland, Netherlands and Belgium), France, Southern Europe (Italy, Iberian Peninsula and Adriatic region) CEE (Central-Eastern Europe) and Parfumdreams/Niche Beauty as well as the CEO of BENE (Belgium/Netherlands). They are responsible for the DOUGLAS Group's sustainability strategy and strategic decisions in the relevant areas and have drawn up individual country and function-specific sustainability plans to translate the Group's goals for the entire organization.

At an operational level, the members of the Group-wide ESG Council, working with their departments implement the strategic initiatives as part of the sustainability strategy. The Council also acts as a sounding board for the ESG Committee, points out risks and informs the ESG Committee about progress and successes. Additionally, it provides updates on current topics and strategic developments from the ESG Committee, fostering Group-wide dialogue on sustainability issues. The ESG Council consists of representatives from the relevant central functions – such as Human Resources, Real Estate, Own Brands or Purchasing – as well as country representatives. The work of the ESG Committee and the ESG Council is facilitated by the Group ESG team, which is led by the Head of Sustainability. The Group ESG team develops the strategic sustainability framework and is responsible for regularly reviewing the strategy and monitoring its implementation. It also coordinates and leads stakeholder management and engagement. The ESG organization is fortified by the ESG Reporting team, which operates as a subdivision of Controlling, supporting the Senior Vice President (SVP) of Controlling & Real Estate and Risk Management, and ultimately the

CFO. The ESG Reporting team is responsible for coordinating the ESG reporting process across the Group, monitoring ESG performance indicators, ensuring regulatory compliance, and serving as an interface with the auditor. Compliance and legal aspects are overseen by the General Counsel, ensuring comprehensive governance. The Head of Sustainability reports to the SVP Group Communications & Sustainability. Both are members of the ESG Committee and ensure continuous exchange with the Management Board. Sustainability initiatives across the Group are designed to be cross-functional to ensure alignment with business priorities and a long-term focus on sustainability.

Sustainability topics are systematically integrated into the organizational structure of DOUGLAS Group. This includes relevant processes and developing controls for the impacts, risks and opportunities identified as material. These elements are set to evolve over the coming years as part of the ongoing sustainability reporting efforts. For further information, please refer to section GOV-5 in this chapter.

### **Compliance at the DOUGLAS Group**

The Douglas AG Management Board bears overall responsibility for the Compliance Management System and continuously supports the topic and organization strategically, politically as well as both externally and internally. Misconduct is countered with appropriate measures, regardless of the person and role.

The company-wide compliance organization is organized independently of other departments, reporting directly to the CFO. It is led by the Chief Compliance Officer. The Chief Compliance Officer is supported by the Group Compliance Office and more than 20 Compliance Managers in the countries. The various tasks and responsibilities are clearly defined and written down in a Group policy. The compliance organization operates in three key areas: prevention, detection, and response. It is responsible for all compliance activities. It reports regularly to the Management Board and the Audit Committee of the Supervisory Board.

### **GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies**

For the reporting year 2024/2025, a double materiality assessment was conducted for the first time to identify material impacts, risks and opportunities (IRO-1). This was embedded in DOUGLAS Group's overarching implementation project in light of the Corporate Sustainability Reporting Directive (CSRD). Throughout the reporting year, regular meetings were held with the Management Board, the ESG Committee, as well as the

Supervisory Board and Audit Committee, during which sustainability topics were discussed.

The ESG Committee oversees the progress and implementation of DOUGLAS Group's ESG strategy. Sustainability topics are integrated into Supervisory Board and Audit Committee meetings, either as general updates or specific ESG agenda items, including the planned implementation of the CSRD. Relevant ESG topics are also presented and discussed in the regular Management Board meeting.

In the 2024/2025 financial year, sustainability topics were addressed 5 times in management board meetings. The ESG Committee met six times, the Supervisory Board was updated on sustainability matters once and the Audit Committee three times. In these meetings, the Group ESG team informed about material impacts, risks and opportunities, the implementation of due diligence and the outcomes and effectiveness of strategies, actions, metrics and targets designed to address these. As the Management Board member responsible for sustainability, the CEO is informed on a monthly basis, and on an ad hoc basis if relevant.

The Management Board and Supervisory Board routinely engage with sustainability issues within the framework of their strategic oversight responsibilities. This involves assessing impacts, evaluating risks and opportunities, and considering possible compromises in decision-making related to major transactions. Integral to this process are the regular ESG Committee meetings assessing the progress of the sustainability roadmaps for the functions and countries. Sustainability risks and opportunities are integrated into the broader risk management framework. These efforts are further supported by continuous cross-departmental communication, to ensure a cohesive and unified organizational approach to sustainability.

The results of the first-time materiality assessment, along with the related material impacts, risks, and opportunities, were reviewed and discussed with the Management Board. Their perspective was incorporated and discussed with the respective internal experts to adjust and finalize the impact statements. The final results were also presented to the Supervisory Board. The corresponding list of material impacts, risks, and opportunities is disclosed within this chapter's section "Material impacts, risks, and opportunities and their interaction with strategy and business model" (SBM-3) as part of the report.

### GOV-3 Integration of sustainability-related performance in incentive schemes

The compensation system for the Management Board of Douglas AG has been in effect since the IPO on March 21, 2024, and described in detail in the [Remuneration Report of the Annual Report](#). The compensation system consists of fixed and variable compensation elements. In addition to the annual base salary, the members of the Management Board are entitled to variable compensation elements, the Short-Term-Incentive ("STI") and the Long-Term-Incentive ("LTI"). In order to set a strong focus on the long-term development of DOUGLAS Group, the LTI makes up the majority of the variable compensation. The LTI is designed as a virtual performance share plan with a plan term of four years consisting of a performance period of three years and an additional one-year holding period.

The STI is designed as a target bonus model with a performance period of one year. At the end of the performance period, the STI is determined by multiplying the target amount by the total target achievement. The total target achievement is calculated as the sum of the target achievements for all performance criteria considering their respective weighting. The total target achievement depends primarily on the financial performance of Douglas AG, reflected by the adjusted EBITDA (weighted between 25% and 40%), Net sales (weighted between 20% and 35%) and average net working Capital (weighted between 20% and 30%).

Besides financial criteria, environmental, social and governance criteria ("ESG criteria") are considered (weighted between 10% to 20%). The applicable ESG targets are defined by the Supervisory Board at the beginning of each financial year. Likewise, the Supervisory Board will set a weighting for the performance criteria and a target value for each of the financial performance criteria. If the target value is met, the target achievement will be 100%.

The Supervisory Board establishes a range for financial performance criteria, with a minimum value equating to 0% achievement and a maximum value to a 150% achievement. Target achievement is calculated using linear interpolation between these values. Consequently, the STI payout varies from 0% to 150% of the target amount, and ESG criteria achievement also ranges from 0% to 150%. The term ESG criteria refers to the fields of action in the areas of environment, social, and governance used to assess the implementation of the DOUGLAS Group sustainability strategy of by the Management Board members. The targets for the ESG criteria are defined annually at the reasonable discretion of the Supervisory Board at the beginning of the performance period. For the 2024/2025 financial year, the Supervisory Board aligned the ESG criteria with the

ESG strategy and cascaded their application into its own areas of responsibility. This includes the fulfillment of aspects of all three of the ESG pillars (People, Planet and Product) as well as Governance aspects. More detailed information, including related KPIs, can be found in the respective ESG sections of the report.

The LTI does not take environmental, social, and governance factors into account.

The remuneration of the Supervisory Board does not encompass sustainability-related performance targets, and in accordance with the recommendations set out in the GCGC, it consists solely of fixed remuneration.

The Supervisory Board of DOUGLAS Group is responsible for decisions regarding the remuneration of the Management Board, including incentive systems and their adjustments. At the beginning of 2025, the remuneration system for Management Board members was presented to the Annual General Meeting for approval and was approved. The Annual General Meeting determines the Supervisory Board's remuneration as per the Articles of Association. Significant changes to remuneration systems are approved by the Annual General Meeting of the DOUGLAS Group. Every four years, the remuneration system must be submitted to the Annual General Meeting for approval.

DOUGLAS Group did not measure performance against greenhouse gas (GHG) emission reduction targets aligned with Science-Based Targets (SBT) in the 2024/2025 financial year. In the coming years, we will evaluate whether STIs should be directly linked to SBTs.

### GOV-4 Statement on due diligence

DOUGLAS Group is committed to practicing strong corporate governance across all facets of its organization. Our ESG strategy is intentionally aligned with the United Nations Sustainable Development Goals (SDGs). We actively support the UN Global Compact, advocating for sustainable practices and social responsibility among enterprises around the world. Greater acceptance of these responsibilities by businesses will drive collective progress. In 2023, DOUGLAS Group formally endorsed the UN Global Compact. Additionally, our Human Rights Statement was extended to a Human Rights Policy during this financial year 2024/2025. This statement is rooted in the principles of the International Bill of Human Rights and the fundamental labor standards established by the International Labour Organization. To proactively identify, address, and manage risks related to human rights and the environment, DOUGLAS Group has implemented a thorough risk management and due diligence framework across the Company.



In the following table, we provide an overview of the core elements of our due diligence responsibilities and their representation in this sustainability statement.

Core elements of due diligence		Paragraphs in the Sustainability Report
a)	Embedding due diligence in governance, strategy and business model	General information: ESRS 2 GOV-2, GOV-3, SBM-3
b)	Engaging with affected stakeholders in all key steps of due diligence	General information: ESRS 2 GOV-2, SBM-2, IRO-1
		Environmental information: ESRS E1, E2, E5
		Social information: ESRS S1, S4
c)	Identifying and assessing adverse impacts	These sections disclose actions in accordance with MDR-P minimum disclosure requirements (ESRS 2)
		General information: ESRS 2 IRO-1, SBM-3
		Environmental information: ESRS E1, E2, E5
d)	Taking action to address those adverse impacts	Social information: ESRS S1, S4
		Environmental information: ESRS E1, E2, E5
		Social information: ESRS S1, S4
e)	Tracking the effectiveness of these efforts and communication	These sections disclose actions in accordance with MDR-A minimum disclosure requirements (ESRS 2)
		Environmental information: ESRS E1, E2, E5
		Social information: ESRS S1, S4

#### GOV-5 Risk management and internal controls over sustainability reporting

DOUGLAS Group has initiated the development of a Group-wide non-financial internal control system (nICS) in financial year 2024/2025. The framework incorporates defined role concepts as well as the planned integration of the nICS with the existing internal control system (ICS), in order to ensure CSRD compliance and to identify and mitigate risks associated with the preparation of the non-financial report including data collection and validation process steps. Both the risk management system and the future nICS are or will be structured to reflect the nature and complexity of the Group's operations and are aligned with the requirements of Section 91 (2) & (3) of the German Stock Corporation Act (AktG). Close collaboration between Group Risk Management, Group Internal Controls, the Group Sustainability department, and the ESG Reporting units ensures that risks related to sustainability reporting are identified, interpreted and managed in a manner consistent with the Group's reporting obligations and strategic objectives. Governance structures, responsibilities and processes are defined to ensure systematic handling of such risks. Coordination of risk management activities across the Group is overseen by Group Risk Management, while Group Internal Controls is responsible for the yet-to-be implemented nICS.

DOUGLAS Group's risk management system is based on the elements of Auditing Standard 981 of the Institute of Public Auditors in Germany e.V. (IDW) and supports the early identification, assessment and treatment of material risks. It is made up of elements such as standardized methodologies, consistent risk definitions, and harmonized evaluation criteria that enable comparability and aggregation at Group level. The bi-annual risk survey, conducted using a standardized risk catalog, is coordinated by Group Risk Management. The survey is carried out either by the risk offices in each country or by the designated risk owners within the respective sub-divisions. Risks are assessed by impact and likelihood on a short-term basis, following a net perspective. The results are consolidated and reported to the Management Board and Audit Committee by Group Risk Management. Please refer [to risk and opportunity report of the Annual Report](#).

In preparation for CSRD compliance, DOUGLAS Group has adapted its risk management framework to evaluate sustainability-related risks in accordance with ESRS requirements. For this purpose, existing risk categories were amended by material matters and existing risk assessment methodology has been complemented by an additional time horizon for medium- and long-term risks, a gross risk perspective, as well as the inside-out-perspective (impact). The validation of the impacts, risks and opportunities (IROs) shall take place once a year. This process will be coordinated by Group Risk Management supported by the Group ESG-Strategy

team and the ESG-Reporting team as necessary. The information will be collected from subject matter experts (SMEs), assigned to the various risk categories.

As part of the double materiality assessment conducted during the 2024/2025 financial year for the first time, DOUGLAS Group did not identify any material sustainability-related risks. Potential future sustainability-related risk insights will be incorporated into the regular risk reporting cycle and communicated to the Management Board going forward.

## Strategy, Business Model & Value Chain

### SBM-1 Strategy, business model and value chain

#### An overview of DOUGLAS Group and our strategy

We take our responsibility for our colleagues, customers, suppliers, all other stakeholders, and the world around us seriously. DOUGLAS Group is committed to implementing sustainable practices that contribute to responsible operations in the beauty retail sector.

With "Let it Bloom", we have anchored a clear strategy within DOUGLAS Group with the aim of continuing our growth trajectory and further improving our profitability. DOUGLAS Group has been implementing this strategy since 2022. The strategy is based on three strategic

pillars and the strong foundation of our culture, purpose and values as well as the operating model. In the first strategic pillar "Be the #1 beauty destination in all our markets", we also included our ESG strategy which is another important area of leverage for achieving our company's goals.

The DOUGLAS Group is a leading European omnichannel retailer in the premium beauty segment, operating in 22 countries, through both physical stores and e-commerce platforms. The DOUGLAS Group offers selective premium beauty products and corporate brand products. This range of brands is complemented by those offered through the Partner Program. The DOUGLAS Group is active under the widely recognized DOUGLAS brand and the Nocibé brand in France and Monaco. Our omnichannel approach is focused on giving customers a seamless shopping experience across all available retail channels by further deepening the level of integration between offline and online channels. To this end, we operate a store network comprising 1,959 stores (including 129 franchised shops) across 22 European countries as of 30 September 2025. Additionally, we operate two E-Com pure play premium beauty retailers: Parfumdreams, active in 16 countries, and the globally operating Niche Beauty, present in nearly all countries. During the reporting period, there were no significant changes.

### Employees (Headcount) per segment<sup>1</sup> as of 30 September 2025

	2024/2025	
	Headcount	in %
DACHNL (consisting of DACH and BENE)	7,921	40%
France	3,727	19%
Southern Europe	3,598	18%
Central- East Europe	3,568	18%
Parfumdreams/Niche Beauty	304	2%
Other	865	4%
<b>Total</b>	<b>19,983</b>	<b>100%</b>

DOUGLAS Group looks at sustainability from two angles. First, from the perspective of our stakeholders. We recognize the environmental and social responsibility we have towards our customers, employees and brand partners, and the world in which we operate. We strive to be sustainable in all our activities and respect all human beings and nature. Our stakeholders, most importantly our customers, employees and shareholders, rightly expect this from us - in line with a regulatory

environment and standards that are constantly increasing the requirements for companies. Second, from the perspective of our business. We perceive sustainability to be essential for effective business operations and long-term growth. Reducing emissions and waste, for instance, lowers costs. Higher sustainability standards have the potential to increase brand awareness among customers. And by motivating and inspiring our employees, we can potentially increase

<sup>1</sup> Corresponds to our segment reporting; Parfumdreams and Niche Beauty are geographically assigned to the reporting segment DACHNL.

productivity and attract new talent. We strive to manage our environmental, social and economic impact in a way that creates long-term value – for us as a company and for other stakeholders.

In alignment with these dual perspectives, we face several environmental challenges that we are addressing through targeted initiatives. To systematically mitigate our negative environmental impacts, we are focused on reducing energy consumption and thereby emissions, which aligns with our commitment to resource efficiency and environmental stewardship. The DOUGLAS Group hopes to achieve cost reductions by decreasing emissions and waste. Furthermore, we are tackling the challenge of microplastics and other harmful substances in our products and packaging, acknowledging their adverse effects on human health and the environment. As part of our efforts, we are refining packaging material strategies to reduce ecological footprints. Through these efforts, we are committed to maintaining strong environmental responsibility and ensuring long-term benefits for all stakeholders.

DOUGLAS Group first developed a sustainability road map in 2021 and published its inaugural Sustainability Report in 2022, with clear sustainability goals to achieve together with employees and business partners. Since then, DOUGLAS Group has further expanded its commitment to sustainability: DOUGLAS Group has signed the UN Global Compact. As a signatory, we are working towards achieving the 17 Sustainable Development Goals (SDGs) of the United Nations. While we endorse the full set of 17 SDGs, we decided to focus on the five most relevant SDGs for DOUGLAS Group based on our own assessment:

#8 Decent work and economic growth

#10 Reduced inequalities

#12 Responsible consumption and production

#13 Climate action

#17 Partnerships for the goals.



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

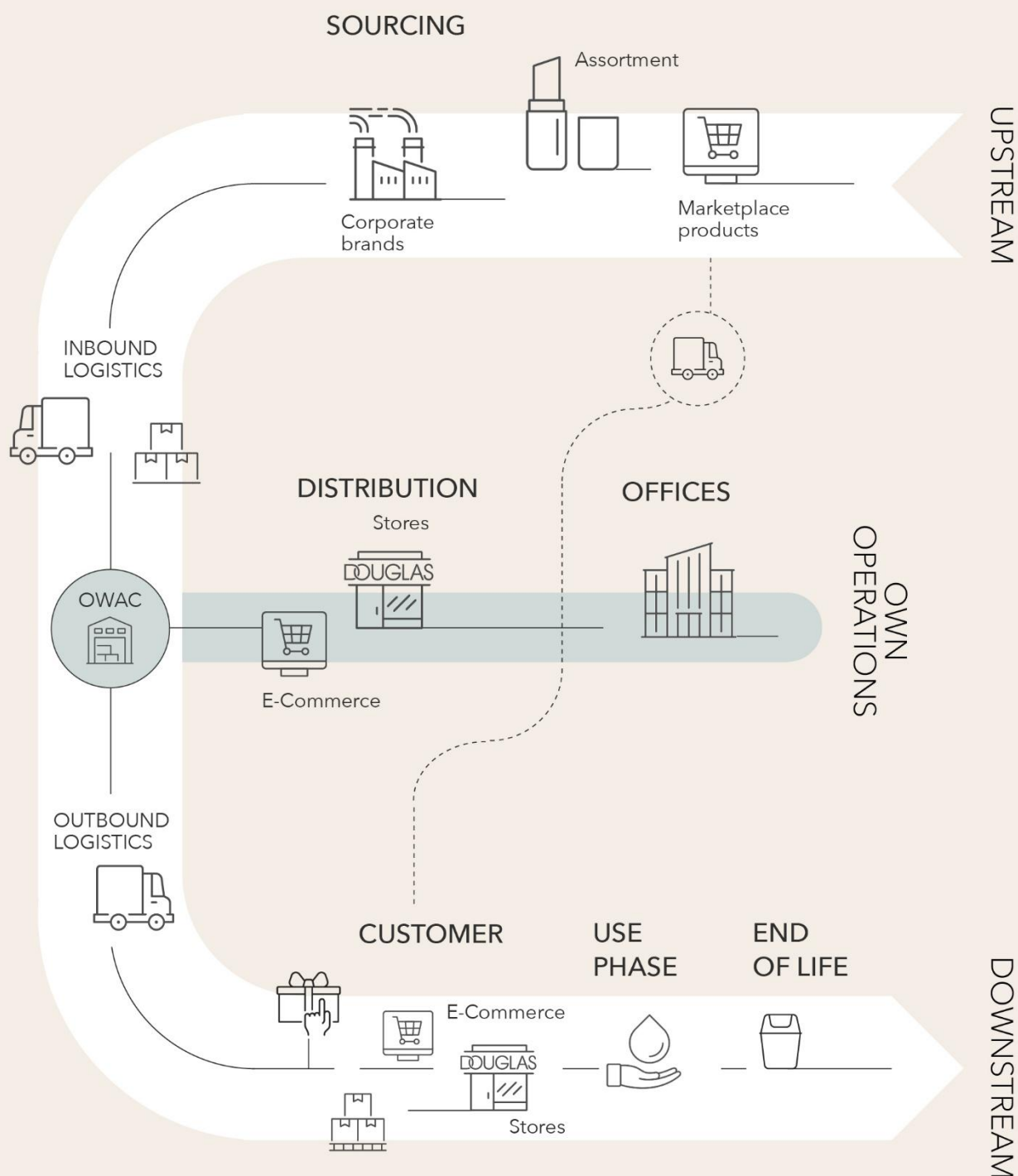
and regulators. As member of the Consumer Goods Forum CGF, we joined the “Climate Transition” coalition of action and are working actively together with industry peers on climate strategy and value chain actions.

Our sustainability strategy is based on three focus areas: People, Planet and Products. The ESRS standards that have become material for DOUGLAS Group will be linked to these focus areas. Some ESRS standards are connected to multiple focus areas. In each focus area, we have identified a clear ambition and relevant domains in which to work towards progress. All pillars rest on the foundation of the corporate governance at DOUGLAS Group. This encompasses driving diversity, equity and inclusion through to elevating our company culture and developing our people. It also means taking care of the planet by reducing our energy consumption in stores and offices, reducing waste and emissions from transport and our supply chain, and lowering the environmental footprint of our store interiors. We conducted a standardized climate risk analysis to refine our emission reduction pathway and build a base for a climate transition plan. For the core of our business, we are working with brand partners to implement sustainability initiatives that improve the environmental and social impact of our corporate brands. These efforts are reflected in the sustainability features integrated into the product portfolio. In the reporting year, DOUGLAS Group evaluated the environmental footprint of its corporate brand products, aiming to reduce the impact, including the carbon footprint, of our own brand portfolio. As a result, we have set internal targets in our product development process; these include enhancing the environmental footprint of certain products, as well as increasing the proportion of certified natural cosmetics and the use of recycled and certified materials in product packaging.

Sustainability is taken into account in DOUGLAS Group’s operations and practices. For all central functions and countries, sustainability is part of their discussion and decision-making process. To underline this, we have linked the ESG strategy to the Short-Term Incentive of the Management Board and all employees at our headquarters and the executive teams in our countries. Sustainability at DOUGLAS Group remains a journey that requires constant transformation. We are taking a long-term perspective and will continue to keep sustainability as a core element. As a retail business, our impact relies on strong relationships and collaboration with business partners throughout our value chain.

On this journey, we are also continuously incorporating the perspectives of our various internal and external stakeholders. As we progress with our strategy, we will continue to learn, iterate, and improve.

# DOUGLAS GROUP VALUE CHAIN



## Our value chain

### Upstream value chain

The value chain processes of corporate brands, brand partners, and the marketplace demonstrate relevant synergy, aligning with DOUGLAS Group's core business objectives. In our upstream operations, DOUGLAS Group collaborates with manufacturing partners by providing detailed specifications for creating corporate brand products, including ingredient selection and formulation. Conversely, our engagement with brand partners centers on aligning marketing and distribution strategies to ensure their products meet our quality standards without directly influencing ingredient choices. Logistics management inputs include transportation and delivery methods to ensure products reach stores or consumers efficiently. Brand partners engage in a structured procurement process and autonomously manage supplier selection, materials sourcing, and inbound logistics. Meanwhile, marketplace partners independently oversee logistics, with DOUGLAS Group facilitating sales and customer service. This comprehensive value chain, spanning production, sourcing, and distribution, aims to enhance efficiency and sustainability. Waste from packaging is a key impact within the upstream activities, whereby DOUGLAS Group currently has direct influence on corporate brand packaging.

Ingredients, product formulations, and packaging specifications represent the key inputs in upstream operations. Collaboration with manufacturing and brand partners ensures these inputs are aligned with product development and sustainability goals.

### Own operations

DOUGLAS Group manages a wide array of functions including corporate brand product development, procurement, sourcing, E-Com, store operations, media content creation, human resources, and intercompany logistics. Due to the nature of our business model, input directly translates to output at DOUGLAS Group. The transport packaging used in these logistics potentially contributes to waste and represents an area for potential reduction. The DOUGLAS Group pursues strategies to reuse packaging where possible to minimize waste and promote sustainability.

Internal operations rely on corporate brand product development, procurement, sourcing, e-commerce, and logistics processes as key inputs. These are coordinated to maintain operational consistency and support sustainability objectives.

### Downstream value chain

Our downstream logistics are managed by transport service providers and last-mile delivery partners. When consumers interact with DOUGLAS Group's products, the use and disposal of both product and outer packaging contribute to waste. DOUGLAS Group seeks to mitigate this impact by adopting recyclable and reusable packaging models, e.g. by switching to brown boxes for B2C deliveries.

Distribution and delivery services form the primary outputs in downstream operations. These are managed in collaboration with logistics partners to ensure efficient delivery and customer satisfaction. With regard to products, inputs and outputs are equivalent, as DOUGLAS purchases its products and sells them directly to customers.

With our ambition to be a leader for sustainability in the beauty sector, DOUGLAS Group is committed to empowering customers, consumers, and end-users through our products and specialized knowledge, supporting them to advance their sustainability footprint. Our initiatives focus on reducing energy consumption, greenhouse gas emissions, and transport packaging waste as well as innovating corporate brand product packaging. Life cycle analyses are instrumental in driving improvements in our corporate brand product development.

## SBM-2 Interests and views of stakeholders

### Stakeholder engagement

The following list shows our key stakeholders and the expectations considered in shaping our strategy and business model:

- **Government agencies, regulatory bodies, Supervisory Board:** Expect legal compliance. Furthermore, DOUGLAS Group could provide practical expertise to influence political decision-making, especially regarding consumer protection and trade regulations.
- **Employees, trade unions, work councils:** Seek fair working conditions, equitable pay, and opportunities for growth and opportunities for development
- **Shareholders / investors, financial institutions:** Are looking for financial returns and are increasingly interested in investments with a focus on ESG criteria. DOUGLAS Group could appeal to them by integrating sustainable business practices.
- **Suppliers:** Expect a fair and transparent partnership with DOUGLAS Group, promoting collaboration and open communication.
- **Industry associations, retail and FMCG organizations (Consumer Goods Forum CGF, HDE):** Expect the promotion of industry standards and potentially joint sustainability initiatives.
- **Consumers and end-users, their advocacy groups, research institutions, European consumer authorities, health organizations and dermatologists:** Are interested in understanding



how products are created along the value chain and their impact on health and the environment. Innovative and sustainable product solutions could be particularly appealing.

- **Environmental NGOs:** Anticipate active participation from DOUGLAS Group in environmental initiatives and sustainable business practices that extend beyond the products to encompass the overall business.
- **Landlords:** Expect a stable, respectful business relationship with DOUGLAS Group, ensuring the maintenance of property value and security.
- **Nature:** Silent Stakeholder.

Incorporating stakeholder interests is a core component of our sustainability strategy at DOUGLAS Group, enabling us to understand and address the diverse needs of various groups. We engage both internal stakeholders like employees and external ones including customers, suppliers, and partners. DOUGLAS Group is part of various industry associations in different countries such as the Handelsverband Deutschland HDE, Consumer Goods Forum (CGF) as well as international organizations, such as the United Nations Global Compact (UNGC). To gain deeper insights into our stakeholders' expectations and perspectives, DOUGLAS Group engages with key stakeholders through tailored communication channels designed to foster effective relationships. Investor relations are managed via earnings calls, conferences, and updates on our website. We actively seek employee feedback through regular surveys, eNPS scores, and town hall meetings. Customer input is collected through surveys and service interactions, while supplier engagement is maintained through performance reviews and business meetings, alongside ongoing dialog with our landlords. DOUGLAS Group primarily engages with CDP (Carbon Disclosure Project) for environmental reporting and fulfills necessary regulatory obligations, responding to government agencies when required. Moreover, DOUGLAS Group participates in industry networks and associations, which enable collective advocacy and joint initiatives to address the concerns of NGOs and regulatory bodies.

The purpose of engagement at DOUGLAS Group varies across stakeholder groups. For investors, the focus is on transparency and financial performance; for employees, it emphasizes workplace culture and satisfaction; for customers, the aim is to enhance product offerings and experiences; and for suppliers and business partners, the goal is to ensure stable relationships, sustainability alignment, and reliable product availability. Likewise, communication with NGOs, government agencies, and trade associations centers on compliance, advocacy, and collaborative initiatives to address broader environmental and regulatory concerns. This comprehensive engagement fosters new ideas, supports innovation and risk management, and underpins the evolution of our sustainability strategy and reporting.

During the materiality assessment process, DOUGLAS Group considers the perspectives of various stakeholders. Insights relevant to decision-making are continually integrated into appropriate committees by company representatives. These committees address specific topics, such as climate change and circular economy, and make strategic decisions impacting our sustainability strategy. Consumers and end-users are central to the DOUGLAS Group's strategy. To strengthen their trust, we are committed to actively understanding and addressing their needs and expectations regarding product design, customer service, and marketing practices. Responsible marketing that is based on transparency and credibility further reinforces this trust. Through this approach, the DOUGLAS Group aims to differentiate itself in the market.

DOUGLAS Group engagement activities guide strategic decisions and align operations with stakeholder expectations, particularly around sustainability. The Group ESG team evaluates feedback through the double materiality assessment under the CSRD and shares relevant insights with the ESG Committee to address identified gaps. Relevant teams provide regular updates to the management, and supervisory bodies on stakeholder feedback. For example, customer feedback may influence product design and material sourcing, while employee input shapes workplace culture and policies.

There were no significant changes to DOUGLAS Group's strategy and/or business model during the 2024/2025 financial year. However, we have embraced enhancements and innovations to foster continued development.

The administrative, management and supervisory bodies are informed about the results of the materiality assessment, which reflects the views and interests of the affected stakeholders regarding DOUGLAS Group's impacts.

#### Interest and views of own workforce

At DOUGLAS Group, our employees are a central stakeholder group and a key pillar of our long-term business success. The interests, views and rights of our own workforce—including respect for their human rights—are embedded in our strategy and closely integrated into our business model.

We are fully aware that employee engagement, motivation and satisfaction are directly linked to our sustainable performance. It is our strategic objective to be an employer of choice – one that attracts top talent and fosters long-term employee retention. To achieve this, we strive to provide an inclusive, respectful and development-oriented work environment.

In 2024, DOUGLAS Group was recognized by Forbes and Statista as one of the world's best employers for women, ranking #1 in retail and wholesale, #3 in the comprehensive global list, and #1 in Germany. This recognition is a testament to our continuous commitment to ensuring equal opportunities and cultivating a work environment that supports and nurtures all our employees.

Respect for human rights is a core principle at DOUGLAS Group and is explicitly enshrined in our Human Rights Policy. This is complemented by our DE&I Policy, which underlines our commitment to equal opportunities, inclusive leadership and non-discrimination across all levels of the organization.

To continuously reflect the needs and expectations of our workforce, we maintain structured feedback processes. In the 2023/2024 financial year, we partnered with the independent organization Great Place To Work to conduct an employee engagement survey in selected countries. The results are used to identify areas for improvement and guide strategic HR decisions. In the 2024/2025 financial year, this survey was expanded to use an updated methodology and also include 13 of the 22 countries in which DOUGLAS Group operates. In these countries, both head office and store employees were surveyed; however, in Germany, only headquarters staff participated.

We place strong emphasis on transparency and development opportunities. Following the successful introduction of standardized job descriptions and a clear job-leveling architecture in Germany during the 2023/2024 financial year, we have now extended these frameworks to France, Poland, the Netherlands and Italy for all head office employees. This initiative is aimed at providing greater clarity regarding roles, expectations, and career paths throughout the entire organization.

To promote open and constructive performance dialog, the #DOUGLASDialogue—our group-wide, goal- and competency-based performance evaluation tool—has now been fully rolled out across all European central offices. While already implemented in Germany during the previous financial year 2023/2024, the tool is currently being integrated into standardized digital performance and compensation processes, with full linkage still underway in all other countries. It supports transparent communication, reinforces development-oriented leadership, and helps foster personal and professional growth at all levels.

Importantly, DOUGLAS Group operates exclusively within the European Economic Area (EEA), where strong legal standards ensure a high level of labor and human rights protection. Within this context, we focus on incorporating the perspectives and interests of our workforce into corporate policies. For this reason,

DOUGLAS Group conducts an annual employee engagement survey to evaluate employee engagement, measure employee satisfaction, and identify areas for improvement. We recognize it as a core element of responsible business conduct – embedding employee voices into governance structures and operational practices.

#### Interests and views of consumers and end users

The interests, perspectives and rights of consumers and end-users are crucial to DOUGLAS Group's strategic direction and business model. Our aim to be a diverse, inclusive, and responsible company is reflected in our corporate and brand strategy, product portfolio and communication formats.

We at DOUGLAS Group aim to enhance everyday experiences for our consumers and for the world around us.

Our purpose, "MAKE LIFE MORE BEAUTIFUL", captures our view of beauty as a feeling that reflects our diversity. At DOUGLAS Group, we strive to cultivate this from within, enhancing life through each consumer interaction.

Our actions are influenced by DOUGLAS Group's purpose and values, which we adhere to on a daily basis:

- **PASSION:** We are passionate about people, beauty and, serving our customers the best.
- **APPRECIATION:** We embrace uniqueness and value everyone's contribution, working as one team.
- **OWNERSHIP:** We take responsibility to achieve shared results and strive to be better every day.

#### SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The materiality assessment has shown that the main IROs for DOUGLAS Group are as follows. Please refer to section IRO-1 for the detailed materiality assessment process.

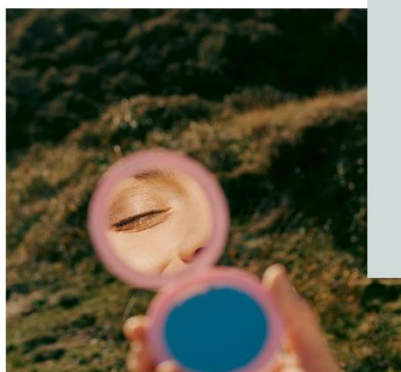
We assess and address our material impacts, risks, and opportunities, aiming to mitigate negative impacts, enhance positive ones, reduce risks, and leverage opportunities. Understanding sustainability as a competitive advantage, we aim to incorporate all significant impacts, risks, and opportunities—considering their current and anticipated effects—into our business model, value chain, decision-making processes, and responses. Detailed explanations regarding these aspects can be found in the topic-specific chapters. Within the scope of the double materiality assessment (DMA), only positive and negative impacts were identified; these are described in the topical standards (please insert reference). The first-time materiality assessment revealed no material risks or opportunities for DOUGLAS Group.

## MATERIAL TOPICS



## ENVIRONMENT

- E1 Climate change**
  - Climate change mitigation
  - Energy
- E2 Pollution**
  - Microplastics
- E5 Circular economy**
  - Resource inflows, incl. resource use
  - Resource outflows related to products and services
  - Waste



## SOCIAL

- S1 Own workforce**
  - Working conditions
  - Equal treatment and opportunities for all
- S4 Consumers & end-users**
  - Information-related impacts for consumers and / or end-users
  - Social inclusion of consumers and/or end-users



## GOVERNANCE

- G1 Business conduct**
  - Corporate culture
  - Protection of whistleblowers
  - Corruption and bribery

The following table illustrates the sustainability-related impacts, risks, and opportunities that have been classified as material within the scope of our double materiality analysis.

Topic	Sub-topic	Type of materiality	Classification	Description of material impacts	Description of material impacts
ESRS E1 Climate Change	Climate change mitigation	Negative impact	Actual	Own operations	Negative impact of DOUGLAS Groups Scope 1, 2 and 3 emissions on the environment
ESRS E1 Climate Change	Energy	Negative impact	Actual	Own operations	Negative impact of DOUGLAS Groups energy usage in stores and offices on the environment
ESRS E2 Pollution	Microplastics	Negative impact	Actual	Upstream value chain	Negative impact of microplastics in products and packaging from items produced by suppliers and sold by DOUGLAS Group on both the environment and consumers
ESRS E5 Resource Use & Circular Economy	Resource inflows, incl. resource use	Negative impact	Actual	Upstream value chain	Negative impact on the environment from ingredients in items produced by suppliers and sold by DOUGLAS Group (e.g., petroleum-based emollients in moisturizers, surfactants, etc.)
ESRS E5 Resource Use & Circular Economy	Resource outflows	Negative impact	Actual	Own operations	Product and e-com packaging also relies on non-sustainable and non-recyclable materials. This causes environmental pollution, with waste ending up in landfills and oceans, taking years to decompose, endangering wildlife, and disrupting ecosystems as long as not recycled
ESRS E5 Resource Use & Circular Economy	Waste	Negative impact	Actual	Downstream value chain	The negative environmental impact of product waste, including e-commerce packaging, retail bags, and unsold products returned to suppliers, as well as waste generated by customers, is substantial. Both customers and suppliers contribute to this waste stream when products and packaging are discarded, generating significant environmental burdens. This linear consumption model results in vast landfill waste, as materials like plastics taking years to decompose. Additionally, products returned to suppliers often end up discarded, adding to the problem. While a circular economy with refill options offers a promising and more sustainable alternative, it has yet to gain widespread acceptance
ESRS S1 Own Workforce	Working conditions	Positive impact	Actual	Own operations	DOUGLAS Group offers fair remuneration, a positive company culture, and an inclusive management style to create a safe and healthy working environment. DOUGLAS Group emphasizes open communication, flexible working hours, and work-life inclusion, creating a supportive environment where employees feel valued and empowered
ESRS S1 Own Workforce	Equal treatment and opportunities for all	Positive impact	Actual	Own operations	DOUGLAS Group offers its employees meaningful employment opportunities within an inclusive and supportive environment. DOUGLAS Groups commitment to diversity ensures that individuals from all backgrounds feel welcome and valued. DOUGLAS Group empowers its employees to thrive and contribute their unique perspectives, ultimately enhancing both personal growth and organizational success
ESRS S1 Own Workforce	Equal treatment and opportunities for all	Positive impact	Actual	Own operations	DOUGLAS Group empowers its employees to enhance their skills and knowledge by offering leadership development, job-specific courses, and programs offered by the DOUGLAS Academy, as well as development opportunities
ESRS S4 Consumers and End-Users	Information-related impacts of consumers and/or end-users	Positive impact	Actual	Own operations	DOUGLAS Group provides customers with the right information to make informed shopping decisions and find the right products both online and offline. In addition, we encourage our employees to provide customers with the right information to prioritize sustainable options
ESRS S4 Consumers and End-Users	Social inclusion of consumers and/or end-users	Positive impact	Actual	Own operations	Positive impact on consumers through various inclusive product offerings ensuring consumers feel valued no matter their ethnicity, age, shape, gender etc.
ESRS G1 Business Conduct	Corporate culture	Positive impact	Actual	Own operations	DOUGLAS Group develops and grows a culture with a focus on the values passion, appreciation, and ownership
ESRS G1 Business Conduct	Protection of whistleblowers	Positive impact	Actual	Own operations	Positive impact on corporate culture and society by fostering ethical behavior
ESRS G1 Business Conduct	Corruption and bribery	Positive impact	Actual	Own operations	Positive impact on corporate culture and society by fostering ethical behavior

The DOUGLAS Group assessed the resilience of its strategy and business model by evaluating the ability to manage material risks and opportunities through existing processes. Short- and medium-term challenges such as legislative changes and supply chain disruptions were addressed. Opportunities are to be leveraged

through sustainable product development and responsible sourcing. Sustainability is integrated into core operations, for example, through packaging optimization and CO<sub>2</sub> reduction. Strengthening supplier relationships ensures further mitigation of risks related to compliance with legal regulations and resource scarcity.

A comprehensive resilience analysis was conducted in the financial year 2024/2025.

All material information is covered within the ESRS, DOUGLAS Group does not report entity specific disclosures.

## Impact, Risk and Opportunity Management

### IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

In the 2024/2025 financial year, the DOUGLAS Group conducted its first double materiality assessment in accordance with ESRS 1. The objective was to systematically identify and evaluate both negative and positive environmental, social and governance-related impacts as well as risks and opportunities across the entire value chain as well as within the company's own operations.

The assessment followed the four-step, workshop-based approach as outlined in ESRS 1 Section 3 and AR 16 for identifying material impacts, risks, and opportunities (IROs). It considered both the impact perspective, on environment and society, and the financial perspective. An aspect is deemed material if it is material from either or both perspectives.

The process began with a stakeholder analysis to identify relevant stakeholders and information users. This analysis formed the basis for selecting internal subject matter experts who participated in stakeholder interviews. External stakeholders were not directly involved; instead, DOUGLAS Group functions acted as proxies, representing and substantiating the views and interests of external stakeholders. This ensured that external perspectives were appropriately reflected in the assessment.

Next, a comprehensive longlist of potentially relevant sustainability topics was compiled. This list was based on ESRS 1 AR 16, previous materiality assessments, and other standards such as SASB, GRI, and ISO. In collaboration with internal experts and responsible functions, universally relevant topics were identified and discussed in interviews regarding their relevance. Based on these inputs, a shortlist was developed, consolidating all potentially and actually relevant topics.

The identified IROs were compiled into a consolidated list. Sources included the ESRS 1 AR 16 sustainability topic table, stakeholder interview results, the DOUGLAS Group's annual report, previous sustainability reports and strategy documents, external studies and the DMA knowledge database, benchmarks from peer companies, and applicable regulations such as the German Supply Chain Due Diligence Act (LkSG), the EU Taxonomy (EUT), the EU Deforestation Regulation (EUDR), and the

Whistleblower Protection Act. The final IRO list was validated with internal subject matter experts.

Subsequent workshops were held with representatives from all relevant stakeholder groups to assess potential and actual impacts, as well as financial risks and opportunities across the areas of environment, social, and governance. These workshops were conducted either in groups or segmented by stakeholder category. Evaluations were based on predefined scales and covered all business activities, relationships, and geographic locations. No company-specific sustainability topics were identified as material. The negative impacts were not limited to specific regions or relationships but were rather general in nature.

Throughout all phases of the materiality assessment, the DMA project core team worked closely with experts from corporate functions and business segments. Interim results were validated by subject matter experts, the Management Board, and the Supervisory Board. Final results were submitted to the Management Board, the ESG Committee, and the Supervisory Board for approval.

### Methodology for impacts

According to ESRS 1 Section 3.4, a sustainability topic is considered material from an impact perspective if it involves actual or potential, positive or negative impacts on people or the environment—taking into account the upstream and downstream value chain—within short (<1 year), medium (1–3 years), or long-term (>3 years) time horizons. Actual positive impacts are assessed based on their scale and scope, while actual negative impacts are additionally evaluated for their irremediability. Potential impacts are also assessed based on their likelihood of occurrence.

### Methodology for risks and opportunities

Financial materiality is assessed analogously to the impact assessment, in line with ESRS 1 Section 3.5. A sustainability topic is financially material if it has, or can reasonably be expected to have, a significant financial effect on the company. This applies when risks or opportunities within the defined time horizons have a substantial influence on the company's EBIDTA. The assessment is based on the potential magnitude and likelihood of occurrence. The evaluation scales used are aligned with those applied in the company's enterprise risk management process. More information on assessment scales can be found in the [risk and opportunity report of the Annual Report](#).

Risk analysis is conducted as part of the group-wide sustainability management process, both within the organization and across the entire value chain. Further details are provided in section GOV-5 of this chapter.



### Materiality thresholds

To determine materiality, the DOUGLAS Group applies a heatmap approach derived from its risk management framework. This involves a 5x5 matrix with likelihood on the X-axis and severity/magnitude on the Y-axis. Actual impacts, risks, and opportunities were rated with a severity/magnitude of 5. The materiality threshold was slightly adjusted for the double materiality assessment: IROs are considered material at any likelihood level if the magnitude is rated 4 (high). An exception applies to a likelihood rating of 1 (very low); in this case, an IRO is only considered material if the magnitude is rated 5 (very high).

No risks or opportunities were identified that would be considered material solely based on the risk management thresholds. The definition of evaluation criteria and thresholds was developed through an iterative process involving key stakeholders, in accordance with the IRO-1 guidelines. This process was informed by external sources such as the "EFRAG IG1 – Implementation Guidance for Materiality Assessment" and internal risk management standards.

### IRO-1 Topical Standards

#### ESRS E1 – Climate change

As part of the double materiality assessment (DMA) conducted in the 2024/2025 financial year, climate-related impacts, risks and opportunities were identified and assessed. Internal experts and relevant business functions were consulted throughout the process to ensure a comprehensive evaluation. For further information on the DMA process, please refer to ESRS 2 IRO-1.

Within the climate risk analysis, both physical risks and transition risks and opportunities were assessed, considering relevant climate scenarios. This approach enables DOUGLAS Group to obtain a structured understanding of its exposure to climate-related impacts, risks and opportunities across its operations and value chain.

In the qualitative climate risk analysis, DOUGLAS Group identified heat stress and floods as potential risks for our locations and qualified them as not financially material. We discussed the potential impact of these risks and have started an assessment of adaptation actions. We will continue the assessment of adaptation actions to support DOUGLAS Group's resilience against these risks in the 2025/26 financial year. For further process descriptions of the climate risk analysis and the resilience analysis, please refer to ESRS E1 SBM-3.

An assessment of climate change impacts, particularly greenhouse gas (GHG) emissions, considered emissions across the value chain relative to global emissions, taking into account scale, scope, irremediability, and likelihood.

Significant negative impacts were identified both within the value chain and in operational activities.

The primary sources of GHG emissions are related to energy consumption, specifically in retail stores and offices. These activities are classified under Scope 1 and 2 emissions and form the core focus of our climate impact assessments. For further information on the DMA process please refer to ESRS 2 IRO-1.

In the climate risk analysis, DOUGLAS Group has not identified any assets or business activities that are incompatible with or would need significant efforts to be compatible with our transition to a net-zero emissions economy so far. As we are still in the process of developing our climate transition plan, we cannot yet state with certainty that no assets or business activities are incompatible with our transition to a climate-neutral economy. For the full process description of the climate risk analysis including a description of the time horizons, please refer to ESRS E1 SBM-3.

The climate scenarios used were developed independently from the key climate-related assumptions in the financial statements. The related risk analyses were prepared as a separate, complementary assessment.

#### ESRS E2 – Pollution

For DOUGLAS Group, the topic of microplastics is primarily relevant within its upstream and downstream value chain, rather than in its own direct operations.

In the upstream value chain, microplastics may be intentionally added by suppliers as ingredients in cosmetic products. Additionally, production residues during manufacturing may result in microplastics entering the environment if not properly managed. In the downstream value chain, microplastics can be released through product use—particularly rinse-off products—or due to the improper disposal of packaging or product remnants by end consumers.

As a result, the environmental impact associated with microplastics occurs along DOUGLAS Groups' extended value chain, not within its own facilities or operations. Consequently, no internal site assets were screened as part of the double materiality assessment, as they are not directly linked to this particular environmental impact.

To ensure a comprehensive understanding of the issue, DOUGLAS Group conducted stakeholder interviews with subject matter experts, paying particular attention to geographical regions identified as being at higher risk for pollution. This approach supports a robust and context-sensitive assessment in line with the ESRS E2 standard.

DOUGLAS Group used internal proxies to represent a range of internal and external stakeholder perspectives during the assessment process. While no direct consultation with affected communities was conducted, their interests and potential concerns were considered through indirect engagement via interviews with these designated proxies. This approach was chosen to ensure a broad and informed perspective, while maintaining a practical and efficient assessment process.

### **ESRS E3 – Water and marine resources**

In addition to the methods and frameworks outlined in the general approach, no additional site- or asset-specific analysis was conducted with regard to water and marine resources. This is due to the fact that our retail operations involve minimal water-intensive processes across our store locations and logistics network. As such, a site-based assessment was not considered a suitable approach to identify material impacts, risks, or opportunities in this area.

### **ESRS E4 – Biodiversity and ecosystems**

As outlined in the general approach, no additional biodiversity-specific assessments were carried out at individual sites or assets. This decision reflects the nature of our retail business, which does not involve production processes that directly interact with natural habitats or ecosystems. Consequently, a location-based analysis was not considered appropriate for identifying significant biodiversity-related impacts, risks, or opportunities.

Ecosystem dependencies and biodiversity considerations were incorporated into our double materiality assessment as described in IRO-1. This included an evaluation of potential effects across our up- and downstream value chain. While topics such as sourcing practices and availability of key natural ingredients were examined, none of the identified biodiversity-related aspects were assessed as material.

The analysis also explored risks, along with biodiversity-related impacts. However, these were likewise not deemed material in the context of our current operations. As a result, no extended biodiversity risk assessment was undertaken, and systemic risks in this area were not evaluated separately.

No site-specific risks or impacts were identified that would necessitate further investigation into the proximity of our stores, offices, or warehouses to ecologically sensitive areas. Additionally, no stakeholder engagement was conducted in relation to shared ecosystems or biological resources, given the absence of material adverse impacts.

Overall, the assessment did not reveal any biodiversity-related findings that would warrant the implementation of targeted mitigation or remedial measures at this stage.

### **ESRS E5 – Resource use and circular economy**

No internal site assets were screened as part of the double materiality assessment, as they are not directly linked to these particular environmental impacts.

To ensure a comprehensive understanding of the issue, DOUGLAS Group conducted stakeholder interviews with subject matter experts, paying particular attention to geographical regions identified as being at higher risk in relation to resource use and circular economy. This approach supports a robust and context-sensitive assessment in line with the ESRS E5 standard.

DOUGLAS Group used internal proxies to represent a range of internal and external stakeholder perspectives during the assessment process. While no direct consultation with affected communities was conducted, their interests and potential concerns were considered through indirect engagement via interviews with these designated proxies. This approach was chosen to ensure a broad and informed perspective, while maintaining a practical and efficient assessment process.

### **ESRS G1 – Business conduct**

The DOUGLAS Group identified material impacts, risks, and opportunities based on business activities, sector characteristics, and geographic locations. This assessment applies to the entire Group, including all locations, and covers the upstream and downstream value chain.

# Environmental Information

## E1 – CLIMATE CHANGE

### The undertaking's material impacts, risks and opportunities regarding climate change

#### ESRS 2 General disclosures

Climate change is one of the most urgent challenges we face today and necessitating for practical action and collaboration within and across industries and supply chains. As a leading omnichannel provider of premium beauty products in Europe, DOUGLAS Group recognizes its significant role in climate protection and resource management.

Our commitment to climate change mitigation is reflected in our strategic approach to climate protection and efficient energy and resource management. We recognize that our responsibility extends beyond our immediate operations and plan to establish

comprehensive reduction targets for Scope 1, 2 and 3 emissions during the financial year 2025/26, which will be validated by the Science-Based Targets initiative (SBTi). Recognizing the significant impact of energy consumption at our stores, offices, and warehouses, DOUGLAS Group is dedicated to reducing total energy consumption and has implemented significant actions over the past years. Building on this foundation, we aim to reduce our energy consumption by 20% by 2030 relative to the 2023/2024 financial year. This new target was set as part of the update to the energy policy, which was approved at the beginning of the 2025/26 financial year. This focused effort is crucial to minimizing greenhouse gas emissions and driving sustainable practices throughout our business operations.

The results of our double materiality assessment concerning material impacts, risks and opportunities for climate change mitigation and energy are as follows:

Topic	Sub-topic	Type of materiality	Classification	Time horizon (if empty, then applicable to all time horizons)	Location of material impacts within the value chain	Description of material impacts
ESRS E1 Climate Change	Climate change mitigation	Negative impact	Actual	long-term	Own operations	Negative impact of DOUGLAS Groups' Scope 1, 2 and 3 emissions on the environment
ESRS E1 Climate Change	Energy	Negative impact	Actual	long-term	Own operations	Negative impact of DOUGLAS Groups' energy usage in stores and offices on the environment

### Strategy

#### E1-1 Transition plan for climate change mitigation

As a leading omnichannel provider for premium beauty in Europe, DOUGLAS Group is aware of its impacts in relation to climate change mitigation and the use of resources. The 1,959 stores across Europe as well as

various administrative locations and the vehicle fleet consume energy and other resources. Climate-relevant emissions are also generated along the entire value chain, including by the products sold and logistics. Business operations also require the use of different materials, particularly in the areas of packaging as well as the furnishing of our stores. These packaging and

furniture materials have an environmental impact due to GHG emissions resulting from the manufacturing process as well as the end-of-life handling of these materials. Climate protection and intelligent energy and resource management are therefore a central component of our sustainability strategy.

DOUGLAS Group is committed to supporting the goals of the Paris Agreement and aims to contribute to limiting global warming to 1.5 degrees Celsius. Recognizing the transition to a low-carbon economy as a key factor for long-term competitiveness, DOUGLAS Group sees climate action as both a responsibility and an opportunity to create value for society and stakeholders.

The development of DOUGLAS Group's climate transition plan is currently in progress. The process is led by the Group ESG team. The exact timeline depends on the calculation of mid- and long-term targets. Our near-term climate targets are awaiting board approval and will be handed in for validation by the Science-Based Target initiative (SBTi). In addition, DOUGLAS Group is currently working on setting mid- and long-term climate targets. According to the current preliminary timeline, we will finalize and publish the climate transition plan in the 2025/26 financial year.

### **SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model**

#### **Scope of the resilience analysis**

To understand and assess how well DOUGLAS Group can anticipate, withstand and adapt to the impacts of climate change, we conducted a resilience analysis.

The resilience analysis considered both physical and transition risks for DOUGLAS Group's business activities and our locations. The analysis covered 28 acute and chronic physical climate risks, including temperature, wind, water and soil-related risks. Transition risks are related to the transition to an economy with reduced GHG emissions e.g., risks that stem from legal requirements.

For DOUGLAS Group's own operations, the assessment of the impacts of climate-related risks focused on our store operations, the impact on our customers and our own employees, as well as the impact on our products. For DOUGLAS Group's value chain, we assessed the potential impact on our warehouses as well as logistics and transport operations.

#### **Timing and implementation of the resilience analysis**

In the 2024/2025 financial year, DOUGLAS Group conducted a qualitative climate risk analysis of both physical and transitional climate-related risks, which covered 1,806 locations (stores, offices, warehouses) across the whole Group.

We used a climate modeling tool to analyze our exposure to these risks. The tool considered three different GHG emission scenarios: a low, medium and high emission scenario in a near-, mid-, and long-term time frame: present (2025), 2035 and 2050. The scenarios considered were SSP1 RCP2.6 (around 1.5°C global warming, orderly transition scenario), SSP2 RCP4.5 (around 2.7°C warming, disorderly transition) and SSP5 RCP8.5 (around 4.3°C warming, hot house world transition).

This was selected in order to include a range of possibilities while identifying risks and assessing the resilience of our business model and locations.

The resilience analysis was conducted in the 2024/2025 financial year as a final part of our climate risk analysis. In five workshops, we discussed the potential risks that were identified by the climate modeling tool for our locations and business model to analyze the potential impact of these risks. The discussion was based on the knowledge of internal and external experts and relevant internal stakeholders from Supply Chain Management, Real Estate Management, Risk Management, Controlling and ESG.

Looking at risk severity, the key risks discussed in the workshops were water stress, heat stress and flooding as well as relevant transition risks. The potential severity of these risks increases over the years until 2050 and in the higher emission scenarios.

#### **Results of the resilience analysis**

The results of the resilience analysis show that DOUGLAS Group must consider heat stress and flood risk to define adaptation actions in the near future. We see that potential increases in heat days and heat waves as well as potential floods might affect our locations, our operations and our business model. The flood risk is covered by our insurance policy.

During the workshops, transition risks such as carbon pricing and obsolescence. We see a potential risk resulting from the possible obsolescence of certain products due to customer demand shifts. However, our business model allows us to react flexibly to these demand shifts and our product portfolio can be adapted to changed product demand.

Based on the analysis of the results, we have come to the conclusion that our business model and our locations are adequately resilient to climate change for a near-, mid- and long-term time frame ranging from 2025 to 2050. Our business model is flexible and agile with regards to climate risks (e.g. in terms of our product portfolio and suppliers). Furthermore, we have identified mitigation actions in the past to be included in our Group ESG Strategy and the ESG roadmaps for our segments and head-office departments. In addition to the mitigation

actions and based on the resilience analysis, we will further develop adaptation actions to strengthen our resilience towards climate-related risks.

As part of its first double materiality assessment (DMA), the DOUGLAS Group did not identify any significant risks or opportunities in relation to climate change. In our climate risk analysis, we identified potential physical risks and one potential transition risk for our locations and

operations and discussed these in our resilience analysis. Currently, the identified risks are not considered to be financially material. Nevertheless, possible adaptation actions were assessed, and these assessments will be used further to decide which of these actions will be implemented in the upcoming financial years.

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 in-store 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)

## Policies related to climate change

### E1-2 Policies related to climate change mitigation and adaptation

#### Key content of the policy

DOUGLAS Group has established an Energy Policy which was approved by the board at the beginning of the financial year 2025/26 and will further define a dedicated Climate Policy in the upcoming financial year 2025/26 to address climate change as a core component of its sustainability strategy. These policies provide the framework for managing climate-related risks and opportunities across operations, guiding decision-making in line with environmental responsibilities and long-term business resilience. They reflect DOUGLAS Group's commitment to reducing greenhouse gas emissions and promoting energy efficiency and also contribute to DOUGLAS Group's overall transition towards sustainability.

In our Energy Policy, we commit to sustainably and continuously improving our energy performance while considering applicable laws and regulations (such as the Energy Efficiency Directive in Germany or the Energy Performance of Buildings Directive). Based on past

consumption data and analyses we have defined a Group-wide energy reduction target to reduce our energy consumption by 20% by 2030 compared to the 2023/2024 financial year as a baseline. This target is supported by the updated Energy Policy, which was approved by the board in October at the beginning of the financial year 2025/26. This commitment supports the broader deployment of renewable energy across our operations.

The Energy Policy relates to the negative impact of DOUGLAS Group's energy usage in stores and offices on the environment. It applies to our stores and offices on a Group-wide basis. In addition, the policy addresses key aspects of energy efficiency. The policy covers aspects such as:

#### Lights:

We are switching to LED lights in our stores.

All shop floor lights should be switched on during opening hours. During non-opening hours while staff members are still present, only one third of the lights should be switched on. After the end of shifts, all lights must be switched off.



We have further specified light guidelines for our office, staff and storage rooms as well as shop windows and illuminated logos on our facades. Shop window lights must be turned off by 10:00 p.m. at the latest or earlier in line with local legislation (e. g. 9:00 p.m. in Germany).

#### **Electrical equipment:**

Guidelines cover office equipment (such as laptops, monitors, printers) which should be turned on only when needed and must be turned off at the end of each shift.

The Group-wide installation of smart meters in the 2024/2025 financial year allows us to track and analyze our energy consumption more effectively.

#### **HVAC systems / heating:**

Guidelines cover recommended temperatures for different store areas to reduce cooling and heating consumption. Furthermore, store front doors must be closed whenever a store is being cooled or heated.

#### **Timers and thermostats:**

Timers and thermostats should not be tampered with. Times and temperatures should be checked regularly to detect and avoid tampering.

#### **Scope**

DOUGLAS Group has reviewed the Energy Policy, which was introduced in the 2023/2024 financial year, updated during 2024/2025 and newly adopted in the beginning of 2025/26 to include requirements resulting from the CSRD and its ISO 50001 certification. The updated Energy Policy applies to all DOUGLAS Group stores and office locations in the countries in which DOUGLAS Group operates. The primary stakeholders addressed by this policy include office-based employees as well as beauty advisors working in retail stores. As warehouses are leased facilities operated by third-party providers, they are excluded from the scope of the Energy Policy.

#### **Accountability for implementation**

The implementation and progress of the Energy Policy are overseen by DOUGLAS Group's Energy Council. The council regularly reviews developments, monitors compliance, and drives continuous improvement. The person responsible for implementation is the Senior Manager for Construction, Maintenance & Repair. The accountable person is the SVP Group Controlling and Real Estate / Group Risk Officer.

#### **Commitment to third-party standards or initiatives**

The Energy Policy has been developed in alignment with ISO 50001 standards. DOUGLAS Group implements ISO 50001 for Germany as required under German law for organizations with an average annual energy consumption exceeding 7.5 GWh (see also Energieeffizienzgesetz - EnEfG). In addition, the policy reflects the principles of the Energy Efficiency Directive (EED), the Energy Performance of Buildings Directive

(EPBD), the Renewable Energy Directive, and applicable national regulations, including Germany's Energy Efficiency Directive.

#### **Accessibility and communication**

The Energy Policy has been published on all available internal channels (including the intranet) and has been made accessible to store employees as a notice in employee-areas of the stores.

#### **Targets related to climate change**

##### **E1-4 Targets related to climate change mitigation and adaptation**

In the 2023/2024 financial year, DOUGLAS Group initiated the process of setting science-based climate targets aligned with the Paris Agreement's 1.5°C pathway, aiming to finalize this initiative by 2025/26. DOUGLAS Group is committed to setting near-term science-based targets for Scope 1, 2 and 3 emissions with a target year of 2030. Throughout the reporting period, preparations were underway for submitting these targets to the Science-Based Targets initiative (SBTi). As of 30 September 2025, the Boards approval was pending for submission to SBTi for validation. Following successful validation, we will publicly communicate the finalized targets. In the 2025/26 financial year we will assess our mid-term targets for 2040 and long-term net-zero targets with a target year of 2050.

To address the following impact: Negative impact of DOUGLAS Group's energy usage in stores and offices on the environment, we have set an energy reduction target, which was approved by the board in October at the beginning of the upcoming financial year 2025/26. We aim to reduce our energy consumption by 20% by target year 2030 in comparison to our baseline of the 2023/2024 financial year. The target has been aligned with our Energy Policy and the actions defined within that policy. Stakeholders from the Real Estate and ESG departments were involved in the target-setting process. We track and disclose our energy consumption on an annual basis. Due to the implementation of smart meters in our stores on a Group-wide level, we have achieved improved transparency regarding our energy consumption as well as potential areas of energy reduction.

Progress towards target achievement will be discussed on a quarterly basis in the Energy Council. Furthermore, the Energy Workgroup discusses the analyses within the energy consumption dashboard on a monthly basis.

The target has been communicated as part of the publishing of the Energy Policy to our employees in our offices and stores, as they play a crucial role in reducing our energy consumption.

Due to the pending board approval and validation of the near-term science-based targets, progress towards their achievement cannot be reported at this stage.

## **Actions and resources related to climate change policies**

### **E1-3 Actions and resources in relation to climate change policies**

#### **Key current and planned actions**

Building on its climate-related policies, DOUGLAS Group has initiated a range of actions to reduce greenhouse gas emissions and support the transition to a low-carbon economy. These actions are aimed at implementing the principles outlined in the policies and translating strategic climate commitments into measurable progress across operations, supply chains, and product portfolios. To achieve DOUGLAS Group's climate targets, three central areas of decarbonization leverage were identified, which will play a pivotal role in reducing greenhouse gas emissions.

The three areas of decarbonization leverage are listed below including the key actions that have been defined to exploit this leverage with their respective expected outcome as well as related activities.

