



AS Watson
Benelux

We make being *healthy,*
beautiful and *feeling good*
accessible to everyone

Impact Report 2025

AS WATSON HEALTH & BEAUTY BENELUX



We made a lot of impact in 2025, but we did not do that alone. At AS Watson, we tackle sustainability in the way we do best: by working together – with suppliers, social partners and in our own teams.

Because real change starts with people and requires us all to take responsibility. We are sticking to our long-term strategy.

**“Together
works”**

Our journey to the present day



Our journey to the present day

2018



Kruidvat stopt helemaal met verkoop van sigaretten

Kruidvat stopt met de verkoop van sigaretten. Dit is de laatste stap in de afbouw van de verkoop van tabak. In 2017 stopte Kruidvat al met de verkoop van sigaretten in België en Nederland.

Announcement of the end to the sale of tobacco

2020



Shops switch to 'all-electric'

2021



With the launch of the Kruidvat Pure & Soft diaper, Kruidvat shows that sustainable doesn't have to be expensive

2022



Kruidvat stops selling disposable plastic bags and introduces a more sustainable shopping bag

2022



Opening of the logistics centre in Oosterhout

2022



Kruidvat launches a campaign focused on sustainability with the slogan 'Benefit from buying sustainable'

2022

Kruidvat establishes the inclusion Council, an advisory board of independent experts, with the aim of making its product range and communications more inclusive

2023



Start of partnership with the Poverty Fund and the Belgian Federation of Food Banks

2024



Plastic bags for sweets replaced by paper ones in all Kruidvat stores in Belgium and the Netherlands

2024



Introduction of new 'robot' workers at the e-commerce distribution centre

2025



Kruidvat introduces electronic shelf labels

2024



AS Watson introduces its first electric truck for deliveries to Kruidvat shops

2025



Kruidvat celebrates its 50th anniversary, and Trekpleister its 45th



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We make being *healthy,*
beautiful and *feeling good*
accessible to everyone



About us

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In the spotlight

Kruidvat Crema mild espresso beans

Our coffee beans carry the Rainforest Alliance quality label and are packaged in single-material packaging, which helps to improve recyclability and promotes more responsible coffee sourcing.



Preface

Ed van de Weerd reviews developments in 2025 for AS Watson Health & Beauty Benelux (ASW).

How do you look back on 2025?

For us, 2025 was a special year, marking the 50th anniversary of Kruidvat and the 45th anniversary of Trekpleister. It is impressive to see how both chains have developed over the years and continue to grow year on year. What began in 1975 with a single Kruidvat shop in Hilversum has, over the course of five decades, become a familiar high street presence.

Over the past 50 years, Kruidvat has kept pace with trends by making products affordable for everyone. This began way back in 1976 with the launch of Kruidvat Natuurkosmetica (natural cosmetics): high-quality, affordable skincare products in brown glass jars. In the 1990s, vitamin E skincare was all the rage; today, Korean beauty products are popular with consumers. We have always continued making these trends accessible to ordinary people, helping them feel good, healthy and beautiful. Naturally, we celebrated these anniversaries in style with our customers as well as our staff.

What made the year challenging were developments in geopolitics, legislation and sustainability. Despite the uncertainty these cause, we will stay on course. As a responsible steward, we remain committed to sustainability. We will do so through various initiatives, focusing on our own organisation and that of our products (scopes 1, 2 and 3), and by communicating transparently on this issue.

The overarching theme of the 2025 impact report is 'Together works'. Could you illustrate this with an example?

In 2024, we began exploring the issue of care poverty in greater depth: what exactly does it mean, and what role can we play in addressing it? We have carried out two studies to gain a better understanding and to determine how we can raise our impact. In 2025, we remained strongly committed to this cause; in addition to donating Kruidvat gift cards, our 'Samen-in-actie' weeks also illustrated this. During these promotional weeks, customers not only received a free product, but an additional product was donated to the Poverty Fund in the Netherlands or the Food Banks in Belgium.



In conversation with Ed van de Weerd, CEO of AS Watson Health & Beauty Benelux

"Using GSES' system, we provide insights into the sustainability of our products: Nature Impact Score. This helps customers see at a glance how sustainable a product is, making it easier for them to make more sustainable choices."



Another great example is our partnership with Unilever, through which we have put together 5,000 personal care packs. We have also launched the Poverty Alliance, because we believe that a problem that extends beyond a single company also requires a solution that extends beyond a single company. Within the alliance, we work together with other organisations, retailers and suppliers to gain a better understanding of the impact of poverty and to find solutions together. We realise that we cannot solve the problem of poverty, but by working together with other organisations, we can achieve far more.'

The market was in flux due to increasing competition and rising raw material prices. To what extent has this affected you, and how are you dealing with it?

'Of course, we are keeping a close eye on developments in the market. Competition is part and parcel of the business and requires the ability to adapt – something that has set us apart for many years. Our strong brands give us strategic flexibility.

In a market where affordability is becoming increasingly important, we have made a conscious decision to keep price increases to a minimum and offer attractive deals. This translates into a growing market share and a long-term competitive position.

Despite rising costs, we are committed to ensuring that our products remain affordable for everyone, including those on a tight budget. We are prepared to accept a lower margin if necessary. Competition with German shops in the border region also remains a concern, but in practice our branches there are performing well.'

How do you ensure that customers continue to choose Kruidvat and Trekpleister?

'Our mission is to keep proving that opting for Kruidvat and Trekpleister is the right choice. We achieve this by offering an attractive product range, an enjoyable shopping experience and having friendly staff. We are also constantly working to improve the shopping experience, navigation and accessibility at the checkouts, for example by optimising the layout and improving scanning facilities.'

Political interest in sustainability is waning. Customers still consider it important, but they prefer to leave it to companies to tackle. How do you deal with this?

'When sustainability is high on the political agenda, it's easier to explain your choices. It just is. But however it may be, we won't be discouraged and will continue our sustainability initiatives, for example by using less plastic packaging and offering refill packs.

Although it can be tricky to highlight these initiatives, we know that we can only make a difference if customers actually buy the more sustainable products. That is why we are working to make more sustainable choices more commercially attractive, for example through more competitive pricing and more favourable shelf placement.'

How do you systematically integrate sustainability into your business to ensure you stay on course, both now and in the future?

'If we can encourage customers to prefer more sustainable products, we will have a sustainable and, therefore, future-proof business model. So it remains important to promote and sell our more sustainable products.'

What are your expectations for 2026?

'In 2025, we made progress in the fight against care poverty. Our aim is to keep building on this and make more impact still. In 2026, we will be launching new initiatives and partnerships. We have also made significant progress in assessing the environmental impact of our products using the GSES system. Based on this, we have since introduced the Nature Impact Score, which allows us to provide our customers with straightforward information on the sustainability of our products.

In 2026, we aim to display the Nature Impact Score of the majority of our own-brand products, so as to provide transparency and offer customers a useful tool to make more sustainable choices.

We will continue on the course we are set on, focusing on sustainability, customer satisfaction and social impact. We will also investigate further to gain a better understanding of our supply chain, so that we can exert influence there as well.'



"In 2026, we aim to display the Nature Impact Score of the majority of our own-brand products."



2025 at a glance

For everyone

5.3 mln
average number of
customers per week
5.1 mln (2024)

50 years
of Kruidvat
95 years
of Trekpleister

36%
women in management team
36% (2024)

1,499
shops
1,981 (2024)

90%
inclusion score
81% (2024)

33,601
employees
32,401 (2024)

We make being *healthy, beautiful* and *feeling good* accessible to everyone

Societal impact

Together with our partners, we help thousands of families affected by care poverty every year, and we launched the Poverty Alliance with them.

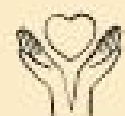
48,587
Health & Beauty
vouchers of €25
99,588 (2024)

>750,000
donated products

4,220
number of
chemist qualifications
9,186 (2024)

A more sustainable supply chain

904
products with a
Nature Impact Score

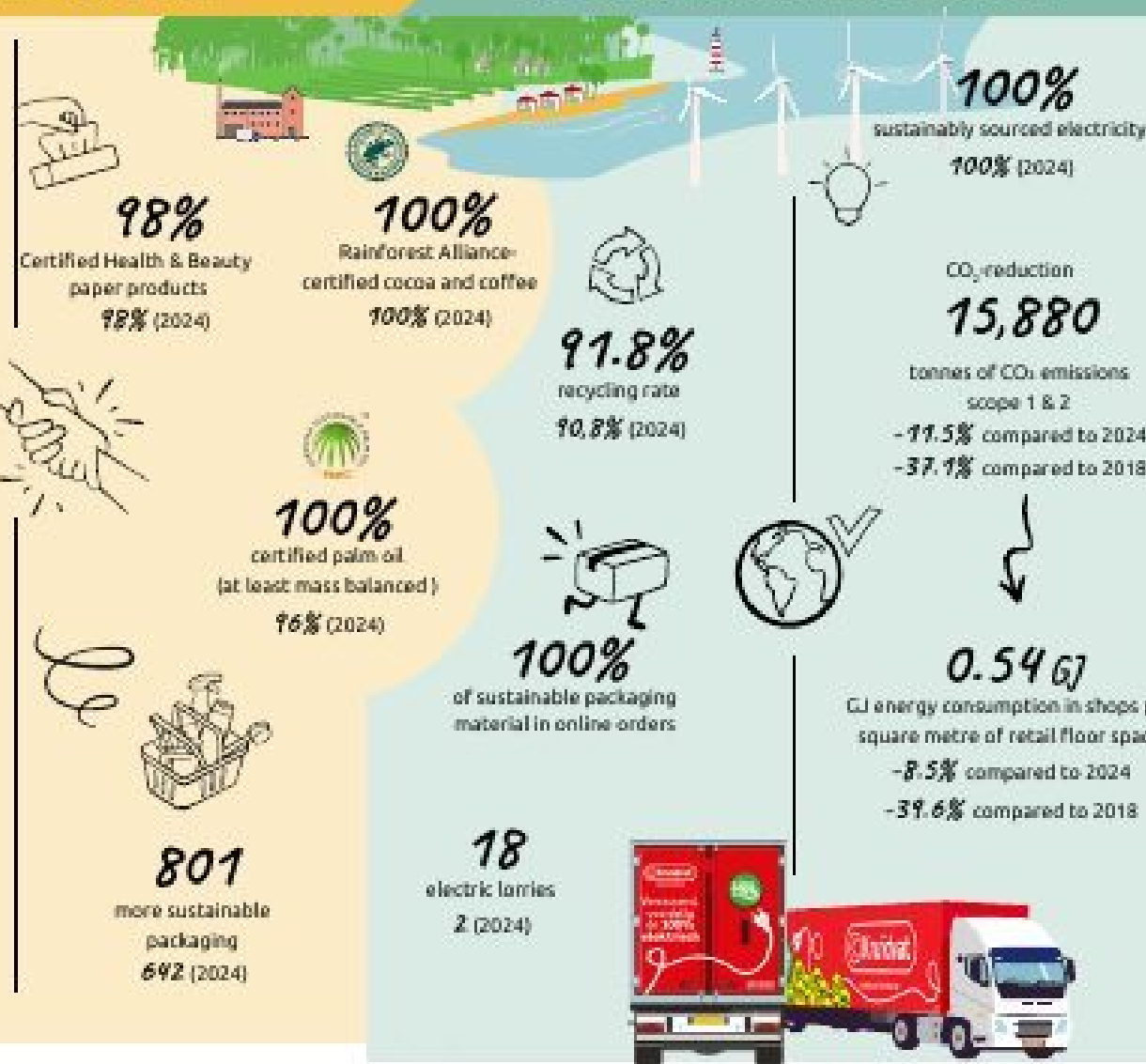


99%
Health & Beauty suppliers
with a BSCI audit score
of C or higher
97% (2024)

63%
of customers state that more
sustainable products are
available at Kruidvat



992
small-scale palm oil
farmers supported
through the FAIR
programme
in Indonesia





Who we are

We are AS Watson Health & Beauty Benelux, known for its brands Kruidvat, Trekpleister and Prijsmepper. We are part of AS Watson Group, the world's largest international Health & Beauty retailer. This report concerns AS Watson Health & Beauty Continental Europe B.V., of which AS Watson Health & Beauty Benelux is part.

Our chemist's shops can be found in the Netherlands and Belgium, both in the high street and online. In the Netherlands, we are market leader in Health & Beauty. The perfume shops of our associate ICI Paris XL are not included in this report.

Our range comprises regular and changing own-brand product lines along with name brands. In our shops, we offer consumers a broad and affordable range. We help our customers take care of themselves and those around them with advice, inspiration and the best choice in affordable beauty, health and personal care products.

Our range is comprised of six product groups. The four product groups **Health, Baby, Beauty and Personal Care** represent personal attention for the family and for one's own body. They include self-care medication, diapers, oral care, bath and shower products, deodorants, make-up, and so on.

With the other product groups **Home, Fashion & Leisure** and **Household & Food** we help our customers make their lives more enjoyable. In this way we try to create a pleasant 'homeliness' with the right living room accessories, that are always competitively priced.



Kruidvat: always surprising, always affordable

- Self-service low-cost health and beauty retailer with 1,300 high street and online shops in the Netherlands and Belgium
- Many high-quality own-brand products, along with a wide range of name brands
- Approx. 5 million customers per week
- Always good quality at an affordable price
- Feeling good, healthy and beautiful is attainable for everyone with the best deals – always surprising and often thought-provoking



trekpleister

Trekpleister: how can we make you happy?

- The affordable neighbourhood chemist with 185 high street and online shops in the Netherlands
- Offers a well-matched range of cost-effective health & beauty solutions, with dedication and attention for our customers
- Many high-quality own-brand products
- Lots of promotions, surprising offers, fixed low prices
- Approx. 350,000 customers per week



Prijsmepper: always the most affordable option

- 14 pop-up shops with leftover stocks from Kruidvat and Trekpleister
- Sharp discounts
- Reducing residual streams to avoid waste
- Using vacant properties as efficiently as possible
- Approx. 30,000 customers per week

Sustainable strategy

Our purpose: 'we make feeling good, healthy and beautiful attainable for everyone' is our lodestar in everything we undertake. That is why sustainability is at the very heart of our entire organisation, in every team, in every discipline and in every shop.

We want to minimise our negative impact on people, the environment and society, because we realise that you cannot feel healthy in an unhealthy world, feel beautiful in a polluted environment, or feel good if we are not good to one another.

Strategy house

We are committed to making sustainability simple and accessible to all.

In this report we explain how we implement our three sustainable pillars 'For Everyone', 'Accessible Sustainability', and 'Minimising Environmental Impact'.

Operating principles

1. a more sustainable future
2. in which everyone counts

Sustainable pillars

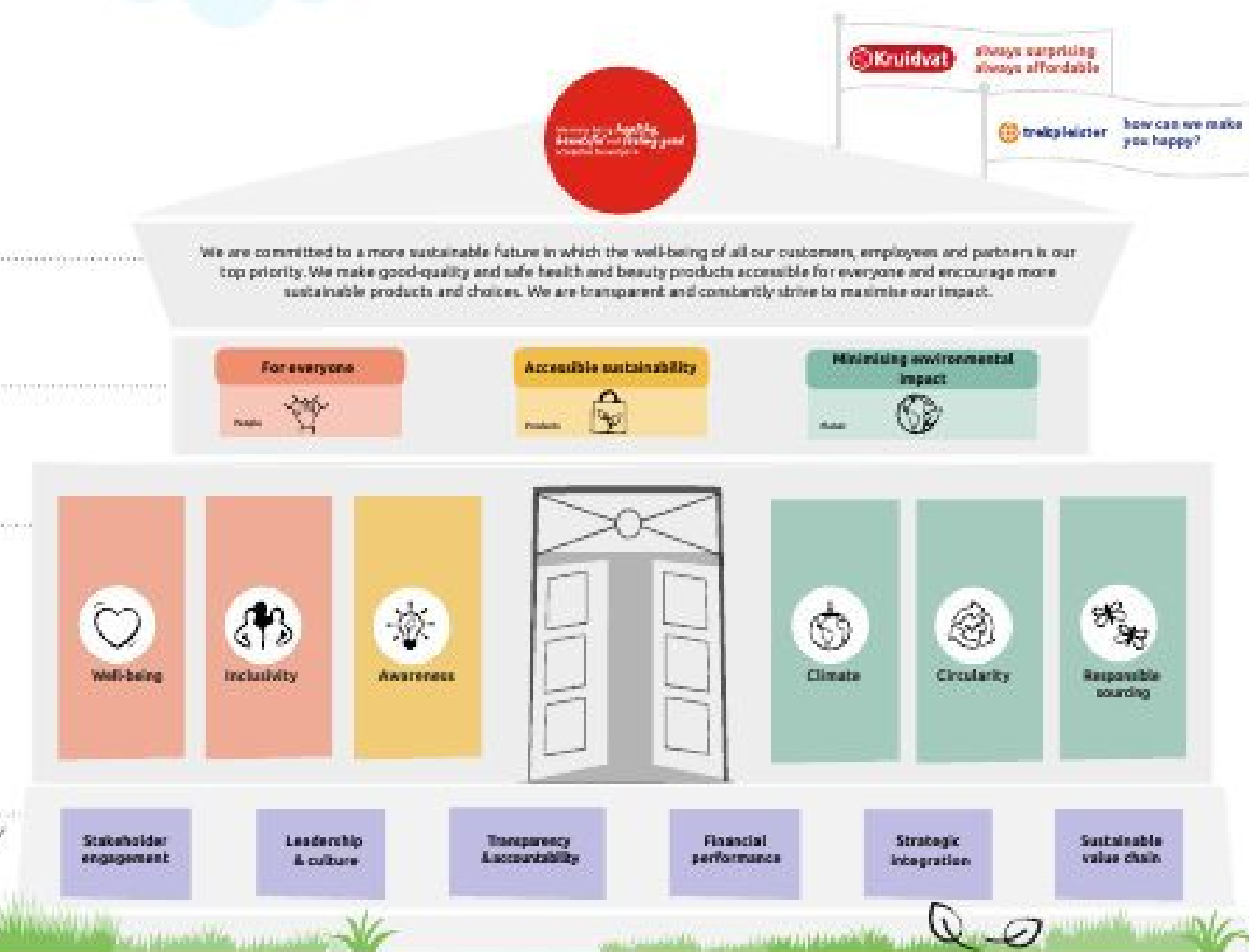
Our sustainable pillars are the foundation of our strategy.

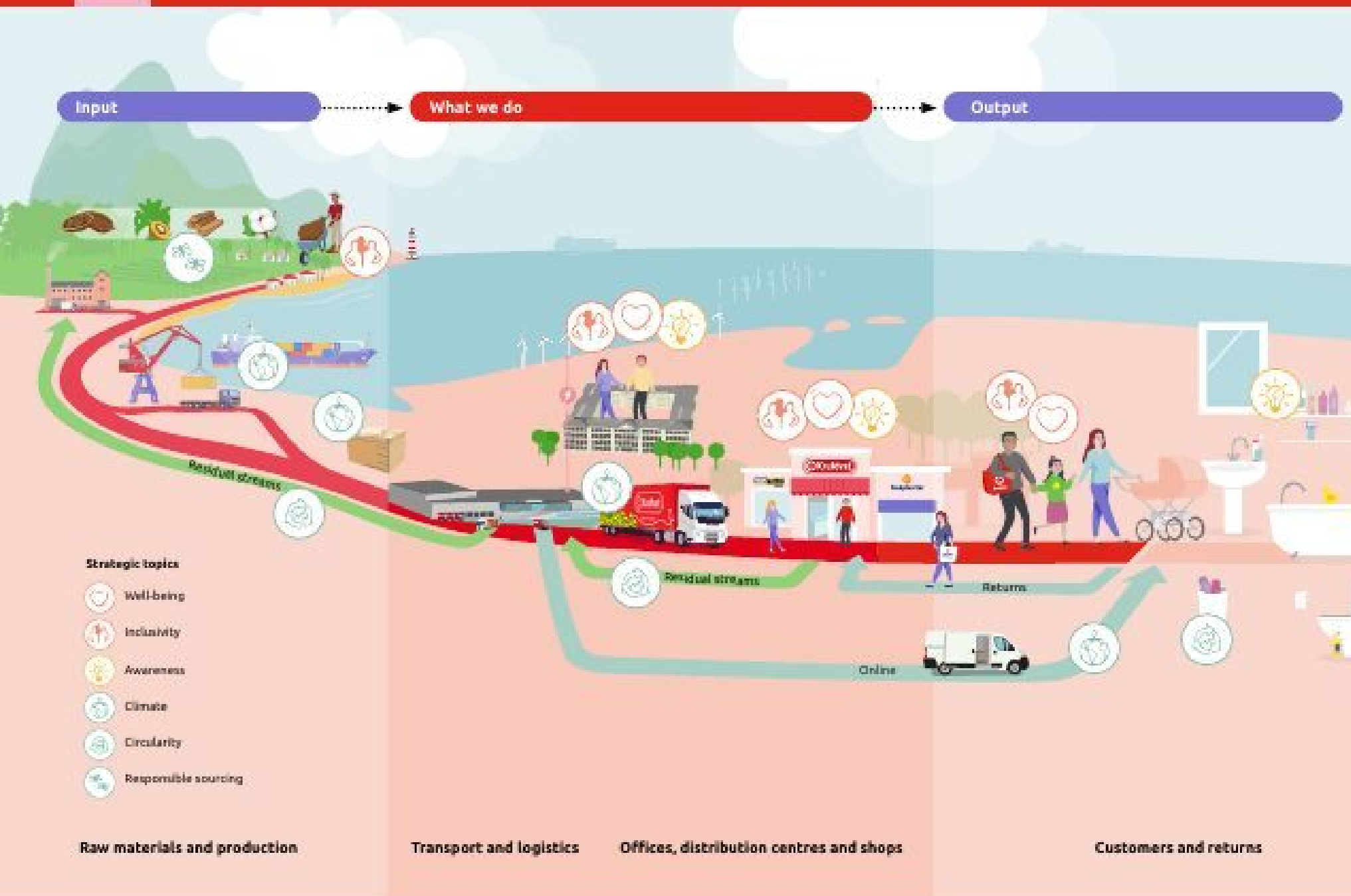
Strategic topics

Our strategic topics are the focus of our implementation.

Key factors

Our key factors are the drivers of our success.





Value chain

Being able to make and sell more sustainable products starts with responsible raw materials. The value chain on the left shows the steps taken from raw material to finished product, to its use by the consumer and, where possible, back to the beginning of the chain as raw material. It also shows in which segments of the value chain we have an impact with our business activities.

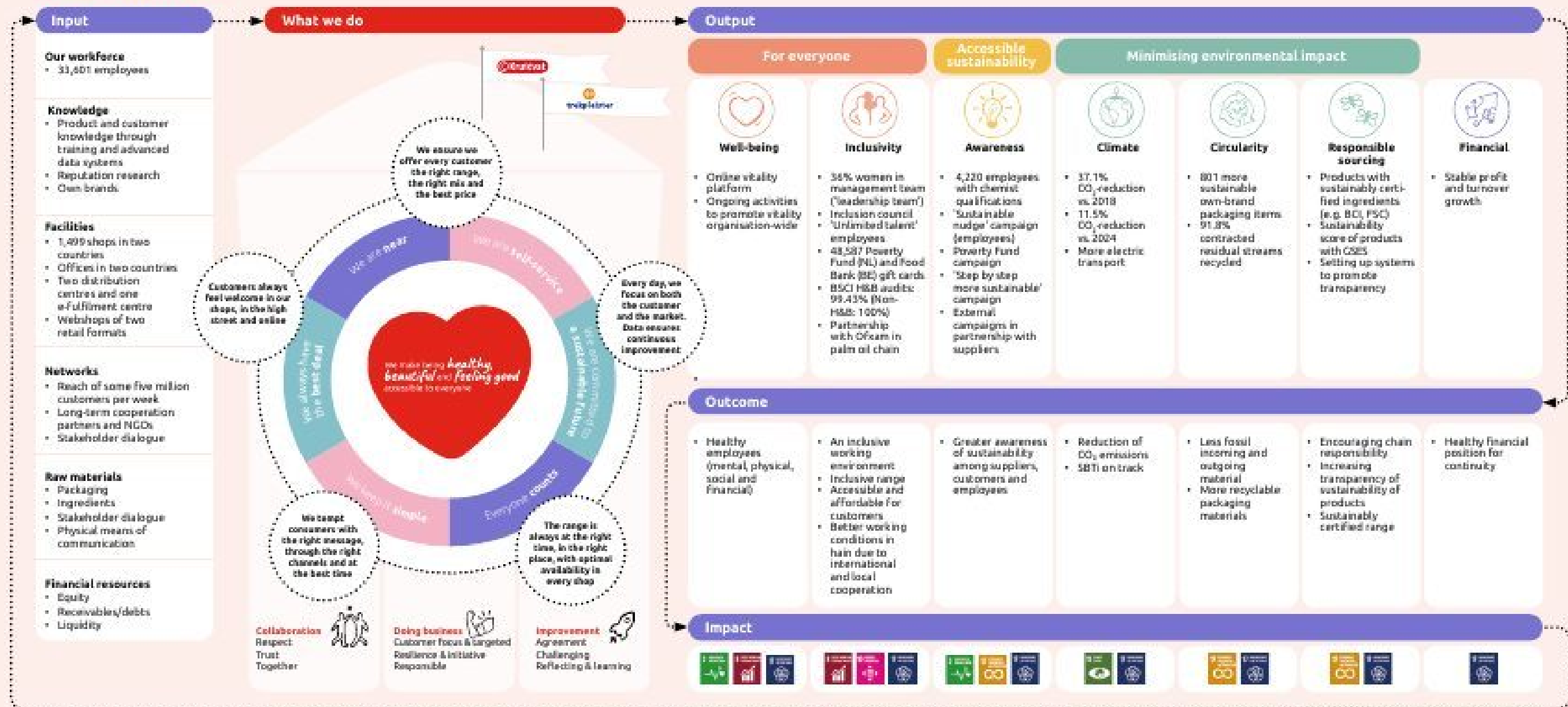
Value creation model

Every week, millions of customers rely on our wide range of products. We are always close by with a retail network of nearly 1,500 shops, both in the high street and online. As a leading Health & Beauty retailer in the Benelux, we not only contribute to our customers making more conscious choices, we also contribute to local economic growth and employment. We are the direct employer of over 33,000 employees. With our products, we have impact, both negative and positive. We are deeply aware of this and we are committed to reducing our negative impact and raising our positive impact. In the value creation model below we clarify which capitals we use, how we create value for our stakeholders in doing so and what this yields for society in the longer term.

The ESG chapter contains a comprehensive overview of material impact, risks and opportunities (page 69).



Value creation model





Notes to the strategic topics and SDGs

On all our strategic topics we work with suppliers, institutes, institutions and industry associations to give substance to achieving the international sustainability goals (SDG 17).



Well-being

[See page 20 >](#)

We offer programmes focused on health and vitality at our offices, distribution centres and shops. (SDG 3.4)

We ensure good working conditions and provide everyone with a safe working environment. (SDG 8.8)



Inclusivity

[See page 25 >](#)

We provide equal opportunities, reduce inequality and support various initiatives to promote this. We do this, for example, through our cooperation with the Poverty Fund in the Netherlands and the Federation of Food Banks in Belgium. (SDG 10.3)

We strive for equality, diversity and inclusion through which our colleagues reflect society, and do not exclude anyone. (SDG 10.2)

We offer everyone equal opportunities and equal pay for equal work, without discriminating between individuals. (SDG 8.5)

We ensure good working conditions in the supply chain by means of social audits under the Business Social Compliance Initiative (BSCI) and by imposing requirements on our suppliers to prevent human rights violations. (SDG 8.8)



Awareness

[See page 37 >](#)

We offer more sustainable products (SDG 3.4) that are accessible and affordable for everyone. (SDG 3.8)

Our products' labels provide relevant information on their origin and various sustainability certifications for both environmental and social issues. (SDG 12.8)



Climate change

[See page 46 >](#)

With our initiatives and associated communications, we work to raise awareness so as to make adjustments to reduce negative impacts on the climate in order to mitigate climate change. (SDG 13.3)



Circularity

[See page 46 >](#)

With our own-brand products, we aim for less packaging and for packaging made of better and recyclable materials. (SDG 12.5)



Responsible sourcing

[See page 51 >](#)

For our own-brand products, we strive for more sustainably managed raw materials, and we encourage name brands to do the same. (SDG 12.2)

Stakeholder dialogue

A more sustainable future is created together with committed stakeholders: our customers, employees, suppliers and other parties such as NGOs (non-governmental organisations).

We communicate transparently with them about our activities and impact, both positive and negative. In turn, we listen to our stakeholders, so as to learn what we expect of one another. We respect their ideas and respond to their wishes and changing buying behaviour. Consumers are becoming more aware of climate change and the importance of a clean environment. With our growing range of more sustainable products, we can work together to make even more positive impact.

We do this by publicly supporting sustainability initiatives and communicating our own actions in this area. Through various channels, both online and offline, we involve our stakeholders in the steps we take.

We also involve our stakeholders in determining which activities matter to us most when it comes to a more sustainable world. In 2024, we conducted a comprehensive dual materiality analysis (DMA), for which multiple stakeholders were interviewed. In this way, we determined with which activities we have material impact on people and the environment (the 'inside-out' approach) and which activities have financial impact on our strategy and business model (the 'outside-in' approach). In the Environmental, Social and Governance (ESG) section on page 68 and following, we discuss the implementation and outcomes of the DMA. The schematic overview of our stakeholder dialogue on the next page shows which topics were discussed with whom.





