FORGING A SUSTAINABLE FUTURE

OUR COMMITMENT TO PLANET AND PEOPLE

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This Sustainability Report has been prepared by MUSTAD with the purpose of providing transparent information about our sustainability strategy and performance.

The content is intended for general informational purposes only. Certain statements may reflect current expectations or forward-looking considerations that are subject to change.

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CORPORATE OVERVIEW

CEO MESSAGE

Dear colleagues, customers, and friends of MUSTAD,

It is an honor for me to present our first Sustainability Report, a document that marks a turning point in MUSTAD's history. After nearly two centuries of trajectory, this report stands as a living testimony to the dedication of generations of employees, families, farriers, and partners who, in every era, have responded with commitment and creativity to the needs of society and our customers.

The care of the horse's hoof has never been a minor matter. Throughout history, mobility, agricultural productivity, and transportation have all depended on it, contributing to the decisive role horses have played in human development. Their presence has also transcended into culture, sport, and recreation. Our legacy is intertwined with the well-being of horses and with the evolution of the industry that surrounds them. Today, this industry is being reimagined through innovation and a shared responsibility toward the environment, people, and animals.

This report is an opportunity to thank and recognize those whose work and passion have made it possible for MUSTAD to be an internationally recognized company, with a solid presence across markets and a relevant role in the farriery industry. In recognition of that vital role, we strive to be a great place to work, strengthening learning and development, fostering diversity, and acknowledging the commitment of our people.

We have contributed to the professionalization of the trade through technical rigor, innovation, and a contribution rooted in knowledge and quality that transforms the experience of everyone who interacts with us. This effort is further strengthened today by our digital ecosystem and the development of new tools, including an application that provides farriers with access to services and knowledge, making their work easier and reinforcing the welfare of horses.

In a sector historically dominated by men, MUSTAD has opened spaces for women, not only in administrative roles but also in the practice of farriery itself. This is just the first step in a broader journey toward diversity, equity, and inclusion. We aim for this commitment to reach new dimensions, consistent with the cultural and ethnic richness of the places where we operate, thereby shaping a company that is more open, representative, and prepared for the future.

Our sustainability journey is evidenced in the nearly 200 years during which we have grown, expanded our presence worldwide, and accompanied the industry in its challenges. Today, we reaffirm that vocation with concrete goals, such as having achieved carbon neutrality in 2026 in our factories, and with the conviction that sustainability is the path to securing a prosperous future for our people, our customers, and the horses that are at the heart of our work.

Our trajectory has given us the perspective and resilience to understand that MUSTAD's history continues to be written every day, in every challenge we face. Each challenge drives us to evolve and to contribute more responsibly to the industry. We also recognize that there is still work ahead: making our value chain more sustainable, backing up our ESG commitments with the annual investments and resources we allocate, and continuing to demonstrate that our growth is based on a genuine commitment to doing the right thing.

This first Sustainability Report, which reflects our identity and the vision of what we aspire to become, paves the way for reports that will be increasingly mature and comprehensive, showcasing more broadly both our achievements and our challenges. Because the future is built every day, with the same dedication that has accompanied us for almost two centuries in service of equine hoof care.

Thank you all for your dedication, trust, and support. Let us continue to be the company of choice to work with, to grow with, and to rely on.

With gratitude and a strong vision for the future,

Chief Executive Officer
MUSTAD Hoofcare Group

OUR BUSINESS MODEL

About Us

Throughout human history, equine hoof care has been a pivotal factor in mobility, agricultural productivity, transport, equestrian sports, and culture. Maintaining healthy, well-tended hooves is fundamental to the well-being and performance of horses, granting farriery an essential role in the development of communities and activities linked to the equestrian sector worldwide.

Cognizant of this importance, since 1832, MUSTAD has established itself as an industrial and manufacturing company with a global distribution network. We specialize in developing comprehensive solutions for equine hoof care, including horseshoes, horseshoe nails, farriery tools, and specialized hoof health products, as well as providing training and support services to farriers to ensure their optimal use.