#### **Decarbonization lever 1: Sustainable operations in our stores**

**Key action:** Reducing the environmental impact of our stores.

**Expected outcome:** Within our store design concept, we will increase the use of materials that have a lower environmental impact, e.g., by increasing the use of recycled and upcycled materials as well as materials with improved longevity and employ Green Lease agreements that include a range of store operations aspects. Related activities will have an impact on our emissions in Scope 2 and 3.

**Time horizon:** 2030

#### **Related activities:**

- Continuous implementation of revised store design concept, which we first introduced in 2023 to increase the use of materials with a lower carbon footprint.
- Further introduction of Green Lease agreements that cover the use of energy-efficient technologies and renewable energies, energy consumption, waste separation, tenant behavior and the use of sustainable materials.

**Key action:** Energy management & reduction

**Expected outcome:** We will increase of energy efficiency across our stores by gaining transparency on energy consumption through implemented tracking mechanisms, which will lead to a reduction in overall energy consumption and thus a reduction in related GHG emissions in Scope 2.

**Time horizon:** 2030

#### **Related activities:**

- Continuation of Group-wide Energy Council, which serves as an interface for the transfer of energy knowledge within the Group.
- Negotiation of contracts for renewable electricity sources with our energy providers.
- Group-wide installation of smart meters.
- Step-by-step replacement of old heating, ventilation and air conditioning systems in stores during refurbishments.
- Group-wide installation of LED lights.
- For our OWACs, we focus on certifications such as BREEAM to proof energy-efficient logistics operations.

#### **Decarbonization lever 2: Sustainable supply chain**

**Key action:** Reduction of environmental impact of our supply chain operations

**Expected outcome:** We will engage our suppliers to increase the adoption of low-carbon practices, such as deliveries with electric trucks, to reduce emissions in our Scope 3 footprint. The main focus lies on our upstream transport and logistics operations.

**Time horizon:** 2030

#### **Related activities:**

- Increase share of deliveries by with EV trucks for B2B and B2C deliveries
- Offer B2C delivery methods that are lower in emissions, especially at the last mile.
- Continue to implement the One Warehouse All Channels (OWAC) strategy to reduce the number of warehouses.
- Use double-decker trucks, which allow for increased efficiency of deliveries and the reduction of store delivery frequency.

#### **Decarbonization lever 3: Increase sustainability of corporate brands**

**Key action:** Reduction of product carbon footprint in the corporate brands portfolio

**Expected outcome:** By gaining more transparency regarding the carbon footprint of our corporate brands portfolio, we will identify potential areas of emission reduction together with our corporate brands suppliers in order to improve the use of low-carbon ingredients as well as the use of recycled and recyclable product packaging.

**Time horizon:** The collaboration with Fairglow, a provider of life cycle assessments for cosmetic products, began in the 2023/2024 financial year. DOUGLAS will continue related activities until 2030.

**Related activities:**

- Cooperation with Fairglow to gain transparency on the carbon footprint of our corporate brands portfolio by carrying out life-cycle assessments and including further eco-design workshops with the product development teams.
- Continuous implementation of our Corporate Brands Packaging Policy to increase the use of recycled packaging materials and reducing the carbon footprint of product packaging.

**Allocation of resources**

The areas of decarbonization leverage described above are underpinned by CAPEX and OPEX investments, essential to our business operations and the way we have structured our processes. These focus on renewable energy, store management, logistics, and transportation to mitigate climate change. However, determining the exact financial amounts tied to sustainability poses challenges due to overlapping objectives and the absence of explicit categorization. DOUGLAS is committed to improve the tracking and reporting of these investments.

While we have not quantified our decarbonization leverage factors in terms of expected and actual GHG emission reductions and related CAPEX and OPEX, we plan to begin preparing for this process once a climate transition plan has been introduced.

DOUGLAS Group has not yet evaluated to what extent the ability to implement the action depends on the allocation of resources but aims to start preparing for this in conjunction with the introduction of a climate transition plan.

## Metrics relating to material sustainability matters

### E1-5 Energy consumption and mix

DOUGLAS Group is committed to systematically

measuring and analyzing its energy consumption and continuously optimizing its operations in order to use energy more efficiently.

### Breakdown of the total energy consumption in own operations of the DOUGLAS Group

	2024/2025				2023/2024			
	Total	Stores	Offices	Warehouses	Total	Stores	Offices	Warehouses
	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh
(1) Fuel consumption from coal and coal products	-	-	-	-	-	-	-	-
(2) Fuel consumption from crude oil and petroleum products	5,835.6	-	5,835.6	-	5,859.7	-	5,844.4	15.4
(3) Fuel consumption from natural gas	16,294.3	11,074.7	1,551.2	3,668.4	18,255.4	11,857.7	1,445.9	4,951.8
(4) Fuel consumption from other fossil sources	-	-	-	-	-	-	-	-
(a) Consumption of purchased or acquired electricity from fossil sources	28,154.6	22,075.5	1,699.1	4,380.0	54,094.0	48,328.5	2,201.7	3,563.8
(b) Consumption of purchased or acquired heat, steam, and cooling from fossil sources	2,932.0	2,541.0	282.7	108.3	2,560.7	2,502.6	9.7	48.4
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	31,086.6	24,616.5	1,981.9	4,488.2	56,654.8	50,831.1	2,211.4	3,612.3
<b>(6) Total fossil energy consumption</b>	<b>53,216.5</b>	<b>35,691.2</b>	<b>9,368.7</b>	<b>8,156.6</b>	<b>80,769.9</b>	<b>62,688.8</b>	<b>9,501.7</b>	<b>8,579.5</b>
Share of fossil sources in total energy consumption (in %)	40.4%	33.0%	90.5%	62.3%	63.0%	58.5%	95.6%	76.8%
<b>(7) Consumption from nuclear sources</b>	<b>4,071.8</b>	<b>3,496.2</b>	<b>126.7</b>	<b>449.0</b>	-	-	-	-
Share of consumption from nuclear sources (in %)	3.1%	3.2%	1.2%	3.4%	0.0%	0.0%	0.0%	0.0%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen etc.)	-	-	-	-	-	-	-	-
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	74,329.8	68,980.2	859.8	4,489.8	47,428.2	44,397.8	432.5	2,597.9
(10) The consumption of self-generated non-fuel renewable energy	-	-	-	-	-	-	-	-
<b>(11) Total renewable energy consumption</b>	<b>74,329.8</b>	<b>68,980.2</b>	<b>859.8</b>	<b>4,489.8</b>	<b>47,428.2</b>	<b>44,397.8</b>	<b>432.5</b>	<b>2,597.9</b>
Share of renewable sources in total energy consumption (in %)	56.5%	63.8%	8.3%	34.3%	37.0%	41.5%	4.4%	23.2%
<b>Total energy consumption</b>	<b>131,618.1</b>	<b>108,167.6</b>	<b>10,355.1</b>	<b>13,095.4</b>	<b>128,198.1</b>	<b>107,086.6</b>	<b>9,934.2</b>	<b>11,177.4</b>

<sup>1</sup> As Disapo was sold during 2023/2024 financial year, we have decided to exclude its data from the energy table in the base year to ensure a consistent comparison across different years. For 2023/2024 financial year there was an additional consumption of 728.1 MWh for Disapo, consisting of 360.7 MWh from fossil electricity and 367.4 MWh from heating by natural gas

The table above presents DOUGLAS Group's energy consumption for the 2024/2025 financial year, compared to the previous year 2023/2024, which is used as the base year for tracking progress towards our energy reduction target. DOUGLAS Group's energy consumption arises from the operation and use of buildings categorized as stores, offices, and warehouses. It is noteworthy that DOUGLAS Group predominantly sources its energy from external suppliers and does not generate energy internally to a significant extent. This applies equally to heating, which is fully purchased and not produced internally through fuel consumption.

Since the last report, DOUGLAS Group has enhanced and validated its energy consumption measurement methodology and data quality. During this process, adjustments were identified to meet ESRS requirements, leading to retroactive updates that will restate the base year 2023/2024 values from last year's report. Retroactively, we therefore need to adjust the total energy consumption for the financial year 2023/2024 upwards by 13,115.1 MWh.

### Methodologies and assumptions

Energy consumption is gathered in a decentralized manner within segments and reported to the Group via software. A total of 73.2% of the energy consumption shown is based on primary data from meter readings and invoices, whereas 26.8% of the data was estimated. The estimation method employed for this purpose involves a daily factor for kilowatt-hours per square meter, derived from activity data specific to DOUGLAS Group building groups. This method has been utilized in previous years and was further refined in the current 2024/2025 financial year to enable a more precise and building-specific estimate.

### Breakdown of the total energy consumption from fossil sources

DOUGLAS Group's energy contracts do not clearly indicate the proportion of energy that comes from nuclear and fossil fuels. In cases where we were unable to retrieve the specific energy share directly from the energy contract, we applied country-specific shares provided by the International Energy Agency.

In the previous year, energy consumption from fossil sources amounted to 80,769.9 MWh, accounting for 63.0% of the total energy consumption, while energy consumption from renewable sources contributed 47,428.2 MWh, representing 37.0% of the total energy consumption. This translated to a combined total energy consumption of 169.8 kWh per square meter of retail space. In the 2024/2025 financial year, fossil energy consumption decreased by 34.1% to 53,216.5 MWh,

comprising 40.4% of the total energy consumption. Meanwhile, renewable energy consumption increased by 56.7% to 74,329.8 MWh, equating to 56.5% of the total energy consumption. From 2024/2025 financial year onwards energy consumption from nuclear sources are reported, which amounted to 4,071.8 MWh, accounting for 3.1% of the total energy consumption. Consequently, this led to a combined energy consumption of 154.0 kWh per square meter of retail space. As a result, there was an overall increase in energy consumption by 2.7% for the past 2024/2025 financial year compared to the base year, which is partly due an increase of the store network. Moreover, between the 2024/2025 financial year and the base year, the energy consumption is significantly shifting from fossil fuels to renewable energy sources.

As a retailer without a production process, DOUGLAS Group does not consume crude oil and petroleum products in its operational business activities. We only report the gasoline consumption associated with our company's vehicle fleet.

### Energy intensity in activities in high climate impact sectors

As a retailer without a production process, DOUGLAS Group does not consume crude oil and petroleum products in its operational business activities. We only report the gasoline consumption associated with our company's vehicle fleet.

	2024/2025	2023/2024
	EUR m	EUR m
Net revenue from activities in high impact climate sectors used to calculate energy intensity	4,575.3	4,451.0
Net revenue (other)	0.0	0.0
<b>Total net revenue (in financial statements)</b>	<b>4,575.3</b>	<b>4,451.0</b>

	2024/2025	2023/2024
Net revenue from activities in high impact climate sectors (in EUR m)	4,575.3	4,451.0
Total energy consumption from activities in high impact climate sectors (in MWh)	131,618.1	128,198.1
<b>Energy intensity based on net revenue</b>	<b>28.8</b>	<b>28.8</b>

As DOUGLAS Group's operations fall within a high climate impact sector according to the definition set forth by the EU Commission's Delegated Regulation 2022/1288, it is essential to include all sales activities of DOUGLAS Group in the calculation.



**E1-6 Gross Scopes 1,2,3, and total GHG emissions**

The emissions reported in Scope 1, 2, and 3 categories adhere to the Greenhouse Gas (GHG) Protocol, a globally recognized and standardized framework for the measurement and management of greenhouse gas emissions in both private and public enterprises. The classification of various emissions is based on their origin. Scope 1 encompasses direct emissions from sources under DOUGLAS Group's direct control. Scope 2 pertains to indirect emissions resulting from the consumption of purchased energy, while Scope 3 includes all other indirect emissions along the value chain (SBM-1). This includes upstream emissions, which occur in relation to the goods and services purchased, and downstream emissions, which are associated with the goods and services sold.

In the 2023/2024 financial year, we conducted a comprehensive assessment to identify all material Scope 3 categories within DOUGLAS Group's value chain, adhering to the GHG Protocol. For the relevant Scope 3 categories, we have developed methods for systematically collecting and calculating these emissions. Our organization is integrating the necessary data collection and calculation processes to ensure compliance with the GHG Protocol in CO<sub>2</sub> accounting. DOUGLAS Group continuously improves its existing IT systems, processes, and role concepts to accurately collect, validate and calculate CO<sub>2</sub>-related data.

DOUGLAS Group does not engage in any joint ventures or associates, which simplifies our emissions accountability and transparency. As there are no joint arrangements or unconsolidated subsidiaries within our operational scope, this report concentrates on emissions related to consolidated entities.

During the 2023/2024 financial year, we divested Disapo, which resulted in a change to our consolidation perimeters. This change impacts the comparability of our GHG emissions data between the current and previous reporting periods. Consequently, the emissions previously attributable to Disapo are not included in our carbon footprint (CCF). For clarity and precision in our reporting, we have adjusted the CCF by excluding the emissions related to Disapo in the baseline year. These emissions are now included as a footnote, ensuring that stakeholders are fully informed about the scope of our historical emissions and the context of this change.

Emissions (market-based) classified under Scope 1 and 2, which are subject to direct influence, constitute 11.4% of the total emissions. In contrast, Scope 3 emissions are responsible for the remaining 88.6%. Scope 1 encompasses emissions generated by our vehicle fleet and those stemming from fugitive losses of refrigerants due to technical inefficiencies in the air conditioning systems across our stores. Scope 2 emissions pertain to the consumption of purchased electricity and heating in our stores, warehouses, and offices.

Scope 3 emissions stem from activities throughout both the upstream and downstream segments of our value chain. Last year, DOUGLAS Group calculated the entire Scope 3 inventory for the first time. Since this calculation, efforts have been focused on continuously improving the processes and accuracy of data collection to refine CO<sub>2</sub> accounting

## Overview of Scope 1, 2 and 3 Emissions

	Retrospective		Milestones and targets		
	2024/2025	2023/2024	Deviation	2029/30	Annual % target / Base year - 2030
	in tCO <sub>2</sub> eq	in tCO <sub>2</sub> eq	in %	in tCO <sub>2</sub> eq	in %
1.2 Direct emissions from mobile combustion	1,559.4	1,547.8	0.8%	-	-
1.3 Fugitive emissions	1,380.4	1,268.6	8.8%	-	-
<b>Gross Scope 1 GHG emissions</b>	<b>2,939.8</b>	<b>2,816.4</b>	<b>4.4%</b>	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.0%	0.0%	0.0%	-	-
<b>2.1 Indirect emissions from purchased electricity (location-based)</b>	<b>43,242.5</b>	<b>37,670.9</b>	<b>14.8%</b>	-	-
Emissions from generation of natural gas	4,421.6	3,650.2	21.1%	-	-
Emissions from generation of district heating	758.1	650.4	16.5%	-	-
Emissions from generation of burning oil	0.0	4.4	-100.0%	-	-
<b>2.2 Indirect emissions from generation of purchased heating/cooling (location-based)</b>	<b>5,179.7</b>	<b>4,305.0</b>	<b>20.3%</b>	-	-
<b>Gross location-based Scope 2 GHG emissions</b>	<b>48,422.1</b>	<b>41,976.0</b>	<b>15.4%</b>	-	-
<b>2.1 Indirect emissions from purchased electricity (market-based)</b>	<b>16,011.8</b>	<b>17,925.0</b>	<b>-10.7%</b>	-	-
Emissions from generation of natural gas	4,421.6	3,650.2	21.1%	-	-
Emissions from generation of district heating	758.1	650.4	16.5%	-	-
Emissions from generation of burning oil	0.0	4.4	-100.0%	-	-
<b>2.2 Indirect emissions from generation of purchased heating/cooling (market-based)</b>	<b>5,179.7</b>	<b>4,305.0</b>	<b>20.3%</b>	-	-
<b>Gross market-based Scope 2 GHG emissions</b>	<b>21,191.5</b>	<b>22,230.0</b>	<b>-4.7%</b>	-	-
3.1 Purchased goods and services	124,615.3	109,023.9	14.3%	-	-
<i>thereof cloud computing and data center services</i>	295.0	220.0	34.1%	-	-
3.2 Capital goods	6,449.7	4,793.0	34.6%	-	-
3.3 Fuel- and energy-related activities	8,580.7	7,506.1	14.3%	-	-
3.4 Upstream transportation and distribution	13,358.6	12,017.6	11.2%	-	-
3.5 Waste generated in operations	9,823.0	9,866.1	-0.4%	-	-
3.6 Business travel	1,162.4	1,348.6	-13.8%	-	-
3.7 Employee commuting	13,390.5	13,237.1	1.2%	-	-
3.9 Downstream transportation and distribution	763.4	1,021.7	-25.3%	-	-
3.11 Use of sold products	5,070.1	7,424.0	-31.7%	-	-
3.12 End-of-life treatment of sold products	4,002.3	5,625.7	-28.9%	-	-
3.14 Franchises	334.2	288.6	15.8%	-	-
<b>Total gross indirect (Scope 3) GHG emissions</b>	<b>187,550.1</b>	<b>172,152.5</b>	<b>8.9%</b>	-	-
<b>Total GHG emissions (location-based)</b>	<b>238,912.0</b>	<b>216,944.8</b>	<b>10.1%</b>	-	-
<b>Total GHG emissions (market-based)</b>	<b>211,681.4</b>	<b>197,198.8</b>	<b>7.3%</b>	-	-

<sup>2</sup> Disapo emissions for 2023/2024 financial year were retrospectively excluded due to the aforementioned reason. For 2023/2024 financial year a total of 1,304.4 tCO<sub>2</sub>eq were emitted, comprising 21.2 tCO<sub>2</sub>eq for Scope 1, 334.6 tCO<sub>2</sub>eq for Scope 2 and 948.5 tCO<sub>2</sub>eq for Scope 3.

<sup>3</sup> Due to limited master data for franchise operations in France, we have assumed that they are equipped with the same heating and air conditioning as the other stores operated by Douglas in France and have a comparable average square footage.

DOUGLAS Group does not participate in any regulated emission trading schemes. As a result, the percentage of our Scope 1 GHG emissions that originate from such schemes is 0%.

For the first time, DOUGLAS Group is publishing our location-based emissions for both the baseline year and the 2024/2025 financial year in the carbon footprint (CCF). The DOUGLAS Group location-based Scope 2 emissions refer to emissions associated with the electricity consumption based on the average energy generation emissions within the geographical location where consumption occurs.

The DOUGLAS Group market-based Scope 2 emissions consider the emissions from electricity contracts such as renewable energy certificates.

The reporting of gross Scope 1 and Scope 2 GHG emissions utilizes the same scope of consolidation as our consolidated financial statements. Notably, DOUGLAS Group does not have any joint ventures or associates, ensuring that the emissions reported are completely aligned with our consolidated financial statement

	2024/2025	2023/2024
	EUR m	EUR m
Net revenue used to calculate GHG intensity	4,575.3	4,451.0
Net revenue (other)	0.0	0.0
<b>Total net revenue (in financial statements)</b>	<b>4,575.3</b>	<b>4,451.0</b>

	2024/2025	2023/2024	Deviation
	tCO <sub>2</sub> eq/EUR m	tCO <sub>2</sub> eq/EUR m	in %
Total GHG emissions (location-based) per net revenue	52.2	48.7	7.1%
Total GHG emissions (market-based) per net revenue	46.3	44.3	4.4%

For reporting on the gross GHG emissions of Scope 1 and Scope 2 categories, the same scope as our consolidated financial statements is applied. It should be noted that the DOUGLAS Group does not have joint ventures or associated companies. This ensures that the reported emissions are fully aligned with our consolidated financial statements

As there are no discrepancies in reporting periods among entities, there is no need to adapt GHG emissions measurements based on different reporting timelines. Consequently, our emissions report is solely based on data coherent with our consolidated financial statements.

DOUGLAS Group does not emit any biogenic CO<sub>2</sub> emissions and has no information about biogenic emissions in its upstream and downstream value chain and the associated Scope 3 emissions.

Over the course of the year, the DOUGLAS Group has continuously developed and comprehensively validated its methodology and data quality for calculating its carbon emissions. In the process, various adjustments

were identified in order to meet the requirements of the ESRS, which are updated retroactively and will result in a restatement of the values in the base year 23/24 published in last year's report.

Compared to the last publication, DOUGLAS Group reports 86.4 more tCO<sub>2</sub>eq under Scope 1. Scope 2 was previously reported only as a market-based approach and is now also reported on a location-based basis. Compared to the last publication, the market-based approach now reports 745.8 more tCO<sub>2</sub>eq. Scope 3 also had to be retroactively adjusted in categories 3.1, 3.3, 3.4, 3.5, 3.6, 3.7, 3.11, 3.12 and 3.14. Compared to the last publication, DOUGLAS Group now reports 42,810.5 more tCO<sub>2</sub>eq.

These retroactive corrections reflect our commitment to providing an accurate and transparent picture of our environmental impact. The corrections were made to ensure that our reporting complies with ESRS requirements.

### Significant Scope 3 categories

During the 2023/2024 financial year, DOUGLAS Group undertook a thorough evaluation to identify all relevant Scope 3 emission categories within its value chain, in alignment with the GHG Protocol.

DOUGLAS Group conducted an in-depth analysis of its value chain (see ESRS 2) and assessed the relevance of Scope 3 categories across both upstream and downstream activities.

This evaluation was guided by the following criteria:

- **Stakeholder concern:** Emissions critical to stakeholders—customers, investors, and regulatory bodies—were prioritized to uphold valuable stakeholder relationships and maintain a competitive market position.
- **Magnitude:** Emissions with a substantial volume compared to Scope 1 and 2 emissions were prioritized, enabling DOUGLAS Group to direct efforts towards areas with maximum impact.
- **Reduction opportunities:** Areas with feasible opportunities for emission reduction were emphasized to facilitate tangible progress in diminishing the company's carbon footprint.
- **Risk exposure:** Emissions contributing significantly to DOUGLAS Group's greenhouse gas risk exposure were deemed relevant, encompassing regulatory, physical, and market risks, as well as shifts in consumer behavior.

To create a transparent and aligned process, the assessment was divided into three distinct steps

1. **Pre-evaluation by a project team:** The status of the carbon accounting at DOUGLAS Group was assessed and gaps relating to the entire GHG Protocol scope were identified. Based on the entire scope, an initial assessment was conducted by the core project team for the relevant and non-relevant categories, applying the approach and criteria defined by the GHG Protocol.
2. **Evaluation by ESG experts:** The preliminary scope was presented to ESG-experts within DOUGLAS Group to challenge the coverage of the initial analysis. Within a workshop and by applying the criteria of the GHG Protocol once again, a more sophisticated picture of the Scope 3 categories to be included in the footprint of DOUGLAS Group could be delivered.
3. **Alignment with central experts:** For the biggest and most controversial categories, a further validation round was conducted with central department experts. This included, in particular, experts on transportation and accounting, but also trialed the scope with external partners (e.g., freight forwarders) in order to understand whether the data could be delivered at the required standard of quality.

The assessment has determined that the following Scope 3 categories are not relevant for DOUGLAS Group and therefore will not be considered:

**3.8 Upstream leased assets:** DOUGLAS group does not own stores, offices or warehouses itself, but has a right of use through leasing and rental agreements. As DOUGLAS group realized operational control over the stores, offices and warehouses, the associated emissions are reported under Scope 2.

**3.10 Processing of sold products:** This category is not relevant as DOUGLAS Group products are not further processed or transformed into other products.

**3.13 Downstream leased assets:** This category is deemed not relevant since DOUGLAS Group does not lease facilities to other parties for conducting their business.

**3.15 Investments:** Investments are assessed as not relevant because DOUGLAS Group investments are not subject to the issues raised in the Protocol.

All remaining Scope 3 categories have been assessed as relevant and are described in the table below, along with methodology, assumptions, and emission factors.

A total of 5.1% of DOUGLAS Group's total Scope 3 emissions, which are reported under the Scope 3 section of DOUGLAS Group's corporate carbon footprint, were collected and calculated as primary data from suppliers and value chain partners.

## Methodologies and assumptions

An overview of the methodologies and underlying assumptions used for calculating the Group's GHG emissions is presented in the table below. This includes applied standards, data sources and emission factors.

All relevant data was gathered either centrally using Excel or decentral through Tagetik. Subsequently, CO<sub>2</sub> equivalent emissions were calculated directly within Tagetik or Excel.

Scope	Description	Methodology	Assumptions <sup>4</sup>	Emission factor
1.2	Emissions from mobile combustion	To calculate the CO <sub>2</sub> equivalent emissions of DOUGLAS' vehicle fleet, a hybrid model was applied. Where available, activity data in the form of kilometers driven or actual consumption per vehicle type was applied, otherwise spend-based data was used.	In the event of missing data for certain periods, the quantities were extrapolated linearly based on the activity data in the available periods of the financial year (at least 3 months).	Utilization of distinct emission factors for each fuel type (e.g., diesel, gasoline) sourced from Umweltbundesamt, BEIS 2024 (climatiq), and GEMIS (Climatiq)
1.3	Fugitive emissions	Covers the accounting of CO <sub>2</sub> equivalent emissions resulting from refrigerant losses in air conditioning systems. As DOUGLAS is unable to measure the original leaks, an extrapolation is made based on assumptions.	Estimation of leakage per building with air conditioning based on equipment and retail space in square meters.	Emission factors from an EPA study were used, which are based on the average number of air conditioning units per building type, the typical refrigerant capacity in these units, the usual leakage factor and the emission factor of the refrigerant. These emission factors represent the emissions per square meter per year.
2.1	Electricity, location based	Calculation of CO <sub>2</sub> equivalent emissions based on the kWh consumed per building and multiplication by location-based emission factor.	If no activity data in the form of kWh was available for certain periods, these were linearly extrapolated on the basis of the available activity data of the financial year (at least 3 months). If no data was available for buildings at all, estimates were made on the basis of an average consumption value per square meter and per building type and calculated using the square meters. The characteristics of different building types were taken into account in the estimate by forming clusters.	Utilization of location-based emission factors for each geographical location from the Ecoinvent 3.11 database.
2.1	Electricity, market based	Calculation of CO <sub>2</sub> equivalent emissions based on the kWh consumed per building and multiplication by a market-based emission factor.	If no activity data in the form of kWh was available for certain periods, these were linearly extrapolated on the basis of the available activity data of the financial year (at least 3 months). If no data was available for buildings at all, estimates were made on the basis of an average consumption value per square meter and per building type and calculated using the square meters. The characteristics of different building types were taken into account in the estimate by forming clusters.	Utilization of AIB residual mix emission factors. For countries not included in the AIB database, Ecoinvent 3.11 emission factors were applied.

<sup>4</sup> DOUGLAS group continuously strives to improve data quality and availability in order to steadily reduce the necessary assumptions by optimizing processes and adapting IT systems.



Scope	Description	Methodology	Assumptions <sup>4</sup>	Emission factor
2.2	Heating	Calculation of CO <sub>2</sub> equivalent emissions based on the kWh consumed per building and multiplication by a market-based emission factor.	If no activity data in the form of kWh was available for certain periods, these were linearly extrapolated on the basis of the available activity data of the financial year (at least 3 months). If no data was available for buildings at all, estimates were made on the basis of an average consumption value per square meter and per building type and calculated using the square meters. The characteristics of different building types were taken into account in the estimate by forming clusters.	Distinct emission factors are utilized for each type of heating (e.g., natural gas, district heating), sourced from Umweltbundesamt, EPA, and Ecoinvent 3.11.
3.1	Purchased goods and services	Calculation of CO <sub>2</sub> equivalent emissions for cloud services, partner brand products, corporate brand products, and products and services from indirect procurement.	In collaboration with external service provider Fairglow, a life cycle assessment was carried out for over 1,000 corporate brand products. The emission factors determined for manufacturing, product packaging, and ingredients were mapped to the rest of the corporate brands and partner product range. The purchase volume of the entire product range was used as the basis for calculating emissions. A spend-based approach was chosen for products and services from indirect procurement.	Fairglow's emission factors were applied to corporate brands and partner products. For all other components (e.g. cloud services), the emission factors of the EPA and Market Economics Limited (Climatiq) were used.
3.2	Capital goods	Calculation of CO <sub>2</sub> equivalent emissions for equipment and furniture in our branches.	A project was carried out to calculate the emissions for the materials used in various sample store layouts. These are multiplied by the number of renovations and new store openings carried out during the financial year.	Utilization of global material-specific emission factors from Ecoinvent 3.11
3.3	Fuel and energy related activities	Based on the activity data from Scope 2 and emission factors, converted into CO <sub>2</sub> equivalent emissions.	No special assumptions are necessary.	DEFRA or LANUV emission factors were applied, differentiated by the type of heating.
3.4	Upstream transportation	Calculation for inbound, intercompany, outbound and scrapping transport flows based on activity data in the form of emission reports from freight forwarders (well-to-tank, tank-to-wheel) or the tonne-kilometers transported.	If data for certain periods was missing, the quantities were extrapolated linearly based on activity data and the available periods of the financial year (at least 3 months). If no data was available for a transport flow, average values were calculated based on other available data for this transport route and offset against the respective turnover.	Utilization of global GLEC (climatiq) emission factors.
3.5	Waste from the company	Calculation for waste in warehouses, offices and stores, divided into waste disposed of internally and waste passed on to customers. Use of reports from external service providers on waste in warehouses and internal reports on purchased material quantities.	Assumption that the quantities of consumables purchased are also being disposed of as waste. Estimate of internal waste generated by employees based on headcount per building type and country. Where data for specific periods was missing, the quantities were extrapolated linearly based on activity data and the available periods of the financial year (at least 3 months). If no data was available for a type of waste, average values were calculated on the basis of other available data for this type of waste and these were offset against the respective turnover.	Utilization of country-specific emission factors from Ecoinvent 3.11, differentiated by waste type. When unavailable, global factors from ADEME (Climatiq) and EPA (Climatiq) were employed.

Scope	Description	Methodology	Assumptions <sup>4</sup>	Emission factor
3.6	Business travel	Calculation for business travel by car, train or plane based on reports with corresponding activity data or, alternatively, spend based.	Where periods were missing, the quantities were extrapolated linearly on the basis of activity data and the available periods of the financial year (at least 3 months). To calculate the emissions per journey or flight, average distances for the various transport routes were used and these were offset against the specific emission factors. (Long distance = 6,000 km; short distance = 900 km; train journey between 150 km and 500 km, depending on the country).	For flights and road travel, global factors based on Ecoinvent 3.11, BEIS 2024 (climatiq), and EPA (climatiq) were used. For rail travel, country-specific Ecoinvent 3.11 factors were applied.
3.7	Employee commuting	Estimate based on headcount per country and per building type, using average data sets on commuting behavior, number of working days and home office policies (40% home office).	The average data used comes from SD Worx's commuter statistics ( <a href="https://www.sdworx.com/en-en/about-sd-worx/press/2018-09-20-more-20-europeans-commute-least-90-minutes-daily">https://www.sdworx.com/en-en/about-sd-worx/press/2018-09-20-more-20-europeans-commute-least-90-minutes-daily</a> ).	Country-specific emission factors from Umweltbundesamt and Ecoinvent 3.11 were utilized.
3.9	Downstream transportation	Utilization of activity data and emission factors, converted into CO <sub>2</sub> equivalent emissions.	<i>No special assumptions are necessary.</i>	A global supplier emission factor was utilized.
3.11	Use of sold products	The life cycle emissions of electrical items sold was calculated using an average lifespan, expected frequency of use and an emission factor for residual electricity mix.	For electrical items, a lifespan of 5 years was assumed as a conservative approach.	Weighted average emission factor for residual electricity mix.
3.12	Disposal of sold products	Utilization of activity data and emission factors, converted into CO <sub>2</sub> equivalent emissions.	In collaboration with external service provider Fairglow, a life cycle assessment was carried out for over 1,000 corporate brand products. The emission factors determined for disposal phase was applied to the rest of the product range of corporate brands and partner products by applying a mapping. The sell out volume of the entire product range was used as the basis for calculating emissions.	Fairglow's emission factors were applied to corporate brands and partner products.

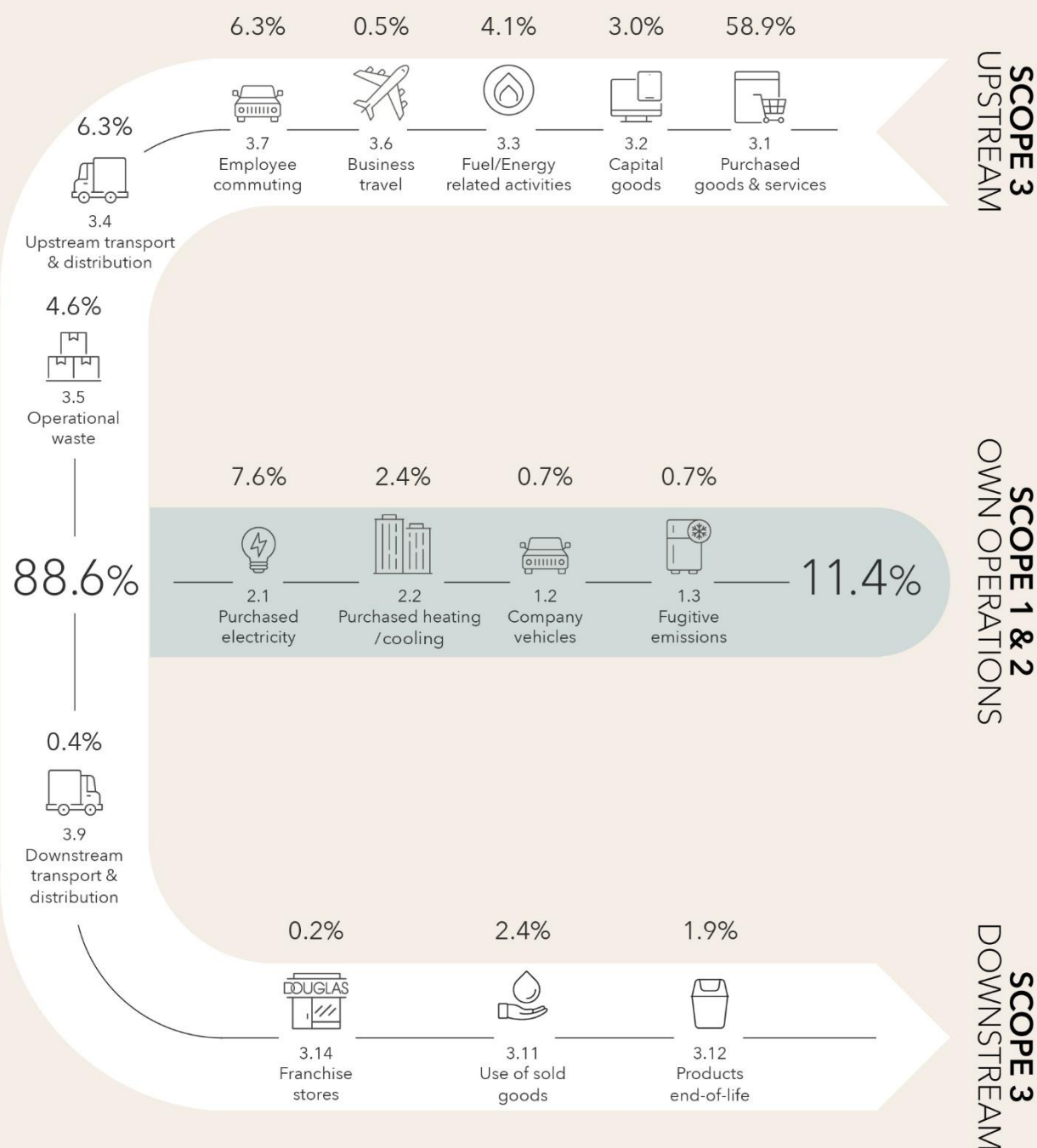
### E1-7 GHG Removals and mitigation projects financed through carbon credits

DOUGLAS Group does not engage in any greenhouse gas (GHG) removals or the financing of GHG mitigation projects through carbon credits. Consequently, there are no related activities to be reported.

### E1-8 Internal carbon pricing

DOUGLAS Group does not engage in the practice of internal carbon pricing. Consequently, there are no activities or initiatives related to internal carbon pricing to be reported in our disclosures.

# DOUGLAS' SCOPE 1, 2, 3 CATEGORIES



## E2 – POLLUTION

### The undertaking's material impacts, risks and opportunities regarding pollution

Topic	Sub-topic	Type of materiality	Classification	Time horizon (if empty, then applicable to all time horizons)	Location of material impacts within the value chain	Description of material impacts
ESRS E2 Pollution	Microplastics	Negative impact	Actual	medium-term	Upstream value chain	Negative impact of microplastics in products and packaging from items produced by suppliers and sold by DOUGLAS Group on both the environment and consumers

Microplastic pollution is an increasingly urgent environmental issue with far-reaching impacts on ecosystems, human health, and consumer expectations – particularly relevant to the beauty and personal care sector. As a European leading omnichannel provider of premium beauty, we recognize our responsibility for addressing this challenge and actively contributing to pollution prevention. According to the European Chemicals Agency (ECHA), the term microplastics refers to solid plastic particles containing polymers and functional additives that are smaller than 5 millimeters and are insoluble in water. These particles are intentionally added to some cosmetic products (e.g., as exfoliants in scrubs or as film-forming agents in makeup) or can be released unintentionally through the degradation of packaging materials. Due to their persistent nature, microplastics do not readily break down in the environment and may accumulate in soil, water bodies, and living organisms. This raises concerns about long-term ecological harm and the potential impact on human health. As regulatory frameworks, consumer awareness, and scientific understanding continue to evolve, the role of the beauty sector in mitigating microplastic pollution becomes increasingly relevant.

At DOUGLAS Group, we distinguish between the products of our partner brands and our corporate brands (own brand) portfolio. This differentiation reflects the varying degrees of influence and responsibility we hold within our value chain. Accordingly, in the following section, we outline how the topic is addressed across both areas of our business, in line with the requirements of this standard.

#### Policies related to pollution

##### E2-1 Policies related to pollution

DOUGLAS Group is committed to complying with applicable environmental regulations across the European Economic Area (EEA), including the REACH Regulation (EC No 1907/2006) and, in particular, its Annex XVII as amended by Regulation (EU) 2023/2055, which mandates a phased ban on microplastics. For

cosmetics, the regulation phases out intentionally added microplastics by October 16, 2027 for rinse-off products, October 16, 2029 for leave-on products, and October 16, 2035 for makeup, lip and nail products (which must carry a 'contains microplastics' label from October 17, 2031 to October 16, 2035). DOUGLAS Group takes this regulatory development very seriously and proactively encourages its suppliers to align with these requirements at an early stage.

As outlined above, DOUGLAS Group operates as a retailer, which means that its direct operational impact on microplastic emissions is limited. Nevertheless, DOUGLAS Group acknowledges its responsibility for influencing and supporting the reduction of microplastic use across its value chain.

During the reporting year, DOUGLAS Group introduced an Ingredient Policy that encourages all corporate brand producers to minimize or eliminate the use of microplastics in their formulations. This policy has been shared across all relevant supplier relationships and builds on the company's earlier "blacklist" approach, which had already restricted the use of microplastics in corporate brand products in previous years.

While DOUGLAS Group can exert greater influence over corporate brand producers, its influence on partner brand products is more limited. These products are typically purchased as ready-to-market goods based on customer demand, leaving less room for intervention in product composition or packaging design.

#### Targets related to pollution

##### E2-3 Targets related to pollution

DOUGLAS Group has not set any specific targets but is currently developing specific microplastic-related targets for its corporate brand products, with initial adoption planned for the 2025/26 financial year. These targets will build on existing commitments outlined in the Corporate Brand Ingredient Policy and substance restriction list ("blacklist"), both of which have already been communicated to all corporate brand producers.

The forthcoming targets are designed to go beyond regulatory compliance, particularly with Regulation (EU) 2023/2055, by setting more ambitious timelines for the elimination of intentionally added microplastics. The objective is to phase out such substances in advance of the following EU deadlines:

**17 October 2023:** Immediate ban on microbeads and loose glitter

**16 October 2027:** Ban on rinse-off cosmetics containing microplastics

**16 October 2029:** Ban on leave-on cosmetics and fragrance encapsulation

**17 October 2031:** Mandatory labeling of microplastic-containing makeup, lip, and nail products

**16 October 2035:** Full ban on microplastics in makeup, lip, and nail products

In line with these milestones, DOUGLAS Group is committed to phasing out intentionally added microplastics from its formulations for corporate brand products significantly earlier than required by law. This reflects our proactive approach to environmental responsibility and our ambition to support pollution prevention throughout our value chain.

While DOUGLAS Group's own operations do not result in direct microplastic emissions, we recognize the indirect environmental impact that cosmetic products may have – particularly when microplastics are rinsed off during use and enter aquatic ecosystems.

By accelerating the elimination of microplastics from our corporate brand products, we aim to reduce long-term environmental burdens and contribute meaningfully to ecosystem protection and restoration.

## Actions related to pollution

### E2-2 Actions and resources related to pollution

#### Corporate brands

Although DOUGLAS Group's direct control over microplastic pollution is limited, the company is committed to reducing the environmental impact of microplastics through active engagement with its upstream value chain, particularly in relation to product formulation and packaging design.

As outlined in the policy and target sections of this standard, DOUGLAS Group maintains a comprehensive restricted substances list for its corporate brands portfolio, shared with all relevant producers. This list explicitly designates microplastics as restricted ingredients, with the goal of ensuring early-stage avoidance during product development. In addition to this restriction, DOUGLAS Group collaborates closely

with producers to reformulate products and identify suitable alternatives, embedding microplastic reduction into the innovation and development process.

Looking ahead, further actions are planned for the upcoming 2025/26 financial year. These include the formal adoption of microplastics-related targets and intensified supplier collaboration to advance cleaner, microplastic-free formulations. This continued engagement not only strengthens compliance with emerging legislation but also fosters innovation in sustainable product design.

While DOUGLAS Group does not directly control how consumers use or dispose of cosmetic products, the Company acknowledges the potential for downstream environmental impact. Accordingly, Corporate Brands are exploring enhanced customer communication strategies, including guidance on product sustainability and responsible disposal practices. These measures may provide new opportunities for downstream engagement in the future.

We continued our partnership between DOUGLAS Group Corporate Brands and Plastic Bank this financial year 2024/2025. Over the four years of our collaboration, the initiative has removed plastic bottles from beaches, aiming to improve living conditions of people in the affected coastal communities.

#### Assortment & Purchasing

In addition to its corporate brand initiatives, DOUGLAS Group also works to influence its partner brand suppliers regarding product formulation. As part of this effort, DOUGLAS Group emphasized its compliance with the CSRD and the reduction of microplastics at the Global Partner Days in March and April 2025. This event brought together strategic and exclusive suppliers, representing a significant number of sell-out partners.

During the Global Partner Days, DOUGLAS Group reinforced its support for partners' efforts to phase out microplastics and encouraged alignment with upcoming regulatory requirements, in particular Regulation (EU) 2023/2055, which amends Annex XVII of the REACH Regulation (EC) No. 1907/2006. DOUGLAS Group communicated clear expectations for full supplier compliance and promoted the early adoption of microplastic-free formulations as a shared industry goal. Further, DOUGLAS Group is open to supporting its suppliers where possible by, for example, listing microplastic-free products when an alternative to the conventional product exists.

Resources for these actions are not allocated on a detailed basis but incorporated into the financial planning cycle and operational budgets.



## E5 – RESOURCE USE AND CIRCULAR ECONOMY

### The undertaking's material impacts, risks and opportunities regarding resource use and circular economy

Topic	Sub-topic	Type of materiality	Classification	Time horizon (if empty, then applicable to all time horizons)	Location of material impacts within the value chain	Description of material impacts
ESRS E5 Resource Use & Circular Economy	Resource inflows, incl. resource use	Negative impact	Actual		Upstream value chain	Negative impact on the environment from ingredients in items produced by suppliers and sold by DOUGLAS Group (e.g., petroleum-based emollients in moisturizers, surfactants, etc.)
ESRS E5 Resource Use & Circular Economy	Resource outflows	Negative impact	Actual		Own operations	Product and E-Commerce packaging also relies on non-sustainable and non-recyclable materials. This causes environmental pollution, with waste ending up in landfills and oceans, taking years to decompose, endangering wildlife, and disrupting ecosystems as long as not recycled
ESRS E5 Resource Use & Circular Economy	Waste	Negative impact	Actual		Downstream value chain	The negative environmental impact of product waste, including E-Commerce packaging, retail bags, and unsold products returned to suppliers, as well as waste generated by customers, is substantial. Both customers and suppliers contribute to this waste stream when products and packaging are discarded, generating significant environmental burdens. This linear consumption model results in vast landfill waste, as materials like plastics taking years to decompose. Additionally, products returned to suppliers often end up discarded, adding to the problem. While a circular economy with refill options offers a promising and more sustainable alternative, it has yet to gain widespread acceptance

The transition to a circular economy is central to addressing the global challenges of resource scarcity, environmental degradation, and waste generation. Within the beauty retail industry, circularity plays a role in promoting the sustainable use of resources, reducing the environmental impact of packaging and product waste, and meeting rising expectations from regulators and consumers alike.

As a European leading omnichannel provider of premium beauty, DOUGLAS Group recognizes its responsibility for reducing its environmental footprint and actively supporting the shift toward a more circular system. In line with ESRS E5 – Resource Use and Circular Economy, we have identified several material impacts throughout our value chain.

In the upstream value chain, the ingredients used in product formulations for both corporate and partner brands represent a key area of resource inflow.

In terms of resource outflows, product packaging and other packaging materials (including shopping bags, gift wrapping, shipping parcels, and logistics packaging) have been identified as material topics. These materials are not only significant from a resource consumption perspective but also represent a major source of waste,

particularly in the downstream phase of the product life cycle.

Product and packaging waste, across both upstream and downstream stages, constitutes a third area of material impact. Preventing such waste and designing products and packaging for circularity, as well as ensuring effective recovery, recycling and reuse pathways—whether generated during production, distribution, or post-consumer use—are essential to closing material loops and minimizing environmental harm

To address these challenges and opportunities, several key departments at DOUGLAS Group are actively involved:

1. **DOUGLAS Group's Corporate Brands team** integrates circular design principles into product development and packaging innovation;
2. **The Assortment & Purchasing team**, responsible for steering the assortment, engaging with partner brands, and managing procurement decisions;
3. **The Supply Chain Management team**, which oversees packaging materials and logistics processes with a focus on efficiency, waste reduction, and recyclability.

At DOUGLAS Group, we distinguish between the products of our partner brands and our corporate brands portfolio as well as packaging from a supply chain management point of view. This distinction reflects the varying degrees of influence we hold within the value chain. In the following sections, we detail how the principles of the circular economy are applied across both business segments and the supply chain.

## Policies related to resource use and circular economy

### E5-1 Policies related to resource use and circular economy

#### Corporate brands

The material impacts related to resource outflows—specifically packaging and product waste—are primarily managed through our Sustainable Packaging Policy. This policy is designed to minimize the environmental footprint of packaging across the product lifecycle by advancing responsible sourcing, reducing waste, and improving recyclability.

The policy focuses on the following key principles:

- **Responsible sourcing:** Preference is given to FSC-certified materials across both new product launches and the permanent assortment. This ensures that renewable materials are sourced from responsibly managed forests.
- **Supplier engagement and compliance:** All packaging producers are onboarded to the policy, supported by a roadmap to ensure full alignment across production partners.
- **Circular design:** Packaging is evaluated using the RRR framework (Recyclable, Recycled content, Reusable solutions). This facilitates structured, measurable improvements and supports the development of impact-driven targets by the 2025/26 financial year. By prioritizing certified and circular materials, DOUGLAS Group aims to phase out virgin resource use wherever viable. While the current focus is on FSC-certified paper-based materials, efforts are underway to assess and increase recycled content across the packaging portfolio, guided by ongoing RRR mapping. This framework helps to ensure that packaging is not only responsibly sourced but also designed for circular use, aligning with the waste hierarchy by emphasizing prevention, recyclability, and reuse.

Key pillars of the corporate brands packaging strategy include:

- **Prevention:** Integrating sustainability into packaging design and material selection from the earliest development stages.
- **Recyclability & reuse:** Using RRR mapping to identify and implement recyclable or reusable packaging solutions.
- **Responsible sourcing:** Prioritizing certified materials like FSC to reduce environmental degradation and promote sustainable forestry.

#### Assortment & Purchasing

While DOUGLAS Group has greater influence on the development of corporate brand packaging, the Assortment & Purchasing team manages packaging and waste-related impacts primarily through supplier agreements and return handling options. These are codified in the following policies/ concepts:

- **Standard Trading Agreement (STA):** Compliance with environmental and product safety laws, such as REACH (Regulation (EC) No. 1907/2006), including microplastic restrictions outlined in Regulation (EU) 2023/2055.
- **Supplier Code of Conduct (SCoC):** requiring compliance with all applicable environmental regulations, including waste and wastewater management procedures.
- **Due Diligence Questionnaire (DDQ):** gathering supplier-level information on environmental practices and regulatory compliance across the value chain.

Supplier sustainability performance is reviewed through internal processes, ensuring that high-risk suppliers are identified and engaged accordingly. The due diligence process is structured as follows: The responsible business department<sup>1</sup> initiates the process by sending the Due Diligence Questionnaire (DDQ) to the respective business partner and subsequently collects and reviews the completed response. If the answers provided in the questionnaire or findings from a business partner screening indicate potential red flags, the Compliance team is consulted for further evaluation. Based on this assessment, Compliance either advises the business department on appropriate next steps or grants approval to proceed. Only upon receiving clearance from the Compliance team—or if no red flags are identified during the initial review—is the business department authorized to issue the Supplier Code of Conduct (SCoC) for signature by the business partner.

<sup>1</sup> Purchasing and Market Place, Own Brands, Real Estate and any department engaging with business partners

### Supply Chain Management

To further reduce environmental impacts from packaging waste, DOUGLAS Group plans to implement a Group Packaging Materials Policy during the upcoming two financial years. This policy will govern all secondary and tertiary packaging materials used in distribution, covering:

- Transport packaging (e.g., cartons, pallets)
- Protective materials for transit (e.g., void fill, cushioning)
- Reusable transport units (e.g., foldable plastic boxes)

The key objectives of this policy will be to:

- Reduce the use of virgin packaging materials
- Increase the proportion of recyclable and recycled content
- Encourage the transition to reusable transport packaging formats

The policy will be developed with regards to the impacts of DOUGLAS Group's resource outflows and waste as identified in our DMA. The aim is that the policy covers DOUGLAS Group's downstream value chain, thus all operations that start in our OWACs. The objective is to implement the policy in all clusters once development is complete. Affected internal stakeholders are our Supply Chain Management, Assortment & Purchasing, Corporate Brands and the Group Indirect Procurement units as well as our stores. The SVP of Supply Chain Management will be responsible for the development and implementation of the policy. Furthermore, the aim will be to support PPWR compliance with the Group Packaging Materials Policy.

This initiative is expected to enhance circularity across logistics operations, align DOUGLAS Group's supply chain practices with its environmental goals, and contribute to broader waste prevention efforts across the upstream and downstream value chain

### Targets related to resource use and circular economy

#### E5-3 Targets related to resource use and circular economy

As of the reporting period, DOUGLAS Group has not yet formally adopted quantifiable targets related to the material impacts identified under ESR5 E5 - Resource Use and Circular Economy, specifically regarding resource inflows, outflows, and waste. However, efforts are well underway to establish measurable and time-bound goals to guide progress toward greater circularity.

DOUGLAS Group is currently developing a set of circularity-focused targets for its corporate brands, guided by the ongoing RRR assessment (Recyclable, Recycled content, Reusable). These targets are expected

to be formalized during the 2025/26 financial year with the aim of:

- Increasing the circular material usage rate, particularly through the use of secondary (recycled) materials in packaging.
- Improving recyclability and identifying reusable solutions based on circular design principles.
- Supporting design for circularity across both primary and secondary packaging.

While no formal targets have been set to date, the outcome of the RRR assessment, combined with the evaluation of existing packaging materials under the Sustainable Packaging Policy, will serve as the basis for measurable targets starting in the 2025/26 financial year.

In parallel, the planned implementation of the Group Packaging Materials Policy (in the upcoming two financial years) will be accompanied by a dedicated set of performance indicators to assess the effectiveness of the policy. These may include:

- The percentage of recycled content in transport and logistics packaging.
- The average number of reuse cycles per reusable transport unit (e.g., foldable plastic boxes).
- The reduction in virgin material usage across packaging formats.

These metrics will support the Company's broader ambition to reduce the environmental impact of its logistics operations and align transport packaging practices with circular economy principles.

Although formal, quantifiable targets are still in development, DOUGLAS Group currently manages its material impacts through a set of existing policies, processes, and actions. These include the Sustainable Packaging Policy, supplier engagement frameworks, and the forthcoming Supply Chain Packaging Materials Policy.

### Actions related to resource use and circular economy

#### E5-2 Actions related to resource use and circular economy

DOUGLAS Group addresses the material impacts related to the circular economy through coordinated action across its Corporate Brands, Assortment & Purchasing, and Supply Chain Management functions. These departments work in alignment to promote resource efficiency, reduce packaging and product waste, and implement circular design principles.

Due to the nature of its business model as a retailer, DOUGLAS Group has limited direct influence over waste and packaging decisions made by upstream product suppliers or downstream consumers. As such, many

circular economy impacts lie outside of DOUGLAS Group's immediate operational control.

However, DOUGLAS Group is able to exert greater influence through its corporate brands, where product development and packaging design are managed internally, and through its Supply Chain Management function, which governs packaging materials and logistics practices. These areas represent the Company's strongest areas of leverage for impact and are therefore the primary focus for circularity-related actions.

### Corporate brands

DOUGLAS Group has initiated a number of structured activities aimed at embedding circularity into its corporate brand product development and packaging. Key actions include:

- Supplier onboarding and roadmap development to ensure alignment with circular packaging requirements and the Sustainable Packaging Policy.
- Execution of a comprehensive RRR assessment (Recyclable, Recycled content, Reusable) to identify improvement opportunities and establish measurable targets for the 2025/26 financial year.
- Deployment of a carbon footprint calculator and eco-design tool (Fairglow) to guide packaging decisions based on environmental impact and resource efficiency.

Resource allocation includes:

- Cross-functional responsibility distributed across ESG, Brand Management, and Procurement teams.
- Dedicated budget for sustainability tools and assessments, including Fairglow.
- Ongoing integration of circularity criteria into product development workflows and packaging specifications.

These actions cover the upstream value chain and internal operations of DOUGLAS Group (corporate brands product development). The expected outcome of these actions is improved recyclability, reusability and recycled content, as well as reduced packaging waste and the alignment of product development with circularity objectives. The implementation of the actions is ongoing. The RRR assessment is due to be completed in the 2024/2025 financial year. Supplier onboarding is a recurring process to ensure continuous improvement.

### Assortment & Purchasing

DOUGLAS Group distributed a partner newsletter in December 2024 to all brand partners, emphasizing the importance of sustainability and highlighting its commitment to reducing energy consumption and waste across stores, offices, and the supply chain. DOUGLAS Group outlined its collaboration with brand partners to advance sustainability, e.g. regarding ways to reduce

packaging, minimize waste, and promote recycling and reuse.

Furthermore, refill options are offered both in-store and online, including refill stations and refillable and refill products for several product categories.

To advance waste and packaging circularity, DOUGLAS Group clearly communicated its expectations and commitments during the Global Partner Days held in March/April 2025. This key event brought together strategic and exclusive brand partners, representing a significant number of sell-out partners. During these sessions:

- DOUGLAS Group emphasized its support for brand partners' efforts to reduce packaging and product waste.
- Clear expectations were voiced regarding compliance with EU regulations, including upcoming restrictions on microplastics under Regulation (EU) 2023/2055.
- DOUGLAS Group encouraged early adoption of circular packaging solutions, with an emphasis on refillable, recyclable, and minimal packaging formats.

Through these communications, A&P reinforced DOUGLAS Group's commitment to aligning its partner brand portfolio with circular economy principles and to fostering collaborative action across the upstream value chain.

According to DOUGLAS internal evaluation, these actions are expected to increase the share of "natural" and "sustainable" products in the assortment, reduce packaging waste, and ensure compliance with evolving EU regulations. Their scope covers the upstream value chain through collaboration with brand partners, directly engaging suppliers. They are pursued on an ongoing process without fixed completion timelines.

DOUGLAS Group currently does not allocate significant resources to the actions mentioned above.

### Supply Chain Management

Supply Chain Management is implementing concrete measures to improve the sustainability of packaging materials used throughout the B2B and B2C logistics network. Key initiatives include:

- Introduction of so-called folding frames for packing our master cartons. These reusable folding frames allow us to load more master cartons per trolley, reduce the number of trolleys delivered to stores, and simultaneously avoid or reduce the use of stretch film when shipping to stores.
- Transition from printed mint-colored to plain brown boxes, contributing to increased use of biodegradable and recyclable packaging.

- Use of foldable and reusable plastic crates for store deliveries, reducing single-use packaging waste.

The expected outcomes of these actions include higher transport efficiency, reduced packaging waste, improved recyclability and lower emissions in logistics. The scope of the measures primarily covers downstream activities in logistics and store deliveries.

Folding frames and reusable plastic crates were introduced in the current 2024/2025 financial year with continuous application thereafter. The transition to plain brown boxes was introduced in October 2023 and continues as a permanent measure.

DOUGLAS Group currently does not allocate significant resources to the actions mentioned above.

## Metrics relating to resource use and circular economy

### E5-4 Resource inflows

Across DOUGLAS Group's product portfolio, the primary product groups are fragrance, skin-care, makeup, hair-care, and accessories. The accessories segment is a smaller and highly diverse category; therefore, the focus here will be on the first four categories. Each of these product groups has been developed with specifically selected ingredients to achieve the intended functional and sensory effects.

Fragrance products typically consist of a blend of aromatic compounds, including both natural essential oils and synthetic fragrance molecules. These substances are generally dissolved in ethanol, which acts as the primary solvent (often with added water). Fixatives and antioxidants are included to enhance scent longevity and stability.

Skin Care products, such as creams, lotions, and serums, are usually water-based emulsions or solutions/gels. Common ingredients include emollients like glycerin, shea butter, and various plant oils, as well as humectants such as hyaluronic acid and propylene glycol. These formulations also contain emulsifiers and stabilizers to maintain consistency, and a range of active ingredients including vitamins, peptides, and botanical extracts. Preservatives are used to ensure microbiological safety.

Makeup products, including foundations, lipsticks, mascaras, and eyeshadows, use a variety of ingredients depending on the format. Typical components include mineral pigments such as iron oxides, titanium dioxide, and mica for color and coverage. Binders, emollients, and waxes provide structure and texture, and may include silicones, castor oil, and carnauba wax. Powders may contain talc, silica, or starch derivatives, while all

products contain stabilizers and preservatives to ensure performance and shelf stability.

Hair Care products, including shampoos, conditioners, and treatments, are generally water-based and use surfactants. Conditioning agents, such as silicones, oils, or quaternary ammonium compounds, are included to support manageability. Many formulations also contain functional ingredients like panthenol, niacinamide, or hydrolyzed keratin. Thickeners, preservatives, and fragrances are also part of the composition to ensure product performance.

These ingredient profiles reflect the technical and sensory requirements of each product group, tailored to their intended use and consumer expectations.

Given that the material impact of resource inflows lies solely in the upstream value chain, DOUGLAS Group makes use of EFRAG's Q&A, which permits qualitative reporting of these inflows leaving out quantitative data points.

### E5-5 Resource outflows

The packaging of DOUGLAS Group product categories is designed to preserve product integrity, ensure functionality, and support aesthetic appeal, using a range of material combinations suited to each format.

Fragrance products are commonly packaged in glass bottles, chosen for their ability to preserve volatile fragrance compounds. These are often equipped with plastic or metal spray pumps and sealed with caps made of plastic or metal, sometimes incorporating decorative elements. Outer packaging typically includes folding boxes made of paperboard, often printed or finished with foils, varnishes, or embossed design elements.

Skin Care products, such as face and body creams, lotions, and serums, are packaged in various formats depending on their consistency and intended use. Common primary packaging includes plastic jars, tubes, and pump bottles made from materials such as polyethylene (PE), polypropylene (PP), polyethylene terephthalate (PET), or blends thereof. In some cases, glass containers are used, especially for premium or sensitive formulations. These products are frequently packed in secondary paperboard boxes to support protection of the glass containers as well as communication on product ingredients (INCI list).

Makeup products use diverse packaging solutions tailored to the product type. Lipsticks and mascaras are typically contained in rigid plastic or metal tubes, often with custom applicators. Foundations may be filled into glass or plastic bottles with dispensers, while compact powders and eyeshadows use plastic or mixed-material compacts with integrated mirrors and applicators. These formats often require complex assemblies using multiple



types of plastics. Outer packaging may include branded paperboard cartons.

Hair Care products such as shampoos, conditioners, and treatments are usually packaged in plastic bottles, tubes, or jars. Common materials include high-density polyethylene (HDPE), low-density polyethylene (LDPE), and PET, selected for their durability and compatibility with aqueous formulations. Closure systems include flip-top caps, pumps, or screw lids made primarily from PP or other plastics. In certain formats, sachets or refill pouches are used, typically made from multilayered plastic films.

Across all categories, packaging serves to support product stability, user safety, and shelf presentation.

The composition of packaging outflows is as follows:

1. Parcels consist primarily of corrugated cardboard boxes used for the shipment of products to customers. Depending on the product, parcels may be single- or double-walled and vary in weight and size.
2. Filling material, which is typically included in parcels as protective fillers such as paper, cardboard, or plastic-based materials (e.g. bubble wrap or air cushions). These ensure product integrity during handling and transport.
3. Shopping bags include paper bags and reusable textile bags provided to customers in stores.
4. Gift wrapping is used for promotional and seasonal activities. It includes wrapping paper, silk tissue paper, carton gift boxes, ribbons, and decorative packaging. While primarily paper-based, these outflows may also contain small plastic or metallic components that limit recyclability.

Although resource outflows constitute a material impact within DOUGLAS Group's operations, quantitative data points have not been reported. DOUGLAS Group positions itself as a retailer rather than a producer of products or e-commerce packaging, and therefore does not generate such data internally. Similarly, quantitative information on waste has not been included, as this impact is considered material only in the downstream value chain.

## EU TAXONOMY

### Additional Disclosures on the EU Taxonomy

#### Reporting on the EU Taxonomy Regulation

To achieve the EU's climate and energy targets and the objectives of the EU Green Deal, the EU adopted Regulation (EU) 2020/852 "EU Taxonomy Regulation" – a classification system to define "environmentally sustainable" economic activities. With the adoption of Delegated Regulation (EU) 2021/2139, supplemented by Delegated Regulation (EU) 2023/202485, Technical Screening Criteria were introduced to determine which economic activities are considered sustainable and thus contribute significantly to climate change mitigation and/or adaptation without significantly compromising other environmental objectives. The aim is to classify economic activities in terms of their contribution to six defined environmental objectives on the basis of defined requirements in order to steer capital flows towards sustainable investments:

- (1) Climate change mitigation
- (2) Climate change adaptation,
- (3) Sustainable use and protection of water and marine resources,
- (4) Transition to a circular economy,
- (5) Pollution prevention and control and
- (6) Protection and restoration of biodiversity and ecosystems.