Stakeholder dialogue

Stakeholders	Stakeholder expectations	How we engage our stakeholders	Frequency	Main material topics	Our approach
 Employees (employees, management, Works Council)	Safe, attractive and inspiring workplace, vitality support, development opportunities, good working conditions and terms of employment, with equal opportunities for all.	Daily contact via supervisor, bilateral discussions, departmental meetings, internal meetings, inspiration sessions, social intranet, recruitment events, social media, business updates and board meetings, also discussing SDGs 3, 8 and 10 . Regular meetings with Works Council, trade unions and employees having the opportunity to consult a confidential advisor.	Daily	Well-being Inclusivity	A comprehensive approach to vitality and well-being through accessible vitality activities (coaches, e-learning, podcasts) and healthy nutrition. Strengthening the DE&I policy through leadership training. 'Unlimited Talent' coaching and workplace mentor training. In-house initiatives on sustainability and care poverty (including the 'sustainable nudge' scheme and the volunteering programme).
 Customers	Best deal, offers, optimal range, being surprised, convenience, support for more sustainable choices.	Daily contact through shop employees, websites, customer service and newsletters, using SDGs 3, 8 and 12 as some of the guiding principles.	Daily	Inclusivity Awareness Climate change Circularity Responsible sourcing	Accessible, affordable sustainability measures through the 'step by step more sustainable' campaign; raising awareness and breaking down taboos through large-scale campaigns on care poverty. Focus on health topics with practical tools (such as the Skincare Guide). Customer research to develop a more inclusive product range and communication strategy.
 Suppliers	Commitment, cooperation, fair prices, realistic payment terms.	Periodic supplier talks, annual supplier meeting, trade fairs, partnerships for sustainable solutions and innovations, also discussing SDGs 3, 8, 10, 12, 13 and 17 .	Daily, 1x per quarter collectively	Inclusivity Awareness Climate change Circularity Responsible sourcing	Working with suppliers on product packaging and sustainable raw materials, and joint efforts to make logistics more sustainable. Focus on supply chain data and standards through GS1. Engagement with CSRD/DMA. Social audits and self-assessments of environmental policies at own-brand suppliers' production facilities.
 Shareholder	Continuity, profitability, transparency, corporate responsibility.	Periodic submission of information, periodic financial and sustainability meetings and ASW Group meetings, also discussing SDGs 3, 8, 10, 12, 13 and 17 .	Weekly	Well-being Inclusivity Awareness Climate change Circularity Responsible sourcing	Use of a structural reporting tool for group-wide non-financial data, engagement with CSRD/DMA, and transparency regarding sustainability policies and results through sharing of best practices. SBTi targets for scope 1, 2 and 3 and the New Plastic Economy commitment.
 Government authorities	Transparency, compliance with laws and regulations, more sustainable packaging, climate conscious.	Periodically through monitoring visits, meetings and through industry associations, also discussing SDGs 8, 12, 13 and 17 .	Monthly	Well-being Inclusivity Awareness Climate change Circularity Responsible sourcing	Coordination on preconditions for sustainability (e.g. grid congestion, permits for charging stations and battery storage). Contributions to public-private partnerships (including RVO/SPVO). Reporting in accordance with GRI. Compliance and preparation for current and future regulations.
 Society (NGOs, industry association, trade unions, journalists, nature, employees in the chain)	Corporate responsibility, engagement, inclusivity, chain transparency, safe environment.	Periodically through meetings, partnerships with NGOs and civil society partners for sustainable solutions, workshops, bilateral discussions and the media, also addressing SDGs 3, 8, 10, 12, 13 and 17 .	Monthly	Well-being Inclusivity Awareness Climate change Circularity Responsible sourcing	Collaboration with NGOs and industry partners (e.g. Oxfam Novib) on supply chain responsibility and the living wage. Tackling care poverty with the Poverty Fund and Food Banks in Belgium. Commitment to responsible sourcing of raw materials (including palm oil, paper, cocoa, coffee and cotton). Accelerating circularity and CO ₂ reduction through reduced plastic use, more efficient packaging, LED lighting and use of renewable energy.

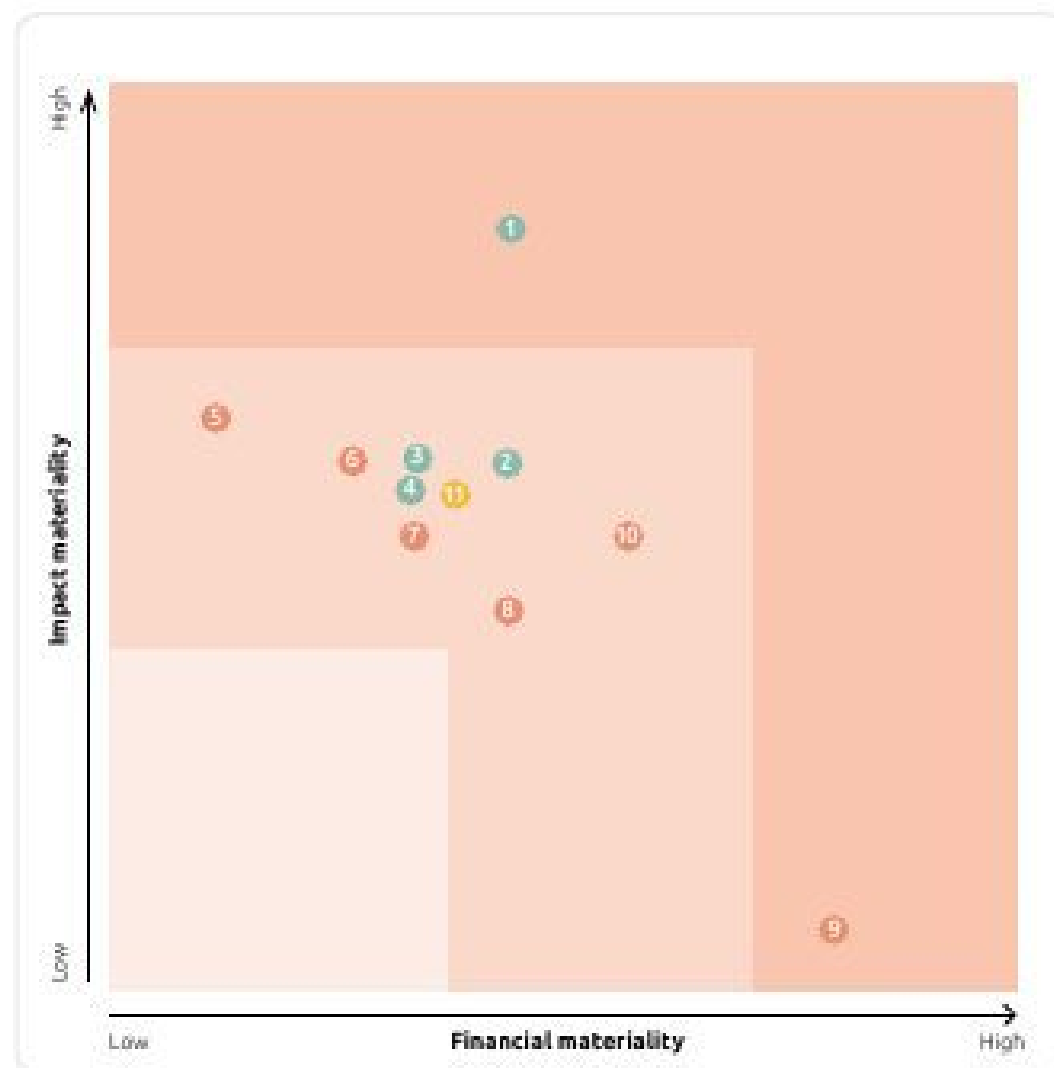
Material topics

Based on our DMA, the table below lists on the y-axis the material issues through which we have an impact on people and the environment, known as material impact.

The x-axis shows the financial impact of the activities on AS Watson. We also indicate which strategic topics correspond to them, as well as adhering to the numbering used in ESRS.

Ambition for 2026 and beyond

In 2026, we will continue to focus on mapping the impact of our products. We review our material topics every year and report on our findings.



ENVIRONMENTAL		STRATEGIC TOPIC	ESRS
1	Climate change	Climate change	E1
2	Circular business operations	Circularity	E5, E2
3	Responsible sourcing	Responsible sourcing	E4
4	Circularity of products and packaging	Circularity	E5, E2
SOCIAL			
5	High-quality and safe products	Well-being	S4
6	Well-being of our employees	Well-being	S1
7	Equality in the chain	Inclusivity	S2
8	DE&I for our colleagues	Inclusivity	S1
9	Inclusivity for customers & society	Inclusivity	S4
10	Informing and activating customers and colleagues	Awareness	S4
GOVERNANCE			
11	Transparency and accountability	Awareness	G1

Strategic topics

For everyone

Well-being
Inclusivity

Accessible sustainability

Awareness

Minimising environmental impact

Climate change and circularity
Responsible sourcing

In the spotlight

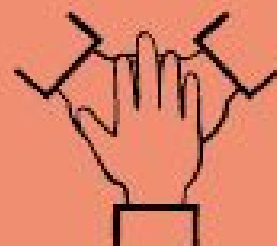
Kruidvat Keratin Repair Shampoo

This shampoo and conditioner is made with RSPO-certified palm oil and comes in a bottle made from 97% recycled material (excluding cap and label).



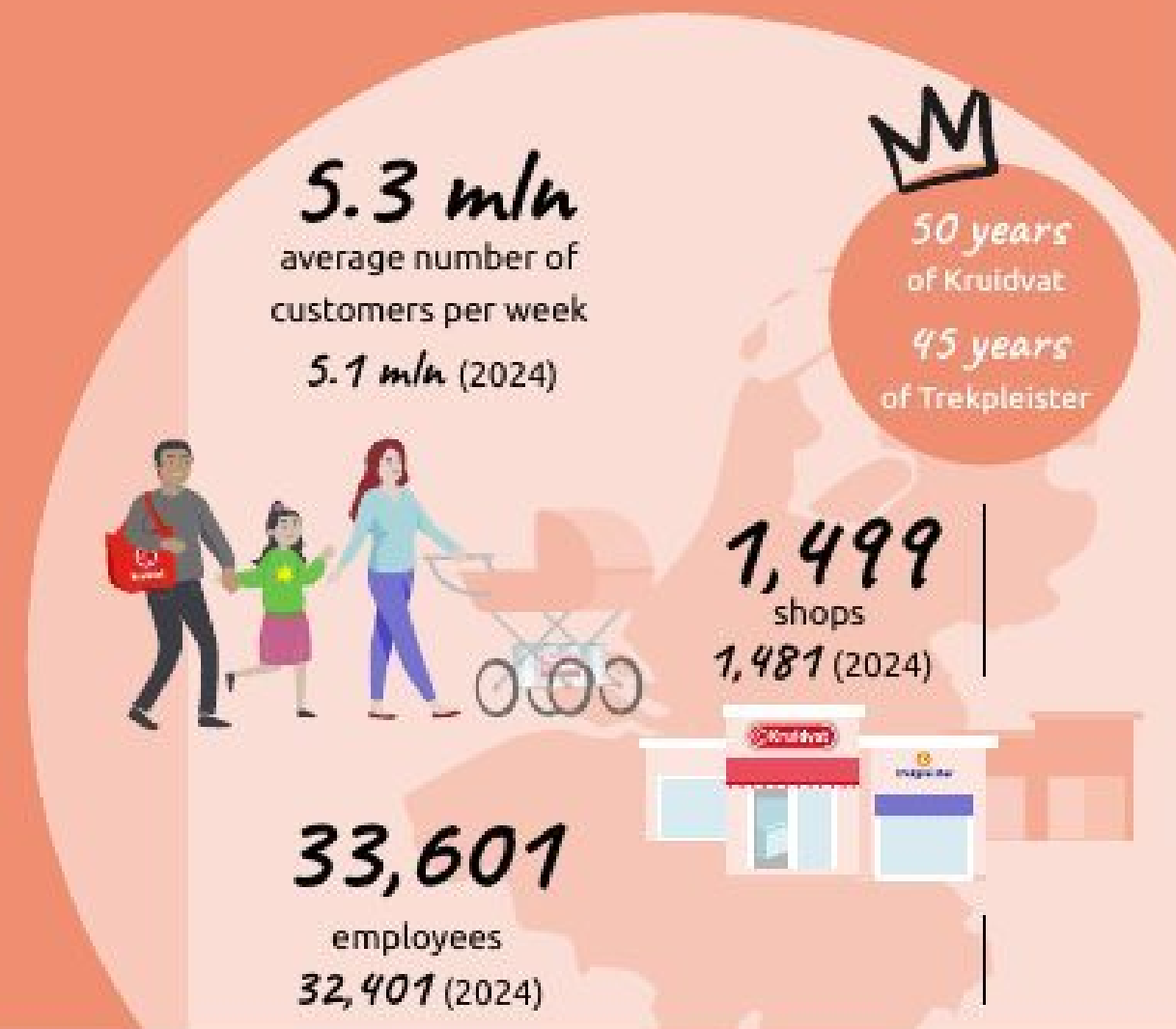


For everyone



Well-being

Inclusivity



Well-being



We offer programmes focused on health and vitality at our offices, distribution centres and shops. (SDG 3.4)

We ensure good working conditions and provide everyone with a safe working environment. (SDG 8.8)

We want to be a health and beauty shop for everyone that makes a positive impact, together with our colleagues, customers and supply chain partners. Our ambition is to be a diverse, equal and inclusive organisation, where everyone feels welcome and can be themselves. We fulfil our role in society by making health and beauty accessible to everyone. And we are actively committed to ensuring equality throughout our supply chain. This is how we make feeling good, healthy and beautiful attainable for everyone.

Working together to promote equality in the supply chain

True sustainability requires equality in every link of the supply chain. That is why we work with suppliers to improve working conditions, assisted by BSCI. AS Watson is also committed to specific raw materials, including the use of RSPO-certified palm oil in our own-brand products. And we are looking further ahead: how can we, together with partners such as Oxfam Novib, contribute to structural improvements in the supply chain?





Well-being

"I am so proud that women have transitioned from homemakers to active participants in the economy and community as a result of the project and the multistakeholder dialogue."

Tatat Sukarsa
Former Economic Justice
Programme Manager with
Oxfam Novib

Interview with Tatat Sukarsa

FAIR Partnership-project

In this interview, we look back with Tatat Sukarsa, former Economic Justice Programme Manager at Oxfam in Indonesia (2021-2025), on the Fair Partnership project in which Oxfam Novib and AS Watson Benelux collaborated in Indonesia over the past four years on a model for sustainable palm oil that promotes green sustainable growth, diversified livelihoods and women's economic empowerment. In delivering the project, Oxfam worked with local NGO partners: Palm Oil Smallholder Union (SPKS) and Komunitas TERAS.



What was the purpose of the project?

'The project focused on creating a holistic landscape in which communities and small farmers were supported. Palm oil plays an important role in food and personal care products, but its production also faces many issues such as landscape changes and environmental damage. The project therefore aimed to contribute to sustainable growth, diversified livelihoods, family income for smallholder palm oil farmers and economic empowerment of women.'

Can you describe the situation in the area at the start of the project?

'At the start, there was much uncertainty and conflict over land ownership. Communities and companies often claimed the same land, leading to tensions. Additionally,

farmers had little knowledge about how to manage their land sustainably, especially given challenges like drought and monsoon rains. Dependence on palm oil was high, while the environment suffered.'

What was the main achievement of the Fair Partnership project?

'The main accomplishment of the FAIR Partnership project in North Konawe, Indonesia, was better and fairer palm oil governance for smallholder palm oil farmers. This was realised through improved land governance, increased transparency, and greater accountability from all parties involved. Initially, a local action plan for sustainable palm oil was developed via a multistakeholder platform where communities, civil society, companies, and government participated



Well-being

equally. This plan is now embedded in regional regulations. The project also promoted gender integration by giving women a clear voice and recognising their role in food security and environmental care. Despite budget constraints, we succeeded in helping no less than 992 small farmers.'

Can you elaborate on the 'empowerment of women'?

'Women play a significant role in the community and agriculture, but often were in supportive roles without formal decision-making power. The project worked directly with women's groups and always started with gender discussions to raise awareness. Although women sometimes still had to seek permission within their families, clear steps were taken to strengthen their economic position and enable greater participation in cooperatives.'

You mentioned that this result was made possible by four key outcomes.

'To begin with, we established a database of smallholder palm oil farmers. This database supports more inclusive, responsible, and sustainable palm oil governance in line with the FAIR principles. Thanks to this data, there is now better insight into land ownership, usage, and the role of small farmers, including a strong focus on gender equality.'

Secondly, Sustainable Land Use Planning (SLUP) was integrated into village development plans, with a strong

emphasis on gender perspectives. This planning provides a community-supported roadmap that seeks a balance between livelihoods, nature conservation, and food security. In addition, it increases local knowledge and support for sustainable land use.

An important outcome is the success of the implementation of the Land Object of Agrarian Reform (TORA) programme. For instance, in the village of Landawe Utama alone, 50 land plots totalling 28.2 hectares were proposed and certified in 2024, benefiting both male and female smallholder farmers.

Finally, knowledge sharing was achieved through an officially published SLUP manual with ISBN registration and a film documenting the implementation process in two villages. These resources enhance awareness and replication of the project.'

What were the challenges you faced?

'No project is without challenges and so we did face some. Due to different agendas of the parties involved and elections it took time to get all the parties together at the table. The remote location made organising the community difficult, especially since many young people sought work elsewhere, for example in nearby nickel mines. Land conflicts between communities and companies due to overlapping ownership claims were also complex. It was difficult to bring all parties to the table, but at the same time, the companies also

benefited from the local action plan as a forum to discuss conflicts. In the end the communities and the companies discussed them far more effectively.'

Were you supported by laws and regulation?

'There is a national action plan for sustainable palm oil and standards such as RSPO, an international voluntary standard, and ISPO (Indonesian Sustainable Palm Oil). The ISPO, although a lower standard than RSPO, is mandatory and therefore an important step to make palm oil more sustainable. However, enforcement and raising standards remain a challenge and we have to face the fact that resources are limited.'

What made you proud and what do you see as a major highlight?

'After more than four years, there is broad recognition of the work by communities, civil society organisations, and government. Especially notable are the improvements in women's lives, the strengthening of their roles in agriculture and income, and their participation in local decision-making processes. Women who used to be homemakers transitioned into active participants in the economy and community. Although there is still room for improvement and continuity is necessary, the progress is clear and encouraging.'

What stands out for me is the mainstreaming of gender in all phases of the project, which not only empowered women but also led to better land planning and food

FAIR stands for:

FAIR Partnership comprises four principles:

- F reedom of Choices
- A ccountability
- I mprovement of Benefits
- R espect for Rights



provision. The official recognition of the sustainable palm oil plan in April marked a milestone for all involved. Additionally, the establishment of smallholder cooperatives with a greater role for women has been a great success. These organisations strengthen the negotiating position and knowledge of farmers about sustainable agricultural practices, thereby preventing further environmental damage.'



Well-being

Ongoing partnership between AS Watson and Oxfam Novib

After the summer of 2025, AS Watson Benelux launched a new project in collaboration with partners including Oxfam Novib and RVO. The first phase will run until spring 2026, after which a second phase will follow. The project aims to improve due diligence within our supply chain, with a particular focus on the living wage and working conditions in the Indonesian palm oil supply chain.

The project builds on the FAIR partnership and focuses on:

- better understanding of risks in the supply chain,
- developing plans for social sustainability improvements, and
- giving smallholders a fair deal.

The aim of the project is to gain a better understanding of this supply chain, that runs from plantations through mills, traders and processors to manufacturers, retailers and ultimately the customer. As retailers, the start of the supply chain in particular is something of a black box. In this part of the chain, we pay particular attention to social risks such as human rights and ensuring that a living wage or income is feasible. These risks often form the basis for other (environmental) risks.

In practical terms, this means that we are identifying ways to ensure that the full amount paid at the end of the supply chain (by the retailer, for example) actually reaches back to where it is needed – at the start of the supply chain – to ensure a fair income, and so has the desired effect there. To clarify this, we are investigating within the project whether an 'open chain' – similar to the one established in the cocoa supply chain – or another comparable approach is feasible for palm oil.

To make a living wage feasible, it is important to understand how the supply chain works, which parties may be involved, and how this can then be communicated to retailers. We see the project as a good opportunity to get a better picture of the supply chain and make the sustainability of our palm oil supply chain more concrete.

This approach is not only about gaining a better understanding of the supply chain and acting on that understanding, but also about ensuring compliance with future EU legislation on due diligence (CSDDD). It reinforces our international corporate social responsibility approach, identifies specific areas for improvement, and provides a basis for dialogue with public authorities and NGO partners regarding risks and improvement measures.



"A fair price for smallholders to help bridge the gap in living wages in Indonesia"

AS Watson is participating in the SPVO project (corporate social responsibility subsidy scheme) SPVO is a scheme run by RVO that helps Dutch companies improve social sustainability and environmental performance within international value chains. It focuses on topics such as:

- A living wage and Fair pay for workers and small-scale producers.
- Combating child labour.
- Improvement of working conditions.
- Greening of production processes (e.g. preserving biodiversity, more efficient use of raw materials).

This specific SPVO project helps AS Watson to gain insight into how to optimise responsible sourcing by striving to ensure a fair income for smallholder farmers and strengthening sustainability and gender equality in the palm oil supply chain, in collaboration with local and international partners.

The main activities in the project are:

- Research and value chain analysis: participatory methods involving local stakeholders.
- Workshops and consultations: with farmers, cooperatives, processors and retailers.
- Publication of results and knowledge sharing within industry platforms.
- Due diligence training for AS Watson staff.
- Assessment of impact on a living wage and gender equality.

Well-being

BSCI (Business Social Compliance Initiative)

Through the BSCI platform, amfori helps us make social policy improvements in our value chain for our own-brand products. This organisation carries out social compliance audits at manufacturing sites. Outcomes have four levels, A to D. A supplier audit level A or B is valid for two years. A C-level audit is valid for 12 months; this supplier requires extra attention and will be monitored more strictly. Level D we consider insufficient, and would be reason for us to start an improvement process together with the manufacturer that should lead to improvements and a score of at least level C within a year.

We do not work with suppliers who do not achieve at least level E. At this level, issues such as child labour or slavery are at play; that is where zero tolerance kicks in. We distinguish between the products in our supplementary range and our Health & Beauty products from high-risk countries, as listed by the BSCI. The table on this page clearly shows our efforts in this area; only a small percentage of both types of products have not been audited in recent years or received a level D score in an audit. In addition, the proportion of products at level A, B or equivalent continues to rise steadily.

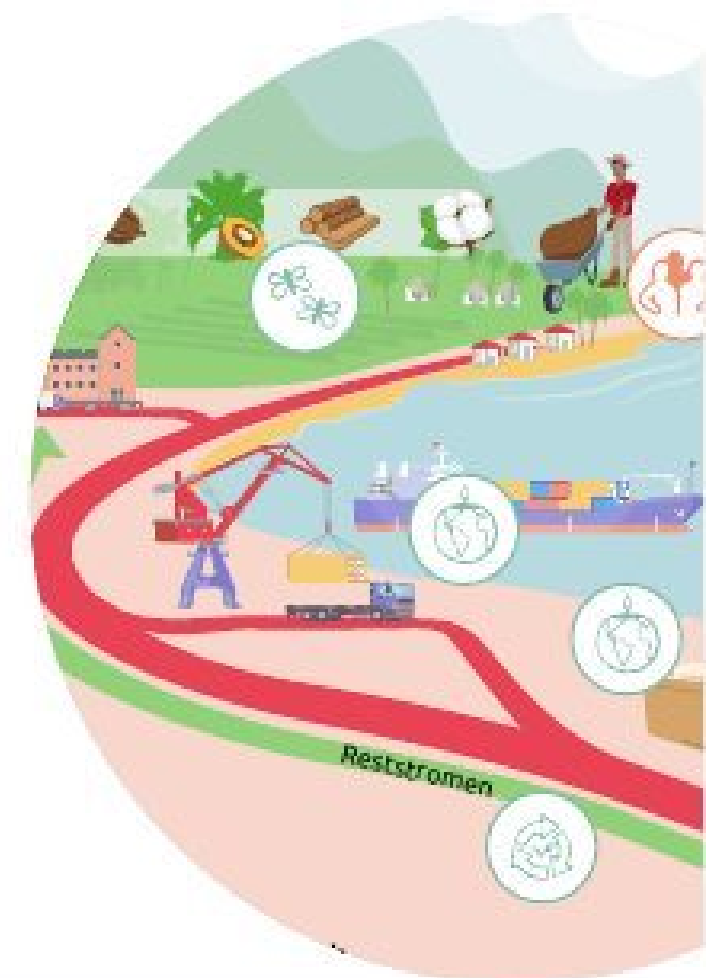
BSCI - Non H&B

	2021	2022	2023	2024	2025
Items originating from high-risk countries	12,280	12,748	11,952	14,792	15,777
Percentage factories with BSCI audit available	100%	99.98%	99.92%	100%	100%
Percentage factories with no BSCI audit available	0.38%	0.02%	0.04%	0%	0%
Percentage of non-compliant BSCI audits (no audit + D)	0.61%	0.55%	0.04%	0%	0%
Percentage of compliant BSCI audits (at least C)	99.39%	99.45%	99.87%	100%	100%
Objective: at least BSCI compliant (C)	100%	100%	100%	100%	100%

BSCI - H&B

	2021	2022	2023	2024	2025
Items originating from high-risk countries	553	572	682	648	749
Percentage factories with BSCI audit available	97.50%	96.70%	98.09%	96.63%	99.71%
Percentage factories with no BSCI audit available	2.50%	3.30%	1.91%	3.37%	0.29%
Percentage of non-compliant BSCI audits (no audit + D)	2.50%	3.50%	3.23%	4.49%	0.57%
Percentage of compliant BSCI audits (at least C)	97.50%	96.50%	96.77%	95.51%	99.43%
Objective: at least BSCI compliant (C)	100%	100%	100%	100%	100%

The 2024 figures have been revised. Each year, the figures include both international buying and local purchasing.





Inclusivity



We provide equal opportunities, reduce inequality and support various initiatives to promote this. **(SDG 10.3)** We do this, for example, through our cooperation with the Poverty Fund in the Netherlands and the Federation of Food Banks in Belgium.

We strive for equality, diversity and inclusion through which our colleagues reflect society, and do not exclude anyone. **(SDG 10.2)**

We offer everyone equal opportunities and equal pay for equal work, without discriminating between individuals. **(SDG 8.5)**

We ensure good working conditions in the supply chain by means of social audits under the Business Social Compliance Initiative (BSCI) and by imposing requirements on our suppliers to prevent human rights violations. **(SDG 8.8)**

Well-being and inclusion in the workplace

Vitality and well-being at every stage of life

For many years, AS Watson has been committed to the health and well-being of all our colleagues, including through our internal platform, WatsonVital. A key part of our vitality programme is the coaches we provide for this. They offer support on a range of topics, such as finances, nutrition, and grief and loss. Contact with the coaches can be completely anonymous, but they can also be contacted, for example, following discussions with a manager, an HR representative or a confidential advisor.

Support is also available through e-learning, articles and podcasts. Our understanding of how this support is used and the impact it has is improving, and we are addressing any potential improvements as we find them. The ultimate aim is to provide appropriate support that meets these diverse needs within the organisation. Well-being and vitality must therefore be tailored to different stages of life and roles, whether someone works at the distribution centre, on the shop floor or in an office.

Staying healthy and active at work all year round

Throughout the year, we therefore organise various initiatives that promote a healthy lifestyle, both physically and mentally. One way we do this is by organising vitality activities that are easy to join and open to a wide range of colleagues. Every year, we

hold a Vitality Week, during which we organise activities for colleagues in all our business units, such as a live-streamed music meditation session, a podcast on work-life balance and 'GoodHabitZ' training sessions. We also focus on prevention, for example with an interactive afternoon of activities designed to raise awareness of the consequences of using stimulants and the impact this can have on the body. Another activity involves a series of different types of exercise classes, such as BodyPump, Pilates and Tabata, that we give at our Renswoude office several times a year. Healthy nutrition is also a fundamental part of our approach.

Stefie Hermans,
Head of Sales
Operations Kruidvat
Belgium

"Everyone is welcome at Kruidvat. We believe in the power of diversity and take steps every day to create an environment where everyone can grow and be themselves."

Together with caterer Albron we encourage conscious and sustainable food choices by offering healthy, seasonal and ethically sourced meals in our staff canteens. This combination of exercise, mental support and nutrition demonstrates how we take a holistic approach to vitality and embed it in the everyday work environment.

Everyone is welcome at Kruidvat. We believe in the power of diversity and take steps every day to create an environment where everyone can grow and be themselves.

All colleagues are part of the team

Over the past year, the organisation further developed its policy and associated procedures relating to diversity, equality and inclusion (DE&I), focusing on four key areas. A solid foundation – or, in other words, fertile ground – is essential for embedding inclusion into every aspect of AS Watson. By investing in an inclusive working environment and fostering leadership that is committed to creating an inclusive culture, employees will feel at home and are more likely to stay with the organisation. For every project that may contribute to this, we carefully consider whether it will enable us to make a meaningful impact.