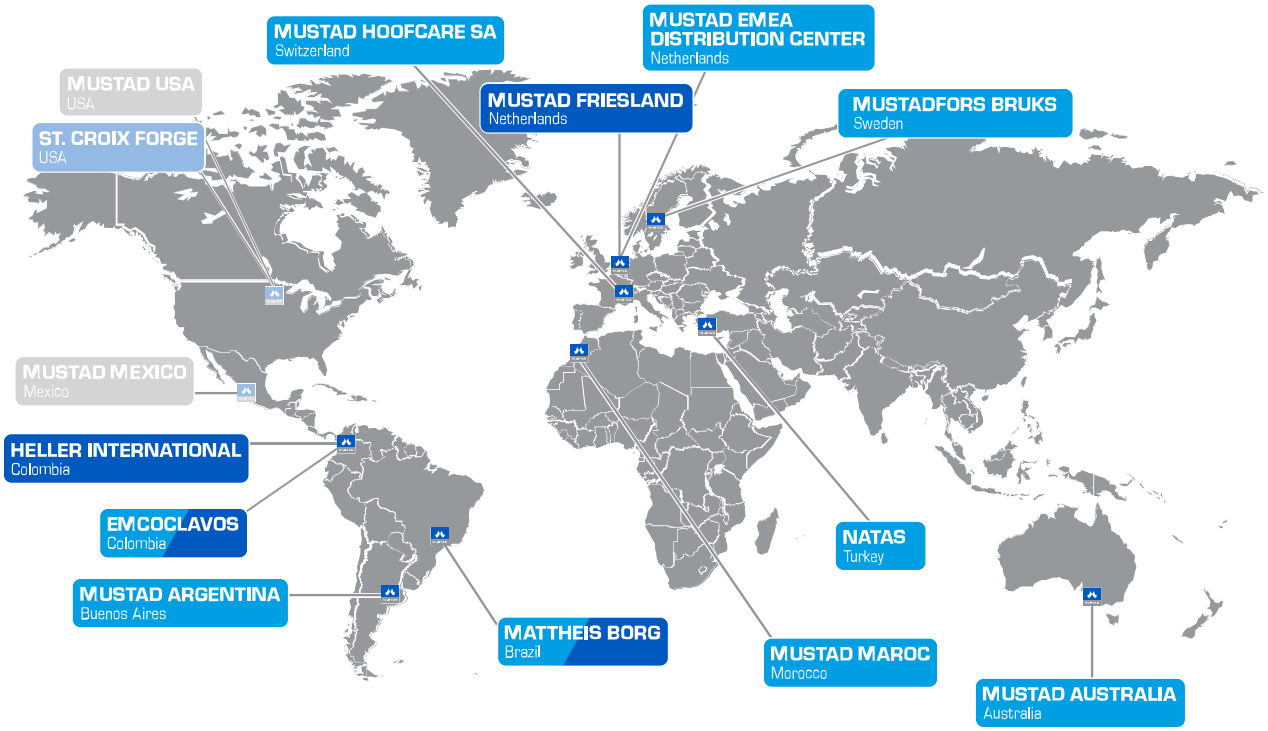
Our portfolio combines tradition and technology to offer a complete set of solutions that support the mobility, well-being, and performance of horses, facilitating the work of farriers, veterinarians, and other specialists in the equine sector.

Corporate Structure

Our group consists of a network of subsidiaries that allows us to maintain proximity to local markets and ensure product availability in the world's major equine markets. Through this corporate network, we coordinate production, distribution, and service, ensuring an agile operation adapted to the needs of each region.