Therefore, in accordance with Article 8 of Delegated Regulation (EU) 2020/852, reporting entities must disclose the proportion of their turnover, capital expenditure (CAPEX) and operating expenditure (OPEX) associated with Taxonomy-eligible and Taxonomy-aligned economic activities.

An activity must be allocated to one of the six objectives to be reported as Taxonomy-eligible regardless of whether the criteria are met. For an activity to be considered environmentally sustainable, i.e. Taxonomy-aligned, and to be reported as such, it must meet the following criteria set out in Article 3 of Regulation (EU) 2020/852.

**Significant contribution:** The economic activity must make a significant contribution to one of the six environmental objectives in accordance with Articles 10 to 16 by meeting the Technical Screening Criteria established for that economic activity.

**Avoidance of significant adverse effects ('Do No Significant Harm' – 'DNSH'):** It must not significantly harm any of the other environmental objectives.

**Minimum safeguards:** The company carrying out the activity must comply with and take measures to ensure minimum safeguards of human rights, including labor rights, bribery/corruption, taxation, and fair competition.

#### Explanations of the procedure – our approach TURNOVER

The Delegated Acts published under the EU Taxonomy with regard to the six environmental objectives currently focus on sectors with the highest CO<sub>2</sub> emissions. As such, the retail sector has not yet been explicitly taken into account. As a result, DOUGLAS Group's economic activity, – retail of cosmetics and fragrance products – has not yet been classified as Taxonomy-eligible. For this reason, no sales are to be reported as Taxonomy-eligible.

#### CAPEX

The following Taxonomy-eligible activities have been identified Transport by motorbikes, passenger cars and light commercial vehicles (6.5), Installation, maintenance and repair of energy efficiency equipment (7.3), Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings (7.5), Installation, maintenance and repair of renewable energy technologies (7.6), Acquisition and ownership of buildings (7.7).

Capital expenditure is calculated as the sum of additions to intangible assets, excl. goodwill, property, plant and equipment and right-of-use assets (excluding revaluations) in the financial year, as disclosed in the notes to the consolidated financial statements under 13 Intangible assets in accordance with IAS 38.118e, 14 Property, plant and equipment in accordance with IAS 16.73e, and 15 Right-of-use assets and lease liabilities in accordance with IFRS 16.53h.

## OPEX

The definition of OPEX according to the Taxonomy Regulation includes expenses for research and development, short-term rental agreements, maintenance and repair costs, and certain other expenses. Total OPEX according to the EU Taxonomy definition amounts to EUR 27 million in the 2024/2025 financial year. With regard to total OPEX, only a share of <1% can be attributed to the OPEX KPI. Therefore, OPEX is not material according to the EU Taxonomy definition. For this reason, we are making use of the exemption clause in Annex I of Delegated Regulation 2021/2178 of July 6, 2021 by reporting the numerator of the OPEX KPI as 0.

## Reporting of key Taxonomy figures

The Taxonomy KPIs and the reporting of Taxonomy-eligible economic activities are determined in accordance with Annex 1 of Delegated Regulation EU 2021/2178 of July 6, 2021. The financial data relevant to DOUGLAS Group is taken from the consolidated financial statements in accordance with IFRS for the 2024/2025 financial year. CAPEX for the 2024/2025 financial year is presented in accordance with the requirements of the EU Taxonomy Regulation, as are the operating expenses in accordance with the content requirements for these KPIs. In order to avoid double counting when assigning CAPEX, each economic activity has been clearly and unambiguously assigned to a category and documented. This ensures transparency and compliance with the requirements of Regulation (EU) 2020/852 and provides a comprehensive overview of our economic activities assessed in accordance with the Taxonomy Regulation.

In the 2024/2025 financial year, only CAPEX amounts under activity 7.7 Acquisition and ownership of buildings (including leasing of buildings) of the environmental objectives climate change mitigation and adaptation exceeded the defined materiality threshold.

Due to limited data availability, materiality could not be determined for activity 7.3 Installation, maintenance and repair of energy efficiency equipment. DOUGLAS Group has already begun to implement measures to be able to provide this data in the future in order to determine whether the value of this activity is above or below the materiality threshold. The economic activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles, 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings, and 7.6. Installation, maintenance and repair of renewable energy technologies were also on the shortlist, but were also below the materiality threshold in the past 2024/2025 financial year.

Total CAPEX in the 2024/2025 financial year amounted to EUR 637 million and CAPEX for Taxonomy-eligible activities amounted to EUR 450 million, resulting in 71% Taxonomy-eligible. This is 8 percentage points higher than last year.

Since, as described above, the Taxonomy-eligible CAPEX under activity 7.7 Acquisition and ownership of buildings that relate to the rights to use the properties (IFRS 16 Right-of-Use Assets) involve acquired products and services (so-called CAPEX C), the fulfillment of the criteria for Taxonomy alignment lies with the corresponding landlords or lessors. DOUGLAS Group has therefore requested the evidence required for Taxonomy alignment listed in Article 3 of the EU Taxonomy Regulation from its main landlords.

As described above, the Taxonomy-eligible CAPEX relates to purchased products and services (so-called CAPEX C). Responsibility for reviewing fulfillment of the criteria for Taxonomy alignment lies with the lessors. Based on the information available and the feedback received, DOUGLAS Group was unable to prove the Taxonomy alignment of capital expenditure, as the evidence for Taxonomy-aligned CAPEX was too small in relation to the total amount. Therefore, the proportion of Taxonomy-aligned CAPEX, again in relation to the denominator, is 0%.

The adopted amending regulation 2022/1214 now classifies certain nuclear energy and natural gas activities as environmentally sustainable economic activities according to the EU Taxonomy under certain conditions. DOUGLAS Group itself does not carry out any activities in the areas of nuclear energy and fossil gas. Detailed information on the Taxonomy KPIs according to Annex II of the Delegated Regulation can be found in the following tables.

Proportion of turnover/total turnover <sup>1</sup>		
in %	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	0
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

Economic activities (1)	Code <sup>1</sup> (2)	Substantial contribution criteria								DNSH criteria ("do no significant harm")							Proportion of tax-onomy-aligned (A.1) or tax-onomy-eli-gible (A.2) revenue FY 2023/2024 (18)	Category: enabling activity (19)	Category: transitional activity (20)
		Revenue (3)	Proportion of revenue (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)			
		(in Mio. €)	(in %)	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(in %)	(E)	(T)
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Revenue for environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0								0		
of which enabling activity		0	0	0	0	0	0	0	0								0		
of which transitional activity		0	0	0	0	0	0	0	0								0		
A2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)																			
				el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>										
Revenue for taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		0	0	0	0	0	0	0	0								0		
Total (A.1 + A.2)		0	0	0	0	0	0	0	0								0		
B. Taxonomy-non-eligible activities																			
Revenue for taxonomy-non-eligible activities (B)		4,575	100																
Total (A + B) <sup>3</sup>		4,575	100																

<sup>1</sup> CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Water; PPC: Pollution; CE: Circular economy; BIO: Biodiversity.

<sup>2</sup> ‚y‘ = ‚yes‘, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective; ‚n‘ = ‚no‘, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective; ‚n-el‘ = ‚not eligible‘, taxonomy-non-eligible activity for the respective environmental objective; ‚el‘ = ‚eligible‘, taxonomy-eligible activity for the respective objective.

<sup>3</sup> Net sales as reported in the Consolidated Statement of Profit or Loss.

Proportion of Opex/total Opex <sup>1</sup>		
in %	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	0
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

Economic activities (1)	Code <sup>1</sup> (2)	Opex (3)	Proportion of Opex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Substantial contribution criteria				DNSH criteria ("do no significant harm")				Category: enabling activity (19)	Category: transitional activity (20)
						Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)		
		(in Mio. €)	(in %)	(j/n; n-el <sup>1</sup> )	(j/n; n-el <sup>1</sup> )	(j/n; n-el <sup>1</sup> )	(j/n; n-el <sup>1</sup> )	(j/n; n-el <sup>1</sup> )	(j/n; n-el <sup>1</sup> )	(j/n <sup>1</sup> )	(j/n <sup>1</sup> )	(j/n <sup>1</sup> )	(j/n <sup>1</sup> )	(E)	(T)
A. Taxonomy-eligible activities															
A.1 Environmentally sustainable activities (taxonomy-aligned)															
Opex for environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0						
of which enabling activity		0	0	0	0	0	0	0	0						
of which transitional activity		0	0	0	0	0	0	0	0						
A2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)															
				el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>						
Opex for taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		0	0	0	0	0	0	0	0						
Total (A.1 + A.2)		0	0	0	0	0	0	0	0						
B. Taxonomy-non-eligible activities															
Opex for taxonomy-non-eligible activities (B)		27	100												
Total (A + B)		27	100												

<sup>1</sup> CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Water; PPC: Pollution; CE: Circular economy; BIO: Biodiversity.

<sup>2</sup> ‚y‘ = ‚yes‘, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective; ‚n‘ = ‚no‘, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective; ‚n-el‘ = ‚not eligible‘, taxonomy-non-eligible activity for the respective environmental objective; ‚el‘ = ‚eligible‘, taxonomy-eligible activity for the respective objective.



Proportion of Capex/total Capex <sup>1</sup>		
in %	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	71
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

Economic activities (1)	Substantial contribution criteria										DNSH criteria ("do no significant harm")								
	Code <sup>1</sup> (2)	Capex (3)	Proportion of Capex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of tax-onomy-aligned (A.1) or tax-onomy-eligible (A.2) Capex FY 2023/2024 (18) <sup>3</sup>	Category: enabling activity (19)	Category: transitional activity (20)
		(in Mio. €)	(in %)	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n; n-el <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(y/n <sup>2</sup> )	(in %)	(E)	(T)
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Capex for environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0								0		
of which enabling activity		0	0	0	0	0	0	0	0								0		
of which transitional activity		0	0	0	0	0	0	0	0								0		
A2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)																			
				el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>	el; n-el <sup>2</sup>										
Acquisition and ownership of buildings	CCM 7.7	450	71	el <sup>2</sup>	n-el <sup>2</sup>	n-el <sup>2</sup>	n-el <sup>2</sup>	n-el <sup>2</sup>	n-el <sup>2</sup>								63		
Capex for taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		450	71	71	0	0	0	0	0								63		
Total (A.1 + A.2)		450	71	71	0	0	0	0	0								63		
B. Taxonomy-non-eligible activities																			
Capex for taxonomy-non-eligible activities (B)		187	29																
Total (A + B)		637	100																

<sup>1</sup> CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Water; PPC: Pollution; CE: Circular economy; BIO: Biodiversity.

<sup>2</sup> ‚y‘ = ‚yes‘, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective; ‚n‘ = ‚no‘, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective; ‚n-el‘ = ‚not eligible‘, taxonomy-non-eligible activity for the respective environmental objective; ‚el‘ = ‚eligible‘, taxonomy-eligible activity for the respective objective.

<sup>3</sup> Prior-year figures have been restated to reflect methodological alignment with EU Taxonomy requirements. The restatement affects the CapEx denominator and the share of taxonomy-eligible activities. Updated figures are presented in this table.

# Social Information

## S1 – OWN WORKFORCE

Topic	Sub-topic	Type of materiality	Classification	Time horizon (if empty, then applicable to all time horizons)	Location of material impacts within the value chain	Description of material impacts
ESRS S1 Own Workforce	Working conditions	Positive impact	Actual		Own operations	DOUGLAS Group offers fair remuneration, a positive company culture, and an inclusive management style to create a safe and healthy working environment. DOUGLAS Group emphasizes open communication, flexible working hours, and work-life inclusion, creating a supportive environment where employees feel valued and empowered
ESRS S1 Own Workforce	Equal treatment and opportunities for all	Positive impact	Actual		Own operations	DOUGLAS Group offers its employees meaningful employment opportunities within an inclusive and supportive environment. DOUGLAS Groups' commitment to diversity ensures that individuals from all backgrounds feel welcome and valued. DOUGLAS Group empowers its employees to thrive and contribute their unique perspectives, ultimately enhancing both personal growth and organizational success
ESRS S1 Own Workforce	Equal treatment and opportunities for all	Positive impact	Actual		Own operations	DOUGLAS Group empowers its employees to enhance their skills and knowledge by offering leadership development, job-specific courses, and programs offered by the DOUGLAS Academy, as well as development opportunities

### The undertaking's material impacts, risks and opportunities regarding the own workforce

#### SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

At DOUGLAS Group, the impacts on our employees are an integral part of our strategy and business model supported by our ESG framework. As outlined under S1-4, we systematically evaluate these positive impacts to inform strategic adjustments that promote sustainable growth. Operating across Europe, we tap into diverse cultural contexts to reinforce our core values. These values guide our HR practices and strategic initiatives such as Diversity, Equality & Inclusion (DE&I), ensuring that diverse insights from our workforce refine our business model effectively. Our commitment to fair wages and growth opportunities reflects the adaptation of our strategy, aiming for a supportive and empowering workplace across the entire Group. Further information on how the material impacts inform and contribute to

adjusting the strategy and business model are described in ESRS 2 SBM-3.

DOUGLAS Group's business model fundamentally relies on the expertise and creativity of our workforce.

Our 19,983 employees are the people behind one of Europe's leading omnichannel provider for premium beauty. Our core values passion, ownership, and appreciation are integral elements of our operational strategy and guide our decision-making processes. These values not only shape our HR guidelines and processes, from recruitment to further education and performance evaluation, but also inform and drive continuous adaptations to our strategy and business model.

Fostering excellent working conditions and equal treatment and opportunities for all are therefore material for us. We are committed to ensuring fair remuneration, fostering a positive organizational culture, and cultivating

an inclusive management style to guarantee a safe and healthy workplace.

By prioritizing open communication and flexible working hours, we establish an environment where employees are treated with respect and empowerment, strengthening a culture of belonging, cooperation, and appreciation.

#### STRENGTHENING A CULTURE OF BELONGING, COOPERATION AND APPRECIATION.

Our dedication to DE&I is essential to our corporate culture and aims to ensure that individuals from varied backgrounds feel welcomed. Regular feedback mechanisms, such as employee surveys and employee dialog, are implemented to capture unique insights from employees. These insights are then systematically analyzed to inform strategies for personal development and organizational improvement. They also continuously inform strategic adjustments to enhance our business model.

We set clear priorities to increase diversity in various dimensions and create an environment of belonging. Our aim is to create a working environment in which everyone can develop personally and professionally and to make DOUGLAS Group a place of growth.

To support employee development, we provide comprehensive on-the-job training, specialized courses, targeted training, and further education programs via channels including the DOUGLAS Academy, which is accessible for all our 15,000 Beauty Advisors. We are committed to shaping a culture of appreciation that strengthens cooperation and team spirit and thus facilitates a sustainable and successful future for DOUGLAS Group.

The interests, viewpoints, and rights of our employees hold particular importance for us. We engage with them through various channels and events to consistently evolve.

Within the first double materiality assessment, only the impacts previously mentioned have been recognized as material, with no significant risks or opportunities identified. Our material impacts apply to all our employees.

Within our own workforce, three types of employees are affected by workforce-related material impacts.

1. **Office employees:** Permanent and temporary employees working in offices in all global corporate locations in different functions (such as Marketing, Finance, Procurement, E-Commerce, Human

Resources), in permanent positions and temporary contracts.

2. **Store employees:** Employees with different roles in retail stores who have direct consumer contact (Store Management, Beauty Advisors), employed on a permanent and temporary basis.
3. **Warehouse employees:** Employees working onsite in distribution and logistics centers.

To foster positive impacts on its workforce, DOUGLAS Group has several targeted global initiatives in place:

- **Work-life balance:** Flexible working hours for our employees in stores and Mobile Office Policy for office employees.
- The DE&I Policy rolled out in 2025 defines clear guidelines for inclusion in the areas of management, recruitment, and training, and is accompanied by comprehensive communication measures.
- We are investing in the renovation of our headquarters to improve workplace conditions. This initiative aims to contribute to a positive and health-promoting working environment while creating spaces that foster collaboration and networking among employees. The building had already been certified as a green building prior to the renovation.
- Employee Resource Groups (ERG) have been set up as formal interest networks, aiming to provide employees with opportunities to connect on inclusion-related topics and serve as a voice to the management.
- Fair and transparent remuneration: To increase transparency in career paths and development opportunities, standardized job descriptions and a transparent job leveling architecture were introduced for office employees in Germany from the 2023/2024 financial year onward and have already been expanded to parts of our segments.
- At the same time, we are working on the introduction of regional salary bands, supported by country-specific benchmark data, aiming to ensure fair and competitive remuneration. The aim is to create sustainable and harmonized remuneration structures that meet regional requirements and promote the long-term satisfaction of our employees, while also generating long-term competitiveness in our talent markets and transparency for employees on job level structure.
- In the 2024/2025 financial year, DOUGLAS Group has rolled out its goal- and competence-based performance assessment tool, the #DOUGLASDialogue, for all headquarter employees across all European central offices. The #DOUGLASDialogue has already been used as an assessment tool for all employees at the German headquarters since the previous financial year and is linked to the pay-rise process.

DOUGLAS Group has implemented actions to mitigate environmental effects and establish climate neutral, eco-

friendly processes while actively striving to minimize any substantial effect on the workforce.

At present, we foresee no significant impacts on our workforce stemming from our transition plans moving forward. We do not anticipate any restructuring or employment loss as part of our response to climate change. Instead, we see the transition to greener operations as a potential opportunity to create new jobs and upskill our own workforce in environmental topics.

As part of our materiality assessment, we thoroughly examined all potential impacts and risks associated with forced and child labor in our own operations. Our assessment indicated no substantial risk of these issues arising within our own operations. Further potential impacts in our supply chain, including forced or compulsory labor, were also analyzed as part of our risk assessment in accordance with the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG).

Currently, we have not identified any significant material impacts or risks affecting specific groups within our workforce. However, future challenges may arise from issues related to diversity and disability.

Employees situated in countries with legal constraints or barriers hindering workforce participation for women or underrepresented groups (for example, due to visa restrictions) may face adverse effects, particularly where stricter diversity regulations are in place that can negatively impact gender equality or diversity.

Additionally, store employees located in busy urban areas could encounter heightened exposure to violence, as their workplaces offer open access to both customers and the general public.

### S1-1 Policies related to own workforce

DOUGLAS Group manages its workforce through a combination of the following policies, all of which address material IROs related to the workforce. These policies and the Code of Conduct are applied across all segments and to all employees within the DOUGLAS Group:

- DE&I Policy
- Human Rights Policy Statement (covers: anti-harassment and anti-discrimination)
- Code of Conduct

DOUGLAS Group plans to roll-out the following additional policies by the end of the 2025/26 financial year:

- Compensation & Benefit Policy
- Learning & Development Policy
- Recruitment Policy

The Group CHRO (Chief Human Resources Officer) holds the highest level of accountability for implementing these consisting policies and is directly responsible for embedding the commitments of the HR Policy into DOUGLAS Group's operations, ensuring their effective execution across the organization.

DOUGLAS Group's Human Rights Policy Statement is aligned with internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights and the core labor standards of the International Labour Organization's (ILO) (please see details later in this chapter).

Our Code of Conduct and Supplier Code of Conduct explicitly address discrimination based on racial and ethnic origin, nationality, skin color, age, gender or sexual orientation, religion or beliefs, disability or other characteristics protected by law.

These policies are (or will be) valid for all DOUGLAS Group operations in the 22 European countries in which we operate and outline how we integrate DE&I into our business relationships, aiming to foster a workplace where every individual is valued, respected, and empowered.

DOUGLAS Group is committed to actively protecting human rights and the environment, taking into account the human rights- and environment-related interests of our employees as well as those involved in our supply chains. DOUGLAS Group supports a working environment that allows our employees to freely exercise their rights and freedoms.

As a leading European omnichannel provider, we are aware of our responsibility to uphold our human rights and environmental due diligence. Adherence to this responsibility is therefore an integral part of our decision-making processes and business activities and thus forms the foundation of our economic success.

DOUGLAS Group has adopted and published a comprehensive Human Rights Policy Statement. Additionally, the Whistleblowing Policy and the Code of Conduct were improved and updated in the 2024/2025 financial year.

Our Human Rights Policy reflects our commitment to international frameworks, including the Universal Declaration of Human Rights, the United Nations (UN) Global Compact, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the core labor standards of the ILO. Furthermore, DOUGLAS Group is guided by the Minamata Convention on Mercury, the Basel Convention on the Control of Transboundary

Movements of Hazardous Wastes and their Disposal, as well as the Stockholm Convention on Persistent Organic Pollutants. This policy statement describes the human rights strategy of DOUGLAS Group in line with the requirements of the German Supply Chain Due Diligence Act (LkSG).

The Human Rights Policy is binding for the employees of all companies over which DOUGLAS Group exercises a decisive influence. In addition, we expect our business partners to respect human rights and protect the environment. Our policies prohibit human rights violations, including human trafficking, forced labor, compulsory labor, and child labor as well as violations of environmental standards. They also incorporate due diligence and risk assessment processes to align with international standards.

Operationally, the DOUGLAS Group Management Board has assigned responsibility for implementing our Human Rights Policy Statement to the Human Rights Officer.

If DOUGLAS Group becomes aware of an imminent or actual violation of human rights or environmental standards within its own operations or in its supply chains, DOUGLAS Group immediately takes appropriate measures to prevent or minimize the violation. In its own business area, DOUGLAS Group will immediately eliminate any violations that have been identified.

Our complaints procedure enables any person to confidentially report suspected or actual violations of human rights and environmental standards in our own business area and in our supply chains, including those involving direct and indirect suppliers. The reporting channels available are our whistleblower tool, "Integrity Line", and the mailbox of DOUGLAS Group's Compliance Office (G1-1).

To date, no actual negative human-rights-related impacts have been identified.

DOUGLAS Group encourages employees to report any incidents of discrimination, harassment, or violations of the DE&I Policy through our whistle-blowing hotline. All reports are treated confidentially, and whistleblowers are protected from retaliation.

We engage in continuous dialog with our internal and external stakeholders, including employees, shareholders, customers, and suppliers. We prioritize listening to the voices of our employees through regular participatory communication formats, such as town hall meetings, surveys and continuous exchange with our works councils. For further details please refer to ESRS S1-2.

While there is currently no Group-wide workplace accident prevention policy or management system in

place, local entities are making efforts to implement appropriate safety measures for employees and customers in alignment with their respective national legislation.

We are committed to offering continuous learning opportunities that ensure equitable access to training and development.

As part of the DOUGLAS Academy roll-out at our headquarters, we will launch our first DE&I training sessions in the 2025/26 financial year. The DE&I content will be a relevant component of the DOUGLAS Academy, available to every employee from HQ to stores and across all segments.

DOUGLAS Group's recruitment, training and development processes are built on a transparent, competency-based framework that ensures qualifications, skills and experience are the primary drivers of all people-related decisions - while also recognizing that some colleagues may need additional support to develop those competencies.

Central to this is our global job-leveling architecture, rolled out for all office employees in Germany, Poland, the Netherlands, Italy and France and covering approximately 70 % of our respective workforce.

Key elements include:

- **Standardized role profiles:** Every position will be mapped to one of fourteen job levels, with clearly defined qualification requirements, skills benchmarks, and career pathways.
- **Standardized career pathways:** Career tracks linked to the job level architecture ensure a solid, consistent, and transparent foundation for our development and reward programs.

These tools are accompanied by the establishment of salary bands designed to promote fair, consistent, and market-based compensation across segments.

These are already in use for all office employees in Germany. Poland, the Netherlands, Italy and France are currently in the final implementation phase. We plan to roll-out this benchmark-based approach across all remaining countries as a final project step.

These procedures aim to ensure that we provide a framework in which career progression is based on merit.

### **S1-2 Processes for engaging with own workforce and workers' representatives about impacts**

DOUGLAS Group actively involves employees across the organization by gathering their insights, feedback, and opinions to enhance business and management

practices. Through various communication and engagement strategies, DOUGLAS Group seeks out diverse views to better understand and address material impacts. Employee feedback is integrated into strategic and operational decisions, informing action plans presented to senior leadership and the Board. Insights gained from employee surveys influence strategies to improve engagement and inclusion.

DOUGLAS Group also collaborates closely with workers' representatives with the aim of incorporating employee concerns into company agreements and decisions. Employee perspectives are represented at the highest decision-making levels through union representatives on DOUGLAS Group's Supervisory Board, forming part of the Group's efforts to ensure that strategic decisions take workforce interests into account. Decision-making outcomes influenced by workforce engagement are communicated promptly via town hall meetings, the corporate intranet, emails, and leadership communications.

All DOUGLAS Group employees are encouraged to discuss concerns and material impacts through established communication channels, aiming to create a respectful environment for sharing perspectives on important issues. The following engagement channels are in place:

- **HR Business Partners (HRBPs)** act as contacts for employees both globally and locally, facilitating continuous and accessible communication throughout the organization. Engaging directly with our employees, HRBPs gather insights into employee perspectives and address concerns, thereby informing DOUGLAS Group's decision-making and aiming to foster a responsive work environment.
- **Annual employee engagement survey:** DOUGLAS Group conducts an annual engagement survey to assess employee engagement, measure employee satisfaction, and identify areas for improvement. This process also includes an evaluation of management's leadership qualities and the DOUGLAS Group as an employer. In the 2024/2025 reporting year, the DOUGLAS Group employee engagement survey was expanded to 13 countries, achieving a 64 % participation rate with over 8,000 responses. In the 2024/2025 financial year, the engagement index reached 72, reflecting a slight improvement compared to the previous year (70 across seven participating countries). This uptick underscores the effectiveness of our dedicated efforts to cultivate a positive working environment. It demonstrates not only enhanced connection and commitment among our employees but also affirms that our initiatives and programs are effectively fostering an engaging and supportive workplace culture. For instance, our purpose & values score captures how employees perceive the alignment between their work and the company's overarching purpose and assesses whether DOUGLAS Group's stated values are embodied in daily practice across the organization. This year, we achieved a score of

72, highlighting the successful integration of our Group Purpose "MAKE LIFE MORE BEAUTIFUL". The insights help to inform targeted actions to further enrich our workplace culture.

- **Town hall meetings:** Town hall meetings provide employees with quarterly updates on global business developments, financial performance, and employee-related topics. Employees can submit questions to the Board, either in person or anonymously online in advance, with answers given during the session or afterward in writing. Invitations are sent via company email, and employees without email access receive a live stream link. Employee feedback gathered from these meetings guides our communication strategies and informs policy adjustments in our quarterly DOUGLAS Group leadership team meetings.
- **Corporate intranet and email communication:** Regular updates, policy announcements and engagement prompts are delivered via our global intranet and targeted email newsletters to ensure consistent reach across all regions and functions.
- **ERGs:** We have established the Employee Resource Groups (ERGs) as formal interest networks that give employees the opportunity to connect with like-minded colleagues and serve as a voice to management. These groups aim to foster inclusion, representation, and engagement across different dimensions of identity and interest. Since the 2021/22 financial year, ERGs have been launched at our Düsseldorf headquarters for the following communities:
  - beYOUtiful (LGBTQ+ members & allies)
  - Family@DOUGLAS (parents & care work)
  - INTERNATIONALS@DOUGLAS (network for international, relocated employees)

In the current reporting year, an ERG on the topic of sustainability was also established. Additional ERGs are planned across the organization, with the target of permanently integrating at least four ERGs by October 2026.

These groups are expected to actively participate in decision-making processes and corporate initiatives. To this end, we provide information via local communication channels and establish regular opportunities for dialog between HR and ERG board members.

Our Group Chief Human Resources Office oversees the implementation of these initiatives, apart from the corporate intranet and email communications which is overseen by the SVP Group Communications & Sustainability.

DOUGLAS Group has established work councils at country level, which maintain regular contact with employees in their respective areas of responsibility.

These councils serve as a key channel for passing on employee concerns, which influence the organization's



decision-making and activities. Regular meetings are held with the works councils, including all-employee meetings and the annual conference of the works councils in France, the Netherlands, Germany, Italy and Spain.

To better understand the perspectives of colleagues who may be particularly vulnerable or marginalized, DOUGLAS Group combines dedicated ERG engagement with a targeted DE&I index as part of the annual employee engagement survey:

DE&I index in the employee engagement survey: Our annual employee engagement survey includes a bespoke DE&I index covering:

1. Sense of belonging
2. Fairness in career development
3. Perceptions of diversity
4. Perceptions of inclusive leadership

We disaggregate responses by gender and plan to hold ERG-facilitated follow-up workshops in 2025/26 to translate insights into targeted action plans.

### **S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns**

DOUGLAS Group offers a robust whistleblowing system for employees and external stakeholders to report potential misconduct, ensuring transparency and accountability (ESRS G1-1).

DOUGLAS Group provides the following channels:

- Whistleblowing tool hosted by an external partner, operated by DOUGLAS Group employees (compliance organization)
- Local contact points in every segment
- Email address for Group Compliance Office
- Hotline

Any actual or suspected policy violations or human rights infringements are reported to the DOUGLAS Group compliance organization immediately. Whistleblowers have access to several channels to report misconduct, and all submitted reports are treated confidentially. Additionally, in cases of uncertainty, the Group Compliance Office can provide advisory support.

Our commitment to compliance includes multiple channels for employees to report business-related incidents securely and confidentially: direct supervisors, local compliance officers, a dedicated email at [compliance@Douglas.de](mailto:compliance@Douglas.de), a hotline, the Group Compliance Office, and an anonymous whistleblowing tool. All these channels help to foster an ethical business culture.

The process is recorded and documented in full, with all investigations conducted in accordance with the principles of procedural fairness and objectivity. All

parties involved are presumed innocent until a violation is proven, ensuring impartial outcomes.

The effectiveness of the grievance mechanism is evaluated annually and as needed, with necessary adjustments made to uphold its integrity and impact. Detailed procedural guidelines for the whistleblowing process are publicly available on our website under the compliance section.

To enhance awareness and the effectiveness of our whistleblowing system, we have added strategic links to the tool on DOUGLAS Group websites and the intranet, introduced a new global whistleblowing tool (pending implementation in certain segments), and developed comprehensive processes and a policy available in all local languages. We engage employees through Lunch & Learn sessions, provide extended protections for whistleblowers, and conduct specialized training for Compliance Case Managers and all employees. Web-based training is diligently monitored by management and complemented by posters and awareness campaigns in headquarters and stores, including dedicated wallpapers on our PCs for World Whistleblower Day.

DOUGLAS Group's Code of Conduct, together with our values, leadership commitments and other internal standards, sets out the high expectations we have for ethical behavior, responsible business practices and the conduct of our stakeholders. Potential violations of these regulations, including legal, human rights, and environmental breaches related to DOUGLAS Group's or supplier activities, can be reported through established channels. Our Code of Conduct and Whistleblowing Policy ensure protection from retaliation.

### **Targets related to own workforce**

#### **S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

DOUGLAS Group has set several targets related to our own workforce (scope: DOUGLAS Group own operations unless otherwise specified):

1. **Gender diversity in leadership:** Achieve more than 50% women in leadership roles at the 1st and 2nd leadership level within the DOUGLAS Group.
2. **Employee engagement survey coverage:** Achieve 75% employee coverage through the engagement survey by September 30, 2026, expanding the roll-out to all segments and countries (baseline 2024/2025 financial year: 13 countries covering > 50% of employees).
3. **Job-leveling completion:** Implement DOUGLAS Group's job-leveling architecture for office employees in 100% of the countries by 30 September 2026 (baseline 2024/2025 financial year: live in Germany, Poland, the Netherlands, Italy, and

France, covering approximately 70% of the respective workforce).

4. **Succession planning for leadership roles:** Ensure that 80% of expiring D07+ (leadership/executive) roles have formal succession plans in place by 30 September 2026 (baseline 2024/2025 financial year: pilot coverage for expiring leadership functions (20%) and key positions).
5. **DOUGLAS Group Academy adoption:** Onboard more than 80% of office and store employees onto the DOUGLAS Group Academy as the primary learning platform by 30 September 2026 (baseline 2024/2025 financial year: rollout for the retail organization; target 80% store-employee registration/download by March 2025).
6. **IT gender diversity target (limited scope, Group Technology only):** DOUGLAS Group Technology aims to increase the proportion of female employees in the IT department from 28% (as of 30 September 2023) to 35% by 30 September 2026. This is to be achieved through targeted recruitment and further development as part of training and leadership development programs. One example is our collaboration with the Social Bee Initiative to hire female refugees in IT roles, which has resulted in two successful hires within the reporting year. Progress is monitored on a quarterly basis.

For example, France has set itself the target of increasing the representation of employees with disabilities to 5% by the end of 2027. To this end, initiatives such as accessible recruitment processes and workplace adjustments to support employees have been launched.

DOUGLAS Group's target-setting process involves strategic alignment with legal standards and organizational goals, focusing on areas such as diversity, employee engagement, and leadership development. Although employees and their representatives were not directly involved in setting these targets, their engagement is crucial in tracking performance and identifying areas for improvement. Tools such as the engagement survey allow for continuous employee feedback, which informs adjustments and progress evaluations. Regular monitoring ensures that targets are on track, while specific initiatives, like accessible recruitment processes, demonstrate commitment to achieving these objectives.

## Actions related to own workforce

### S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Addressing potential material effects on the Company's workforce does not require particularly targeted action plans. Nonetheless, we are committed to managing these effects with great care. We have devised strategies aimed at fostering positive impacts across various areas.

Actions concerning equal treatment and opportunities for all:

- **Diversity:** Our commitment to DE&I goes beyond legal requirements and aims to create an environment that values differences. We want to reflect on the cultures and communities in which we operate.
- **DE&I Policy implementation:** In the 2023/2024 financial year, we developed an international DE&I policy that sets Group-wide standards and allows for country-specific adaptations. It defines clear guidelines for inclusion in the areas of management, recruitment and training and is accompanied by comprehensive communication measures.
- **Unconscious bias training:** In the Netherlands and Belgium, the focus is already on unconscious bias training in order to promote an inclusive corporate culture.
- **In 2024, the DOUGLAS Group was ranked first in retail and wholesale globally, third overall, and first in Germany on the Forbes' World's Top Companies for Women list (in partnership with Statista), based on feedback from over 100,000 women worldwide on their perceptions of workplace practices, opportunities, and equality.**

Actions concerning gender equality and opportunities for all:

- **Mentorship and Inclusive Leadership Program:** As a member of the LEAD Network since the 2023/2024 financial year, DOUGLAS Group aims to promote gender diversity through programs such as the Mentorship and Inclusive Leadership Program, offering peer-to-peer learning sessions, webinars, and individual mentoring. In the 2024/2025 financial year, we're offering two placements for employees to participate in the program. DOUGLAS Group is thus committed to strengthening the development of inclusive leadership skills and reinforcing a cooperative working environment.
- **Training initiatives to promote inclusion in the CEE region and Italy.** To foster multigenerational inclusion all managers in Central and Eastern Europe completed a management and change management training between February and September 2024 to promote a diverse workforce. In Italy, these programs expanded to take regional characteristics into account. Language courses and cultural awareness workshops as well as DE&I training will be offered for international employees.

We pursue a globally standardized learning strategy in order to establish a uniform and professional learning culture that inspires our employees and promotes their growth. The DOUGLAS Group Academy mobile learning platform is gradually being introduced across all countries that DOUGLAS Group operates in and supports comprehensive training on induction, product knowledge and sales skills initially for our Beauty Consultants and later for other target groups, including employees at our headquarters and central offices throughout Europe.

As part of our HR strategy, DOUGLAS Group specifically promotes young professionals through comprehensive training programs for apprentices, students, and interns. At our international headquarters in Düsseldorf, we offer dual study programs with a focus on business administration and finance. The "LEADING YOUNG TALENTS" program introduced in 2024 systematically prepares young talents for future management duties. With over 200 trainees in Germany, DOUGLAS Group is one of the leading training companies in the industry. Our positions in the Trendence ranking - 1st place across all sectors and 1st place in retail - underscore DOUGLAS Group's attractiveness as a training company and our important role in qualifying future specialists for the labor market and also for our Company.

Designated functional experts oversee the processes associated with defined material impacts and ensure that their recommendations and actions address these impacts effectively.

## Metrics related to own workforce

### S1-6 Characteristics of the undertaking's employees

The following tables show the number of employees (headcount, including temporary employees, trainees, and interns) for the 2024/2025 financial year as of 30 September 2025, broken down by country, gender, function and employment type.

#### Information on employee headcount by gender

The headcount data is based on the workforce recorded as of the reference date, 30 September 2025, and is defined as all active employees directly employed and remunerated by the DOUGLAS Group, excluding employees on leave. The number most representative of headcount is disclosed in the personnel expenses section of the consolidated financial statements.

	2024/2025			
	Total	Stores	Offices	Warehouses
	Headcount	Headcount	Headcount	Headcount
Female	18,711	16,585	1,946	180
Male	1,270	481	772	17
Other	1	1	0	0
Not declared	1	1	0	0
<b>Total</b>	<b>19,983</b>	<b>17,068</b>	<b>2,718</b>	<b>197</b>

### Employee headcount in countries where the undertaking has at least 50 employees >= 10% of its total number of employees

	2024/2025
	Headcount
Germany	6,184
Netherlands	2,120
Italy	2,498
France	3,727
Other	5,454
<b>Total</b>	<b>19,983</b>

In the 2024/2025 financial year, DOUGLAS Group had employees in 22 countries. In order to meet the requirements at peak times, especially during the high season, we work with temporary staff.

## Information on employees by contract type, broken down by gender

	2024/2025				
	Total	Female	Male	Other	Not declared
Number of employees (headcount)	19,983	18,711	1,270	1	1
Number of permanent employees (headcount)	14,550	13,518	1,031	0	1
Number of temporary employees (headcount)	2,865	2,684	180	1	0
Number of non-guaranteed hours employees (headcount)	2,568	2,509	59	0	0

The total number of employees who left the undertaking during the reporting period amounted to 6,051, corresponding to an overall turnover rate of 30.3% for the 2024/2025 financial year.

The turnover rate was calculated as the total number of employees who left the company during the reporting period in relation to the headcount as of 30 September 2025. The calculation includes all employees, regardless of contract type (i.e., permanent, fixed-term, apprentice, and temporary staff).

Turnover levels vary across the Group: in our stores, the rate was 32.4%, mainly driven by our seasonal business, while in the headquarters the turnover rate stood at 17.6%, reflecting structural and operational differences between retail and corporate functions.

### S1-8 Collective bargaining coverage and social dialogue

DOUGLAS Group aims to establish a global remuneration policy that is adapted to local labor and co-determination frameworks,

ensuring our pay practices remain both consistent and compliant across all markets.

In Spain, Italy, France, the Netherlands and Germany, we have formalized structured social-dialogue mechanisms with our works councils to uphold a robust, two-way exchange on compensation, working conditions and strategic HR initiatives. These conditions are shaped by collective agreements that ensure fairness and protect employee rights.

Our works councils are organized at regional or local level, reflecting the geographic diversity of our store network. Currently, there is no European works council in place.

This regional structure aims to ensure that social dialogue remains responsive to the specific needs of colleagues in each market, reinforcing our commitment to fair working conditions.

### Percentage of total employees covered by collective bargaining agreements

	2024/2025		
	Collective Bargaining Coverage		Social dialogue
Coverage Rate	Employees – EEA(for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA(estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only)(for countries with >50 empl. representing >10% total empl)
0-19%	Germany, France		
20-39%			
40-59%			
60-79%			Germany
80-100%	Italy, Netherlands		Italy, Netherlands, France

## S1-9 Diversity metrics

### Gender distribution in number and percentage at top management level

	2024/2025	
	Headcount	in %
Female	19	42%
Male	26	58%
Other	0	0%
Not declared	0	0%
<b>Total</b>	<b>45</b>	<b>100%</b>

Top Management comprises all employees classified as first management level below the Management Board. This includes all employees assigned to job levels D06 until D08 in the Group's standardized job architecture.

Accordingly, Top Management encompasses:  
All first-level leaders directly reporting to a Management Board member, typically holding strategic, functional, or regional responsibility at Group or Country level (e.g., Managing Directors, Senior Vice Presidents, Vice Presidents, or equivalent roles).

This definition applies uniformly across all legal entities and countries within the DOUGLAS Group, based on the global job-leveling framework managed by Group HR in the SAP SuccessFactors system, which serves as the authoritative source of truth for position and hierarchy data.

### Distribution of employees by age group: under 30 years old; 30-50 years old; over 50 years old

	2024/2025	
	Headcount	in %
Under 30 years old	7,155	36%
30-50 years old	8,788	44%
Over 50 years old	4,040	20%
<b>Total</b>	<b>19,983</b>	<b>100%</b>

### S1-10 Adequate wages

Aligned with the principles of adequate wages as outlined in Article 4 of the European Social Charter, we are committed to ensuring that our employees receive remuneration that guarantees a decent standard of living for themselves and their families.

To enhance transparency in career progression and development opportunities, we implemented standardized job descriptions and a transparent job-leveling architecture for central functions across Germany and our countries during the 2023/2024 financial year. Concurrently, we are developing regional salary bands, informed by country-specific benchmarks, to secure competitive and fair wages. Our objective is to establish sustainable, harmonized salary and bonus structures that cater to regional needs and foster long-term employee satisfaction.

Operating exclusively within the European Economic Area, we adhere to minimum wage regulations, underscoring our steadfast commitment to fair remuneration across all operations. In Austria, employees are subject to the *Kollektivvertrag für Angestellte und Lehrlinge im Handel* (a collective agreement for the retail sector). In Italy, employment terms are governed by the *Contratto Collettivo Nazionale di Lavoro (CCNL) per il Commercio e Servizi* (the national collective labour agreement for the retail and services sector). These agreements define core employment conditions such as working hours, remuneration, and benefits for employees within the respective countries.

### S1-14 Health & Safety Metrics

At DOUGLAS Group, 91% of employees are covered by an occupational health and safety system. In the reporting period, 439 work-related illnesses were recorded among own employees, corresponding to an accident rate of 0.20%. No fatalities from work-related injuries or illnesses occurred.

### S1-17 Incidents, complaints and severe human rights impacts

	2024/2025
Number of incidents of discrimination	11
Number of complaints filed through channels for people in own workforce to raise concerns	97
Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed (in EUR)	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0

Since severe human rights impacts are not considered material for DOUGLAS, the table above is limited to reporting incidents of discrimination, filed complaints, as well as any fines, penalties, or compensation for damages.



## S4 – CONSUMERS AND END-USERS

Topic	Sub-topic	Type of materiality	Classification	Time horizon (if empty, then applicable to all time horizons)	Location of material impacts within the value chain	Description of material impacts
ESRS S4 Consumers and End-Users	Information- related impacts of consumers and/or end-users	Positive impact	Actual		Own operations	DOUGLAS Group provides customers with the right information to make informed shopping decisions and find the right products both online and offline. In addition, we encourage our employees to provide customers with the right information to prioritize sustainable options
ESRS S4 Consumers and End-Users	Social inclusion of consumers and/or end-users	Positive impact	Actual		Own operations	Positive impact on consumers through various inclusive product offerings ensuring consumers feel valued no matter their ethnicity, age, shape, gender etc.

### The undertaking's material impacts, risks and opportunities regarding consumers and/or end-users

#### SBM-3 Material impacts, risks and opportunities related to consumers and end users and their interaction with strategy and business model

#### Relationship between the actual and potential impacts and the strategy or business model

At DOUGLAS Group, our operations focus on understanding and addressing consumer needs. Therefore, we consider impacts, risks, and opportunities related to consumers and end-users as material to our strategy and operations.

Our materiality assessment identified positive impacts that are directly connected to our business model and strategic choices. DOUGLAS Group did not identify any material risks and opportunities in relation to consumers and end-users.

Our approach is built on three strategic pillars that guide our marketing and consumer interaction.

As a first pillar, we have adopted responsible marketing practices and are cautious with environmental and well-being claims to avoid misleading or harmful messaging.

The second pillar addresses social inclusion and representation. We apply defined guidelines (e.g., model selection, tone of voice) with the aim of ensuring that different genders, skin tones, body types, and age groups are represented. This approach aims to reflect the diversity of our consumer base.

The third pillar addresses transparency. We aim to ensure compliance with national and international product labeling standards, providing consumers with transparent information on product composition and sustainability attributes. To further support this, our store employees receive regular training to provide expert guidance and help consumers select the products best suited to their individual needs.

DOUGLAS Group is also committed to the highest standards of data protection and consumer privacy, aligning with both legal requirements and ethical expectations.

DOUGLAS Group incorporates insights from identified consumer and end-user impacts with the aim of dynamically adjusting its strategy and business model. This is achieved through:

Identification and assessment: Processes that continuously recognize and evaluate material impacts, risks, and opportunities derived from customer expectations and needs.

Strategic adaptation: Based on these analyses, DOUGLAS Group adapts its strategic orientation and business processes to address both current challenges and future opportunities effectively. This results in concrete actions such as:

- Product innovation:** Sustainable packaging: i) Modifying product packaging to recyclable or biodegradable materials in response to consumer feedback favoring environmentally friendly solutions. ii) New beauty product lines: Developing natural or vegan product lines reflecting growing consumer interest.
- Digitalization and E-Com:** i) Online experience: Enhancing the E-Com platform with features like virtual try-ons (DOUGLAS Group beauty mirror) and expanded customer support to cater to increased online shopping demands. ii) Mobile application: Improving the mobile app for a more convenient shopping experience.
- Customer service and in-store experience:** i) Personalized consultation: Introducing tools that offer personalized recommendations based on individual customer profiles. ii) Digital services: Parfum Finder.
- Marketing strategies:** i) Targeted campaigns: Launching interactive social media campaigns aimed at engaging specific target groups.

#### Scope in relation to consumers and end-users

Consumers are individuals who acquire, consume or use goods and services for personal use, either for

themselves or for others, and not for resale, commercial or trade, business, craft or professional purposes.

End-users are typically the same as consumers, because DOUGLAS Group serves private individuals. However, in cases where products are gifted or bought on behalf of someone else, the end-user may differ from the initial purchase.

All consumers and end-users could potentially be affected by material impacts. In particular, the following groups of consumers could be impacted:

1. **Young consumers**, influenced by social media marketing or unrealistic beauty standards, who may lack knowledge of safe cosmetic use (e.g., skincare acids, fragrance sensitivities)
2. **Consumers with special conditions** like allergies or sensitive skin, pregnant/breastfeeding women
3. **Elderly consumers** may experience difficulty reading small packaging prints or may be less familiar with digital interfaces, affecting their ability to manage privacy or consent settings on digital platforms
4. **Economically vulnerable individuals** may be disproportionately affected by aggressive promotional tactics or upselling techniques. They could prioritize price over safety due to financial pressure
5. **Consumers with disabilities**, such as visual or hearing impairments.

DOUGLAS Group may serve consumers with sensitive skin, allergies, or specific conditions who could be adversely affected by certain cosmetic ingredients in case of improper application of products.

As the DOUGLAS Group operates online platforms and loyalty programs, it collects personal and behavioral data. Vulnerable groups include young users or less digitally literate customers who may not fully understand how their data is processed.

All consumers are dependent on accurate and accessible product-related information. We have identified three groups that are particularly affected:

- Consumers with skin sensitivities, allergies, or specific health conditions, who depend on detailed and correct ingredient labeling to make safe choices.
- Consumers unfamiliar with certain cosmetic ingredients or usage, particularly first-time buyers or gift purchasers, who rely on clear usage instructions.
- Consumers with limited language proficiency, who need easily understandable labeling and guidance.

DOUGLAS Group engages in high-impact marketing across various media channels. Vulnerable consumers here may include young people, impressionable

teenagers, or individuals with low self-esteem targeted by beauty ideals.

Through its inclusive marketing practices, accessible digital platforms, and inclusive product offerings, DOUGLAS Group has a positive impact on all of its consumers.

#### Key activities leading to positive impacts include:

##### Accessible digital platforms:

Our online stores and mobile apps are designed to be accessible and easy to use for people with disabilities, following the EU Accessibility Act and WCAG 2.2 at a minimum AA standard. This has a positive impact on consumers with disabilities such as visual or hearing impairments. Thus, our digital services are designed in a way that they can be used by those consumers.

##### Inclusive and responsible marketing:

We follow internal guidelines with the aim of ensuring that all visual communication promotes diversity and avoids reinforcing unrealistic or exclusionary beauty standards. Our marketing materials intentionally reflect a wide range of identities - including different skin tones, body types, ages, and gender expressions. This has a positive impact in particular on consumers from diverse backgrounds who feel represented in marketing and product design, and young consumers who benefit from realistic and responsible representations of beauty.

##### Inclusive product portfolio:

Our curated product range aims to support self-expression and meet diverse consumer needs, including products tailored to various skin tones, hair and body types, age groups, and gender expressions.

##### Well-informed advice and service:

Store employees receive ongoing training to provide tailored advice and help customers find products suited to their individual needs.

DOUGLAS Group relies on continuous brand tracking to gather regular insights into consumer perceptions. In addition, we make use of industry studies and external consumer insights for the development of our internal guidelines (e.g., Model Guideline) and policies (e.g., Kids & Teen Policy). At this stage, we do not conduct dedicated deep-dive analyses.

#### Policies related to consumers and/or end-users

##### S4-1 Policies related to consumers and end-users

##### Key contents of the policy

Our brand purpose—'MAKE LIFE MORE BEAUTIFUL'—focuses on empowering our employees, our customers and the world around us. Equally and authentically. This principle influences everything from campaign strategy

to product presentation and customer interaction, aiming to ensure that everyone feels seen, heard, and respected at every touchpoint with the DOUGLAS Group brand. In support of this purpose, DOUGLAS Group has implemented a range of policies and internal guidelines in relation to consumers and end-users.

**Model Guideline:**

At DOUGLAS Group, we understand inclusion and diversity to be deeply rooted in our brand identity, while simultaneously recognizing them as the foundation of our actions across all consumer-facing areas. As one of our core brand values, inclusivity shapes how we develop campaigns, choose models, formulate language, and design customer experiences. This commitment is reflected in our Model Guideline, which ensures that every campaign cast represents a diverse range of genders, skin tones, body types, and ages.

**Tone of Voice:**

We consistently communicate in an inclusive and gender-neutral manner and urge local markets to respect the cultural context while promoting a broader definition of inclusion. Our marketing language avoids harmful stereotypes, exaggerated claims, and exclusionary narratives. This approach not only aims to support adherence to local advertising laws but also to take deeper responsibility for reflecting and respecting the diversity of our customer base.

**Kids & Teen Policy:**

In addition, we have established a Kids & Teen Policy, which clearly defines that our advertising and marketing activities do not target minors under the age of 16, in order to protect particularly vulnerable consumer groups.

**Scope in relation to consumers and end-users**

The policies are applied globally within clearly defined scopes. The scope in relation to consumers and end-users covers all activities through which the undertaking offers products or services directly to individual customers for personal use. This includes both stores and E-Com channels. In addition to the direct sale of goods, the scope also encompasses platform-based models such as partner programs—where third-party vendors offer products to end-users—and data-driven services like retail media, which involve targeted marketing and advertising directed at consumers.

The Tone of Voice Guideline covers all customer-facing written communications, such as digital campaigns, websites, CRM, and social media, across all markets—excluding verbal in-store interactions unless otherwise specified. The Model Guideline applies to campaign and editorial visuals, with the exception of product packaging shots without human representation. The Kids & Teen Policy addresses internal and external communications, in-store interactions, and digital

touchpoints where individuals under the age of 16 may be directly involved; it excludes passive visibility of minors unless directly engaged.

**Accountability for implementation**

Implementation accountability lies with the Executive Vice President marketing across all three guidelines. In the case of the Kids & Teen Policy, responsibility is shared with Group Retail.

**Human rights policy commitments**

At DOUGLAS Group, we are committed to upholding internationally recognized human rights principles, including those outlined in the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Labour Organization's (ILO) core labor standards, and the OECD Guidelines for Multinational Enterprises. This commitment is reflected in our (Human Rights) Policy Statement (S1) and further supported by our Code of Conduct (S1 and G1), which provides binding guidance for all employees. Additionally, our Supplier Code of Conduct serves as a guiding framework for our business partners across the Group. Our ethical standards and responsible approach to customer relations aim to guide how we engage with and serve our diverse consumer base.

We aim to ensure compliance with relevant legal requirements in all our markets and take consumer well-being seriously, especially in relation to data protection, responsible marketing, accessibility, and inclusive product offerings. We strive to prevent any form of discrimination, exploitation, or misinformation in our interactions with consumers.

**Engagement with consumers and remedy for human rights impacts**

Our internal mechanisms, including customer service processes, consumer insights, and responsible marketing practices, are used to guide our actions. As we continue developing our ESG strategy, we are evaluating the establishment of more formalized policies and monitoring systems to strengthen our commitment and transparency in this area.

No significant changes to DOUGLAS Group's policies relating to consumers and end-users were adopted during the reporting year. The existing policies remain in place and continue to reflect the Group's ambition. No new expectations for business customers or material changes to due diligence or remedy approaches were introduced.

## S4-2 Processes for engaging with consumers and end-users about impacts

### Consideration of perspectives of consumers and/or end-users

DOUGLAS Group engages with consumers and end-users through structured processes managed by two key departments: Customer Service and Group Strategy.

All processes are adapted to local conditions, guidelines, and regulations to best address consumer needs in a way that is culturally relevant and legally compliant. This aims to ensure that consumer engagement remains effective, respectful, and responsive across the segments in which we operate.

Our Customer Service team provides direct, multi-channel access for consumers to share concerns or feedback (e.g.; via email, phone, social media, post, owned apps, local branches, review platforms). DOUGLAS Group bases its request management on a consistent workflow intended to support traceability, compliance, and timely processing.

In addition to adapting our customer service operations to the specific requirements of each country, our store employees receive training to assist and advise customers during their shopping experiences, and seek to provide support that is personalized to individual needs. While feedback collected at the store-level offers valuable insights, we currently do not have a standardized process for systematically integrating this feedback into our broader organizational workflows.

The Group Strategy department consistently gathers consumer insights through quantitative surveys, qualitative feedback from focus groups on products, trends and brand perception as well as behavioral data via SaaS partners from social media platforms and Google.

To stay ahead in the beauty market, DOUGLAS Group utilizes its customized brand tracking process, conducting 200 monthly online interviews per country with standardized questionnaires. Controlled quotas on age, gender, and beauty product purchases ensure representative insights, which are integrated into our digital dashboard for quarterly brand performance tracking. This approach facilitates data-driven decisions to boost growth and strengthen our market position in Europe.

DOUGLAS Group actively engages with consumers and end-users to understand their perspectives and incorporate them into decisions that help manage actual and potential impacts. This engagement takes place both directly—through daily customer service interactions and structured consumer surveys—and indirectly by

ensuring that survey samples reflect the societal average across age, income, location, and other key factors. These engagements occur regularly, with frequent touchpoints designed to keep pace with evolving consumer needs. For example, brand tracking is complemented on a regular monthly basis through ongoing dialog via our online platforms.

Our customer service team receives a high volume of inquiries each day, primarily concerning delivery and shipping, orders and payments, product availability, technical issues, and services. These interactions help us better understand customer needs and expectations, which can inform improvements in our operations. While most inquiries pertain to operational aspects such as delivery or payment, those related to our material impacts, including product or sustainability information, are addressed less frequently.

### Operational responsibility

The function responsible for ensuring ongoing engagement with consumers and end-users, as well as for ensuring that the insights gained inform the undertaking's overall approach, is led by the Director Group Strategy & PMO in close cooperation with the Senior Vice President Group Communications & Sustainability.

### Effectiveness of engagement

Customer feedback is collected, recorded, and – depending on the content – potentially forwarded to the relevant departments/sections. The process takes place in several steps:

1. **Recording:** All incoming requests are recorded (telephone = ticket system/reason); email via email program, etc.), documented and organized by topic.
2. **Processing and feedback:** Requests are processed individually with the aim of responding quickly and in a solution-orientated manner. Customers receive a personalized response with as concrete a solution, explanation etc., as possible.
3. **Forwarding of relevant issues:** Recurring or conspicuous complaints are regularly collected and forwarded to the relevant departments (e.g., logistics, IT, E-Commerce, purchasing or store management).
4. **Influence on measures & decisions:** Frequent customer feedback can lead to changes in processes, product range decisions or technical optimizations, for example. Feedback is also taken into account in communications (e.g., FAQs, newsletters, store information). Structural feedback is integrated into quality management or reported to the management team. Biannual summaries are presented to board members, CEOs, and country marketing directors, enabling leadership to develop action plans for sustainable improvements and strategic initiatives aligned with our sustainability goals.

We evaluate the effectiveness of our communication channels for consumers and end-users to gather valuable feedback and measure satisfaction as described in the section S4 - 2 Consideration of perspectives of consumers and end-users. These channels enable us to identify areas where improvements are necessary. To integrate the omnichannel perspective into the evaluation, we strive to ensure that all communication channels—whether through hotline, website, social media, email, consumer studies, or personal interactions in-store—are seamlessly interconnected in the future. By analyzing the outcomes of these interactions, we aim to ensure that we meet the needs and expectations of our consumers and end-users. The collected feedback also serves as a crucial foundation for future strategic initiatives aimed at optimizing our corporate and marketing strategies, corporate brands, and services.

#### **Perspective of consumers vulnerable to impacts and/or marginalization**

To gain meaningful insights into the perspectives of consumers and end-users who may be particularly vulnerable to negative impacts (e.g., such as children), DOUGLAS Group conducts targeted studies and stakeholder consultations. These include surveys, interviews, and focus groups designed to capture the experiences and expectations of these groups. In addition, we analyze relevant key performance indicators (KPIs) to monitor potential disparities in outcomes. Wherever applicable, DOUGLAS Group adheres to legal regulations and recognized best practices in diversity and inclusion and aims to integrate these insights into different business processes.

#### **S4-3 Processes to remediate negative impacts and channels for consumers and/or end-users to raise concerns**

Customers can address their concerns, complaints, or feedback through various channels (including email, phone, fax, mail, Google, and Facebook) to the Customer Service. In addition, the following options are available for customers to contact us and express their concerns.

- Reviews on digital review platforms such as Trustpilot, Reklamation24, Google and other
- Digital Service Act (DSA) reports (only in Germany)
- Consumer protection
- Ombudsman
- Lawyers and mediators
- Dispute resolution bodies
- Complaints office of the European Commission
- Management / Management Board and PR with forwarding to Customer Service
- Social media
- Legal department
- Public authorities / police enquiries following reports of fraud
- Reports from branches regarding problems with E-Com orders

#### **Awareness of structures and processes**

Our goal is to provide globally uniform definitions of all processes. We strive for customer-centric, standardized Group processes that reflect local laws and regulations.

This local adaptability fosters consumer and end-user confidence in their ability to raise concerns or provide feedback through accessible channels.

Although we do not yet have a formal, Group-wide policy or guideline specifically focused on protecting individuals from potential negative consequences when using these structures, our decentralized approach allows for culturally and legally appropriate handling of customer feedback in each market.

Looking ahead, we aim to develop more harmonized global guidelines that will support consistent and transparent engagement processes across all regions, while continuing to respect local specificities. These efforts aim to further enhance customer trust and the effectiveness of our feedback and concern-handling mechanisms.

#### **Transformation Project Overview**

Customer Service conducted an analysis and identified room for improvement with regards to processes and structures. Therefore, we are going to transform our Customer Service unit based on two core objectives:

- I. We want to achieve streamlined, more efficient customer service.
- II. We want to enhance the service experience for our customers.

To achieve these objectives, we will fix the basics—structure, process, technology—, implement a unified data, contact and monitoring platform, rebalance in-house and external CX, and establish a “customer first” mindset where we achieve true excellence together.

We identified six strategic areas of leverage, connected to our two core objectives and KPIs

1. **Organization:** We will establish a Group Customer Service function and CX managers responsible for CX zones, for an efficient setup.
2. **Partnerships:** Increased near- & offshoring allows us to focus on key customers, e.g., Beauty Card members, with our in-house CX.
3. **Technology:** AI and a unified cloud-based contact center tool enhance and harmonize the way we connect with customers.
4. **Zero defects:** With a coherent monitoring and feedback loop, we improve the customer journey and eliminate reasons to contact.
5. **Excellence:** Driven by central and meaningful data, we will leverage opportunities to achieve service excellence and improve quality

6. **Mindset:** We will promote a culture of customer centricity across the Group, putting the customer at the heart of everything we do.

We are planning our transformation in three waves:

- **Wave 1** (Start FY 25/26): DACH, PD/NB, BENE, Poland
- **Wave 2** (Start FY 26/27): France, Italy, Iberia
- **Wave 3** (Start FY 27/28): Adriatic, Balkan, Baltics, CE

Over the next three years, we will together transform our customer services to deliver better quality at lower cost (around -45%) and will unlock the hidden value of CX and create moments of beauty for our customers.

### Targets related to consumers and end-users

#### S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

##### Effectiveness of actions

At DOUGLAS Group, we track and assess the effectiveness of our actions through both qualitative and perception-based indicators. In the field of marketing, we aim to ensure responsible marketing practices are an ongoing effort. We currently manage this through our policies and actions, rather than through aggregated quantitative targets.

This includes ongoing brand tracking surveys, which provide insights into whether our responsible marketing practices and inclusivity efforts resonate with our target audience.

Additionally, we aim to align with our overarching ESG targets and continuously review our policies and communication strategies to improve their effectiveness based on customer feedback and evolving societal expectations.

### Actions related to consumers and end-users

#### S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

##### Key current and planned actions

Sustainability and inclusivity are not just part of our messaging. They are embedded in our brand strategy and actively implemented through our ESG marketing communication principles, meaning that they shape our communications across all channels. DOUGLAS Group implements targeted action plans and allocates dedicated resources to manage its material impacts, risks, and opportunities related to consumers and end-users.

In the area of marketing, our ESG marketing roadmap includes actions such as running omnichannel sustainability campaigns, using more sustainable promotional packaging, and guiding consumers toward more sustainable product choices. Additionally, we develop marketing campaigns with the aim of reflecting realistic beauty standards and deliberately addressing inclusive topics, such as our annual Pride campaigns. These initiatives aim to promote diversity, representation, and a more inclusive understanding of beauty across our consumer communications.

We are also actively working to meet EU accessibility standards (Web Content Accessibility Guidelines (WCAG) 2.2, minimum AA level) across our digital channels to ensure inclusiveness for all user groups.

For our corporate brand products, our actions include enforcing a strict blacklist of 75 ingredients restricted or banned from our formulations due to their potential health or environmental risks. We also publish our Packaging Policy online to inform consumers about our efforts surrounding sustainable packaging.

To support and measure these initiatives, we collaborate with the quality team and suppliers to regularly update our blacklist and align with regulatory changes. Furthermore, we have invested in the Fairglow tool to monitor progress on sustainable formulas, packaging, and the overall environmental footprint of our corporate brand products.