Inclusivity

Our DE&I policy places a strong emphasis on leadership, as managers play a key role in creating an inclusive and safe working environment, as well as in shaping team dynamics. To this end, we offer all managers a programme or training course focused on inclusive and diverse management. The aim is to teach them skills they can use to promote inclusion. As well as training sessions and workshops, we also help them with practical tools, such as the 'Habit app', that sets a small task every day that helps to promote inclusion. This helps to make the topic tangible and easier to talk about. We want to rather play down the issue, bringing it to a tangible and practical level, in an atmosphere that offers space for everyone. Leadership also plays a key role in breaking down taboos and creating a safe social environment in which topics such as the menopause, financial worries and care responsibilities can be discussed openly.

In the shops, there is a particular focus on intergenerational cooperation, with the aim of fostering understanding and respect for one another's values. The theme of 'the power of diversity' plays a central role, for example through the Mozaiek game, which helps to highlight blind spots and develop a shared language. Particular attention is also paid to personal circumstances and encouraging people to talk about them, which helps foster a sense of belonging. In this context, attention is paid, for example, to language barriers.

We remain committed to making training and development opportunities more accessible. We would like everyone to be able to undertake a vocational training course to improve their prospects in the labour market and to receive recognition for their skills. However, as this is not feasible for everyone – for example, due to personal circumstances or a language barrier – we launched a small-scale initiative in the second half of 2026, comprising inclusive training materials and a practical learning pathway for shop staff.

This enables them to obtain qualifications at their own branch, and so improve their career prospects. In April this year, we resumed our language training courses in the logistics sector to promote career progression. We are also investigating whether other target groups within AS Watson would benefit from this.

To further shape our policy, which is based on colleagues respecting and supporting one another and ensuring that everyone feels safe, we work with focus groups. We also work with a number of specialist agencies and carry out various studies. Other items on the agenda include dealing with differences between branches, developing KPIs to measure progress, and collecting qualitative data.

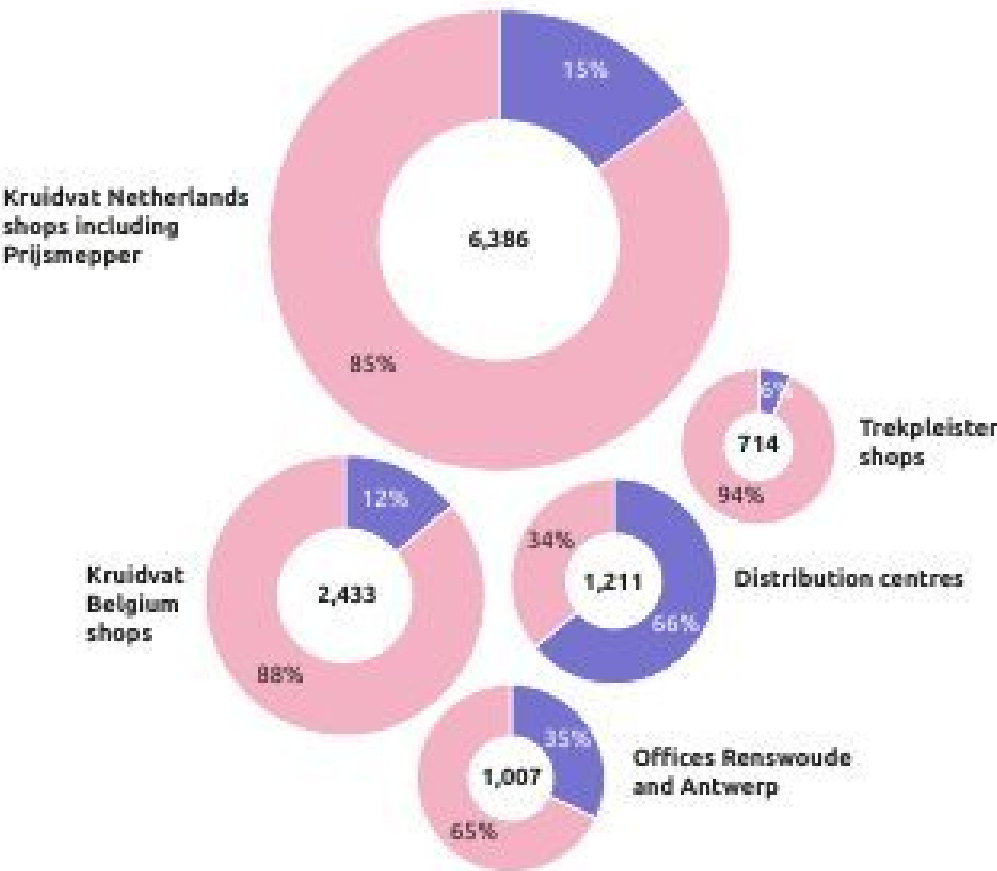


[Inclusivity](#)

Diversity and inclusion in focus

We monitor the gender and age composition of our organisation, as diversity contributes to an inclusive organisational culture. We do not set fixed quotas; instead, we select the most suitable candidate whilst making a conscious effort to ensure diversity within our teams, particularly in management. In addition, since 2024 we have been using an inclusivity score to monitor how colleagues experience inclusion within our organisation. This score provides insight into the extent to which employees feel welcome, valued and able to be themselves in the workplace. In 2025, 90% of employees said they felt accepted, able to be themselves and part of the team. We are pleased with where we are at present and remain committed to further developing an inclusive working environment.

Gender diversity as a percentage of total FTEs



Female Male

No gender neutral employees were registered in 2025

Gender diversity in management



Diversity overall





Inclusivity

"We want to create an inclusive, diverse and equal working environment"

Number of FTEs in 2025

Kruidvat shops
Netherlands +
Prijsmepper

54%

6,386

6,119 in 2024

Kruidvat Belgium
shops

28%

2,433

2,355 in 2024

Distribution
centres

11%

1,211

1,284 in 2024

Offices
Renswoude
and Antwerp

7%

1,007

887 in 2024

Trekpleister
shops

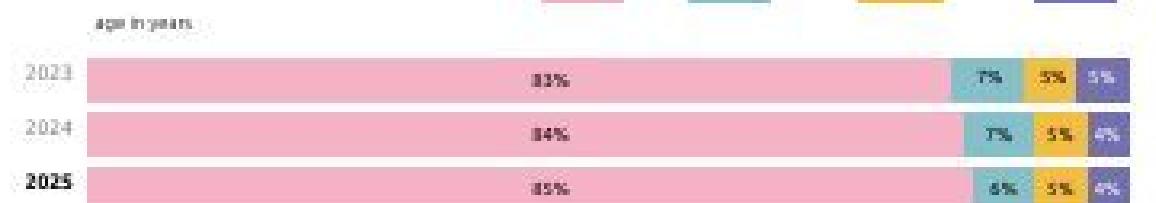
6%

714

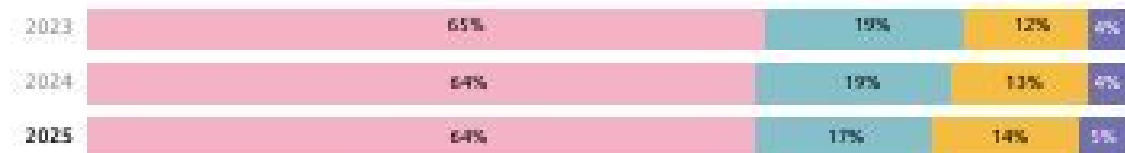
738 in 2024

Age diversity

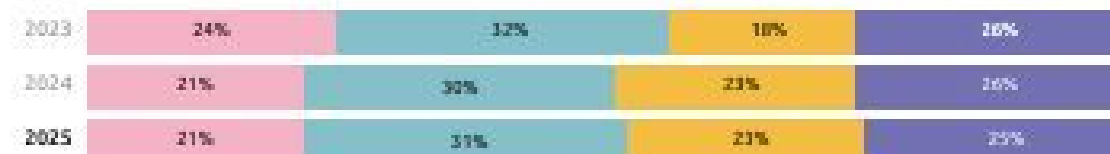
Kruidvat shops
Netherlands +
Prijsmepper



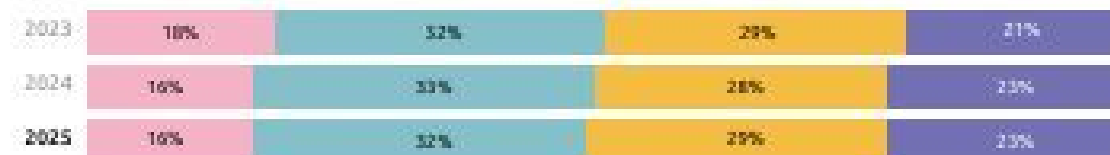
Kruidvat Belgium shops



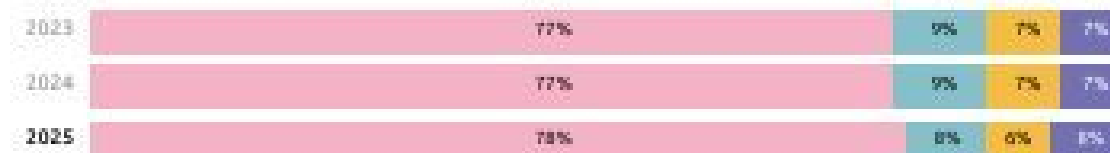
Distribution centres



AS Watson offices



Trekpleister shops





Inclusivity

Unlimited talent

We welcome everyone. Based on this conviction, we are emphatically focusing on 'Unlimited Talent' in this impact report. We will give you an update on the current situation and show you what this means in practice. In this chapter, we hear from our Kerkdriel branch manager and one of our Unlimited Talents. Their stories highlight how inclusion contributes to opportunities, development and engagement in the workplace. Our 'Unlimited Talent' programme is aimed at people who are at a distance from the labour market. This includes colleagues who are listed in the UWV's Target Group Register, as well as people who are not listed in the register but who could do with a helping hand. The latter group includes asylum seekers who have been granted refugee status and young people who are still at school and require extra support, such as pupils in special secondary education (VSO) and practical education (PRO).

These people take part in our programme and we are looking into how we can support and develop them. As they are not included in the Target Group Register, they cannot be included in the official report. The reported number of employees is based solely on those registered with the UWV. At year-end 2025, this figure stood at 563 employees, but the actual impact of Unlimited Talent is therefore greater than the reported figures suggest.

When it comes to support, in the 'Unlimited Talent' programme we initially assign a counsellor to take the pressure off branch managers. Together with the regional account managers, we assess what support and facilities a new employee requires. This can range from practical aids, such as a vest indicating that someone is hard of hearing, to deploying a job coach.

A key part of the programme is to teach branch managers through workplace coaching training how to identify and provide effective support to Unlimited Talent. As the Unlimited Talent group is very diverse, this may involve, for example, help with job applications or support to help people stay in work. We embrace diversity, but at the same time it makes it challenging to always provide the right support. We can train around 200 people a year; last year, the figure was 180. Thirteen training sessions are planned for 2026, each with approx. fifteen candidates.

Inclusivity

What makes these training sessions so valuable is the involvement of peer advisors. These might be people with autism explaining the best way to deal with certain situations and why autistic people sometimes react differently. This enhances understanding and acceptance.

The training sessions combine theory and practice: how do you handle things in our shops? Everyone who is taking part is enthusiastic. The training isn't just useful for Unlimited Talent, but for everyone. It is all about understanding the unique needs of people in different situations. Not everyone is the same, and that calls for a personalised approach and understanding.





A conversation with three Unlimited Talents in Kerkdriel

During our visit to Kerkdriel, assistant branch manager Monique tells us that she has been working at Kruidvat for 21 years now and absolutely loves it. Together with the branch manager, Sabrina, she mentors a number of colleagues in their careers. That means plenty of discussion, always listening closely, and, if necessary, simply explaining things again – and often drawing up a daily to-do list. The work gives her a great deal of satisfaction. She describes it as follows: ‘It’s thrilling to see these girls grow up right before my eyes. Some arrive as a closed bud and slowly start blossoming.’



Michelle

“I’ve been working here for eight years now and receive great support. There’s a lovely atmosphere here in the shop and you really work as a team. People always keep in mind what you are able to do and when. Through the work-based learning programme, I first got my MBO 2 certificate via Kruidvat. And I passed my MBO 3 qualification at the end of March. My ultimate goal is to become an assistant branch manager or even a branch manager.”



Svenja

“When I’d officially been working here for twelve and a half years, there was a bunch of flowers for me and my family came to celebrate. That was brilliant. I have learnt so much during those years. I’m now allowed to close the shop and do the till count myself. I feel seen and heard here: Sabrina listens, helps me and gives me the time I need to grow. I’m currently doing a course in “selling in a chemist’s shop”, and when I finish that I want to do a course to become an assistant chemist.”



Natasja

“I’ve been working here for a year now and I really enjoy stacking shelves. We help each other out, and you can always ask Sabrina anything. Before this, I used to do production work, but this is so much more fun. I’m really proud that I learnt to calculate how much change I should give at the till. I can do that all by myself now – and that makes me happy. I was quite nervous about having my photo taken today, but I’ve seen a few and they look great.”

Inclusivity

Working together to combat care poverty

2025 at a glance

In 2025, we continued our partnership with the Dutch Poverty Fund and the Belgian Food Banks, in line with previous initiatives. Two large-scale '1+1+1' campaigns were held that year, in June and October. Thanks to the joint efforts of customers, shop staff and suppliers, some 1.8 million products were collected during the campaign weeks. The campaigns not only helped provide practical assistance, but also raised public awareness of the social issue of care poverty. And this remains as necessary as ever; the Kruidvat Care Barometer (an independent survey conducted by Ipsos I&O in May 2025) revealed that 1 in 5 Dutch people and as many as 1 in 4 Belgians are struggling with care poverty, whereas in 2024 the figure in the Netherlands was still 1 in 7.

Partly due to its visibility and its role as a mouthpiece in the campaigns, awareness of the Poverty Fund continued to grow. The number of product donations also increased again. In addition, €25 gift cards were issued again last year. Gift cards are a tangible and recognisable part of our wider efforts to combat care poverty.

Poverty Alliance

The Poverty Alliance, established in 2025 on the initiative of Kruidvat, is a partnership with suppliers and other partners committed to combating care poverty. Its aim is to achieve a greater impact together, for example through product donations and by actively involving employees in social initiatives. The increase in the number of product donations over the past year is partly due to this partnership.

The first meeting of the Poverty Alliance took place in Renswoude in 2025. The programme consisted of speeches, panel discussions and contributions from people with personal experience. The meeting helped to increase the partners' engagement. A new meeting is scheduled for 2026.

One of the most striking achievements of the Poverty Alliance was a joint packing campaign with Unilever. On 5 December, hundreds of volunteers from AS Watson and Unilever packed up no fewer than 5,000 parcels containing personal care products. These care parcels for people living in poverty were distributed across the country by the Poverty Fund.

Another Poverty Alliance meeting is scheduled for 2026 to further flesh out the partnership. The Poverty Alliance has also raised interest among its partners to develop their own social initiatives, inspired by the ambition to increase their impact.



Stepping up efforts to tackle care poverty

Kruidvat is exploring how our stores can play a greater and more visible role in tackling care poverty. This topic must become part of Kruidvat's DNA, so that it is an integral part of who we are and what we do. We can already see that our involvement with the Poverty Fund is helping to give Kruidvat a more socially responsible and compassionate image in society. This not only enhances our social impact, but also boosts our colleagues' pride and engagement.

Growing awareness & challenge

Market research shows that awareness of care poverty is growing, partly as it is being written and talked about more. It is not yet entirely clear whether this awareness directly leads to greater attention being paid to the issue, or whether people are simply becoming better informed about the existence of care poverty. A key challenge remains that of providing a clear picture of the overall contribution made by all initiatives and partners. At present, it is still challenging to bring these efforts together and measure their actual impact in a clear-cut way. This is partly due to differing definitions of poverty and the complexity of the issue.

[Inclusivity](#)

Gifts

The Kruidvat Health & Beauty gift cards are a key part of the fight against care poverty. Demand for these anonymous €25 gift cards remains demonstrably high. Local aid organisations apply for the cards from the Poverty Fund and the Belgian Food Banks, and once approved, these local organisations distribute the cards to people who could use a helping hand.

Felicia Roayaards,
Category manager

"On 5 December 2025, we organised a truly wonderful day with our supplier, Unilever. With the help of over 120 colleagues, we packed up 5,000 care parcels in the Ahoy building to donate to the Poverty Fund for people facing care poverty. We rolled up our sleeves and worked hard together to make a small difference for these people, who also deserve to feel healthy, beautiful and good."



Helping out at the Antwerp
Federation of Food Banks and packing
up 5,000 care parcels in collaboration
with Unilever



In conversation with Henk de Graaf

"Everyone can do their bit to help tackle poverty in their own way. That is what the Poverty Fund is committed to, in partnership with organisations such as Kruidvat."

Henk de Graaf, founder and director of the Poverty Fund Foundation

In this interview, Henk de Graaf discusses the Poverty Fund and the partnership between the Poverty Fund and Kruidvat in more detail.

Could you explain the work of the Poverty Fund to us?

'Over 10 years ago, I set up the Poverty Fund, which aims to prevent, alleviate and combat poverty in the Netherlands. We support mainly local aid organisations, usually charities, with funds, goods and expertise. This involves financial contributions to projects, distribution of basic necessities – such as those from Kruidvat and its suppliers – and sharing knowledge, so that we don't have to keep reinventing the wheel. For example, we often act as a source of know-how for local authorities and aid workers, for instance about how best to support people. This is a pretty broad scope, covering both policy and practical matters.

Furthermore, an important part of our work involves addressing the taboo surrounding poverty, which is still very much present. We do this by providing information, producing leaflets and keeping the public informed.'

Could you tell us more about the partnership with Kruidvat?

'This partnership dates back several years now and is very important to both the Poverty Fund and people living in poverty. Kruidvat approached the Poverty Fund directly and demonstrated a genuine desire to make a difference. This led to joint projects such as a Christmas campaign launched between Sinterklaas and Christmas, which also inspired other companies to support charities. And then there were the 1 + 1 + 1 campaigns, the €25 gift vouchers, and donations of goods. All these enable us to help families living in poverty by providing them with essential items.'

How can Kruidvat help tackle poverty?

'Together with Kruidvat, we commissioned a study into poverty in the Netherlands, which revealed that care poverty plays a major part in the issue of poverty. And personal care is of course one of Kruidvat's specialist areas. So they saw an opportunity to do their bit, in collaboration with the Poverty Fund. We were already familiar with the topic from previous projects relating to period products. Thanks to Kruidvat, the issue of care poverty has been tackled with great energy, resulting in a greater impact and making it possible to carry out more projects, in energy poverty, transport poverty, care poverty or child poverty. At the end of the day, it's all about money. The core focus therefore remains on tackling financial poverty, with the Poverty Fund targeting the most basic needs at the bottom of the pyramid: shelter, food, care and clothing, particularly



Inclusivity

for children. We are truly grateful for every donation and every product that helps us contribute to the fight against poverty in general.'

What does the Poverty Alliance do?

'Kruidvat plays a leading role in the Poverty Alliance, which was established in 2025. By inspiring other parties and, at the same time, making them aware of the importance of tackling poverty, Kruidvat has managed to engage suppliers and other partners. Through this partnership, the Poverty Fund will have a broader platform within the Poverty Alliance to raise awareness and highlight the need for support.'

How many people need help from the poverty fund?

'A person is living in poverty if, after paying their fixed expenses (housing, energy and healthcare), they do not have enough money left for other basic needs. Recent figures show that 1.7 million people in the Netherlands are struggling financially, and this often does not even take debts into account. Over 550,000 people are living in poverty. A further 1.1 million people have an income just above the poverty line and have little or no savings. So this is a significant proportion of the Dutch population.'

That's a lot of people. Are we sufficiently aware of this?

'By talking more openly about poverty, including care poverty, the taboo will gradually be broken down and people are more likely to ask for help. At the same time, the number of people living in poverty is rising again after a brief decline. The Poverty Fund considers it an important task to reach people who are not immediately aware of the issues surrounding poverty.'

Finally: what are you proud of, and how do you see the future?

'I am particularly proud of our partnership with Kruidvat and the way in which this partnership is delivering tangible results. I also regard the broader Poverty Alliance, in which several companies are working together, as an important step forward. My greatest wish is, of course, to eradicate poverty completely, although I know full well that that is a pipe dream. The Poverty Fund wants to continue to grow so that it can support even more local aid charities, and I hope to encourage more businesses and individuals to get involved. Everyone can contribute in their own way, and that is extremely valuable.'

"I am particularly proud of our partnership with Kruidvat and the way in which this partnership is delivering tangible results."





Inclusivity

A range that caters for everyone

Whereas previously we had mainly worked with members of the Inclusion Council to incorporate ideas from outside the organisation in order to make our product range and our communications more inclusive, in 2025 the focus shifted to the trading and marketing departments. Our aim was to embed inclusion more fully and make it an integral part of the organisation's vision.

In trading, category managers are closely involved in this process. Every unit within the trading department now has an ambassador. They identify the trends and inspiring examples for each unit and keep track of the results. This input will be incorporated into the category plans, ensuring that inclusion is more firmly embedded in our day-to-day operations.

A concrete example is paracetamol, which no longer contains any animal-derived ingredients. Previously, paracetamol contained gelatine of animal origin. As a result, the product was not accessible to everyone. Adapting this product therefore contributes to our mission: to make feeling healthy, beautiful and good accessible to everyone.

This initiative has been taken up by the category manager and suppliers, and shows that the brand takes inclusive needs seriously. Of course, we also conduct customer surveys to find out what our customers think of our inclusive range and which products we aren't stocking yet. This helps us develop new products and improve our existing range.

Curly hair

In early 2025, we began integrating inclusive products into our standard product range.

In early 2025, we began integrating inclusive products into our standard product range. For example, products for curly hair used to be kept separate from regular hair products, on the basis that customers looking for these specific products would then be able to find them easily. However, feedback from the Inclusion Council showed that customers actually prefer these products to be placed alongside the regular haircare range – styling alongside styling, and so on, so that customers can find everything in one place. This is in line with our commitment to equality and diversity. Last year's beauty campaign is a good example from a marketing perspective: it was deliberately inclusive, featuring models from different backgrounds, of different ages and skin tones, in order to present a diverse image of beauty. In 2026, we will further embed this approach by integrating it into our marketing processes.

The members of the Kruidvat Inclusion Council are very positive about these developments. They emphasise that it is important for organisations to approach inclusion with integrity and that the issue should not be treated as a stand-alone initiative, but should become an integral part of business operations. The more people within the organisation understand what inclusion means and how they can contribute to it, the more successful the strategy will be.

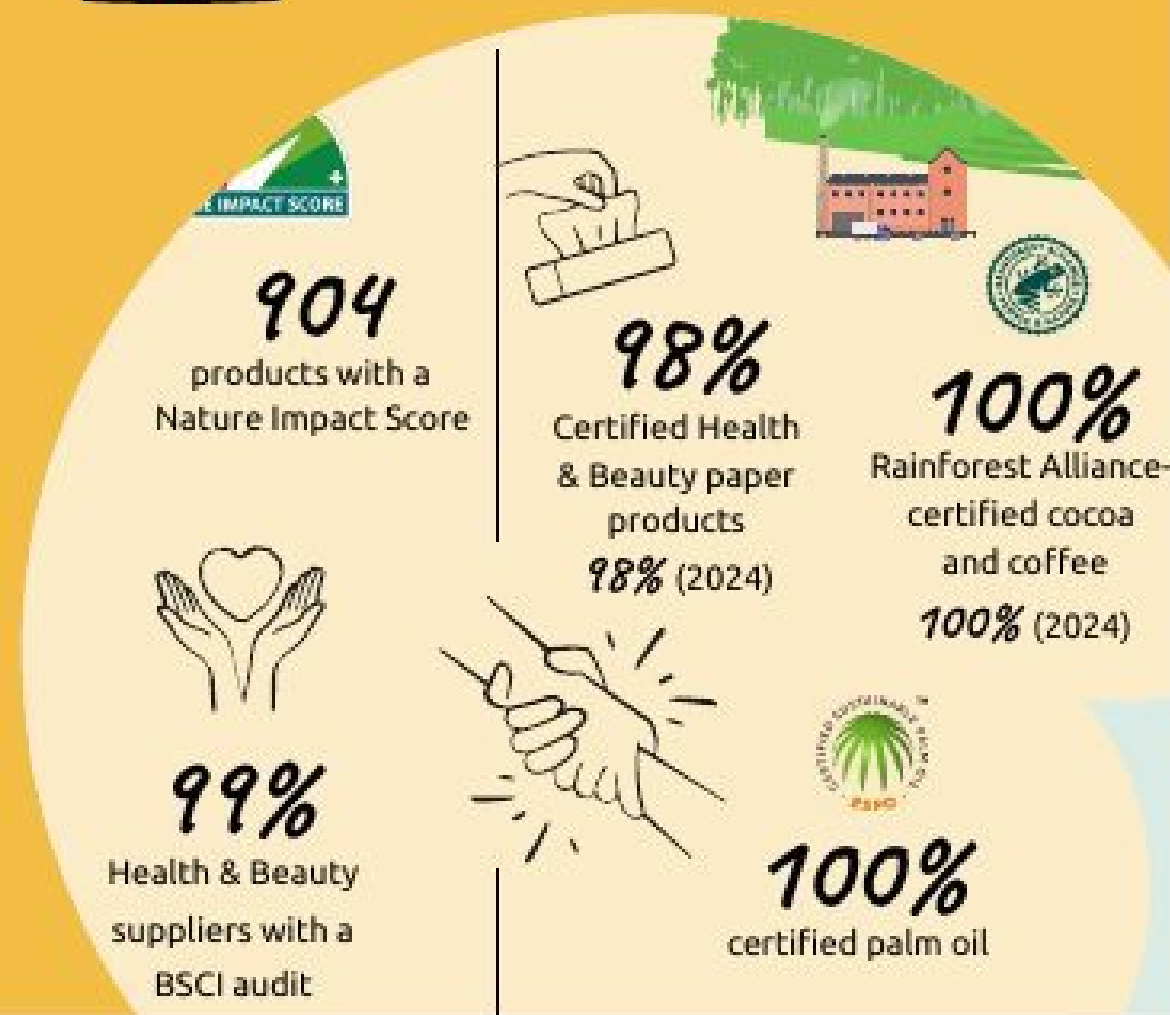




Accessible sustainability



Awareness



Awareness



We offer more sustainable products (SDG 3.4) that are attainable and affordable for all. (SDG 3.8)

Our products' labels provide relevant information on their origin and various sustainability certifications for both environmental and social issues. (SDG 12.8)



We want to take the lead in ensuring transparency regarding the sustainability of our business operations and products, making the steps we are taking towards greater sustainability clearer and more accessible to everyone. We are committed to communicating as transparently as possible about sustainability and inclusivity in our business operations and the impact of our products. And we actively use campaigns to raise awareness of various issues, both social and environmental.

Being open about care poverty

To raise awareness of care poverty, we run large-scale campaigns that can be seen and heard on the radio, TV and social media. Through our campaigns, we aim in particular to raise awareness of the effects of care poverty. In our autumn campaign of 2025, we explored in greater depth the sense of isolation caused by care poverty. As problems pile up, people withdraw further out of shame, causing their social circle to shrink. The campaign highlights just how widespread this problem is and how many people are affected by it. The accompanying video is seen as a powerful tool for raising awareness. Thanks in part to data analysis, we can target our campaigns more effectively. Together with market research agency Ipsos, Kruidvat measures the impact of these campaigns every year. We are seeing a clear rise in awareness; 65% of the population has now heard of care poverty, and understanding of its meaning and consequences has increased.





Awareness

As well as care to poverty, we also devote considerable attention to other major social issues. One of these is skincare. Teenage girls are heavily influenced by social media when it comes to skincare. From viral TikTok trends to recommendations from influencers, the latest skincare products are finding their way into their bathrooms in no time at all. A survey conducted by Ipsos I&O on behalf of Kruidvat revealed that more than half of teenage girls who use skincare products start doing so by the age of twelve or before.

There is a major downside to this: nearly 4 in 10 secondary school-aged girls have no idea of the potential damage that some skincare products can cause to their young skin. To offer help, Kruidvat launched the Skincare Guide in collaboration with dermatologist dr. Samira Baharlou. Parents are noticing that their daughters are starting to use skincare products at an increasingly young age, but they often don't know which products are actually suitable for young skin. The study revealed the massive influence of social media on teenage girls' skincare habits. The Kruidvat Skincare Guide provides clear guidance on which products and ingredients are suitable for young skin and which are best used at a later age. In addition, the Skincare Guide provides an overview of different skin types and offers practical tips on how to establish a sensible and suitable skincare routine for young skin. There are QR codes on the skincare shelves in shops and in the leaflet that link to the online Skincare Guide.

Bert Verhoef,
Managing Director
of Kruidvat Belgium

"Kruidvat aims to break the taboo surrounding bowel cancer and self-testing by making preventive care more accessible and easier to discuss. The widespread availability of affordable self-tests is in line with Kruidvat's mission to put people more in touch with their own health and encourage them to act when it comes to their own well-being. The self-test available at Kruidvat is exactly the same as the one that has been available in pharmacies for years."

Kruidvat is also making a social impact in the field of bowel cancer. In Belgium, we have set up a partnership with non-profit organisation Stop Darmkanker (Stop Bowel Cancer). Stop Darmkanker vzw is an independent non-profit organisation whose motto is 'Knowledge sharing can save lives'. Its mission is clear: to convince people of the importance of early detection of polyps and bowel cancer and to promote a healthy lifestyle. Bowel cancer is the second deadliest form of cancer and affects as many as one in twenty Belgians.