Production Centers

Distribution Centers



2025 Highlights

8.85%

Investments vs. total sales (compared to 2024)

23.7%

Investments in climate change vs. total investments

20%

Increase in eNPS (Employee Net Promoter Score) vs. 2024

205,000 euros

Investment in training

Our Strategy: An Integrated Solutions Flow

By considering the four fundamental stages of the shoeing process, and the impact each has on the horse's well-being and performance, we have aligned our solutions with every one of these phases. In doing so, we offer the market a comprehensive portfolio of products and services that respond to specific needs at each moment of the farrier's work. We complement this with training programs designed to strengthen their competencies and support the continuous evolution of the trade.

STAGES OF FARRIER WORK

	1 HORSE ASSESSMENT	2 HOOF PREPARATION	3 SHOE FITTING AND APPLICATION	4 MONITORING
PHASE				
ACTIVITIES INCLUDED	Assessment of hoof condition, diseases, cracks or fissures, moisture balance, and wear patterns, including evaluation of the horse's activity, terrain, etc.	Removal of nails and shoes to be replaced. Trimming, cleaning, and rasping of the hoof.	Shaping the horseshoe to fit each hoof. Application of the horseshoe and pads (if required).	Validation of shoeing durability, hoof health, and overall performance.
VALUE CREATION	• Prevention and early diagnosis. • Customization of the shoeing process. • Technical backing for reliable decision-making.	**Hoof health:** • Cleaning and infection prevention. • Optimal conditions for successful shoeing. • Operational efficiency for the farrier.	• Continuous protection and support of the hoof. • Prevention of shoeing-related injuries. • Durability and performance: reduced costs and deterioration.	• Prevention of injuries and wear caused by external conditions. • Transparency and quality that strengthen the farrier-horse owner relationship.
PRODUCTS / SERVICES	Farrier knowledge and experience. • Farriery Clinics • Training • Digital Application – Equinet	Product usage training. • Pull-offs (Shoe pullers) • Hoof nippers • Rasp • Hoof knife • Others	Product usage training. • Horseshoe • Horseshoe nails • Hoof nippers • Clinchers • Others	Product usage training. • Horse's history. • Farrier observation and experience. • Actual performance of MUSTAD products. • Practical feedback.
BRANDS		MUSTAD, HELLER	MUSTAD, ST. CROIX, CAPEWELL	

Our Global Leadership Team

Hans Mustad
CEO
Chief Executive Officer

Mayra Krishnadath
CFO
Chief Financial Officer

Paulo Chaves
COO
Chief Operating Officer

Sophie Elvefors
CCO
Cheif Commercial Officer

Eric Soenens
Director of Human Resources

40% of women in the governance body.

Our Regional Leadership Team

Martin Stenveld
Finance Manager
EMEA

Rody Smits
Sales Manager
EMEA

Marko Everts
Operations Manager
EMEA

Nynke Veenstra
Human Resources Manager
EMEA

Tessa ten Vregelaar
Marketing Manager
EMEA

Daniel O'Dwyer
Sales and Marketing Manager APAC

Julio Magaña
Finance Manager
LATAM

Diego Gutiérrez
Production Manager
LATAM

Jorge Pérez
Supply Chain Manager
LATAM

Jorge Carvajal
Sales Manager
LATAM

Carolina Franco
Marketing Manager
LATAM

MUSTAD HISTORY

A Remarkable History of Resilience, Innovation, and Forward Vision.

Our journey began in 1832, in a small 19th-century Norwegian town, as a family business dedicated to manufacturing and supplying essential metal goods such as nails, pins, and paperclips. Over time, and thanks to the use of advanced machinery, we transformed our manufacturing capabilities to secure a sustained competitive advantage—particularly in the production of horseshoe nails and fishhooks, which became iconic benchmarks of our history.

With a trajectory spanning over 190 years, during which we have weathered wars, social transformations, and technological advancements, we continue to demonstrate our capacity for resilience and adaptation. A combination of engineering excellence, openness to innovation, and an unwavering commitment to quality has allowed us not only to endure but to reinvent ourselves with every generation, consolidating a legacy that remains vital to this day.