To serve consumers with a range of vegan products, 80% of our corporate brands product range features vegan formulas (according to our definition: formulation without animal ingredients or ingredients of animal origin). In addition, we are working on external certification for relevant products within our corporate brand portfolio.

The effectiveness of actions and initiatives is tracked and assessed through numerous tools, including customer surveys, consumer insights studies, and data from customer support interactions.

##### Human rights issues and incidents

No severe human rights issues or incidents connected to our consumers and/or end-users have been identified or reported.

##### Resource allocation to manage material impacts

At DOUGLAS Group, the management of material impacts related to consumers and end-users is the responsibility of multiple departments. Each department—such as Marketing, Corporate Brands, Retail, Customer Service and ESG—takes individual responsibility for identifying, addressing, and managing the impacts within their area of expertise. Resources are therefore allocated in a decentralized manner, ensuring



that the teams closest to the impact take ownership. This structure enables targeted and efficient management of consumer-related risks and opportunities, while supporting coordinated action through cross-functional collaboration and shared strategic goals.

# Governance Information

## G1 – BUSINESS CONDUCT

Topic	Sub-topic	Type of materiality	Classification	Time horizon (if empty, then applicable to all time horizons)	Location of material impacts within the value chain	Description of material impacts
ESRS G1 Business Conduct	Corporate culture	Positive impact	Actual		Own operations	DOUGLAS Group develops and grows a culture with a focus on the values passion, appreciation, and ownership
ESRS G1 Business Conduct	Protection of whistleblowers	Positive impact	Actual		Own operations	Positive impact on corporate culture and society by fostering ethical behavior
ESRS G1 Business Conduct	Corruption and bribery	Positive impact	Actual		Own operations	Positive impact on corporate culture and society by fostering ethical behavior

### Policies related to business conduct

#### G1-1 Business conduct policies and corporate culture

##### Key content of policies

At DOUGLAS Group, we strongly believe that promoting ethical behavior can positively influence both corporate culture and society as a whole. To embed this ethos across our organization, we are fostering a culture that reflects our values: passion, appreciation and ownership.

The Code of Conduct and the Human Rights Policy Statement represent the principles relating to business conduct. The documents are available on the DOUGLAS Group homepage ([Compliance | DOUGLAS Group](#)). The two documents are flanked by further compliance guidelines that are binding for all employees at DOUGLAS Group.

The Code of Conduct outlines key principles for legal compliance, respectful and non-discriminatory behavior, environmental and social responsibility, and the avoidance of conflicts of interest. Employees are encouraged to report any violations through the whistleblower system, with protection against retaliation.

##### Scope

The DOUGLAS Group Code of Conduct applies Group-wide to all employees, managers, and governing bodies, regardless of location or position. It also sets expectations for external business partners, particularly in areas where compliance, ethical behavior, and respect for human rights are critical. The Code of Conduct is binding across all companies within DOUGLAS Group and must be adhered to in all business decisions and interactions.

##### Accountability for implementation

Responsibility for the implementation of the Code of Conduct lies with senior management and all leaders across the organization. They are expected to lead by example, ensure awareness and understanding of the Code of Conduct, and actively monitor compliance. In addition, all employees share responsibility for adhering to the Code of Conduct in their daily work, and any violations must be reported via established reporting channels (e.g., the whistleblower system).

### Accessibility

The Code of Conduct is publicly accessible on the DOUGLAS Group website and is intended to guide employees in their daily decisions.

### Corporate Culture

DOUGLAS Group is committed to creating a working environment that promotes diversity, equal opportunities and inclusion, and actively promotes these through clear priorities. At the heart of this is a culture of belonging that strengthens collaboration and appreciation. As part of our ESG strategy, we have launched "Drive DE&I" as the cornerstone of our HR work, which promotes diversity, equal opportunities and inclusion across the Group.

Our corporate culture is shaped by our purpose and values, which we revised and updated in the 2022/23 financial year. Our values have been integrated into recruitment, performance reviews and employee development in all countries. To support this initiative, we held workshops and town hall meetings to discuss the importance of our values in everyday working life and to clarify their significance for our working environment.

### Whistleblower protection

DOUGLAS Group is committed to adhering to all applicable laws and internal guidelines. Employees and stakeholders are invited to report potential misconduct. The process is based on global whistleblower laws and ensures a fair procedure with protection for whistleblowers and those accused. Various technical and personal reporting channels are available for reporting, which can be easily found on the Internet and intranet. The whistleblowing tool is available externally ([Compliance | DOUGLAS Group](#)), and DOUGLAS Group employees are informed about this regularly. In our compliance training, employees are informed and educated about whistleblowing to raise awareness of procedures and protection measures when reporting misconduct. The reports are processed immediately, independently and objectively, in compliance with data protection laws, and recorded and documented in accordance with the regulations. They are handled exclusively by a trained compliance organization. Access to the reports is limited to the necessary members of the Compliance department. All matters will be treated confidentially. Our ethical and lawful conduct includes consistent compliance with European data protection laws as well as EU Directive 2019/1937. Any form of retaliation against whistleblowers will not be tolerated. Our anti-corruption measures align with the UN Convention against Corruption.

To provide our employees with clear conduct guidelines and prevent conflicts of interest in daily work scenarios, we emphasize ongoing training sessions and communication initiatives. Our managers play a vital role

in upholding compliance, as they hold a unique responsibility for exemplifying ethical behavior for their teams due to their leadership positions. Consequently, all managers worldwide are required to engage in our compulsory compliance eLearning program with SoSafe, which includes at least one specialized training course annually. This program covers a wide range of compliance topics, including data protection and anti-corruption.

### Corruption and bribery

Functions particularly at risk in terms of corruption and bribery are those with decision-making powers and involving large budgets.

This group includes EVPs, SVPs, VPs, directors and principals in the Purchasing and Procurement department, the Indirect Procurement department, the Real Estate department, the IT department and Marketing. In addition, we count the Management Board and all the people who report directly to the Management Board as high-risk functions.

### Metrics related to business conduct

#### G1-3 Prevention and detection of corruption and bribery

The procedures for preventing corruption and bribery include a dual-control principle, uniform value limits, training, advisory services, approval processes, and a comprehensive guideline. The procedures for dealing with information are detailed in the Whistleblower Policy and based on the German Act for the Better Protection of Whistleblowers (Hinweisgeberschutzgesetz - HinSchG) and EU Directive 2019/1937. Technical and personal reporting channels are available to report suspected cases of corruption and bribery. Please see G1-1 for further details.

There is a clear separation between investigators and the management chain in place. The investigation to uncover and clarify compliance cases is the responsibility of the local compliance officers and the Group Compliance Office, which reports directly to the CFO via the Chief Compliance Officer. Even though the Compliance department is not formally a staff unit and is part of the Legal department, it is organized separately from all other departments and has direct access to the Supervisory Board in the event of escalation.

The Management Board of DOUGLAS AG bears overall responsibility for the compliance management system. At operational level, the compliance organization reports regularly to the Management Board and the Audit Committee of the Supervisory Board. Please refer to ESRs 2 GOV-1 for further details.

The new Group Anti-Corruption Policy was adopted at the end of this 2024/2025 financial year and will be

translated and rolled out in all DOUGLAS Group companies in the 2025/26 financial year. The introduction will be flanked by communication and training measures. Web-based training courses end with a comprehension test. In other training formats, participants must confirm that the content has been understood.

Since this 2024/2025 financial year, all headquarters employees and managers from the stores have been successively trained in the basics of compliance. A standardized web-based training course is used.

For the coming 2025/26 financial year, a self-produced training course will be rolled out. This is mandatory for the high-risk functions and voluntary for all other HQ employees.

In the 2024/2025 financial year, 98% of functions-at-risk were covered by training programs.

Anti-corruption training is aimed at all HQ employees, including the Management Board and senior management. This also applies to employee representatives serving on the Supervisory Board.

Training requirements are regularly adjusted on the basis of information gained, experience, and findings.

	2024/2025
Total number of functions-at-risk covered	83
Total number of functions-at-risk covered by training programs	81
Percentage of functions-at-risk covered by training programs	98%

#### G1-4 Incidents of corruption or bribery

In the 2024/2025 financial year, there were no confirmed incidents of corruption or bribery within DOUGLAS Group.

To be able to sanction a corruption or bribery violation, the violation must be clarified and proven. This is achieved by evaluating documents and interviewing whistleblowers and accused persons. The Compliance department makes a proposal for sanctioning a violation. The Management Board decides on the measures taken.

There were no confirmed incidents in the 2024/2025 financial year, in which members of DOUGLAS Group's own workforce were dismissed or disciplined for corruption or bribery-related incidents.

	2024/2025
Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0
Number of confirmed incidents of corruption or bribery	0
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0

# Further Disclosure Requirements

## ESRS 2 IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

ESRS Reference	Disclosure requirement	Section in the Sustainability report	Page number
ESRS 2	BP-1	General basis for preparation	68
	BP-2	Disclosures in relation to specific circumstances	69
	GOV-1	The role of the administrative, management and supervisory bodies	70
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	73
	GOV-3	Integration of sustainability-related performance in incentive schemes	74
	GOV-4	Statement on due diligence	75
	GOV-5	Risk management and internal controls over sustainability reporting	75
	SBM-1	Strategy, business model and value chain	76
	SBM-2	Interests and views of stakeholders	79
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	81
	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	84
	IRO-2	Disclosure Requirements in ESRS covered by the undertaking's Sustainability Statement	84
ESRS E1	E1-1	Transition Plan for climate change mitigation	87
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	88
	E1-2	Policies related to climate change mitigation and adaptation	89
	E1-3	Actions and resources in relation to climate change policies	90
	E1-4	Targets related to climate change mitigation and adaptation	90
	E1-5	Energy Consumption and Mix	93
	E1-6	Gross Scopes 1,2,3, and Total GHG emissions	95
	E1-7	GHG Removals and mitigation projects financed through carbon credits	101
ESRS E2	E1-8	Internal carbon pricing	101
	E2-1	Policies related to pollution	103

ESRS Reference	Disclosure requirement	Section in the Sustainability report	Page number
	E2-2	Actions and resources related to pollution	104
	E2-3	Targets related to pollution	103
ESRS E5	E5-1	Policies related to resource use and circular economy	106
	E5-2	Actions related to resource use and circular economy	107
	E5-3	Targets related to resource use and circular economy	107
	E5-4	Resource inflows	109
	E5-5	Resource outflows	109
ESRS S1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	116
	S1-1	Policies related to own workforce	118
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	119
	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	121
	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	122
	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	121
	S1-6	Characteristics of the undertaking's employees	123
	S1-8	Collective bargaining coverage and social dialogue	124
	S1-9	Diversity metrics	125
	S1-10	Adequate wages	126
	S1-14	Health & Safety Metrics	126
	S1-17	Incidents, complaints and severe human rights impacts	125
ESRS S4	SBM-3	Material impacts, risks and opportunities related to consumers and end users and their interaction with strategy and business model	128
	S4-1	Policies related to consumers and end-users	128
	S4-2	Processes for engaging with consumers and end-users about impacts	130
	S4-3	Processes to remediate negative impacts and channels for consumers and/or end-users to raise concerns	131
	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	132
	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	132
ESRS G1	G1-1	Business conduct policies and corporate culture	134
	G1-3	Prevention and detection of corruption and bribery	135
	G1-4	Incidents of corruption or bribery	136



## ESRS2 IRO2 - List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and associated data point	SFDR reference	Pillar 3 Reference	Benchmark regulation reference	EU Climate Law Reference	Reference to chapter in CSRD Report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		GOV-1
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		GOV-1
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 of Table # 3 of Annex 1				GOV-4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 of Table # 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 6; Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		not relevant
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicators number 9 of Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		not relevant
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicators number 14 of Table # 1 of Annex 1		Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Art. 12 (1)		not relevant
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Art. 12 (1)		not relevant
ESRS E1-1 Transition plan to achieve climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2 (1)	E1-1
ESRS E1-1 Companies exempt from the Paris-aligned benchmarks Section 16 (g)		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Reporting template 1: Banking book - Climate change transition risk: Credit quality of risk positions by sector, emissions and remaining maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		not relevant
ESRS E1-4 GHG emissions reduction targets paragraph 34	Indicator number 4 of Table # 2 of in Annex 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		E1-4
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				not relevant
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 of Table #1 of Annex 1				E1-5
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 of Table #1 of Annex 1				not relevant

Disclosure requirement and associated data point	SFDR reference	Pillar 3 Reference	Benchmark regulation reference	EU Climate Law Reference	Reference to chapter in CSRD Report
ESRS E1-6 Gross Scope 1, 2 and 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Climate change transition risk: Credit quality of exposure by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and Art 8 (1)		E1-6
ESRS E1-6 Intensity of gross GHG emissions paragraphs 53 to 55	Indicator number 3 of Table #1 of Annex 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8 (1)		not relevant
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	not relevant
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66				Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816 Annex II	use of phase-in provision
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			use of phase-in provision
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			
ESRS E1-9 Degree of exposure of the portfolio to climaterelated opportunities paragraph 69				Delegated Regulation (EU) 2020/1818, Annex II)	use of phase-in provision
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 of Table #2 of Annex 1				not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 of Table #2 of Annex 1				not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 of Table #2 of Annex 1				not material
ESRS E3-4 Total water recycled and reused paragraph 28 ©	Indicator number 6,2 of Table #2 of Annex 1				not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6,1 of Table #2 of Annex 1				not material

Disclosure requirement and associated data point	SFDR reference	Pillar 3 Reference	Benchmark regulation reference	EU Climate Law Reference	Reference to chapter in CSRD Report
ESRS 2 – SBM-3 – E4 paragraph 16 (a) i	Indicator number 7 of Table #1 of Annex 1				not material
ESRS 2 – SBM-3 – E4 paragraph 16 (b)	Indicator number 10 of Table #2 of Annex 1				not material
ESRS 2 – SBM-3 – E4 paragraph 16 (c)	Indicator number 14 of Table #1 of Annex 2				not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 of Table #2 of Annex 1				not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 of Table #2 of Annex 1				not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 of Table #2 of Annex 1				not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 of Table #1 of Annex 2				not relevant
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 of Table #1 of Annex 1				not relevant
ESRS 2 SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				SBM-3
ESRS 2 SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				SBM-3
ESRS S1-1 Human rights policy commitment paragraph 20	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				S1-1
ESRS S1-1   Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8 paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		S1-1
ESRS S1-1 Procedures and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				S1-1
ESRS S1-1 Concept or management system for the prevention of workrelated accidents, paragraph 2	Indicator number 1 Table #3 of Annex I				S1-1
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				S1-3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		S1-14
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				S1-14
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		S1-16
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				S1-16
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				S1-17
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 104 (a)	Indicator number 10 Table #1 of Annex I and Indicator number 14 Table #3 of Annex		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12 (1)		S1-17
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				not material

Disclosure requirement and associated data point	SFDR reference	Pillar 3 Reference	Benchmark regulation reference	EU Climate Law Reference	Reference to chapter in CSRD Report
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators number 11 and 4 Table #3 of Annex 1				not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 of Table #1 of Annex 3				not material
ESRS S3-1 Human rights commitments paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 of Table #1 of Annex 3				not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				S4-1
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 17	Indicator number 10 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12 (1)		S4-1
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 of Table #1 of Annex 3				S4-4
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 of Table #3 of Annex 1				G1-1
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 of Table #1 of Annex 3				G1-1
ESRS G1-4 Fines for violations of anti-corruption and bribery laws paragraph 24 (a)	Indicator number 17 of Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		G1-4
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 of Table #3 of Annex 1				G1-4

# Corporate Governance declaration

Pursuant to Sections 289f and 315d of the German Commercial Code (HGB), listed stock corporations must provide a corporate governance statement in the management report and parent companies that are listed as stock corporations must provide such a statement in the group management report. Pursuant to Section 317 (2) sentence 6 HGB, the auditor's review of the disclosures to be made in this corporate governance statement must be limited to whether they have been made.

## **A. Declaration by the Management Board and the Supervisory Board of Douglas AG on the recommendations of the Government Commission on the "German Corporate Governance Code" pursuant to Section 161 AktG**

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of a listed German stock corporation are obliged to declare annually whether the recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice and Consumer Protection in the official Section of the Federal Gazette have been and are being complied with. Recommendations that have not been or are not applied should be named and reasons given for any deviation

Since the listing of Douglas AG's shares on the Frankfurt Stock Exchange in 2024, the Management Board and Supervisory Board have reported annually in accordance with Section 161 AktG on the application of the recommendations of the German Corporate Governance Code explained any deviations accordingly. Douglas AG has complied with all recommendations of the German Corporate Governance Code in the version dated April 28, 2022, as published in the Federal Gazette on June 27, 2022, since its last declaration dated December 4, 2024, with the following exception:

### **Recommendation B.3: Appointments to the Management Board**

According to recommendation B.3, the initial appointment of Management Board members should be for a maximum period of three years.

Douglas AG had or has a reason to deviate from recommendation B.3 with respect to all three current members of the Management Board. Initially there was a special situation due to the IPO in 2024 that the three members of the Management Board of the new, listed Douglas AG then appointed for the first time were previously at the helm of the Douglas Group, i.e., the unlisted predecessor company of Douglas AG. Against this background, the 2024 appointments were not first-time appointments to the managing bodies of the Douglas Group in the strict sense. Nevertheless, for reasons of transparency and good governance, the Management Board and the Supervisory Board expressly point out that the appointments of Mr. Van der Laan, Mr. Langer and Dr. Andrée to the Management Board of Douglas AG were made in 2024 for a period of four years. Marco Giorgetta was appointed as member of the Management Board upon becoming CFO of Douglas AG in the first half of 2025 after Mark Langer stepped down. Mr. Giorgetta was previously at Douglas Italy from 2017, and became CFO for Southern Europe in 2021. He therefore not only has long-standing expertise, additionally gained from his previous roles at Morgan Stanley, Bridgepoint and Orlando, but also eight years of experience in senior financial positions within the Douglas Group. He was therefore already familiar with the Douglas Group upon his appointment as CFO of Douglas AG. Marco Giorgetta's appointment thus aligns with the concept of strategic development of internal senior executives as a component of long-

term succession planning for the senior executives of the Douglas Group. In this light, and in the interest of stability at the senior level of Douglas AG, Mr. Giorgetta was also appointed as Management Board member and CFO for a period of four years.

Douglas AG

Düsseldorf, 8 October, 2025

For the Supervisory Board

For the Management Board

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Dr. Henning Kreke

(Chairman)

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Alexander van der Laan

(Chairman)



## B. MANAGEMENT BOARD

### I. Composition of the Management Board

The Articles of Association of Douglas AG stipulate that the Management Board consists of one or more members. The number of Management Board members is determined by the Supervisory Board. The Supervisory Board appoints the members of the Management Board for a maximum period of five years and may reappoint members for further terms. The Supervisory Board may revoke such an appointment before the end of the term of office for good cause, for example, in the event of a gross breach of duty by the Management Board, inability to manage the Company properly or if the Annual General Meeting withdraws its confidence in a member of the Management Board. The Supervisory Board may appoint a Chairperson and a Deputy Chairperson of the Management Board.

The Management Board currently consists of three members. The current composition of the Management Board is described in more detail in the consolidated financial statements.

When appointing Management Board members, the Supervisory Board ensures that the management team has the necessary knowledge, skills and experience. The focus of the selection process is always on the best interests of the DOUGLAS Group, taking into account the individual circumstances of each case. The Supervisory Board attaches great importance to the professional expertise and personal suitability of the candidates. The Supervisory Board has set an age limit for members of the Management Board, according to which Management Board members must retire from office at the age of 67.

In accordance with Section 111 (5) sentence 1 AktG, the Supervisory Board resolved on March 11, 2024 to set a target for the proportion of women on the Management Board of 0% by February 29, 2028. The sole reason for this target is that the three male members of the Management Board at that time were already Managing Directors of Douglas GmbH (today operating as Douglas Service GmbH). As part of the preparations for the IPO, Mr. van der Laan, Dr. Andrée and Mr. Langer were appointed as members of the Management Board of Douglas AG for the period until the end of the day on February 29, 2028 – and thus for the entire period for which the target was set. In the view of the Supervisory Board, the continuity in the previous composition of the Management Board, which had proven itself at Douglas GmbH, at the time contributed significantly to the success of Douglas AG. Following Mr. Langer's departure from the

Management Board effective at the end of the day on April 30, 2025, Mr. Marco Giorgetta was appointed as the new CFO. Mr. Giorgetta previously worked for Douglas Italy from 2017 on and became CFO for Southern Europe in 2021. He was therefore already familiar with the Douglas Group upon his appointment as CFO of Douglas AG. Mr. Giorgetta's appointment aligns with the concept of strategic development of internal senior executives as a component of long-term succession planning for the top tier of the Douglas Group. In this light, and in the interest of stability at the senior level of Douglas AG, Mr. Giorgetta was also appointed as Management Board member and CFO for a period of four years.

In the 2024/2025 reporting year, the composition of the Management Board complied with the aforementioned target figure.

Furthermore, the Supervisory Board considered the Management Board size of three members to be sufficient for a German stock corporation of the size and orientation of Douglas AG. The Supervisory Board recognized with approval that the legislator's goal of increasing the proportion of women on the Management Board is of great importance. In the past and in the future, various key positions in the Douglas Group at the management levels below the Management Board have been and will continue to be held by women. If, contrary to expectations, there is a change in the Management Board or an expansion of the Management Board before the aforementioned terms of office expire, the Supervisory Board will include the goal of increasing the proportion of women on the Management Board in the medium term in its decision.

In cooperation with the Management Board, the Supervisory Board should ensure long-term succession planning for the Management Board (recommendation B.2 GCGC). The current members of the Management Board were appointed for four years, as the Supervisory Board believes that the expertise and continuity of the current Management Board is a key component of the long-term success of the Douglas Group. The current succession planning of the Audit Committee and the Supervisory Board provides for the mandate of the current Management Board to be maintained at least until the end of its appointment. The Supervisory Board will continuously review the plans it has set itself.

In accordance with Section 76 (4) AktG, the Management Board is obliged to set targets for the proportion of women at the two management levels below the Management Board. All employees at the Douglas internal job levels E01 and E02 ("Level 1") were defined as the first management level below the Management Board of Douglas AG. A change in the

Douglas internal job level structure involved eliminating levels E01 and E02 and replacing them with immediate effect with job levels D07 (Senior Vice President) and D08 (Executive Vice President). These will be applied going forward in determining the percentage of women in the first management level below the Management Board of Douglas AG. The second management level of Douglas AG below the Management Board remains defined as all employees at job levels D05 and D06 ("Level 2"). By resolution of the Management Board dated March 10, 2024, the Management Board set the following targets for these two management levels below the Management Board

The target for the proportion of women in Level 1 is 40%. The deadline for achieving this target is December 31, 2028.

The target for the proportion of women in Level 2 is also 40%. The deadline for achieving this target is December 31, 2028.

Detailed information on women in management positions and the diversity concept at the DOUGLAS Group can be found in the "Non-financial statement" section of the annual report.

## II. Working methods of the Management Board

The Management Board is responsible for managing Douglas AG and represents it in dealings with third parties. It is responsible for managing the Company's business in accordance with the law, the Articles of Association and the Management Board's Rules of Procedure. The main duties include determining the strategic direction and management of Douglas AG and the DOUGLAS Group as well as establishing and monitoring an effective internal control and risk management system. The specific duties and responsibilities of the Management Board are described in detail in the rules of procedure issued by the Supervisory Board, which are published on the Douglas website at <https://douglas.group/en/investors/governance>.

The members of the Management Board are jointly responsible for the overall management. A joint resolution of the Management Board is required in all matters that are of fundamental or material importance for Douglas AG or the DOUGLAS Group, in particular in matters that have a material impact on the organization, business policy, strategy, net assets, financial position or results of operations or the employees of Douglas AG or the DOUGLAS Group. The same applies to all other matters in which a resolution of the Management Board is required by

law, the Articles of Association or the Rules of Procedure. Notwithstanding the overall responsibility of the Management Board, each Management Board member shall independently manage the business division assigned to him by the Rules of Procedure.

The Chairman of the Management Board manages the business of the Management Board with regard to cooperation with the Supervisory Board and its members as well as the committees of the Supervisory Board. The Chairman of the Management Board will inform the Chairman of the Supervisory Board regularly, promptly and comprehensively about the course of business and the financial situation of Douglas AG and DOUGLAS Group. If important events occur and business matters arise that have a significant impact on the financial position of Douglas AG, the Chairman of the Management Board must report to the Chairman of the Supervisory Board without delay.

The Management Board may only undertake the following transactions and measures, among others, with the prior approval of the Supervisory Board:

- Determination of annual and multi-year planning,
- Conclusion, termination and amendment of company agreements (control, profit transfer, transfer of business, operating lease agreements) and measures in accordance with the German Transformation Act (mergers, demergers, asset transfers, changes of legal form) and incorporations involving companies outside the DOUGLAS Group,
- Establishment or liquidation of subsidiaries or (branch) offices with equity, total assets and/or liquidation costs of more than EUR 25 million each or establishment of joint ventures with an investment commitment of more than EUR 25 million each,
- Acquisition, sale and encumbrance of companies and shares in companies if the company value exceeds EUR 25 million in individual cases,
- Acquisition, sale and encumbrance of real estate and rights equivalent to real estate if the market value exceeds EUR 10 million in individual cases,
- Acquisition of property, plant and equipment with the exception of real estate and rights equivalent to real estate with a market value of at least EUR 10 million,
- Conclusion of rental or leasing agreements with recurring payment obligations over a fixed term totaling at least EUR 10 million,
- Investments of more than EUR 10 million, several related individual investments are to be treated as a whole,
- Taking out bank loans of at least EUR 20 million in individual cases and more than EUR 40 million in total within the DOUGLAS Group,

- Issuing bonds and bonds or other securitized financing instruments as well as borrowings,
- Assumption of sureties, guarantees or similar liabilities as well as the provision of collateral for liabilities of non-affiliated companies outside the ordinary course of business,
- Transactions or measures that lead to a fundamental change in the net assets, financial position or results of operations of the company or the DOUGLAS Group,
- Conclusion of settlements and other legal waivers that result in a payment obligation for the Company or the loss of a claim by the Company of more than EUR 10 million,
- Conclusion and amendment of employment contracts with a gross annual income including target bonus of at least EUR 300,000.00, and
- Conclusion and amendment of pension agreements with annual pension obligations of at least EUR 30,000.00.

The Management Board also requires the prior approval of the Supervisory Board, in accordance with the Douglas internal guidelines on adjustments to the EBITDA KPI (EBIT, EBT), version dated May 12, 2025, when new projects are started or existing projects adjusted with a financial scope or deviation from the approved budget of more than EUR 5 million.

The Management Board must also obtain the approval of the Supervisory Board if it participates in certain transactions of the aforementioned type or in capital increases or capital reductions at a company dependent on the Company, in the case of financial commitments to associated companies, irrespective of the amount of the participation and insofar as the company is thereby burdened with more than EUR 30 million in individual cases, through instructions, approval, voting or in any other way.

In addition, the approval of the Supervisory Board is required for all transactions between Douglas AG or a company controlled by Douglas AG and the members of the Management Board or persons, companies or associations associated with them, if the value of the transaction alone or together with the transactions carried out with the same person within the current financial year prior to the conclusion of the transaction exceeds EUR 50,000.00.

The Management Board generally makes decisions at meetings, which are usually held weekly and are convened and chaired by the Chairman of the Management Board informally and without notice. Each member of the Management Board may request that a meeting be convened, stating the subject matter to be discussed, or request that a subject

matter be dealt with at a meeting that has already been convened.

The Management Board is quorate if at least half of its members are present at the meeting. By order of the Chairman of the Management Board or with the consent of all members, resolutions may also be passed in a telephone or video conference or outside of meetings by written, text, oral or telephone votes. The Management Board passes resolutions by a simple majority of its members. If more than two members of the Management Board are in office, the Chairman of the Management Board has the casting vote in the event of a tie. If the Chairman of the Management Board is outvoted on a resolution, he has the right to submit the matter to the Executive Committee of the Supervisory Board for consultation. In this case, the execution and implementation of the resolution is suspended until the Executive Committee has been consulted.

Minutes of the meetings of the Management Board must be taken by the Group General Counsel or a representative appointed by him as secretary.

In the financial year 2024/2025, the Management Board generally met once a week.

### III. Corporate governance instruments

For the most part, Douglas AG follows the recommendations of the German Corporate Governance Code (GCGC) for both the individual company and the DOUGLAS Group. In addition, the Management Board of Douglas AG has introduced internal guidelines to ensure compliance with legal requirements.

The managers and department heads of Douglas AG and the managing directors of the other Group companies are responsible for ensuring that the guidelines and rules within Douglas AG and the DOUGLAS Group are strictly adhered to. In day-to-day business, every manager must ensure that employees have the greatest possible freedom of action without neglecting the fundamental principles of good corporate governance.

#### 1. Financial reporting and annual audit

The 2024/2025 half-year financial report was prepared by Douglas AG in accordance with the applicable International Financial Reporting Standards as adopted in the European Union and applicable to interim financial reporting. The audited consolidated financial statements of the DOUGLAS Group for the financial year ending September 30, 2025, have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union. The audited unconsolidated financial

statements of Douglas AG for the financial year ending September 30, 2025, were prepared in accordance with the German Commercial Code. The auditor for the financial year 2024/2025 and for the review of the half-year financial report 2024/2025 is KPMG AG Wirtschaftsprüfungs-gesellschaft, Cologne. In addition, the recommendations of the German Corporate Governance Code for the audit of financial statements are considered during the audit of the annual financial statements. The Chairwoman of the Audit Committee is informed of any findings of the auditor that indicate that the declaration of conformity is inaccurate. The auditor is also obliged to note such inaccuracies in the audit report.

## 2. Compliance

Douglas AG has implemented a compliance management system that provides a framework for the appropriateness and effectiveness of compliance management systems as part of its audit. The system contains compliance standards and processes and is therefore a key component of our governance system, which serves to prevent and monitor risks. It contains standards and processes to ensure compliance with applicable laws and internal guidelines, as well as a regularly updated regulatory radar.

The Code of Conduct is a key element of the compliance management system. It defines standards of conduct that apply to all employees and board members of the DOUGLAS Group and illustrates the shared responsibility and clear commitment to ethical and legally compliant conduct. Douglas AG is certain that its Group employees contribute to a Group-wide atmosphere of trust and teamwork through open dialogue and strengthen the DOUGLAS corporate culture. In addition, the DOUGLAS Group has established a Code of Conduct for its suppliers, which requires recognition of the rule of law, labor and social standards, and international human rights. As part of the implementation of the necessary processes to ensure compliance with the German Supply Chain Due Diligence Act (LkSG), this Supplier Code of Conduct was updated, and DOUGLAS' own Human Rights Declaration was published.

Employee awareness and understanding of compliance issues and policies, including the Code of Conduct, is ensured through ongoing communication and regular training. In every country in which the DOUGLAS Group operates, a compliance manager supports the compliance organization and provides DOUGLAS employees with assistance in compliance matters.

In addition, Douglas AG provides a whistleblower system to enable employees of the entire DOUGLAS Group to report suspected compliance violations and to also give our business partners the opportunity to

report potential compliance violations confidentially. All stakeholders may submit their reports anonymously. The DOUGLAS Group whistleblower system also meets the statutory requirements of the LkSG. Reports may relate to criminal offenses or violations of EU or national law, including potential human rights violations or environmental issues.

## 3. Risk management system and internal control system

The DOUGLAS Group maintains a Group-wide risk management and internal control system that helps management to identify material risks at an early stage and thus initiate countermeasures in good time. The risk management and internal control system is designed at the dutiful discretion of the Management Board and takes into account the scope of business activities and the risk situation of Douglas AG and the DOUGLAS Group companies in accordance with Section 91 (3) AktG. The effectiveness of the DOUGLAS Group's risk management and internal control system is continuously reviewed and adapted to changing conditions.

In the course of its monitoring activities in all material respects and taking into account the continuous improvement initiatives, the Management Board has no reason to doubt the extensive appropriateness and effectiveness of the internal control system in its entirety during the financial year. In case of findings are made during internal audits or external audits Douglas Group makes continuous improvements to the internal control system.

Further details on risk management and the internal control system are explained in the "Opportunity and risk report" of this combined management report.

## 4. Communication and Transparency

Douglas AG attaches significant importance to transparent communication and regularly informs shareholders, financial analysts, shareholder associations, the media and the public about the situation of Douglas AG and its business performance. This information can primarily be found on the DOUGLAS Group-website (<https://douglas.group>).

The DOUGLAS Group-website contains all press releases and financial reports as well as the Articles of Association of Douglas AG, the Rules of Procedure for the Supervisory Board of Douglas AG and information on the Annual General Meeting. In addition to regular reporting, Douglas AG also provides ad-hoc announcements on the DOUGLAS Group-website concerning insider information directly relating to Douglas AG in accordance with Article 17 of the European Market Abuse Regulation.

## 5. ESG reporting

Douglas AG has set up the necessary processes in the Company to fulfill future ESG reporting obligations and increase transparency.

In accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive (CSRD)), Douglas AG is required to disclose information on what are seen as risks and opportunities for the business of the DOUGLAS Group from a social and environmental perspective (outside-in perspective) and on the impact of its business activities on people and the environment (inside-out perspective). The ESG reporting must comply with the European standards for sustainability reporting, which supplement the CSRD. The EU aims to support investors, civil society organizations, consumers, and other stakeholders in assessing the sustainability performance of companies as part of the European Green Deal, a series of policy proposals by the EU Commission to combat climate change and environmental degradation with the aim of making Europe the world's first climate-neutral continent.

In order to be prepared for compliance with these and other future ESG reporting requirements, e.g., under the EU Taxonomy (Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020), which requires certain sustainability-related disclosure of revenue, capital expenditure and operating expenditure, Douglas AG has established an internal reporting landscape for regular ESG reporting and is integrating ESG reporting into its financial reporting to ensure aligned processes. A materiality assessment in line with CSRD metrics was carried out in this context. This identified stakeholder priorities and factors material to the long-term success of the DOUGLAS Group to create a list of material topics that will form the basis of all ESG activities, including the definition of further relevant ESG KPIs.

## IV. Compensation

On March 10, 2024, the Supervisory Board approved the current Compensation System for the members of the Management Board of Douglas AG in preparation for the IPO on March 21, 2024. The Supervisory Board reconfirmed and formalized this Compensation System in a resolution dated December 17, 2024. The remuneration of the members of the Management Board consists of fixed and variable performance-related remuneration components.

The Compensation System was approved at the Annual General Meeting on February 19, 2025.

The compensation report for the financial year 2024/2025 is prepared by the Management Board and Supervisory Board. The auditor's opinion on the compensation report pursuant to Section 162 AktG and the applicable Compensation System pursuant to Section 87a (1) and (2) sentence 1 AktG are published on the DOUGLAS website at <https://douglas.group/en/investors/governance>.

## V. Securities transactions by members of the Management Board

Members of the Management Board and related parties must disclose transactions involving shares or bonds of Douglas AG or related derivatives or other related financial instruments (Art. 19 European Market Abuse Regulation). Douglas AG publishes notifications of transactions of this kind on the Douglas website at <https://douglas.group/en/investors/financial-news> and in other media.

## C. SUPERVISORY BOARD

### I. Composition of the Supervisory Board

The Supervisory Board consists of 12 members. The shareholders appoint six members. The remaining six employee representatives are appointed in accordance with the provisions of the German Co-Determination Act (MitbestG). All current members of the Supervisory Board are listed on the Douglas website at <https://douglas.group/en/investors/governance>.

Following its constitution on March 10, 2024, the Supervisory Board of Douglas AG adopted a competence profile with the following information on its composition, considering the recommendations of the GCGC. These are to be considered in particular when appointing members to the Supervisory Board by the Nomination Committee and selecting candidates for election at the Annual General Meeting.

The Supervisory Board is composed of at least 30% women and at least 30% men within the meaning of Section 96 (2) AktG.

The regular age limit for Supervisory Board members was set in the Rules of Procedure at the end of the Annual General Meeting as 72 years of age.

In accordance with Section 100 (5) AktG, the Supervisory Board must be familiar with the sector in which Douglas AG operates as a whole. The Supervisory Board as a whole should have in-depth experience and knowledge in the following areas:

- The area of wholesale, retail and mail order (in particular also in the areas of E-Commerce, digital platforms and marketplaces) with goods of all kinds, in particular with cosmetics, beauty and lifestyle products, including the provision of services related to the industry and/or the goods,
- Sustainability issues relevant to Douglas AG in the areas of environment, social affairs and corporate governance, including knowledge of the integration

of sustainability goals into the corporate strategy and of sustainable technologies and business models,

- Digitization and intelligent and digitally networked IT applications,
- Personnel recruitment and development,
- Accounting and financial reporting, including sustainability reporting, and auditing, including the audit of sustainability reporting,
- Controlling and risk management, and
- Corporate governance and corporate compliance.

At least one Supervisory Board member must have accounting knowledge and another must have auditing knowledge. Their accounting expertise includes knowledge of accounting principles, internal control and risk management. Auditing expertise includes knowledge of auditing (recommendation D.3 GCGC). Both areas also include sustainability reporting and auditing.

More than half of the shareholder representatives must be independent of Douglas AG itself and its Management Board (recommendation C.7 GCGC). At least two shareholder representatives should be independent of the controlling shareholder (recommendation C.9 GCGC). The Chairpersons of the Supervisory Board, the Audit Committee and the Remuneration Committee must be independent of Douglas AG and the Management Board (recommendation C.10 GCGC). The Chairperson of the Audit Committee must also be independent of the controlling shareholder. No more than two former members of the Management Board of Douglas AG should be members of the Supervisory Board. The Rules of Procedure of the Supervisory Board stipulate that the members should not exercise any executive functions or advisory tasks vis-à-vis major competitors, customers, suppliers or lenders or maintain personal relationships with them. The term of office of the members should not extend beyond the end of the General Meeting after they have reached the age of 72 (recommendation C.2 GCGC).



The seats on the Supervisory Board are currently held by the following persons:

Name	Representative status	Supervisory Board	Executive Committee	Audit Committee	Nomination Committee	Mediation Committee
Dr. Hennig Kreke	Shareholder	•	•		•	•
		Chairperson	Chairperson		Chairperson	Chairperson
Dr. Alexander Dibelius	Shareholder	•				
Georgia Garinois-Melenikiotou	Neutral	•	•	•		
Dr. Daniel Pindur	Shareholder	•	•	•	•	•
						Shareholder representative
Pamela Knapp	Neutral	•	•	•		
				Chairperson		
Can Toygar	Shareholder	•	•	•	•	
Ulrike Gaal	Employee	•	•			•
						Employee representative
Vesna Mandalenakes	Employee	•				
Stefanie Hübner	Employee	•		•		
Ulrike Grabe	Employee	•	•			•
		Deputy Chairperson				Deputy
						Chairperson
Petra Ringer	Employee / Trade Union	•				
Peter König	Employee / Trade Union	•				

In the opinion of Douglas AG, the criteria of the requirement profile are fully met by the current composition of the Supervisory Board.

		Dr. Henning Kvekke	Dr. Alexander Dibelius	Georgia Garinois-Melenikiotou	Dr. Daniel Pindur	Patricia Knapp	Can Toygar	Ulrike Gaal	Yvona Mandalenakes	Stefanie Kilbner	Ulrike Grabe	Petra Ringer	Peter König
Personal details	Member since	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024
	Year of birth	1965	1959	1958	1978	1958	1982	1964	1969	1974	1959	1965	1965
	Gender	Male	Male	Female	Male	Female	Male	Female	Female	Female	Female	Female	Male
	Profession	Entrepreneur	Managing Director	Supervisory board member at various companies/c consultant	Managing Director	Supervisory board member at various companies/c consultant	Managing Director	Commercial employee/b equity expert	Commercial employee/b equity expert	Head of E-Commerce Germany	Division Manager	Trade union secretary	Trade union secretary
	Shareholder representative	✓	✓	✓	✓	✓	✓						
	Employee representative within the meaning of the MitbestG							✓	✓	✓	✓	✓	✓
Personal suitability	Independent of the Management Board and the Company <sup>(1)</sup>	✓	✓	✓	✓	✓	✓						
	Independent of any controlling shareholder <sup>(1)</sup>			✓		✓							
	Time availability <sup>(2)</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No overboarding <sup>(3)</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Does not exceed age limit (72 years of age)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Does not exceed consecutive period of affiliation (15 years or 3 terms of office)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial expertise	Audit	✓	✓	✓	✓	✓	✓						
	Accounting]	✓	✓	✓	✓	✓	✓						
Knowledge/experience	Monitoring/consulting Management Board	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Governance/compliance	✓	✓	✓	✓	✓	✓						
	Control/risk management	✓		✓		✓							
	Knowledge of industries, markets, and regions	✓		✓		✓		✓	✓	✓	✓	✓	✓
	Sustainability/ESG			✓									
	Digitalization			✓		✓				✓			
	Management of international group	✓	✓	✓	✓	✓	✓						
	Personnel recruitment and development	✓								✓	✓		
	International entrepreneurial experience	✓	✓	✓	✓	✓	✓						

(1) In accordance with recommendations C.6, C.7, C.9 GCGC: A shareholder representative is to be regarded as independent within the meaning of this recommendation if they are independent of the company and its Management Board and independent of any controlling shareholder. More than half of the shareholder representatives should be independent of the company and the Management Board. A Supervisory Board member is independent of the company and its Management Board if they have no personal or business relationship with the company or its Management Board that may cause a substantial and not merely temporary conflict of interest (please refer to the GCGC for further details). In a company with a controlling shareholder, at least two shareholder representatives should be independent of the controlling shareholder.

(2) In accordance with Principle 12 GCGC: Each Supervisory Board member shall ensure that they have sufficient time available to discharge their duties.

(3) In accordance with recommendation C.4 GCGC: A Supervisory Board member who is not a member of any Management Board of a listed company shall not accept more than five Supervisory Board mandates at non-group listed companies or comparable functions, with an appointment as Chair of the Supervisory Board being counted twice. Members of the Management Board of a listed company shall not have, in aggregate, more than two Supervisory Board mandates in non-group listed companies or comparable functions, and shall not accept the Chair of a Supervisory Board in a non-group listed company (avoidance of "overboarding"). The mandates currently held by Supervisory Board members in other companies are published in the CVs of the Supervisory Board members published in the annual report.

## II. Working methods of the Supervisory Board

The members of the Supervisory Board jointly perform the duties assigned to the Supervisory Board by law or the Articles of Association. The Supervisory Board advises and monitors the Management Board with regard to the management of the Company. In addition, certain types of transactions by the Management Board require the prior approval of the Supervisory Board. Significant transactions with related parties in accordance with Section 111b (1) AktG also require the approval of the Supervisory Board.

The Rules of Procedure, which are available on the DOUGLAS website at <https://douglas.group/en/investors/governance> apply to the Supervisory Board.

All members of the Supervisory Board have the same rights and obligations, unless otherwise stipulated by law or the Articles of Association. In their position as members of the Supervisory Board, they are not bound by instructions.

The meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board at least 14 days in advance. The Supervisory Board must hold two meetings per calendar half-year. A meeting of the Supervisory Board must also be convened if a member of the Supervisory Board or the Management Board so requests, stating the purpose of and reasons for the meeting. The Supervisory Board convened six meetings in the financial year 2024/2025.

The Supervisory Board also meets regularly without the Management Board. This applies in particular to meetings or parts of meetings in which the Supervisory Board deals with internal issues or discusses specific Management Board issues, for example. The members of the Management Board will not attend the meetings if the Chairman of the Supervisory Board so determines. If the auditor is called in as an expert, the members of the Management Board will only attend if the Supervisory Board so decides.

The Supervisory Board constitutes a quorum if at least half of the members of which it must consist in total participate in the vote. Unless otherwise stipulated by mandatory law, resolutions of the Supervisory Board are passed by a simple majority of the vote cast. If a Supervisory Board vote results in a tie, each Supervisory Board member is entitled to request a second vote on the same topic. If there is still a tie in the second vote, the Chairman of the Supervisory Board shall have the casting vote. Resolutions of the Supervisory Board should generally be passed in meetings. By order of the Chairman or with the consent of all Supervisory Board

members, meetings of the Supervisory Board may also be held in the form of a conference call or using other electronic means of communication (in particular by video conference); individual members of the Supervisory Board may be connected to the meetings by telephone or other electronic means of communication (in particular by video link). In these cases, resolutions may also be passed by way of telephone conference or other electronic means of communication (in particular by video conference).

Each member of the Supervisory Board must disclose any conflicts of interest to the Chairman of the Supervisory Board without delay. The latter shall decide on the further handling of the conflict of interest. Material conflicts of interest that are not merely temporary should lead to the termination of the mandate. The Supervisory Board should provide information on any conflicts of interest that arise and how they are dealt with in its report to the Annual General Meeting. No conflicts of interest were reported in the reporting year.

As part of a self-evaluation, the Supervisory Board regularly assesses how efficiently the Supervisory Board and the committees perform their duties. For this purpose, a questionnaire is distributed to the members of the Supervisory Board, in which they can comment on the effectiveness of the Supervisory Board's working methods and identify areas for improvement. The results of the evaluation of these questionnaires will be discussed at the next ordinary meeting of the Supervisory Board and possible improvements will be discussed. The last self-evaluation of the Supervisory Board was carried out in the second half of the financial year 2024/2025.

The members of the Supervisory Board assume responsibility for carrying out the training and further education measures required to fulfill their duties, if and insofar as this is necessary to fulfill their duties.

In the financial year 2024/2025, the Supervisory Board again performed all the duties assigned to it by law or the Articles of Association. The Supervisory Board advised the Management Board on the management of Douglas AG and carefully monitored its activities. The Supervisory Board was also involved in all key decisions. It was regularly, comprehensively and promptly informed by the Management Board about the key aspects of business development, the earnings situation, risks and their management. The Supervisory Board made its decisions on the basis of comprehensive reports and proposed resolutions from the Management Board. The Supervisory Board had sufficient opportunity to discuss the reports and proposed resolutions of the Management Board in plenary sessions and in the committees. The Management Board kept the Supervisory Board fully informed of projects and transactions of particular importance or urgency both in

and outside of meetings. The Supervisory Board passed all resolutions required by law or the Articles of Association, in some cases by way of circulation. The Chairman of the Supervisory Board was in constant contact with the Management Board. This enabled events of extraordinary importance for the situation and development of the Group to be discussed immediately.

Further information on the work of the Supervisory Board, in particular the meetings in the financial year 2024/2025, can be found in the Report of the Supervisory Board. The same applies to the work of the committees, which are described below. The report of the Supervisory Board can be found in the Annual Report and on the Douglas AG website under <https://douglas.group/en/investors/governance>.

### III. Committees of the Supervisory Board and their working methods

In the financial year 2024/2025, the Supervisory Board maintained a total of four committees (Executive Committee, Audit Committee, Nomination Committee and Mediation Committee) to perform its duties.

#### 1. Executive Committee

The Executive Committee coordinates the work of the Supervisory Board and prepares the meetings of the Supervisory Board. The Executive Committee advises and supervises the Management Board in the management and development of the Company's business, particularly with regard to sales and earnings performance, as well as the situation of the Company and the DOUGLAS Group and its subsidiaries. The Executive Committee reports regularly to the Supervisory Board.

The Executive Committee prepares the personnel decisions of the Supervisory Board with regard to the appointment and employment of members of the Management Board. Instead of the Supervisory Board, the Executive Committee decides on matters that are conclusively listed in the Supervisory Board's Rules of Procedure. Furthermore, in exceptional and urgent cases, the Executive Committee can decide in place of the Supervisory Board on the approval of measures by the Management Board that require approval in accordance with the Rules of Procedure of the Management Board. Members of the Management Board disclose conflicts of interest to the Chairman of the Supervisory Board. The latter first discusses them with the Executive Committee, which decides on the further handling of a conflict of interest.

Ulrike Gaal was appointed as an additional member of the Executive Committee with effect from the beginning of January 2025, taking the number of members to seven. It consists of the Chairman of the Supervisory

Board, his deputy and four other Supervisory Board members elected by the shareholders. The Chairman of the Executive Committee is the Chairman of the Supervisory Board.

#### 2. Audit Committee

The Audit Committee monitors the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system and the compliance function as well as the monitoring of the financial reports. In this context, it monitors in particular the selection and independence of the auditor, the quality of the statutory audit and the additional services provided by the auditor. For this purpose, the Audit Committee can exercise the special investigation and audit rights granted to the Supervisory Board in accordance with Section 111 (2) AktG. Each member of the Audit Committee may obtain information directly from the heads of the central departments of the company responsible for the tasks of the Audit Committee via the Chairperson of the Committee. The committee chairman must inform all committee members of the information received and notify the Management Board immediately.

The Audit Committee makes a recommendation to the Supervisory Board for its proposal on the appointment of the auditor, which is submitted to the Annual General Meeting. In place of the Supervisory Board, it decides on the agreements with the auditor (in particular the audit assignment, the determination of the audit focus and the fee agreement). It takes appropriate measures to determine and monitor the independence of the auditor. In particular, the Audit Committee is responsible for approving non-audit-related services in order to ensure the independence of the auditor.

The Audit Committee discusses the audit risk assessment, audit strategy, audit planning and audit results with the auditor. The Chairman of the Audit Committee regularly discusses the progress of the audit with the auditor and reports on this to the committee. The Audit Committee regularly consults with the external auditors without the Management Board.

The Audit Committee prepares the resolutions of the Supervisory Board on the approval of the annual financial statements and the consolidated financial statements. To this end, it is responsible for conducting an initial audit of the annual financial statements, the consolidated financial statements, the combined management report and the proposal for the appropriation of net profit. The auditor must participate in these consultations of the Audit Committee. In addition, meetings of the Audit Committee are held as required.

The Audit Committee consists of five members, namely four Supervisory Board members representing the shareholders and one Supervisory Board member representing the employees. At least one member of the Audit Committee must have specialist knowledge in the area of accounting and at least one other member must have specialist knowledge in the area of auditing. The accounting expertise includes special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the auditing expertise includes special knowledge and experience in the auditing of financial statements. Accounting and auditing also include reporting on sustainability as well as its review and confirmation. The Chairman of the Audit Committee must have appropriate expertise in at least one of the two areas. The corporate governance statement names the relevant members of the Audit Committee and provides information on their expertise in the areas mentioned. The Chairman of the Supervisory Board may not be the Chairman of the Audit Committee.

The above requirements were met in the financial year 2024/2025.

### 3. Nomination Committee

The Nomination Committee prepares the Supervisory Board's proposals to the Annual General Meeting for the election of Supervisory Board members. The Nomination Committee did not have to meet in the financial year 2024/2025.

The Nomination Committee consists of the Chairman of the Supervisory Board and two other Supervisory Board members who represent the shareholders. The Chairman of the Supervisory Board is also the Chairman of the Nomination Committee.

### 4. Mediation Committee pursuant to Section 27 (3) MitbestG

The Supervisory Board has formed a Mediation Committee. In accordance with Sections 27 (3) and 31 (3) sentence 1 of the German Co-Determination Act (MitbestG), the Mediation Committee has the task of drawing up a mediation proposal for the election of the Management Board in the event that the required majority is not reached.

The Mediation Committee consists of the Chairman of the Supervisory Board and his deputy as well as one member of the Supervisory Board elected by the Supervisory Board representing the employees and one member of the Supervisory Board elected by the shareholder representatives, each with a majority of the votes cast.

## IV. Compensation

The remuneration of the members of the Supervisory Board of Douglas AG is based on Section 13 of the Articles of Association. Accordingly, the members of the Supervisory Board receive fixed remuneration for their activities, the exact amount of which depends on the tasks performed on the Supervisory Board or its committees, as well as reimbursement of expenses. No variable remuneration is paid.

The compensation report for the financial year 2024/2025 was prepared by the Management Board and Supervisory Board. The auditor's report pursuant to Section 162 AktG together with the compensation report and the applicable Compensation System pursuant to Section 87a (1) and (2) sentence 1 AktG are published on the Douglas website at <https://douglas.group/en/investors/governance>.

## V. Securities transactions by members of the Supervisory Board

The members of the Supervisory Board and related parties must disclose the managers' transactions with shares or bonds of Douglas AG or related derivatives or other financial instruments (Art. 19 European Market Abuse Regulation). Douglas AG publishes notifications of transactions of this kind on the Douglas website at <https://douglas.group/en/investors/financial-news> and in other media.

## D. SHAREHOLDERS AND ANNUAL GENERAL MEETING

The share capital of Douglas AG is divided into 107,692,308 registered shares of equal value. As provided for in the Articles of Association, all shareholders who have duly registered to participate and submitted proof of share ownership are entitled to participate in the Annual General Meeting and exercise their voting rights. Each share grants one vote at the Annual General Meeting. There are no shares with multiple or preferential voting rights and no maximum voting rights.

The Management Board is authorized to hold the Annual General Meeting without the physical presence of shareholders or their proxies at the location of the Annual General Meeting (virtual Annual General Meeting). This authorization was exercised for the Annual General Meeting for the 2024/2025 financial year, meaning that the 2026 Annual General Meeting will be held purely virtually.

The Annual General Meeting decides on the appropriation of profits and the discharge of the Management Board and Supervisory Board, and elects the members of the Supervisory Board and the auditor. In particular, the Annual General Meeting also decides on the Articles of Association and the purpose of the company, as well as on significant corporate measures such as, in particular, corporate agreements.

Düsseldorf, 15 December 2025

Douglas AG

The Management Board, The Supervisory Board



# Takeover-related disclosures for Douglas AG

For the reporting year, the following facts requiring disclosure pursuant to Section 289a of the German Commercial Code (HGB) exist:

## 1. Composition of the subscribed capital

The Annual General Meeting of February 19, 2025 resolved to convert the shares of Douglas AG from bearer shares to registered shares without changing the amount of the share capital. The share capital of Douglas AG amounts to EUR 107,692,308.00 and is divided into 107,692,308 no-par value registered shares. All shares carry the same rights and obligations. The rights and obligations of shareholders are based on the provisions of the German Stock Corporation Act (AktG).

## 2. Restrictions relating to voting rights or the transfer of shares

Each share entitles the holder to one vote at the Annual General Meeting. The shareholders' share in the profit is determined by their share in the share capital. In cases of section 136 AktG, the voting rights of the shares concerned are excluded by law. Otherwise, the Management Board is not aware of any agreements between shareholders that contain restrictions on the exercise of voting rights or the transfer of shares.

## 3. Direct or indirect shareholdings in the capital that exceed 10 percent of the voting rights

Douglas AG shares are traded on stock exchanges in Frankfurt am Main and elsewhere. As at September 30, 2025, approximately 57.7% of the Company's shares were held by Kirk Beauty International S.A., based in Luxembourg, and approximately 11.9% by Lobelia Lux S.à.r.l., based in Luxembourg, with the remaining shares in free float.

According to the notifications available to Douglas AG in accordance with the provisions of the German Securities Trading Act, CVC Capital Partners plc, based in Jersey, and Lobelia Lux S.à.r.l., based in Luxembourg, are each

attributed more than 10% of the voting rights in Douglas AG.

The Management Board is not aware of any other direct or indirect shareholdings in the capital that exceed 10% of the voting rights.

## 4. Holders of shares with special rights conferring powers of control

There are no shares in the Company with special rights conferring powers of control.

## 5. Type of control of voting rights when employees hold an interest in the capital and do not exercise their control rights

There is no indirect control of voting rights within the meaning of Section 289a (1) no. 5 and Section 315a (1) no. 5 HGB by employees holding an interest in the capital.

## 6. Statutory provisions and provisions of the Articles of Association on the appointment and dismissal of members of the Management Board and on amendments to the Articles of Association

Members of the Management Board are appointed and dismissed on the basis of Section 6 (3) of the Articles of Association and sections 84, 85 AktG and section 31 of the German Co-Determination Act (MitbestG). Accordingly, members of the Management Board are appointed by the Supervisory Board for a maximum of five years. Reappointment or extension of the term of office, in each case for a maximum of five years, is permitted. A majority of two-thirds of the votes on the Supervisory Board is required for the appointment of Management Board members. If no appointment is made in this way, the appointment procedure described in section 31 (3) and (4) MitbestG applies. These rules apply accordingly for the revocation of a Management Board appointment. The appointment may be revoked by the Supervisory Board if there is good cause. In

accordance with Section 6 (1) and (2) of the Articles of Association, the Supervisory Board determines the number of members of the Management Board and may appoint a Chairman of the Management Board and a Deputy Chairman. In accordance with Section 6 (3) of the Articles of Association, the authority to issue rules of procedure for the Management Board is transferred to the Supervisory Board.

Section 17 (2) of the Articles of Association stipulates, in deviation from Section 119 (1) no. 6 AktG, Section 133 AktG and Section 179 (2) AktG, that resolutions to amend the Articles of Association are passed by the Annual General Meeting with a simple majority of the votes cast and, if a capital majority is required, with a simple majority of the share capital represented when the resolution is passed, unless a larger majority is required by mandatory statutory provisions or these Articles of Association. In accordance with Section 10 (4) of the Articles of Association, the Supervisory Board is authorized to adopt amendments to the Articles of Association that only affect their wording.

## **7. Powers of the Management Board, in particular with regard to the possibility of issuing or buying back shares**

Authorized capital 2024:

The Management Board is authorized to increase the Company's share capital by up to EUR 32,307,692.00 until March 18, 2029 with the approval of the Supervisory Board by issuing up to 32,307,692 no-par value registered shares against cash and/or non-cash contributions. The authorization can be used in full or in part, once or several times. Shareholders are generally entitled to subscription rights. In the case of capital increases against cash contributions, the shares may also be acquired by banks or companies specified by the Management Board within the meaning of section 186 (5) sentence 1 AktG with the obligation to offer them to shareholders for subscription. However, the Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

to compensate for peak amounts;

to increase the share capital against contributions in kind, in particular for the purpose of mergers or the acquisition of companies, equity interests in companies, parts of companies, industrial property rights (such as patents, utility models, trademarks or licenses relating thereto) or other product rights;

to the extent necessary to grant subscription rights to holders or creditors of option and/or conversion rights or corresponding option and/or conversion obligations from bonds issued or to be issued by the Company

and/or by a subordinated Group company to the extent to which they would be entitled after exercising their option and/or conversion rights or after fulfillment of the option and/or conversion obligation;

to issue shares to service employee participation programs to members of the Management Board, persons who are or were employed by the Company or one of its affiliated companies and/or members of the management of one of the Company's affiliated companies;

in the case of capital increases against cash contributions, if the total pro rata amount attributable to the new shares for which the subscription right is excluded does not exceed 20% of the share capital either at the time this authorization becomes effective or at the time this authorization is exercised and the issue price of the new shares is not significantly lower than the stock market price of the shares of the same class already listed at the time the issue price is finally determined.

The Management Board is also authorized to determine the further details of the capital increase and its implementation with the approval of the Supervisory Board. The Supervisory Board is authorized to amend the wording of the Articles of Association accordingly after full or partial utilization of the authorized capital or expiry of the period for utilization of the authorized capital.

### **Conditional capital 2024:**

The share capital is conditionally increased by up to EUR 21,538,461.00 through the issuance of up to 21,538,461 new registered shares. The conditional capital increase will only be implemented to the extent that holders of convertible and/or option bonds and/or comparable instruments with conversion and/or option obligations or tender rights of the Company, issued by virtue of the authorization resolution of the Annual General Meeting of 19 March 2024, until 18 March 2029, by the Company or issued by a subordinated Group company and guaranteed by the Company, exercise their options or conversion rights from these bonds, or fulfill their obligation to exercise options or convert, or to the extent the Company exercises a choice to grant registered shares of the Company instead of paying the due monetary amount, in whole or in part, and insofar as a cash settlement is not provided or own shares or shares of another listed company are not used to serve the obligation. The issuance of the new shares occurs at the option or conversion price to be determined in accordance with the respective authorization resolution. The new shares shall be issued at the option or conversion price to be determined in accordance with the aforementioned authorization resolution. The new shares shall participate in profits from the beginning of the financial year in which they are created; to the extent permitted by law, the Management Board may

determine the profit participation of new shares in deviation from this and also from Section 60 (2) AktG, including for a financial year that has already expired. The Management Board is authorized, with the approval of the Supervisory Board, to set further details of the implementation of the conditional capital increase.

### **Treasury shares:**

→ In accordance with the resolution of the Annual General Meeting on 19 March 2024, the Management Board is authorized until 18 March 2029 to acquire treasury shares in the Company up to a total of 10% of the Company's share capital existing at the time this authorization takes effect or – if this value is lower – at the time this authorization is exercised. The authorization may be exercised, individually or jointly, by the Company or by subordinate Group companies of the Company or by third parties for the account of the Company or its subordinate Group companies. The authorization to acquire and use treasury shares may be exercised in full or in part, once or several times. The authorization may be exercised for any legally permissible purpose, in particular in pursuit of one or more of the purposes determined within the authorization. If the authorization is used for one or more of the purposes listed below, shareholders' subscription rights are excluded. Furthermore, in the event of the sale of treasury shares by means of an offer to all shareholders, the Management Board may, with the approval of the Supervisory Board, exclude shareholders' subscription rights for fractional amounts.

→ At the discretion of the Management Board, shares may be acquired via the stock exchange or by means of a public purchase offer or a public invitation to shareholders to submit an offer to sell. If treasury shares are acquired via the stock exchange, the purchase price paid by the Company (excluding incidental acquisition costs) may not be more than 10% higher or lower than the price of the Company's shares determined by the opening auction on the trading day in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange.

→ If the shares are acquired via a public purchase offer or a public invitation to submit an offer to sell, the purchase or sale price offered or the limits of the purchase or sale price range per share (excluding incidental acquisition costs) may not exceed or fall below the average closing price in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange on the three trading days prior to the day of the public announcement of the offer or the public invitation to submit an offer to sell by more than 10%.

→ If, after the publication of a purchase offer, there is a significant deviation in the relevant price, the offer may be adjusted. In this case, the average price of the three trading days prior to the date of publication of any adjustment will be used as a basis; the 10% limit for exceeding or falling below this amount is to be applied to this amount. If the purchase offer is oversubscribed or, in the case of an invitation to submit an offer to sell, not all of several equivalent offers can be accepted, acceptance must be based on the ratio of shares tendered (tender ratios). In addition, shares may be rounded down to avoid fractional shares.

→ The Management Board is authorized to sell the treasury shares acquired on the basis of the above authorization in a manner other than via the stock exchange or by means of an offer to all shareholders, provided that the sale is made for cash and at a price that is not significantly lower than the market price of the Company's shares at the time of the sale (simplified exclusion of subscription rights in accordance with Section 186 (3) sentence 4 AktG). The shares sold on the basis of this authorization may not exceed a total of 10% of the share capital, neither at the time this authorization becomes effective nor at the time it is exercised. The maximum limit of 10% of the share capital is reduced by the proportionate amount of the share capital attributable to those shares that were issued during the term of this authorization with the exclusion of subscription rights in direct or analogous application of Section 186 (3) sentence 4 AktG. Furthermore, this limit is reduced by shares that were issued or can be issued to service option or conversion rights, provided that the bonds were issued during the term of this authorization with the exclusion of subscription rights in accordance with Section 186 (3) sentence 4 AktG.