However, a survey conducted by Ipsos I&O on behalf of Kruidvat shows that there is still a great deal of ignorance about the disease and how to prevent it. The survey shows that Belgians recognise the importance of preventive testing, but that concerns about embarrassment, pain and cost remain. To lower these barriers, as from 2025 Kruidvat will offer not only information but also an accessible and reliable stool

(self-)test (Fecotest) in all its Belgian stores, whereas previously it was only available from pharmacies. This self-test detects blood in your stool that you cannot see with the naked eye. This could be a possible sign of bowel polyps (a precursor to bowel cancer), bowel cancer or other bowel conditions. In this way, Kruidvat is also making a social impact on this sensitive issue.

Grote boodschap

**Test jezelf
thuis op
darmkanker**

Awareness

Staff awareness of care poverty

To be able to offer all our customers the best possible service, it is important that our staff are also aware of issues such as care poverty and inclusion. In 2025, a multidisciplinary team was set up to address the issue of care poverty. This team, comprising colleagues from HR, the retail organisation, trading and marketing, is working together to raise awareness of this issue. In targeted campaigns, we engage colleagues in shops, offices and logistics with this issue. For example, we actively encourage them to contribute to fundraising campaigns for the Poverty Fund in the Netherlands and the Food Banks in Belgium, and we make care poverty a shared Kruidvat responsibility. We are also trying to raise awareness of care poverty in the office. We aim to ensure that everyone understands what it is and how they can contribute from within their own discipline.

One example is the 'house' we set up in the office during the '1+1+1' campaign, where colleagues could listen to stories and thoughts from people experiencing care poverty. These stories and thoughts tied in with the TV commercials. In addition, to raise awareness in both offices and distribution centres, we placed displays in the canteens and toilets featuring products such as deodorant, soap and sanitary towels.

And we set up a volunteering programme for colleagues in the office, who then spent part of a day helping out in the Armoedefonds warehouse in Rosmalen, whilst our Belgian colleagues assist at the Food Banks in Antwerp. They also get to talk to local aid organisations: the people who bring these stories to life. In this way, we are taking further steps towards breaking the taboo surrounding poverty.

We are also trying to raise awareness of care poverty in the office.



Our role as a chemist

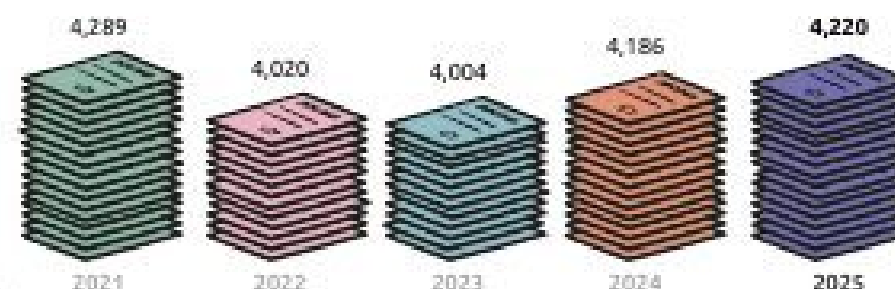
Qualified chemists are a cornerstone in the Kruidvat and Trekpleister shops. They ensure that customers not only have access to a wide and affordable range of over-the-counter medicines, but can also rely on expert, responsible and safe advice. Qualified (assistant) chemists are trained and follow ongoing professional development in accordance with established quality criteria, and play a key role in preventing the misuse of over-the-counter medicines, providing risk warnings and referring patients to their GP where necessary. This makes them a trusted point of contact in the area and helps to ease the burden on primary care services. For Kruidvat and Trekpleister, certification is not merely a formality, but a deliberate investment in quality, safety and trust – on the shop floor, day in, day out.

GEZONDHEIDSVRAAG?

BETER GA JE NAAR KRUIDVAT



Number of certified chemists





Awareness

Step by step towards a more sustainable lifestyle with Kruidvat

We've noticed that many customers do want to make more sustainable choices, but that these must, above all, be easy to understand and affordable. That is why, in 2025, we have been working on ways to make sustainability even more accessible – not only in our campaigns, but also when preparing new, independent evidence to support the products we highlight. Our spokeswoman Lies plays an important role in our campaigns. She shows in a light-hearted and relatable way that living more sustainably doesn't have to be complicated at all. Her ex keeps seizing upon her sustainability efforts to try to 'recycle' their relationship, leading to both funny and awkward moments. The bottom line is: living a more sustainable life with Kruidvat is both easy and good for your wallet.

We push this message throughout our marketing communications. For example, we combine product promotions with slightly more sustainable features in our leaflets and newsletters. And through social media content, we congratulate customers on more sustainable purchases, such as products with recycled packaging or a relevant eco-label.

But simply talking about individual features or quality labels won't get us to where we want to be. That is why, in 2025, we have been working behind the scenes on the implementation of GSES. This independent evidence will help us to demonstrate even more clearly in 2026 which of our own-brand products have a lesser negative environmental impact, and why. The aim is to show at a glance which product is a little more sustainable, without getting technical. Our guiding principle remains the same: we are making everyday choices a bit more

sustainable. We tell that story in a positive, accessible way in our campaigns, so that customers can see that every step counts. Through these steps – from recognisable campaigns to preparing for GSES – we are making sustainability increasingly accessible. In this way, we laid the groundwork in 2025 to communicate even more transparently and effectively in 2026 about products that are a little more sustainable. Convenient and affordable, just as our customers have come to expect from us.

Measuring and understanding customer awareness of sustainability

We measure awareness of sustainability through brand tracking and various surveys. These show that customers are increasingly recognising that Kruidvat is working hard to be more sustainable and that they can see this reflected in our product range. In the 2025 survey, 63% of customers stated that more sustainable products are accessible at Kruidvat.

In addition, Kruidvat aims to better measure and improve its reputation and perception among customers in the area of sustainability. This refers to the perception customers have, as measured through brand surveys and customer feedback. Progress has been made in this area compared to previous years, with growing awareness and a more positive image.

Our reputation survey (Ipsos, December 2025) showed that customers view Kruidvat as relatively sustainable compared to its competitors, but that there is still room for improvement. Above all, customers expect sustainable choices to be accessible and affordable, and to fit in well with their daily lives. By continuously assessing customer expectations and identifying where we can make the greatest impact, we can make more targeted decisions regarding our product range and our communications. In this way, we ensure that more sustainable options are not only available, but are also presented in a way that is easy to understand and appealing, so that customers can more easily make more sustainable choices.

Proportion of customers who state that more sustainable products are available at Kruidvat



In conversation with Leendert van Bergeijk



Leendert van Bergeijk, Sustainability Manager

"We want to be transparent, affordable and accessible for everyone. Given our scale, we are making a demonstrably more positive impact with many of the steps we are taking."

In this conversation, Sustainability Manager Leendert van Bergeijk explains how AS Watson is using GSES's Nature Impact Score to promote transparency regarding the environmental impact of its own-brand products, and how this insight is driving efforts to make these products more sustainable.

What steps did you take in 2025 regarding the implementation of the GSES system?

'We made some major strides forward in 2025. Many of them are not yet immediately visible to our customers, but they are important in order to provide them with accessible insight into the sustainability of our own-brand products. In 2026, we introduced the Nature Impact Score (NIS), which is calculated using the independent GSES system. GSES is the company and the system that helps organisations to measure, improve and verify their sustainability performance. That made us compliant with the relevant legislation on sustainability claims and we now communicate on these issues in accordance with the guidelines issued by the ACM (Netherlands Authority for Consumers and Markets) and other regulators. With the Nature Impact Score, we have sufficient data from the GSES system to assess the environmental impact of our products.

We use a module that we can apply during product development to identify which elements of a product are responsible for the greatest environmental impact. We are also in talks with suppliers about the best way for them to supply the necessary data. We aim to

centralise all our product data in a single internal system, whilst actively encouraging our suppliers to join GSI so that data does not have to be entered twice. This requires a great deal of effort, as suppliers do not always have all the necessary data available to share with us, and a great deal of coordination is needed to ensure the data is complete and of sufficient quality. It also requires sophisticated IT solutions that are fully compatible. That is by no means a given. GSES implementation is progressing in phases, with around 2,000 products already included on the platform by 2025, of which approximately 1,000 have been verified by the independent GSES system.'

What do you want to show your customers?

'We want to give our customers an idea of the environmental impact of our products and so help them choose a more sustainable option. In this way, we provide the transparency that shows we do not necessarily offer only the most sustainable products. To make this clear, we have started working with GSES. They make the environmental impact of our products transparent and easy to communicate. For us, the added value lies in the fact that these insights enable us to make choices that really make a difference. In this way, we are making a real difference and avoiding solutions that merely appear sustainable but have little real impact. It is not our aim to become the most sustainable retailer. We want to be transparent, affordable and accessible for everyone. Given our scale, we are making a demonstrably more positive impact with many of the steps we are taking.'



Awareness

And how do you go about showing that?

'To make this easier to understand, GSES has translated the Nature Impact Score into a label that acts as a sort of speedometer; it allows customers to see where things are at and that improvements are being made. Our communication focuses on transparency and providing regular updates on the product's sustainability. In this way, we aim to encourage more sustainable choices without overwhelming customers with too much detailed information, whilst ensuring that this information is available at the click of a button. So the choice remains with the customer. And through impactful marketing, we can help customers make the choice to be a little more sustainable step by step a little easier.'

Are name brands taking part too?

'Our sustainability journey goes beyond our own-brand products; we also encourage name brands to demonstrate the sustainability of their products with data.' At present, no name brands participate as yet in the GSES platform. We would certainly welcome that. Major retailers such as Xenos and Bouwmaat are already using GSES's Nature Impact Score, which underscores the potential of this initiative. It is an evidence-based and market-oriented system that is fully in line with legislation and the needs of various sectors. Major beauty manufacturers are currently working on the Eco Beauty score, an industry initiative based on the same principles as the Nature Impact Score, namely the Product Environmental Footprint prescribed by the European Commission. As a result, the two systems are closely aligned, meaning that, in theory, they can

complement each other well. We chose the Nature Impact Score because it can be applied to our complete range, not just the cosmetics and personal care categories. All in all, we expect the GSES system to play a significant role in making the retail market more sustainable.'

And how do you get your colleagues on board?

'In line with our purpose and mission, making our products more sustainable has become an increasingly important part of many of our employees' jobs. They recognise the importance of sustainability. For some business units, becoming more sustainable is a logical and practical step to take, but it can sometimes be difficult to put it into practice. Using GSES, for example, we highlight the sustainability of our own-brand products, so that colleagues can see exactly how their choices affect a product's environmental impact – and that is a great motivator. In addition, we are working on objectives that are tailored to our specific business units. The fact that legislation and regulations are increasingly providing clear frameworks and guidance is very helpful. The combination of intrinsic motivation and clear external expectations ensures that sustainability remains firmly on the agenda, even in the face of all the other priorities.'

What is your 'dream' in this area?

'Customers benefit from consistency and transparency. By adopting a uniform standard, such as the Nature Impact Score, we aim to make transparency on sustainability the norm. In this way, we show the industry that sustainability is not a niche concept, but a feasible and accessible standard for millions of customers every week – and thus a realistic trajectory towards reducing our negative impact.'

I would be delighted if the entire retail sector were to adopt this uniform sustainability standard, with the Nature Impact Score serving as a best practice. That would mean that we could work together to drive improvements in the environmental impact of consumer products.'



"I would be delighted if the entire retail sector embraced the Nature Impact Score."



Awareness

Working together on sustainability

In 2025, we successfully completed our Sustainable Nudge in-house awareness campaign. In this campaign, a short video was released each month highlighting a different topic, such as CO₂, waste separation or palm oil. This was combined with a weekly tip, so that all colleagues could put the topic into practice themselves, and concluded with a quiz with great prizes. The evaluation showed that the competition element made the subject more accessible and encouraged greater interaction within the teams, which then helped to keep sustainability top of people's minds.

Using the insights gained from this campaign, in autumn 2025 we linked an additional internal initiative to Kruidvat's 'step by step more sustainable' external marketing campaign. Ahead of this campaign, we used a board game to raise awareness of the issue. The game asked questions about, for example, the benefits of refill packs or quality labels.

By aligning internal and external campaigns, staff recognise the message being conveyed to consumers.

This helps make the subject very concrete and enables staff to advise our customers more effectively. In addition, the game encouraged colleagues to discuss more sustainable choices and alternatives together. In this way, we are increasingly making sustainability a shared endeavour, where our collective efforts bring joy and a sense of connection. What's more, the board game has been designed in such a way that we can reuse it for other campaigns with new questions on current topics.

We will continue to optimise our communications, with the aim of talking less and engaging more. In addition to specific campaigns, we also regularly communicate about sustainability through our various channels and formats. We discuss sustainability in training sessions and with new employees when they join the company. And we always seek to link this to day-to-day practice, so that sustainability becomes an integral part of our work.

'Sustainable nudge' in-house campaign

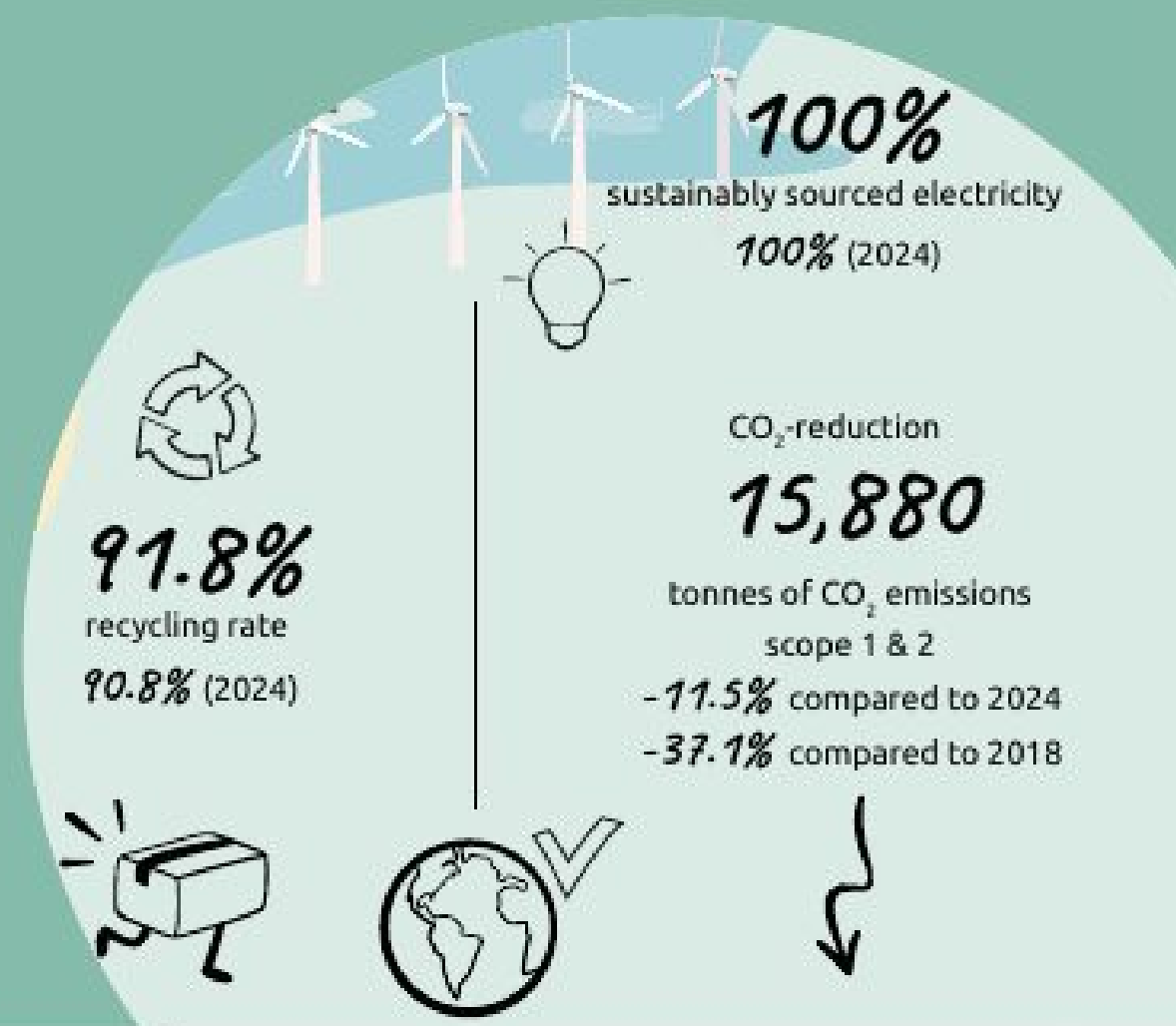


Minimising environmental impact



Climate change and circularity

Responsible sourcing





Climate change and circularity



With our initiatives and associated communications we work to raise awareness of making adjustments to reduce negative impacts on the climate so as to mitigate climate change. (SDG 13.3)



With our own-brand products, we aim for less packaging and for packaging made of better and recyclable materials. (SDG 12.5)



We want to further reduce our negative environmental impact in the Benelux and across our supply chains, focusing on climate action, circularity and making products and packaging more sustainable. We do this by focusing on reducing our scope 1, 2 and 3 CO₂ emissions. We are taking steps towards a future in which products, packaging and processes have a significantly lower environmental impact and circularity becomes the norm.

Climate change and circularity in our business operations

We are reducing our negative impact on the climate. We will achieve this by reducing our own greenhouse gas emissions (such as CO₂) as much as we can, by focusing on energy efficiency, by using LED lighting and purchasing renewable energy (contracted renewable electricity from European wind turbines).

In 2025, we reached a significant milestone. We converted the last remaining shops that were using traditional lighting to LED lighting, meaning that 98% of our shops were using LED lighting by year-end 2025. Over a period of approx. 2.5 years, almost our entire retail portfolio of 1,499 shops has been fitted with LED lighting, with the exception of one or two shops for which minor refurbishment is scheduled, of which installation of LED lighting is a standard part. This step not only delivers huge energy savings, but also demonstrates how this has been made possible through collaboration and the dedication of colleagues in terms of planning, preparation and investment.

In addition, AS Watson is committed to transitioning to gas-free shops. New shops are gas-free as standard, and when a central heating system is replaced, we will go fully electric, which will further reduce our CO₂ emissions across the board. At year-end 2025, 382 of our shops were totally gas-free (2024: 270), an increase of 41%. The Renswoude office has been completely gas-free since 2025, which has reduced our carbon emissions. In addition, last year we introduced sixteen new electric lorries, which also led to a decrease in our CO₂ emissions. The tables below show the trend in our scope 1 and 2 CO₂ emissions.

These results are directly in line with the targets set by AS Watson Group as part of its commitment to the Science

Based Targets Initiative (SBTi). For scope 1 and 2, this means that by 2030 we will achieve an absolute reduction of 50.4% in scope 1 and 100% in scope 2 compared with 2018. Thanks to the steps we have already taken – such as the complete switch to LED-lighting, the use of renewable electricity and the phasing out of gas in our shops – we are well on track to achieve these goals. The downward trend in our emissions, as shown in the table below, demonstrates that our efforts are actually having an impact. It confirms that our approach is working and that in the years ahead we can continue to build on our strong position to develop climate-conscious business practices. In the ESG chapter we will discuss our climate targets, scope 3 emissions and ambitions in more detail.

CO₂ emissions

In tons	2021	2022	2023	2024	2025
Shops	8,359	7,646	6,858	5,611	4,963
Transport	12,786	11,910	11,176	11,268	9,964
Distribution centres	1,022	1,010	936	902	910
Head offices	98	125	107	167	43
CO₂ emissions - total (scope 1 and 2)	22,265	20,691	19,077	17,948	15,880
Percentage					
Shops	38%	37%	36%	31%	31%
Transport	57%	58%	59%	63%	63%
Distribution centres	5%	5%	5%	5%	6%
Head offices	0%	1%	1%	1%	0%
Cumulative reduction compared to base year 2018	-11.9%	-16.7%	-24.5%	-29.0%	-37.1%
Reduction compared to previous year	+12.1%	-7.1%	-7.8%	-5.9%	-11.5%

Climate change and circularity

"I am convinced that by combining technological innovations, collaboration with partners and growing awareness throughout the supply chain, we can achieve ever better results."

Yvette Heijwegen

*A conversation with Yvette Heijwegen,
Chief Supply Chain Officer*

Our efforts in logistics to reduce energy consumption

A conversation with Yvette Heijwegen, Chief Supply Chain Officer for ASW Health & Beauty Benelux, about the sustainability challenges and developments within AS Watson's logistics operations.

What are the key areas of focus in logistics when it comes to sustainability?

"The most important environmental issues relate to CO₂ emissions and waste. Emissions from transport, in particular, and the use and processing of packaging materials such as cardboard and plastic are major areas of concern."

How is AS Watson tackling these issues?

"In transport, there is a strong focus on electrification. We now have 18 electric lorries on the road, which is a significant step forward. In addition, a new transport planning software package has been introduced, which optimises routes and reduces the distances travelled. It is vital that lorries never return empty. They drive to

the shops with full pallets and return from the shops to the distribution centre with cardboard, plastic, empty pallets and crates. This is particularly important now that our business is growing: we are opening more and more shops and the volume per shop is increasing; the aim is to reduce carbon emissions by driving fewer kilometres and using more electric lorries.

For waste and packaging, we work closely with partners such as Milgro, who recycle the paper, cardboard and plastic that we collect. We are investigating how residual streams from shops can be better sorted and processed. We also organise workshops with our suppliers to reduce the use of packaging materials and increase the use of recycled plastic. We share best practices, such as the



Climate change and circularity

'box-in-box' principle, which allows using less cardboard without products getting damaged en route. We have also stopped using black plastic film wrapping on promotional pallets sent to shops, as it makes recycling more difficult. At our e-fulfilment centre in Ede, we now use district heating, solar panels and batteries for our energy needs. The batteries store energy that can be used later, which helps to make energy consumption more sustainable and reduces the impact of grid congestion. A charging hub is currently being built in Heteren for our electric lorries, where we can charge them overnight using energy stored in huge batteries. This is necessary because we will be adding a further 30 electric lorries in the coming period, bringing the ratio of electric lorries to almost a third of the fleet. These developments prove that we are firmly committed to electrification, reducing packaging materials and saving energy.'

What do you see as the main challenge when it comes to further enhancing sustainability?

'Growth and sustainability must go hand in hand, and that is not always easy. On the one hand, the number of shops is growing and sales volumes per shop are increasing, which is driving up transport volumes. However, the distance travelled in fact needs to be reduced in order to minimise the environmental impact. That requires ever more efficient logistics.'

In addition, practical matters such as obtaining permits for battery storage and charging hubs require a great deal of consultation, which tend to cause delays and raise costs. But the biggest current and future challenge is grid congestion. No or limited access to the grid means that we are less able to mechanise our operations and that operating electric lorries will become problematic. Ultimately, this could put the brakes on our sustainable growth ambitions.'

Could you tell us which partners you work with most closely on making your operations more sustainable?

'Cooperation has proved to be a key success factor.' We work closely with a range of partners, including four strategic hauliers. Together with them, we make decisions on matters such as the use of their charging hubs.

There is also close cooperation with local and regional authorities, particularly regarding grid congestion and smart use of energy hubs in business parks. We will be discussing issues like who needs how much capacity, where there is excess capacity, and how we can make use of it. This is still a work in progress, but everyone is fully aware of the need to find solutions. In addition, sustainability brokers in the provinces help to realise projects successfully.'

Sorter / Box Closer

'Growth and sustainability must go hand in hand, but that is not always easy.'

What other key developments have there been in 2025?

'At our e-fulfilment centre in Ede, we have continued to invest in automation. This not only makes the work more sustainable and safer, but also more pleasant for staff. The feedback has been positive, particularly because staff no longer have to do all the heavy lifting. In 2025, we also installed automatic box-sealing and box-reduction machines, which make boxes to measure so we can create more compact parcels that contain less air. That in turn leads to fewer journeys and lower CO₂ emissions. By taking other small steps, such as not putting invoices in the boxes and phasing out adhesive tape, we save on materials and costs. We're actually doing a lot of things that seem to be marginal until you realise what they add up to over the volumes of parcels we send.'

How do you look back on 2025?

'I am particularly proud of the progress we have made in electrification, reducing air in our e-commerce packaging, and the development of the charging hub and our collaboration with partners on this.'

What are your expectations for 2026, and what challenges do you foresee?

'This year and in the years to come, we will continue on the path towards greater sustainability we have set out on, whilst addressing the practical challenges involved. The aim is to make even smarter use of the available energy, for example through solar panels, batteries and new partnerships. We are committed to innovative solutions and closer cooperation with all stakeholders.'

Climate change and circularity

Residual streams from our operations

In the context of our business operations, various residual streams are produced in processes in our shops, distribution centres and offices. We are committed to prevention, reuse and recycling, and actively seek partnerships that contribute to the circular processing of materials. If a residual stream cannot be recycled, it is incinerated to generate energy.

In Belgium, there are contracts in place with waste processors for only part of the residual waste. The remainder is collected locally by the municipality or in shopping centres. The pie chart on the right shows all our waste streams and recycling rates. The residual streams with the corresponding primary processing method are shown in the table on page 88. The table sets out the total contracted residual streams in tonnes, an estimate of the non-contracted residual streams in tonnes, and the recycling rate.

Less packaging, but no less effective

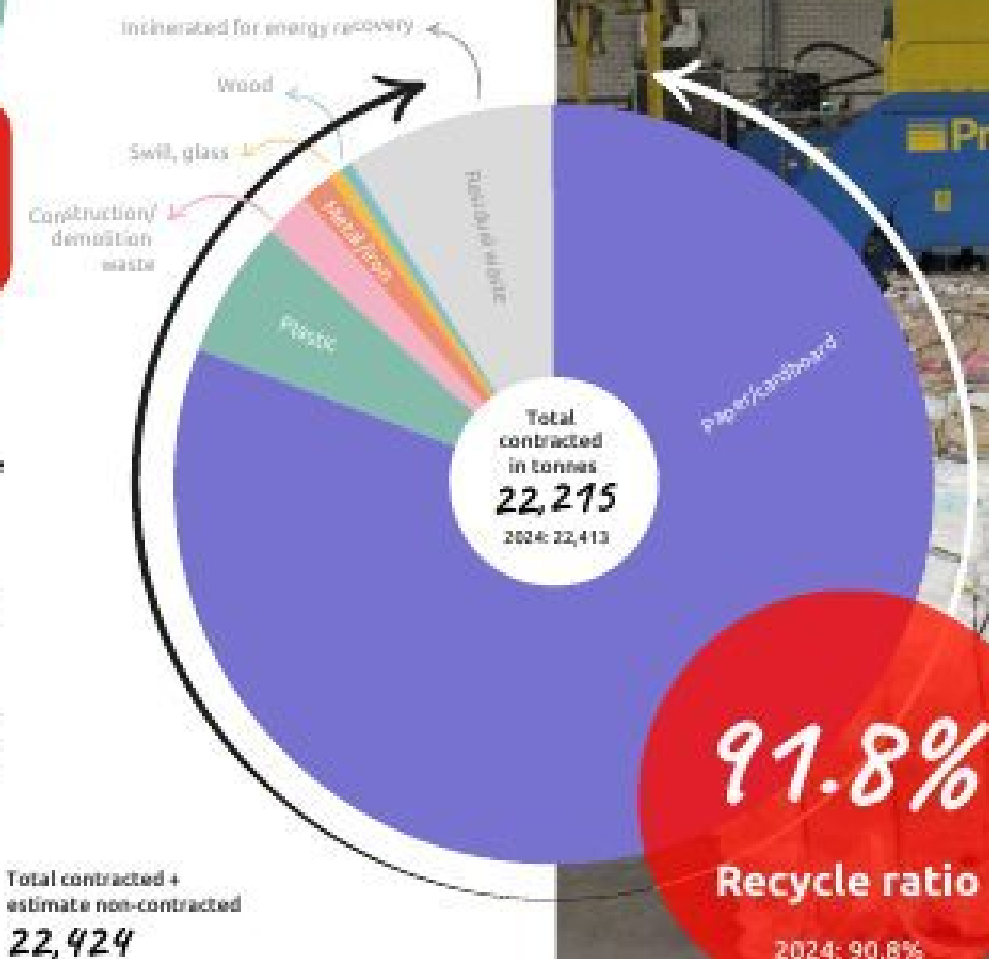
In 2025, we succeeded in reducing the weight of our sealing film by half. We achieved this through close collaboration with suppliers, whom we challenged to develop thinner yet still strong films. The thinner film is still strong enough to transport our goods safely, but it does significantly reduce the amount of film waste. Also, 38% of the packaging materials (plastic film and boxes) that we provide ourselves were made from certified or recycled materials. By learning, testing and innovating together, we continue to challenge ourselves and each other to become ever more sustainable.

Paul de Visscher,
Warehouse
Operations and
Transport Supply
Chain Manager

"We also want to work with our suppliers to reduce our use of plastic and recycle it wherever possible, actively involving them and raising their awareness of the benefits of sustainability over any drawbacks"

We are also in constant discussions with our product supplier about improving our transport packaging. In joint workshops at our distribution centre, we examine inbound packaging together and discuss where we can work smarter and more efficiently. By sharing our experiences and best practices, we discover that small changes often have a big impact. For example, reducing the number of flaps on an outer box or carefully determining the minimum amount of film needed to keep a pallet stable. If suppliers put these changes in place for other customers as well, the impact will extend beyond our logistics operation. This is how we translate shared insights directly into improvements across the supply chain.

Recycling rate of residual streams



Plastic vs paper in e-commerce

Dilemma

In our e-commerce business, we aim to use the most sustainable packaging possible. In 2025, all of the packaging materials used for online orders (shipping boxes and filling material) were certified or made from recycled materials.