Our specialized expertise in the equine hoof care industry has enabled us to consolidate a diverse portfolio of nails, horseshoes, and rasps. These are developed in close collaboration with farriers, combining their experience with our innovation team's insight and design. The result is a range of alternatives that preserve the traditions of the trade while responding to current market needs.

Today, we focus on working hand-in-hand with farriers, dignifying an ancestral trade that remains essential. We provide them with tools, training, and reliable solutions that facilitate their daily work and strengthen their role as guardians of equine well-being.

We strive to overcome challenges and remain a symbol of reliability and future vision. This inspires us to continue innovating and offering differentiated responses for every context, from professional sports to farm life. We determinedly reaffirm our role as a responsible company, committed to people, animal welfare, and environmental stewardship.

From humble beginnings to global impact, MUSTAD is a legacy of innovation, commitment, collaboration and passion that continues to shape the future.


1832
Hans Skikkelstad founds the brunesween nail and wire factory in Norway.
1882
MUSTAD becomes the largest nail manufacturer in Europe.
1900
Ole Mustad & Son established factories across Europe.
1945
MUSTAD survives both world wars.
1977
Christian and Ole, found MUSTAD International.
1997
The Group expands into South America.
1999
MUSTAD secures its own horseshoes production in the Netherlands.
2007
Heller Rasps becomes part of the Group.
2008
Equi-Librium horseshoes featured on the Olympic gold medal in Beijing.
2011
Our best-selling horseshoe, the MUSTAD LiBero, is launched on the market.
2013
My Heller gives the possibility for farriers to create their own rasp according to their specific needs.
2014
Support to the World Blacksmith Championship in Calgary for 20 years.
2014
Emcoclavos receives recognition as a company of environmental excellence in Colombia.
2014
The HammerHead race nail and the Heller eXceL Original hit the market.
2016
Mustad official distributor at the Rio de Janeiro Olympic Games.
2017
MUSTAD's Endura nails revolutionize the industry, alongside the launch of the pitch technology.
2017
Implementation of the Performance System Model (MPS).
2019
First woman in the Global Leadership Team.
2020
Equinet launches in Australia.
2020
MUSTAD keeps innovating on nail technology with the launch of Draft nails.
2020
MUSTAD oficial distributor at Tokyo Olympic Games.
2020
Improvement of conditions for women's participation in factories in LATAM.
2022
Mustad supports FEI World Championships in Denmark.
2022
First factory certified as carbon neutral: Mustadfors.
2022
Celebration of the 190th anniversary of the company's founding.
2023
125 years of Mustadfors Bruks, the company's oldest factory.
2023
St. Croix Forge and Emcoclavos achieve carbon neutrality.
2024
Centralization of global nail production in Colombia.
2024
80% reduction in water consumption in rasp production.
2024
Installation of solar panels at the nail plant in Colombia.
2025
Mattheis Borg celebrates 130 years of operations in Petrópolis and Brazil.

ABOUT THIS REPORT

Our 2025 Sustainability Report represents a milestone in the company's history. It is the first edition in which we disclose how we understand and manage sustainability, consistent with a commitment that has accompanied MUSTAD for nearly two centuries. Our ability to endure over time, transform, and respond to the social, environmental, and economic challenges of every era demonstrates that MUSTAD has been, and will continue to be, a sustainable enterprise.

With this same conviction, we assume the commitment to report on an annual basis, making this document the beginning of a continuous exercise in transparency and dialogue with our stakeholders.

Reporting Frameworks

The decision to embark on this path stems from the European regulatory framework, which established the obligation to report under the Corporate Sustainability Reporting Directive (CSRD). Although the application of the standard was postponed via the "stop the clock" measure—giving companies more time to present their first reports—we at MUSTAD chose not to wait.

Beyond meeting a legal requirement, we saw this process as an opportunity to strengthen our internal capabilities, mature our reporting system, and generate strategic inputs for sustainability management. With that vision, this report was prepared using the VSME (Voluntary Sustainability Metrics for Enterprises) standard as its primary framework. This allows us to take a rigorous and transparent first step while progressively advancing toward full adoption of CSRD requirements.