→ The Management Board is authorized to transfer the treasury shares acquired on the basis of the above authorization to third parties in return for non-cash contributions, in particular when acquiring companies, parts of companies or interests in companies or in the case of mergers, as well as when acquiring other assets, including rights and receivables.

→ The Management Board is authorized to redeem the treasury shares acquired on the basis of the above authorization without a further resolution by the Annual General Meeting. The redemption generally leads to a capital reduction. In deviation from this, the Management Board may determine that the share capital remains unchanged and that the proportion of the remaining shares in the share capital increases instead as a result of the redemption in accordance with Section 8 (3) AktG. In this case, the Management Board is authorized to adjust the number of shares stated in the Articles of Association.

- The Management Board is authorized to use the treasury shares acquired on the basis of the above authorization to fulfill obligations arising from conversion or option rights or conversion obligations from convertible bonds or bonds with warrants or profit participation rights or participating bonds (or combinations of these instruments) issued by the Company or its subordinate Group companies that grant a conversion right or option right or stipulate a conversion or option obligation.
- The Management Board is authorized to use the treasury shares acquired on the basis of the above authorization to grant treasury shares to holders of convertible bonds or bonds with warrants or profit participation rights or participating bonds (or combinations of these instruments) issued by the Company or its subordinated Group companies, which grant a conversion or option right or stipulate a conversion or option obligation, to the extent to which they would be entitled to a subscription right to shares in the Company after exercising the conversion or option right or after fulfilling the conversion or option obligation.
- The Management Board is authorized to offer the treasury shares acquired on the basis of the above authorization to persons who are or were employed by the Company or one of its affiliated companies (employee shares).
- The authorizations may only be used with the approval of the Supervisory Board.
- The authorizations may also be exercised by subordinate Group companies of the Company or by third parties for the account of the Company or its subordinate Group companies.

### **Bonds with warrants and/or convertible bonds, profit participation rights and/or income bonds:**

In accordance with the resolution of the Annual General Meeting on 19 March 2024, the Management Board is authorized, with the approval of the Supervisory Board, to issue bearer and/or registered bonds with warrants and/or convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) (together "bonds") with a total nominal amount of up to EUR 500,000,000.00 with or without a limited term on one or more occasions until 18 March 2029 and to grant the holders or creditors of bonds option or conversion rights (also with option or conversion obligations or tender rights of the Company with or without a limited term and to grant the holders or creditors of bonds option or conversion rights (also with option or conversion obligations or tender rights of the Company) to a total of up to 21,538,461 new no-par value registered shares of the Company with a pro rata amount of the share capital of up to EUR 21,538,461.00

in accordance with the more detailed provisions of the bond conditions of the bonds. The bonds may also be issued against non-cash contributions.

The bonds may be issued in euros or – limited to the corresponding equivalent value – in a legal foreign currency, for example that of an OECD country. They may also be issued by a subordinated Group company of the Company with its registered office in Germany or abroad. In this case, the Management Board is authorized, with the approval of the Supervisory Board, to assume the guarantee for the bonds on behalf of the Company and to grant the holders of such bonds option or conversion rights (also with option or conversion obligations or tender rights of the company) for no-par value registered shares of the Company.

The bonds can be issued with a fixed or variable interest rate. The bonds can be divided into partial bonds.

If bonds with warrants are issued, one or more warrants are attached to each partial bond, which entitle the holder to subscribe to no-par value registered shares in the Company in accordance with the option conditions to be determined by the Management Board with the approval of the Supervisory Board. Furthermore, provision may be made for fractional amounts to be combined and, if necessary, added up and/or settled in cash against additional payment for the subscription of whole shares. The option conditions may also stipulate that the option price can be fulfilled by transferring partial bonds and, if applicable, additional cash payment. The same applies if warrants are attached to a profit participation right or a participating bond.

If convertible bonds are issued, the holders receive the right to convert their partial bonds into no-par value registered shares of the Company in accordance with the terms and conditions of the convertible bond to be determined by the Management Board with the approval of the Supervisory Board. The conversion ratio is calculated by dividing the nominal amount or the issue amount of a partial bond that is below the nominal amount by the fixed conversion price for a no-par value registered share of the Company and can be rounded up or down to a whole number; if necessary, an additional payment to be made in cash can be determined. Provision may also be made for fractional amounts to be combined and/or settled in cash. The same applies to convertible profit participation rights and convertible profit participation bonds. The proportionate amount of the share capital of the no-par value shares of the Company to be issued per partial bond may not exceed the nominal amount of the partial bond. Section 9 (1) AktG and Section 199 AktG remain unaffected.

The terms and conditions of the bonds may also provide for an option or conversion obligation or the right of the

company at the end of the term or at another time (in each case also "final maturity") to grant the holders of the bonds shares in the Company or another listed company in whole or in part instead of payment of the cash amount due upon final maturity of the bonds.

The terms and conditions of the bonds may provide for the right of the Company not to grant new shares in the event of the exercise of an option or conversion or the exercise of a tender right of the Company, but to pay the equivalent value in cash. The bond conditions may also provide that the bonds may, at the Company's discretion, be converted into new shares from authorized capital, into existing shares of the Company or into shares of another listed company instead of into new shares from conditional capital, or that an option right or an option obligation may be fulfilled by the delivery of such shares or that shares may be tendered by the Company by means of such shares.

The option or conversion price to be determined must, except in cases where an option or conversion obligation or a tender right of the Company is provided, amount to at least 80% of the weighted average of the stock exchange prices of the Company's shares in the XETRA trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last 10 trading days prior to the day of the resolution on the issuance of the bonds by the Management Board, or – in the case of granting a subscription right – at least 80% of the weighted average of the stock exchange prices of the Company's shares in the XETRA trading system (or a comparable successor system) on the Frankfurt Stock Exchange in the period from the beginning of the subscription period until the third day prior to the announcement of the final terms in accordance with Section 186 (2) sentence 2 AktG (inclusive). This also applies to a variable exchange ratio or conversion price. In the case of bonds with an option and/or conversion obligation or a tender right of the Company to deliver shares, the option or conversion price for a share may correspond to the weighted average market price of the Company's shares in the XETRA trading system (or in a comparable successor system) of the Frankfurt Stock Exchange during the 10 trading days before or after the final maturity date or another specified date, even if this is below the aforementioned minimum price (80%). Section 9 (1) in conjunction with Section 199 (2) AktG must be observed.

If the Company increases its share capital during the option or conversion period or sells treasury shares, in each case granting a subscription right to its shareholders, or issues, grants or guarantees further bonds with warrants or convertible bonds or option or conversion rights, granting a subscription right to its shareholders, and in the aforementioned cases does not grant the holders of existing option or conversion rights a subscription right for this, as they would be entitled to

after exercising the option or conversion right or fulfilling their option or conversion obligations or after tendering shares as a shareholder, or if the share capital is increased by a capital increase from Company funds, the bond conditions can be used to increase the share capital, the fulfillment of their option or conversion obligations or after tendering shares as a shareholder, or if the share capital is increased by means of a capital increase from Company funds, the bond conditions can ensure that the economic value of the existing option or conversion rights remains unaffected by adjusting the value of the option or conversion rights, insofar as the adjustment is not already regulated by law. This applies accordingly in the event of a capital reduction or other capital measures, restructuring, the acquisition of control by third parties, the payment of a dividend or other comparable measures that lead to a dilution of the value of the option or conversion rights or obligations; Section 9 (1) AktG and Section 199 AktG remain unaffected.

Shareholders are generally entitled to subscription rights, i.e., the bonds must generally be offered to the Company's shareholders for subscription. The bonds may also be taken over by one or more banks or companies determined by the Management Board within the meaning of Section 186 (5) sentence 1 AktG with the obligation to offer them to the Company's shareholders for subscription (indirect subscription right). If bonds are issued by Group companies of the Company, the Company shall ensure that the corresponding subscription rights are granted to the shareholders of the Company. However, the Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights to bonds:

1. for fractional amounts resulting from the subscription ratio;
2. if the Management Board, after due examination, comes to the conclusion that the issue price is not significantly lower than the theoretical market value of the bonds calculated using recognized actuarial methods. However, this authorization to exclude subscription rights only applies to bonds issued for cash with an option or conversion right (also with an option or conversion obligation or a tender right of the Company) for shares that account for a proportionate amount of the share capital of no more than 20% of the share capital existing at the time this authorization becomes effective or – if this value is lower – at the time this authorization is exercised. This maximum limit of 20% of the share capital shall include the proportionate amount of the share capital attributable to shares issued or sold during the term of this authorization in direct or analogous application of Section 186 (3) sentence 4 AktG; the aforementioned maximum limit shall also include shares to be issued to service option

- and/or conversion rights or option and/or conversion obligations arising from the issue of bonds on the basis of another authorization excluding subscription rights in analogous application of Section 186 (3) sentence 4 AktG during the term of this authorization;
3. to the extent necessary to grant the holders or creditors of bonds with option and/or conversion rights or option and/or conversion obligations or tender rights issued by the Company or its Group companies a subscription right to bonds to the extent to which they would be entitled as shareholders after exercising the option or conversion rights or after fulfilling option or conversion obligations or after tendering shares;
  4. if the bonds are issued against contributions in kind, in particular in connection with mergers or for the purpose of acquiring companies, parts of companies, equity interests in companies or other assets, provided that the value of the contribution in kind is in reasonable proportion to the value of the bonds; the theoretical market value of the bonds calculated using recognized financial mathematical methods is decisive;
  5. if participating bonds and/or profit participation rights are issued without option or conversion rights or option or conversion obligations, if these participating bonds and/or profit participation rights have bond-like features, i.e., if they do not confer any membership rights in the Company, do not grant any participation in the liquidation proceeds and if the amount of interest is not calculated on the basis of the amount of the annual net profit, the net retained profits or the dividend; the interest rate and the issue amount of the participating bonds and/or profit participation rights must also correspond to the current market conditions at the time of issue.

The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the issue and features of the bonds, in particular the interest rate and type of interest, issue price, term and denomination, anti-dilution provisions, option and trading period as well as the option and conversion price, or to determine these in agreement with the executive bodies of the Group companies issuing the bonds.

## **8. Material agreements of the Company that are subject to the condition of a change of control following a takeover bid and the resulting effects**

The syndicated credit facility concluded by the Company and other bilateral credit lines that refer to the provisions of the syndicated credit facility contain conditions that grant the contractual partners additional termination rights in the event of a change of control (in the cases mentioned: acquisition of more than 50% of the voting shares in Douglas AG) (change of control clauses).

## **9. Compensation agreements entered into by the Company with the members of the Management Board or with employees in the event of a takeover bid**

There are no compensation agreements within the meaning of Section 289a (1) no. 9 and Section 315a (1) no. 9 HGB in the event of a takeover bid.



# Additional information for Douglas AG

## BASIC INFORMATION

Douglas AG (hereinafter referred to as the Company) is a publicly traded stock corporation based in Düsseldorf, Germany (Luise-Rainer-Straße 7-11, 40235 Düsseldorf), and is registered in the Commercial Register B of the Düsseldorf Local Court under HRB 103560.

As the management and investment holding company of the DOUGLAS Group, Douglas AG is largely dependent on the development of the DOUGLAS Group with regard to its business performance, its position and its expected development, including its material opportunities and risks.

### Management

Douglas AG uses net income/loss for the year in accordance with German commercial law as its key performance indicator and most significant financial performance indicator

## ECONOMIC REPORT

### Economic environment and industry-specific conditions

Please refer to the Group's economic report for information on the macroeconomic and sector-specific conditions as well as the legal framework.

## Overall assessment of Douglas AG

The past financial year was marked by the repayment of the Bridge Term Loan A in the amount of EUR 450,000.0 after the expiry of the one-year base term. In addition to EUR 250,000.0 from surplus liquidity, proceeds from the placement of promissory note loans in the amount of EUR 200,000.0 were also used for repayment. Douglas AG's net loss for the year amounted to EUR 11,772.9 thousand (previous year: EUR 49,542.0 thousand).

### Comparison of the forecast with actual business performance

A net loss was still expected for the financial year, albeit significantly improved, particularly as the expenses incurred in the previous year in connection with the IPO did not recur.

This expectation has proved correct. Douglas AG's net loss for the financial year amounted to EUR 11,772.9 thousand (previous year: EUR 49,542 thousand), which was in line with the forecast. The significant reduction in the net loss is mainly attributable to the elimination of one-time IPO-related expenses.

### Business performance and results

In the following, we will discuss the net assets, financial position, and results of operations of Douglas AG with regard to the annual financial statements prepared in accordance with German commercial law.

## Earnings

### Douglas AG income statement 2024/2025 in accordance with German GAAP (HGB):

	2024/2025	2023/2024
	TEUR	TEUR
Sales	3,380.9	3,509.0
Other operating income	1,294.7	2,973.7
Personnel expenses	-7,176.7	-7,126.3
Other operating expenses	-4,636.4	-40,871.1
Amortization of intangible assets and depreciation of property, plant, and equipment	-7.9	-7.5
Income from loans from financial assets	60,389.0	38,978.3
Other interest and similar income	331.9	1,614.1
Interest and similar expenses	-64,729.7	-48,612.2
Loss to be reimbursed under a profit and loss transfer agreement	-178.3	0.0
<b>EBT</b>	<b>-11,332.5</b>	<b>-49,542.0</b>
Taxes on income	-440.0	0.0
<b>Earnings after taxes</b>	<b>-11,772.5</b>	<b>-49,542.0</b>
Other taxes	-0.4	0.0
<b>Net loss for the year</b>	<b>-11,772.9</b>	<b>-49,542.0</b>
Loss carryforward	0.0	-25,623.3
Withdrawals from capital reserves	11,772.9	75,165.3
<b>Net retained profits / Net retained losses</b>	<b>0.0</b>	<b>0.0</b>

Sales fell by 4% to EUR 3,380.9 thousand in the Reporting Year (previous year: EUR 3,509.0 thousand). Other operating income amounted to EUR 1,294.6 thousand (previous year: EUR 2,973.7 thousand) and resulted primarily from the reversal of provisions. Other operating expenses fell to EUR 4,636.4 thousand (previous year: EUR 40,871.1 thousand). In the previous year, expenses of EUR 37,717.0 thousand were incurred in connection with the IPO, which did not recur in the current financial year. Income from loans from financial assets amounting to EUR 60,389.0 thousand (previous year: EUR 38,978.3 thousand) relates entirely to interest on an intra-group loan. Other interest and similar income decreased by EUR 1,282.2 thousand to EUR 331.9 thousand (previous year: EUR 1,614.1 thousand). This comprises interest income from Group companies

amounting to EUR 320.8 thousand (previous year: EUR 253.7 thousand) and interest income from call money amounting to EUR 11.1 thousand (previous year: EUR 1,360.4 thousand). Interest and similar expenses amounted to EUR 55,276.8 thousand (previous year: EUR 37,785.8 thousand) for interest on bank loans and EUR 8,344.5 thousand (previous year: EUR 3,820.7 thousand) for transaction costs and commitment fees in connection with Group financing. The increase in interest and similar expenses in the 2024/2025 financial year was due primarily to the restructuring of Group financing in July 2024. The net loss for the past financial year amounts to EUR 11,772.9 thousand (previous year: EUR 49,542.0 thousand) and was offset as of 30 September 2025 by a withdrawal from the capital reserve (EUR 11,772.9 thousand; previous year: EUR 75,165.3 thousand).

## FINANCIAL POSITION

Simplified cash flow statement of Douglas AG as of 30 September 2025, in accordance with HGB:

	2024/2025	2023/2024
	TEUR	TEUR
Net income/loss for the year	-11,772.9	-49,542.0
Depreciation, write downs/write-ups on fixed assets	7.9	0.0
Increase/decrease in provisions	-2,111.9	3,278.9
Increase/decrease in other assets	45,647.5	-60,737.6
Increase/decrease in other liabilities	-3,597.0	11,727.9
<b>Cash flow from operating activities</b>	<b>28,173.6</b>	<b>-95,272.8</b>
Payments for investments in property, plant, and equipment	-12.0	0.0
Proceeds from disposals of financial assets	250,000.0	0.0
Payments for investments in financial assets	0.0	-2,350,000.0
<b>Cash flow from investing activities</b>	<b>249,988.0</b>	<b>-2,350,000.0</b>
Proceeds from equity contributions	0.0	2,070,932.8
Payment from the raising of financial loans	200,000.0	1,288,240.6
Payments from the repayment of bonds and financial loans	-478,133.3	-913,900.6
<b>Cash flow from financing activities</b>	<b>-278,133.3</b>	<b>2,445,272.8</b>
Cash-effective changes in cash and cash equivalents	28.3	0.0
Cash and cash equivalents at the beginning of the period	0.0	0.0
<b>Cash and cash equivalents at the end of the period</b>	<b>28.3</b>	<b>0.0</b>

Cash and cash equivalents = Bank balances

All significant changes in the cash flow statement can be found in the corresponding balance sheet items. In this context, please refer in particular to the notes on balance sheet assets and liabilities in under net assets.

## ASSETS

Balance sheet assets of Douglas AG as of 30 September 2025, in accordance with the German Commercial Code (HGB):

	30/09/2025	30/09/2024
	TEUR	TEUR
<b>Fixed assets</b>		
Property, plant, and equipment	14.5	10.5
Shares in affiliated companies	2,319,057.8	2,319,057.8
Loans to affiliated companies	1,000,000.0	1,250,000.0
	<b>3,319,072.3</b>	<b>3,569,068.3</b>
<b>Current assets</b>		
Other assets	6,449.2	46,843.8
Balances with banks	28.3	0.0
	<b>6,477.4</b>	<b>46,843.8</b>
<b>Prepaid expenses</b>	<b>8,673.0</b>	<b>13,925.8</b>
<b>Total assets</b>	<b>3,334,222.8</b>	<b>3,629,837.9</b>

Shares in affiliated companies remained unchanged compared to the previous year. The change in loans to affiliated companies is due to the repayment of a loan of EUR 450,000.0 and the granting of a bullet loan of EUR 200,000.0.

Other assets relate to VAT credits amounting to EUR 6,087.4 thousand (previous year: EUR 7,505.8 thousand). The decline is due primarily to the significantly lower expenses incurred in the Reporting Year.

Prepaid expenses mainly comprise bank financing discounts of EUR 8,578.4 thousand (previous year: EUR 13,883.7 thousand).

**Douglas AG equity and liabilities as of 30 September 2025, in accordance with HGB:**

	30/09/2025	30/09/2024
	TEUR	TEUR
<b>Equity</b>		
Subscribed capital	107,692.3	107,692.3
Capital reserve	2,202,311.5	2,214,084.4
Balance sheet loss	0.0	0.0
	<b>2,310,003.8</b>	<b>2,321,776.7</b>
<b>Provisions</b>		
Tax provisions	1,985.6	1,545.6
Other provisions	3,509.9	6,061.8
	<b>5,495.5</b>	<b>7,607.4</b>
<b>Liabilities</b>		
Liabilities to banks	1,010,107.3	1,288,240.6
Liabilities to affiliated companies	8,104.4	11,890.5
Trade payables	342.5	182.0
Other liabilities	169.2	140.7
	<b>1,018,723.4</b>	<b>1,300,453.8</b>
<b>Total liabilities</b>	<b>3,334,222.8</b>	<b>3,629,837.9</b>

The subscribed capital (share capital) of Douglas AG amounted to EUR 107,692,308.00 as of the balance sheet date (unchanged from the previous year).

Withdrawals from the capital reserve were made in the amount of EUR 11,772.9 thousand to offset the net loss for the 2024/2025 financial year.

Other provisions mainly comprise the following items: Supervisory Board remuneration of EUR 962.5 thousand (previous year: EUR 580.0 thousand), short-term variable remuneration of EUR 844.7 thousand (previous year: EUR 2,521.0 thousand), contingent losses for interest rate swaps of EUR 489.6 thousand (previous year: EUR 489.6 thousand), vacation entitlements of EUR 425.7 thousand (previous year: EUR 288.9 thousand), provisions for the share-based compensation program (LTI) of EUR 394.1 thousand (previous year: EUR 415.0 thousand) and audit costs of EUR 258.4 thousand (previous year: EUR 443.0 thousand).

Liabilities to banks relate to external financing in the form of bank loans amounting to EUR 800,000.0 thousand (previous year: EUR 1,250,000.0 thousand), promissory note loans amounting to EUR 200,000.0 thousand (previous year: EUR 0.0 thousand), and the associated interest liabilities.

Liabilities to affiliated companies amount to EUR 7,908.4 thousand (previous year: EUR 11,886.2 thousand) and mainly relate to liabilities to the DOUGLAS Group cash pool leader.

## FORECAST REPORT

We expect a net loss for the 2025/2026 financial year in the low double-digit million range, which is roughly on par with the 2024/2025 financial year.

## RISK AND OPPORTUNITY REPORT

Douglas AG is closely linked to the companies of the DOUGLAS Group through its investments in associated companies and its financing commitments. In this respect, the risk situation of Douglas AG is largely dependent on the opportunity and risk situation of the DOUGLAS Group. The statements made by the Management Board in its overall assessment of the Group's opportunity and risk situation therefore also serve as a summary of the risk situation of Douglas AG.

## STATEMENT PURSUANT TO SECTION 312 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

In accordance with Section 312 AktG, the Management Board of Douglas AG has prepared a report on its relationships with affiliated companies for the reporting period and has issued the following declaration at the end of the report:

"The Management Board of Douglas AG declares that, based on the circumstances known to it at the time the legal transactions were carried out or the measures were taken or omitted, the company received appropriate consideration for each of the reported legal transactions in the financial year. There were no other reportable legal transactions in the reporting period. No measures were taken or omitted in the reporting period. "





# FINANCIAL STATEMENTS

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# Consolidated Statement of Profit or Loss

of Douglas AG for financial year 2024/2025

		2024/2025	2023/2024
	Notes No.	EUR m	EUR m
<b>Sales</b>	5	<b>4,575.3</b>	<b>4,451.0</b>
Cost of raw materials, consumables and supplies and merchandise		-2,539.3	-2,415.0
<b>Gross Profit</b>		<b>2,036.1</b>	<b>2,036.0</b>
Other operating income	6	309.8	294.2
Personnel expenses	7	-680.8	-679.8
Other operating expenses	8	-908.5	-920.1
<b>EBITDA</b>		<b>756.5</b>	<b>730.3</b>
Amortization/depreciation/impairment		-388.0	-346.9
EBIT		368.6	383.5
Finance income	9	19.6	51.0
Finance expenses	9	-152.6	-352.0
<b>Finance result</b>	9	<b>-133.0</b>	<b>-301.0</b>
<b>EBT</b>		<b>235.6</b>	<b>82.5</b>
<b>Income tax</b>	10	<b>-60.2</b>	<b>1.6</b>
<b>Profit (+) or Loss (-) of the period (Net Income)</b>		<b>175.4</b>	<b>84.0</b>
<b>Attributable to owners of the parent</b>		<b>175.4</b>	<b>84.0</b>
Earnings per share in EUR (basic = diluted)	11	1.63	0.91

All amounts in the Consolidated Financial Statements, including the Notes, have been rounded in accordance with standard commercial practice. Therefore minor differences may arise from rounding; it is also possible that due to rounding, individual figures do not exactly add up to the total shown.

# Consolidated Reconciliation from Profit or Loss to Total Comprehensive Income

of Douglas AG for financial year 2024/2025

		2024/2025	2023/2024
	Notes No.	EUR m	EUR m
<b>Profit (+) or Loss (-) of the period (Net Income)</b>		<b>175.4</b>	<b>84.0</b>
<b>Other comprehensive income after tax</b>			
Items that were reclassified or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences arising from translating the financial statements from foreign operations		0.9	10.9
Effective portion of gains / losses from hedges		1.5	-5.2
Actuarial gains or losses from pension and similar obligations	24	-0.1	0.5
<b>Other comprehensive income after tax</b>		<b>2.3</b>	<b>6.2</b>
<b>Total comprehensive income</b>		<b>177.7</b>	<b>90.3</b>
Attributable to owners of the parent		177.7	90.3

# Consolidated Statement of Financial Position

of Douglas AG as of 30 September 2025

Assets		30/09/2025	30/09/2024
	Notes No.	EUR m	EUR m
<b>Non-current assets</b>			
Goodwill	12	1,033.2	1,033.0
Other intangible assets	13	810.8	833.4
Property, plant and equipment	14	355.3	282.5
Right-of-use assets from leases	15	1,205.7	1,021.0
Other financial assets	20	8.6	11.2
Deferred tax assets	17	46.5	55.2
		<b>3,460.2</b>	<b>3,236.2</b>
<b>Current assets</b>			
Inventories	18	830.9	793.5
Trade accounts receivable	19	42.5	38.2
Income tax refund claims		12.7	6.7
Other financial assets	20	228.2	240.6
Other assets	21	72.0	67.2
Cash and cash equivalents	22	49.4	98.9
		<b>1,235.8</b>	<b>1,245.1</b>
<b>Total</b>		<b>4,695.9</b>	<b>4,481.3</b>

Equity and Liabilities		30/09/2025	30/09/2024
	Notes No.	EUR m	EUR m
<b>Equity</b>	23		
Capital stock		107.7	107.7
Additional paid-in capital		2,068.5	2,067.7
Other reserves		-1,234.9	-1,412.7
		<b>941.2</b>	<b>762.6</b>
<b>Non-current liabilities</b>			
Pension provisions	24	25.3	25.2
Other non-current provisions	25	49.5	53.9
Other financial liabilities	27	2,054.5	2,113.8
Other liabilities	28	0.2	0.7
Deferred tax liabilities	17	93.7	100.5
		<b>2,223.1</b>	<b>2,294.3</b>
<b>Current liabilities</b>			
Current provisions	25	86.5	102.8
Trade accounts payable	26	639.4	657.2
Income tax liabilities		51.4	36.9
Other financial liabilities	27	433.7	305.1
Other liabilities	28	320.5	322.4
		<b>1,531.5</b>	<b>1,424.4</b>
<b>Total</b>		<b>4,695.9</b>	<b>4,481.3</b>

# Statement of Changes in Group Equity

of Douglas AG for financial year 2024/2025

	Notes No.	Capital stock	Additional paid-in capital	Retained earnings	Other reserves		Difference s from currency translation	Equity attributable to owners of the parent
					Actuarial gains or losses	Hedging reserves		
		EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
01/10/2024	23	107.7	2,067.7	-1,413.1	3.8	-5.2	1.8	762.7
Currency translation							0.9	0.9
Effects from valuation of IAS 19					-0.1			-0.1
Effective portion of gains/losses from hedges						1.5		1.5
Other comprehensive income after tax					-0.1	1.5	0.9	2.3
Profit (+) or Loss (-) of the period (Net Income)				175.4				175.4
Total comprehensive income				175.4	-0.1	1.5	0.9	177.7
Other changes			0.8					0.8
Transactions with shareholders			0.8					0.8
30/09/2025		107.7	2,068.5	-1,237.7	3.7	-3.7	2.7	941.2

See Note "Equity" in the Notes to the Consolidated Financial Statements.

	Notes No.	Other reserves						Equity attributable to owners of the parent
		Capital stock	Additional paid-in capital	Retained earnings	Actuarial gains or losses	Hedging reserve	Differences from currency translation	
		EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
01/10/2023	23	0.0	326.0	-1,575.4	3.2	0.0	-9.1	-1,255.2
Currency translation							10.9	10.9
Effects from valuation of IAS 19					0.5			0.5
Effective portion of gains/losses from hedges						-5.2		-5.2
Other comprehensive income after tax					0.5	-5.2	10.9	6.2
Profit (+) or Loss (-) of the period (Net Income)				84.0				84.0
Total comprehensive income				84.0	0.5	-5.2	10.9	90.3
<b>Capital increase</b>		<b>107.6</b>	<b>1,741.7</b>					<b>1,849.4</b>
Allocation to retained earnings as part of the contribution of the shareholder loans				64.1				64.1
Share-based payment				14.2				14.2
Transactions with shareholders		107.6	1,741.7	78.3				1,927.6
30/09/2024		107.7	2,067.7	-1,413.1	3.8	-5.2	1.8	762.7



# Consolidated Statement of Cash Flows

of Douglas AG for financial year 2024/2025

		2024/2025	2023/2024
	Notes No.	EUR m	EUR m
Profit (+) or Loss (-) of the period (Net Income)		175.4	84.0
Income tax	10	60.2	-1.6
Finance result	9	133.0	301.0
Amortization/depreciation/impairment	12 - 16	388.0	346.9
<b>EBITDA</b>		<b>756.5</b>	<b>730.3</b>
Increase/decrease in provisions	24, 25	-21.5	15.1
Other non-cash expense/income		-3.9	17.4
Loss/profit on the disposal of non-current assets		-0.6	0.0
Changes in net working capital without liabilities from investments in non-current assets and from supply chain financing		-45.2	-23.4
Changes in other assets/liabilities not classifiable to investing or financing activities		-9.2	7.1
Paid/reimbursed income tax		-46.9	-63.1
<b>Net cash flow from operating activities</b>		<b>629.3</b>	<b>683.6</b>
Proceeds from the disposal of non-current assets		2.8	1.5
Payments for investment in non-current assets		-171.1	-151.3
Proceeds/payments from the disposal of consolidated companies	3	0.0	-9.7
<b>Net cash flow from investing activities</b>		<b>-168.3</b>	<b>-159.6</b>
<b>Free cash flow (sum of net cash flows from operating and investing activities)</b>		<b>461.0</b>	<b>524.0</b>
Receipts from equity contributions		0.0	1,150.8
Payments for the redemption of financial loans and bonds		-453.7	-2,547.7
Payments for the redemption of lease liabilities		-253.4	-241.3
Proceeds from the issuance of financial loans		204.2	1,250.0
Transaction costs paid related to equity and debt capital measures	23, 30	-0.7	-39.4
Balance of proceeds and payments from supply chain financing		145.0	-
Interest paid		-153.3	-268.6
Interest received		1.2	6.9
<b>Net cash flow from financing activities</b>		<b>-510.7</b>	<b>-689.3</b>
<b>Net change in cash and cash equivalents</b>		<b>-49.7</b>	<b>-165.3</b>
Net change in cash and cash equivalents due to currency translation		0.1	1.9
Cash and cash equivalents at the beginning of the reporting period		98.9	262.3
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>49.4</b>	<b>98.9</b>

See Note "Consolidated Statement of Cash Flows" in the Notes to the Consolidated Financial Statements.

# Notes to the Consolidated Financial Statements

of Douglas AG for financial year 2024/2025

All amounts in the Notes have been rounded in accordance with standard commercial practice. Minor differences may therefore arise from rounding; it is also possible that due to rounding, individual figures do not exactly add up to the total shown.

# Segment Reporting

of Douglas AG for financial year 2024/2025

		DACHNL		France	
		2024/2025	2023/2024	2024/2025	2023/2024
<b>Sales</b>	<b>EUR m</b>	<b>2,120.5</b>	<b>2,073.1</b>	<b>840.4</b>	<b>838.2</b>
EBITDA	EUR m	423.2	445.1	163.3	171.9
<i>EBITDA-margin</i>	%	20.0	21.5	19.4	20.5
Adjustments to EBITDA	EUR m	0.2	11.1	-0.2	4.3
Adjusted EBITDA	EUR m	423.3	456.2	163.1	176.2
<b>Adjusted EBITDA-margin</b>	<b>%</b>	<b>20.0</b>	<b>22.0</b>	<b>19.4</b>	<b>21.0</b>
<b>Average NWC as % of sales</b>	<b>%</b>	<b>-3.4</b>	<b>-1.0</b>	<b>9.4</b>	<b>9.0</b>
<b>Capital expenditure</b>	<b>EUR m</b>	<b>56.5</b>	<b>52.1</b>	<b>38.7</b>	<b>29.9</b>
Inventories	EUR m	317.0	303.5	137.5	132.6

		Southern Europe		Central Eastern Europe	
		2024/2025	2023/2024	2024/2025	2023/2024
<b>Sales</b>	<b>EUR m</b>	<b>684.7</b>	<b>665.8</b>	<b>719.0</b>	<b>652.1</b>
EBITDA	EUR m	140.8	147.2	166.1	169.7
<i>EBITDA-margin</i>	%	20.6	22.1	23.1	26.0
Adjustments to EBITDA	EUR m	3.4	-0.6	1.8	1.5
Adjusted EBITDA	EUR m	144.2	146.6	167.9	171.2
<b>Adjusted EBITDA-margin</b>	<b>%</b>	<b>21.1</b>	<b>22.0</b>	<b>23.4</b>	<b>26.2</b>
<b>Average NWC as % of sales</b>	<b>%</b>	<b>7.9</b>	<b>7.8</b>	<b>16.4</b>	<b>15.9</b>
<b>Capital expenditure</b>	<b>EUR m</b>	<b>19.3</b>	<b>20.3</b>	<b>28.3</b>	<b>29.9</b>
Inventories	EUR m	178.2	168.8	154.1	130.8

		Parfumdreams/Niche Beauty		Total Reportable Segments	
		2024/2025	2023/2024	2024/2025	2023/2024
<b>Sales</b>	<b>EUR m</b>	<b>210.3</b>	<b>190.2</b>	<b>4,574.9</b>	<b>4,419.4</b>
EBITDA	EUR m	4.5	8	897.8	942.0
<i>EBITDA-margin</i>	%	2.1	4.2	19.6	21.3
Adjustments to EBITDA	EUR m	0	-1.1	5.2	15.2
Adjusted EBITDA	EUR m	4.4	7.0	903.0	957.1
<b>Adjusted EBITDA-margin</b>	<b>%</b>	<b>2.1</b>	<b>3.7</b>	<b>19.7</b>	<b>21.7</b>
<b>Average NWC as % of sales</b>	<b>%</b>	<b>4.9</b>	<b>10.3</b>	<b>4.1</b>	<b>5.2</b>
<b>Capital expenditure</b>	<b>EUR m</b>	<b>4.4</b>	<b>3.0</b>	<b>147.3</b>	<b>135.3</b>
Inventories	EUR m	15.2	14.0	802.1	749.6

Due to central warehousing in Germany (OWAC), which is allocated to reportable segment DACHNL, inventories in reportable segment Parfumdreams/Niche Beauty are correspondingly low.

		Reconciliation to DOUGLAS Group		DOUGLAS Group	
		2024/2025	2023/2024	2024/2025	2023/2024
<b>Sales</b>	<b>EUR m</b>	<b>0.4</b>	<b>31.6</b>	<b>4,575.3</b>	<b>4,451.0</b>
EBITDA	EUR m	-141.3	-211.6	756.5	730.3
<i>EBITDA-margin</i>	%			16.5	16.4
Adjustments to EBITDA	EUR m	6.7	63.1	11.9	78.3
Adjusted EBITDA	EUR m	-134.6	-148.5	768.4	808.6
<b>Adjusted EBITDA-margin</b>	<b>%</b>			<b>16.8</b>	<b>18.2</b>
<b>Average NWC as % of sales</b>	<b>%</b>			<b>4.4</b>	<b>5.3</b>
<b>Capital expenditure</b>	<b>EUR m</b>	<b>23.8</b>	<b>20.7</b>	<b>171.1</b>	<b>156.0</b>
Inventories	EUR m	28.8	43.8	830.9	793.5

See Note "Segment Reporting" for more information.

Inventories of own brands were allocated to the "Reconciliation to DOUGLAS Group". For better comparability, the prior year was adjusted accordingly.

# Accounting principles, fundamentals and methodologies of the consolidated financial statements

## 1. General

Douglas AG (hereinafter referred to as the parent company of the Group) is a publicly traded stock corporation based in Düsseldorf, Germany (Luise-Rainer-Straße 7-11, 40235 Düsseldorf), and is registered in the Commercial Register B of the Düsseldorf Local Court under HRB 103560.

The consolidated financial statements of Douglas AG and its subsidiaries (DOUGLAS Group, Group) as of 30 September 2025 (reporting date) cover the reporting period from 1 October 2024 to 30 September 2025 (financial year, reporting year).

The DOUGLAS Group is a European retailer specializing in selective perfumery. With 1,830 perfumery stores (excluding franchise stores) and various e-commerce sites, the DOUGLAS Group is present in 22 European countries with its core brands "Douglas" and "Nocibé". The business is operated using an omni-channel approach that integrates brick-and-mortar and online stores with the aim of providing customers from both channels with the best possible service and beauty products from five product categories: perfume, decorative cosmetics, skin care, hair care and accessories. The perfumeries occupy leading positions in the fragrance, cosmetics and skincare markets in Germany, France and many other European countries. In addition to its core brands, the DOUGLAS Group also operates in the selective perfumery trade under its other brands "Parfumdreams" and "Niche Beauty".

The consolidated financial statements of Douglas AG have been prepared in accordance with International Financial Reporting Standards (IFRS) as mandatory in the EU at the reporting date. In their current version, they comply with the provisions of Section 315e of the German Commercial Code (HGB). Together with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, this forms the legal basis for consolidated accounting in accordance with international standards in Germany.

The financial statements are based on the going concern principle.

The Management Board of Douglas AG prepared these consolidated financial statements on 15 December 2025 and approved them for submission to the Supervisory Board and for publication.

## 2. Basis of Accounting

These consolidated financial statements are based on the historical cost principle. Significant exceptions to this are financial instruments carried at fair value and pension obligations measured using the projected unit credit method.

The consolidated financial statements were prepared in euros (EUR). All amounts are stated in millions of euros (EUR million) unless otherwise indicated.

The Consolidated Statement of Profit or Loss is prepared using the total cost method. In deviation from the example structure shown in IAS 1.102, expenses for raw materials, consumables and supplies and for purchased goods are reported directly after sales to present the "gross profit" ratio.

For greater transparency, income tax receivables (item "Income tax refund claims") are reported separately from other tax receivables (item "Other non-current assets") and income tax liabilities are reported separately from other tax liabilities (item "Other liabilities"). The previous year has been adjusted accordingly to improve comparability.

### New or amended accounting standards

#### Overview of standards and interpretations applied for the first time

The new standards and interpretations or amendments to existing standards and interpretations presented below were applied for the first time in these consolidated financial statements:

	New standards/interpretations - first-time adoption		Date of first-time adoption in the EU	Endorsed by European Commission	Impact on DOUGLAS Group
IAS 1	Presentation of Financial Statements	Non-current liabilities with covenants	01/01/2024	19/12/2023	No significant impact
IAS 1	Presentation of Financial Statements	Amendment: Classification of Liabilities as current or non-current - Deferral of Effective Date	01/01/2024	19/12/2023	No impact
IAS 1	Presentation of Financial Statements	Amendment: Classification of Liabilities as current or non-current	01/01/2024	19/12/2023	No impact
IAS 7, IFRS 7	Statement of Cash Flows, Financial Instruments: Disclosures	Amendment: Supplier financing agreements	01/01/2024	15/05/2024	Exclusively affects the presentation in the consolidated financial statements / notes (*)
IFRS 16	Leases	Amendment: Lease liability in a sale-and-lease-back transaction	01/01/2024	20/11/2023	No impact

(\*)The additional disclosures regarding the presentation of supplier financing agreements were implemented accordingly in financial year 2024/2025.

### Overview of accounting standards and interpretations not yet applied

The following overview presents newly adopted or revised accounting standards and interpretations by the IASB that were not yet applied by the DOUGLAS Group in financial year 2024/2025, either because they were not yet mandatory or because they had not yet been approved for application by the European Commission.

	New standards/interpretations not yet applied		Date of initial application in the EU	Approval by the European Commission	Expected impact on the DOUGLAS Group
Annual Improvements, Volume 11	Annual improvements to IFRS accounting standards – Volume 11	Improvements to existing standards	01/01/2026	09/07/2025	No impact
IAS 21	Effects of exchange rate changes	Addendum: Lack of convertibility	01/01/2025	12/11/2024	No impact
IFRS 18	Presentation and disclosures in the financial statements	New standard	01/01/2027	Pending	Potential effects are currently being analyzed (*).
IFRS 19	Subsidiaries without public accountability: disclosures	New standard	01/01/2027	Pending	No impact
IFRS 19	Subsidiaries without public accountability: disclosures	New standard (amendments)	01/01/2027	Pending	No impact
IFRS 9, IFRS 7	Financial instruments, Financial instruments: disclosures	Addendum: Classification and measurement of financial instruments	01/01/2026	27/05/2025	No impact
IFRS 9, IFRS 7	Financial instruments, financial instruments: disclosures	Addendum: Contracts for electricity supply dependent on natural conditions	01/01/2026	30/06/2025	No impact

The respective initial application will take place at the time of mandatory application.

(\*) IFRS 18: The potential impact of the new standard is currently being assessed, particularly with regard to the structure of the Consolidated Statement of Profit or Loss, the Consolidated Statement of Cash Flows and the additional disclosure requirements for Management-Defined Performance Measures (MPM). The impact on the way information is grouped in the financial statements, including items currently referred to as "Other," is also being analyzed.



### 3. Consolidation Principles

#### Consolidated group

All domestic and foreign companies over which Douglas AG exercises direct or indirect control are fully consolidated in the consolidated financial statements. Control exists when Douglas AG has obtained power of disposal, is exposed to fluctuating returns from its involvement in the investee company, and has the ability to influence these returns. The relevant companies are fully consolidated at the time control is transferred to the Group and deconsolidated at the time control is lost.

	Germany	Other countries	Total
<b>01/10/2024</b>	<b>19</b>	<b>28</b>	<b>47</b>
Entities consolidated for the first time	0	1	1
Deconsolidated companies	-3	0	-3
<b>30/09/2025</b>	<b>16</b>	<b>29</b>	<b>45</b>

Three domestic companies were merged during the financial year, and one other company, that operates the new central warehouse in Poland, was included in the scope of consolidation for the first time.

See Note "Shareholdings of the Group (according to Section 313 German Commercial Code (HGB))" for more information.

#### Consolidation methods

Capital consolidation is carried out in accordance with IFRS 3 (Business Combinations) using the purchase method. In the case of business combinations, the carrying amounts of the investments are offset against the proportionate revalued equity of the subsidiaries at the date of acquisition. The consideration transferred on acquisition and the identifiable assets and liabilities acquired are generally measured at fair value. Goodwill arising from the transaction is tested for impairment annually. In addition, in the case of company acquisitions, the hidden reserves and hidden liabilities attributable to non-controlling interests are also disclosed and reported in equity under the item "Non-controlling interests". Negative differences arising from a business combination are recognized in profit or loss in accordance with IFRS 3 after allocation of hidden reserves and liabilities and re-evaluation in the period in which the combination took place. Each contingent consideration obligation is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and a settlement is recognized in equity. Otherwise, other contingent considerations are measured at fair value at each reporting date and subsequent changes in the fair value of the contingent considerations are recognized in profit or loss.

Intragroup receivables and liabilities are offset against each other. Intercompany results from intragroup transactions are eliminated in the consolidated financial statements, unless they have already been realized through sales to third parties. Sales and other income from intragroup transactions are offset against the corresponding expenses.

#### Currency translation

These consolidated financial statements are presented in euros (reporting currency), the functional currency of the parent company. The annual financial statements of foreign subsidiaries whose functional currency is not the Group's reporting currency are translated into euros using the functional currency concept. The functional currency of the subsidiaries is the currency of the primary economic environment in which the subsidiary operates, i.e. the respective local currency.

Assets and liabilities are translated at the closing exchange rate on the reporting date; items in the Consolidated Statement of Profit or Loss are translated at the average exchange rate for the Group's financial year. The resulting translation differences are recognized in other comprehensive income and reported within reserves in equity.

The following exchange rates were used for the currency translation of the annual financial statements of foreign subsidiaries in foreign currencies:

		Average exchange rate	Closing exchange rate	Average exchange rate	Closing exchange rate
		2024/2025	09/30/2025	2023/2024	09/30/2024
		EUR	EUR	EUR	EUR
Bulgarian Lev	BGN	0.5113	0.5113	0.5113	0.5113
Swiss Franc	CHF	1.0655	1.0679	1.0447	1.0594
Czech Koruna	CZK	0.0401	0.0411	0.0401	0.0397
Hungarian Forint	HUF	0.0025	0.0026	0.0026	0.0025
Polish Zloty	PLN	0.2349	0.2342	0.2308	0.2337
Romanian Lei	RON	0.1994	0.1968	0.2011	0.2010

Transactions in foreign currencies are recorded in the functional currency at the exchange rate prevailing at the time of the transaction. Monetary assets and liabilities are translated at the closing rate on the reporting date. All differences arising from currency translation are recognized in the Consolidated Statement of Profit or Loss.

## 4. Accounting and Valuation Principles

### Revenue recognition

The DOUGLAS Group generates its sales primarily from the sale of fragrances, cosmetics and skincare products to end consumers, which results from the two sales channels: stores and e-commerce. In addition to sales from goods ordered online, the e-commerce sales channel also includes sales from the partner program (a platform where other retailers can offer their products to end consumers) and sales from retail media (data-driven marketing and advertising solutions).

Sales are measured based on the consideration specified in a contract with a customer. The Group recognizes sales when it transfers control of a good or service to a customer. In the store business, customers obtain control of the items through agreement and handover in the store. Payment is made in cash or by electronic means. In the e-commerce sales channel, customers obtain control of the items they have selected and ordered online when the products are delivered by a service provider to the address provided by the customer. Retail media sales are recognized when the contractually agreed service is provided. These are provided regularly over a specified period of time. The most common payment methods in the e-commerce channel are PayPal, credit card and payment on account.

For the partner program, the Group recognizes the commission received based on the sales of the partners processed via the platform as sales ("agency accounting"), as the DOUGLAS Group does not at any time obtain control over the products offered on the platform.

In the case of customer return rights, customer loyalty programs and gift cards, sales are recognized or deferred as follows:

For contracts that allow customers to **return an item**, sales is recognized to the extent that it is highly probable that there will be no significant correction to the cumulative sales recognized. Therefore, the amount of sales recognized is adjusted for expected returns, which are estimated based on historical data for specific fragrances, cosmetics and personal care products, and a corresponding refund obligation is recognized, which is reported under other financial liabilities. Correspondingly, a contract receivable from customer returns is recognized for the claim to return the goods, reported under other receivables and the expense for goods purchased is reduced accordingly.

Participants in the DOUGLAS Group's **customer loyalty programs** can earn bonus points through purchases, which they can exchange for discount vouchers for future purchases once they have reached certain thresholds. The bonus points represent significant rights within the meaning of IFRS 15 and must therefore be recognized as a separate performance obligation. The points are credited and generally expire within two years of the date of acquisition. Upon purchase, the transaction price is allocated to the separate performance obligations based on the relative unit prices. For the DOUGLAS Group, the transaction price corresponds to the selling price of the goods and services purchased by the customer. In the absence of observable individual selling prices for the bonus points, these are estimated on the basis of the price discount and taking into account redemption probabilities. A contract liability is recognized under other liabilities in the amount of the performance obligation attributable to the bonus points granted. The contract liability is recognized or reversed when the bonus points are redeemed or expire.

Sold **gift cards** are recognized as contract liabilities, taking into account the probability of redemption. Sales from gift cards are recognized when the customer redeems them.

Contract liabilities from gift cards that are no longer expected to be redeemed are reversed and recognized as sales.

## Interest income and interest expense

Interest income and interest expenses are recognized in the financial result on an accrual basis.

## Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss, except to the extent that they relate to a business combination or an item recognized directly in equity or in other comprehensive income.

### Current tax

Current tax is the expected tax liability or tax asset on the taxable income or tax loss for the financial year, based on tax rates that are enacted or substantively enacted by the reporting date, and any adjustment to the tax liability or tax asset for previous years. The amount of the expected tax liability or tax asset reflects the amount that represents the best estimate, taking into account tax uncertainties, if any. Current tax liabilities also include any tax liabilities arising as a result of the declaration of dividends.

### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts in the consolidated financial statements and the amounts in the tax balance sheet, provided that these differences will result in tax relief or tax charges in the future. Deferred tax is measured using the tax rates and tax regulations that are expected to apply when the differences reverse. In Germany, the gradual reduction in the corporate income tax rate from 15% to 10% starting in the 2028 assessment period has been taken into account (see Note "Income Tax"). Deferred tax assets are only recognized to the extent that taxable income is expected to be available when the difference is reversed.

If the future tax benefit from loss or interest carryforwards can be utilized with sufficient certainty in future periods, deferred tax assets are capitalized. Deferred tax assets are offset against deferred tax liabilities to the extent that these exist with the same tax authority.

## Goodwill

Goodwill arising from business combinations is capitalized in accordance with the provisions of IFRS 3 and subjected to an annual impairment test. In addition, impairment tests are carried out whenever there are indications of impairment at a specific date (during the year). There is no scheduled amortization.

For the purpose of impairment testing, goodwill is allocated to the group of cash-generating units that are expected to benefit from the synergies resulting from the acquisition ("goodwill-bearing unit"). A cash-generating unit is generally defined as a single store or online shop. With the exception of "Parfumdreams/Niche Beauty," the group of cash-generating units at which the impairment test is performed corresponds to the specific country in which Douglas operates.

Impairment losses are first allocated to the goodwill assigned to the cash-generating unit and then to the carrying amounts of the other assets of the cash-generating unit on a pro rata basis. The cap is the fair value of the individual asset.

The recoverable amount is the higher of value in use and fair value less costs to sell. Goodwill allocated to a group of cash-generating units is impaired only if the recoverable amount is less than the sum of the relevant carrying amounts of that group. The reduced carrying amount is retained even if the indications of impairment no longer exist in subsequent periods.

## Other intangible assets

Other intangible assets are recognized at their (amortized) cost. Internally generated intangible assets are capitalized at the cost of their development. In contrast, the costs of the research phase are recognized as expenses when incurred. The cost of development includes all costs directly attributable to the development, unless there is an explicit prohibition on capitalization.

There are no qualifying assets within the meaning of IAS 23 within the DOUGLAS Group; therefore, borrowing costs are not included in the calculation of acquisition costs. Intangible assets with a definite useful life are amortized on a straight-line basis over their useful life. In the year of acquisition, other intangible assets are amortized on a pro rata basis.

Intangible assets with indefinite useful lives are not subject to scheduled amortization. An impairment test is performed annually and whenever there are indications of impairment at a specific date (during the year). If the recoverable amount is lower than the carrying amount, impairment losses are recognized at fair value. The "Douglas" and "Nocibé" brands and leasehold rights in France are recognized as assets with indefinite useful lives.

Intangible assets subject to scheduled amortization are only tested for impairment if there are indications of impairment at a specific date (during the year).

In subsequent years, it must be reviewed whether there are any indications on a reporting date (during the year) that an impairment loss recognized in previous years no longer exists or has decreased. If this is the case, the asset is written back to its recoverable amount, but not above its carrying amount.

The useful lives used as the basis for the scheduled, straight-line amortization of intangible assets are determined on the basis of the expected economic useful lives per asset class and are as follows.

Class of non-current assets	Years
Software	3-5
Leasehold rights with definite useful lives	2-15
Brands with definite useful lives	15

## Property, plant and equipment

Property, plant and equipment are recognized at their (amortized) cost. There are no qualifying assets within the meaning of IAS 23 within the DOUGLAS Group; therefore, borrowing costs are not included in the calculation of acquisition or production costs. Property, plant and equipment are depreciated on a straight-line basis over their useful lives. In the year of acquisition, property, plant and equipment are depreciated on a pro rata basis.

If there are indications of impairment at a reporting date (during the year), the corresponding assets are subjected to an impairment test. Property, plant and equipment are derecognized when they are disposed of or when no further economic

benefits are expected from their continued use. The gain or loss on derecognition of property, plant and equipment results from the difference between their net selling price and carrying amount.

The useful lives used for the straight-line depreciation of property, plant and equipment are determined on the basis of the expected economic useful lives per asset class and are as follows.

Class of non-current assets	Years
Buildings	10-50
Store fittings, office and operating equipment	3-10

## Leases

The accounting treatment of leases falls within the scope of IFRS 16. A contract is or contains a lease if it grants the right to control the use of a specific asset for a fixed period of time in return for payment.

As a rule, the DOUGLAS Group acts as a lessee of real estate, in particular retail stores, and occasionally, in the context of subleases, also as a lessor.

In accordance with IFRS 16, the Group recognizes rights-of-use assets and lease liabilities for these lease agreements.

The scheduled depreciation of the right-of-use asset over the term of the lease results in depreciation expense. Furthermore, interest expense results from the ongoing interest accrual on the lease liability.

Rights-of-use from leases are reported separately in the statement of financial position and broken down by asset class in Note "Right-of-Use Assets from Leases".

Lease liabilities are reported under long-term or short-term other financial liabilities and are explained in more detail in Note "Other financial Liabilities" and Note "Leases".

## Financial instruments

With the exception of trade accounts receivable and derivatives, all financial instruments are initially recognized on the settlement date. Trade accounts receivable are recognized from the date on which they arise. Derivatives are recognized on the trade date.

With the following exceptions, all financial instruments are measured at fair value upon initial recognition. If financial instruments are not subsequently measured at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue are added to the fair value. Current trade accounts receivable are measured at the transaction price upon initial recognition.

Financial assets are measured at amortized cost if they are held exclusively to collect contractual cash flows within the framework of a business model (holding business model) and the contractual terms only result in interest and principal payments on the outstanding principal amount at specified dates.

Debt instruments are measured at fair value through other comprehensive income if they are held within a business model for collecting contractual cash flows and selling the financial assets (hold-and-sell business model) and the contractual terms only result

in interest and principal payments on the outstanding principal amount at specified dates.

Upon initial recognition of an equity investment (e.g., equity participation) that is not held for trading purposes, the Group may irrevocably elect to recognize subsequent changes in fair value in other comprehensive income. This election is made on a case-by-case basis for each investment.

All financial assets that are not measured at amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss.

Financial liabilities are subsequently measured at amortized cost. Financial assets are derecognized from the statement of financial position either when the contractual rights to cash flows expire or when the significant risks and rewards are transferred. Financial assets denominated in foreign currencies are translated into the functional currency of the acquiring Group company at the time of acquisition. At each reporting date, an adjustment is then made to the respective closing rate and recognized in profit or loss. Interest income and interest expense relating to financial assets are recognized in the financial result on an accrual basis.

Financial liabilities are derecognized when the contractual obligations have been fulfilled, or canceled, or have expired.

## Fair value

The input factors used to determine fair value are divided into three hierarchy levels (Level 1, Level 2 and Level 3). Fair value is the price at which an asset would be sold or a liability transferred on the measurement date in an orderly transaction in the principal market or, if none exists, in the most advantageous market to which the Group has access at that time. The fair value of a liability reflects the risk of default. Fair value measurements based on Level 1 inputs are price quotations in active markets that can be determined for the item being measured, such as quoted prices on exchanges. Fair value measurements based on inputs that can be derived directly or indirectly from observable market data fall into Level 2. The measurement technique used incorporates all factors that market participants would consider in pricing such a transaction. Level 3 measurements are based on pricing models that use inputs that are not observable in the market.

Douglas has entered into interest rate swaps with various counterparties, which are mainly financial institutions with investment-grade ratings. Interest rate swaps are measured using valuation methods that employ observable market data attributable to Level 2 of the hierarchy. The valuation technique used is based on a present value calculation. Various parameters are incorporated into the model, including spot and forward interest rates and the creditworthiness of the counterparties. Changes in the credit risk of the counterparty had no material impact on the assessment of the effectiveness of hedging derivatives designated in hedging relationships.

Within the Group, options held by non-controlling interests are measured at amortized cost. <sup>14</sup>

When moving from one level to another in the valuation hierarchy, the accounting assessment and presentation is made on the reporting date of a financial year.

## Amortized cost

Amortized cost is determined using the effective interest method, taking into account discounts and premiums on acquisition, and includes directly attributable transaction

<sup>14</sup> See "Fair values of financial instruments" for more information.



costs and fees that form an integral part of the effective interest rate. For financial assets, impairment is determined in addition to the gross carrying amount.

For current assets and liabilities, the carrying amount is considered an appropriate approximation of fair value due to the short period between origination and maturity.

### **Subsequent measurement and gains and losses**

Net gains and losses, including interest and dividend income from financial instruments measured at fair value through profit or loss, are recognized in profit or loss.

The measurement of financial instruments measured at amortized cost results in interest income. Impairment losses are recognized in a corresponding expense item. Financial assets denominated in foreign currencies result in foreign exchange gains or losses. Interest income, impairment losses, foreign exchange gains or losses, and gains or losses from the derecognition of financial instruments are recognized in profit or loss.

### **Impairment of financial assets**

The Group recognizes impairment losses for expected credit losses on financial assets that are not measured at fair value through profit or loss. For these financial assets—with the exception of trade accounts receivable, which are subject to a simplified approach (see Note "Trade Accounts receivable")—the expected credit loss from a default event in the 12 months following the reporting date or a shorter period if the expected term at the reporting date is less than 12 months is determined upon initial recognition in stage 1 of the "expected credit loss model".

If there is a significant increase in credit risk, the asset is transferred to stage 2 of the model. For these financial instruments and for trade accounts receivable, the expected credit losses for the entire term must be determined in stage 2 of the general allowance model. If there are objective indications of impairment, the financial assets are classified in stage 3 of the model. Expected credit losses are determined on an individual item basis depending on various factors, e.g., past due status, counterparty and country risks.

Cash and cash equivalents measured at amortized cost are subject to the general model for expected credit losses.

If the conditions for low credit risk are not met, an assessment of the change in credit risk is required. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, Douglas AG takes into account appropriate information that is relevant and available without undue time and expense.

For other financial assets carried at amortized cost, credit risk is monitored continuously on the basis of bond quotations and ratings, if these are readily available. Furthermore, if a financial asset is more than 30 days past due, a significant increase in credit risk is assumed.

Objective evidence of impairment exists if Douglas AG anticipates adverse effects on expected cash flows. This includes, for example, significant financial difficulties on the part of the issuer or debtor, indications of insolvency or other restructuring proceedings and a deterioration in market conditions. In this sense, financial assets are considered to be in default if the debtor has filed for insolvency or if management, after considering all circumstances, assumes that a payment default will occur. The gross carrying amount of a financial asset is written off if, after appropriate estimation, it is not assumed that the financial asset can be realized in whole or in part.

Expenses or income from impairments or reversals of impairment for expected credit losses on financial assets are reported under "Gain or loss on impairment of financial assets" in the Consolidated Statement of Profit or Loss. Impairment losses on financial assets under the general approach of the expected credit loss model are immaterial.

### **Derivative financial instruments**

Derivative financial instruments are used exclusively for risk reduction purposes. Derivative financial instruments are recognized at fair value both on initial recognition and on subsequent measurement. This value can be positive or negative; if it is positive, an asset (other financial asset) is recognized, and if it is negative, a liability (other financial liability) is recognized. For derivative financial instruments, the fair value corresponds to the amount that the Group company would either receive or have to pay if the financial instrument were transferred on the reporting date. The fair value is determined taking into account the interest rates and forward rates applicable on the reporting date. Derivative financial instruments are recognized in the Consolidated Statement of Profit or Loss, with the exception of the effective portion within hedge accounting.

### **Derivative financial instruments with hedge accounting**

As of the reporting date, the DOUGLAS Group uses interest rate swaps to hedge certain interest rate risks. Hedging is conducted in the form of cash flow hedges, which hedge the risk of fluctuations in the cash flows of the recognized financial asset in the form of the term loan facility (Facility B) and the three-year tranche with variable interest rates of the promissory note loan (SSD). Such derivative financial instruments are measured at fair value through profit or loss for the last time at the time of their designation. Subsequent fluctuations in fair value are recognized in other comprehensive income (reclassifiable) if they are hedge-effective, otherwise they are recognized in financing activities with an effect on profit or loss of the underlying transaction.

At the inception of a hedging relationship, the hedging relationship to which hedge accounting is to be applied, as well as the risk management objectives and strategies for implementing the hedge, are formally established and documented. The documentation includes the hedging instrument, the underlying transaction, the nature of the risk being hedged and the manner in which we assess whether the hedging relationship meets the requirements for hedge effectiveness (including analysis of the causes of hedge ineffectiveness and determination of the degree of hedge effectiveness).

If a derivative is designated as a cash flow hedge, the effective portion of changes in fair value is recognized in other comprehensive income and accumulated in the reserve for hedging relationships (hedge reserve). The effective portion of changes in fair value recognized in other comprehensive income is limited to the cumulative change in the fair value of the hedged item (calculated on a present value basis) since the inception of the hedge. An ineffective portion of changes in the fair value of the derivative is recognized directly in profit or loss. The ineffectiveness of the hedging transaction may result from:

- different yield curves used to discount the underlying transaction and the hedging instrument
- different payment dates for the cash flows of the underlying transaction and the hedging instrument
- the credit risk of the counterparties having different effects on changes in the fair value of the hedging instrument and the underlying transaction.

For hedged expected transactions, the cumulative amount recognized in the reserve for hedging relationships is reclassified to profit or loss in the period or periods in which the hedged expected future cash flows affect profit or loss. If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold,

expires, is terminated, or is exercised, hedge accounting is discontinued prospectively. When hedge accounting for cash flows is discontinued, the amount recognized in the reserve for hedging relationships remains in equity until that amount is reclassified to profit or loss in the period or periods in which the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, the amounts recognized in the reserve for hedging relationships are reclassified immediately to profit or loss.

### **Trade accounts receivable**

Trade accounts receivable are recognized at the transaction price at the time of sales recognition and subsequently measured at amortized cost. See Note "Trade Accounts receivable" for more information.

### **Other financial assets**

Other financial assets, with the exception of derivative financial instruments and investments, are measured at amortized cost. For subsequent measurement, see the previous explanations on financial assets and Note "Other financial Assets".

### **Cash and cash equivalents**

Cash and cash equivalents, which include bank balances, are measured at amortized cost based on the "hold" business model and the fulfillment of the cash flow criterion, and have remaining terms of no more than three months at the time of acquisition.

### **Inventories**

Merchandise is measured at the lower of cost and net realizable value. The cost is determined using either the average cost method or the retail method, based on the selling price with appropriate discounts. The acquisition costs are reduced by any remuneration granted by suppliers, provided that the remuneration is not compensation for services rendered or reimbursement of costs (income from services provided to third parties; see other operating income). Reductions in acquisition costs thus include, in particular, bonuses, discounts and rebates. Interest on borrowed capital is not included in the acquisition costs, as the inventories consist predominantly of merchandise purchased in a saleable condition and therefore do not constitute qualifying assets within the meaning of IAS 23. The net realizable value is the estimated selling price in the ordinary course of business less the estimated necessary selling expenses. In addition to the additional costs incurred in a specific further sale transaction, the estimated necessary selling expenses also include those costs that are essential for the sale.

The Group determines which costs are necessary for the sale at its own discretion and taking into account the specific facts and circumstances, including the nature of the inventories. Sales, fashion and other risks are taken into account in the valuation at net realizable value, where necessary.

Raw materials, consumables and supplies are measured at the lower of cost and net realizable value.