We prefer to use as little filler as possible, but it is sometimes necessary to protect products, for example fragile items or when securing products inside the box is a legal requirement. That is why we investigated which filling material produces the lowest CO₂ emissions.

Opting for recycled plastic

Life cycle assessments (LCAs) of products identified two low CO₂ emission options:

1. recycled paper
2. plastic air cushions made from fully recycled material that is recyclable in turn.

Although many people think that plastic is worse for the environment, the LCA showed that this type of plastic air cushion filler actually has the lowest carbon footprint. Customers unpack parcels at home, so the risk of litter is limited. That is why we initially opted for plastic.

Opting for recycled paper

With our new height-reduction packing machines, we can automatically reduce the height of boxes. As a result, we transport less air, which means less packaging, less filling material and lower CO₂ emissions from transport. However, this technique does require the use of paper filler.



Conclusion

If you just compare paper and plastic, opting for plastic seems like a backward step. But we look at the overall CO₂ emissions per parcel: packaging, filling material as well as transport. By taking this broader view, we expect to achieve a CO₂ reduction of at least 15%.

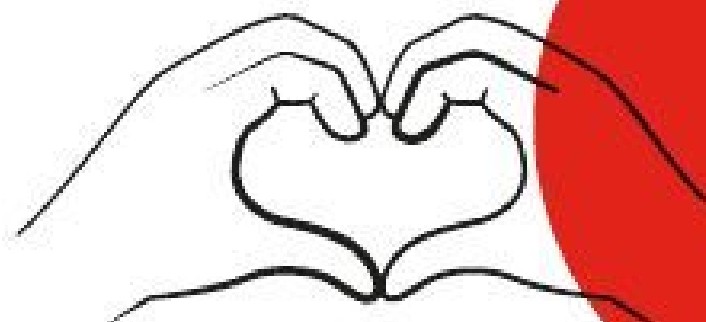
Responsible sourcing



For our own-brand products, we strive for more sustainably managed raw materials, and we encourage name brands to do the same.
(SDG 12.2)

We aim to reduce our environmental impact throughout the supply chain by making conscious choices regarding raw materials, ingredients and packaging. We focus on making products more sustainable step by step, paying particular attention to raw materials and bulk goods for which the environmental impact of cultivation, extraction or processing is relatively high.

These choices shape our product range and the standards we set. Together with suppliers and other supply chain partners, we are working to make our products and packaging more sustainable.



In conversation with Anouk Osinga of GS1



"We set the 'traffic code' for data sharing"

In conversation with Anouk Osinga, Sustainability Programme Manager at GS1

To better understand a product's sustainability, we need data right from the start of the supply chain. Below, Anouk Osinga, Sustainability Programme Manager with GS1, explains how we are working together with GS1.

Could you briefly explain what GS1's aim is?

'Absolutely. GS1 is a neutral, not-for-profit organisation that helps businesses make agreements on how to record and share product data throughout the supply chain. We want to do this efficiently, using a single, standardised "data language". It is similar to something that has been around for a very long time: the barcode – a globally recognised standard for identifying products, enabling businesses to collaborate efficiently. We also ensure that product data such as ingredients, dimensions and sustainability can be shared accurately and consistently. We are an independent, not-for-profit organisation operating in 118 countries, helping more than two million businesses to share reliable data. What is new, is that we are adding more and more sustainability data, so that consumers have access to reliable information about products, but this also helps businesses comply with legislation. This applies to a wide range of sectors, including healthcare, agriculture, fast-moving consumer goods (FMCG), gardening and pet care, construction and packaging.'

What exactly is the role of sustainability within GS1?

'Sustainability is driven partly by legislation and consumer demand, but also by investors and our own intrinsic motivation. Companies wishing to inform consumers realised that there was no standardised way of sharing sustainability data. This made it difficult to collect data from the supply chain in a reliable and efficient manner and to communicate transparently about the sustainability impact of products. To solve this issue, we help businesses use GS1 building blocks to create greater transparency, for example by showing where a T-shirt comes from, who made it and how it was produced. The Digital Product Passport (DPP) plays a key role in this. This passport, as it were, travels with the product throughout the supply chain, from start to finish, reuse or recycling, and contains data in a common "language". The same data structure is used for all textile brands and the same method for sharing data on social conditions, water usage, CO₂ emissions and other sustainability aspects.'

So how do you ensure that the data is recorded reliably and consistently?

'We do not manage the data ourselves, but we set the "traffic code" for data sharing. Companies in sectors such as the food industry then use this code to share data with their partners. They retain ownership of their data and grant permission for its use to their supply chain partners. The idea is that everyone uses the same



Responsible sourcing

standardised method, because that makes it easier to collect, use and compare data.'

Does GS1 respond to specific legislation?

'GS1 doesn't set any rules; we simply facilitate the process of reaching agreements between all the participating parties. If there is no law that specifies exactly how things must be done, we will agree rules in consultation with the market players. When it comes to legislation, we work closely with the European Commission and other stakeholders to explore how standards can be incorporated into legislation. One example is the Ecodesign for Sustainable Products Regulation (ESPR) that is part of the Green Deal. The aim of this legislation is to make products more sustainable by setting requirements for the design of physical goods sold in the EU. Another example is the the Packaging and Packaging Waste Regulation (PPWR) that will come in shortly. The product passport plays an important role in both pieces of legislation. GS1 is there to ensure a standardised method that is widely adopted and available to everyone, so that there is a single method for product identification and a single method for exchanging product information.'

How does GS1 benefit a company like AS Watson?

'We ensure that product data is received and shared reliably and efficiently. GS1 is impartial; we serve no one in particular. We have found that many solution partners want to use our standards. For example, companies that create digital product passports for manufacturers. This enables all systems used by supply chain partners

to access the same data and communicate with one another. We call that interoperability. In the Netherlands, we have around 40,000 participants, including companies and solution providers. AS Watson is one of our participants, and is also actively involved in the development and adoption of GS1 standards.'

And how can AS Watson assist GS1?

'GS1 has found that more and more of our members want to share sustainability data more easily, more quickly and in a standardised way, and that is where we come in. We have drawn up a roadmap for this. There are still many decisions to be made and priorities to be set in this area, partly due to the volume of regulations and the complexity of the supply chains. These are issues that we particularly want to refine and accelerate based on feedback from our participants, because, after all, GS1 works on behalf of businesses.

To validate our activities and plans and ensure we are moving in the right direction and at the right pace, we have set up a cross-sector steering group (Sustainability SteerCo). From the very beginning, AS Watson has been a driving force within GS1 in the field of sustainability data and has therefore played a key role in shaping the structure of this Sustainability Steering Committee. The group now comprises around ten leading companies from the FMCG, DIY, textiles and healthcare sectors. AS Watson plays a key role in this group thanks to its strategic position and vision on sustainability, its ability to weigh up issues that surpass individual interests, and its capacity to contribute to the wider goal of exchanging harmonised data on sustainability.'

Does this mean that this partnership extends beyond the retail sector?

'Absolutely. Sustainability is a supply-chain-wide issue and applies to a range of different sectors. We are encouraging manufacturers, retailers and other stakeholders, such as healthcare institutions, to join us in developing a single approach to data sharing that works for everyone.'

What steps do you anticipate taking in your future collaboration with AS Watson?

'As I mentioned earlier, AS Watson is a member of the steering group that has now been set up. This enables us to work strategically on determining what data can be shared and how, for example on CO₂ emissions.

Companies can take part and put forward proposals for new standards. We are also working together to explore how packaging data can be used to comply with new legislation such as the Packaging and Packaging Waste Regulation (PPWR), which will soon come into force.'

'AS Watson has been a pioneer within GS1 in the field of sustainability data from the very beginning.'



Responsible sourcing

Collating data for sustainability scores

Not all data is available via GS1; some is supplied via multiple platforms. We need to retrieve and collate this data. That is why we work with a sustainability data steward, who acts as a liaison between IT, suppliers and internal teams to clarify the sustainability data required and how it should be supplied. Although the process for standard items is well established, the process for sustainability is still under development due to changing legislation and regulations. We are expanding our data fields, partly as a result of new packaging legislation.

A key step was the transition from Excel to automated systems, which allow us to build in specific checks for each product category. For example, shampoo may contain palm oil, so a specific field has been added for this purpose. This results in reliable and comprehensive product information, verified through external audits.

Thanks to automation, suppliers can immediately see which details are missing and can easily fill them in via a portal, making the process more efficient and less prone to errors. Data originates from suppliers and is received via GS1 or supplier portals. It is then collated internally in a single product data system. Where suppliers have incomplete documentation, we work closely with them to collect the missing data, sometimes with the help of category managers. The speed of data collection depends on timely submission, IT support and the interpretation of legislation. In the first half of 2026, the focus is on optimising data submission via the supplier portal, with improved workflows and less

manual work. We strive for a comprehensive overview of the required data and a streamlined process. This year, we aim to provide a sustainability score for all our own-brand products that are part of our core range and to improve data quality through additional checks.

Transparency and fairness remain key, even when scores are lower. Reliable sustainability information is only possible through standardised processes, such as uniform data submission via GS1, which makes sustainability clear to customers.



Pressing ahead with sustainability in the face of changing legislation

Dilemma

Part of our sustainable strategy focuses on minimising our environmental impact, including by using less plastic and other (packaging) materials. This helps to strengthen our brand, but it also ensures that we comply fully with current and future legislation and take proactive measures on relevant issues that go beyond the legal requirements.

Benefits of legislation

We also use legislation as a tool to achieve our sustainability goals. It sets a framework for us to operationalise our sustainable strategy. For example, we want to make clear and transparent sustainability claims for each product. In this regard, we are guided by the rules laid down by bodies such as the Netherlands Authority for Consumers and Markets (ACM).

Drawbacks of legislation

But legislation also often hampers taking effective action. Various pieces of legislation aimed at promoting sustainability are changing rapidly and/or being postponed. As a result, it is not always clear how and when new rules come into force, which means that the framework remains uncertain. One example of this is the EUDR (EU Deforestation Regulation), which has already been postponed several times. This not only makes it more difficult to anticipate the measures that will need to be taken, to set up the necessary administrative processes and to follow through on them, but also means that companies are increasingly inclined to take matters less seriously and to keep their sustainability efforts to a minimum.

We regret this, as it means the original aim of the sustainability legislation is in danger of getting lost. In addition, consistent and clear legislation helps to create a level playing field.

Conclusion

None of this will make us alter our course, however. All the more so since we expect that, ultimately, many new laws will be closely in line with one another. The digital product passport, for example, helps us in our collaboration with suppliers and in fostering innovation. Clear, consistent legislation will simplify and augment this by creating a level playing field.

Legislation & sustainability: overview of legislation relevant to AS Watson

CSRD – Corporate Sustainability Reporting Directive
Requires large companies to report transparently on their environmental, social and governance impacts throughout the supply chain in accordance with established European standards.

CSDDD – Corporate Sustainability Due Diligence Directive
Requires large companies to identify, prevent and tackle risks for mankind and the environment, and actively reduce negative impact.

PPWR – Packaging and Packaging Waste Regulation
Sets requirements for packaging to reduce waste, encourage reuse and recycling, and increase the use of recycled materials.

ESPR – Ecodesign for Sustainable Products Regulation
Sets requirements for product design, such as recyclability and lifespan, with the aim of making products more circular.

DPP – Digital Product Passport
Ensures better and more accessible product information, such as origin and composition, to aid transparency, reuse and recycling.

EUDR – EU Deforestation Regulation
Aimed at reducing global deforestation by imposing strict requirements on the origin of high-risk commodities such as timber and palm oil.

ECGT – Empowering Consumers for the Green Transition Directive
Ensures fair and transparent sustainability claims by imposing stricter rules on how companies communicate their sustainability efforts.

Responsible sourcing

Environmental policy

As part of our supply chain responsibility, we have been asking suppliers about their environmental policies at their production sites for a number of years now. We ask suppliers in risk countries to complete a BEPI survey. This survey, compiled by amfori, addresses environmental issues at supplier production sites. We will engage with the suppliers who have received a poor score and work together to improve it. By mapping responses, we can discuss these issues transparently, and jointly reduce the environmental impact in the manufacturing of our products.

Creating impact with more sustainable products

Sustainability affects all product categories, with different priorities applying to each category. A number of KPIs have been established, with targets for 2025, to enable progress to be measured. New objectives have been set for the next few years. The aim is for at least 25% of the permanent own-brand range to achieve a better environmental impact score by 2030. In addition, we will focus on certified sourcing of high-risk commodities such as tea, coffee, cocoa, paper, cotton and palm oil. These are monitored by independent organisations that apply strict standards. In the table on this page we show which ingredients in our products are covered by such a label.

Quality labels for own-brand products

	2021	2022	2023	2024	2025
Ratio of H&B-OB at least mass-balanced certified palm oil	82%	94%	93%	96%	100%
Wood and paper - FSC or PEFC certified	97%	97%	98%	98%	98%
Coffee - UTZ or Rainforest Alliance label	100%	100%	100%	100%	100%
Cocoa - Rainforest Alliance label	100%	100%	100%	100%	100%
Cotton Textiles with BCI label*		99%	64%	65%	80%

* Figures have been revised in accordance with the BCI methodology



Certifications for own-brand products

Palm oil



Palm oil is a versatile natural raw material used in food, detergents, personal care products and cosmetics. Its derivatives, for example, provide lather in shampoo and a soft texture in skincare. However, its production is associated with negative impacts, such as deforestation of rainforests in countries like Malaysia and Indonesia, with risks of illegal logging, biodiversity loss and violations of labour rights and human rights.

AS Watson is committed to using responsibly produced palm oil in our own branded products by sourcing RSPO-certified palm oil whenever possible. The Roundtable on Sustainable Palm Oil (RSPO) promotes sustainable palm oil production. We also require all our own-brand suppliers of palm oil containing products to be RSPO Supply Chain certified. This guarantees that our palm oil is independently verified. Our target was for 100% of the palm oil in our own-brand range to be at least mass balanced RSPO-certified by 2025. In 2025, the ratio was 99.89%, rounded up: 100%.

Timber and paper



Most of the wood pulp we use for own-brand products in our permanent range is PEFC or FSC-certified, or made from recycled material. These labels ensure that timber and paper come from controlled, sustainably managed forests.

Wood pulp is made into various products, such as lotion wipes, cleaning wipes and diapers. In 2025, 98% of the paper and wood we use as ingredients for our own Health & Beauty products was certified with a FSC or PEFC label. Ultimately, we aim for 100% FSC or PEFC-certified wood, wood pulp and paper by 2025.

Coffee and cocoa



Almost all coffee and cocoa products are imported from countries outside the EU. To ensure that our coffee and cocoa are responsibly grown and harvested, we are affiliated with the renowned Rainforest Alliance quality mark. The Rainforest Alliance label stands for sustainable agriculture and forest management, which includes environmental protection, biodiversity, fair working conditions and improved living conditions for farmers and communities.

In 2025, as in 2024, we achieved our target: 100% of our own-brand products containing coffee and/or cocoa are Rainforest Alliance-certified. This is also our target for 2025. We closely monitor developments to ensure that a level of sustainability in line with the market is maintained for these products.

Cotton



Within our product range, textiles are a product category that has a significant impact on people and the environment. That is why, since 2020, we have been working with the Better Cotton Initiative (BCI) and have set a target for the use of cotton in our own-brand textile products. The target was to source 80% of our cotton through the BCI scheme by 2025, supplemented by 20% organic or recycled cotton. As recording the correct product information proved to be a major challenge, the decision was taken to focus entirely on BCI. In order to report in accordance with the BCI methodology, the BCI rates for previous years have been recalculated. That recalculation showed that the share of BCI cotton reached 80% in 2025. Our approach to cotton is based on continued procurement via the BCI mass balance, whilst remaining open to further opportunities for improvement.

At the same time, we are expanding our focus on textiles to include synthetic fibres, with a view to increasing the proportion of recycled materials.

Responsible sourcing

Circular products and packaging

We are committed to a future in which products and packaging have the lowest possible impact on the environment. We look keenly at materials we can reuse, at the product and its design and how they contribute to circularity.

The steps we are taking to improve our understanding form the basis for our approach to circular products and packaging. Particularly when it comes to circularity, reducing environmental impact depends heavily on the choice of materials, the use of virgin versus recycled materials, and recyclability. Thanks to improved measurability, we can now incorporate these aspects more effectively into our objectives and follow-up steps. In this context, AS Watson Group is committed to the Ellen MacArthur Foundation's New Plastic Economy (NPE). This commitment focuses on reducing the use of virgin plastic in packaging. For our own-brand products, this means that by 2030 we will be using 15% less virgin plastic compared to 2024, which equates to a 26% reduction compared to 2022, the base year used by the NPE.

Our NPE commitment is in line with the Packaging and Packaging Waste Regulation (PPWR) which, from 2026, will gradually introduce stricter requirements for packaging, such as waste reduction, recyclability and the reduction of primary raw materials. Whilst the PPWR provides the legal framework, our work within the NPE helps to implement it proactively. In the years ahead, we aim to reinforce our approach by increasingly translating our circular ambitions into impact-driven decisions in product development and packaging design.





Results and connectivity

	Topic	KPI	2024	2025	Progress 2026	SDG's
For everyone	Well-being 	Number of accidents with injuries in DC	166	148	On schedule	  
	Inclusivity 	Partnerships with civil society organisations and community initiatives	Expansion of partnership with Dutch Poverty Fund and the Belgian Food Bank	Continued partnership with Dutch Poverty Fund and the Belgian Food Bank, and launch of the Poverty Alliance	On schedule	  
		Number of €25 gift cards donated to the Poverty Fund and Food Bank	49,188	48,587		
		Products donated to the Poverty Fund and the Food Bank		>750.000		
		Ratio of women on the board (statutory)	F: 25% / M: 71%	F: 29% / M: 71%		
		Ratio of women in top management	F: 33% / M: 67%	F: 33% / M: 67%		
		Ratio of women in management team (leadership team)	F: 36% / M: 64%	F: 36% / M: 64%		
		Diversity: women in % FTE overall	F: 78% / M: 22%	F: 79% / M: 21%		
		Strengthening of inclusive range	Genderline Kruidvat perfumes and inclusive beauty campaign	Expansion of the curly hair product range and shelf layout changes		
		Non-H&B own-brand products from risk countries with BSCI audit available	100%	100%	On schedule	
		Non-H&B own-brand products from risk countries at least BSCI C compliant	100%	100%	On schedule	
		H&B own-brand products from risk countries with BSCI audit available	96.63%	99.71%	Deviation	
		H&B own-brand products from risk countries at least BSCI C compliant	95.51%	99.43%	Deviation	
		Ratio of employees experiencing our organisation as inclusive based on Whatsapp survey	89%	90%	On schedule	
Accelerate sustainability	Accelerate 	Qualified chemists	4,166	4,220		  
		Ratio of customers who say that Kruidvat stocks more and more products that are more sustainable	N.v.t.	63%		
		Customer-focused CSR initiative with our suppliers	2	4	On schedule	
Minimising environmental impact	Climate change 	CO ₂ emissions in tonnes (scope 1 and 2)	17,948	15,880	Deviation	 
		Reduction in CO ₂ emissions (scope 1 & 2) compared to last year	5.9%	11.5%		
		Energy consumption of shops per m ² of retail floor space in EU	0.59	0.54		
		Reduction in CO ₂ emissions from shops compared to last year		8.5%		
		Contracted renewable electricity (Netherlands and Belgium)	100%	100%		
	Circularity 	Ratio of contracted residual streams recycled of total	90.8%	91.8%	Deviation	 
		Total contracted residual streams (in tonnes)	2,413	22,215		
		Making packaging more sustainable	642	801		
	Responsible sourcing 	Certified sustainable cardboard (packaging)	~75%	~75%	Deviation	 
		RSPO palm oil (at least mins balanced)	96%	100%	On schedule	
		FSC or PEFC paper/wood (H&B category)	98%	98%	On schedule	
		Rainforest Alliance coffee	100%	100%	On schedule	
		Rainforest Alliance cocoa	100%	100%	On schedule	
		BCI cotton (figures have been revised in accordance with the BCI methodology)	65%	80%	Deviation	

Outlook



In the spotlight

Zacht & Sterk 3-ply toilet paper

Our Trekpleister and Kruidvat Zacht & Sterk 3-ply toilet paper is made from 30% recycled paper and 70% FSC-certified paper, with 50% more sheets per roll and more compact packaging, which reduces material use and makes transport more efficient.



Outlook 2026: Staying on course with sustainability

Strong focus on making our own-brand products more sustainable

We will continue to pursue the sustainable strategy we launched several years ago with unwavering commitment in 2026 and beyond. It is through our products that we make the greatest impact, and we have the greatest control over our own-brand products. That is why we focus so strongly on making our own-brand products more sustainable. Our ambition is to make an impact by leveraging our scale. We achieve this through a comprehensive approach that combines sustainability, inclusivity, human resources, supply chain responsibility and CO₂ reduction, based on reliable data. This means that not only do the products keep getting a little more sustainable, but employees and customers are also being engaged and made aware of the impact, based on underlying data. This is the holistic approach we take to sustainability; above all, we stay the course, ensuring that customers and other stakeholders are involved in our journey towards sustainability. A survey of our customers has shown that they expect us to take responsibility in this regard. Taking steps that are too drastic, or requiring customers to make too many sacrifices in their current lifestyle, is counterproductive; in the current climate, sustainability is more likely to be rejected than embraced. Striking a careful balance between the sustainability steps we are taking and the expectations of our customers is therefore crucial to our ability to keep guaranteeing our strategic course.

New targets for 2030

At the start of our sustainability journey, we set out clear targets that aligned with our core values of sustainability, accessibility and affordability. With better data and insights, AS Watson can now manage its operations more effectively and make better decisions, which are being rolled out across the board. The coming year will be focused on setting new targets for the period up to 2030, as most of our targets expired in 2025. With regard to CO₂, we will continue to align ourselves with the AS Watson Group's Science Based Targets initiative (SBTi). This means that we will reduce our scope 1 and scope 2 emissions by 50.4% by 2030 compared to the base year 2018. We will also work in line with the New Plastic Economy approach. By 2030, we aim to use 26% less virgin plastic in our packaging compared to 2022. In addition, our aim is for all our high-risk raw materials to be fully certified by 2030. In this way, we ensure that our growth will go hand in hand with lower CO₂ emissions, less virgin plastic, and greater consideration for biodiversity through responsible land use and the protection of ecosystems.

Collecting relevant product data throughout the supply chain

Collecting the relevant product data is a complex process, particularly within the supply chain. Collaboration with suppliers and civil society organisations is crucial to obtaining this data and managing risks – only then can we produce high-quality, impactful analyses. All in all, however, we have made significant progress in automating and professionalising our data collection, which will enable us to identify and manage risks even more effectively. We are at the point where we can gradually start saying goodbye to lots of Excel spreadsheets. This is also important in order to comply with future legislation and regulations.

To ensure effective management of our product impact, AS Watson uses the GSES platform. This system bases its score calculations on factors including life cycle assessments (LCAs) and the composition of materials and packaging (bill of materials). This data is largely available for our core range of own-brand products, but obtaining it remains challenging for name brands. Internally, systems are being improved to secure better management information for name brands as well. In the short term, the focus is on data relating to packaging and certified ingredients, with the ambition of being able to use LCA calculations as a guiding principle in the future.

Working towards a better understanding of scope 3 emissions

Significant investment has also been made in collecting reliable data for CO₂ reduction, enabling emissions to be accurately mapped and targeted savings to be implemented, for example in packaging. This approach will be firmly embedded in our governance structure. We are working step by step to gain a better understanding of our scope 3 emissions, which account for 99% of our total CO₂ emissions. At present, we are still basing our scope 3 calculations primarily on spend-based data, which has enabled us to build up an initial comprehensive picture. Thanks to improvements in our data quality, we are able to calculate the product footprint of an increasing number of products more accurately based on product data, using the Nature Impact Score. In this way, we are gradually moving towards emissions estimates that more accurately reflect the actual environmental impact of our products. The table on page 75 shows the breakdown of our scope 3 categories in 2025, based on our current spend-based approach.

Affordable and effective ways to make products more sustainable

In five years' time, AS Watson aims to be able to make informed decisions based on data, with the aim of achieving the highest sustainability performance for products within the available budget and quality standards, so that our products remain affordable and accessible. This enables customers to make more impactful and sustainable choices without this requiring them to make any drastic changes to their lifestyle.

Broadening our social impact

In addition, we want our social impact to be fully integrated into the way we operate as an organisation. This means that we have further expanded our role in reducing care poverty, with consistent, data-driven impact. Every year, we reach hundreds of thousands of people, with the aim of breaking the taboo surrounding this issue and concrete relief to those who need it. Our donation-infrastructure will then be fully streamlined; giving online will be just as easy as redeeming points, and product donations will be systematically available across all relevant categories. Volunteering has become an integral part of our culture, with colleagues actively contributing to local initiatives, and our collaboration with external partners has been stepped up to make greater impact. Through our close collaboration with clients, suppliers and community partners, we help

to strengthen the resilience, improve the health and enhance the dignity of vulnerable people. We are on track to realise our 2030 ambition step by step and to further scale up our social impact.

AS Watson's sustainability drive continues, focusing on three sustainable pillars: 'For Everyone', 'Accessible Sustainability' and 'Minimising Environmental Impact', with the company remaining firmly committed to the course it has set.



ESG

Environmental, Social en Governance

General information

Treatment by material topic

Environmental

Climate

Pollution

Biodiversity and ecosystems

Resource use and circular economy

Social

Own workforce

Workers in the value chain

Consumers and end-users

Governance

Business conduct

In the spotlight

Kruidvat Whey Protein

Kruidvat whey powder comes in a tub made from fully recycled plastic, thereby reducing the use of new raw materials for packaging.





Environmental, Social and Governance (ESG)

In this chapter, as far as realistic in view of the incomplete CSRD legislation, we have implemented the general ESRS requirements based on the 'draft simplified European Sustainability Reporting Standards (ESRS)' of December 2023. In this interview with Financial Reporting Manager Romée Voets-Boogaars, we discuss CSRD reporting and preparation at AS Watson Benelux.

The table on the right shows the connection between our strategic topics, the subjects that fall under them and the ESRS topics. This table also shows that our strategic topics and the subjects that fall under them are highly consistent with ESRS topics, sub- and sub-sub-topics. In this sense, ESRS is both supportive of our strategy and a good guide to achieving uniformity in reporting. We do not yet comply with the CSRD or the ESRS guidelines in this report, but we are preparing to do so in the near future. Going forward, we will further develop the material topics we are currently not yet reporting.

With respect to the ESG reporting for the topics Climate and Own Workforce, we have taken inspiration from the ESRS. The other material ESRS topics fit in seamlessly with our strategy house, but are not yet fully aligned with the ESRS reporting requirements. In this chapter we do touch briefly on these topics.

Strategic topics	ESRS topic	ESRS sub-topics / sub-sub-topic	ASW and ESRS merged	See page
Well-being 	Own workforce	Working conditions: - Secure employment - Working time - Living wages - Social dialogue - Health and safety Equal treatment and opportunities for all: - Training and skills development	Well-being of our employees	78
	Consumers and end-users	Personal safety of consumers and/or end-users: - Health and safety	High-quality and safe products	81
Inclusivity 	Own workforce	Equal treatment and opportunities for all: - Gender equality and equal pay for work of equal value - Measures against violence and harassment in the workplace - Diversity	DE&I for our colleagues	78
	Consumers and end-users	Social inclusion of consumers and/or end-users: - Access to products and services	Inclusivity for customers and society	81
	Workers in the value chain	Working conditions: - Secure employment - Working time Other work-related rights: - Child labour - Forced labour	Equality in the value chain	81
Awareness 	Consumers and end-users	Impact on information for consumers and/or end-users: - Encouraging responsible customer behaviour	Inform and activate customer and colleagues	81
Climate change 	Climate change	Climate change adaptation Climate change mitigation Energy	Climate change	74
Circularity 	Circular economy	Waste (materials)	Circular business operations	76
	Circular economy	Resource inflows, incl. use of resources Resource outflows related to services and products	Circular products and packaging	76
	and Pollution	Microplastics		76
Responsible sourcing 	Biodiversity and ecosystems	Direct impacts of biodiversity loss: - Land-use change, fresh water-use change and sea-use change - Direct exploitation	Responsible sourcing	76
Preconditions	Business conduct	Corporate culture Corruption and bribery: - Incidents	Transparency and accountability	83
	Consumers and end-users	Impact on information for consumers and/or end-users: - Privacy		81



In conversation with Romée Voets-Boogaars

"As an organisation, we are intrinsically motivated to make an impact through our activities as a major retailer. Initiatives such as the electrification of our vehicle fleet are making a real difference to our carbon emissions."



Romée Voets-Boogaars, financial reporting manager

In this interview with Financial Reporting Manager Romée Voets-Boogaars, we discuss the ESG reporting and preparation.

How has the 'stop the clock' directive affected the preparation of your report?

"We had already got well and truly started on the project and followed through with the necessary preparations. We are using the extra time primarily to focus more closely on the material topics and the quality of the underlying data. In our Benelux report, we cover almost the same topics as will be covered in the CSRD reporting at parent company level. In addition to the Benelux organisation, the group structure also includes a large number of entities in Asia, which means that a few topics in the DMA may be different. In other parts of the world, different laws and regulations apply. A topic such as water, for example, can play a major role on the other side of the world."