We complement this approach with other widely recognized international references, such as the GRI Standards 2021 and the SASB (Industrial Machinery & Goods) sustainability accounting standards. Furthermore, we integrate our contribution to the Sustainable Development Goals (SDGs), ensuring the report aligns with global best practices while reflecting our commitment to the most relevant social and environmental challenges worldwide.

Finally, it is important to highlight that we chose to prepare this report under the VSME standard's comprehensive option (Basic + Comprehensive Modules). This decision reflects our willingness to go beyond the minimum required level and offer our stakeholders a complete and transparent view of how we manage sustainability, thereby laying the groundwork for future alignment with the CSRD.

Reporting Period

This Report covers information corresponding to the period between January 1 and December 31, 2025, compared against results recorded in 2024.

For certain indicators, we include data from previous years to establish reference baselines required by reporting frameworks and to provide context that facilitates understanding for our stakeholders. This ensures technical rigor in the figures, offers traceability and solidity in the reported information, and provides inputs to nurture the forward-looking strategy of our ESG management.

Corporate Scope

This report presents the consolidated performance of MUSTAD Netherlands B.V. and its subsidiaries dedicated to the manufacturing and distribution of equine hoof care goods. The reporting boundary corresponds to the entities included in the consolidated financial statements for the 2025 fiscal year, unless otherwise indicated in specific sections. For the purposes of this report, the defined scope includes the following subsidiaries:

Subsidiaries of MUSTAD Netherlands B.V.:

- **MUSTAD HOOFCARE SA** — Switzerland
- **MUSTADFORS BRUKS AB** — Sweden
- **MATTHEIS BORG LTDA** — Brazil
- **MUSTAD ARGENTINA SA** — Argentina
- **NATAS CIVI SARAYI VE TICAREL AS** — Turkey
- **MUSTAD MAROC SA** — Morocco
- **MUSTAD AUSTRALIA PTY LTD** — Australia
- **EMCOCLAVOS SAS** — Colombia
- **HELLER INTERNATIONAL SAS** — Colombia

Non-financial information primarily refers to manufacturing, distribution, and commercialization operations for equine hoof care products and related solutions. This scope generally coincides with that of the consolidated financial statements, unless otherwise stated in specific sections. Where data from affiliates or activities outside this coverage is included, it will be expressly noted.

Independent Assurance

This report has not been submitted to external assurance. However, in its preparation, we applied the information quality principles established in the international reporting frameworks we utilize—such as clarity, comparability, balance, and verifiability—in order to guarantee the reliability of the data presented.

Financial figures stem directly from the company's consolidated financial statements, while other data are supported by information previously disclosed to various stakeholders or by management systems that have been subject to independent certification. Additionally, we developed internal information control and traceability matrices which support the calculations and figures included in this report.

These mechanisms allow us to ensure that the information presented is robust and verifiable. At the same time, they constitute the foundation for future independent assurance processes that we plan to incorporate in upcoming reporting cycles.

Data Quality and Limitations

The financial information included in this report comes directly from consolidated financial statements prepared under International Financial Reporting Standards (IFRS). Non-financial information is collected from MUSTAD's internal management systems, operational records, environmental and social indicators, and, in certain cases, verified or certified external sources.

The preparation of this report relies on methodologies that ensure data consistency, including traceability control matrices, internal reviews, and cross-validation processes between responsible departments. When information requires estimates or projections, this is explicitly indicated.

It is important to highlight that this report is published in close proximity to the disclosure of the 2025 financial statements, reinforcing the coherence and timeliness between the financial and non-financial information presented.

Likewise, for some indicators, a difference in the scope of consolidation or the availability of historical data may be observed. In such cases, we note the corresponding particularities in order to preserve transparency and comparability over time.

Availability and Contact

We publish our sustainability report in digital format on the MUSTAD corporate website at www.mustad.com, where it can be consulted and downloaded along with its indicator tables.