### **Pensions and similar obligations**

Pension obligations are accounted for in accordance with the provisions of IAS 19. Provisions for defined benefit plans are calculated actuarially using the projected unit credit method. This projected unit credit method takes into account biometric data, pensions known and entitlements acquired as of the reporting date and expected future increases in salaries and pensions. If the calculated benefit obligation or the fair value of the plan assets increases or decreases between the beginning and end of a financial year due to experience-based adjustments (e.g., a change in the turnover rate) or changes in the underlying actuarial assumptions, this results in actuarial gains and

losses. These are recognized in other comprehensive income. Effects from plan amendments and plan curtailments are recognized in service cost. The interest portion of the addition to provisions included in pension expenses is reported as interest expense within the financial result. If plan assets are available, the amount of the pension obligation is generally calculated as the difference between the present value of the pension obligations and the fair value of the plan assets.

### Provisions

Provisions are recognized if there is a legal or constructive obligation to parties outside the Group based on past business transactions or events and the future cash outflow to settle this obligation can be reliably estimated. The carrying amount of the provision is measured as the most probable settlement amount for individual risks, taking into account all identifiable risks, and for a large number of risks as the expected value. Long-term provisions are recognized in the reporting at their present value on the reporting date. The maturity of long-term personnel provisions depends on the date of departure of the employees or the planned cash outflows. The maturity of long-term provisions in the rental sector is based on the term of the rental agreement or the estimated date of early termination of the rental agreement and mainly includes restoration obligations. Provisions for dismantling obligations are recognized if, based on contractual agreements and past experience, it is more than 50% likely that the Group will be required to fulfill the obligation. Provisions for restructuring measures are recognized if a de facto obligation to restructure has arisen as of the reporting date. This is the case if a detailed restructuring plan has been formally adopted and its key components have been communicated to those affected, or if implementation of the plan has already begun. Restructuring provisions only include expenses that are unavoidable in the course of restructuring. Future operating losses are not taken into account.

### Financial liabilities

With the exception of contingent purchase price obligations resulting from company acquisitions, financial liabilities are initially recognized at fair value, excluding transaction costs and, if applicable, separable embedded derivatives, and subsequently at amortized cost. Transaction costs attributable to the acquisition are included in the cost of the financial liabilities. If there is a difference between the amount paid and the amount repayable at maturity, this difference is amortized over the term using the effective interest method. Financial liabilities are derecognized when the obligation is fulfilled or when it is no longer expected to be called upon (e.g., due to the statute of limitations). A financial liability is also derecognized if the contractual terms of an existing financial liability or part thereof are significantly changed. All trade accounts payable have a term of less than one year and are non-interest-bearing. The financial liabilities recognized at amortized cost in the Group mainly comprise bank liabilities, trade accounts payable and refund liabilities from customer returns. The Group does not make use of the option to measure financial liabilities at fair value through profit or loss upon initial recognition.

### Contract liabilities within the meaning of IFRS 15

Contract liabilities must be recognized if the customer has already provided consideration and Douglas still has to fulfill its obligation to transfer goods or services to the customer. At Douglas, contract liabilities mainly comprise deferred sales from customer loyalty programs and the sale of gift cards. Contract liabilities for the deferral of sales from gift cards sold and for discount options purchased by customers are recognized as other liabilities. Refund liabilities in connection with the deferral of sales from expected customer returns are recognized as other financial liabilities.

For further information on deferred sales and sales recognition, see section "Sales recognition".

## Assumptions, estimates and judgments

In preparing the consolidated financial statements, assumptions and judgments have been made that have affected the recognition and amount of assets and liabilities, as well as expenses and income.

### Assumptions, estimates

Information on assumptions and estimation uncertainties as of 30 September 2025, which could give rise to a significant risk that a material adjustment to the carrying amounts of the reported assets and liabilities will be necessary within the following financial year, is included in the following Notes:

Estimates and underlying assumptions with significant effects have been made in particular in the following areas:

- Note "Goodwill" and Note "Other intangible Assets"  
Assessment of the recoverability of goodwill and brands with indefinite useful lives.
- Note "Right-of-Use Assets from Leases"  
Determination of the term of lease agreements, taking into account extension and/or termination options: The assessment of whether these options will be exercised with sufficient certainty affects the term and thus the measurement of the lease liability and the right-of-use asset of a lease agreement.
- Note "Other financial Assets"  
Remuneration granted by suppliers: Determination of whether receivables from supplier bonuses and advertising subsidies have been realized as of the reporting date. In some cases, this requires an estimate of the purchase volume for the entire calendar year as of the reporting date.

In individual cases, the actual values may differ from the assumptions and estimates made. Changes are recognized in profit or loss when they become known.

### Judgements

Information on discretionary decisions in the application of accounting policies that have the most significant impact on the amounts recognized in the financial statements is included in the following Notes:

- Note "Accounting and Valuation Principles", section "Inventories"  
Reimbursements granted by suppliers: Determination of whether reimbursements from suppliers are made in connection with goods purchased or as compensation for services rendered or cost reimbursements (see Note "Other operating Income").
- Note "Segment Reporting"  
Aggregation of operating segments into reportable segments: The decision as to which operating segments have been aggregated into reportable segments is discretionary with regard to the similarity of their economic characteristics.

# Results of the financial year – notes to the consolidated statement of profit or loss

## 5. Sales

Sales amounted to EUR 4,575.3 million in the financial year (previous year: EUR 4,451.0 million) and is broken down as follows:

	2024/2025	2023/2024
	EUR m	EUR m
Store Sales	3,075.7	2,999.5
E-Com Sales	1,499.7	1,451.4
<b>Total</b>	<b>4,575.3</b>	<b>4,451.0</b>

The commissions from the partner program reported in E-Com sales amounted to EUR 9.4 million (previous year: EUR 10.3 million), and sales from retail media amounted to EUR 32.8 million (previous year: EUR 22.6 million).

For a breakdown of sales by region, see Note "Segment Reporting".

## 6. Other operating Income

	2024/2025	2023/2024
	EUR m	EUR m
Income from services and reimbursement of costs	229.4	200.2
Income related to leases and sub-leases	9.9	11
Income from fees related to Douglas Premium Card	9.5	11
Income from reversal of provisions and impairment losses	17.2	11
Income from the derecognition of liabilities	6.1	7
Income from insurance claims	5.9	3.7
Income from disposal of non-current assets	0.4	0.1
Miscellaneous	31.4	48.9
<b>Total</b>	<b>309.8</b>	<b>294.2</b>

The presentation of some categories has been changed compared to the previous year. For better comparability, the previous year has been adjusted accordingly.

## 7. Personnel Expenses

	2024/2025	2023/2024
	EUR m	EUR m
Wages and salaries	556.2	560.7
Social security, pensions and other benefits costs	124.6	119.1
thereof for pensions	4.9	4.6
<b>Total</b>	<b>680.8</b>	<b>679.8</b>

Average number of employees and apprentices during the financial year:

	2024/2025	2023/2024
Salaried employees	19,091	18,612
Apprentices	440	409
<b>Total</b>	<b>19,531</b>	<b>19,020</b>



Average number of employees (excluding apprentices) per reportable segment and for the Group during the financial year:

	2024/2025	2023/2024
DACHNL	7,620	7,726
France	3,446	3,403
Southern Europe	3,496	3,339
Central Eastern Europe	3,423	3,172
Parfumdreams/Niche Beauty	297	454
Reconciliation to DOUGLAS Group	808	518
<b>DOUGLAS Group</b>	<b>19,091</b>	<b>18,612</b>

The decline in reportable segment DACHNL is related to the increase in "Reconciliation to DOUGLAS Group," as some central functions were reclassified from reportable segment DACHNL to "Reconciliation to DOUGLAS Group."

## 8. Other operating Expenses

	2024/2025	2023/2024
	EUR m	EUR m
Marketing and advertising costs	269.0	256.3
Goods handling costs	198.3	202.4
Other services	152.4	181.5
Rent and utilities	83.1	83.1
IT costs	76.4	60.5
Payment fees	30.0	24.2
Miscellaneous	99.5	112.2
<b>Total</b>	<b>908.5</b>	<b>920.1</b>

The presentation of some categories has been changed compared to the previous year. For better comparability, the previous year has been adjusted accordingly.

Other services mainly include consulting, legal and auditing expenses as well as costs of providing personnel.

## 9. Finance Result

		2024/2025	2023/2024
	Notes No.	EUR m	EUR m
Interest income from loans and receivables		1.4	4.4
Interest income from compounding lease receivables		0.3	0.4
Interest income from short-term investment of funds		0.8	1.9
Income from the measurement of derivative financial instruments with recognized hedging transactions at fair value		0.0	0.1
Financial income from foreign currency exchange differences		17.1	16.5
Income from measurement of embedded options at fair value		0.0	22.5
Income from measurement of derivative financial instruments at fair value		0.0	2.1
Income from derivative financial instruments		0.0	2.9
<b>Total finance income</b>		<b>19.6</b>	<b>51.0</b>
Interest and amortization expense on financial liabilities measured at amortized cost		-69.5	-215.4
Interest expense from compounding lease liabilities		-61.5	-57.0
Interest expense in connection with other provisions		-2.3	-7.9
Interest expense from compounding pension provisions		-1.0	-1.0
Expense from foreign currency exchange differences		-18.4	-9.2
Expense from the measurement of embedded options		0.0	-54.2
Expenses from measurement of derivative financial instruments at fair value		0.0	-7.3
<b>Total finance expenses</b>		<b>-152.6</b>	<b>-352.0</b>
<b>Finance result</b>		<b>-133.0</b>	<b>-301.0</b>

Interest expense in connection with other provisions mainly relates to interest claims from appeal proceedings.

## Net finance result by measurement category

The following table shows the net finance result by measurement category for financial year 2024/2025:

	Fair value measurement	Currency translation	Interest income	Interest expense	Net result
	EUR m	EUR m	EUR m	EUR m	EUR m
Financial assets measured at amortized cost			1.4		1.4
Financial liabilities measured at amortized cost				-69.5	-69.5
Financial assets measured at fair value through profit or loss	0.8		0.0		0.8
Financial liabilities measured at fair value through profit or loss	0.0				0.0
<b>Net result by valuation category</b>	<b>0.8</b>	<b>0.0</b>	<b>1.4</b>	<b>-69.5</b>	<b>-67.2</b>
Assets and liabilities from leases			0.3	-61.5	-61.2
Assets and liabilities that are not defined as financial instruments		-1.3		-3.3	-4.6
<b>Finance result</b>	<b>0.8</b>	<b>-1.3</b>	<b>1.7</b>	<b>-134.2</b>	<b>-133.0</b>

Impairment losses on trade accounts receivable classified in the category "measured at amortized cost" amounted to EUR 0.5 million in the reporting year (previous year: EUR 2.6 million) and were reported as other operating expenses.

The following table shows the net finance result by measurement category for financial year 2023/2024:

	Fair value measurement	Currency translation	Interest income	Interest expense	Net result
	EUR m	EUR m	EUR m	EUR m	EUR m
Financial assets measured at amortized cost			4.4		4.4
Financial liabilities measured at amortized cost				-215.4	-215.4
Financial assets measured at fair value through profit or loss	-34.9		2.9		-32.0
Financial liabilities measured at fair value through profit or loss	0.1				0.1
<b>Net result by valuation category</b>	<b>-34.8</b>	<b>0.0</b>	<b>7.3</b>	<b>-215.4</b>	<b>-242.8</b>
Assets and liabilities from leases			0.4	-57.0	-56.6
Assets and liabilities that are not defined as financial instruments		7.3		-8.9	-1.6
<b>Finance result</b>	<b>-34.8</b>	<b>7.3</b>	<b>7.7</b>	<b>-281.3</b>	<b>-301.0</b>

## 10. Income Tax

	2024/2025	2023/2024
	EUR m	EUR m
<b>Current income tax</b>	<b>-58.2</b>	<b>-55.9</b>
<i>thereof domestic (Germany)</i>	<i>-10.1</i>	<i>-7.8</i>
<i>thereof foreign entities</i>	<i>-48.1</i>	<i>-48.1</i>
<b>Deferred tax</b>	<b>-2.0</b>	<b>57.5</b>
<i>thereof from temporary differences</i>	<i>17.1</i>	<i>38.9</i>
<i>thereof from loss carryforwards</i>	<i>-19.1</i>	<i>18.6</i>
<b>Total</b>	<b>-60.2</b>	<b>1.6</b>

Current income tax includes tax income for previous years amounting to EUR 2.7 million (previous year: tax income for previous years of EUR 6.0 million).

The expected tax rate of 32.0% (consisting of corporate income tax including solidarity surcharge of 15.8% and trade tax of 16.2%) generally corresponds to the tax rate of the parent company.

In financial year 2024/2025, tax loss carryforwards of EUR 25.7 million (previous year: EUR 73.0 million) and interest carryforwards of EUR 4.3 million (previous year: EUR 30.2 million) for which no deferred tax assets were recognized were utilized. Of the tax loss carryforwards, EUR 0.0 million (previous year: EUR 22.7 million) was utilized abroad and EUR 25.7 million (previous year: EUR 50.3 million) in Germany. The EUR 25.7 million (previous year: EUR 50.3 million) comprises EUR 9.5 million (previous year: EUR 20.2 million) in corporate income tax and EUR 16.2 million (previous year: EUR 30.1 million) in trade tax. The interest carryforwards were used exclusively abroad.

The current tax expense decreased by EUR 5.1 million (previous year: EUR 19.2 million) as a result of the utilization of tax loss carryforwards and interest carryforwards for which no deferred tax had been recognized.

In the previous financial year 2023/2024, deferred tax income included tax income totaling EUR 42.6 million from the reassessment of the recognition (EUR 25.7 million) and the recoverability of deferred tax assets (EUR 16.9 million). There was no comparable effect in financial year 2024/2025.

	2024/2025	2023/2024
	EUR m	EUR m
Earnings before tax (EBT)	235.6	82.5
Expected tax rate	32.0%	32.0%
<b>Expected tax expense</b>	<b>-75.4</b>	<b>-26.4</b>
Tax rate effects from domestic and cross border tax jurisdictions (trade tax)	18.9	22.8
Trade tax modifications (additions (-) / reductions (+))	-8.3	-9.3
Changes in tax rates	13.4	-
Non-period income tax expense/income	-2.7	6.0
Non-tax-deductible operating expenses	-3.7	-14.3
Tax-exempt income	0.0	8.8
Non-recognition of deferred tax from tax loss or interest carried forwards	-7.5	-38.0
Utilization of previously unrecognized loss or interest carryforwards	5.1	19.2
First-time recognition of deferred tax assets due to revaluation	0.0	25.7
Non-consideration of impairments on goodwill	0.0	-
Changes of permanent differences	-0.7	-10.7
Change in valuation allowances on deferred tax assets	2.0	16.9
Other	-1.3	0.9
<b>Income tax</b>	<b>-60.2</b>	<b>1.6</b>

In connection with the "Act on an Immediate Tax Investment Program to Strengthen Germany as a Business Location" passed in July 2025 and the associated gradual reduction in the domestic corporate income tax rate from 15% to 10% starting in the 2028 assessment period, the deferred tax of German corporations must be revalued in financial year 2024/2025. Overall, the revaluation for financial year 2024/2025 results in tax income of EUR 13.7 million, which is mainly attributable to other intangible assets (brand). Tax rate changes in other countries resulted in an offsetting effect of EUR -0.3 million.

The non-recognition of deferred tax from tax loss carryforwards or interest carryforwards in the amount of EUR 7.5 million (previous year: EUR 38.0 million) mainly relates to tax loss carryforwards abroad as well as interest expenses in connection with the so-called "interest barrier" in Germany, which could not be claimed for tax purposes in this financial year but can be carried forward indefinitely as interest carryforwards to subsequent years.

## 11. Earnings per Share

Earnings per share are calculated by dividing the net income attributable to Douglas AG shareholders for the period, amounting to EUR 175.4 million (previous year: EUR 84.0 million), by the weighted number of shares issued and are disclosed in the Consolidated Statement of Profit or Loss.

The weighted number of shares issued in financial year 2024/2025 is 107,692,308, which corresponds to the total number of shares issued. No new shares have been issued since the IPO in the previous year.

The increase of 15,528,846 in the weighted number of shares issued used to calculate earnings per share compared with the previous year (92,163,462) is attributable to the fact that in the previous year, the calculation of the weighted number of shares issued took into account the number of shares at the time of the change of legal form to a public limited company and the increase in the number of shares from company funds retroactively to 1 October 2023 (a total of 75,000,000 shares), as this was a so-called equity restructuring within the meaning of IAS 33, while the number of shares issued in connection with the initial public offering of Douglas AG (32,692,308 shares) was taken into account on a pro rata basis in the previous year (with 17,163,462). No dilutive effect that could arise in the future from potential shares occurred in the reporting year or in the previous year.

See also Note "Equity".

# Assets, equity and liabilities – notes to the consolidated statement of financial position

## 12. Goodwill

Development of goodwill in financial year 2024/2025:

	2024/2025	2023/2024
	EUR m	EUR m
<b>Acquisition costs</b>		
Beginning of the reporting period	1,955.3	1,950.7
Currency translation adjustments	0.2	4.6
End of the reporting period	1,955.5	1,955.3
<b>Accumulated impairment</b>		
Beginning of the reporting period	922.3	922.3
End of the reporting period	922.3	922.3
<b>Net carrying amounts</b>		
End of the reporting period	1,033.2	1,033.0

The change in goodwill during the financial year was attributable exclusively to currency translation adjustments.

Currency translation adjustments on goodwill relate to the goodwill-bearing units Poland in the amount of EUR 0.1 million (previous year: EUR 4.7 million) and Hungary in the amount of EUR 0.1 million (previous year: EUR -0.1 million).

Further explanations on impairments can be found in Note "Impairment of Assets according to IAS 36".



## 13. Other intangible Assets

Development of other intangible assets in financial year 2024/2025:

	Brands, leasehold interests, licenses, software and miscellaneous acquired other intangible assets	Advance payments for intangible assets	Internally generated intangible assets	Internally generated intangible assets under development	Total
	EUR m	EUR m	EUR m	EUR m	EUR m
<b>Acquisition costs</b>					
01/10/2024	1,152.0	2.4	117.9	12.3	1,284.6
Additions	4.1	1.5	10.0	4.4	20.0
Disposals	-14.1			-5.0	-19.1
Reclassifications	1.0	-0.5	3.9	-3.9	0.5
30/09/2025	1,143.0	3.4	131.8	7.8	1,286.0
<b>Accumulated amortization, depreciation and impairment</b>					
01/10/2024	395.0	0.0	56.2	0	451.2
Amortization or depreciation	6.7		26.2		32.9
Impairments	5.2			5.0	10.2
Write-up	-0.2				-0.2
Disposals	-13.9			-5.0	-18.9
30/09/2025	392.8	0.0	82.4	0.0	475.2
<b>Net carrying amounts</b>					
30/09/2025	750.2	3.4	49.4	7.8	810.8

"Brands, leasehold interests, licenses, software and miscellaneous acquired other intangible assets " include assets with indefinite useful lives amounting to EUR 730.1 million (previous year: EUR 735.0 million). Of this amount, EUR 534.4 million (previous year: EUR 534.4 million) relates to the "Douglas" brand, EUR 172.7 million (previous year: EUR 172.7 million) to the "Nocibé" brand and EUR 23.0 million (previous year: EUR 27.9 million) to location advantages associated with lease agreements.

## Development of other intangible assets in financial year 2023/2024:

	Brands, leasehold interests, licenses, software and miscellaneous acquired other intangible assets	Advance payments for intangible assets	Internally generated intangible assets	Internally generated intangible assets under development	Total
	EUR m	EUR m	EUR m	EUR m	EUR m
<b>Acquisition costs</b>					
<b>01/10/2023</b>	1,172.5	1.8	84.2	19.5	1,278.0
Currency translation adjustments	0.1				0.1
Changes due to disposal of business	-0.1				-0.1
Additions	4.7	1.6	18.3	8.2	32.8
Disposals	-26.4				-26.4
Reclassifications	1.2	-1.0	15.4	-15.4	0.2
<b>30/09/2024</b>	<b>1,152.0</b>	<b>2.4</b>	<b>117.9</b>	<b>12.3</b>	<b>1,284.6</b>
<b>Accumulated amortization, depreciation and impairment</b>					
<b>01/10/2023</b>	413.6	0.0	40.7	0.0	454.3
Currency translation adjustments	0.1				0.1
Changes due to disposal of business	-0.1				-0.1
Amortization or depreciation	6.6		15.5		22.1
Impairments	2.0				2.0
Write-up	-0.8				-0.8
Disposals	-26.4				-26.4
<b>30/09/2024</b>	<b>395.0</b>	<b>0.0</b>	<b>56.2</b>	<b>0.0</b>	<b>451.2</b>
<b>Net carrying amounts</b>					
<b>30/09/2024</b>	<b>757.0</b>	<b>2.4</b>	<b>61.7</b>	<b>12.3</b>	<b>833.4</b>

## 14. Property, Plant and Equipment

Development of property, plant and equipment in financial year 2024/2025:

	Land and buildings	Other equipment, operating and office equipment	Advance payments on assets under construction	Total
	EUR m	EUR m	EUR m	EUR m
<b>Acquisition costs</b>				
<b>01/10/2024</b>	<b>497.9</b>	<b>681.3</b>	<b>23.4</b>	<b>1,202.6</b>
Currency translation adjustments	0.4	0.4	0.0	0.8
Additions	67.3	63.9	19.9	151.1
Disposals	-32.4	-54.9	-1.3	-88.6
Reclassifications	7.4	7.9	-15.8	-0.5
<b>30/09/2025</b>	<b>540.6</b>	<b>698.6</b>	<b>26.2</b>	<b>1,265.4</b>
<b>Accumulated amortization, depreciation and impairment</b>				
<b>01/10/2024</b>	<b>361.2</b>	<b>558.9</b>		<b>920.1</b>
Currency translation adjustments	0.3	0.3		0.6
Amortization or depreciation	26.9	44.1		71.0
Impairments	1.1	4.4		5.5
Write-up	-0.1	-0.4		-0.5
Disposals	-32.0	-54.6		-86.6
Reclassifications	0.4	-0.4		0.0
<b>30/09/2025</b>	<b>357.8</b>	<b>552.3</b>	<b>0.0</b>	<b>910.1</b>
<b>Net carrying amounts</b>				
<b>30/09/2025</b>	<b>182.8</b>	<b>146.3</b>	<b>26.2</b>	<b>355.3</b>

## Development of property, plant and equipment in financial year 2023/2024:

	Land and buildings	Other equipment, operating and office equipment	Advance payments on assets under construction	Total
	EUR m	EUR m	EUR m	EUR m
<b>Acquisition costs</b>				
<b>01/10/2023</b>	<b>466.0</b>	<b>655.2</b>	<b>15.0</b>	<b>1,136.2</b>
Currency translation adjustments	2.5	3.4	0.2	6.1
Changes due to disposal of business	-0.1	-0.6	-0.1	-0.8
Additions	45.1	60.4	17.7	123.2
Disposals	-19.4	-41.8	-0.7	-61.9
Reclassifications	3.8	4.7	-8.7	-0.2
<b>30/09/2024</b>	<b>497.9</b>	<b>681.3</b>	<b>23.4</b>	<b>1,202.6</b>
<b>Accumulated amortization, depreciation and impairment</b>				
<b>01/10/2023</b>	<b>355.3</b>	<b>557.5</b>	<b>0.0</b>	<b>912.8</b>
Currency translation adjustments	1.7	2.5		4.2
Changes due to disposal of business	-0.1	-0.6	-0.1	-0.8
Depreciation	22.5	37.4		59.9
Impairments	1.3	3.5	0.1	4.9
Write-up	-0.1	-0.4		-0.5
Disposals	-19.4	-41.0		-60.4
Reclassifications				0.0
<b>30/09/2024</b>	<b>361.2</b>	<b>558.9</b>	<b>0.0</b>	<b>920.1</b>
<b>Net carrying amounts</b>				
<b>30/09/2024</b>	<b>136.7</b>	<b>122.4</b>	<b>23.4</b>	<b>282.5</b>

## 15. Right-of-Use Assets from Leases

Development of right-of-use assets from leases in financial year 2024/2025:

	Right of use assets property	Right of use assets cars	Right of use assets other	Right of use assets advance payments	Total
	EUR m	EUR m	EUR m	EUR m	EUR m
<b>Acquisition costs</b>					
<b>01/10/2024</b>	<b>2,093.9</b>	<b>8.2</b>	<b>2.1</b>	<b>0.0</b>	<b>2,104.2</b>
Currency translation adjustments	1.5				1.5
Additions	450.0	3.1	12.3	0.2	465.6
Disposals	-101.5	-1.3	0.0	0.0	-102.8
<b>30/09/2025</b>	<b>2,443.9</b>	<b>10.0</b>	<b>14.4</b>	<b>0.2</b>	<b>2,468.5</b>
<b>Accumulated amortization, depreciation and impairment</b>				0.0	
<b>01/10/2024</b>	<b>1,077.7</b>	<b>5.0</b>	<b>0.5</b>	<b>0.0</b>	<b>1,083.2</b>
Currency translation adjustments	1.0	0.0	0.0	0.0	1.0
Amortization or depreciation	263.1	2.1	0.7	0.0	265.9
Impairments	3.6	0.0	0.0	0.0	3.6
Write-up	-0.5			0.0	-0.5
Disposals	-89.2	-1.2	0.0	0.0	-90.4
<b>30/09/2025</b>	<b>1,255.7</b>	<b>5.9</b>	<b>1.2</b>		<b>1,262.8</b>
				0.2	
<b>Net carrying amounts</b>					
<b>30/09/2025</b>	<b>1,188.2</b>	<b>4.1</b>	<b>13.2</b>	<b>0.0</b>	<b>1,205.7</b>

Disposals in financial year 2024/2025 primarily resulted from the termination of real estate lease agreements and did not have any material impact on profit or loss (as was also the case in the previous year 2023/2024).

Further explanations on leases can be found in Note "Leases".

The following table shows the development of rights-of-use assets from leases in financial year 2023/2024:

	Right of use assets property	Right of use assets cars	Right of use assets other	Total
	EUR m	EUR m	EUR m	EUR m
<b>Acquisition costs</b>				
<b>01/10/2023</b>	<b>1,877.9</b>	<b>8.8</b>	<b>0.6</b>	<b>1,887.3</b>
Currency translation adjustments	9.1	0.1		9.2
Changes due to disposal of business	-2.1			-2.1
Additions	277.5	1.9	1.6	281.0
Disposals	-68.5	-2.6	-0.1	-71.2
<b>30/09/2024</b>	<b>2,093.9</b>	<b>8.2</b>	<b>2.1</b>	<b>2,104.2</b>
<b>Accumulated amortization, depreciation and impairment</b>				
<b>01/10/2023</b>	<b>877.9</b>	<b>5.7</b>	<b>0.3</b>	<b>883.9</b>
Currency translation adjustments	4.1	0.1		4.2
Changes due to disposal of business	-2.1			-2.1
Amortization or depreciation	247.8	1.8	0.3	249.9
Impairments	8.1			8.1
Write-up	-0.7			-0.7
Disposals	-57.4	-2.6	-0.1	-60.1
<b>30/09/2024</b>	<b>1,077.7</b>	<b>5.0</b>	<b>0.5</b>	<b>1,083.2</b>
<b>Net carrying amounts</b>				
<b>30/09/2024</b>	<b>1,016.2</b>	<b>3.2</b>	<b>1.6</b>	<b>1,021.0</b>

## 16. Impairment of Assets according to IAS 36

Certain assets are tested for impairment annually or on an ad hoc basis in accordance with IAS 36 (Impairment of Assets). The recoverable amount is estimated in this process. If the recoverable amount for the individual asset cannot be estimated, the recoverable amount of the cash-generating unit (CGU) to which the asset belongs (the cash-generating unit of the asset) is determined. The carrying amount of the asset or cash-generating unit (or groups of cash-generating units) is compared with the recoverable amount of the asset or cash-generating unit (or groups of cash-generating units). Any resulting impairments are reported in the Consolidated Statement of Profit or Loss as "Amortization/depreciation/impairment".

### Goodwill and other intangible assets with indefinite useful lives

Goodwill and other intangible assets with indefinite useful lives – in this case, the "Douglas" and "Nocibé" brands and the location advantages associated with lease agreements in France – are subject to annual impairment tests.

### Goodwill

Impairment tests for goodwill are performed at the level of a group of cash-generating units, which is generally the country level with the exception of "Parfumdreams/Niche Beauty." Furthermore, the Swiss web shop is allocated to Germany, as operations are conducted entirely there and cash flows are attributable to Germany.

The recoverable amount for goodwill in the DOUGLAS Group is primarily determined as the value in use based on discounted future cash inflows derived from internal planning calculations.

Key planning assumptions include sales growth, EBITDA expectations, and estimates of the perpetual growth rate and cost of capital.

The distribution of the carrying amounts of goodwill across the reportable and operating segments and groups of CGUs is shown below.

	30/09/2025			30/09/2024		
	Reportable segment	Operating segment	Group of CGU	Reportable segment	Operating segment	Group of CGU
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
<b>DACHNL</b>	<b>488.6</b>			<b>488.6</b>		
DACH		287.0			287.0	
Germany			287.0			287.0
BENE		201.6			201.6	
The Netherlands			201.6			201.6
<b>France</b>	<b>437.0</b>	<b>437.0</b>	<b>437.0</b>	<b>437.0</b>	<b>437.0</b>	<b>437.0</b>
<b>Southern Europe</b>	<b>3.2</b>	<b>3.2</b>		<b>3.2</b>	<b>3.2</b>	
Italy			3.2			3.2
<b>Central Eastern Europe</b>	<b>92.2</b>	<b>92.2</b>		<b>92.0</b>	<b>92.0</b>	
Poland			63.0			62.8
Other Central Eastern Europe			29.3			29.1
<b>Parfumdreams/Niche Beauty</b>	<b>12.2</b>	<b>12.2</b>	<b>12.2</b>	<b>12.2</b>	<b>12.2</b>	<b>12.2</b>
<b>Total</b>	<b>1,033.2</b>	<b>1,033.2</b>	<b>1,033.2</b>	<b>1,033.0</b>	<b>1,033.0</b>	<b>1,033.0</b>



The planning calculations used to determine the value in use relate to detailed planning periods of three years, which corresponds to the companies' planning system, followed by a perpetual annuity. The assumptions are based on management estimates, past experience, and macroeconomic data. The underlying three-year plan was approved by the Supervisory Board.

In the detailed planning phase, we assume the following average increases in sales and EBITDA for the significant goodwill:

Group of CGU	Sales	EBITDA	Years
Germany	solid	significantly	3
The Netherlands	vigorous	vigorous	3
France	solid	solid	3
Poland	significantly	significantly	3
Parfumdreams/Niche Beauty	strongly	strongly	3

All other goodwill-bearing units not listed individually here are of minor significance in terms of the amount of goodwill attributable to them.

The qualified comparative forecasts made regarding sales and EBITDA are based on the following ranking:

Ranking	Characteristics of the qualified comparative forecasts
1.	in line with the previous year
2.	slightly
3.	solid
4	vigorous
5.	significantly
6.	strongly

All goodwill-bearing units are based on a growth rate of 1.0% when calculating the perpetual annuity.

The following capitalization rates were used to discount the significant goodwill:

	30/09/2025	30/09/2024
	before tax	before tax
	%	%
Germany	12.2	12.0
The Netherlands	11.6	11.4
France	12.0	11.9
Poland	13.5	13.9
Parfumdreams/Niche Beauty	12.2	12.0

In financial year 2024/2025, the impairment test of goodwill did not result in any impairment losses (previous year: no impairment losses).

As part of a sensitivity analysis, deviations from significant valuation assumptions that were considered possible were examined for France, to which significant goodwill is allocated. The recoverable amount of the France unit exceeded the carrying amount by EUR 25.0 million (previous year: EUR 135.6 million) as of the measurement date. A deviation from the key valuation assumptions that is considered possible could result in the recoverable amount falling below the carrying amount. If the planned development of sales or EBITDA cannot be achieved and EBITDA in the last planning year is EUR 2.2 million below the planned EBITDA of EUR 176.4 million, the carrying amount corresponds to the recoverable amount.

### **Brands with indefinite useful lives**

The Company assumes that the useful life of the "Douglas" and "Nocibé" brands is indefinite due to ongoing brand maintenance measures and that these assets must therefore be tested for impairment at least annually. As in the previous year, EUR 534.4 million is attributable to the "Douglas" brand and EUR 172.7 million to the "Nocibé" brand.

The brands are corporate assets that contribute to the future cash flows of several cash-generating units. The brands are allocated at the level at which allocation can be made on a reasonable and consistent basis. This is the level of the national company (group of CGUs in each case). At this level, the brands must then be tested for impairment. The impairment test at the level of the group of cash-generating units is not necessary with regard to the brands if the recoverable amount of the respective brand is undoubtedly greater than its carrying amount and there are no indications of impairment of the group of cash-generating units.

Therefore, the recoverable amount of the two brands was first determined in order to test whether it was significantly higher than the respective carrying amount. For the brands, the recoverable amount is the fair value (Level 3), which is determined using a recognized valuation method (license price analogy).

The key assumptions used to determine the fair value of the brands are the change in sales, the license rate and the cost of capital. The assumptions in the detailed planning period regarding the change in sales and the cost of capital correspond to those used in the impairment tests for goodwill (see above). A sales-based license rate was derived from the earnings contributions generated by the brand and a typical licensor share.

After the detailed planning period, brand-relevant sales are projected to grow at an annual rate of 2.0% over a total of 17 years and then decline steadily over 10 years to zero. The assumed license rates were 2.3% (previous year: 3.1%) for the "Douglas" brand and 3.2% (previous year: 4.0%) for the "Nocibé" brand.

The cash flows were discounted at a cost of capital of 8.5% (previous year: 8.4%) for the "Douglas" brand and 9.0% (previous year: 8.8%) for the "Nocibé" brand.

While the “Nocibé” brand is allocated exclusively to segment France, the “Douglas” brand was allocated to the respective national companies based on planned sales for the following financial year and was mainly attributable to the following groups of CGUs:

	30/09/2025	30/09/2024
	Group of CGU	Group of CGU
	EUR m	EUR m
Germany	215.4	235.8
Austria	22.7	19.1
The Netherlands	57.4	65.1
Italy	75.5	75.2
Spain	15.0	15.0
Poland	56.1	54.5
Other	92.3	69.7
<b>Total</b>	<b>534.4</b>	<b>534.4</b>

The recoverable amount for both brands was above their respective carrying amounts, meaning that no impairment loss was recognized for either brand.

#### Location advantages associated with lease agreements

The location advantages associated with lease agreements in France are tested at the level of the cash-generating units that are linked to the respective lease agreement. This is usually the leased store. In the impairment test, the sum of the carrying amounts of the group of cash-generating units is compared with the recoverable amount.

In segment France, location advantages associated with lease agreements that were acquired from the previous tenant for a fee are capitalized in the amount of EUR 23.0 million (previous year: EUR 26.9 million). The useful life is independent of the respective terms of the lease agreements and is therefore indefinite. The value to be used for the impairment test (recoverable amount) is determined as the higher of fair value less costs to sell and value in use. A capitalization rate of 12.0% (previous year: 12.0%) before tax was used for discounting.

The impairment test of these location advantages associated with lease agreements resulted in impairments of EUR 3.9 million (previous year: EUR 1.7 million) and reversals of impairments of EUR 0.0 million (previous year: EUR 0.6 million) in segment France during the reporting period. For the recoverable amount, please refer to the section "Stores".

#### Rights of use for central warehouses in Hamm and Warsaw

For the purposes of the impairment test, the right of use for the central warehouse in Hamm and the central warehouse in Warsaw were each allocated as a corporate asset to the corresponding cash-generating units.

The right of use for the central warehouse in Hamm is used by Germany, Austria, Switzerland, and Parfumdreams, and the impairment test was carried out at the country level and at the level of Parfumdreams. The impairment test based on the value in use did not result in any impairment (previous year: no impairment).

The right of use for the central warehouse in Warsaw, which was capitalized for the first time in financial year 2024/2025, is used by Poland and Germany, and the impairment

test was performed at country level. The impairment test based on the value in use did not result in any impairment.

### Stores

The triggering events for subjecting stores to an impairment test are, in particular, negative store contribution margins due to declining customer frequency and planned store closures.

The recoverable amount is determined as the value in use based on future cash flows derived from internal planning calculations. The planning assumptions are sales growth, gross profit expectations and EBITDA expectations, estimates of replacement investments in the store network, the personnel expense ratio and other cost ratios relating to the individual stores. The planning calculations refer to the remaining term of the respective lease agreements calculated up to their probable end, taking into account any extension options. The planning period is between 1 and 15 years. The calculation is based on interest rates between 9.0% and 15.5% (previous year: between 9.0% and 15.5%) before tax.

Impairment tests at the store level as cash-generating units resulted in impairment losses totaling EUR 11.5 million (previous year: EUR 4.7 million) and were attributable to the reportable segments presented below and the reconciliation to the DOUGLAS Group:

	2024/2025	2023/2024
	Reportable segment	Reportable segment
	EUR m	EUR m
DACHNL	1.9	1.9
France	9.6	1.2
Southern Europe	0.0	0.9
Parfumdreams/Niche Beauty	0.0	0.2
Total of reportable segments	11.5	4.2
Reconciliation to DOUGLAS Group	0.0	0.5
<b>Total</b>	<b>11.5</b>	<b>4.7</b>

For information on the development of right-of-use assets from leases, see Note "Right-of-Use Assets from Leases".

The recoverable amounts of the stores affected by impairment are distributed as follows across the reportable segments and the reconciliation to DOUGLAS Group:

	2024/2025	2023/2024
	Reportable segment	Reportable segment
	EUR m	EUR m
DACHNL	10.1	17.5
France	12.5	6.6
Southern Europe	0.1	2.1
Parfumdreams/Niche Beauty	0.0	1.2
Total of reportable segments	22.7	27.4
Reconciliation to DOUGLAS Group	0.0	0.0
<b>Total</b>	<b>22.7</b>	<b>27.4</b>

## 17. Deferred Tax

Deferred tax is recognized on differences between IFRS carrying amounts and the tax base and are allocated to the individual financial statement items as follows.

	30/09/2025		30/09/2024	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	EUR m	EUR m	EUR m	EUR m
Intangible assets	4.0	190.7	4.0	211.1
Property, plant and equipment	23.4	9.8	17.5	12.6
Inventories	13.1	4.1	13.9	4.4
Financial assets	0.9	2.5	0.0	2.4
Other assets	1.3	0.0	5.2	0.0
Provisions	17.4	2.7	18.5	2.7
Financial liabilities	9.5	0.1	15.4	0.0
Other financial liabilities	7.0	0.3	8.0	0.1
Tax loss carryforwards	86.4	0.0	105.5	0.0
<b>Carrying amount of deferred tax before offsetting</b>	<b>163.0</b>	<b>210.2</b>	<b>188.0</b>	<b>233.3</b>
Offsetting	-116.5	-116.5	-132.8	-132.8
<b>Carrying amount of deferred tax</b>	<b>46.5</b>	<b>93.7</b>	<b>55.2</b>	<b>100.5</b>

Presentation of the expense, income, or amount recognized in other comprehensive income attributable to temporary differences by financial statement item:

	2024/2025		2023/2024	
	Recognized in profit or loss	Recognized in OCI or equity	Recognized in profit or loss	Recognized in OCI or equity
	EUR m	EUR m	EUR m	EUR m
Intangible assets	20.4		-5.1	
Property, plant and equipment	8.7		-3.6	
Inventories	-0.5		1.0	
Financial assets	0.8		4.4	
Other assets	-3.9		15.1	
Provisions	-1.0	-0.1	-0.3	-0.4
Financial liabilities	-6.2	0.2	10.5	64.7
Other financial liabilities	-1.2		0.3	
Tax loss carryforwards	-19.1		18.6	
Valuation allowance on deferred tax assets	0.0		16.9	
<b>Total</b>	<b>-2.0</b>	<b>0.1</b>	<b>57.8</b>	<b>64.3</b>

The temporary differences on which deferred tax is based were mainly attributable to fair value measurements. The change recognized in other comprehensive income is mainly attributable to deferred tax expense for pension provisions of EUR 0.1 million (previous year: EUR 0.4 million) and deferred tax expense for cash flow hedges of EUR 0.2 million (previous year: EUR 0.6 million). In the previous year, the change not affecting profit or loss was also based on deferred tax income for the redemption of financing in the amount of EUR 64.1 million. There was no comparable effect in this financial year.

Deferred tax assets on temporary differences deductible in future periods and loss carryforwards amounting to EUR 2.8 million (previous year: EUR 1.7 million) were recognized for companies which reported tax losses in the current or previous period that exceed the effects on profit or loss from the reversal of existing taxable temporary differences. As a result of structural measures and taking into account existing forecasts, it can be assumed that the deferred tax assets recognized will be realized in future periods.

As of the reporting date, there were tax loss carryforwards of EUR 520.7 million (previous year: EUR 519.3 million) for which no deferred tax assets were recognized. Of this amount, EUR 400.1 million (previous year: EUR 380.3 million) related to foreign countries and EUR 120.6 million (previous year: EUR 139.0 million) to Germany. The EUR 120.6 million (previous year: EUR 139.0 million) comprised EUR 80.4 million (previous year: EUR 82.7 million) in corporate income tax and EUR 40.2 million (previous year: EUR 56.3 million) in trade tax. As of the reporting date, there were interest receivables of EUR 1,095.0 million (previous year: EUR 1,091.3 million) for which no deferred tax assets were recognized. In addition, temporary differences of EUR 32.8 million (previous year: EUR 40.0 million) existed as of the reporting date, for which no deferred tax assets were recognized. All loss carryforwards and interest carryforwards can be carried forward indefinitely.

In accordance with IAS 12, deferred tax liabilities must be recognized on the difference between the proportionate equity of a subsidiary recognized in the Consolidated Statement of Financial Position and the carrying amount of the investment in the

subsidiary in the parent company's tax balance sheet (so-called "outside basis differences"), provided that realization is expected. As of the reporting date, there were outside basis differences of EUR 63.0 million (previous year: EUR 56.8 million) for which no deferred tax was recognized.

## Global minimum taxation

The Group falls within the scope of the OECD Pillar Two regulations to ensure a global minimum tax rate of 15% and applies the temporary exemption under IAS 12 for the accounting of deferred tax. The minimum taxation regulations will apply to the DOUGLAS Group for the first time in financial year 2024/2025. The Group makes use of the temporary CbCR safe harbor exemptions. If the safe harbor exemptions do not apply in a country, the Group determines a tax increase amount for each jurisdiction based on the difference between the effective tax rate determined in each case and the minimum tax rate of 15%.

The introduction of the global minimum tax (Pillar Two) will not result in any significant burdens for the DOUGLAS Group. In financial year 2024/2025, the current tax expense in connection with the global minimum tax will amount to EUR 1.0 million.

## 18. Inventories

	30/09/2025	30/09/2024
	EUR m	EUR m
Finished goods and merchandise	828.4	791.9
Raw materials, consumables and supplies	2.4	1.6
Advances to suppliers for merchandise	0.1	0.0
<b>Total</b>	<b>830.9</b>	<b>793.5</b>

The write-down of inventories to their lower net realizable value resulted in an impairment loss of EUR 12.3 million in financial year 2024/2025 (previous year: EUR 7.0 million).

Inventories are regularly subject to retention of title in accordance with industry practice.

## 19. Trade Accounts receivable

Trade accounts receivable mainly comprise receivable from customers.

The receivables are due in the short term, usually within 30 days, do not bear interest and are therefore not subject to interest rate risk. The carrying amount of the receivables corresponds to their fair value. The (theoretical) maximum default risk as of the reporting date corresponds to the carrying amount.

The expected credit loss model in accordance with IFRS 9 is applied to trade accounts receivable.

### Estimation of expected credit losses

To determine impairment, a valuation allowance matrix is used to measure the expected credit losses on trade accounts receivable.



The default risk is mainly influenced by the individual characteristics of the customers and the geographical location. To calculate expected credit losses, trade accounts receivable with comparable credit risk characteristics are classified into different portfolios based on geographical location and customer characteristics. Historical patterns for payment behavior and the age structure of receivables are analyzed individually for each portfolio and used as a basis for determining the loss rate. Together with the amount at risk of default, the expected credit loss is determined for each portfolio and each maturity band. Subsequently, the determined loss rate is adjusted for each portfolio if significant changes in the macroeconomic situation are expected. The Group considers a financial asset to be in default if it is unlikely that the debtor will be able to pay its credit obligation to the Group in full, and not simply because the financial asset is more than 90 days overdue.

Information on the estimated default risk and expected credit losses for trade accounts receivable as of 30 September 2025:

	Weighted average loss rate	Trade accounts receivable	Loss allowance	Credit Impaired
	%	EUR m	EUR m	
Current (not overdue)	1.1	32.6	0.4	No
1-30 days overdue	1.8	6.7	0.1	No
31-60 days overdue	7.1	2.5	0.2	No
61-90 days overdue	15.6	0.7	0.1	No
More than 90 days overdue	25.0	0.0	0.0	Yes
<b>As of 30 September</b>		<b>42.5</b>	<b>0.8</b>	

Information on the estimated default risk and expected credit losses for trade accounts receivable as of 30 September 2024:

	Weighted average loss rate	Trade accounts receivable	Loss allowance	Credit Impaired
	%	EUR m	EUR m	
Current (not overdue)	0.7	22.2	0.2	No
1-30 days overdue	1.1	13.1	0.1	No
31-60 days overdue	5.8	2.1	0.1	No
61-90 days overdue	21.1	0.4	0.0	No
More than 90 days overdue	40.0	0.4	0.2	Yes
<b>As of 30 September</b>		<b>38.2</b>	<b>0.7</b>	

Douglas AG does not demand any collateral for trade accounts receivable.

**Development of impairment in relation to trade accounts receivable and contract asset**

	2024/2025	2023/2024
	EUR m	EUR m
<b>As of 1 October</b>	<b>7.0</b>	<b>8.6</b>
Change in consolidation group	-	-0.4
Additions	0.5	2.6
Reversal	-0.1	-1.6
Utilization	-1.5	-2.2
<b>As of 30 September</b>	<b>5.9</b>	<b>7.0</b>

Due to default risks, impairments amounting to EUR 5.9 million (previous year: EUR 7.0 million) were recognized as of the reporting date, including the allowance from expected credit losses.

## 20. Other financial Assets

Receivables from suppliers (bonuses/advertising subsidies) include invoiced receivables, accruals for subsequent supplier remuneration and creditors with debit balances.

With the exception of derivative financial instruments and investments, other financial assets are classified and measured based on the business model and cash flow criterion and are managed within the hold business model, with the cash flow criterion considered to be met. Consequently, they are measured at amortized cost.

Derivative financial instruments are measured at fair value through profit or loss.

Equity investments represent financial investments in unlisted equity instruments. As of the reporting date, there was no intention to sell; depending on the management of the equity instruments, they are measured at fair value through profit or loss.

Overview of other financial assets:

	30/09/2025			30/09/2024		
	Total	With a remaining term of		Total	With a remaining term of	
		up to 1 year	more than 1 year		Up to 1 year	more than 1 year
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
Bonuses / advertising subsidies	174.2	174.2	0.0	190.2	190.2	0.0
Receivables from payment service providers	25.7	25.7	0.0	23.2	23.2	0.0
Leasing receivables	24.3	18.4	6.0	31.1	22.9	8.2
Equity participations	2.1			2.1		
Miscellaneous other financial receivables	12.6	10.0	2.7	5.2	4.3	0.8
<b>Total</b>	<b>239.0</b>	<b>228.2</b>	<b>8.6</b>	<b>251.8</b>	<b>240.6</b>	<b>9.0</b>

Receivables from supplier bonuses and advertising subsidies are due in the short term and do not bear interest.

The equity investments mainly comprise acquired shares in shopping centers in France, which are a prerequisite for operating a store in the respective shopping center.

All other financial assets did not bear interest. The carrying amounts of other financial assets essentially corresponded to their fair values.

### Maturities and impairment of other financial assets

The maturity analysis of other financial assets is presented below:

	30/09/2025	30/09/2024
	EUR m	EUR m
Not due	207.2	221.4
Past due < 30 days	28.6	23.9
Past due > 30 days	0.6	4.4
<b>Total</b>	<b>236.4</b>	<b>249.7</b>

No cash receipts relating to receivables fully written off in prior periods were recognized in financial year 2024/2025. The maximum default risk corresponds to the carrying amount as of the reporting date.

Shown below are the impairments on financial assets, broken down according to the stages of the model for expected credit losses:

Stage 1 – Probability of default within the next 12 months:

	30/09/2025	30/09/2024
	EUR m	EUR m
<b>As of 1 October</b>	<b>5.9</b>	<b>3.4</b>
Additions	1.0	2.6
Reversal	-4.0	-0.1
<b>As of 30 September</b>	<b>2.9</b>	<b>5.9</b>

Stage 2 – Probability of default over the entire term:

As in the previous year, there were no impairments attributable to stage 2 of the model for expected credit losses in the financial year.

## 21. Other Assets

Other assets mainly include prepaid expenses, other tax receivables and deferred prepayments. Contract receivables from customer returns reported under this item amounted to EUR 2.1 million as of the reporting date (previous year: EUR 2.4 million).

## 22. Cash and Cash Equivalents

The largest item within cash is bank balances (original maturity of up to three months). Cash on hand is also included. A detailed analysis of the change can be found in the Consolidated Statement of Cash Flows. The maximum theoretical default risk corresponds to the carrying amount as of the reporting date. All carrying amounts correspond to fair values.

Cash measured at amortized cost is subject to the general approach of the expected credit loss model. The DOUGLAS Group invests in short-term bank demand deposits, most of which have at least an investment grade rating (BBB-). The investments are monitored regularly and the credit risk for these financial instruments is considered low. When determining expected credit losses for cash and cash equivalents, Douglas AG uses credit default swap spreads and rating information. The amount of expected credit losses determined is immaterial.

As of the reporting date, bank deposits amounting to EUR 1.4 million were pledged as collateral for the issuance of bank guarantees and were subject to restrictions on disposal (previous year: EUR 6.5 million).

## 23. Equity

### Subscribed capital

The subscribed capital (share capital) of Douglas AG amounted to EUR 107,692,308.00 as of the reporting date (unchanged from the previous year).

On 19 February 2025, the Annual Shareholders' Meeting of Douglas AG resolved to convert the no-par value bearer shares into no-par value registered shares at a ratio of 1:1 and to make the necessary amendments to the Articles of Association. These amendments to the Articles of Association were entered in the commercial register HRB 103560 at the Düsseldorf Local Court on 14 March 2025, and thus became effective.

The share capital is divided into 107,692,308 no-par value registered shares with equal rights and a proportional amount of the share capital of EUR 1.00 each. The shareholders' share of profits is determined by the ratio of their shares in the share capital.

The shares of Douglas AG (ISIN: DE000BEAU1Y4 (formerly: ISIN DE000BEAU7Y1), WKN: BEAU1Y (formerly BEAU7Y), stock exchange symbol: DOU) are traded on the regulated market in the Prime Standard segment of the Frankfurt Stock Exchange.

### Authorized capital

The Management Board is authorized, with the approval of the Supervisory Board, to increase the Company's share capital by up to EUR 32,307,692.00 by 18 March 2029, by issuing up to 32,307,692 no-par value shares registered in exchange for cash and/or non-cash contributions (authorized capital 2024). The authorization may be exercised in whole or in part, once or several times. Shareholders are generally entitled to subscription rights. In the case of capital increases against cash contributions, the shares may also be acquired by credit institutions or companies within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) designated by the Management Board with the obligation to offer them to shareholders for subscription.

However, the Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

- to offset fractional amounts;
- to increase the share capital against contributions in kind, in particular for the purpose of mergers or the acquisition of companies, company holdings, parts of companies, industrial property rights (such as patents, utility models, trademarks or licenses relating thereto) or other product rights;
- to the extent necessary to grant holders or creditors of option and/or conversion rights or corresponding option and/or conversion obligations from bonds issued or to be issued by the Company and/or by a subordinate group company to grant a subscription right to the extent to which they would be entitled after exercising their option and/or conversion right or after fulfilling the option and/or conversion obligation;
- to issue shares to members of the Management Board, persons who are or were employed by the Company or an affiliated company, and/or members of the management of an affiliated company in order to service employee participation programs;
- in the case of capital increases against cash contributions, if the total pro rata amount attributable to the new shares for which subscription rights are excluded does not exceed 20% of the share capital either at the time this authorization takes effect or at the time this authorization is exercised, and the issue price of the new shares is not significantly lower than the stock market price of the already listed shares with the same features at the time the issue price is finally determined.

The authorized capital has not been utilized to date.

### **Conditional capital**

The share capital is conditionally increased by up to EUR 21,538,461.00 through the issuance of up to 21,538,461 new registered no-par value shares (conditional capital 2024). The conditional capital increase will only be carried out to the extent that the holders or creditors of convertible and/or option bonds and/or instruments comparable to with conversion and/or option obligations or delivery rights of the Company, which are issued by the Company or by a subordinate Group company and guaranteed by the Company on the basis of the authorization resolution of the Annual General Meeting of 19 March 2024, until 18 March 2029, exercise their option or conversion rights from these bonds or fulfill their obligation to exercise options or convert, or, if the Company exercises an option, grant shares of the Company in whole or in part in lieu of payment of the amount due, unless cash compensation is granted or treasury shares or shares of another listed company are used for servicing. The new shares shall be issued at the option or conversion price to be determined in accordance with the above authorization resolution. The new shares shall participate in profits from the beginning of the financial year in which they are created; to the extent permitted by law, the Management Board may determine the profit participation of new shares, even for a financial year that has already ended, in deviation from this provision and also from Section 60 (2) AktG. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase.

The conditional capital has not been utilized to date.

## Capital reserve

The capital reserve comprises contributions made by shareholders to Douglas AG in excess of the subscribed capital and amounted to EUR 2,068.5 million as of the reporting date (previous year: EUR 2,067.7 million), of which EUR 981.4 million (previous year: EUR 993.1 million) is restricted in accordance with Section 272 (2) No. 1 of the German Commercial Code (HGB) and EUR 1,221.0 million (previous year: EUR 1,221.0 million) is not restricted in accordance with Section 272 (2) No. 4 HGB.

The capital reserve of Douglas AG (HGB) amounted to EUR 2,202.3 million as of the reporting date (previous year: EUR 2,214.1 million). The difference of EUR 133.8 million (previous year: EUR 146.4 million) compared to the capital reserve under IFRS resulted from the different accounting treatment of the contribution of shareholder loans (EUR 200.2 million), the IPO transaction costs (EUR 21.3 million and tax effect of EUR -0.8 million) and the cumulative withdrawal from the capital reserve to offset the net loss for the reporting year under commercial law and the loss carried forward from the previous year (cumulative EUR 86.9 million).

## Other reserves

	30/09/2025	30/09/2024
	EUR m	EUR m
Retained earnings	-1,237.7	-1,413.1
Hedging reserve	-4.5	-5.8
Actuarial gains or losses	3.9	4.0
Deferred tax recognized in other comprehensive income	0.5	0.4
Differences from currency translation	2.7	1.8
<b>Total</b>	<b>-1,234.9</b>	<b>-1,412.7</b>

## 24. Pension Provisions

Provisions for pensions are recognized for funded and unfunded employer-financed obligations arising from entitlements and current benefits to employees and former employees and their surviving dependents, as well as for purely employee-financed pension obligations arising from deferred compensation. The commitments generally relate to the payment of agreed retirement pensions as a monthly amount. These obligations are accounted for in accordance with the provisions of IAS 19. Accordingly, actuarial gains and losses are recognized in other comprehensive income, while service costs and net interest on the net liability from defined benefit plans are recognized in the Consolidated Statement of Profit or Loss

The valuation is based on actuarial reports using the parameters described below:

	Germany	France	The Netherlands	Switzerland
	%	%	%	%
<b>30/09/2025</b>				
Interest rate	3.7	3.8	3.8	1.2
Pension benefit increase rate	2.2	0.0	2.0	0.0
	Germany	France	The Netherlands	Switzerland
	%	%	%	%
<b>30/09/2024</b>				
Interest rate	3.7	3.4	3.3	1.1
Pension benefit increase rate	2.2	0.0	2.1	0.0

The biometric calculation parameters were based on Dr. Heubeck's 2018 mortality tables or comparable country-specific mortality tables.

Reconciliation of the defined benefit obligation (DBO) to the defined benefit liability (DBL):

	30/09/2025			30/09/2024		
	Unfunded obligation	Funded obligation	Total	Unfunded obligation	Funded obligation	Total
	EUR	EUR	EUR	EUR	EUR	EUR
DBO	22.9	15.6	38.5	23.1	15.4	38.5
Fair value of plan assets		-13.2	-13.2		-13.3	-13.3
<b>DBL</b>	<b>22.9</b>	<b>2.4</b>	<b>25.3</b>	<b>23.1</b>	<b>2.1</b>	<b>25.2</b>



## Development of the defined benefit obligation:

	2024/2025			2023/2024		
	Unfunded obligation	Funded obligation	Total	Unfunded obligation	Funded obligation	Total
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
<b>DBO at the beginning of the reporting period</b>	<b>23.1</b>	<b>15.4</b>	<b>38.5</b>	<b>25.2</b>	<b>15.0</b>	<b>40.2</b>
<b>Recognized in profit or loss</b>						
Service cost	0.2	0.3	0.5	0.2	0.3	0.5
Interest expense	0.8	0.3	1.1	1.0	0.4	1.4
Past service cost		0.1	0.1	0.0	-0.1	-0.1
Curtailments	-0.1		-0.1	-0.1	0.0	-0.1
	0.9	0.7	1.6	1.1	0.6	1.7
<b>Recognized in OCI</b>						
Actuarial gains or losses resulting from adjustments of demographic assumptions	0.0	0.0	0.0	-0.2	0.0	-0.2
Actuarial gains or losses resulting from adjustments of financial assumptions	-0.1	-0.4	-0.5	0.6	1.2	1.8
Actuarial gains or losses resulting from experience adjustments	0.4	0.1	0.5	-2.0	-0.3	-2.3
	0.3	-0.3	0.0	-1.6	0.9	-0.7
<b>Other</b>						
Contributions paid by the employee		0.2	0.2	0.0	0.2	0.2
Benefits paid	-1.6	-0.5	-2.1	-1.6	-1.5	-3.1
Plan amendments	0.2	0.0	0.2			
Currency translation adjustments		0.1	0.1	0.0	0.2	0.2
<b>DBO at the end of the reporting period</b>	<b>22.9</b>	<b>15.6</b>	<b>38.5</b>	<b>23.1</b>	<b>15.4</b>	<b>38.5</b>

## Development of plan assets:

	2024/2025	2023/2024
	EUR m	EUR m
<b>Plan assets at the beginning of the reporting period</b>	<b>13.3</b>	<b>13.2</b>
Recognized in profit or loss		
Expected return on plan assets	0.2	0.4
<b>Recognized in OCI</b>		
Return on plan assets excluding interest income	-0.4	0.5
<b>Other</b>		
Contributions paid by the employee	0.2	0.2
Contributions paid by the employer	0.3	0.2
Benefits paid	-0.5	-1.4
Currency translation adjustments	0.1	0.2
<b>Plan assets at the end of the reporting period</b>	<b>13.2</b>	<b>13.3</b>

The fair value of plan assets at the end of the reporting period is attributable to the following classes of assets:

	2024/2025	2023/2024
	EUR m	EUR m
Insurance contracts	8.3	8.7
Equity instruments	1.5	1.4
Debt instruments	1.1	1.1
Property	1.2	1.1
Alternative assets (private equity, hedge funds, infrastructure)	0.8	0.7
Cash and cash equivalents	0.1	0.1
Other	0.2	0.2
<b>Plan assets at the end of the reporting period</b>	<b>13.2</b>	<b>13.3</b>

Pension payments of EUR 2.3 million and contributions to plan assets of EUR 0.3 million are expected for the following financial year 2025/2026. An increase in the stated discount rate of 0.7 percentage points would result in a reduction in the present value of the defined benefit obligation of EUR 2.8 million. A decrease in the stated discount rate of 0.7 percentage points would result in an increase in the present value of the pension obligation of EUR 3.2 million. An increase or decrease in the assumption regarding expected pension trends by 0.5 percentage points would result in an increase of EUR 1.7 million or a decrease in the present value of the pension obligation of EUR 0.9 million, assuming all other assumptions remain constant. The weighted average duration of all obligations was 11.5 years as of the reporting date.

These defined benefit plans involve actuarial risks for the DOUGLAS Group, such as longevity, currency, interest rate, and market (investment) risks.

In financial year 2024/2025, an amount of EUR 35.2 million (previous year: EUR 34.0 million) was paid for defined contribution pension plans.

## 25. Provisions

Development of provisions in financial year 2024/2025:

	Human resources commitments	Real estate commitments	Other provisions	Total
	EUR m	EUR m	EUR m	EUR m
<b>01/10/2024</b>	<b>56.7</b>	<b>41.5</b>	<b>58.5</b>	<b>156.7</b>
Utilization	-34.4	-8.2	-8.3	-50.9
Reversal	-8.0	-4.4	-3.9	-16.3
Additions	25.2	9.5	9.5	44.2
Interest	0.0	0.6	1.7	2.3
<b>30/09/2025</b>	<b>39.5</b>	<b>39.0</b>	<b>57.4</b>	<b>135.9</b>
-- thereof non-current	11.2	32.8	5.5	49.5
-- thereof current	28.3	6.2	51.9	86.4

The reversal of provisions amounted to EUR 6.0 million for provisions for variable remuneration (human resources commitments), EUR 2.7 million for decommissioning obligations (real estate-commitments) and EUR 1.8 million for legal costs (other provisions).

### Non-current provisions:

Provisions for non-current obligations relating to personnel primarily comprise amounts for seniority bonuses and anniversary obligations.

The obligations relating to real estate mainly include provisions for restoration obligations. The increase in price inflation rates is included in the forecast of the restoration obligations to be fulfilled at the end of each contract.

Other provisions mainly include legal costs.

The interest rates used to discount significant non-current provisions range between 3.2% and 5.1%.

### Current provisions:

Provisions for human resources commitments were mainly made for variable remuneration and severance payments.

Real estate commitments in particular relate to ancillary rental costs and turnover-based rents.

Other provisions were mainly recognized for litigation risks and related legal costs. These mainly include risk provisions in connection with the arbitration proceedings.

Current provisions are expected to be utilized in the following financial year, resulting in a cash outflow in the amounts reported.

## 26. Trade Accounts payable

The transactions reported as trade accounts payable have remaining terms of up to one year.