As far as the disclosure requirements (DR) are concerned, not much has changed for us. The non-mandatory elements have been removed, but for the first reporting period our focus was on the mandatory data points. The layout of the new set of DRs makes them more practical to use, which is certainly a great help to us."

Has the new Final draft of the CSRD made it less complex and easier to apply?

"Yes, the new draft version is easier to use in practice. Certain data points that initially were rather confusing, have been described in greater detail. We now have a clearer idea of how we are expected to supply the information."

Last year, you indicated that, despite the 'stop the clock' measure, you would press ahead with the CSRD project and aim to be fully compliant in two years' time, for the 2027 reporting year. Is that still the plan?

"Yes, that's definitely still the plan. We are a major player in the Benelux and worldwide. Given our size, which places us well within the scope, we believe our impact can make a difference. As a major retailer, we also want to set an example."

We can also see that our scope 1 and 2 CO₂ figures have improved significantly compared with the base year of 2018. Over the past two years, we have purchased eighteen new electric lorries, and in 2026 we will be taking the electrification of our fleet further still. In addition, new and relocated shops are no longer using gas, a trend that is also visible in the consumption figures. Gas is still used in existing retail premises, but our consumption has fallen significantly in recent times. We have also recently made our office in Renswoude gas-free."



Thanks in part to these measures, our CO₂ emissions continue to fall across the board. We're very proud of that.'

What about your scope 3 emissions? They tend to be a lot more complex.

'It is true that scope 3 is more complex; we are working hard and are making progress there too. We have found that, in order to calculate our scope 3 figures, we also need insights and estimates regarding our upstream and downstream supply chains. That makes it more complex than scopes 1 and 2, where we can determine and measure our own impact. We don't want to report scope 3 figures until we feel confident we have got them right.'

Looking back on 2025, what do you see as the biggest positive change within your team?

'A major step forward was the expansion of my team. It will allow us to focus on improving data quality going forward. With a bigger team and the 'stop the clock' directive, we now have more time and we can devote more attention to reporting accurate data. For our 2025 impact report, we have also decided to focus more on carefully selected KPIs rather than reporting on a wide range of them.

Also, we have volunteered to have our key KPIs reviewed for assurance for three years running, so as to get a better grip on data collection and reporting. In-house, our auditors challenge colleagues in various departments. As a result, the issue of non-financial data

reporting has become more important within the organisation. We see this as sound preparation for the mandatory CSRD legislation and regulations that will come into force for us in the 2027 financial year. The legislation acts keeps us on our toes and creates a sense of urgency, even though we have been considering it as a priority for years. That's why we've been producing a voluntary impact report for quite some time now; we want to show that we care about the world around us.'

In 2024, you conducted a materiality analysis (DMA). The new final draft of the CSRD states that at each reporting date there must be a review of any significant changes that could affect the materiality analysis. Will this also be done for 2025?

'We do that every year. Our business is fairly stable, which means that the material topics do not change from one year to the next. We report on CSRD several times a year internally within our group structure and to external stakeholders via our impact report. As a result, the issue is regularly on our radar and is reviewed throughout the reporting cycle.'

You have made some changes to the KPIs that are subjected to assurance. Why was that?

'We are committed to continuous improvement, and we focus on KPIs where we can really make a difference. For example, energy consumption per square metre of retail floor space is a new KPI included in the auditors'

scope this year. This KPI allows us to assess our shops' energy consumption in relation to their floor area. We want to ensure our shops remain comfortable for customers, whilst making them more sustainable. For example, by taking measures such as installing LED lighting, making shops all-electric, the door policy and the standard temperature of 19 degrees in the shops. With this KPI we can back up that the energy-saving measures implemented in our stores over the past few years are actually making a difference.'

What do you consider the biggest challenge when it comes to ensuring compliance with the CSRD regulations?

'A major challenge in the next few years will be obtaining assurance of the entire CSRD report for the 2027 financial year. Currently, eight of our KPIs are assured, but assurance of the entire report also means that texts will be checked by our auditor. That is another new focus of the audit.

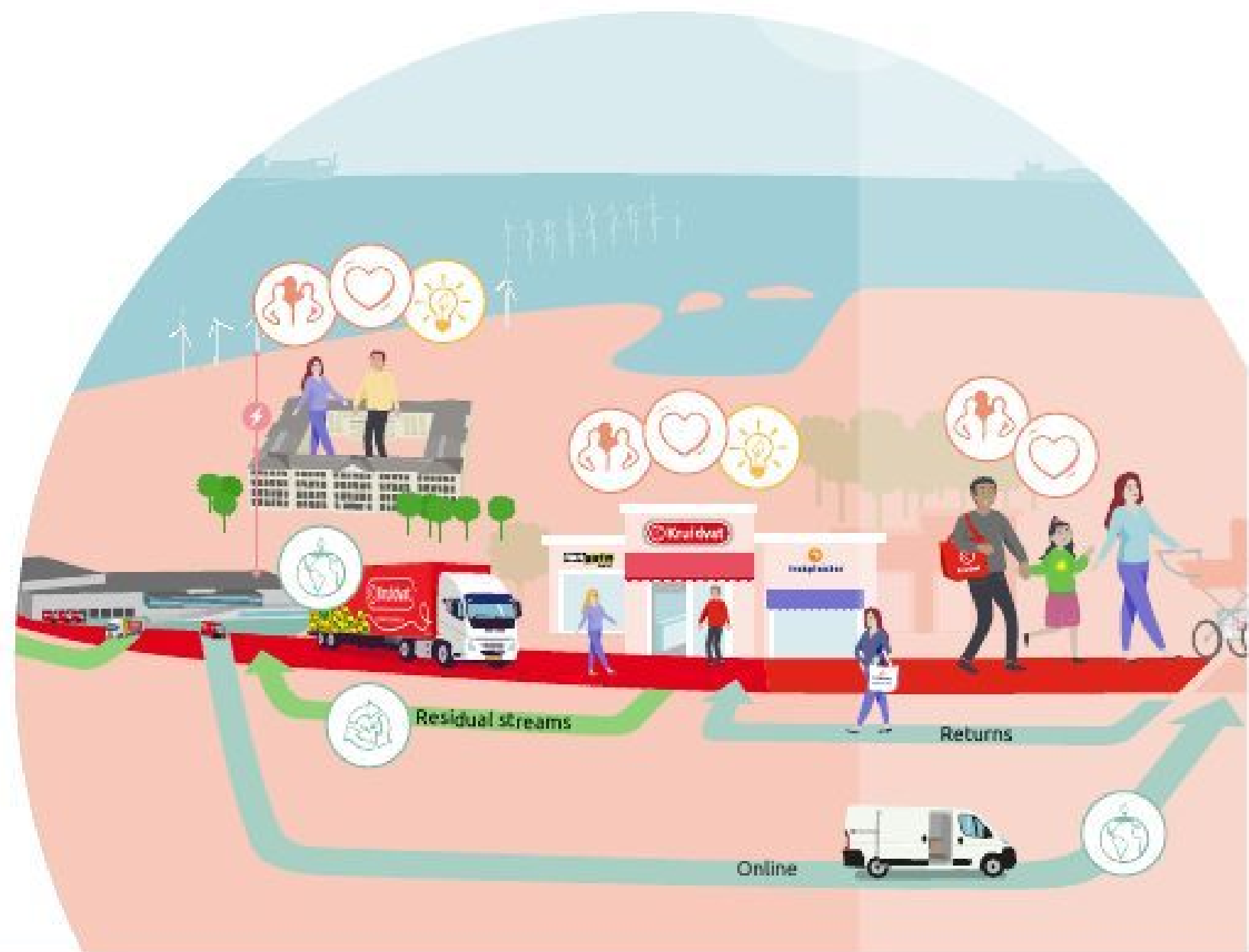
We are already well under way, as we have had several KPI assured over the past few years. These have also yielded fruitful discussions that are improving our data quality. It has been a valuable learning experience, thanks to which we already have a good idea of what will be required and expected to do in the coming years.'

General information

The ESG section is based on the results of our dual materiality analysis (DMA), which is discussed in detail below. The material impacts, risks and opportunities in the upstream and downstream chain are included in the DMA. The value chain model on page 12 shows with which material topics we have impact in the chain and where. Under material impacts, risks and opportunities (page 69), we explain in more detail whether material impacts are negative or positive and where in the chain there are financial impacts (i.e. opportunities and risks). We also give the time horizons in which the impacts will play out.

For reporting deadlines, we use the same time horizons as in ESRS 1 for the short, medium and long term. That is, the short term corresponds to the same term as the parent company's financial reporting. The medium term starts where the short term ends and spans five years. The long term refers to a period of more than five years. We have chosen not to avail ourselves of the option to omit certain information that could be considered sensitive.

The table on page 69 shows which topics the DMA showed to be material. In our value creation model on page 13, we set out the relationships between the strategic topics and our business model. Below, we state our long-term objectives for each ESRS topic.





Dual materiality analysis

Methodology

For our dual materiality analysis (DMA), we mapped our value chain and own operations, including our stakeholders and the impact of external developments. Our value chain starts with our suppliers and continues all the way to our customers, who are the end-users of our products. We did not perform a new DMA in 2025. The material topics are therefore the same, with the proviso that the previous sub-sub-topics now form part of the sub-topics based on the 'final EFRAG draft' of November 2025; see the materiality table on page 17. However, we do assess annually whether any significant changes have occurred that could affect the materiality analysis. And we have done so also for 2025. The finding was that there had been no major changes. We are closely monitoring developments in CSRD legislation and regulations and will comply with them.

[See the value chain on page 12 >](#)

To map our value chain, we identified our key stakeholders, activities, segments, relationships and resources, and further detailed our existing sustainable strategy and kept it up to date with the DMA. We carried out a stakeholder analysis, in which we mapped the impact for each stakeholder group. We looked at both the impact of AS Watson on the stakeholders and the impact of the stakeholders on the organisation. In order to have a single overview of our main stakeholders, the findings of our analysis were plotted on a stakeholder map; see pages 15 and 16.

Impacts, opportunities and risks

In the 2024 DMA, following a thorough analysis, we shortlisted impacts, risks and opportunities (IROs) for all topics at various levels of the value chain. For the identified IROs, the time horizon was also estimated over which impacts, risks and opportunities may come into play. Here, we distinguished between the short, medium and long term, in line with the time horizons referred to in ESRS 1.

The impact was estimated by giving scores to the identified risks and opportunities by identifying their scale, scope, irremediable character and likelihood. To identify the financial impact, we considered the probability of continuing our activities, the impact on relationships, the scope of the impact and the likelihood of its occurrence. This was mapped by scoring the identified IROs. To determine the material topics, a materiality threshold was set that the main risks scored above. Based on our DMA process, material topics were identified and included in the materiality matrix.

Risk management and internal controls for sustainability reporting

We carefully weigh our objectives against the risks we are willing to take (risk acceptance). We are prepared to accept a certain level of risk to achieve our sustainable business objectives. However, we consider social and environmental violations and non-compliance with laws and regulations to be unacceptable. The mitigating measures we take can turn some risks into opportunities. By focusing on more sustainable raw materials, we want to ensure that sufficient raw materials will remain available to serve our customers in the long term. Our holistic vitality policy makes our employees resilient, sustainably employable and provides them with equal opportunities. We also work with the Poverty Fund and the Belgian Food Banks to help tackle care poverty.

We see this as a significant positive contribution to society. Material impacts, risks and opportunities related to the effectiveness of policies, measures, metrics and targets are discussed in the quarterly management meetings. Where necessary, adjustments are made or mitigating measures taken.



Material impacts, risks and opportunities

The overview below shows where in the chain we have influence with our material topics. It also states whether the impact is positive or negative and whether it is a risk and/or an opportunity, with an indication of the time horizon over which this may occur. This is an aggregate table, in which we show which sub- and sub-sub topics are relevant to us. The description of opportunities, risks and impacts and how we deal with them will be described more in more detail in the years ahead in line with reporting requirements.

ESRS Topic	Sub-topic	IRO	Impact materiality				Financial materiality		
			Impact		Value chain	Term	Risk / opportunity	Value chain	Term
E1 Climate	Climate change mitigation			Actual					
	Climate change adaptation			Potential					
	Energy			Actual					
E2 Pollution	Microplastics			Actual					
E4 Biodiversity and ecosystems	Direct impacts of biodiversity loss			Actual					
E5 Circular economy	Resource inflows, including resource use			Actual					
	Resource outflows related to services and products			Actual					
	Waste			Actual					
S1 Own workforce	Equal treatment and opportunities for all			Actual					
	Working conditions:			Potential and actual impact					
S2 Workers in the value chain	Working conditions:			Potential					
	Other work-related rights			Potential					
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users			Potential					
	Personal safety of consumers and/or end-users			Potential					
	Social inclusion of consumers and/or end-users								
G1 Business conduct	Corporate culture			Potential					
	Corruption and bribery								

Impact materiality: Positive impact Negative impact Financial materiality: Risk Opportunity Value chain: Upstream Downstream Term: Short term Medium term Long term



Benelux board

The role of the Benelux board and sustainability team with regard to sustainability

The final responsibility for our sustainable strategy and policy lies with Ed van de Weerd, CEO of AS Watson Health & Beauty Benelux (onderdeel van AS Watson Health & Beauty Continental Europe). He is also a member of AS Watson Group's international sustainability committee.

Sustainability objectives and operational progress are discussed with the business management team at least once per quarter. Material impacts, risks and opportunities related to the effectiveness of policies, measures, metrics and targets are also on the agenda in these meetings. Adjustments are made where necessary. This applies to all material topics discussed below. Sustainability is at the very heart of our entire organisation, in every team, in every discipline and in every shop. This is why we prefer the term 'sustainable strategy' over 'sustainability strategy'. In 2023, we handed over the sustainability strategy to the individual Benelux management team (top management) members, with several board members, possibly in alternating combinations, able to act as a sustainability steering group, while our CEO retains final responsibility, also in an operational capacity. The entire team is directly involved and feels responsible for making the organisation more sustainable. They jointly formulate the level of ambition, monitor progress and make adjustments where necessary. In this context, the managers also attend training courses and participate in workshops or master classes.

The Benelux management team (top management) consists of nine members: six men and three women. All members of the team have knowledge and experience of sustainability.



Ed van de Weerd (57)
CEO Health & Beauty
Continental Europe
(+MD KVNL)
8 years with the company



Brenda Smith (52)
Chief Marketing Officer
(CMO)
11 years with the company



Jan Carel Uylenberg (65)
Chief Human
Resources Officer
(CHRO)
18 years with the company



Yvette Heijwagen (51)
Chief Supply Chain Officer
(CSCO)
11 years with the company



Erik Heuthorst (56)
Chief Financial Officer
(CFO)
22 years with the company



Niek Schipper (50)
Trading director
(CCO)
8 years with the company



Katinka Ruikes (49)
Director sales
operations & innovation
Kruidvat Nederland
(CSOO)
16 years with the company



Roland van den Berg (52)
MD Trekpleister & Chief
eCommerce Officer
(MD & CeCO)
9 years with the company



Bert Verhoef (62)
MD Kruidvat Belgium /
Director Location Portfolio /
Director Rossmann Central
Europe (MD & Director)
26 years with the company



Ed van de Weerd

- Member of the steering committee of the strategic project 'Just do it sustainably' [Duurzaam doe je gewoon], responsible for the overarching sustainable business topics within the pillars of our sustainable strategy and ultimately responsible for AS Watson Health & Beauty Benelux's sustainable strategy
- Member of AS Watson Group's Global Sustainability Committee

Brenda Smith

Team lead in the Sustainable Marketing and Communications team, responsible for customer activation topics within the pillars of our sustainable strategy

Jan Carel Uylenberg

Member of the CSRD implementation steering committee, responsible for well-being and inclusion of colleagues within the pillars of our sustainable strategy

Yvette Heijwegen

Lead in the Sustainable Supply Chain team, responsible for transport and distribution centre related CO₂ reduction and more sustainable transport packaging within the pillars of our sustainable strategy

Erik Heuthorst

Member of CSRD implementation steering committee, responsible for the non-financial disclosures from our sustainable strategy to involved stakeholders and shareholder and the design of our IT landscape for the benefit of our sustainable strategy

Niek Schipper

Member of the steering committee of the strategic project 'Just do it sustainably' [Duurzaam doe je gewoon], member of the CSRD implementation steering committee, responsible for the sustainable trading topics within the pillars of our sustainable strategy

Katinka Ruikes

Responsible for sustainable optimisation within the pillars of Kruidvat Netherlands' sustainable strategy

Roland van den Berg

Responsible for the e-commerce topics within the pillars of our sustainable strategy and for the sustainable optimisation of Trekpleister and Prijsmepper

Bert Verhoef

Responsible for all shop-related CO₂ reduction and the circularity of the shop layout within our sustainable strategy and for the sustainable optimisation of Kruidvat Belgium

ASW also has a sustainability team

The Sustainability Manager draws up the sustainable strategy with his team, aligns the objectives within the organisation and identifies relevant market developments to ensure that the strategy remains in line with current themes. In addition, the team contributes with substantive expertise to sustainability in operations, sustainability reporting and communication, and is responsible for stakeholder engagement on sustainability. The Sustainability Manager reports to the Head of Corporate Affairs who is part of the team reporting directly to our CEO. The sustainability team employs one junior sustainability specialist in addition to the Sustainability Manager. She reports to the Sustainability Manager.



Leendert van Bergeijk, Sustainability Manager



Eva Keller, Sustainability Specialist



Remuneration scheme

From 2025, sustainability performance under scope 1 and 2 will be an element in the remuneration scheme of top management and the management team ('leadership team').

Due diligence

A key part of our due diligence process involves screening of our suppliers. New and existing suppliers go through a process designed to identify potential non-compliance of suppliers with certain risk factors and to determine when mitigation measures may be appropriate, if risks are revealed. We took a further step in 2024 with an assessment of our dual materiality so as to integrate due diligence into our governance, strategy and business model.

We involved our key stakeholders in this analysis and identified and assessed our material impacts, risks and opportunities in our value chain. Identifying, preventing, mitigating and reporting actual and potential impacts is in line with our business practices and supported by our comprehensive control and risk system. The DMA Forms a strong foundation under the ongoing integration of our due diligence.

In the second half of 2025, we launched a new project in partnership with Oxfam Novib and RVO, aimed at improving due diligence within our supply chain, with a particular focus on the living wage and working conditions in the Indonesian palm oil supply chain. See also page 23.

Strategy, business model and value chain, and stakeholder interests and views

The description of our sustainable strategy, business model, value chain, and the interests and views of stakeholder is covered in detail in the first part of this report, see pages 11 to 15.

Environment

[Climate change](#)[Pollution](#)[Biodiversity and ecosystems](#)[Resource use and circular economy](#)



Treatment by material topic – ESRS

Climate and circularity

Climate change



Topic	KPI	Targets	Results 2025	Action points 2025
Climate mitigation	• Reduction of CO ₂ emissions in scope 1 and 2	2030: Scope 1 and 2: 50.4% reduction compared to base year 2018*	• Scope 1 and 2: cumulative reduction compared to base year 2018: 37.1%	• Improve granular understanding scope 3 cat 1 of own-brand products
	• Insight into emissions in scope 3	2030: Scope 3: 58% reduction per value added in euros compared to base year 2018 2027: 33% of suppliers have targets for CO ₂ emissions based of SBTi. (ASW Group target)	• 16 new electric lorries have been put into service, bringing the total to 18	• Increase number of electric lorries following completion of charging hub • Construction of charging hub
	• Reduction of energy consumption	2030: 30% reduction in energy consumption per square metre of retail floor space compared with base year 2018	• 'Accelerated LED' project further implemented in 2025. 98% of shops have switched to LED lighting • 382 gas-free shops • 39.6% reduction in energy consumption per square metre of retail floor space compared to 2018 • 8.5% reduction in energy consumption per square metre of retail floor space compared to 2024	• Switch shops to all-electric where possible

* CO₂ emissions are calculated in accordance with the GHG Protocol (scope 1 and 2). We use CO₂ conversion factors from [CO2emissionfactors.html](https://www.climatiq.com/en/CO2emissionfactors.html) and [CO2emissionfactors.html](https://www.climatiq.com/en/CO2emissionfactors.html).

General policy

Optimising our impact on the climate is a priority. We will achieve this by reducing our greenhouse gas emissions (such as CO₂) to the extent possible by focusing on energy efficiency and by sourcing renewable energy (renewable electricity from European wind farms).

We not only do this in our own processes, but also by encouraging partners in our value chain, such as suppliers, to do the same. We also enquire with our suppliers about our scope 3 emissions to monitor progress towards our targets. There is special attention for our product range. Amongst all the things we do, it is our products that have the biggest impact on sustainability, especially CO₂ emissions. We work with external partners who collect sustainability data and make it measurable. With shippers and distributors, we explore ways to optimise transport and reduce emissions. In our shops, distribution centres and offices, we are striving to use energy as efficiently as possible by using LED lighting, taking energy-saving measures by setting the heating to lower temperatures, by switching to heat pumps where possible and by sourcing renewable electricity. By the end of 2025, 98% of our shops had installed full LED lighting. With these measures, we are reducing energy consumption in our shops per square metre of retail floor space. The annual reduction is shown in the table. At the end of 2022, the climate targets we are pursuing with the AS Watson Group were approved by the Science Based Targets initiative (SBTi). This brought us in line with the goals of the Paris Climate Agreement to limit global warming to 1.5°C.

Energy consumption of shops	2018 (base year)	2024	2025
Energy consumption of shops per m ² of sales floor area in GJ	0.90	0.59	0.54
Reduction compared to 2024			8.5%
Reduction compared to 2018 (base year)		34.2%	39.6%

In the comprehensive DMA analysis climate impacts, risks and opportunities have been identified and analysed in line with the analysis of the material topics described on page 68. We have identified climate-related risks of the company for both people and the environment in a structured manner, and also examined opportunities, risk appetite, risk mitigation and risk reduction measures. How these risks are managed is regularly monitored and reviewed annually.

Scope 1, 2 and 3

In scope 1 – emissions from our own operations – our focus is on reducing the emissions from our branches and transport. Transport from our distribution centres to the shops is in scope 1 for us because the logistics partners to whom we outsource the transport drive exclusively for us with vehicles chosen and routes scheduled by us. So we have control over the emissions from these activities.

Scope 2 – purchased energy – relates to the purchase of renewable energy since 2020. Since we own the vast majority (approx. 95%) of the properties our shops are located in, we can say that almost all branches now use renewable energy. We are not certain whether renewable energy is used in the properties we do not own. This means that we are not 100% sure whether our scope 2 emissions are zero. With our goal to reduce scope 1 and 2 CO₂ emissions, we are on the right track. The annual calculation of our total CO₂ emissions in 2025 shows that 99% fall under scope 3. This mainly concerns purchased goods, upstream transport and distribution, and the use of sold products. In the upstream part of our value chain, which includes everything that goes to the shop, 2% of our total emissions in 2025 came from transport and distribution, and 83% from purchased products and services. In the downstream part, everything that leaves the shop, 6% of our total emissions come from products – especially packaging – discarded by our customers. We try hard to encourage our customers to make more sustainable choices, through campaigns, with leaflets and in other ways. In 2025, we took significant steps with the Nature Impact Score to provide accessible insights into the sustainability of our own-brand products. By year-end 2025, approx. 1,000 of our own-brand products had been verified. In 2026, we introduced the Nature Impact Score (NIS), which is calculated using the GSES system.

That made us compliant with the relevant legislation on sustainability claims, such as the Empowering Consumers for the Green Transition Directive, and we now communicate on these issues in accordance with the guidelines issued by the ACM (Netherlands Authority for Consumers and Markets) and other regulators (see also page 55).



CO ₂ emissions in %	2025
Scope 1 + 2	1%
Scope 3 - cat 1 Purchased goods and services	83%
Scope 3 - cat 2 Capital goods	0%
Scope 3 - cat 3 Fuel- and energy-related activities not included in scope 1 or scope 2	1%
Scope 3 - cat 4 Upstream transportation & distribution	2%
Scope 3 - cat 5 Waste generated in operations	0%
Scope 3 - cat 6 Business travel	0%
Scope 3 - cat 7 Employee commuting	7%
Scope 3 - cat 11 Use of sold products	0%
Scope 3 - cat 12 End-of-life treatment of sold products	6%
CO ₂ emissions - total	100%



Pollution



General

When designing our products and packaging, we strive to minimise the release of non-biodegradable substances that can accumulate in the environment, including by using biodegradable ingredients wherever possible.

Within the topic of pollution, reducing microplastics is a key priority. Microplastics have been widely used in consumer goods in the past, but due to their harmful effects on people and the environment, a legal ban on certain microplastics has been in force since 2023. It will be expanded in the next few years. We are monitoring and complying with the relevant laws and regulations. In 2023, we stopped selling products that contain loose microplastic fragments smaller than five millimetres or to which such microplastics have been deliberately added. Microbeads in exfoliants and cleaning products have not been part of our range since 2013. In addition, we are preparing for the ban on microplastics in rinse-off cosmetic products, which comes into force in October 2027. We are committed to further eliminating the use of microplastics from our own-brand products, even where these are not yet prohibited by law. We expect suppliers of name brands to provide insight into their use of microplastics and their efforts to develop microplastic-free products.

Biodiversity and ecosystems



General

We work with various certification organisations to combat biodiversity loss caused by, for example, deforestation, excessive water abstraction and land degradation for a number of ingredients. Our products and/or ingredients for which this is a risk, are certified with labels, either by ourselves or in the supply chain. But we are not satisfied with that; more research is needed that optimise our policy on biodiversity.

Resource use and circular economy



General

We consider it our responsibility to source products and packaging that optimise our positive impact. Our focus is on continuing to optimise the sustainability of products and packaging. We aim for circularity in products and packaging. That means we use recycled products and packaging that is also recyclable wherever possible. We separate residual streams with a view to reusing and recycling waste where we can. We also enable customers to return obsolete electronic equipment, empty batteries and broken light bulbs to us. This is discussed in more detail under our strategic topic of circularity; see page 49.

Social

Own workforce

Workers in the value chain

Consumers and end-users



Well-being and inclusivity

Own workforce



Topic	KPI	Targets	Results 2025	Action points 2026
Diversity	Percentage of women in management team	n/a	36%	n/a
	Gender diversity in % FTE overall	n/a	M: 21% F: 79%	n/a
	Inclusivity image	minimal 90% in 2027	90%	n/a
Training and skills development	Certified chemists	n/a	4,220	n/a
Health & safety	Number of accidents	n/a	148	n/a

General policy

By own workforce, we mean AS Watson employees who are on the payroll, as well as employees who are not directly employed by us, referred to as 'non-employees'. The most common types of non-employees among our workforce, such as self-employed workers, are workers hired through placement/employment agencies. This mainly concerns people who stand in for staff members who are temporarily absent due to illness, holidays, parental leave, etcetera. We do not (yet) report this information in separate tables.

Our own employees are employed exclusively within the Benelux region, and are therefore subject to the strict labour laws and employment protection of the Benelux. This prevents forced labour and child labour. It also means that they are all subject to the legal requirements for paying a statutory minimum wage, which is therefore equivalent to a living wage. The same applies to social protection. All shop and office employees are subject to a collective labour agreement. Shop staff have a different CLA than office workers. The Benelux management board and the management team have individual employment contracts.

By law, our employees are entitled to parental leave, sick pay, severance pay, pension, and so on. When hiring employees using the services of an employment agency, AS Watson only works with agencies that have the required certifications. This reduces the risk of concealed forced labour.

Our policy is based on modern leadership, focusing on the perspective of our employees. We focus on the sustainable employability and vitality of our employees. Our commitment enables employees to develop through the various training and development opportunities we offer, as well as in other ways. This makes us an attractive employer and reduces the risk of negative consequences caused by high staff turnover. Our employees are not exposed to particular dangers, such as work with a high risk of accidents or unsafe situations.

We are also committed to creating employment opportunities for people whose access to the labour market is limited; we call this group 'Unlimited Talent'. For us, this group consists of people who are distanced from the labour market and are listed in the UWV's Target Group Register, as well as people who are not listed in the register but who could do with a helping hand; see also page 29.

We aim to create an inclusive, diverse and equal working environment where everyone feels comfortable, respected and valued. We welcome people from every background, every perspective, all personal characteristics and abilities, because we believe that when everyone feels welcome and can be themselves, we can make more positive impact and we can attract and retain more unique and talented people. We exclude any form of discrimination and treat everyone equally without discriminating on the basis of any characteristics, such as gender, ethnicity, religion, belief, disability, age or sexual orientation.

Diverse teams work together at AS Watson, representing nearly 100 different nationalities. Age and gender are also diversity aspects that we see throughout the organisation. We monitor these factors and consider them as the basis for further integration in our strategy. We believe in the power of diversity. We will continue to focus on creating an inclusive working environment so that we can be the employer of choice for all our workers. To include everyone in this, we organise meetings and feedback sessions. These sessions help us better understand why people feel at home or not, how we can improve our approach and where opportunities present themselves. To guide our policy on respect, inclusion and social safety, we use various methods to gain insight into how our colleagues experience DE&I. We use focus groups and targeted feedback to ensure we also reach those whose voices are not usually heard. Other items on the agenda include dealing with differences between branches, chances of advancement, and developing KPIs to measure progress.



We will continue to refine our approach and ambitions and support our employees in ways that suit them. We have a policy and management system for preventing workplace accidents. We have formulated a KPI for accidents leading to injuries in the DCs and we report on the results in case of harm to employees' health.