Stakeholders wishing to submit comments, inquiries, or suggestions regarding this report or the company's sustainability management may communicate via email at esg@mustad.com.

Forward-Looking Statements

This report may contain forward-looking statements related to MUSTAD Hoofcare Group's sustainability goals, objectives, or plans. Such projections are based on information available at the time of preparation and on reasonable assumptions regarding the operational, social, environmental, and regulatory context.

However, actual results may differ significantly due to external factors such as regulatory changes, market variations, macroeconomic conditions, environmental or social emergencies, and other elements beyond the company's control.

These forward-looking statements should not be understood as a guarantee of performance, but rather as an expression of MUSTAD's commitments and strategic direction regarding ESG matters.

OUR ESG FRAMEWORK

ESG STRATEGY

In 2021, through our Code of Conduct, we stated that progress and innovation only make sense if achieved with respect for people and the planet. Driven by this conviction, we reaffirmed our aspiration to make life easier for farriers without compromising the planet's well-being, expressing our ambition that every aspect of our business contributes positively to a sustainable world.

In 2022, we formalized this commitment by declaring our contribution to Sustainable Development Goals (SDGs) 5, 8, 9, and 13. Today, these constitute the strategic pillars of our ESG strategy.

Over the years, we have organically incorporated multiple elements that form part of our sustainability management: integrity, transparency, and good corporate governance practices that support responsible conduct in all markets where we operate; the gradual implementation of measures toward carbon neutrality in our factories and the responsible use of natural resources; and the incorporation of technology into our products and processes to make them increasingly efficient and environmentally friendly.

In the social sphere, we have promoted the inclusion of women in a traditionally male-dominated sector, strengthened the specialized technical competencies of farriers, and driven innovation oriented toward the care and health of horse hooves, contributing to their well-being and performance.

With the arrival of new international frameworks, such as the Corporate Sustainability Reporting Directive (CSRD), we decided to give methodological structure to what we have historically done: integrating sustainability into our business model. This exercise allowed us to identify the Impacts, Risks, and Opportunities (IROs) most relevant to our operation and structure an ESG strategy that gives a name, direction, and measurement to what has always been part of our core activities.

Thus, our ESG strategy does not stem from a regulatory requirement, but from a process of recognizing and articulating the values, principles, and practices that have defined our way of growing and positioning ourselves in the market. Every prior action, commitment, or policy now finds its place within an integrated vision that guides our path toward a greener, fairer, and more inclusive future.

ESG Purpose

FORGING A GREENER AND FAIRER FUTURE

ESG Vision 2030

By 2030, we will achieve carbon neutrality across all our operations, consolidate a culture of Diversity, Equity, and Inclusion (DEI) that ensures decent work, and build an innovative, traceable, and responsible value chain.

Strategic Foundations

1	2	3	4	5
Regulatory compliance and anticipation	**Competitiveness and differentiation**	**Business resilience and continuity**	**Shared value creation**	**Legitimacy and corporate citizenship**
Alignment with frameworks such as the EU Taxonomy, CSRD, and carbon tax regulations.	Responding to the growing demand for responsible products and services.	Ensuring reliable operations and strong relationships with third parties.	Delivering benefits for stakeholders and the environment.	Operating with transparency and being recognized as a responsible company.

Strategic Pillars

Material Topics
DMA

- Climate change mitigation - Energy - Air pollution - Resource inputs - Resource outputs (products and services)	- Equal treatment and opportunities	- Working conditions - Working conditions across the value chain	- Consumer information impacts - Consumer/user safety - Animal welfare

\+ -Ethic business, transparency, anticorruption and bribery.

ESG Pillar

ENVIRONMENTAL	SOCIAL	GOVERNANCE

ESG ROADMAP 2025 - 2030

DOUBLE MATERIALITY

In light of European regulatory transformations—specifically the CSRD and the EFRAG technical framework (ESRS), which establish the double materiality assessment as the foundation for preparing a useful and comparable sustainability report—we conducted our first materiality exercise. This process explicitly connects the impacts of our operations on people and the environment with financial performance. It also contributed to strengthening our sustainability strategy by identifying the focus areas for the coming years, allowing us to reinforce and improve upon the aspects deemed material to us.