## 27. Other financial Liabilities

	30/09/2025				30/09/2024			
	Remaining terms				Remaining terms			
	Total	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
Liabilities to banks	807.1	13.6	793.6	0.0	1,278.4	38.4	1,240.0	0.0
-- thereof Term Loan Facility (Facility B)	802.0	9.1	792.9	0.0	815.9	24.7	791.2	0.0
-- thereof Revolving Credit Facility (RCF)	0.0	0.0	0.0	0.0	0.6	0.6	0.0	0.0
-- thereof Bridge Loan Facility (Facility A)					461.0	12.8	448.1	0.0
-- thereof miscellaneous other bank liabilities	5.1	4.5	0.7	0.0	0.9	0.2	0.7	0.0
Promissory note loans (Schuldscheindarlehen)	200.4	1.0	187.4	12.0				
Lease liabilities	1,325.6	268.5	741.5	315.6	1,125.8	257.7	611.8	256.2
-- thereof lease liabilities within the meaning of IFRS 16	1,307.1	249.9	741.5	315.6	1,107.3	239.2	611.8	256.2
-- thereof miscellaneous other financial liabilities related to leases	18.5	18.5	0.0	0.0	18.5	18.5	0.0	0.0
Liabilities from supply chain financing	145.0	145.0	0.0	0.0	0.0	0.0	0.0	0.0
Derivative financial instruments	4.5	0.1	4.4	0.0	5.7	0.0	5.7	0.0
Refund liabilities from customer returns	3.3	3.3	0.0	0.0	5.1	5.1	0.0	0.0
Financial liabilities from options held by non-controlling interests	0.2	0.2	0.0	0.0	0.2	0.2	0.0	0.0
Miscellaneous other financial liabilities	2.2	2.1	0.0	0.1	3.8	3.7	0.0	0.1
<b>Total other financial liabilities</b>	<b>2,488.3</b>	<b>433.7</b>	<b>1,726.9</b>	<b>327.7</b>	<b>2,419.0</b>	<b>305.1</b>	<b>1,857.6</b>	<b>256.2</b>

In the previous year 2023/2024, Douglas AG had concluded a financing agreement with a consortium of banks for the refinancing of the Group after its IPO in the total amount of EUR 1.6 billion. The agreement comprised a long-term syndicated loan (Facility B) with a nominal value of EUR 800.0 million, a bridge loan (Term Loan A) with a nominal value of EUR 450.0 million and a revolving credit facility (RCF) with a nominal value of EUR 350.0 million. After the one-year term expired, Douglas AG repaid the bridge term loan (Term Loan A) on 7 March 2025. None of the extension options were exercised. In addition to EUR 250 million of its own liquidity, Douglas AG used proceeds from the placement of promissory note loans in the amount of EUR 200 million for the redemption. The promissory note loan agreements ("SSD") comprise six agreements with terms of 3, 5 and 7 years and are subject to fixed or variable interest rates for each term.

In the second quarter of financial year 2024/2025, the DOUGLAS Group initiated a supply chain financing program to optimize net working capital. The program enables short-term financing of original supplier liabilities for an additional 60 days (with unchanged payments to suppliers). This results in a short-term other financial liability to

the financing partners. In the Consolidated Statement of Cash Flows, payments to suppliers continue to be allocated to changes in cash and cash equivalents from operating activities. Cash flows with financing partners are allocated to cash flow from financing activities and are presented in the line item "Balance of cash inflows and outflows from supply chain financing".

As of the reporting date, the RCF had not been drawn down in terms of liquidity, but it was utilized through collateral in the form of rent guarantees amounting to EUR 19.3 million (previous year: EUR 10.5 million).

Further explanations on liabilities to banks, promissory note loans, derivative financial instruments and refund liabilities from customer returns can be found Note "Fair Value of financial Instruments".

### Liabilities to non-controlling shareholders

In the case of a commercial partnership based in Germany, the shareholders have a statutory right of termination. This shareholder's right of termination is a holder's right of termination within the meaning of IAS 32.18(b), meaning that contributions from minority shareholders (non-controlling interests) in German commercial partnerships must always be classified as liabilities in IFRS consolidated financial statements. This results in a total liability of EUR 0.2 million (previous year: EUR 0.2 million) as of the reporting date.

## 28. Other Liabilities

	30/09/2025				30/09/2024			
	Remaining terms				Remaining terms			
	Total	< 1 year	1 to 5 years	> 5 years	Total	< 1 year	1 to 5 years	> 5 years
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
Contract liabilities from gift cards not yet redeemed	167.9	167.9	0.0	0.0	166.4	166.4	0.0	0.0
Contract liabilities from customer loyalty programs	40.4	40.4	0.0	0.0	43.9	43.9	0.0	0.0
<b>Total contract liabilities</b>	<b>208.3</b>	<b>208.3</b>	<b>0.0</b>	<b>0.0</b>	<b>210.3</b>	<b>210.3</b>	<b>0.0</b>	<b>0.0</b>
Personnel liabilities	63.1	63.1	0.0	0.0	59.7	59.7	0.0	0.0
Supplier bonuses accruals	2.5	2.5	0.0	0.0	3.1	3.1	0.0	0.0
Accrued rental payments	1.1	1.1	0.0	0.0	0.6	0.6	0.0	0.0
Other tax liabilities	23.7	23.7	0.0	0.0	31.7	31.7	0.0	0.0
Miscellaneous	22.1	21.9	0.2	0.0	17.7	17.0	0.7	0.0
<b>Total miscellaneous other liabilities</b>	<b>112.4</b>	<b>112.3</b>	<b>0.2</b>	<b>0.0</b>	<b>112.8</b>	<b>112.0</b>	<b>0.7</b>	<b>0.0</b>
<b>Total other liabilities</b>	<b>320.7</b>	<b>320.5</b>	<b>0.2</b>	<b>0.0</b>	<b>323.1</b>	<b>322.4</b>	<b>0.7</b>	<b>0.0</b>

The reported contract liabilities relate to deferred sales. In the reporting year, contract liabilities from gift cards decreased by EUR 14.8 million (previous year: EUR 6.3 million) due to a change in the assessment of the probability of redemption for gift cards issued a considerable time ago. EUR 12.3 million (previous year: EUR 6.3 million) was attributable to reportable segment DACHNL.

For information on the sales recognition, see Note "Accounting and Valuation Principles".

The item "Miscellaneous" mainly includes deferred payments, in particular Douglas Card commissions.

## 29. Fair Value of financial Instruments

The carrying amounts and fair values of financial instruments as of the reporting date are presented below. The items are classified into categories in accordance with IFRS 9<sup>15</sup> and into a three-level fair value hierarchy, which classifies the data used to determine fair values according to their market proximity.

Financial instruments categorized in accordance with IFRS 9 as of 30 September 2025:

	Net carrying amount	Category	(Amortized) cost	Fair value through profit or loss	Fair value through OCI	Total Fair value	Level
	EUR m		EUR m	EUR m	EUR m	EUR m	
<b>Financial assets</b>							
Trade accounts receivable	42.5	AC	42.5				
Cash and cash equivalents	49.4	AC	49.4				
Other financial assets	236.9						
-- thereof equity participations	2.1	FVtPL		2.1		2.1	3
<b>Total financial assets</b>	<b>328.8</b>						
<b>Financial liabilities</b>							
Trade accounts payable	639.4	AC	639.4				
Other financial liabilities	1,181.2						
-- thereof Term Loan Facility (Facility B)	802.0	AC	802.0			795.6	3
-- thereof miscellaneous other bank liabilities	5.1	AC	5.1			5.1	
-- thereof liabilities from supply chain financing	145.0	AC	145.0				
-- thereof promissory note loans (Schuldscheindarlehen)	200.4	AC	200.4			197.3	3
-- thereof liabilities from non-controlling options	0.2	AC	0.2			0.2	3
-- thereof derivative financial instruments	4.5	FVtPL		4.5		4.5	2
-- thereof refund liabilities from customer returns	3.3	AC	3.3				
<b>Total financial liabilities within the meaning of IFRS 9</b>	<b>1,820.7</b>						
Lease liabilities within the meaning of IFRS 16	1,307.1						

<sup>15</sup> Abbreviations used for the categories of financial instruments in accordance with IFRS 9:

AC – measured at amortized cost;

FVtPL – measured at fair value through profit or loss

Total financial liabilities	3,127.7						
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For trade accounts receivable and trade accounts payable, liabilities from supply chain financing and liabilities for refunds from customer returns, the fair values corresponded to the carrying amounts due to the short terms.

Equity participations are measured at fair value. No sale is planned as of the reporting date.

Liabilities to banks reflect in particular the syndicated loan (term loan facility, Facility B) with a nominal value of EUR 800.0 million (see also Note "Other financial Liabilities" and Note "Management of financial Risks").

The fair value of liabilities to banks and promissory note loans is generally based on the contractually permissible expected cash flows, which are discounted after adjustment for credit risk. When calculating the fair value of the syndicated loan (Facility B, RCF), a contract-specific feature is considered. In addition to the variable EURIBOR base rate, regular adjustments are also made to the credit margin within a contractually defined framework. The credit margin for Facility B and the RCF is reassessed on a quarterly basis depending on the development of the net debt ratio (leverage) in accordance with the terms of the loan agreement.

All promissory note loan agreements also have a contract-specific feature in the form of an interest rate or margin step-up of 50 basis points if the total net leverage ratio exceeds a certain threshold as of 30 September of a given year in accordance with the terms of the promissory note loan agreements.

See also Note "Management of financial Risks".

For financial liabilities from options held by non-controlling shareholders, see Note "Other financial Liabilities" in the section "Liabilities to non-controlling shareholders".

The fair values of other financial instruments are determined on the basis of the present values of contractually determined payments, taking into account country-specific yield curves.

For contracts that allow customers to return an item, corresponding refund liabilities from customer returns were recognized on the basis of historical data.

The hedging instruments reported in derivative financial instruments relate to interest rate swap agreements that are designated as cash flow hedges to hedge the volatility of interest cash flows. As of the reporting date, interest rate swap agreements existed with a nominal value of EUR 800.0 million (corresponding to the nominal value of the term loan facility (Facility B)), under which Douglas receives a variable interest rate equal to the 3-month EURIBOR and pays a fixed interest rate (receiver swap), and with a nominal value of EUR 141.5 million (corresponding to the nominal value of the promissory note loan tranche with a term of 3 years and a variable interest rate), under which Douglas receives a variable interest rate equal to the 6-month EURIBOR and pays a fixed interest rate (receiver swap).

The swaps are used to hedge the risk of fluctuating cash flows attributable to the interest rate risk of the loan (Facility B, underlying transaction) and the promissory note loan tranche with a term of 3 years and a variable interest rate (underlying transaction).

There is an economic relationship between the hedged underlying transactions and the hedging instruments, as the terms of the interest rate swaps correspond to the terms of the loan and the promissory note loan tranche (in particular, the nominal



amount, term and payment dates). A 1:1 hedge ratio was determined for the hedging relationships, as the risk underlying the interest rate swaps is identical to the hedged risk component. The hypothetical derivative method was used to test the effectiveness of the hedging transactions by comparing the changes in the fair values of the hedging instruments with the changes in the fair values of the underlying transactions attributable to the hedged risks.

As of the reporting date, the amounts relating to positions designated as hedged underlying transactions were as follows:

#### Term Loan Facility (Facility B):

	30/09/2025	30/09/2024
	EUR m	EUR m
<b>Changes in value for calculating the ineffectiveness</b>		
Change in value of interest rate swaps	1.3	-5.8
Change in value of the hypothetical derivative	1.1	-5.9
Reserve for cash flow hedges, after tax	3.7	-5.2

The amounts relating to items designated as hedging instruments and the ineffectiveness of hedging relationships are as follows:

	2024/2025	2023/2024
	EUR m	EUR m
Nominal amount	800.0	800.0
<b>Carrying amounts</b>		
Assets	0.0	0.0
Liabilities	-4.4	-5.7
Changes in the value of the hedging instrument recognized in other comprehensive income	1.3	-5.8
Hedge ineffectiveness recognized in profit or loss	0.0	0.1

	2024/2025	2023/2024
Items in the statement of financial position in which the hedging instrument is included	Other financial liabilities	Other financial liabilities
Items in profit or loss that include hedge ineffectiveness	Finance result	Finance result

The following table contains a reconciliation of the risk categories of the equity components and the analysis of the items in other comprehensive income after tax resulting from the accounting for cash flow hedges.

	2024/2025	2023/2024
	EUR m	EUR m
Beginning of the reporting period	-5.2	0.0
Changes in fair value	1.3	-5.8
Tax on changes in reserves during the financial year	0.2	0.6
End of reporting period	-3.7	-5.2

**Promissory note loan tranche with a term of 3 years and a variable interest rate:**

	30/09/2025
	EUR m
<b>Changes in value for the calculation of hedge ineffectiveness</b>	
Change in value of interest rate swaps	0.1
Change in value of the hypothetical derivative	0.1
Reserve for cash flow hedges, after tax	0.1

The amounts relating to items designated as hedging instruments and the ineffectiveness of the hedging relationships are as follows:

	2024/2025
	EUR m
Nominal amount	141.5
<b>Carrying amounts</b>	
Assets	0.1
Liabilities	0.0
Changes in the value of the hedging instrument recognized in other comprehensive income	0.1
Hedge ineffectiveness recognized in profit or loss	0.0

	2024/2025
Items in the statement of financial position in which the hedging instrument is included	Other financial assets
Items in profit or loss that include hedge ineffectiveness	Finance result

The following table contains a reconciliation of the risk categories of the equity components and the analysis of the items in other comprehensive income after tax resulting from the accounting for cash flow hedges.

Financial instruments categorized in accordance with IFRS 9 as of 30 September 2024:

	Net carrying amount	Category	(Amortized ) cost	Fair value through profit or loss	Fair value through OCI	Total Fair value	Level
	EUR m		EUR m	EUR m	EUR m	EUR m	
<b>Assets</b>							
Trade accounts receivable	38.2	AC	38.2				
Cash and cash equivalents	98.9	AC	98.9				
Other financial assets	251.8						
-- thereof equity participations	2.1	FVtPL		2.1		2.1	3
Total financial assets	388.9						
<b>Financial liabilities</b>							
Trade accounts payable	657.2	AC	657.2				
Other financial liabilities	1,311.7						
-- thereof liabilities to banks	1,278.4	AC	1,278.4			1,289.1	3
-- thereof liabilities from non-controlling options	0.2	AC	0.2			0.2	3
-- thereof derivative financial instruments	5.7	FVtPL		5.7		5.7	2
-- thereof refund liabilities from customer returns	5.1	AC	5.1			5.1	
<b>Total financial liabilities within the meaning of IFRS 9</b>	<b>1,968.9</b>						
Lease liabilities within the meaning of IFRS 16	1,107.3						
<b>Total financial liabilities</b>	<b>3,076.2</b>						

# Further Disclosures

## 30. Consolidated Statement of Cash Flows

The Consolidated Statement of Cash Flows shows how the Group's cash has changed in the course of the financial year as a result of cash inflows and outflows. The Consolidated Statement of Cash Flows distinguishes between changes in cash resulting from operating activities, investing activities and financing activities.

At the end of the reporting period, **cash and cash equivalents** amounted to EUR 49.4 million (previous year: EUR 98.9 million) and consisted solely of cash as reported in the statement of financial position.

Cash inflow from **operating activities** totaled EUR 629.3 million (previous year: EUR 683.6 million) in financial year 2024/2025. Based on an EBITDA of EUR 756.5 million (previous year: EUR 730.3 million), the main reasons were the reduction in trade accounts payable and the reversal of other provisions.

The cash outflow from **investing activities** amounted to EUR 168.3 million in the reporting year (previous year: EUR 159.6 million) and was primarily attributable to the expansion and development of the store network as well as the standardization and optimization of technology.

As a result, the free cash flow (total of cash flows from operating and investing activities) in financial year 2024/2025 amounted to EUR 461.0 million (previous year: EUR 524.0 million).

Cash outflow from **financing activities** amounted to EUR 510.7 million (previous year: EUR 689.3 million) in financial year 2024/2025. The main drivers were the repayment of the bridge loan facility (Facility A) and the redemption and interest payments related to lease liabilities, partially offset by payments from the issuance of promissory note loans and supply chain financing.

Reconciliation of cash flows from financing liabilities to the changes in financial liabilities reported in the Consolidated Statement of Financial Position, presented for the reporting year:

	Liabilities to banks	Promissory note loans	Liabilities from supply chain financing	Derivative financial instruments	Lease liabilities	Financial liabilities from options held by non-controlling interests	Other financial liabilities	Total financial liabilities
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
<b>Net carrying amount at the beginning of the reporting period</b>	<b>1,278.4</b>	<b>-</b>	<b>-</b>	<b>5.7</b>	<b>1,125.8</b>	<b>0.2</b>	<b>8.9</b>	<b>2,419.0</b>
Change in consolidation group								0.0
Interest expense	57.9	4.5	3.7		61.5			127.6
Currency translation adjustments					0.5			0.5
Additions to lease liabilities					465.6			465.6
Modifications of lease liabilities					-12.6			-12.6
Other changes				-1.2	-0.3		1.6	0.1
<b>Changes not affecting cash flow from financing activities</b>	<b>57.9</b>	<b>4.5</b>	<b>3.7</b>	<b>-1.2</b>	<b>514.7</b>	<b>0.0</b>	<b>1.6</b>	<b>581.2</b>
Payments for the redemption of financial loans and bonds	-631.2						-3.7	-634.9
Payments for the redemption of lease liabilities					-253.4			-253.4
Proceeds from the issuance of financial loans	185.4	200.0						385.4
Transaction costs paid related to debt capital measures		-0.7						-0.7
Balance of proceeds and payments from supply chain financing			145.0					145.0
Interest paid	-83.4	-3.4	-3.7		-61.5		-1.3	-153.3
<b>Impact on cash flow from financing activities</b>	<b>-529.2</b>	<b>195.9</b>	<b>141.3</b>	<b>0.0</b>	<b>-314.9</b>	<b>0.0</b>	<b>-5.0</b>	<b>-511.9</b>
<b>Net carrying amount at the end of the reporting period</b>	<b>807.1</b>	<b>200.4</b>	<b>145.0</b>	<b>4.5</b>	<b>1,325.6</b>	<b>0.2</b>	<b>5.5</b>	<b>2,488.3</b>

Reconciliation of cash flows from financing liabilities to changes in financial liabilities reported in the Consolidated Statement of Financial Position, presented for the previous year:

	Liabilities to banks	Senior Secured Notes and Senior PIK Notes	Liabilities to shareholder	Derivative financial instruments	Lease liabilities	Financial liabilities from options held by non-controlling interests	Other financial liabilities	Total financial liabilities
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
Net book value at the beginning of the reporting period	682.5	1,923.1	704.6	0.0	1,100.0	0.2	5.4	4,415.8
Change in consolidation group					-1.7			-1.7
Interest expense	84.7	105.7	15.2		57.0			262.6
Currency translation adjustments					5.7			5.7
Additions to lease liabilities					281.0			281.0
Modifications of lease liabilities					-16.8			-16.8
Contribution to the capital reserves			-719.8					-719.8
Other changes	3.5			5.7	-1.1		2.9	11.0
Changes not affecting cash flow from financing activities	88.2	105.7	-704.6	5.7	324.1	0.0	2.9	-178.0
Payments for the redemption of financial loans and bonds	-675.2	-1,872.4					-0.1	-2,547.7
Payments for the redemption of lease liabilities					-241.3			-241.3
Proceeds from the issuance of financial loans	1,250.0							1,250.0
Transaction costs paid related to debt capital measures	-18.1							-18.1
Interest paid	-51.9	-156.4			-57.0		-3.3	-268.6
Interest received	2.9						4.0	6.9
Impact on cash flow from financing activities	507.7	-2,028.8	0.0	0.0	-298.3	0.0	0.6	-1,818.8
Net carrying amount at the end of the reporting period	1,278.4	0.0	0.0	5.7	1,125.8	0.2	8.9	2,419.0

## 31. Segment Reporting

### Chief Operating Decision Maker

The reportable segments are determined on the basis of the Group's organizational and decision-making structure and the content of internal reporting to the Chief Operating Decision Maker ("CODM"). The Management Board of Douglas AG is the CODM within the meaning of IFRS 8. It manages the Group, is responsible at the highest level for the allocation of resources to the operating segments and assesses and monitors their profitability. Internal organization and reporting are primarily based on geographical criteria, with the exception of segment "Parfumdreams/Niche Beauty", which differs from the other segments in terms of its distribution channel. The segment managers are responsible for the operating business and report to the CODM. Consequently, management and monitoring by the CODM also takes place at this level.

### Operating and reportable segments

Based on its internal reporting structure, the Group has defined the following operating segments in accordance with IFRS 8. Segmentation is generally based on a regional approach, with business activities under the other brands "Parfumdreams/Niche Beauty" (mainly e-commerce business) being separated.

- DACH (Germany, Austria, and Switzerland)
- BENE (Netherlands, Belgium)

- France (including Monaco)
- Southern Europe (Italy, Spain (including Andorra), Portugal, Croatia, and Slovenia)
- Central Eastern Europe (Poland, Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Latvia, Lithuania, and Estonia)
- Parfumdreams/Niche Beauty

The reportable segments are composed as follows:

- DACHNL (consisting of DACH and BENE)
- France
- Southern Europe
- Central Eastern Europe
- Parfumdreams/Niche Beauty

The operating segments DACH and BENE are combined into the reportable segment DACHNL because they have similar economic characteristics, as determined by the segments' gross profit margins and adjusted EBITDA margins, and because they have similar product portfolios that are offered through similar distribution channels. As part of DACHNL, operating segment BENE comprises activities in Belgium in addition to those in the Netherlands. BENE is managed by the segment manager responsible for the Netherlands.

Although operating segment "Parfumdreams/Niche Beauty" does not meet the size criteria of IFRS 8, the Group has decided that, due to the nature and relevance of its online business for the Group, it should constitute a separate reportable segment, which distinguishes it from the Group's other business areas.

The reportable segments generate their sales from the sale of beauty products in five product categories: perfume, decorative cosmetics, skin care, hair care and accessories.

The residual category "Reconciliation to the Group" includes sales from central areas such as canteens (in the previous year 2023/2024 also sales from Disapo from 1 October 2023 to 31 July 2024). The reconciliation to the Group also includes the corresponding expenses, i.e., expenses for raw materials, consumables and supplies, personnel expenses and other operating income and expenses that are relevant for determining (adjusted) EBITDA. For further details, please refer to the respective reconciliation statement below.

Corporate headquarter costs are not allocated to the reportable segments. These costs are incurred in central departments at the Group headquarters in Germany, which are responsible for functions that cover significant parts of the value chain. In addition to the higher-level management and administrative functions, these include the central purchasing and marketing departments, the corporate brands business, and international e-commerce. International e-commerce is responsible for the strategic orientation and development of e-commerce markets and digital platforms as part of the "Let it Bloom" strategy. The gross profit from the corporate brand business is allocated to the reportable segments, while inventory and product risks remain primarily with the corporate headquarters.

### Segment performance metric

During the financial year, the Management Board decided to introduce the new performance indicators "adjusted EBITDA margin," "capital expenditure," and "leverage ratio". The most significant performance indicator reported in the previous year, "adjusted EBITDA," has been discontinued.

The most significant financial performance indicators used by the CODM to evaluate the segments and manage resource allocation are therefore growth (measured in terms of sales), operating profitability (measured by adjusted EBITDA margin) and, as

an indicator of short-term liquidity management and the profitability of net working capital (NWC) employed, "average net working capital as a percentage of sales" as well as investments in non-current assets, which consist of other intangible assets and property, plant and equipment. In addition, other financial indicators are used for management purposes. These are EBITDA, adjusted EBITDA, free cash flow, gross profit and gross profit margin. Net Leverage is used exclusively as a control indicator at Group level.

Sales comprises sales from external third parties. Sales are allocated to the reportable segments based on the location of the selling company. Transfers between segments are generally carried out at the same prices that would apply to transactions with third parties (arm's length principle). Internal licensing costs and similar costs that are passed on by Group functions and operating DACH segment to the reportable segments Southern Europe and Central Eastern Europe are not included in the presentation of segment EBITDA and adjusted segment EBITDA in accordance with internal management logic. This means that the regional segments do not bear any brand or IT license costs, but benefit from central brand management and IT equipment.

Adjusted EBITDA, which is used for management purposes, is derived from reported EBITDA in accordance with the Consolidated Statement of Profit or Loss and adjusted for items that, in the opinion and decision of Douglas AG management, are not regularly recurring, are exceptional or are unsuitable for management purposes.

Net working capital is defined within the Group as the sum of inventories, trade accounts receivable, receivables from payment service providers, trade accounts payable, supply chain financing liabilities, receivables and liabilities in connection with supplier claims for discounts/bonuses and marketing subsidies, liabilities from gift cards issued and other operating receivables and liabilities.

Average net working capital as a percentage of sales is calculated as the arithmetic mean of the net working capital of the last thirteen month-end values, whereby the NWC of the first and last month-end values are added together and weighted equally, divided by the sales of the last twelve months of a reporting period.

The Management Board has decided to use capital expenditure as another key financial performance indicator. We define capital expenditure as the sum of expenditures for other intangible assets and property, plant and equipment. Investments in rights of use from leases within the meaning of IFRS 16 are not included in the indicator.

## Reconciliation to the Consolidated Statement of Profit or Loss

### Reconciliation of the segment performance indicator Sales

The following table reconciles the sale of the reportable segments to the sale in the Consolidated Statement of Profit or Loss:

	2024/2025	2023/2024
	EUR m	EUR m
Sales of the reportable segments	4,574.9	4,419.4
Sales included in reconciliation to Group	0.4	31.6
Sales	4,575.3	4,451.0



In the previous year 2023/2024, the "Reconciliation to the Group" included sales from operating segment Disapo (deconsolidated as of 1 August 2024) in the amount of EUR 31.4 million.

### Reconciliation of segment performance indicator Adjusted EBITDA

The table below shows the reconciliation of adjusted EBITDA for the Group's reportable segments to EBITDA as reported in the Consolidated Statement of Profit or Loss. For the reconciliation of the Group's EBITDA to the Group's earnings before tax, please refer to the Consolidated Statement of Profit or Loss.

	2024/2025	2023/2024
	EUR m	EUR m
<b>Adjusted EBITDA of the reportable segments</b>	<b>903.0</b>	<b>957.1</b>
Adjusted EBITDA of the reconciliation to the DOUGLAS Group	-134.2	-148.6
Consolidation effects	-0.3	0.1
<b>Adjusted EBITDA</b>	<b>768.4</b>	<b>808.6</b>
Strategic initiatives	14.5	17.3
M&A - Investments and divestments	0.0	10.4
Restructuring	-0.6	-1.7
Other	-2.0	52.3
<b>Adjustments to EBITDA</b>	<b>11.9</b>	<b>78.3</b>
<b>EBITDA</b>	<b>756.5</b>	<b>730.3</b>

Adjusted EBITDA attributable to the "Reconciliation to the DOUGLAS Group" category amounted to EUR -134.2 million in financial year 2024/2025 (previous year: EUR -148.6 million) and was entirely attributable (previous year: EUR 145.1 million) to the central division, which provides the Group's core functions at the level of the Group headquarters in Germany, including central purchasing, marketing, the corporate brands business and the Group's international e-commerce functions, as this division does not generate any sales and is largely not operated as a profit center.

#### The respective categories of adjustments mainly comprise the following items:

- **M&A - investments and divestments**

Effects on income related to investments and divestments, in particular from the acquisition/sale or discontinuation of a business unit and the closure or sale of a branch group.

- **Restructuring:**

Comprehensive measures leading to a reduction in personnel in accordance with IAS 37/IAS 19.

In the reporting period, these mainly related to income from the reversal of the discontinued Store Optimization Project (SOP).

- **Strategic measures:**

Expenses in connection with strategic projects and initiatives.

In the reporting period, the adjustments were related to a number of different strategic projects, in particular the reorganization and centralization of the logistics structure (OWAC) and further measures to implement our "Let It Bloom" corporate strategy.

- **Other:**

Other business transactions that are not recurring, extraordinary, or unsuitable for internal control purposes.

In the comparative period, these adjustments related in particular to expenses in connection with the IPO of Douglas AG in March 2024, including related management incentive programs, and to risk provisions for legal disputes in connection with a squeeze-out of former minority shareholders.

### Other segment reporting disclosures – Sales

The following table shows sales by distribution channel:

		DACHNL		France	
		2024/2025	2023/2024	2024/2025	2023/2024
Store Sales	EUR m	1,255	1,237.8	661.3	664.2
E-Com Sales	EUR m	865.5	835.3	179.0	174.0
<b>Total</b>	<b>EUR m</b>	<b>2,120.5</b>	<b>2,073.1</b>	<b>840.4</b>	<b>838.2</b>

		Southern Europe		Central Eastern Europe	
		2024/2025	2023/2024	2024/2025	2023/2024
Store Sales	EUR m	596.3	576.8	551.0	507.8
E-Com Sales	EUR m	88.4	89.0	168.0	144.3
<b>Total</b>	<b>EUR m</b>	<b>684.7</b>	<b>665.8</b>	<b>719.0</b>	<b>652.1</b>

		Parfumdreams/Niche Beauty		Total reportable segments	
		2024/2025	2023/2024	2024/2025	2023/2024
Store Sales	EUR m	11.6	12.7	3,075.2	2,999.3
E-Com Sales	EUR m	198.7	177.5	1,499.7	1,420.1
<b>Total</b>	<b>EUR m</b>	<b>210.3</b>	<b>190.2</b>	<b>4,574.9</b>	<b>4,419.4</b>

		Reconciliation to the DOUGLAS Group		DOUGLAS Group	
		2024/2025	2023/2024	2024/2025	2023/2024
Store Sales	EUR m	0.4	0.2	3,075.7	2,999.5
E-Com Sales	EUR m	0.0	31.4	1,499.7	1,451.4
<b>Total</b>	<b>EUR m</b>	<b>0.4</b>	<b>31.6</b>	<b>4,575.3</b>	<b>4,451.0</b>

The following table shows the sales attributable to the country where the Group is headquartered (Germany) and to other countries:

	2024/2025	2023/2024
	EUR m	EUR m
Germany	1,744.7	1,703.4
Other countries	2,830.6	2,747.5
<b>DOUGLAS Group</b>	<b>4,575.3</b>	<b>4,451.0</b>

Due to the DOUGLAS Group's business model, there is no dependence on specific major customers.

### Other segment reporting disclosures – Assets

In the monthly reports to the Chief Operating Decision Maker, only the inventories of the individual segments are reported as segment assets. The inventories reported in segment reporting include purchased goods, raw materials, consumables and supplies, and prepayments for inventories.

The capital expenditure reported in segment reporting relate to additions to other intangible assets and property, plant and equipment.

The following table provides an overview of the Group's non-current assets (see definition below) allocated to the country where the Group is headquartered (Germany) and other significant countries.

Non-current assets:

	30/09/2025	30/09/2024
	EUR m	EUR m
Germany	1,448.3	1,416.5
France	938.6	884.7
Other foreign countries	1,018.1	868.6
<b>DOUGLAS Group</b>	<b>3,405.0</b>	<b>3,169.9</b>

Non-current assets presented across segments comprise intangible assets, property, plant and equipment, and rights of use from leases located in Germany and abroad. Non-current financial assets and deferred tax assets are excluded. Segment liabilities are not reported to the Chief Operating Decision Maker on a regular basis.

## 32. Management of financial Risks

The financial management team at Douglas AG is responsible for financing the Group and supports decision-makers at Group companies in Germany and abroad in all financial matters. The significant financial risks relevant to the Group, such as liquidity risks, interest rate risks, default risks, and risks arising from cash flow fluctuations, are adequately managed and monitored by the financial management team at Douglas AG.

### Liquidity risk

The Group has various sources available to finance its operating business, investments, and potential acquisitions. These include existing cash and cash equivalents, operating cash flow, bank loans, and bonds.

All domestic subsidiaries and the major foreign subsidiaries are integrated into a cash management system (cash pooling). By combining the financial volumes, short-term liquidity surpluses of individual Group companies are used to finance the cash requirements of other Group companies. This contributes to a reduction in the volume of external financing and an optimization of cash investments, thus having a positive impact on the Group's net interest income.

To monitor liquidity risk, the DOUGLAS Group has established comprehensive liquidity planning with a Group-wide harmonized procedure. This direct liquidity and cash flow planning includes weekly, rolling bottom-up planning over at least 13 weeks.

Key sources of financing and terms and conditions at the Group level as of the reporting date:

	Financing volumes	Interest rate conditions	Maturity
	EUR m	%	Date
Term loan facility (Facility B)	800.0	3-6M EURIBOR + margin	8 March 2029
Revolving Credit Facility (RCF)	350	1-6M EURIBOR + margin	8 March 2029
Promissory note loans (Schuldscheindarlehen)	200		
-- thereof with a term of 3 years and a fixed interest rate	28.0	3.883%	7 March 2028
-- thereof with a term of 3 years and a variable interest rate	141.5	6M EURIBOR + 175 bps	7 March 2028
-- thereof with a term of 5 years and a fixed interest rate	8.5	3.937%	7 March 2030
-- thereof with a term of 5 years and a variable interest rate	10.0	6M EURIBOR + 175 bps	7 March 2030
-- thereof with a term of 7 years and a fixed interest rate	1.5	4.190%	8 March 2032
-- thereof with a term of 7 years and a variable interest rate	10.5	6M EURIBOR + 195 bps	8 March 2032
<b>Total</b>	<b>1,350.0</b>		

As of the reporting date, the RCF had not been drawn down in terms of liquidity, but it had been utilized through collateral in the form of rental guarantees amounting to EUR 19.3 million.

#### Syndicated loan agreement (Term and Revolving Facilities Agreement):

The interest payable for the financing components Facility B and RCF consists of two interest components. The first interest component reflects the EURIBOR, which in turn depends on the interest period chosen by the DOUGLAS Group (1-, 3-, or 6-month EURIBOR) (term interest rate). The second interest component (margin) depends on the total net leverage ratio of the DOUGLAS Group. This key figure is calculated quarterly and confirmed to the lenders in the "Compliance Certificate".

Pursuant to the syndicated loan agreement (Term and Revolving Facilities Agreement), one financial covenant is relevant for the DOUGLAS Group. Accordingly, the ratio of adjusted EBITDA as specified in the syndicated loan agreement before applying certain IFRS 16 items (covenant-adjusted EBITDA) to total net debt as also specified in the syndicated loan agreement (covenant net debt) at specific test dates (3.5 times from 1 October 2025, up to and including 30 September 2025, then 3.75 times). The respective test period covers three months (quarter) and ends at the respective test date (end of quarter). This financial covenant has been complied with since the syndicated loan agreement was established. As of the reporting date, the financial covenant was well below the limit and the DOUGLAS Group therefore had sufficient headroom. In addition, the DOUGLAS Group must also fulfill certain qualitative covenants, such as the payment of interest or reporting obligations such as the submission of quarterly and annual financial statements and the so-called compliance certificate. These qualitative covenants have been fulfilled since the syndicated loan agreement was established. If the above-mentioned covenants are not fulfilled, the lenders are entitled to terminate the loan agreements.

**Promissory note loans:**

The promissory note loan agreements comprise six agreements with terms of 3, 5 and 7 years and are subject to a fixed or variable interest rate (6-month EURIBOR) for each term. All promissory note loan agreements contain a so-called interest rate or margin step-up of 50 basis points (bps) if the total net debt ratio exceeds 3.25 times as of 30 September of a given year in accordance with the terms of the promissory note loan agreements

**Financing liabilities (total of bank and promissory note liabilities) of the DOUGLAS Group as of 30 September 2025:**

	30/09/2025	30/09/2024
	Carrying amount	Carrying amount
	EUR m	EUR m
Term Loan Facility (Facility B)	802.0	815.9
Promissory note loans (Schuldscheindarlehen)	200.4	0.0
Bridge Term Loan Facility (Facility A)	0.0	461.0
Revolving Credit Facility (RCF)	0.0	0.6
Other borrowings	5.1	0.9
<b>Financing liabilities (total of bank and promissory note liabilities)</b>	<b>1,007.5</b>	<b>1,278.4</b>

Other loan liabilities include bilateral overdraft facilities, of which EUR 4.5 million (previous year: EUR 0.1 million) had been utilized as of the reporting date, and a government loan of EUR 0.7 million (previous year: EUR 0.9 million).

**Maturity analysis of contractual obligations as of 30 September 2025:**

	Carrying amount	Cash-effective in a period of < 30 days		Cash-effective within a period of 30-90 days		Cash-effective within a period of > 90 < 360 days		Cash flow effective within a period of 1 to 5 years		Cash flow effective in a period of more than 5 years	
	EUR m	EUR m		EUR m		EUR m		EUR m		EUR m	
	30/09/2025	Redemption	Interest	Redemption	Interest	Redemption	Interest	Redemption	Interest	Redemption	Interest
Trade accounts payable	639.4	324.2		291.8		23.1		0.3			
Liabilities to banks	807.1		10.0				29.1	800.0	103.8		
Promissory note loans (Schuldscheindarlehen)	200.4						7.9	188.0	15.3	12.0	0.8
Liabilities from supply chain financing	145.0	145.0									

Financial liabilities that were recognized in the statement of financial position as of the reporting date and for which payments had already been contractually agreed were included. Payments for liabilities to be recognized in the future were not taken into account. Variable interest payments were determined based on the interest rates applied on the reporting date. Interest rate hedges were taken into account when determining the interest payments on the underlying contractual obligations. Financial liabilities that can be terminated at any time are always assigned to the earliest possible time frame. Foreign currency amounts were converted into euros at the closing rate.

Maturity analysis of contractual obligations as of 30 September 2024:

	Carrying amount	Cash-effective in a period of < 30 days		Cash-effective within a period of 30-90 days		Cash-effective within a period of > 90 < 360 days		Cash flow effective within a period of 1 to 5 years		Cash flow effective in a period of more than 5 years	
	EUR m	EUR m		EUR m		EUR m		EUR m		EUR m	
	30/09/2024	Redemption	Interest	Redemption	Interest	Redemption	Interest	Redemption	Interest	Redemption	Interest
Trade accounts payable	657.2	362.5		264.9		29.5		0.2			
Liabilities to banks	1,278.4		40.9			0.2	48.8	1,250.7	170.8		
Financial liabilities from options held by non-controlling interests	0.2					0.2					
Liabilities from supply chain financing	8.9	8.8				1.0					

### Interest rate risk

Interest rate risks arise from fluctuations in interest rates on capital markets.

#### Syndicated loan agreement:

The syndicated loan agreement is generally based on EURIBOR and is therefore subject to interest rate risk. In addition, it includes an interest rate floor of 0.0%.

To manage the interest rate risk of the term loan facility (Facility B), Douglas AG has entered into interest rate swaps (cash flow hedge) with a nominal volume of EUR 800 million and a term until 8 March 2029. At contractually specified intervals, the difference between fixed and variable interest amounts is calculated and settled on the basis of the agreed nominal amount. This limits the risk of a rise in EURIBOR to 2.3%.

#### Promissory note loans:

The variable-rate promissory note loans are generally based on the EURIBOR and are therefore subject to interest rate risk. In addition, they include an interest rate floor of 0.0%.

To manage the interest rate risk associated with the variable-rate promissory note loan with a term of three years, Douglas AG has entered into interest rate swaps (cash flow hedge) with a nominal volume of EUR 141.5 million and a term until 7 March 2028. At contractually agreed intervals, the difference between fixed and variable interest amounts is calculated and settled on the basis of the agreed nominal amount. This limits the risk of a rise in EURIBOR to 2.1%.

Sensitivity analyses were performed to quantify the interest rate risk. These analyses focused on the syndicated loan agreement (Term and Revolving Facilities Agreement), whose interest rate is based on EURIBOR, taking into account the interest rate swaps that were concluded.

#### Term loan (Facility B) and consideration of interest rate swaps:

An increase (decrease) in the interest rate of 100 basis points as of the reporting date would have resulted in a positive fair value (negative fair value) of the interest rate swaps of EUR 20.1 million (EUR 30.1 million). This would have increased (decreased) other comprehensive income by EUR 24.6 million (EUR 25.7 million).

Due to the full hedging of the interest rate risk of the term loan facility (Facility B) in the nominal amount of EUR 800 million in the form of interest rate swaps (cash flow hedge), a change in the interest rate of 100 basis points would have no impact on financing expenses.

**Promissory note loan (SSD) and consideration of interest rate swaps:**

An increase (decrease) in the interest rate by 100 basis points as of the reporting date would have resulted in a positive fair value (negative fair value) of the interest rate swaps of EUR 2.9 million (EUR 2.9 million). This would have increased (decreased) other comprehensive income by EUR 2.8 million (EUR 3.0 million).

A relative increase (decrease) in the interest rate of 100 basis points as of the reporting date would have resulted in higher (lower) financing expenses of EUR 0.2 million (EUR 0.2 million) on a 12-month basis.

**Currency risk**

The Group's operating companies conduct their activities primarily in their respective functional currencies.

The Group's foreign currency risk is classified as low, as a total of approximately 86.2% of sales was generated in euros in financial year 2024/2025 and goods were purchased almost exclusively in euros. Differences arising from the translation of financial statements prepared in foreign currencies into the Group reporting currency for the preparation of the consolidated financial statements do not affect the currency risk.

Financial income from foreign currency translation amounted to EUR 17.1 million in the reporting year, while the corresponding expenses amounted to EUR -18.4 million. See also Note "Finance Result".

In accordance with the provisions of IFRS 7, a sensitivity analysis of currency risks was performed for the foreign currencies that are significant for the Group (Bulgarian lev, Polish zloty, Czech koruna, Swiss franc, Hungarian forint, and Romanian leu). The exchange rate effects from foreign currency items, which were measured at the closing rate in accordance with IAS 21, were taken into account. For the DOUGLAS Group, this would result in total income of EUR 1.0 million in the 2024/2025 financial year if the euro appreciated by 5% and total expenses of EUR 1.1 million if the euro depreciated by 5%.

**Default risk**

Default risk is the risk of financial losses if a customer or the counterparty to a financial instrument fails to meet its contractual obligations. Default risk generally arises from all financial assets in the portfolio, such as trade accounts receivable, other receivables, cash investments with banking partners and derivatives with a positive market value. The maximum default risk of the financial assets corresponds to the carrying amounts.

Due to the increased focus on e-commerce as a sales channel, the Group companies are confronted with the risk of bad debts as a systemic risk inherent in mail order business. Against this background, the companies operate a debtor management system, including a dunning process.

The default of a banking partner, particularly due to insolvency in the context of cash investments or positive market values from derivatives, may give rise to a default risk. The DOUGLAS Group counteracts this risk by conducting business transactions involving both cash investments and financial instruments exclusively with first-class banks that are rated at least investment grade (BBB-). At the same time, the volume is distributed among several counterparties in order to avoid concentration risks, and investments are monitored on an ongoing basis.

**Capital management**

The aim of the Group's capital management is to ensure that the Group can continue to meet its financial obligations and that the financial covenant from the syndicated loan is complied with (for further explanations on the syndicated loan agreement, see

Note "Other financial Liabilities" and for further explanations of the financial covenant, see section "Liquidity risk"). These objectives were achieved in the financial year. In addition, the long-term increase in the value of the Company is also an objective of capital management. As a secondary condition of capital management, the aim is to ensure that all Group companies are equipped with equity capital in accordance with local requirements, so that external capital requirements have always been met in the past financial year.

The Group monitors net debt as follows:

	30/09/2025	30/09/2024
	Carrying amount	Carrying amount
	EUR m	EUR m
Term Loan Facility (Facility B)	802.0	815.9
Promissory note loans (Schuldscheindarlehen)	200.4	0.0
Bridge Term Loan Facility (Facility A)	0.0	461.0
Revolving Credit Facility (RCF)	0.0	0.6
Other borrowings	5.1	0.9
<b>Finance liabilities (total of bank and promissory note loans)</b>	<b>1,007.5</b>	<b>1,278.4</b>
Lease liabilities within the meaning of IFRS 16	1,307.1	1,107.3
<b>Total</b>	<b>2,314.6</b>	<b>2,385.7</b>
Cash and cash equivalents	49.4	98.9
<b>Net debt</b>	<b>2,265.2</b>	<b>2,286.8</b>

As of the reporting date, the RCF had not been drawn down in terms of liquidity, but it was utilized through collateral in the form of rental guarantees amounting to EUR 19.3 million.

### 33. Other financial Obligations and contingent Liabilities

As of the reporting date, the order backlog for approved investments in property, plant and equipment amounted to EUR 31.0 million (previous year: EUR 20.3 million) and for other intangible assets to EUR 6.0 million (previous year: EUR 5.3 million).



## 34. Related Parties

In financial year 2024/2025, the Group had the following relationships with related parties arising from completed supply and service relationships.

	2024/2025	2023/2024
	EUR m	EUR m
<b>Deliveries and services provided</b>		
Shareholders	-	1.2
<b>Deliveries and services received</b>		
Shareholders	-	15.2
Members of management in key positions	0.1	0.1
Other related companies and related persons	-	0.0
<b>Total</b>	<b>0.1</b>	<b>15.3</b>

Receivables relating to goods and services provided to shareholders amounted to EUR 0.0 million as of the reporting date (previous year: EUR 0.3 million).

In financial year 2024/2025, business relationships with related parties were conducted on terms and conditions similar to those applicable to unrelated third parties. In the previous financial year 2023/2024, there were low-interest (interest rate of 2%) and subordinated shareholder loans, which were contributed in full to the capital reserves of Douglas AG.

### Shareholders

The immediate parent company of Douglas AG is Kirk Beauty International S.A., Luxembourg, which is indirectly controlled by Kirk Beauty Jersey Finco Limited, Jersey (ultimate parent company, ultimate controlling company). The shareholders of Kirk Beauty Jersey FinCo Limited are various investment funds in which CVC Capital Partners plc, Jersey, among others, holds an interest.

### Key management personnel and total compensation of the Management Board and Supervisory Board

#### Key management personnel

Key management personnel include the members of the Management Board and the members of the Supervisory Board of Douglas AG.

**Expenses for short-term benefits payable to persons in key positions** amounted to EUR 3.9 million in the reporting period (previous year: EUR 18.3 million), of which EUR 1.0 million (previous year: EUR 0.7 million) was attributable to the Supervisory Board. Expenses for benefits payable upon termination of employment of persons in key positions amounted to EUR 0.3 million (previous year: EUR 0.0 million). In accordance with IFRS 2, expenses from share-based payments to persons in key positions amounted to EUR 0.0 million (previous year: EUR 13.2 million).

The amount granted for defined contribution benefits in the financial year totaled EUR 0.0 million (previous year: EUR 0.1 million).

#### Total remuneration of the Management Board and the Supervisory Board

Total remuneration for the Management Board amounted to EUR 6.6 million for the 2024/2025 financial year (previous year: EUR 6.7 million), with three members of the Management Board (previous year: three members).

The total remuneration includes long-term share-based compensation at fair value at the time of granting in the amount of EUR 3.7 million (previous year: EUR 2.3 million). The number of notional shares used to determine possible future payouts totals 184,859 (previous year: 174,004).

As in the previous year, no performance-related remuneration components were promised to the Management Board in the financial year in addition to the contractually agreed compensation components. Total remuneration for former Management Board members amounted to EUR 0.3 million (previous year: EUR 0.0 million).

The total compensation for the Supervisory Board for the 2024/2025 financial year amounted to EUR 1.0 million (previous year: EUR 0.7 million).

As of 30 September 2025 there were no loans or advances to members of the management Board or Supervisory Board, nor were any contingent liabilities entered into in their favor.

## 35. Share-based Payments

### Long-term incentives (LTI)

The DOUGLAS Group has a long-term incentive plan (LTI) that is structured as a virtual performance share plan and has a term of four years, consisting of a three-year performance period followed by a one-year holding period. Entitlements under the LTI are earned on a straight-line basis over the three-year performance period. For grants awarded in financial year 2024/2025, the vesting period began in October 2024 and ends on 30 September 2027. The vesting period for the LTI EXTRA grant started in May 2024. In addition to the share price performance, the payout depends on the overall achievement of two equally weighted performance indicators, the relative total shareholder return (TSR) and adjusted earnings before tax (adjusted EBT), measured over the three-year performance period. The target achievement for the relative TSR is based on a comparison of the TSR of the DOUGLAS Group with the TSR of the companies included in the MDAX and the companies in an individual peer group, each of which is weighted at 50% for the target achievement of the relative TSR performance criterion.

Payment after the four-year plan period is made in cash. The payment amount is limited to 150% of the target amount for senior management and to 250% for the Management Board. The target amount refers to the defined monetary target amount (i.e., 100% target achievement) for the long-term incentive, as defined in the respective allocation letter for each participant.

The granting of performance shares was classified as share-based compensation with cash settlement in accordance with IFRS 2.30. The fair value of the performance shares is remeasured at each reporting date using a Monte Carlo model and taking into account the conditions under which the performance shares were granted.

The term used was the period from the measurement date to the end of the holding period and thus the date of the expected distribution. The share price was determined via Bloomberg from the closing price of XETRA trading on 30 September 2025. Volatility was determined from the historical volatility of the Douglas peer group companies over the respective remaining term. The expected volatility taken into account is based on the assumption that historical volatility can be used to predict future trends, meaning that the actual volatility may differ from the assumptions made. The expected dividend yield was estimated based on the historical dividend yield. The risk-free interest rate was derived on the basis of the historical yields of German government bonds with a remaining term corresponding to the expected term of the performance shares.

As of the reporting date, the obligation resulting from the LTIP amounted to EUR 0.6 million, of which EUR 0.6 million was long-term (previous year: EUR 0.6 million, of which EUR 0.6 million was long-term), and the resulting expense amounted to EUR 0.0 million in the reporting year (previous year: EUR 0.6 million).

### LTI EXTRA GRANTS

developed as follows in the financial year:

		2024/2025	2023/2024
<b>Performance shares outstanding at the beginning of the reporting period</b>	Number	240,816	0
Performance shares granted during the reporting period	Number	0	240,816
Performance shares forfeited during the reporting period	Number	-16,284	0
Performance shares exercised during the reporting period	Number	0	0
Performance shares expired during the reporting period	Number	0	0
<b>Performance shares outstanding at the end of the reporting period</b>	Number	224,532	240,816
-- thereof performance shares exercisable at the end of the reporting period	Number	0	0

The following parameters were used for the valuation as of the reporting date:

Measurement date	Date	30/09/2025	30/09/2024
Exercise price	EUR		
Term	years	4	4
Remaining term	years	3	4
Share price of Douglas AG on the measurement date	EUR	12.3	20.6
Expected dividend yield	%	0.0	4.8
Volatility	%	35.6	36.8
Risk-free interest rate	%	2.1	1.9

### LTI GRANT SENIOR MANAGEMENT

The performance shares developed as follows during the financial year:

		2024/2025
<b>Performance shares outstanding at the beginning of the reporting period</b>	Number	
Performance shares granted during the reporting period	Number	247,413
Performance shares forfeited during the reporting period	Number	-43,642
Performance shares exercised during the reporting period	Number	0
Performance shares expired during the reporting period	Number	0
<b>Performance shares outstanding at the end of the reporting period</b>	Number	203,771
-- thereof performance-related shares exercisable at the end of the reporting period	Number	0

The following parameters were used for the valuation as of the reporting date:

Measurement date	Date	30/09/2025
Exercise price	EUR	0.0
Term	years	4
Remaining term	years	3
Share price of Douglas AG on the measurement date	EUR	12.3
Expected dividend yield	%	0
Volatility	%	36.5
Risk-free interest rate	%	2.1

### LTI GRANT MANAGEMENT BOARD

The performance shares developed as follows during the financial year:

		2024/2025
<b>Performance shares outstanding at the beginning of the reporting period</b>	Number	
Performance shares granted during the reporting period	Number	184,859
Performance shares forfeited during the reporting period	Number	-31,156
Performance shares exercised during the reporting period	Number	0
Performance shares expired during the reporting period	Number	0
<b>Performance shares outstanding at the end of the reporting period</b>	Number	153,703
-- thereof performance-related shares exercisable at the end of the reporting period	Number	0

The following parameters were used for the valuation as of the reporting date:

Measurement date	Date	30/09/2025
Exercise price	EUR	
Term	years	4
Remaining term	years	3
Share price of Douglas AG on the measurement date	EUR	12.3
Expected dividend yield	%	0.0
Volatility	%	36.5
Risk-free interest rate	%	2.1

## 36. Leases

The DOUGLAS Group leases retail stores for the sale of its perfumery products. The term of the lease agreements is typically between five and ten years. To ensure maximum flexibility, many of the lease agreements contain options that can be exercised once or several times to extend the lease agreements for a certain number of years after this period (in many cases for a further five years). Due to the importance of brick-and-mortar retail for the Group and the start-up costs associated with developing new locations, the DOUGLAS Group generally operates its retail stores on a long-term basis. However, expiring real estate leases are not automatically replaced or extended by new real estate leases. The majority of lease agreements provide for annual rent adjustments based on changes in local price indices.

Extension options that were not recognized in lease liabilities as of the reporting date would result in cash outflows of EUR 686 million (previous year: EUR 605 million) if exercised, spread over the terms of the options. The decision to exercise extension options depends in particular on the profitability of the respective store and the availability of suitable alternative locations.

In addition, there are leases with indefinite terms that are recognized on the basis of medium-term strategic planning with a sufficiently certain end date. These leases can generally be terminated unilaterally by the Group, although in some cases a contractual penalty may apply if the lessee terminates the lease early. In some cases, there are also termination options for both parties. The leases with indefinite terms include annual lease payments of EUR 21.4 million (previous year: EUR 17.5 million)

The contracts for leased business premises may result in restoration obligations for tenant installations, the discounted value of which is recognized as a provision. The discounted value of the obligation is capitalized as part of the acquisition cost of the right-of-use asset and amortized over the useful life.

On the commitment date or when a contract containing a lease component is amended, the Group allocates the contractually agreed consideration on the basis of the relative unit prices. For real estate leases, this means that a separation of lease and non-lease components is made so that payments related to the non-lease component are recognized in the Consolidated Statement of Profit or Loss.

The risk-free interest rate, which is determined using the swap curves of the respective currencies of the corresponding lease payments, forms the basis for determining the marginal borrowing rate. Since country risks are already taken into account in these risk-free interest rates, no separate component is added for this purpose. A credit spread is included to reflect the default risk of the Group company (lessee) and the parent company Douglas AG. No additional liquidity premium is required beyond the credit spread.

A collateral discount was taken into account when determining the incremental borrowing rate. The duration of the leases was used as the final component in calculating the marginal borrowing rate.

The interest rate matrix for real estate is shown below

**Interest rate matrix for the 2024/2025 financial year:**

	Term			
	1 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years
	%	%	%	%
EUR	2.7 - 4.1	3.6 - 5.4	4.9 - 6.3	5.8 - 6.6
BGN	3.2 - 5.1	4.2 - 6.6	5.7 - 7.4	6.7 - 8.4
HRK	3.0 - 4.7	3.6 - 6.0	5.1 - 6.7	6.1 - 7.1
CZK	4.1 - 5.2	5.0 - 6.6	6.2 - 7.4	6.8 - 7.8
HUF	6.3 - 8.4	7.1 - 9.8	8.5 - 10.6	9.2 - 11.0
PLN	4.8 - 6.7	5.6 - 7.6	6.8 - 8.3	7.6 - 8.7
RON	6.7 - 8.8	8.0 - 10.3	9.5 - 11.0	10.2 - 11.4
CHF	0.6 - 2.2	1.5 - 3.5	2.9 - 4.3	3.8 - 4.7

**Interest rate matrix for the previous year 2023/2024:**

	Term			
	1 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years
	%	%	%	%
EUR	3.7 - 4.1	4.1 - 5.2	5.3 - 5.8	5.5 - 5.9
BGN	4.3 - 5.1	5.3 - 6.6	6.7 - 7.4	6.9 - 7.6
HRK	4.4 - 4.7	4.7 - 6.0	6.2 - 6.7	6.3 - 6.8
CZK	4.1 - 4.9	5.0 - 6.1	6.2 - 6.7	6.4 - 6.8
HUF	6.3 - 7.2	7.1 - 8.4	8.5 - 9.1	8.7 - 9.2
PLN	5.6 - 6.7	6.1 - 7.2	7.3 - 7.8	7.5 - 7.9
RON	6.7 - 7.7	8.0 - 9.4	9.5 - 10.1	9.7 - 10.2
CHF	1.7 - 2.2	2.4 - 3.5	3.7 - 4.2	3.8 - 4.2

Total cash outflows from leases amounted to EUR 314.9 million in the financial year (previous year: EUR 298.3 million).

A sensitivity analysis was performed for index-linked leases. Taking into account a 1% increase in index-linked rents, this would result in a EUR 2.0 million (previous year: EUR 1.9 million) higher cash outflow in the following financial year.

With the exception of the "Real Estate" asset class, the DOUGLAS Group has made use of the exemptions under IFRS 16.5 for short-term leases and leases whose underlying asset is of low value.

The following amounts were recognized in the Consolidated Statement of Profit or Loss in the reporting period:

	2024/2025	2023/2024
	EUR m	EUR m
Expense related to variable lease payments not included in the measurement of lease liabilities	6.6	3.3
Income from subleasing right-of-use assets	0.3	0.4
Expense relating to short-term leases	0.7	0.2
Expense relating to leases of low-value assets	0.8	0.2

#### Maturity analysis of undiscounted lease receivables in the financial year

	30/09/2025	30/09/2024
	EUR m	EUR m
Less than one year	2.0	2.9
One to two years	1.7	2.1
Two to three years	1.1	2.0
Three to four years	0.6	1.4
Four to five years	0.2	0.8
More than five years	0.2	0.2
<b>Total amount of undiscounted lease receivables</b>	<b>5.8</b>	<b>9.5</b>
Unrealized finance income	0.4	0.0
Net investment in the lease	5.4	9.5

#### Maturity analysis of undiscounted lease liabilities in the financial year

	30/09/2025	30/09/2024
	EUR m	EUR m
Less than one year	315.1	290.4
One to five years	894.0	751.7
More than five years	357.2	259.7
<b>Total</b>	<b>1,566.3</b>	<b>1,301.7</b>

Information on the development of right-of-use assets from leases, including depreciation and impairment, can be found in Note "Right-of-Use Assets from Leases"; information on interest expense from lease liabilities is included in Note "Finance Result"

There are generally only a few cases in which the DOUGLAS Group acts as a lessor. The Group essentially acts as a lessor in contracts in which a leased property is subleased to a third party. The majority of these lease agreements are classified as finance leases. Lease agreements in which the DOUGLAS Group acts as the lessor and the lease is classified as an operating lease are the exception and are of minor importance

## 37. Exemptions pursuant to Sections 264 (3) and 264b of the German Commercial Code (HGB)

In accordance with Sections 264 (3) and 264b HGB, the following domestic subsidiaries make use of the exemptions provided for in Sections 264 (3) and 264b HGB.

Company	Registered Office
Parfümerie Douglas Deutschland GmbH	Düsseldorf
Parfümerie Douglas GmbH & Co. KG	Düsseldorf
Douglas Group Technology GmbH & Co. KG	Düsseldorf
Douglas International GmbH	Düsseldorf
Douglas GmbH & Co. Objekt Zeil KG	Pullach im Isartal
Douglas Cosmetics GmbH	Düsseldorf
Douglas International Purchasing GmbH	Düsseldorf
Douglas Marken und Lizenzen GmbH	Düsseldorf
Ultimate Skin Aesthetics GmbH	Düsseldorf
Perfume AKZENTE GmbH	Heilbronn
NICHE-BEAUTY.COM GmbH	Hamburg
Douglas Marketing Solutions GmbH	Düsseldorf
Parfümerie Douglas Beteiligungsgesellschaft mbH	Düsseldorf
Douglas Service GmbH	Düsseldorf
Kirk Beauty SUN GmbH	Düsseldorf

## 38. Auditors' Fees for the financial Year 2024/2025 (in accordance with Section 314 (1) No. 9 of the German Commercial Code (HGB))

The fee for the auditor (KPMG AG Wirtschaftsprüfungsgesellschaft) is attributable to the following services rendered:

	2024/2025
	EUR m
Audit services	2.9
-- thereof for the previous year	0.6
Other assurance and audit-related services	0.3
Other services	0.4
<b>Total</b>	<b>3.6</b>

The fee for financial statement audit services relates to the audit of the consolidated financial statements and the annual financial statements as well as the combined management report of Douglas AG for the financial year ending 30 September 2025, including statutory extensions of the engagement. In addition, the fees for the audits of IFRS reporting packages of subsidiaries of Douglas AG for inclusion in the consolidated financial statements and for commercial law audits of the annual financial statements of subsidiaries are included.



Other assurance services relate to agreed-upon procedures (compliance certificates, sales certificates, review and confirmation of declarations of completeness in accordance with the German Packaging Act (VerpackG), agreed-upon procedures in connection with a lease agreement) and the review of the interim financial report. In addition, other assurance services include fees for the audit of the compensation report, for the EMIR audit in accordance with Section 32 of the German Securities Trading Act (WpHG), and audits in connection with the laws on energy price brakes (StromPBG and EWPBG).

Other services include fees for the project-related review of the introduction of new consolidation software, support with a regulatory audit, and audit project support for the introduction of CSRD. The fee also includes the fee for access to a database.

Only services that are compatible with the activity as auditor of the annual financial statements and consolidated financial statements of Douglas AG were provided. Non-audit services were monitored and approved by the Audit Committee of the Supervisory Board of Douglas AG.

### 39. Corporate Bodies of Douglas AG

The information on the company's corporate bodies in accordance with ESRS 2 GOV-1 22 a is part of the DOUGLAS Group's sustainability statement for the 2024/2025 financial year.

#### Management Board

Members of the Management Board of Douglas AG as of the reporting date:

Alexander van der Laan	Chairman of the Management Board, Chief Executive Officer (CEO)
Marco Giorgetta, since 1 May 2025	Chief Financial Officer (CFO)
Dr. Philipp Andréé	Chief Commercial Officer (CCO)

Mark Langer resigned from his position as member of the Management Board and Chief Financial Officer with effect from 1 May 2025.