Accidents	2023	2024	2025
Number of accidents resulting in injury in distribution centers	120	186	148

We endorse international norms and standards to assess human rights practices, based on the OECD Guidelines and the UNGP Guidelines. However, we have not yet formalised explicit policies based on the UNGP and OECD Focusing on human rights with regard to our own employees. The human rights of our own employees are safeguarded, however, in AS Watson Group's overall personnel policy. We have two works councils in the Benelux. There are no agreements in place with overarching European works councils.

Sustainable employability

We are focused on improving the vitality of our employees so as to boost sustainable employability. We use the DIX methodology (Sustainable Employability Index) as a measuring tool. This method yields insights into health, engagement and motivation, professional knowledge and skills, and work-life balance across the various departments (shops, distribution centres and offices). Making employees more resilient helps them to be better prepared both physically and mentally to face current and future work challenges. It also raises job satisfaction. In this way, we strengthen our positive impact and reduce the risk of employee burnout.

In conversation with our staff

We have mapped the expectations of our employees. They comprise the following elements: a safe, pleasant and inspiring workplace, support for well-being, development opportunities, and good employment terms and working conditions, with equal opportunities for all.

We are in constant contact with our employees, discussing these issues at different times and in different ways to understand their findings, experiences and expectations. This includes interactions with supervisors, one-to-one meetings, department meetings, internal meetings, inspiration sessions, a social intranet, recruitment events, social media, business updates and board meetings. There are also regular consultations with the works council and trade unions, and employees can consult a confidential advisor.

This has resulted in several initiatives, such as the development of a holistic vitality policy, the introduction of Watsonvital and opportunities for people at a distance from the labour market. In our workforce, we strive to reflect society, we help people maintain a good work-life balance and we offer various training opportunities.

Sustainability goals and the progress of activities are discussed at least once a month in management meetings, and adjustments are made if necessary. Sustainability is at the very heart of our entire organisation, in every division, in every discipline and in every shop.

Code of conduct and complaints handling/whistleblower scheme

Integrity is one of our priorities, and we do our best to create the safest and healthiest possible working environment for everyone. AS Watson values a pleasant work atmosphere. Collegiality, respect and consideration for each other are the norm in our company. We do not tolerate aggression, (sexual) harassment, discrimination, bullying or other undesirable behaviour, no matter at what level it should occur.

To ensure this, we have drawn up a Code of Conduct that all our employees can access and read. It sets out the fundamental standards, values and guidelines we adhere to, covering topics such as safety, health, environment and integrity. Based on our duty of care as an employer, we do everything possible to prevent and combat aggression, violence, discrimination, (sexual) harassment and other undesirable behaviour. In our complaints handling/whistleblower scheme we explain how to report problems within the organisation.

This policy aims to counter, identify and tackle undesirable behaviour. Combined with the Code of Conduct, it allows employees to voice their suspicions of undesirable behaviour, abuse or integrity violations within the organisation and initiate a reporting procedure. Our policy also provides protection against retaliation after making a report.

Employee data

As mentioned in the various tables in the first section of this report with data on our employees, we use FTEs as the unit of measurement. FTE expresses the volume in working hours of a position or staff level. Depending on the job grade an employee is in, a 37 to 40-hour working week corresponds to 1 FTE. The calculations for each group take into account how many hours a full-time position comprises.

In the context of this sustainability report on the gender ratio in management, we use the following definitions:



Management board

This is the management of AS Watson Health & Beauty Benelux B.V. that is charged with leading the organisation, also referred to as the statutory board.

Top management

This is the Benelux management board of AS Watson Health & Beauty Benelux B.V., which is charged with leading the organisation, and consists of nine people: six men and three women.

Management team

The management team includes all employees reporting directly to the management board, in job grades five or higher (head of), being the 'leadership team' of AS Watson Health & Beauty Benelux B.V.

'Unlimited Talent' staff

Employees in the 'Unlimited Talent' group are those with limited access to the labour market. For us, this group consists of people who are distanced from the labour market and are listed in the UWV's Target Group Register, as well as people who are not listed in the register but who could do with a helping hand.

Management of the target group register is handled by UWV (Uitvoeringsinstituut Werknemersverzekeringen). People at a distance to the labour market are included in the target group register, which is a register of individuals who are in the 'jobs agreement' target group. The 'jobs agreement' is an agreement between the government and employers to create additional jobs for people with occupational impairments.

The number of employees reported is based specifically on the group registered with the UWV. At year-end 2025, this number stood at 563 employees. For reasons of employee privacy, this is the only target group within 'Unlimited Talent' that can be measured.

Inclusion in the UWV target group register of people at a distance to the labour market occurs when one of the following applies (source: UWV):

1. Individuals covered by the Participation Act, and the UWV determines after a work capability assessment that the person cannot independently earn the minimum wage.
 2. Individuals who have applied to the UWV for a work capability assessment. The UWV determines that these individuals are (former) special secondary education (VSO) or practical education (PRO) students.
 3. Individuals who have or had a Sheltered Employment Act (WSW) indication.
 4. Individuals who receive or received a Wajong benefit and are able to work.
 5. Individuals who have or had a WfW job (Former Jobseekers Employment Act) or an ID job (Former Step-Up Jobs Decree).
 6. Research indicates that the individual has reduced wage value.
 7. Individuals with an illness or disability that arose before their eighteenth birthday or during their education.
- In addition, individuals who can only earn the statutory minimum wage with workplace facilities (such as transport facilities or a Braille keyboard) and who have applied for a working with facilities assessment.



Workers in the value chain



General

We strive for full working conditions, equal cooperation, adequate remuneration, fair treatment and integrity in our value chain. We preclude any form of child labour and forced labour. The term child refers to the ILO-IPEC definition and Article 32 of the United Nations Convention on the Rights of the Child (UNCRC).

We ask our suppliers in the supply chain to sign our Supplier Code of Conduct ('Code'). This Code sets minimum standards for all suppliers, consultants and counterparties providing goods and services to us and is designed to promote fair and ethical conduct and to encourage trust, fair treatment and integrity.

The Code covers five key policy areas:

1. Ethical conduct
2. Anti-bribery and corruption
3. Compliance with the BSCI Code of Conduct
4. Sustainability
5. Social media and public statements

Non-compliance with this Code by a supplier may cause us to reconsider the business relationship. We may decide not to initiate or continue a relationship if we believe this Code has not been or will not be complied with.

We work with various institutions to monitor conditions in our value chain; see our description under the strategic topic 'equality in the chain' on page 24, where we explain BSCI's platform and our partnership with the Oxfam Novib NGO. We have launched a project in partnership with Oxfam Novib and RVO aimed at improving due diligence within our supply chain, with a particular focus on the living wage and working conditions in the Indonesian palm oil supply chain; see also page 23.

Consumers and end-users



General, and high-quality and safe products

All the activities we develop are ultimately aimed at selling our products to our customers. That is why we strive for high levels of product safety and quality. We want all our customers to feel good, healthy and beautiful after purchasing our products. And because we want to be there for everyone, we make our products accessible and affordable for everyone. To find out whether our customers perceive us that way, and to know how to adjust, we are in daily contact with our customers through shop employees, the website, customer service and newsletters, using SDGs 3, 8 and 12 as our starting points. We cover the following topics: awareness, responsible sourcing, circularity, climate change and inclusivity. We also conduct independent surveys to get an even better picture of whether we are actually accessible for everyone. One of these studies addressed poverty in the Netherlands and Belgium, and led to partnerships with the Poverty Fund in the Netherlands and the Belgian Food Banks. In order to have greater social impact, we have launched the Poverty Alliance in collaboration with a number of partners, including suppliers; see also page 31.

Every week, we serve approximately five million Kruidvat and Trekpleister customers, both on the high street and online. This yields a massive volume of data, which demands strict monitoring of personal information, as laid down in our privacy policy.

Our policy is based on five privacy principles, to which we are fully committed:

- We ensure that personal data is used in compliance with applicable data protection legislation.
- We are transparent about how we use personal data. This includes informing the customer about what information we collect, what we do with it, with whom we share it and who to contact if there are any questions.
- We provide simple options to tell us 'Stop' if the customer is no longer satisfied with our marketing communications.
- We take all reasonable steps to protect personal data and ensure that no unauthorised person can access it.
- We respond to queries about the processing of personal data without unreasonable delay.



Governance

Business conduct

Abstract

Business conduct



General

We are transparent and open to everyone, and part of this is the aim to have clear and accessible policies. We have laid this down in our policy on undesirable behaviour, as well as in our anti-bribery and corruption policy. Our whistleblower scheme sets out how to report wrongdoing within the organisation. We also work with a Code of Conduct within the organisation and have a Supplier Code of Conduct for our suppliers.

On corruption and bribery, our fundamental principle is that any form of bribery and corruption is prohibited, whether accepting, offering, paying, giving, approving, or soliciting bribes. This policy sets out the minimum standards and complies with legislation and regulations.

We have an anti-corruption and anti-bribery policy put in place by our top holding company that is in line with the United Nations Convention against Corruption. This policy is available and referred to in our Supplier Code of Conduct and is part of our internal Code of Conduct for employees.

Annex

[About this report](#)[Strategic topics and KPIs](#)[Definitions](#)[GRI-Index](#)[Publication details](#)

In the spotlight

Pure Soft Pants, size 4, mid-pack

Our Pure & Soft nappies are packed in FSC Mix paper, with a focus on responsible forest management.





About this report

With this impact report, we inform our stakeholders about our organisation and how we will continue to create long-term value. In it, we report our non-financial performance on our strategic pillars and material topics in the Environmental, Social and Governance (ESG) chapter. This report is prepared annually and covers a reporting period of one calendar year. The previous report was published on 23 June 2025.

Boundaries and scope

In determining the content and boundaries of the report, we relied on the interests of our stakeholders established through a dual materiality analysis (DMA). For an explanation of the DMA process, see page 68. In this impact report we have included the material topics that are within AS Watson Benelux's scope according to the 2024 DMA.

Unless otherwise stated, this impact report relates to AS Watson Health & Beauty Benelux B.V., which heads up the Kruidvat and Trekpleister formulas and the Prijsmepper outlet formula, as well as the DCs in Heteren and Oosterhout, the e-fulfilment centre in Ede and, finally, the AS Watson offices in Renswoude and Berchem. Renswoude also provides shared services for perfume shop ICI Paris XL. Since ICI Paris XL is outside the scope of this report, the figures that partly include ICI Paris XL have been removed from the Renswoude office figures by means of an allocation formula.

Subcontractors are not included in the scope of this report unless otherwise stated. No acquisitions and divestments took place within AS Watson Health & Beauty Benelux in 2025. The perfume shops and office activities of our associate ICI Paris XL are not included in this report. Since a number of departments at the Renswoude office are shared between the chemists' and perfumeries, for the sake of accuracy and completeness, those relevant departments have been fully included in this report using an allocation formula.

AS Watson Health & Beauty Benelux is part of the AS Watson Group, the largest Health & Beauty retailer in Asia and Europe. AS Watson Group is part of CK Hutchison Holding Limited, a listed company headquartered in Hong Kong. Financial results are shared at group level and this report can be considered as a local supplement to it. AS Watson Health & Beauty Benelux's sustainability policy follows the sustainability policy adopted at group level, tailored to the Benelux market.

More information on this international policy can be found at aswatson.com/our-company/purpose-and-commitment.

Reporting standards and/or guidelines

Each year, AS Watson Health & Beauty Benelux B.V. strives to improve its sustainability reporting, focusing on the nature, risks, impact and opportunities of the organisation. With this impact report, AS Watson Health & Beauty Benelux reports in accordance with the Global Reporting Initiative's GRI Standards guideline. GRI is based on the

principle of materiality and requires organisations to communicate their management approach to topics that are material to the organisation. In this way, we create focus in the annual report and report on topics that are of interest to stakeholders. The annex includes the GRI Content Index with references.

In addition, our policy is based on international conventions, including the ILO conventions, the OECD Guidelines for Multinational Enterprises, the United Nations Sustainable Development Goals and the United Nations Guiding Principles on Business and Human Rights.

Data quality of non-financial KPIs

Our non-financial KPIs are presented in this report. Non-financial data is collected in the first quarter of each year following the reporting year. Once collected, the data is consolidated, subjected to trend analysis and reconciled with the 2025 financial statements and reporting, which will be carried out by our finance department in collaboration with the sustainability manager. Should trends deviate significantly, the information is put in context and verified with the relevant data provider. Where no data was available or it was incomplete, the data is estimated based on averages of the data that does exist. No uncertainties or inherent limitations to the data have been identified as a result of measurements, estimates or calculations. These estimates are based on average consumption figures taken from the available data. Where estimates have been made, this is clarified.

Third party data collection KPIs

Data to monitor non-financial KPIs largely originates with third parties. For example, transport is outsourced to partners, energy is sourced from a supplier and we get data on raw materials of our own-brand products and packaging from our suppliers. About 80% of energy data from shops is provided digitally by smart meters. Other meters are read monthly. If meter readings are missing, we estimate gas and electricity consumption based on averages from other shops. To collect sustainability data, including RSPO certified pal, oil, we are dependent on our suppliers. We also work with partners such as GS1 to optimise data quality.

Internal control

The figures are collected internally by various departments and collated by the Consolidation & Reporting department of AS Watson Benelux. The figures received are assessed for reasonableness and reliability. Random audits of the figures are conducted for internal control purposes by AS Watson Group and CK Hutchison Holding Limited.

Strategic topics and KPIs



Well-being

The well-being of our customers and employees is our top priority. We help our customers feel good, healthy and beautiful with safe and affordable quality products. We provide a safe and healthy working environment for our employees by enhancing happiness at work and improving sustainable employability, resilience and vitality.



Inclusivity

Diversity in society is high; it will keep increasing. We are an H&B retailer that wants to be there for everyone and believes in the power of inclusivity: together we can achieve more.

In our diverse organisation and value chain, we strive to make everyone feel welcome and ensure they are treated equally. We make an extra effort for those groups for whom H&B is currently less accessible. We stock products for every budget, cultural background, age and for all appearances and personal characteristics.



Awareness

More sustainable products with the lowest environmental and social negative impact possible are the future. We therefore want to raise our customers' awareness and encourage them to choose more sustainable products. Our focus is on sustainable ingredients, packaging and production and on responsible use of products. To serve the customer well, we provide our workers with information and offer them various types of training.



Climate change

Optimising our impact on the climate is a priority. We do this partly by reducing our greenhouse gas emissions, such as CO₂. We not only do this in our own processes, but also by encouraging partners in our value chain, such as suppliers, to do the same.



Circularity

Going forward, products and packaging with minimal environmental impact and circularity will become the norm. We look keenly at what materials we can reuse, at the products and how they are designed and how they contribute to circularity. We also want to minimise waste and our own residual streams.



Responsible sourcing

We consider it our responsibility to source products and packaging that optimise our positive impact. Our focus is both on using more sustainable ingredients (growing, harvesting and collecting) and producing more sustainable packaging and products.

KPI: Palm oil



Amount of sustainably sourced palm oil for own brand
(minimum RSPO mass balanced) from RSPO-certified suppliers

RSPO, also known as Roundtable on Sustainable Palm Oil, is a global certification system for certified sustainable palm oil. Our target is to work with 100% at least mass-balanced RSPO-certified palm oil suppliers.

The table below shows the ratio of at least mass balanced palm oil from RSPO certified suppliers in our own-brand products. The share from suppliers who are not RSPO members is not included in the figures below.

Labelled ingredients	2021	2022	2023	2024	2025
Ratio palm oil with RSPO label (at least mass balanced)	82%	94%	94%	96%	100%

The following four levels of palm oil can be distinguished:

- **Book & claim:** companies that incorporate conventional palm oil in their products and are RSPO members can purchase RSPO credits to offset the conventional volume. The purpose of this is to support farmers whose plantations are RSPO-certified. Palm oil producers who are RSPO-certified can sell the sustainably certified volume only once through the RSPO PalmTrace IT platform using one of four supply chain models. These are Identity Preserved, Segregated, Mass Balance, and Book & Claim. RSPO credits are sold through the Book & Claim model.
- **Mass balance:** sustainable palm oil from certified sources which is administratively tracked in the chain; it can be mixed with regular palm oil, however.
- **Identity preserved:** RSPO palm oil sourced from a single certified oil mill, which is kept separate from regular palm oil throughout the chain.
- **Segregated:** RSPO palm oil sourced from various certified plantations, which is kept separate from conventional palm oil throughout the supply chain. To obtain RSPO palm oil certification as a palm oil supplier, it is necessary to meet the requirements set by the RSPO and to become a member. AS Watson aims to work with suppliers that produce at least mass-balanced sustainable palm oil. To ensure that our suppliers supply at least mass-balanced palm oil, we work with RSPO-certified suppliers to the extent possible.

In 2025, 35 of the total 48 suppliers were RSPO-certified. 99.89% of these certified suppliers supplied palm oil that was at least mass-balanced, an increase compared to 2024. The quantity of palm oil is measured in kilograms. We are in contact with the remaining thirteen suppliers, but we cannot confirm that the palm oil is at least mass balanced as they have no RSPO certificate, which would offer certainty with regard to monitoring. The aim is for all our suppliers to be RSPO-certified going forward.

The figure in the table is the best estimate based on the information available to us. Our Quality department has data on the own-brand products that contain palm oil. However, there may be products containing palm oil that we are unaware of. In addition, we relied on information sourced from our palm oil suppliers. We strive to work with honest suppliers, but we cannot definitively verify the accuracy of suppliers' statements. The above two situations have resulted in a degree of uncertainty in our reported ratio.

When entering into a partnership with a new supplier, we ask whether palm oil is one of the ingredients (or part of a derivative) in the products to be supplied. With products that have been in our range for a long time, there is a risk that the supplier's confirmation may not be entirely up to date. In such a situation, we rely on the available ingredient information and do not perform further verification within the supply chain. We recognise that this approach entails a residual risk. Going forward, we will therefore be investigating how in-depth supply chain research can help to further control and reduce this risk.

KPI: Residual streams and recycling rates



Percentage of recycled waste in total waste from branches, offices and distribution centres that is contracted and the total amount of residual streams in kg

Waste streams in tonnes	Primary processing method 2025	2021	2022	2023	2024	2025
Paper/cardboard	recycled (100%)	17,101	16,585	16,421	17,612	18,197
Plastic	recycled (100%)	1,356	1,352	1,364	1,326	1,303
Construction/demolition waste	recycled (99.1%)	654	656	527	630	420
Metal	recycled (100%)	362	340	540	796	316
Swill	recycled (100%)	3	3	3	3	4
Hazardous waste	combustion with energy recovery (71.4%)	9	4	2	2	7
Glass	recycled (100%)	-	1	1	1	1
Wood	recycled (100%)	2	1	-	5	13
Residual waste	combustion with energy recovery (71.4%)	1,884	1,889	1,981	2,038	1,954
Total contracted residual streams in tonnes		21,371	20,830	20,838	22,413	22,215
Recycled share		91.0%	90.9%	90.5%	90.8%	91.8%
No residual waste assessment contracted						205
PMD estimate not contracted Belgium						4
Total contracted + estimate not contracted						22,424

Information on the recycling rate applies to the Netherlands and to a limited extent to Belgium. The residual streams with the corresponding processing method in the table opposite refers to contracted residual streams. The share processed by non-contracted parties, has been estimated based on the ratio of shops that do not fall under any of the contracted parties.

The data is supplied by contracted waste processors PreZero, Milgro and Veolia. PreZero and Milgro are contracted in the Netherlands. Milgro and Veolia have been contracted for Belgium. There is very limited insight into other Belgian waste processing, so these amounts are estimates. The information available from the contracted parties has been used as the basis for this estimate.

Office employees work for the Kruidvat, Trekpleister and Prijsmepper formulas, but the Renswoude office also has staff who work for the ICI Paris XL and GITEU entities. As the waste at the Renswoude office is not separated by formula, the waste originating from the operations of ICI Paris XL or GITEU in Renswoude is included in the waste figures in this report. Given the limited volume of this waste, this will not result in substantial deviations in the waste figures. Waste disposal of 1,128 out of 1,184 branches has been contracted out in the Netherlands (95%) and of 197 branches out of 315 in Belgium (63%). We aim to recycle the highest possible proportion of our waste. The recycling rate went up in 2025 compared to 2024. The table above shows the recycling rate.

KPI: Energy consumption in shops per square metre of retail floor space



The energy consumption in shops per square metre of retail floor space

Energy consumption in shops m ² of retail floor space	2018	2024	2025
Kruidvat Netherlands (incl. Prijsmepper)	0.89	0.58	0.53
Kruidvat Belgium	0.91	0.63	0.58
Trekpleister	0.94	0.61	0.57
Total weighted average	0.90	0.59	0.54
Reduction compared to 2024			8.5%
		34.2%	39.6%

In order to map the energy consumption per shop, a calculation was made of energy consumption per square metre of retail floor space. This provides insight into the energy consumption per shop. In recent years, measures have been taken to reduce energy consumption, including lowering the temperature in the shops, switching to LED lighting and implementing an 'open doors' policy. Reducing energy consumption leads to lower CO₂ emissions.

Electricity was used in all shops. In addition, a number of shops are heated by gas or district heating. A conversion factor was used to convert these three different types of heating.

The conversion factor is provided by the RVO and is as follows:

- Electricity: 1 kWh = 0.0036 GJ
- Gas: 1 Nm³ = 0.0316 GJ

District heating consumption is already expressed in GJ.

The calculation was based on the shops' energy consumption and their retail floor space. The partial estimates that were made of the energy consumption of the shops is further explained under the KPI CO₂ footprint. The retail floor space is equal to the number of square metres that can be used to sell products. The figures have been calculated as the energy consumption of all shops divided by the total number of square metres of floor space.

The figures show a decline compared with the base year of 2018. In addition, there has been a decline compared with the previous year.

KPI: Gift cards



Number of €25 gift cards to be issued to the poverty fund and food bank from campaigns in 2025

Number of €25 gift cards	2023	2024	2025
Poverty fund (Netherlands)	24,052	36,094	33,239
Food bank (Belgium)	7,698	13,494	15,348
Total	31,750	49,588	48,587

Everyone deserves to feel good, healthy and beautiful. Unfortunately, more than 1 million people in the Netherlands cannot make ends meet. For them, products like sanitary towels, toothpaste and diapers can be prohibitively expensive. The social consequences of this are huge. We really want to be there for everyone, which is why we support the Poverty Fund. In addition to our own financial contribution to the gift cards, we encourage our customers to donate Kruidvat club loyalty points to the Poverty Fund or the Food Bank. In 2025, several campaigns were launched to support the Food Bank in Belgium and the Poverty Fund in the Netherlands. We support families in real need in partnership with the Poverty Fund and the Food Bank. They will receive a Kruidvat Health & Beauty card with a credit of €25 with which they can buy Kruidvat personal care products.

KPI: Employees' perception of inclusivity



Ratio of employees who perceive our organisation as inclusive, based on the Watsup survey

Employees' perception of inclusivity	2024	2025
I am accepted for who I am in my immediate working environment	93%	94%
I feel comfortable being myself at my organisation	89%	90%
In my immediate working environment, everyone is treated equally and with respect, regardless of their background or personal characteristics	85%	87%
The percentage of employees who perceive our organisation as inclusive, based on the Watsup survey.	89%	90%

A survey of AS Watson's own employees measured the results relating to the employees' inclusivity perception of the company. The survey was conducted by Effectory, an external firm specialising in employee surveys. The survey period ran from 15 September 2025 to 6 October 2025, so that the results refer to the year 2025. The survey was sent out to 30,823 employees, of whom 18,529, or 60%, responded. The questionnaire was distributed to our own employees working in the offices, in the shops and in the distribution centres who had been employed for more than two months at the time of the survey. Interns were excluded from the survey.

The inclusivity perception was measured on the basis of three statements, namely:

- + I am accepted for who I am in my immediate working environment
- + I feel comfortable being myself at my organisation
- + In my immediate working environment, everyone is treated equally and with respect, regardless of their background or personal characteristics

These three statements combine to form the result of the statement 'the ratio of employees who perceive our organisation as inclusive, based on the Watsup survey'. The results are shown in the table below. There are five answer options for each statement ranging from 'strongly agree' to 'strongly disagree'. Initially, an average score was calculated for each of the three statements based on the answer options. The results are set out in the table.

KPI: Sustainable image



Ratio of customers who state that more sustainable products are available at Kruidvat

Consumer awareness	KVBE	KVNL	Weighted average
At Kruidvat, you'll find more and more products that are a little more sustainable	64%	61%	63%

A survey was conducted by an external agency to gauge consumer awareness of sustainability. In it, the statement 'At Kruidvat, you can find more and more products that are a little more sustainable' was put to consumers. The KPI 'proportion of customers who state that more sustainable products are accessible at Kruidvat' was measured based on the statement 'at Kruidvat, you can find more and more products that are a little more sustainable'. This statement was first put to consumers in December 2025, meaning that no results for previous years are available. The results of the survey conducted in December 2025 are attributed to the year 2025. The survey is held annually in July and December.

The results in the table below are from a survey conducted among consumers. The respondents are customers of Kruidvat Netherlands and Kruidvat Belgium. In total, 142 consumers in the Netherlands and 182 consumers in Belgium responded to the statement in 2025. The weighted average for Kruidvat has been calculated based on the results and the number of respondents per country.

KPI: Gender balance



Proportion of female, male and gender-neutral employees on the statutory board, in top management (Benelux management board), the management team and overall

For an overview of figures on gender balance and age groups, see pages 27 and 28. These figures include data on own employees in offices, distribution centres and shops. Employees other than own employees are not included in this KPI. The offices comprise staff in the Netherlands (Renswoude) and Belgium (Antwerp). Office employees work for the Kruidvat, Trekpleister and Prijsmepper formulas, but the Renswoude office also has staff who work for the ICI Paris XL and GITEU entities. As the number of office FTEs is not broken down by formula, these employees working in Renswoude for the mentioned entities are included in the number of office FTEs.

We use the following definition of an FTE: a unit of account used to express the number of working hours of a job grade or the workforce numbers. Depending on the group to which an employee is assigned, 1 FTE corresponds to a 37 to 40-hour working week. The relevant calculations take into account how many hours are full-time for each employee group.

Definitions and gender ratio

Gender registration is taken from the employee's identity document during induction. It is registered in AFAS.

Management board: the management of AS Watson Health & Beauty Benelux B.V. charged with leading the organisation, also referred to as the statutory board.

Gender ratio in percentage FTEs	2024	2025
Male	71%	71%
Female	29%	29%
Gender neutral*	0%	0%

* From 1-1-2025, registration of the category 'Gender neutral' has been possible in AFAS.

Top management: business management team, i.e. the Benelux management board.

Gender ratio in percentage FTEs	2024	2025
Male	67%	67%
Female	33%	33%
Gender neutral*	0%	0%

* From 1-1-2025, registration of the category 'Gender neutral' has been possible in AFAS.

Management team: the management team includes all employees reporting directly to the management board, in job grades five or higher (head of), being the 'leadership team' of AS Watson Health & Beauty Benelux B.V.

Gender ratio in percentage FTEs	2024	2025
Male	64%	64%
Female	36%	36%
Gender neutral*	0%	0%

* From 1-1-2025, registration of the category 'Gender neutral' has been possible in AFAS.

Gender overall: The gender ratio among employees working in the offices, distribution centres and shops is shown in the table below by formula/category.

Gender ratio in percentage FTEs (total all formulas weighted by number of FTEs)	2024	2025
Male	22%	21%
Female	78%	79%
Gender neutral*	0%	0%

* From 1-1-2025, registration of the category 'Gender neutral' has been possible in AFAS.



Gender ratio in percentage FTEs	2024**	2025
Kruidvat Netherlands and Prijsmepper branches		
Male	15%	15%
Female	85%	85%
Gender neutral*	0%	0%
Kruidvat Belgium branches		
Male	12%	12%
Female	88%	88%
Gender neutral*	0%	0%
Trekpleister branches		
Male	5%	6%
Female	95%	94%
Gender neutral*	0%	0%
Distribution centres		
Male	66%	66%
Female	34%	34%
Gender neutral*	0%	0%
Offices Netherlands and Belgium		
Male	34%	35%
Female	66%	65%
Gender neutral*	0%	0%

* From 1-1-2025, registration of the category 'Gender neutral' has been possible in AFAS.

** The 2024 figures have been adjusted to reflect the gender ratio in FTEs.

KPI: CO₂ footprint



CO₂ emissions in scope 1 and 2 based on electricity, gas and transport (diesel, LNG and kW) and the CO₂ reduction compared to the previous year.

Definitions of Carbon dioxide (CO₂) and equivalent (eq)

The report uses the term CO₂, which includes CO₂ and equivalent. The following definition from ESRS E1 Climate change has been used: 'The amount of carbon dioxide (CO₂) that can cause the same temperature change, over a given time horizon, as an emitted amount of a greenhouse gas (GHG) or a mixture of GHGs.'

CO₂e is the universal measurement metric to indicate the global warming potential (GWP) of a given greenhouse gas, expressed as the GWP of one unit of carbon dioxide. It is used to evaluate the release (or avoidance of release) of various greenhouse gases on a common basis.'

Scope 1 and 2

Scope 1 includes shops, distribution centres, transport and offices. The office figures include both the Netherlands and Belgium branches. The employees in the Netherlands office also work for ICI Paris XL and GITEU, in addition to the Kruidvat, Trekpleister and Prijsmepper entities. As the office is not split into separate sections for each formula, the consumption attributable to ICI Paris XL has been removed from the figures by means of an allocation key. As GITEU is an overhead department, its consumption is recognised in the Netherlands office figures.

We use the same definition as set out in the GHG Protocol:

- + Scope 1 emissions are direct emissions from owned or controlled sources.
- + Scope 2 emissions are indirect emissions from the generation of purchased energy.