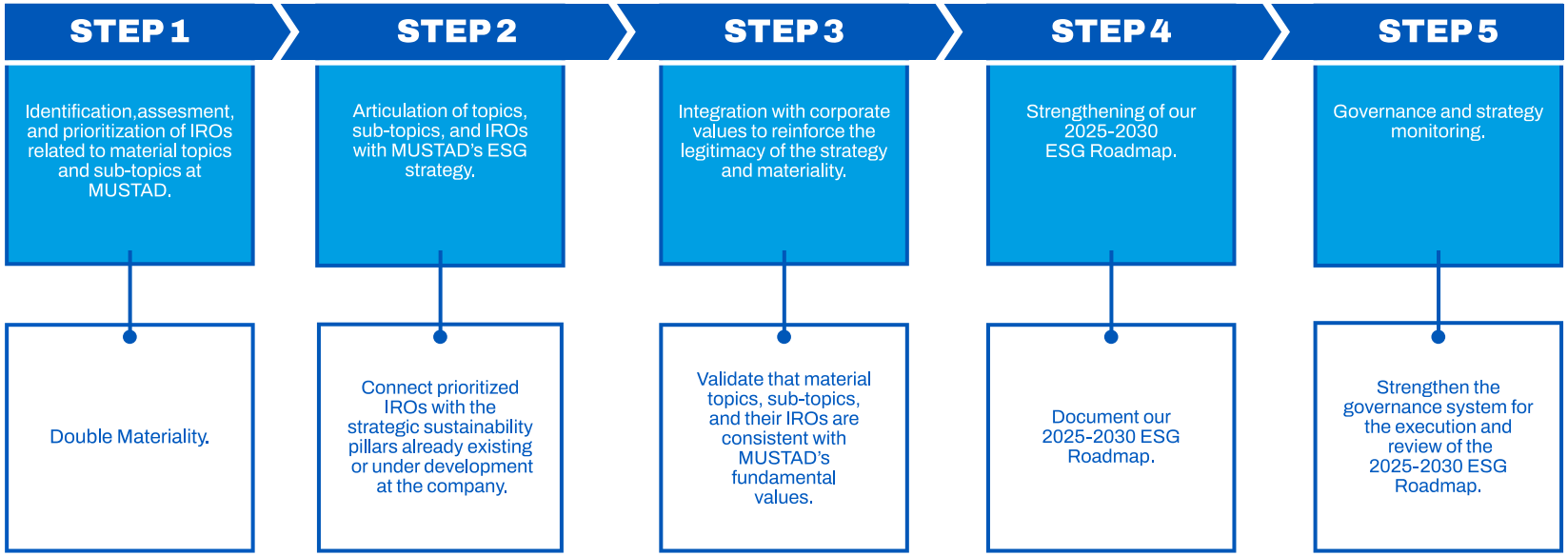
Methodologically, we structured the analysis around the company's IROs (Impacts, Risks, and Opportunities) and evaluated their relevance in terms of likelihood, severity, and magnitude, considering the technical requirements outlined by European standards for double materiality exercises.

This process was led by the Global Finance Management in collaboration with the leaders (Global Managers) of each process within the value chain, including those with direct relationships to customers and suppliers (Global Operations Manager, Global Marketing and Sales Manager, Global Procurement Manager, Global HR Manager, and Global HSEQ Manager). Supported by an independent consultant, we successfully identified MUSTAD's material topics—an exercise subsequently submitted to independent external assurance, the declaration of which can be consulted in the Appendices section of this report.