## Supervisory Board

Members of the Supervisory Board of Douglas AG as of the reporting date:

<b>Shareholder representatives</b>	
	Dr. Henning Kreke (Chairman of the Supervisory Board)
	Dr. Alexander Dibelius
	Dr. Daniel Pindur
	Can Toygar
<b>Employee representatives</b>	
	Ulrike Grabe (Vice Chairwoman of the Supervisory Board)
	Ulrike Gaal
	Stefanie Hübner
	Peter König
	Vesna Mandalenakes
	Petra Ringer
<b>Independent members</b>	
	Pamela Knapp
	Georgia Garinois-Melenikiotou

## 40. Shareholdings of the Group according to Section 313 German Commercial Code (HGB))

Name and registered office	Group share in %
<b>Douglas AG</b>	
Parfümerie Douglas Deutschland GmbH, Düsseldorf	100
Parfümerie Douglas GmbH & Co. KG, Düsseldorf	100
Douglas Group Technology GmbH & Co. KG, Düsseldorf	100
Parfümerie Douglas International GmbH, Düsseldorf	100
Douglas GmbH & Co. Objekt Zeil KG, Pullach im Isartal	88
DOUGLAS Grundbesitz GmbH, Düsseldorf	100
Douglas Cosmetics GmbH, Düsseldorf	100
Douglas International Purchasing GmbH, Düsseldorf	100
Douglas Marken- und Lizenzen Zossen GmbH, Düsseldorf	100
Ultimate Skin Aesthetics GmbH, Düsseldorf	100
Douglas Marketing Solutions GmbH, Düsseldorf	100
Parfümerie Douglas Beteiligungsgesellschaft mbH, Düsseldorf	100
Douglas Service GmbH, Düsseldorf	100
Kirk Beauty SUN GmbH, Düsseldorf	100
Parfümerie Douglas Ges.m.b.H., Vienna/Austria	100
Parfümerie Douglas AG, Baar/Switzerland	100
Douglas Cosmetics Belgium B.V., Antwerp/Belgium	100
Parfumerie Douglas Nederland B.V., Nijmegen/Netherlands	100
Douglas Franchise B.V., Nijmegen/Netherlands	100
Douglas Vastgoed B.V. I, Nijmegen/Netherlands	100
Douglas Vastgoed B.V. II, Nijmegen/Netherlands	100
Kirk Beauty Netherlands Holding B.V., Nijmegen/Netherlands	100
Parfümerie AKZENTE GmbH, Heilbronn	100
NICHE-BEAUTY.COM GmbH, Hamburg	100
Groupe Nocibé SAS, Lille, France	100
Groupe Douglas France SAS, Lille/France	100
Parfumerie Douglas Monaco S.A.M., Monaco/Monaco	97
Passera Distribució S.L., Andorra	100
Douglas Spain SA, Madrid/Spain	100
Douglas Italia S.p.A., Milan, Italy	100
Perfumeria Douglas Portugal Lda., Lisbon/Portugal	100
Douglas Parfumerije d.o.o., Zagreb/Croatia	100
Douglas Parfumerije, trgovina na drobno d.o.o., Ljubljana/Slovenia	100
Parfumerie Douglas s.r.o., Prague/Czechia	100
Douglas Hungary Kft., Budapest/Hungary	100
Douglas Polska SP.z.o.o., Warsaw/Poland	100
Douglas Supply Chain and Services CEE SP. Z O O, Warsaw/Poland	100
Parfümerie Douglas Slowenska s.r.o., Bratislava/Slovakia	100
Parfumerie Douglas Bulgaria ood, Sofia/Bulgaria	100
Parf. Douglas S.R.L., Bucharest/Romania	100
Ltd. Douglas Estonia, Tallinn/Estonia	100
SIA "Douglas Latvia," Riga, Latvia	100
UAB "Douglas LT", Vilnius/Lithuania	100
Douglas Parfümeri Limited Sirketi, Istanbul/Turkey	100

## 41. Events after the Reporting Date

There were no events requiring disclosure between the reporting date and the date on which the consolidated financial statements were approved for publication.

## 42. Declaration of Compliance with the German Corporate Governance Code

On 8 October 2025, the Management Board and Supervisory Board of Douglas AG issued a joint declaration of compliance with the recommendations of the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG). This declaration is permanently available on the Company's website ([www.douglas.de](http://www.douglas.de)).

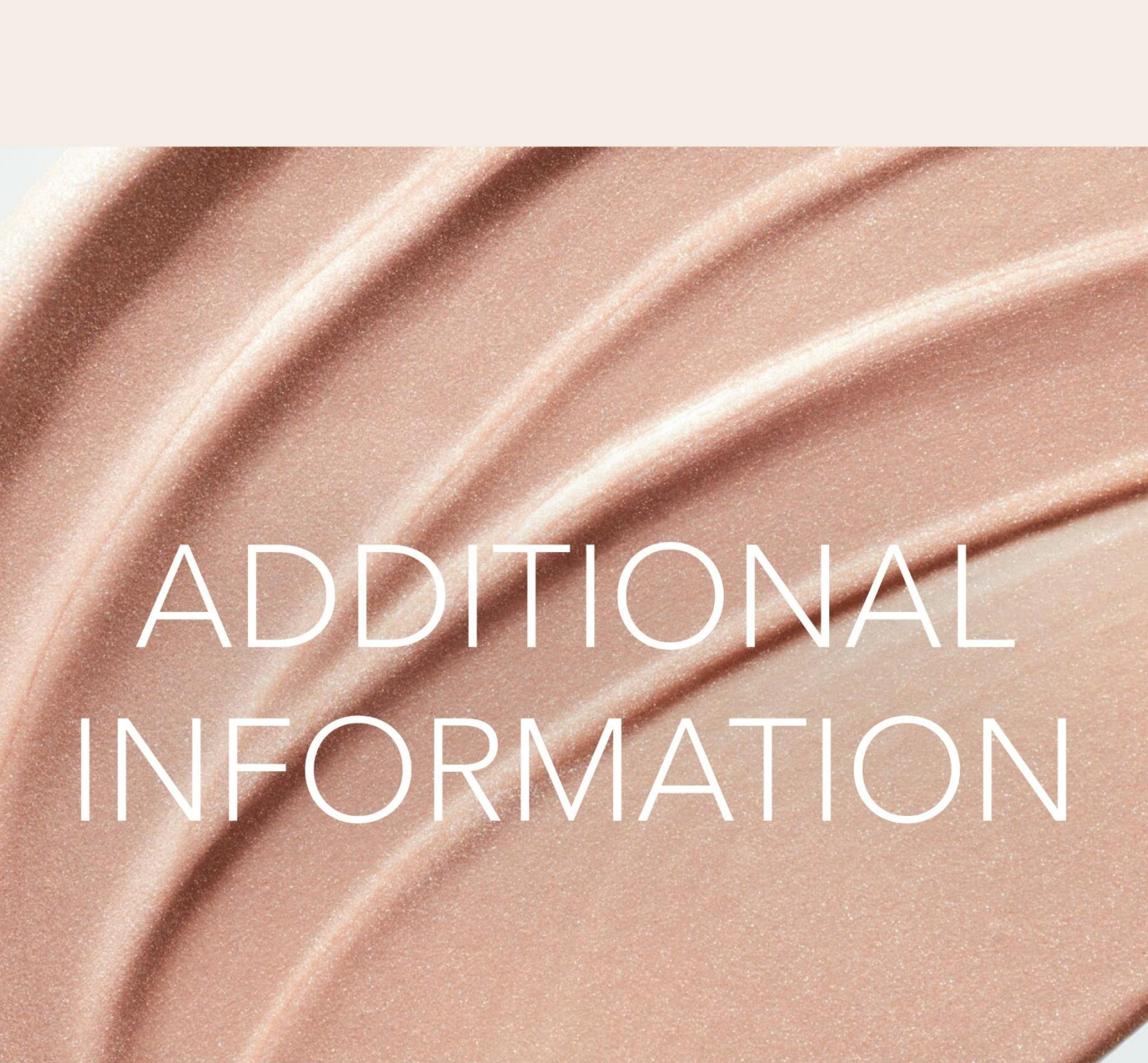
Düsseldorf, 15 December 2025

The Management Board of Douglas AG

Alexander van der Laan

Marco Giorgetta

Dr. Philipp Andrée



# ADDITIONAL INFORMATION

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# Compensation report

## DOUGLAS AG

Financial year from 1 October 2024 to 30 September 2025

### I. INTRODUCTION

Douglas AG is subject to the legal requirements of the German Stock Corporation Act (AktG) and the recommendations and suggestions of the German Corporate Governance Code (GCGC) in the version dated 18 April 2022. Douglas AG and all of its affiliated companies within the meaning of Section 15 et. seq. AktG are hereinafter referred to as the "DOUGLAS Group".

The compensation system for the Management Board and Supervisory Board of Douglas AG (hereinafter the "Compensation System") was presented to the shareholders of Douglas AG for the first time at the Annual General Meeting on 19 February 2025. They approved the Compensation System for the Management Board with around 99.3% of votes and for the Supervisory Board with around 100% of votes. The compensation report for the 2023/2024 financial year was also approved without objection at the same Annual General Meeting, with around 97.7% of votes.

This compensation report was prepared by the Management Board and Supervisory Board of Douglas

AG and explains the compensation of the Management Board and Supervisory Board of Douglas AG for the financial year 2024/2025 (hereinafter the "Reporting Period") in a transparent and comprehensible format. Pursuant to Section 162 AktG, the compensation report presents the compensation "awarded and due" for the financial year to each individual current or former member of the Management Board and the Supervisory Board.

There was a change in the Management Board of Douglas AG during the Reporting Period, with Marco Giorgetta appointed to succeed Mark Langer as CFO effective 1 May 2025. Mark Langer stepped down from the Management Board of his own accord and as mutually agreed at the end of 30 April 2025, after transferring his duties to Marco Giorgetta, and continued to support Douglas AG in an advisory capacity until the end of the Reporting Period.

## II. MANAGEMENT BOARD COMPENSATION SYSTEM

### 1. Overview

The Compensation System of the Management Board of Douglas AG prepared by the Supervisory Board and valid for the Reporting Period is presented below.

When designing the Compensation System of the Management Board, the Supervisory Board was guided by the principles shown in the graphic below.

Principles of the Compensation System:	
Sustainable and long-term development	The compensation structure contributes to sustainable and long-term orientation of DOUGLAS Group.
Pay for performance	The Compensation System is geared towards performance by setting ambitious and motivating targets.
Alignment of interests	The design of the Compensation System consolidates the interests of the shareholders/stakeholders, the DOUGLAS Group, and the management.
Consistency of compensation	The Supervisory Board ensures that the Compensation System for the Management Board is consistent with the compensation system for executives.
Market competitiveness	The design of the Compensation System is in line with market practice.

The Compensation System of the Management Board of Douglas AG consists of fixed and variable compensation elements. The Supervisory Board has set a Compensation System and reviews its appropriateness on a regular basis.

The members of the Management Board receive a fixed annual base salary in cash, which is paid out in 12 equal monthly installments. The base salary for a full financial year amounts to EUR 1,000,000 gross for the CEO, Alexander van der Laan, and EUR 625,000 gross for the CCO, Dr. Philipp Andrée. The fixed annual base salary for the new CFO Marco Giorgetta, appointed during the Reporting Period, is EUR 530,000 gross from entry into office, with an entitlement to a fixed annual base salary of EUR 625,000 upon changing his primary residence to Germany. Management Board member Marco Giorgetta did not change his primary residence to Germany during the Reporting Period.

The base salary for Management Board member Mark Langer, who stepped down during the Reporting Period, amounted to EUR 625,000 gross for the full financial year. No pension scheme is granted to current members or those who stepped down from the Management Board in the Reporting Period.

In addition to the annual base salary, the members of the Management Board are entitled to variable compensation elements, a short-term incentive (hereinafter the "STI") and a long-term incentive (hereinafter the "LTI"). Both are oriented toward the DOUGLAS Group's sustainable development and incorporate relevant key performance indicators of the DOUGLAS Group.



An overview of the Compensation System is provided below:

<b>Fixed compensation</b>	<b>Base salary</b>	Fixed compensation which is paid out in cash in 12 equal monthly installments.	
	<b>Benefits</b>	May consist of accident insurance, a company car for business and private use, contributions to a private or voluntary statutory health insurance scheme, and the reimbursement of costs for travel and accommodation.	
<b>Variable compensation</b>	<b>STI</b>	<b>Type</b>	<b>Annual bonus</b>
		Performance criteria	Financial performance criteria Adjusted EBITDA or Adjusted EBITDA Margin Net Sales or Net Sales Growth Net Working Capital Ø (for 2023/2024) or Ø Net Working Capital as a percentage of sales (from 2024/2025) ESG criteria
		Cap	150% of target amount
		Payout	In cash
	<b>LTI</b>	<b>Type</b>	Performance share plan
		Term	Three-year performance plus one year holding period
		Performance criteria	Relative TSR (50%) Adjusted EBT (50%)
		Cap	Target achievement: 250% Payout: 250%
		Payout	In cash
<b>Malus and clawback</b>	Reduction or complete forfeiture/reclaim of the variable compensation is possible.		
<b>Share Ownership Guidelines (SOG)</b>	Management Board members are obliged to invest a minimum amount in Douglas AG shares: 150% of the base salary (CEO); 100% of the base salary (ordinary Management Board Member). The SOG target must be met within four years of appointment.		
<b>Severance payments</b>	May not exceed the lesser of the amount due for two years of compensation or the compensation payable for the remaining term of the service agreement (severance cap).		

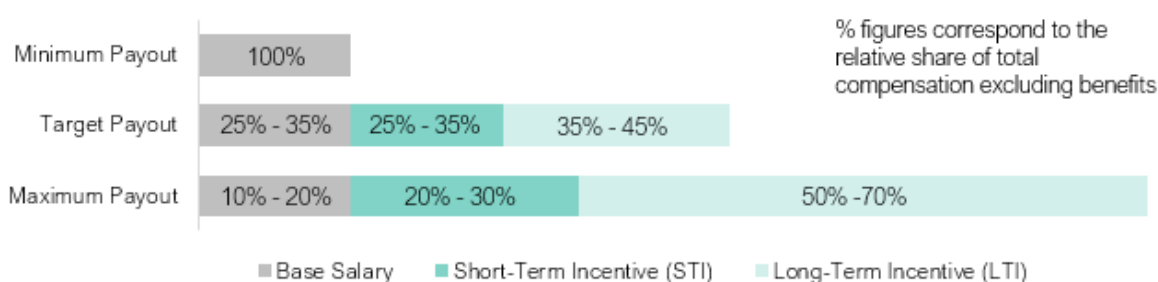


## 2. Total target compensation

The total target compensation of each Management Board member consists of the sum of the base salary, the STI target amount, and the LTI target amount. The Compensation System allows for the base salary to amount to approximately 25% to 35%, the STI to approximately 25% to 35%, and the LTI to approximately 30% to 45% of the total target compensation. The current target compensation of the Management Board members complies with these thresholds.

In order to set a strong focus on the long-term development of the DOUGLAS Group, the LTI makes up the majority of the variable compensation.

The stronger weighting of the LTI ensures that the compensation structure is oriented toward the sustainable and long-term development of Douglas AG in accordance with the provisions of the AktG. In addition, the aim is to ensure that in accordance with the requirements of Section 87 (1) sentence 3 AktG as well as the recommendations of the German Corporate Governance Code, the proportion of the variable compensation made up of the LTI exceeds the proportion of the variable compensation made up of the STI. At the same time, important operational targets are taken into account by putting significant weighting on the STI.



Scenario	Explanation
Minimum Payout	STI: 0% of target amount; LTI: 0% of target amount
Target Payout	STI: 100% of target amount; LTI: 100% of target amount
Maximum Payout	STI: 150% of target amount; LTI: 250% of target amount

The value of benefits due to the Management Board members is inherently subject to annual fluctuations and thus not included in the above graphic; however, benefits usually amount to approx. 5% to 10% of the individual base salary.

The total target compensation was determined by the Supervisory Board for each Management Board member in compliance with the Compensation System, the AktG, and the German Corporate Governance Code.

In light of the IPO of Douglas AG in March 2024, the appropriateness and market conformity of the Management Board compensation was reviewed with the assistance of an independent external compensation advisor. The comparison of the level and structure of compensation was carried out using two different peer groups to account for the regional criteria, company size and industry. Thus, the MDAX as a broad index as well as

an individual peer group of European companies in the beauty and retail industry were considered when assessing market conformity.

Based on the assessment, the Supervisory Board determined the compensation levels and structure for Management Board members Alexander van der Laan and Dr. Philipp Andrée, and former Management Board member Mark Langer. The Supervisory Board determined the amount and structure of compensation for Management Board member Marco Giorgetta in the same way when he was appointed in April 2025.

The target compensation for financial year 2024/2025 for the Management Board members is shown in the following table. In line with the structure laid out by the Compensation System of the Management Board, the target STI corresponds to 100% of the base salary and the target LTI corresponds to 150% of the base salary.

	Alexander van der Laan		Marco Giorgetta		Dr. Philipp Andréé		Mark Langer	
	CEO		CFO (since 1 May 2025)		CCO		(CFO until 30 April 2025) <sup>(1)</sup>	
	(full-year basis)		(full-year basis)		(full-year basis)		(full-year basis)	
	EUR '000	%	EUR '000	%	EUR '000	%	EUR '000	%
Base salary	1,000	27.98%	530	27.76%	625	27.86%	625	27.88%
Benefits	74	2.08%	54	2.83%	55	2.47%	54	2.42%
Fixed compensation	<b>1,074</b>	<b>30.06%</b>	<b>584</b>	<b>30.59%</b>	<b>680</b>	<b>30.34%</b>	<b>679</b>	<b>30.30%</b>
STI	1,000	27.98%	530	27.76%	625	27.86%	625	27.88%
LTI	1,500	41.97%	795	41.64%	938	41.80%	938	41.82%
Variable compensation	<b>2,500</b>	<b>69.94%</b>	<b>1,325</b>	<b>69.41%</b>	<b>1,563</b>	<b>60.66%</b>	<b>1,563</b>	<b>69.70%</b>
<b>Total target compensation</b>	<b>3,574</b>	<b>100.00%</b>	<b>1,909</b>	<b>100.00%</b>	<b>2,243</b>	<b>100.00%</b>	<b>2,242</b>	<b>100.00%</b>

<sup>(1)</sup> Mark Langer's service agreement was terminated by mutual agreement effective the end of the Reporting Period with continued compensation and the obligation for Langer to remain available to Douglas AG to answer business-related questions until such date.

### 3. Short-term incentive

The STI is designed as a target bonus model with a performance period of one year. The total target achievement is calculated as the sum of the target achievement of all performance criteria considering their respective weighting. The performance criteria used are: Adjusted EBITDA or the Adjusted EBITDA Margin (weighted between 25% and 40%), Net Sales or Net Sales Growth (weighted between 20% and 35%) and Net Working Capital Ø or the Ø Net Working Capital Margin (weighted between 20% and 30%). Besides financial criteria, environmental, social and governance criteria (ESG criteria) are considered (weighted between 10% and 20%). The specific financial key indicators and the applicable ESG targets are defined by the Supervisory Board at the beginning of each financial year.

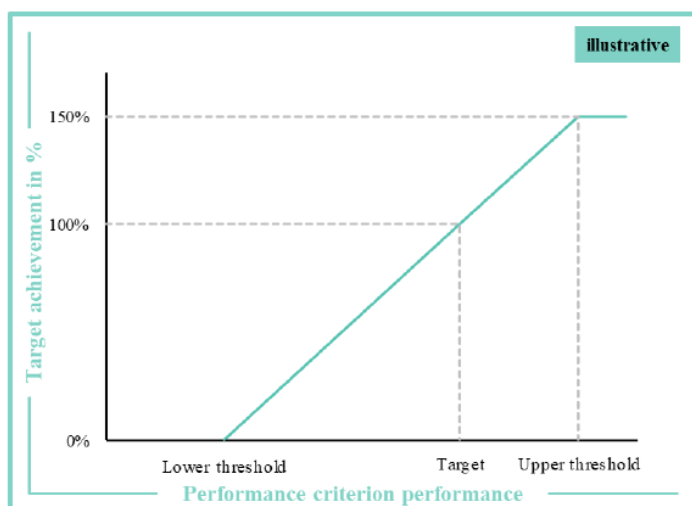
Likewise, the Supervisory Board will set a weighting for the performance criteria and a target value for each of the financial performance criteria upon

achievement of which the target achievement will be 100%. The Supervisory Board will further set a minimum value upon achievement of which the target achievement will be 0% and a maximum value upon achievement of which the target achievement will be 150% for each of the financial performance criteria. For performance between the minimum value and the target value, as well as between the target value and the maximum value, target achievement is determined by linear interpolation. Resulting from this, the payout amount of the STI can range between 0% and 150% (cap) of the individual target amount.

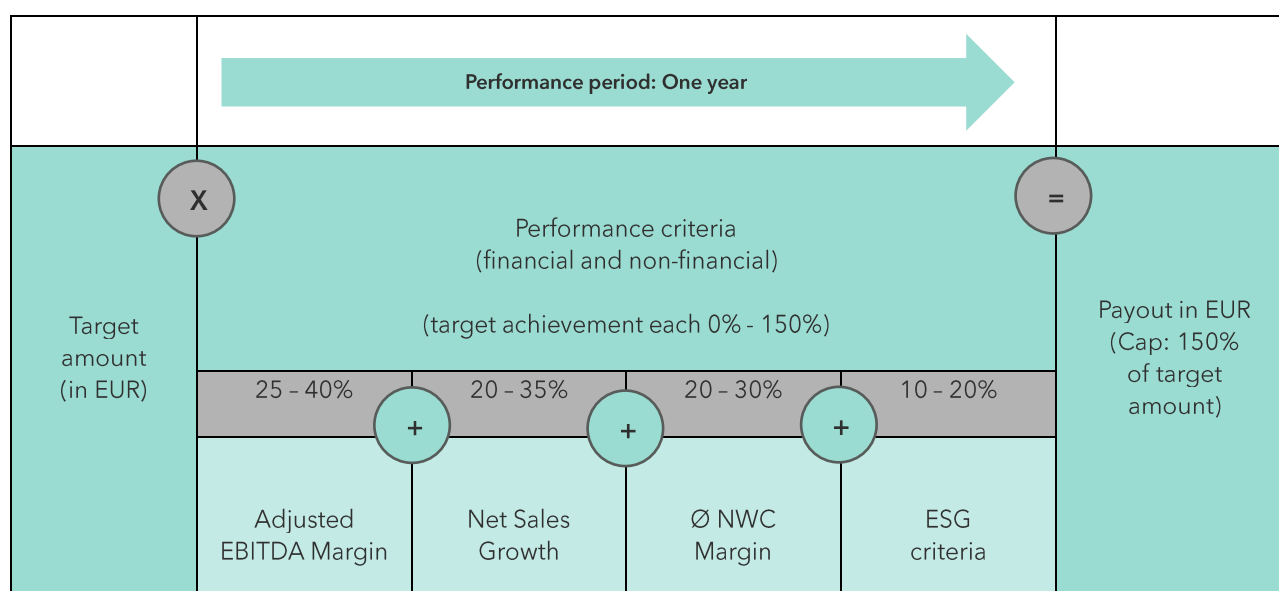
The target achievement of the non-financial targets, i.e., ESG criteria, may range from 0% to 150%.

Target achievement is measured as a percentage and rounded to two decimal places in line with standard accounting practice.

The target achievement curve for the financial performance targets is illustrated below:



The audited, certified and approved consolidated financial statements of the DOUGLAS Group for the respective financial year are authoritative for the financial performance criteria.



### 3.1 Financial criteria

Adjusted EBITDA used for management purposes is derived from EBITDA as disclosed in the Douglas AG consolidated financial statements within the consolidated statement of profit or loss and adjusted for those items which, in the opinion and judgment of the management of Douglas AG, are non-recurring, exceptional or inappropriate for management purposes (hereinafter "Adjusted EBITDA"). The Adjusted EBITDA Margin is a relevant financial criterion for the STI in the Reporting Period; it is determined by dividing Adjusted EBITDA by sales in the financial year ("**Adjusted EBITDA Margin**").

Sales refers to the sales figure as disclosed in the Douglas AG consolidated financial statements within the consolidated statement of profit or loss and is

included as a performance criterion to incentivize company growth (hereinafter "Net Sales"). "**Net Sales Growth**" is a relevant financial criterion for the STI in the Reporting Period; it shows the percentage year-on-year increase in Net Sales in the Reporting Period.

Net Working Capital of the Group is defined as the sum of inventories, trade accounts receivable and receivables from payment service providers, trade accounts payable and receivables and liabilities in connection with supplier receivables for discounts/bonuses and marketing subsidies, voucher liabilities as well as other operating receivables and liabilities. The average Net Working Capital margin is a relevant financial criterion for the STI in the Reporting Period. It is calculated as the arithmetic mean of the Net Working Capital of the last 13 month-end values,

with the Net Working Capital of the first and last month-end values added together and weighted equally ("**Net Working Capital Ø**"), and divided by the sales of the past 12 months of a Reporting Period ("**Ø Net Working Capital Margin**").

### 3.2 ESG criteria

ESG criteria refers to the fields of action in the areas of environment, social, and governance to assess the implementation of the sustainability strategy of the DOUGLAS Group by the Management Board members.

The targets for the ESG criteria are defined at the reasonable discretion of the Supervisory Board annually at the beginning of the performance period.

## 4. Long-term incentive

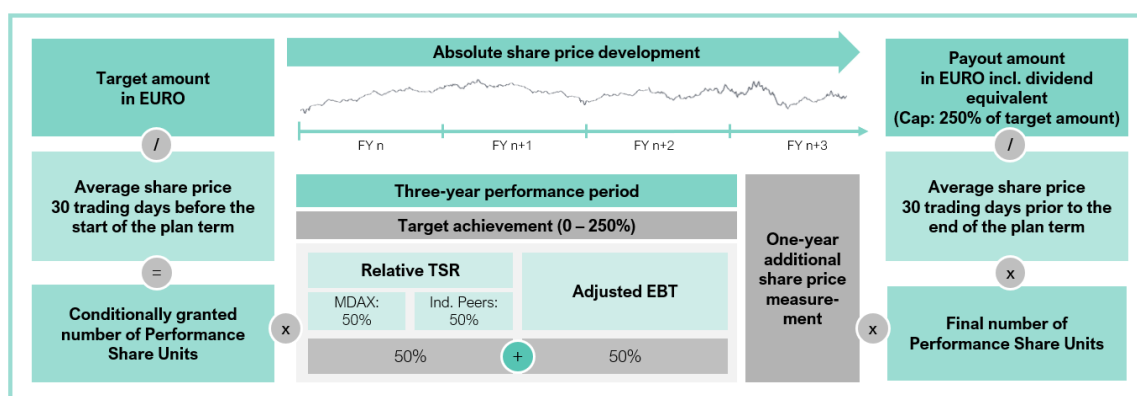
The LTI is designed as a virtual performance share plan with a plan term of four years consisting of a performance period of three years and an additional one-year holding period.

At the start of the plan term of each tranche of the performance share plan, each Management Board member is conditionally granted a number of performance share units ("**PSUs**"). The number of conditionally granted PSUs is calculated on the basis of the target LTI amount agreed upon in the respective service agreement divided by the average share price of the Douglas AG share during the 30 trading days prior to the beginning of the plan term.

The final number of PSUs is calculated after the three-year performance period has ended. In addition to the share price development, the payout depends on the overall target achievement of two equally weighted performance indicators, the relative total shareholder return ("**TSR**") and the adjusted earnings before taxes (adjusted EBT), measured over the three-year performance period. The target achievement for the relative TSR is based on a comparison of the TSR of the Douglas AG share with the TSR of the companies included in the MDAX and the companies of an individual peer group, each of which is weighted at 50% for the achievement of the relative TSR performance criterion.

Target achievement for each criterion may range from 0% to 250% for each of the performance criteria depending on company performance. In order to further reflect the capital market performance of Douglas AG, a one-year holding period follows the determination of the final number of PSUs during which the share price performance will continue to impact the payout amount of the respective LTI tranche.

Following the one-year holding period the payout amount is determined by multiplying the final number of PSUs by the corresponding average share price of the Douglas AG share during the last 30 trading days prior to the end of the four-year term plus the sum of dividends paid during the plan term and paid out in cash. The payout is capped at 250% of the target amount ("**Cap**").



## 5. Further Clauses

### 5.1 Malus and clawback

The Supervisory Board has the right to fully or partially reduce variable compensation of the Management Board members that has not yet been paid out or reclaim variable compensation that has already been paid out in certain cases.

Those shall include the calculation of variable compensation based on an incorrect financial statement as well as severe breaches of duty.

The Supervisory Board did not see any reason to reduce or reclaim variable compensation in the Reporting Period.

### 5.2 Share ownership guidelines

The Share Ownership Guidelines ("SOG") form an integral part of the Compensation System of Douglas AG and are applicable to all Management Board members.

The Management Board members are obliged to invest a minimum amount in Douglas AG shares and to hold these shares for at least the duration of their respective appointment to the Management Board. The minimum amount of shares that need to be held is equal to shares in the value of 150% and 100% of the base salary for the Chief Executive Officer and for the ordinary Management Board members, respectively ("SOG Target"). The SOG Target must be met within four years of appointment.

Shares in Douglas AG already held by the Management Board member at the beginning of the build-up phase will be counted towards the fulfillment of the SOG Target.

	Base salary (in EUR)	SOG Target of base salary	Shareholding in relation to the base salary to date	Status
Alexander van der Laan	1,000,000	150%	>150%	Fulfilled
Marco Giorgetta	530,000	100%	>100%	Fulfilled
Dr. Philipp André	625,000	100%	>100%	Fulfilled

### 5.3 Premature termination/severance payment

In the event of premature termination of the appointment and service agreement of a Management Board member without cause by Douglas AG, severance payments made by Douglas AG to the respective Management Board member in connection with the premature termination may not exceed the amount due for two years of compensation and in any case may not exceed the compensation payable for the remaining term of the Service Agreement (severance cap). Notwithstanding the cap on severance payments, pro-rata payments of already granted variable compensation to departing Management Board members are made on the dates and at the conditions originally agreed upon.

In the event of such a premature termination, the target amount of the STI granted for the financial year in which the termination occurred is pro-rated by 1/365 for every day of the respective financial year in which no service relationship of the Management Board member with Douglas AG exists. Similarly, the target amounts for the plan tranches of the long-term

incentive already granted for which the performance periods have not yet ended are reduced by 1/36 for each month in which no service relationship of the Management Board Member with Douglas AG exists during the performance period.

If a service agreement with a Management Board member is terminated without cause within the meaning of Section 626 (1) of the German Civil Code (BGB), payments, including benefits, made to the Management Board member in connection with the early termination may not exceed the amount of two years' annual compensation, and in any case may not remunerate more than the remaining term of service.

No severance payments were granted to Management Board members in the Reporting Period.

Mark Langer stepped down from the Management Board by mutual agreement effective 30 April 2025. His compensation continued until the expiry of his service agreement at the end of the financial year 2024/2025 (30 September 2025) as compensation for

his contractual entitlements. Mark Langer's base salary continued to be paid as normal until expiry of the service agreement. The STI target amount was reduced pro rata temporis as of the date of departure from the Management Board and remained dependent on achievement of the STI target. The LTI target amount will continue to be granted for the period after leaving the Management Board until the end of the service contract, but a number of PSUs will be forfeited on a pro rata basis due to the termination of the service contract. The non-forfeited PSUs will continue to be dependent on the achievement of LTI targets and the share price performance during the term of the 2024/2025 tranche. It will therefore not be possible to determine the value of this variable component until the term ends in the 2028/29 financial year.

#### 5.4 Inability to work and death

In the event of temporary unfitness for work, members of the Board of Management continue to receive their contractually agreed base salary for a duration of up to six months. If a Management Board member has been unfit for work for an aggregate period greater than two months throughout a given financial year the variable compensation is granted pro rata temporis for the relevant financial year.

In the event of the death of a Management Board member, their surviving dependents shall receive the contractually agreed base salary for a duration of up to six months.

No such payments were made to the Management Board members for the Reporting Period.

#### 5.5 Side activities

The compensation for mandates of Management Board members in companies which are affiliated with the Company or in associations or similar groups in which Douglas AG is a member as part of its business operations will be offset against the Management Board compensation. In the Reporting Period no additional compensation has been paid for mandates of Management Board members in other entities of the DOUGLAS Group.

#### 5.6 Non-compete clause

During the term of their service agreements, the members of the Management Board are subject to certain non-compete obligations, including not to engage, either autonomously or dependently as an employee, nor as an entrepreneur or in any other manner, either directly or indirectly through any form of participation, in a competitive activity, or to be active for an enterprise that is in direct competition with the Group.

The non-compete obligations also apply to the same extent to CCO Dr. Philipp Andrée and CFO Marco Giorgetta for period of 12 months following expiry of their respective service agreements. The post-contractual non-compete obligations entail an obligation of Douglas AG to pay non-compete compensation for the duration of his post-contractual non-compete period, which will be offset against a potential severance payment. The compensation is to be paid in monthly installments and amounts to 50% of the contractual fixed compensation. Douglas AG can waive its right under the non-compete clause with the effect that the obligation to pay non-compete compensation ceases six months after receipt of the declaration of waiver by the departing Management Board member; in such case the departing Management Board member is free to work immediately after the end of their service agreement.

The service agreements of CEO Alexander van der Laan and former Management Board member Mark Langer do not contain post-contractual non-compete clauses.

### 6. Maximum compensation

The Supervisory Board has set a maximum compensation level for the Management Board members in the Compensation System.

The maximum compensation for the CEO for one financial year amounts to EUR 7,000,000 and for other Management Board members to EUR 4,500,000.

The maximum compensation limits the total compensation (base salary, STI, LTI, and expenses for benefits) of the Management Board members which is paid out for a financial year, regardless of the actual payment dates of the compensation elements (LTI in particular). Should the total compensation exceed this maximum amount determined by the Supervisory Board, a portion of the LTI (as the last compensation element due for payment) is forfeited without refund or replacement to the extent that the total compensation for the respective financial year exceeds the determined maximum compensation.

Compliance with the maximum compensation is reviewed after the end of each financial year. However, final compliance with maximum compensation for a financial year can only be reported following the financial year in which the payout amount of the compensation element with the latest due date awarded within the respective financial year is determined. Thus, compliance with maximum compensation for the Reporting Period cannot be reported until after the end of the holding period; that is, in the compensation report for the financial year 2028/2029.

## 7. Review of the Compensation System

### 7.1 Determination and review

The Supervisory Board sets the Management Board compensation pursuant to Section 87 (1) AktG. Taking into account the responsibilities and performance of the Management Board members as well as the situation of Douglas AG, the Supervisory Board determines an appropriate level for the total target compensation of the individual Management Board members for each financial year. Furthermore, market conformity is ensured by the Supervisory Board by conducting horizontal and vertical comparisons of the compensation.

The MDAX companies as well as a group of selected international competitors were used as benchmarks for the comparison and setting of compensation levels in the last horizontal compensation comparison in the 2023/2024 financial year based on the geographical scope in which the DOUGLAS Group operates and the size of DOUGLAS Group in terms of sales, number of employees, and market capitalization. For the vertical comparison, the compensation of the Management Board members is compared with the compensation of senior executives and other employees whereby, in particular, the development of compensation is considered over time.

### 7.2 Extraordinary events or developments

The Supervisory Board reserves the right, in line with recommendation G.11 of the German Corporate Governance Code, to account for extraordinary events or developments and thus to adapt the payout of the STI or LTI to an appropriate extent when determining variable compensation payout amounts. Extraordinary developments are defined as major unexpected events (such as war, pandemics, or other disasters), material changes in the organization of Douglas AG (such as major divestments or acquisitions or a significant change in the ownership structure), high inflation, capital measures or material changes of the accounting and valuation methods or considerable fluctuations of foreign exchange rates that could not reasonably have been foreseen at the time the respective performance targets were set and significantly affect the payout amounts of both the STI and LTI. Generally unfavorable market developments

are expressly not regarded as extraordinary developments in this context.

The Supervisory Board did not make any adjustments to the variable compensation payouts in the Reporting period.

### 7.3 Temporary deviations

In accordance with Section 87a (2) sentence 2 AktG, the Supervisory Board may temporarily deviate from the Compensation System if this is essential for the long-term well-being of the DOUGLAS Group. Exceptional circumstances justifying a temporary deviation from the Compensation System include severe corporate and economic crises. However, unfavorable market developments do not justify a temporary deviation from the Compensation System. In the event of a deviation, the compensation must remain oriented towards the long-term and sustainable development of DOUGLAS Group and be linked to its success as well as the performance of the Management Board member. Only after careful analysis of the exceptional circumstances is a temporary deviation from the Compensation System permitted.

The Supervisory Board did not enact any temporary deviations from the Compensation System during the Reporting Period.

## 8. Application of the Compensation System

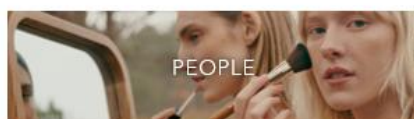
### 8.1 Short-term incentive

The total target achievement of the STI for the financial year 2024/2025 is the weighted average of the target achievements of the performance criteria with the Adjusted EBITDA Margin weighted at 30%, Net Sales Growth at 25%, the Ø NWC Margin at 30% and the ESG criteria at 15%.

The Supervisory Board set the enhancement and implementation of the ESG strategy and compliance with the objectives and obligations of Douglas AG as targets under the ESG criteria for the Reporting Period. This includes aspects of all four of the ESG pillars (people, planet, product, and governance):



AS EUROPE'S LEADING PREMIUM BEAUTY DESTINATION,  
DOUGLAS HAS THE AMBITION TO BE A LEADING BEAUTY RETAILER IN SUSTAINABILITY



PEOPLE

Set culture of belonging and promote collaboration and appreciation

- Drive diversity, equity & inclusion
- Grow our culture
- Develop our people



PLANET

Aim for -50% CO<sub>2</sub> by 2025 (scope 1&2 vs. '18/19) in first step, develop further reduction targets for scope 1-3 in-line with SBTs

- Reduce energy consumption in stores & offices
- Reduce waste
- Reduce emissions from transport / supply chain
- Lower environmental footprint of store interior



PRODUCTS

Improve the sustainability of the products we offer

- Working together with brand partners on sustainability
- Make our corporate brands excel in sustainability
- Visibility on sustainable beauty in customer journey



Clear ownership and responsibilities among management to empower and to deploy ESG within the organization

- ESG as recurring part of management remuneration
- Continuously maintain our Compliance Management System (CMS)
- Reporting system for annual ESG report

The Supervisory Board has determined the target achievement of the ESG criteria as 150%.

The target achievement levels of the Adjusted EBITDA Margin, Net Sales Growth, the Ø NWC Margin based on

the DOUGLAS Group IFRS consolidated annual financial statements 2024/2025 and the defined ESG criteria combined result in an overall target achievement for the STI as shown in the table below:

	Target figure <sup>(1)</sup>	Actual figure	Target achievement per KPI	STI target achievement (%)
	In %	In %	In %	
Adjusted EBITDA Margin	18.37	16.8	0	56.14
Net Sales Growth	7.6	2.8	0	
Ø NWC Margin	4.46	4.4	112.12	
ESG criteria	Qualitative	Qualitative	150	

<sup>(1)</sup> The figures show a target of 100%. The target range was set from 0% to 150%.



The target achievement of the average NWC margin was 112.12%. However, the target achievement was largely attributable to an extraordinary one-time effect that was not foreseeable at the time the Supervisory Board set the target before the start of the financial year. Therefore, in accordance with GCGC recommendation G.11, the Supervisory Board decided to reduce the payments to the members of the Management Board to the extent that the one-time effect of the average NWC margin had not occurred. The payments to the members of the

Management Board correspond to 22.5% of the target amount.

Based on the STI target achievement and the decision of the Supervisory Board, the payments for each Management Board member for the financial year 2024/2025 are listed in the table below:

	Target amount <sup>(1)</sup>	Total STI target achievement	Payout amount
	EUR '000	%	EUR '000
Alexander van der Laan	1,000.00	56.14	561.40 reduced to 225.00
Marco Giorgetta (since 1 May 2025)	222.16	56.14	124.72 reduced to 49.99
Dr. Philipp Andrée	625.00	56.14	350.88 reduced to 140.63
Mark Langer (until 30 April 2025)	363.01	56.14	203.80 reduced to 81.68

<sup>(1)</sup>The target amounts are stated pro rata temporis for Marco Giorgetta and Mark Langer.

## 8.2 Long-term incentive

The table below presents the conditionally granted performance share units for the active and former members of the Management Board:

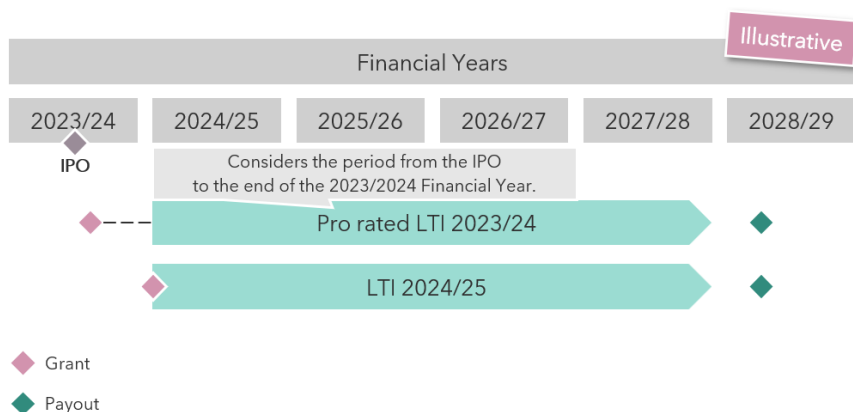
Management Board member	Alexander van der Laan	Marco Giorgetta (since 1 May 2025)	Dr. Philipp Andrée	Mark Langer (until 30 April 2025)
LTI target amount (EUR '000) <sup>(1)</sup>	1,500.00	333.24	937.50	312.50
Share price at time of granting	20.06	20.06	20.06	20.06
Number of conditionally granted PSUs	74,776	16,613	46,735	15,579

<sup>(1)</sup>The target amount for Marco Giorgetta is stated pro rata temporis. The target amount shown for Mark Langer refers to the vested portion of the LTI until the end of the employment contract. Due to Mr. Langer's departure, 31,156 PSUs have expired and are not included in the above presentation.

The setting and achievement of targets and the final number of performance share units from the LTI tranche 2024/2025 will be reported on at the end of the plan term on 30 September 2028. L'Occitane International was removed from the peer group for determining target achievement for the relative TSR due to its delisting during the year; it was replaced by Puig Brands S.A. The LTI allocation in the Reporting

Period will not be shown as awarded and due until the end of the plan term on 30 September 2028.

The chart below provides an illustrative overview of the granted LTI tranches over time:



### III. TOTAL MANAGEMENT BOARD COMPENSATION IN FINANCIAL YEAR 2024/2025

The following tables show the compensation awarded and due of the Management Board in accordance with Section 162 AktG for the Reporting Period. It discloses all fixed and variable compensation elements as well as the relative share of each component to the total compensation.

The STI amounts for the financial year 2024/2025 are included in the 2024/2025 table of compensation awarded and due, since the respective Management

Board member had fully rendered the services for which the respective compensation is paid during the Reporting Period.

The LTI amounts for the financial year 2024/2025 are not included in the 2024/2025 table of compensation awarded and due, since the services for which the respective compensation is paid were not fully rendered during the Reporting Period. The services underlying the 2024/2025 LTI will not be fully rendered until financial year 2027/2028.

The following table shows the compensation awarded and due to the Management Board in accordance with Section 162 AktG for financial year 2024/2025:

	Alexander van der Laan CEO		Marco Giorgetta CFO (since 1 May 2025 <sup>(1)</sup> )		Dr. Philipp André CCO		Mark Langer (CFO until 30 April 2025 <sup>(1)</sup> )	
	EUR '000	%	EUR '000	%	EUR '000	%	EUR '000	%
Base salary	1,000.00	76.97	220.83	75.29	625.00	76.11	364.58	47.90
Benefits	74.25	5.72	22.50	7.67	55.47	6.76	31.13	4.09
<b>Fixed compensation</b>	<b>1,074.25</b>	<b>82.68</b>	<b>243.34</b>	<b>82.96</b>	<b>680.47</b>	<b>82.87</b>	<b>395.71</b>	<b>51.99</b>
STI	225.00	17.32	49.99	17.05	140.63	17.13	81.68	10.73
LTI	-	-	-	-	-	-	-	-
<b>Variable compensation</b>	<b>225.00</b>	<b>17.32</b>	<b>49.99</b>	<b>17.05</b>	<b>140.63</b>	<b>17.13</b>	<b>81.68</b>	<b>10.73</b>
Other <sup>(2)</sup>	-	-	-	-	-	-	283.68	37.28
<b>Total compensation 2024/2025 Section 162 AktG</b>	<b>1,299.25</b>	<b>100.00</b>	<b>293.32</b>	<b>100.00</b>	<b>821.10</b>	<b>100.00</b>	<b>761.07</b>	<b>100.00</b>

<sup>(1)</sup>The amounts shown are pro rata for Marco Giorgetta and Mark Langer in relation to their time as members of the Management Board.

<sup>(2)</sup>Other compensation relates to the pro rata compensation of Mark Langer attributable to the time after his departure from the Management Board. The amount consists of the continued payment of the fixed base salary until the end of the service contract on 30 September 2025 (EUR 260.42 thousand, 34.22% of total remuneration) and the continued payment of fringe benefits for the same period (EUR 23.27 thousand, 3.06% of total remuneration). The Other-remuneration therefore represents fixed compensation in full.

## IV. SUPERVISORY BOARD COMPENSATION

### 1. Overview

The Annual General Meeting determined the current compensation of the Supervisory Board members by resolution on 19 March 2024 in accordance with Section 113 (3) sentences 1 and 2 AktG.

The compensation of the members of the Supervisory Board complies with all recommendations and suggestions of the German Corporate Governance Code. The Compensation System is designed to support the Supervisory Board's control function and independence.

For this reason, the Compensation System of the Supervisory Board is fundamentally designed with a fixed component.

In addition, the members of the Supervisory Board receive compensation for their activities in committees in order to take account of the increased scope of work and additional responsibility.

### 2. Structure and level of compensation

The Supervisory Board members of Douglas AG receive fixed compensation in the amount of EUR

60,000 for every full financial year of their membership of the Supervisory Board. The fixed compensation of the Chairman of the Supervisory Board amounts to EUR 150,000, and of the Vice chairwoman of the Supervisory Board to EUR 100,000.

Members of the Executive Committee and members of the Audit Committee receive additional fixed annual compensation of EUR 30,000 for each office held in one of these committees.

The Chairman of the Executive Committee and the Chairwoman of the Audit Committee receive additional fixed annual compensation of EUR 60,000 for the chair held in one of these committees. The members of the Nomination Committee and the Mediation Committee receive no additional compensation. Members of the Supervisory Board who belonged to, or were chair or vice chair of the Supervisory Board or a committee for only part of the financial year receive lower, pro rata compensation. In addition, Douglas AG will refund the members of the Supervisory Board reasonable expenses they incur in exercising their Supervisory Board mandate as well as any sales tax payable on their compensation and expenses.

## V. TOTAL SUPERVISORY BOARD COMPENSATION IN FINANCIAL YEAR 2024/2025

The table below shows the compensation awarded and due to the Supervisory Board members in the Reporting Period in accordance with Section 162 (1) sentence 1 AktG:

Douglas AG 1 October 2024 – 30 September 2025	Fixed compensation		Executive Committee compensation		Audit Committee compensation		Total compensation
	EUR '000	%	EUR '000	%	EUR '000	%	EUR '000
Dr. Henning Kreke <sup>(1)</sup>	150.0	71	60.0	29	-	-	210.0
Ulrike Grabe <sup>(2)</sup>	100.0	77	30.0	23	-	-	130.0
Dr. Alexander Dibelius <sup>(3)</sup>	-	-	-	-	-	-	0.0
Ulrike Gaal	60.0	73	22.5 <sup>(4)</sup>	27	-	-	82.5
Georgia Garinois-Melenikiotou	60.0	50	30.0	25	30.0	25	120.0
Stefanie Hübner	60.0	67	-	-	30.0	33	90.0
Pamela Knapp	60.0	40	30.0	20	60.0	40	150.0
Peter König	60.0	100	-	-	-	-	60.0
Vesna Mandalenakes	60.0	100	-	-	-	-	60.0
Dr. Daniel Pindur <sup>(3)</sup>	-	-	-	-	-	-	0.0
Petra Ringer	60.0	100	-	-	-	-	60.0
Can Toygar <sup>(3)</sup>	-	-	-	-	-	-	0.0
<b>Total</b>	<b>670.0</b>		<b>172.5</b>		<b>120.0</b>		<b>962.5</b>

<sup>(1)</sup>Chairperson.

<sup>(2)</sup>Deputy Chairperson.

<sup>(3)</sup>Remuneration waived.

<sup>(4)</sup>Ulrike Gaal was elected as an additional member of the Executive Committee with effect from the beginning of January 2025; the amount reported was calculated pro rata temporis from the beginning of January (factor 273/365 days).

## VI. COMPARATIVE PRESENTATION OF THE DEVELOPMENT OF COMPENSATION AND EARNINGS

In accordance with the requirements of Section 162 (1) sentence 2 no. 2 AktG, the following table shows the compensation awarded and due for current members of the Management Board and Supervisory Board, the average employee compensation, and selected financial performance indicators of Douglas AG.

The presentation of the annual comparison will continue to be added in the reporting years ahead to illustrate the development of compensation and earnings in relation to each other and will cover the full five-year period for the first time in the 2027/2028 compensation report.

The value for the average employee compensation shown below is based on the Douglas AG full-time equivalent employee population in Germany.

		2024/2025	2024/2025 vs. 2023/2024	2023/2024 vs. 2022/2023
	Membership	Total in EUR '000	Change in %	
Members of the Management Board				
Alexander van der Laan	since 2024	1,299.25	-28.63	-21.61
Marco Giorgetta	since May 2025	293.32	N/A	N/A
Dr. Philipp André	since 2024	821.10	-26.88	2.42
Former members of the Management Board				
Mark Langer	until April 2025	761.07	-33.65	-19.57
Members of the Supervisory Board				
Dr. Henning Kreke	since 2024	210	42.72	145.22
Ulrike Grabe	since 2024	130	39.41	107.19
Dr. Alexander Dibelius	since 2024	0	0	0
Ulrike Gaal	since 2024	82.5	73.66	58.20
Georgia Garinois-Melenikiotou	since 2024	120	88.68	N/A
Stefanie Hübner	since 2024	90	42.07	111.20
Pamela Knapp	since 2024	150	88.68	N/A
Peter König	since 2024	60	53.14	N/A
Vesna Mandalenakes	since 2024	60	26.45	58.20
Dr. Daniel Pindur	since 2024	0	0	0
Petra Ringer	since 2024	60	26.45	58.20
Can Toygar	since 2024	0	0	0
Financial performance (EUR million)				
Adjusted EBITDA (DOUGLAS Group)		768.44	-82.74	8.72
Profit of the period (Net Income) (DOUGLAS Group)		175.4	-78.31	11.4
NWC-Ø (DOUGLAS Group)		202.2	-13.75	10.83
Net income (+) or loss (-) (Douglas AG pursuant to HGB)		-11.8	76.24	-120.03
Employees (EUR '000)				
Average compensation for employees(1)		93.32	0.00	N/A

<sup>(1)</sup>The last remuneration report presented the remuneration of Douglas Group employees in Germany. Starting with this reporting year, the remuneration of Douglas AG employees in Germany will be presented.

Düsseldorf, 17 December 2025

<b>Alexander van der Laan</b> CEO	<b>Marco Giorgetta</b> CFO	<b>Dr. Philipp André</b> CCO	<b>Dr. Henning Kreke</b>
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Chairman of the Supervisory Board

# Responsibility statement by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report, which is combined with the management report of Douglas AG, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected developments of the Group.

Düsseldorf, 15 December 2025

Douglas AG

The Management Board

Alexander van der Laan

Marco Giorgetta

Dr. Philipp Andree

# Independent Auditor's Reports

The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. KPMG does not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation

To Douglas AG, Düsseldorf

## Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

### Opinions

We have audited the consolidated financial statements of Douglas AG, Düsseldorf, and its subsidiaries ("Group") – which comprise the consolidated statement of financial position as at 30 September 2025, and the consolidated statement of profit or loss, consolidated reconciliation from profit or loss to total comprehensive income, statement of changes in Group equity and consolidated statement of cash flows for the financial year from 1 October 2024 to 30 September 2025, including significant information on the accounting policies. In addition, we have audited the management report of Douglas AG and the Group (hereinafter "combined management report") for the financial year from 1 October 2024 to 30 September 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 30 September 2025, and of its financial performance for the financial year from 1 October 2024 to 30 September 2025, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.



Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

### **Basis for the Opinions**

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [*Institute of Public Auditors in Germany*] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

### **Key Audit Matters in the Audit of the Consolidated Financial Statements**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 October 2024 to 30 September 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

### **Recoverability of goodwill**

Please refer to Section 4 in the notes to the consolidated financial statements ("Accounting policies") for further information on the accounting policies applied. Disclosures on the development of goodwill as well as impairment testing can be found in Note 12 and 16 to the consolidated financial statements.

#### **THE FINANCIAL STATEMENT RISK**

Goodwill amounted to EUR 1,033.2 million as at 30 September 2025. At 22.0% of the total assets, goodwill accounted for a substantial share of Group's assets.

Goodwill is tested for impairment annually, irrespective of any indication of impairment, at country level or at the level of Parfumdreams/Niche Beauty. If impairment triggers arise during the financial year, an event-driven impairment test is also carried out during the year. For impairment testing of goodwill, the carrying amount is compared to the recoverable amount at country level or at the level of Parfumdreams/Niche Beauty. If the carrying amount exceeds the recoverable amount, a need to recognise an impairment loss arises. The recoverable amount is the higher of fair value less costs to sell and its value in use of the goodwill-bearing unit. For the impairment test, the Company primarily determines the value in use and compares this with the respective carrying amount. The impairment test was carried out as at 30 September 2025.

The goodwill impairment test is complex and based on a number of assumptions requiring judgement. These include the expected revenue growth, EBITDA for the next three years, the growth rate and the discount rate used.

The DOUGLAS Group's revenue and earnings performance in financial year 2024/2025 fell short of the forecast. As a result, the goodwill of the France and Parfumdreams/Niche Beauty units was tested for impairment as at 31 March 2025. Based on the impairment tests performed, Douglas AG did not identify any need for impairment. Furthermore, no requirement to recognise an impairment was identified in the course of the annual impairment test as at 30 September 2025. However, the Company's sensitivity analyses determined that a reasonably possible change of the key valuation assumptions (revenue and EBITDA) could result in the recoverable amount of the France unit falling below the carrying amount.

There is the risk for the consolidated financial statements that an existing need to recognise impairment losses is not identified. There is also a risk that the related disclosures in the notes are not appropriate.

## OUR AUDIT APPROACH

With the involvement of our valuation experts, we assessed (among other things) the appropriateness of the significant assumptions and the Company's calculation method for both annual as well as indicator-based (ad hoc) impairment testing. To this end, we discussed the expected business and earnings development as well as the assumed long-term growth rates with those responsible for planning. We also carried out reconciliations with other internally available forecasts e.g. for tax purposes, and the budget prepared by management and approved by the Supervisory Board. Furthermore, we evaluated the consistency of assumptions with external market assessments.

Furthermore, we verified the quality of the Company's previous forecasts by comparing the budgets of previous financial years with actual results and by analysing deviations. We compared the assumptions and data underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta coefficient, with our own assumptions and publicly available data.

To assess the methodically and mathematically correct implementation of the valuation method, we verified the valuation performed by the Company using our own calculations and analysed deviations.

In order to take forecast uncertainty into account, we examined the impact of potential changes in revenue growth, EBITDA, the growth rate and the discount rate on the recoverable amount by calculating alternative scenarios and comparing these with the values stated by the Company.

Finally, we assessed whether the disclosures in the notes regarding the recoverability of goodwill are appropriate and complete. This also included an assessment of the appropriateness of disclosures in the notes in accordance with IAS 36.134(f) on sensitivity in the event of a reasonably possible change in key assumptions used for measurement.

## OUR OBSERVATIONS

The calculation method used for both indicator-based and annual impairment testing of goodwill is appropriate and in line with the accounting policies to be applied.

The Company's assumptions and data underlying the measurement are appropriate.

The related disclosures in the notes are appropriate.

### **The recoverability of the acquired brands**

Please refer to Section 4 in the notes to the consolidated financial statements ("Accounting policies") for further information on the accounting policies applied. Information on testing the acquired brands for impairment is found in Note 16 of the notes to the consolidated financial statements.

## THE FINANCIAL STATEMENT RISK

The acquired "Douglas" and "Nocibé" brands recognised under intangible assets amounted to EUR 707.1 million as at 30 September 2025. At 15.1% of total assets, they accounted for a substantial share of the Group's assets.

Due to continual brand maintenance measures, the Company classified the "Douglas" and "Nocibé" brands as being intangible assets with indefinite useful lives. These brands are tested annually for impairment as corporate assets without specific cause. If there is an impairment trigger during the year, an indicator-based (ad hoc) impairment test is also carried out during the year. The brands are allocated to the level of the national companies (each groups of cash-generating units) for the impairment test. These brands are to be fundamentally tested at this level for impairment. Impairment testing is not required for the brands at the level of the group of cash-generating units when the recoverable amount of the brands is undoubtedly greater than its carrying amount and there is no objective evidence of impairment of the group of cash-generating units. The recoverable amount of the respective brand is the fair value (Level 3), which is calculated using an accepted valuation method (relief-from-royalty method).

Impairment testing of the acquired brands is complex and based on a range of assumptions that require judgement. These assumptions include primarily sales revenue, the royalty rate and the discount rate used.

There is the risk for the consolidated financial statements that an existing need to recognise impairment losses is not identified. There is also a risk that the related disclosures in the notes are not appropriate.

## OUR AUDIT APPROACH

With the involvement of our valuation specialists, we assessed, among other things, the appropriateness of the significant assumptions as well as the Company's valuation model.

For this purpose, we discussed the expected revenue development with those responsible for planning. We also carried out reconciliations with other internally available forecasts e.g. for tax purposes, and the budget prepared by management and approved by the Supervisory Board. The appropriateness of the assumptions on revenue development and the determination of the royalty rate were assessed on the basis of external market analyses.

We also examined the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual earnings and by analysing deviations.

We compared the assumptions and data underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta coefficient, with our own assumptions and publicly available data.

In order to assess the mathematically correct implementation of the valuation method, we verified the valuation performed by the Company for computational accuracy.

Finally, we assessed whether the disclosures in the notes on the recoverability of the acquired brands are appropriate and complete.

## OUR OBSERVATIONS

The calculation method used for impairment testing of the acquired brands is appropriate and in line with the accounting policies to be applied.

The Company's assumptions and data underlying the measurement are appropriate.

The related disclosures in the notes are appropriate.

### **The amount and accuracy of receivables from supplier bonuses and advertising subsidies**

For information on the accounting policies applied, please refer to section 4 entitled "Accounting policies" on financial instruments in the notes to the consolidated financial statements. In addition, we refer to Note 20 on "Other financial assets".

## THE FINANCIAL STATEMENT RISK

The consolidated statement of financial position as at 30 September 2025 reported receivables from supplier bonuses and advertising subsidies totalling EUR 174.2 million. The companies of the DOUGLAS Group conclude agreements with their suppliers on purchasing terms and conditions. Among other agreements, contracts are concluded on subsequent advertising subsidies, supplier bonuses and other payments granted by suppliers to Douglas. Depending on the manner and point in time at which the agreed payment is granted, financial performance and measurement of inventories are – besides the receivables from supplier bonuses and advertising subsidies – also affected by these agreements. Recognition of these agreements in the statement of financial position and profit or loss partially necessitates estimates of the purchase volume for the entire calendar year as at the reporting date of 30 September in order to recognise and measure the receivables from supplier bonuses and advertising subsidiaries as at the reporting date.

There is the risk for the consolidated financial statements that receivables from supplier bonuses and advertising subsidies are recognised without a corresponding agreement. Furthermore, there is the risk for the consolidated financial statements that receivables from supplier bonuses and advertising subsidies are not recognised in the correct amount.

## OUR AUDIT APPROACH

We examined the process for determining receivables from supplier bonuses and advertising subsidies as well as the establishment and design of the identified internal controls, and assessed the effectiveness of the relevant internal controls in terms of the amount and accuracy of receivables from supplier bonuses and advertising subsidiaries.

We verified the underlying agreements for a selection of receivables from supplier bonuses and advertising subsidies, and verified the recognition of supplier payments in the statement of financial position and the profit or loss statement by evaluating the contractual arrangements. To this end, we took a representative sample. We checked the underlying assumptions and data for recognition of the receivables from the supplier bonuses. Furthermore, we compared the prior year's estimates with the recognised amounts in order to assess the reliability of past estimates.

## OUR OBSERVATIONS

The Group has established an appropriate method for determining receivables from supplier bonuses and advertising subsidies. The Company's assumptions, estimates and data are appropriate.

### Other Information

- The Management Board and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:
- the combined non-financial statement ("Sustainability Statement") for the Company and the Group, which is contained in the "Sustainability Statement" section of the combined management report,
- the combined corporate governance statement of the Company and the Group, which is contained in the "Corporate governance statement" section of the combined management report, and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

### Responsibilities of the Management Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Management Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Management Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.
- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities,

financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Management Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## OTHER LEGAL AND REGULATORY REQUIREMENTS

### Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

#### Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "douglasag-2025-09-30-0-de.zip" (SHA256-Hashwert: 4f529f261177d0b9d4769140cf941c6313ca248903229366f4336e3fb526257d) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the

accompanying combined management report for the financial year from 1 October 2024 to 30 September 2025 contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

**Basis for the Opinion**

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is described in the "Responsibilities of the Auditor of the Consolidated Financial Statements for the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

**Responsibilities of the Management Board and the Supervisory Board for the ESEF documents**

The Company's Management Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Management Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

**Responsibilities of the Auditor of the Consolidated Financial Statements for the ESEF documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

## Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on 19 February 2025. We were engaged by the Chairperson of the Supervisory Board on 3 September 2025. We have been the auditor of the consolidated financial statements of Douglas AG without interruption since financial year 2021/2022. Since the initial public offering in financial year 2023/2024, the entity meets the definition of public interest entity within the meaning of Section 316a sentence 2 HGB.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German company register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

## German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Timo Pütz.

Cologne, 15 December 2025

KPMG AG  
Wirtschaftsprüfungsgesellschaft  
[Original German version signed by:]

Pütz  
Wirtschaftsprüfer  
[German Public Auditor]

Coir  
Wirtschaftsprüfer  
[German Public Auditor]



# Note on the report language

This annual report is published in German and English. In the event of any discrepancies between the published language versions, the German version shall take precedence over the English version.

For technical reasons, there may be discrepancies between the financial statements contained in this document and the financial statements published in accordance with statutory requirements.

This document does not constitute investment advice or an offer, recommendation or solicitation to buy, sell or subscribe for securities and should not be construed as such. The document is not intended to serve as a basis for a valuation of securities or other financial instruments.

# Financial calendar

11 FEBRUARY 2026

Interim statement for the first quarter of 2025/2026, 1 October 2025 - 31 December 2025

26 FEBRUARY 2026

Annual General Meeting for the 2024/2025 financial year

12 MAY 2026

Half-year financial report 2025/2026, 1 October 2025 - 30 March 2026

12 AUGUST 2026

Interim statement for the third quarter 2025/2026, 1 April 2026 - 30 June 2026

10 DECEMBER 2026

Annual report for the financial year 2025/2026, 1 October 2025 - 30 September 2026

# Contacts

## INFORMATION AND CONTACT

Further information can be found on our corporate website: <https://douglas.group/en/>

Investors and financial analysts can contact our Investor Relations team with any queries they might have.

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