The CO₂ emissions in our scope 1 and scope 2 emissions originate from transport and gas consumption at our branches, offices and distribution centres.

Netherlands estimates

As not all information is accurately and completely available, in a number of cases best estimates have been used to quantify consumption. To estimate these shops' consumption of both electricity, district heating and gas, we extrapolate the consumption data that is available. Based on known consumption and the number of branches, the consumption per branch is extrapolated to the branches for which no data is known. We consider this the best estimate of actual consumption. For gas consumption, we calculate with the number of branches we have registered with our gas supplier. For electricity, every shop is included in the estimate.



For district heating, an estimate has been made for all branches that are connected to district heating that is based on an average calculated use per square metre. The consumption of the following number of shops has been estimated:

Number of branches with estimated consumption (Netherlands)	District heating	Electricity	Gas
Kruidvat	61	68	105
Trekplekster	6	29	32
Prijsmepper	1	5	3

Belgium estimates

The process of reading smart meters works differently in Belgium than in the Netherlands. For Belgium, every six months, the supplier's invoiced consumption was used as the basis for the previous year. In Belgium, gas consumption is measured in kWh. These figures have been converted to cubic metres of gas; using a conversion factor of 10.95. As the method used to record consumption figures differs from that in the Netherlands, all branches in Belgium are included in the table below, with estimated figures for a number of branches.

Number of branches with estimated consumption (Belgium)*	Electricity	Gas
Kruidvat	305	214

* Consumption figures for Belgium are calculated using billing data from previous periods, meaning that each branch's figures are partly an estimation.

For each branch, a portion of actual consumption has been estimated in the 2025 figures.

Calculations

Transport was calculated based on total planned kilometres. The planned mileage of the various transport vehicles was multiplied by a conversion factor to calculate the number of litres of diesel, PHEV diesel, kgs LNG, litres HEV or the number of kW. Lorries whose consumption is expressed in kW have been added to the scope of the assurance engagement in 2025. At the end of 2024 two electric lorries were put into use, that did not have a material impact on consumption. In 2025, 16 new electric lorries were commissioned, as a result of which the scope was expanded. In view of the limited impact on the CO₂ emissions (calculating with a conversion factor 0 for kW), the 2024 and 2025 figures were comparable. The conversion factors used were calculated as follows:

	Litres of diesel	PHEV diesel	Kg LNG	Litres HEV	KW (BEV)
Motor car	4.82	5.42			1.00
City trailer	3.88		3.83		1.10
Big trailer	3.65		3.83	4.79	1.20
LHV			4.08		

The abovementioned average factors were calculated based on the number of lorries used per carrier and the average consumption per lorry set out in the contracts.

Electricity

ASW's policy is to only buy green electricity, so all contracted electricity is green. However, we do not know the consumption of shops where the rent is inclusive of electricity, so we cannot be 100% certain that all the electricity used in our shops is green. For the contracted shops, however, we know that the purchased electricity was 100% green.

Transport classification

An external party is hired for goods transport. ASW determines the shipping time, route and cargo. Based on the GHG protocol, it has therefore been decided to consider transport to be under ASW's 'operational control'. As a result, transport is classified under scope 1 emissions.

CO₂ emission factors

As of March 2025, co2emissiefactoren.nl and co2emissiefactoren.be were used for the conversion of the CO₂ emission factors. This has resulted in the following emission factors:

CO ₂ emission factor	Country	Unit	Type	2024	2025
Energy					
Electricity	NL	kg CO ₂ /kwh	WTW	-	-
Electricity	BE	kg CO ₂ /kwh	WTW	-	-
Natural gas	NL	kg CO ₂ /Nm ³	WTW	2.134	2.134
Natural gas	BE	kg CO ₂ /Nm ³	WTW	2.245	2.390
District heating	NL	kg CO ₂ /GJ	WTW		38.430
Mobility					
Petrol (E95)	NL	kg CO ₂ /liter	WTW	2.821	2.797
Diesel	NL	kg CO ₂ /liter	WTW	3.256	3.251
LNG (liquid natural gas)	NL	kg CO ₂ /kg	WTW	3.651	3.651
CNG (comp natural gas)	NL	kg CO ₂ /kg	WTW	2.608	2.831
Petrol (E95)	BE	kg CO ₂ /liter	WTW	2.821	2.797
Diesel	BE	kg CO ₂ /liter	WTW	3.256	3.251
CNG (comp natural gas)	BE	kg CO ₂ /kg	WTW	2.608	2.831
Electricity (gray)	NL	kg CO ₂ /kwh	WTW	0.536	0.497
Electricity (gray)	BE	kg CO ₂ /kwh	WTW	0.167	0.167

Well to Wheel (WTW)

To convert CO₂ kgs per unit of transport, Well to Wheel (WTW) was used. The emissions were measured that are released throughout the process of producing fuel, transporting it to the petrol station, filling the tank and using the vehicle. Taking the above factors into account, CO₂ emissions and reductions compared to the base year 2018 are set out in the table on the right:

CO ₂ emissions in tonnes	2021	2022	2023	2024	2025
CO ₂ emissions - branches	8,359	7,646	6,858	5,611	4,963
CO ₂ emissions - transport	12,786	11,910	11,176	11,268	9,964
CO ₂ emissions - distribution centres	1,022	1,010	936	902	910
CO ₂ emissions - offices	98	125	107	167	43
CO₂ emissions - total (scope 1 and 2)	22,265	20,691	19,077	17,948	15,880
% branches	38%	37%	36%	31%	31%
% transport	57%	58%	59%	63%	63%
% DC	5%	5%	5%	5%	6%
% HQ	0%	1%	1%	1%	0%
Cumulative reduction compared to base year 2018	-11.9%	-16.7%	-24.5%	-29.0%	-37.1%
Reduction compared to previous year	+12.1%	-7.1%	-7.8%	-5.9%	-11.5%

CO₂ emissions have fallen compared with last year and compared with the base year of 2018. Several initiatives have contributed to this, including switch almost all shops to LED lighting in recent years. The electrification of the vehicle fleet also helps to reduce CO₂ emissions. In addition, several projects are currently underway, including the transition to all-electric shops wherever possible. The fall in CO₂ emissions demonstrates the impact of these initiatives. The target is to achieve a 50.4% reduction in emissions by 2030 compared with the base year of 2018.

Definitions

Accidents with injuries

Registration as an injury takes place if an employee's physical health has been affected, e.g. a bruise.

Audit or assurance

An audit or assurance is a periodic or one-off examination of some aspect of an organisation, usually against certain reference standards. These examinations are carried out by a person or party that specialises in conducting audits: the auditor. This may be a certified public accountant or a verification agency.

BSCI - Business Social Compliance Initiative

Oversees independent inspection of factories on social and societal criteria; see also under labels and memberships.

Carbon dioxide (CO₂) and equivalent (eq)

The report uses the term CO₂, which includes CO₂ and equivalent. The definition from ESRS E1 Climate Change has been used to interpret CO₂, which is as follows: 'The amount of carbon dioxide (CO₂) that can cause the same temperature change, over a given time horizon, as an emitted amount of a greenhouse gas (GHG) or a mixture of GHGs. CO₂-eq is the universal unit of measurement to indicate the global warming potential (GWP) of each greenhouse gas, expressed as the GWP of one unit of carbon dioxide. It is used to evaluate the release (or avoidance of release) of various greenhouse gases on a common basis.' In the reported figures, CO₂ emissions in tonnes have been calculated for scope 1 and 2. We use co2emissiefactoren.nl and co2emissiefactoren.be as sources.

Chemist qualifications

The chemist qualification is a recognised professional qualification that enables staff to provide expert and responsible advice to customers on self-care products. Staff who hold this qualification have up-to-date knowledge of health and product use and undergo regular further training.

Consumer awareness campaign

The campaign involves a survey focusing on the Dutch consumer market. The survey is conducted among consumers of Kruidvat Netherlands and Belgium with the aim of understanding the image regarding the range of affordable, more sustainable products at Kruidvat. Further details of the survey are included in the notes on the KPIs on page 89.

Contracted renewable electricity

The purchase of electricity where a contractual agreement is present between AS Watson and the relevant supplier to supply 100% renewable electricity.

Contracted residual stream

Concerns insight into residual streams at contracted waste processors, i.e. Milgro, Veolia, Kras Recycling BV and PreZero.

CSRD

The Corporate Sustainability Reporting Directive is the directive that sets the legislative framework via which companies must report the impact of their activities on people and the environment. The guidelines are in line with the Green Deal developed by the EU and will become mandatory for large listed companies as from the reporting year 2024.

In 2025, the CSRD became part of the Omnibus proposal that aimed to simplify and streamline sustainability rules. In the process, the threshold for reporting was raised to more than 1,000 employees instead of more than 250. Also, mandatory reporting for large unlisted company was postponed by 2 years to the reporting year 2027.

Customer donations

Customers can donate points saved to charities contracted by AS Watson. These donations of loyalty points are converted into a sum of money given to charity every year.

DE&I

The abbreviation for the term 'Diversity, equity and inclusion'.

Distance to the labour market

By distance to the labour market, we mean a person's inability or struggle to qualify for regular employment. We follow the Dutch legal definition. Other terms are work-disabled or occupationally disabled. AS Watson refers to this group of people as 'Top Talent'.

DIX

Sustainable Employability index. This index provides insight into important core components of sustainable employability such as employees' health and energy, knowledge and skills, motivation and engagement, and work/life balance.



Dual materiality analysis (DMA)

An analysis identifying the impact of the company's sustainability activities on people and society (material activity), or the financial opportunities and risks (financial materiality) thereof on the company. An issue is material if it meets the criteria for impact materiality or financial materiality or both.

Due diligence

This term describes the process by which potential risks to people and the environment are carefully identified and taken into account in a responsible manner, both within our own operations and throughout the supply chain. Within AS Watson, the aim of the process is to gain a better understanding of the supply chain so that the company can subsequently exert greater influence.

EFRAG

The European Financial Reporting Advisory Group advises the European Commission on accounting standards and develops sustainability reporting standards (ESRS) under the CSRD legislation.

Employee

Natural person employed by AS Watson H&B and performing work for at least one of the Kruidvat, Trekpleister or Prijsmepper formulas in the Netherlands and/or Belgium.

Energy consumption

Refers to the consumption of energy in Kruidvat's shops, distribution centres and offices alike, Trekpleister and Prijsmepper.

ESG

ESG (environmental, social, and governance) stands for environment, society and good governance and refers to how companies score on these topics.

ESRS

The European Sustainability Reporting Standard provides detailed guidelines and standards to be CSRD-compliant.

Euro 6 standard

This is a European environmental standard that has been mandatory for new diesel cars since 2015, with the aim of reducing emissions of nitrogen oxides and particulate matter compared to the Euro 5 standard.

FTE (full-time equivalent)

Unit of account used to express the number of working hours of a job or the workforce numbers. Depending on the target group in which an employee is classified, 1 FTE corresponds to a 37 to 40-hour working week. The relevant calculations take into account how many hours are full-time for each employee group.

Gas-free shop

A shop in which no gas is consumed, regardless of whether a gas connection is present.

GHG protocol

The Greenhouse Gas Protocol is an international standard for accounting and reporting on greenhouse gas emissions.

GITEU

GITEU stands for Global IT Europe; this is the international IT department of the AS Watson Group.

GRI

The Global Reporting Initiative is an international organisation that drafts guidelines for sustainability reporting. Globally, the GRI Standards are the most widely used reporting guidelines. GRI is based on the principle of materiality and requires organisations to communicate their management approach to topics that are material to the organisation.

GS1

Knowledge platform and service organisation for product data exchange. Barcodes are among GS1's best-known products both for consumers and transport units.

GSES

GSES is an internationally recognised SaaS platform (Software as a Service) and certification system that helps organisations to measure, improve and verify their sustainability performance (ESG).

High-risk countries

Countries on the European Union's 'high-risk' list where a lack of legislation against money laundering or terrorist financing has been identified.



Image

Concerns the KPI monitoring Kruidvat's image, measured through a campaign among consumers with the statement 'Kruidvat has an extensive range of affordable more sustainable products'. Refers to the loyalty points system of Kruidvat customers with loyalty cards.

Inclusion score

The inclusion score is a composite score that provides insight into how employees perceive the inclusion climate in the organisation. The score is based on regular employee surveys and measures the extent to which employees feel welcome, valued and accepted, able to be themselves, and have the sense that they belong.

Ipsos

Ipsos is a global market research agency.

KPI

Key Performance Indicator, also called Critical Performance Indicator. A means of measuring progress and quality. They are pre-agreed parameters that reflect the level of performance of critical business activities.

LED lighting

The abbreviation LED stands for Light Emitting Diode. This is an energy-efficient lamp, which uses electricity to produce light. It produces bright light while releasing very little heat. The numbers of LED lighting in this report refer to shops with Full-LED lighting. In addition, some of the branches are semi-LED; these are not included in the reported numbers. Full-LED is understood to mean that all lighting in a branch is LED-based. Semi-LED involves a combination of traditional lighting and LED lighting.

Loyalty points

Kruidvat has a loyalty points system where customers with a loyalty card earn points per purchase. One loyalty point worth €0.005 is awarded for every euro spent. Customers can donate these loyalty points to a charity Kruidvat partners with. Savings points can be redeemed as of 100 points, a value of €0.50. The loyalty point system is only in force at the Kruidvat formula in the Netherlands and Belgium.

Management board

The management board is the management of AS Watson Health & Beauty Benelux B.V. that is charged with leading the organisation, also referred to as the statutory board.

Management team (leadership team)

Management team includes all employees reporting directly to the management board, in job grades five or higher (head of), being the 'leadership team' of AS Watson Health & Beauty Benelux B.V.

Material activity

An activity of such importance that it influences stakeholders' decisions.

More sustainable packaging

Sustainable packaging is the development and use of packaging that results in improved sustainability. This includes increasing use of life-cycle inventory and life-cycle analysis to help guide packaging use, reducing environmental impact and carbon footprint. The reported 'sustainable packaging' specifically includes packaging where virgin plastic has been replaced with recycled plastic, and/or less plastic packaging material per unit of product has been used. The reported sustainable packaging materials specifically include transport packaging and filling material used when shipping online orders from the Kruidvat and Trekpleister webshops (excluding orders placed with partners). Packaging material is considered sustainable if it is certified and/or recycled.

Nature Impact Score

The Nature Impact Score is an indicative score that provides insight into the relative environmental impact of products. The score combines various environmental factors, such as raw material use, production and packaging, and is used to provide transparency and identify opportunities for improvement in products and product range choices.

NGO

A non-governmental organisation is an organisation that is independent of the government and focuses on a supposed social good.

OECD

Organisation for Economic Cooperation and Development. This international organisation is responsible for a number of instruments that promote democratic international trade and respect for human rights.

Poverty Alliance

The Poverty Alliance, established in 2025 on the initiative of Kruidvat, is a partnership with suppliers and other partners committed to combating care poverty. Its aim is to achieve a greater impact together, for example through product donations and by actively involving employees in social initiatives.



Recycling rate

The ratio of recycling to total waste expressed as a percentage. The decision as to whether something is recyclable is based on statement from the waste processor.

Residual streams

Any substance, preparation or object which the holder discards, intends to discard or is required to discard. These are unusable leftovers or materials that no longer have any value or use to their owner.

Retail floor space (m²)

The retail floor space is equal to the number of square metres that can be used to sell products. Abbreviated as VVO.

Renswoude office

The premises at Nijborg 17 in Renswoude where the central departments are housed. Since a number of departments at the Renswoude office are shared between the chemists' and perfumeries shops, for the sake of completeness, those relevant departments have been included in full in this report.

Roundtable on Sustainable Palm Oil (RSPO)

The RSPO organisation represents the largest certification system for the more sustainable production of palm oil. If they meet the requirements, suppliers who are members can receive an RSPO certificate on the palm oil supplied. The following calculation methodology has been used for the KPI: minimum mass balance of palm oil supplied from certified RSPO suppliers.

SBTi

The Science Based Targets initiative is the organisation that ensures that the targets set by an organisation to stay within 1.5 degrees of global warming, as set out in the Paris Climate Agreement, follow the right approach.

Scope 1

We use the same definition as set out in the GHG Protocol: Scope 1 emissions are direct emissions from owned or controlled sources.

Scope 2

We use the same definition as set out in the GHG Protocol: Scope 2 emissions are indirect emissions from the generation of purchased energy.

Scope 3

We use the same definition as set out in the GHG Protocol: Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

SDGs

The Sustainable Development Goals. These are the 17 sustainability goals drawn up by the United Nations for the period up to 2030.

Shop

A physical location where products are sold to consumers for payment. In this report, a shop is taken to be equivalent to a branch, as both terms are used with the same definition.

Stakeholders

Stakeholders are individuals and organisations that are directly or indirectly affected by the company's activities or that have a direct or indirect influence on the company.

Sustainable packaging materials

The reported sustainable packaging materials specifically include transport packaging and filling material used when shipping online orders from the Kruidvat and Trekpleister webshops (excluding orders placed with partners). Packaging material is considered sustainable if it is certified and/or recycled.

Top management

The Benelux management team.

UNGP

United Nations Guiding Principles on Business and Human Rights.

Unlimited talent

The 'Unlimited Talent' programme is aimed at people who are at a distance from the labour market. This includes colleagues who are listed in the UWV's Target Group Register, as well as people who are not listed in the register but who could do with a helping hand. The latter group includes asylum seekers who have been granted refugee status and young people who are still at school and require extra support, such as pupils in special secondary education (VSO) and practical education (PRO).

Value chain

The value chain shows the steps taken from raw material to finished product, from supplier to its use by the consumer and, where possible, back to the beginning of the chain as raw material. It also shows in what segments of the value chain material topics have an impact.

Value creation model

The value creation model is a good tool to sharpen and focus a (sustainable) strategy. The outcomes in the value creation model are the stepping stones to linking indicators (KPIs). This makes it possible to measure, report and adjust results on an ongoing basis.

Volunteer activities

Charity work carried out in partnership with organisations, in which AS Watson employees volunteer their time without receiving any compensation from the partner organisation.

Labels and memberships



BCI - Better Cotton Initiative

An international label for sustainable raw material and fibre production of cotton cultivation, with environmental and human rights requirements.



BSCI - Business Social Compliance Initiative

BSCI is an initiative that allows companies to check through an independent inspection whether factories meet various social and societal criteria around fair production.



BEPI - Business Environmental Performance Initiative

BEPI is an initiative that allows companies to check whether factories meet various environmental performance criteria through an independent inspection.



EU Ecolabel

The official European eco-label that sets sustainability and quality requirements for the entire life cycle of non-food products.



FSC - Forest Stewardship Council

An international label with strict requirements for sustainable and social forest management, for solid wood products, and products incorporating wood or wood fibre.



PEFC - Programme for Endorsement of Forest Certification

An international label with strict requirements for sustainable and social forest management, for solid wood products, and products incorporating wood or wood fibre.



RA - Rainforest Alliance

A label for nature conservation and better social conditions in agriculture and forestry, involving the entire chain.



RSPO – Roundtable on Sustainable Palm Oil

An international quality label indicating that at least 95% of the palm oil is sustainably produced. Recognised by WWF (World Wildlife Fund) and Oxfam Novib, it sets criteria for environmental protection and working conditions.



SBTi - Science Based Target initiative

An initiative that applies scientific methods to calculate the greenhouse gas emissions of companies, their suppliers and end-users. Companies that join enter into a commitment to reduce targets in line with global goals to emit 50% less greenhouse gases by 2030 and be climate neutral by 2050.

Commitments 2025

AS Watson Benelux

- Plastic Litter Covenant
- Sustainable Packaging Sector Plan
- FAIR: Freedom of choice, Accountability, Improvement of benefits & Respect for Rights
- Stichting UPV Textiel [UPV Textile Foundation]

AS Watson Group

- Roundtable Sustainable Palm Oil (RSPO)
- New Plastic Economy
- Business Compliance Social Initiative (BSCI)
- Business Environmental Performance Initiative (BEPI)



GRI-index

GRI 2: General disclosures

GRI	GRI-sub	Topic	Explanation	Reference 2025	Page
The organisation and its reporting methods	GRI 2-1	Organisational details	Name of organisation, trade name, ownership, legal form, location of headquarters, countries of operation	About us Annex - about this report Publication details: Nijborg 17, Renswoude	6 85 106
	GRI 2-2	Entities included in the organisation's sustainability reporting	List of its entities included in sustainability reporting	About us Annex - about this report	6 85
	GRI 2-3	Reporting period, frequency and contact point	Reporting period, publication date, and contact point for questions about the report	Annex - about this report Publication details	85 106
	GRI 2-4	Restatements of information	Restatements or different calculation methods compared to previous reporting	Where (comparative) figures or measurement methods have been adjusted due to better available information, this has been explained in the report under the relevant topic	24, 56
Activities and workers	GRI 2-6	Activities, value chain and other business relationships	Description of activities in the value chain and relevant business relationships	About us - Sustainable strategy	11
				About us - Value chain	12
				About us - Value creation model	13
				About us - Stakeholder dialogue	15
Governance	GRI 2-7	Employees	Number of employees, gender distribution	Strategic topics - Inclusivity	25
	GRI 2-9	Governance structure and composition	Description of the composition and role of the Benelux management board and governance structure	ESG - general information	67
	GRI 2-11	Chair of the highest governance body	Description of the CEO's final responsibility	ESG - general information	67
	GRI 2-12	Role of highest governance body in monitoring sustainability policies	Description of how the Benelux management board is involved in developing, approving and evaluating the sustainability elements in the policy, strategy, objectives and results.	ESG - general information	67
	GRI 2-13	Delegation of responsibility for sustainability policy	The manner in which sustainability is embedded within the rest of the organisation, the frequency and processes of reporting to the board.	ESG - general information	67
	GRI 2-17	Knowledge of sustainability of the highest governance body	Measures taken to advance the knowledge, skills and experience of sustainability of the highest governance body	ESG - general information	67



GRI	GRI-sub	Topic	Explanation	Reference 2025	Page
Strategy, policies and practices	GRI 2-22	Statement on sustainability strategy	CEO's statement on the importance and strategy of sustainable development.	About us – Preface CEO	7
	GRI 2-23	Sustainability policy commitments	What sustainability and human rights policies and commitments are in place, at what level have they been approved, and how are they communicated to different stakeholders (including NGOs, public, suppliers, business partners).	Who we are	10
				Strategic topics	18
				ESG – Benelux management board	70
				Annex – Commitments for 2025	100
				Annex – Quality labels and memberships	100
	GRI 2-24	Embedding sustainability policy	How are sustainability and human rights policies and practices embedded within the organisation and business relationships. In relation to the different layers of the organisation, integration into strategy, operational policies and procedures, and employee training.	About us – Sustainable strategy	11
				About us – Value creation model	13
				About us – Value chain	12
				About us – Stakeholder dialogue	15
				Strategic topics	14, 18
Stakeholder engagement	GRI 2-25	Complaints and redress procedures		Environmental, Social en Governance (ESG)	63
				ESG – S1 Own workforce	78
	GRI 2-26	Whistleblower scheme		ESG – S1 Own workforce	78
	GRI 2-28	Membership of associations and/or other interest groups	The national and international memberships and (industry) organisations with some interest groups in which the organisation plays an important role.	Annex – Quality labels and memberships	100
				Annex – Commitments for 2025	100
	GRI 2-29	Approach to stakeholder engagement	How different stakeholder groups are identified, and how they are involved in and/or informed about relevant decisions	About us – Stakeholder dialogue	15



GRI 3: Material topics

GRI	GRI-sub	Topic	Explanation	Reference 2025	Page
Material topics	GRI 3-1	Process to determine material topics	Explanation of the method used to identify material topics. How (potential) opportunities and risks were identified in the value creation process, and which stakeholders were involved in this process.	Environmental, Social and Governance (ESG) (Stakeholder dialogue)	63
				About us – Stakeholder dialogue	15
				Material topics	68
	GRI 3-2	List of material topics	List of material topics and explanation of differences from previous reporting periods	About us – Sustainable strategy	11
				Environmental, Social and Governance (ESG)	64
				Strategic topics Environmental, Social and Governance (ESG)	64
Climate	GRI 3-3	Management of material topics	Description of activities and objectives relating to the topic 'Climate'	Strategic topics – Climate & circularity	46
				ESG – Environment – E1 Climate	74
				Annex – KPI: energy consumption shops per square metre	89
				Annex – KPI: CO ₂	92
	GRI 302-4	Energy	Energy-saving measures	Strategic topics – Climate & circularity	46
	GRI 305-1	Emissions	Direct greenhouse gas emissions (scope 1)	Strategic topics – Climate & circularity	46
				ESG – Environment – E1 Climate	74
				Annex – KPI: CO ₂ footprint	92
	GRI 305-2	Emissions	Indirect greenhouse gas emissions (scope 2)	Strategic topics – Climate & circularity	46
				ESG – Environment – E1 Climate	74
				Annex – KPI: CO ₂ footprint	92
	GRI 305-3	Emissions	Other indirect greenhouse gas emissions (scope 3)	ESG – Environment – E1 Climate	74
	GRI 305-5	Emissions	Reduction of greenhouse gas emissions	Strategic topics – Climate & circularity	46
				ESG – Environment – E1 Climate	74
				Annex – KPI: CO ₂ footprint	92



GRI	GRI-sub	Topic	Explanation	Reference 2025	Page
Circularity	GRI 3-3	Management of material topics	Description of activities and objective for the topic 'Circularity'	Strategic topics – Climate & circularity	46
				ESG – Environment – E2 Pollution	76
				ESG – Environmental – E5 Resource use and circular economy	76
				Annex – KPI: residual streams and recycling rates	88
	GRI 306-1	Waste	Waste generation and impacts	Strategic topics – Climate & circularity	46
	GRI 306-2	Waste	Management of waste-related impacts	Strategic topics – Climate & circularity	46
	GRI 306-3	Waste	Waste generated	Strategic topics – Climate & circularity	46
				Annex – KPI: residual streams and recycling rates	88
	GRI 306-4	Waste	Waste diverted from disposal	Strategic topics – Climate & circularity	46
				Annex – KPI: residual streams and recycling rates	88
Responsible sourcing	GRI 306-5	Waste	Waste directed to disposal	Strategic topics – Climate & circularity	46
				Annex – KPI: residual streams and recycling rates	88
	GRI 306-1	Waste	Waste generation and impacts	Strategic topics – Climate & circularity	46
	GRI 306-2	Waste	Management of waste-related impacts	Strategic topics – Climate & circularity	46
	GRI 3-3	Management of material topics	Description of activities and objective on the topic 'Responsible sourcing'	Strategic topics – Responsible sourcing	51
				ESG – Environment – E4 Biodiversity and ecosystems	76
				Annex – KPI: palm oil	87
	ASW 2	Own objective	Raw materials meeting sustainability requirements	Strategic topics – Responsible sourcing	51
	GRI 308-2	Supplier environmental assessment	Negative environmental impact of the supply chain and actions taken	Annex – KPI: palm oil	87
				Strategic topics – Responsible sourcing	51



GRI	GRI-sub	Topic	Explanation	Reference 2025	Page
Inclusivity	GRI 3-3	Management of material topics	Description of activities and objective on the topic 'Inclusivity'	Strategic topics - Inclusivity	25
				ESG - Social - S1 Own workforce	78
				ESG - Social - S2 Employees in the value chain	81
				Annex - KPI: employees' perception of inclusivity	90
	GRI 405-1	Diversity and equal opportunities	Employees at a distance to the labour market	Strategic topics - Inclusivity	25
	GRI 405-1	Diversity and equal opportunities	Gender diversity of board and employees	Strategic topics - Inclusivity	25
				Annex - KPI: gender balance	91
	GRI 414-2	Supplier social assessment	Negative social impact of the supply chain and actions taken	Strategic topics - Inclusivity	25
Awareness	ASW 3	Own objective	The percentage of own-brand products from risk countries where social audits have been demonstrably carried out through BSCI (or similar) and where 100% (NV) have achieved an overall BSCI C score (or similar)	Strategic topics - Inclusivity	25
	ASW 4	Own objective	Donations to customers and charities	Strategic topics - Inclusivity	25
				Annex - KPI: gift cards	25
	GRI 3-3	Management of material topics	Description of activities and objective on the topic 'Awareness'	Strategic topics - Awareness	37
				Annex - KPI: perception of sustainability	90
	ASW 1	Own objective	Description of initiatives to help customers make more sustainable choices	Strategic topics - Awareness	37
				Annex - KPI: perception of sustainability	90
	GRI 417-1	Marketing and labelling	Requirements for product information and labelling	ESG - Social - S4 Consumers and end users	81
Well-being	GRI 3-3	Management of material topics	Description of activities and objective on the topic 'Well-being'	Strategic topics - Well-being	20
				ESG - Social - S1 Own workforce	78
	GRI 403-6	Occupational health and safety	Promotion of worker health	Strategic topics - Well-being	20
	GRI 403-9	Occupational health and safety	Work-related injuries	ESG - Social - S1 Own workforce	78
	GRI 404-2	Training and education	Programs for upgrading employee skills	Strategic topics - Well-being	20
				Strategic topics - Awareness	37



Colophon

AS Watson Health & Beauty Continental Europe B.V.

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Content: Kort Integrated Reporting

Design: TD Cascade

Questions about our report or our sustainability policy?

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Impact report 2025

11 June 2026

Publication details

The 2025 Impact Report was originally written in Dutch and has been translated into French and English.

If there is any discrepancy between the translation and the Dutch text, the Dutch text shall prevail.