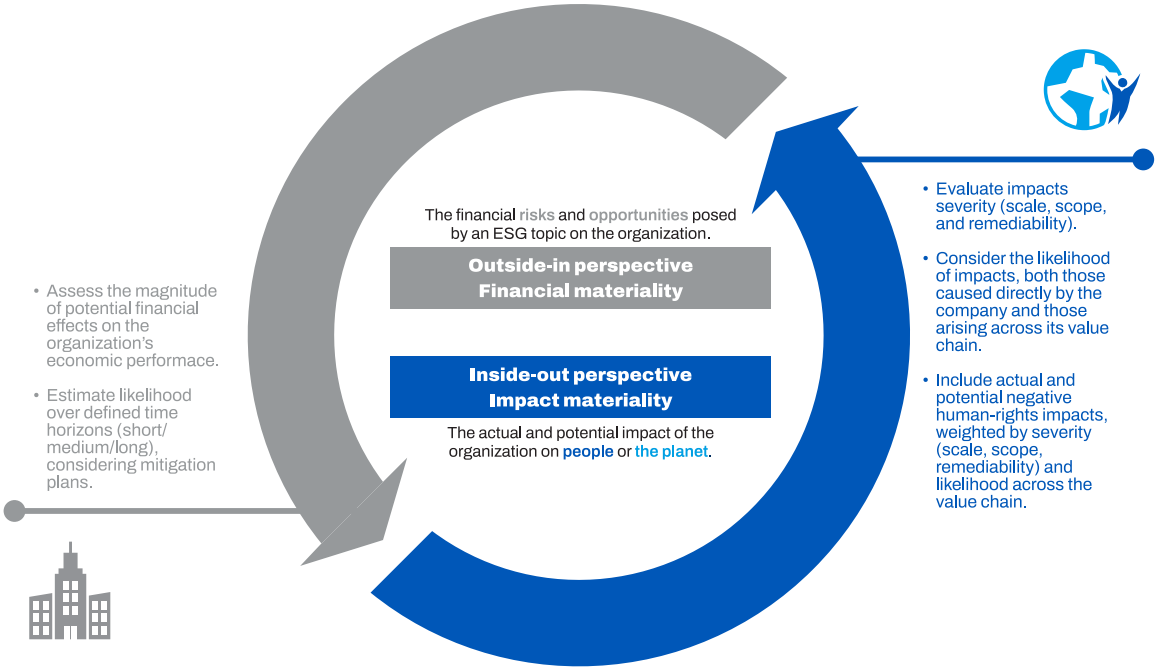
Double materiality allowed us to validate priorities already identified in our sustainability strategy and determine the maturity level of relevant topics. This enabled the design of the 2025–2028 ESG operational architecture centered on Impacts, Risks, and Opportunities (IROs), with aligned objectives, action plans, and new measurement indicators, all under a governance framework of monitoring and continuous improvement.

This prioritization exercise brought to light initiatives whose contributions were not fully recognized, giving them greater weight in our strategic agenda and defining transformations to close gaps. It ensured traction through clear goals and metrics, integrating the company's three strategic pillars to create economic, environmental, and social value systemically, based on legitimate priorities, anticipated risks, and strategic opportunities derived from the context and the voice of our stakeholders.

From Double Materiality to ESG Strategy



By double materiality, we understand two complementary perspectives: Impact Materiality, which shows how our activities generate actual or potential effects (positive or negative) on people and the environment; and Financial Materiality, which evidences how environmental and social topics can affect our financial position in the short, medium, and long term.



Accordingly, at MUSTAD, we consider a topic relevant if it is material from the impact perspective, the financial perspective, or both.

Based on this dual approach, we executed our materiality exercise following this methodology:

1. Understanding the Context

We began our double materiality exercise with a contextual analysis phase aimed at understanding the key dynamics structuring MUSTAD's ESG environment. This stage was fundamental to establishing the scope of the exercise and ensuring that the evaluated topics effectively responded to the operational, strategic, and relational characteristics of the business.
We carried out a detailed mapping of our value chain and stakeholders, allowing us to identify the most relevant actors in terms of generating or receiving impacts, as well as the key relationships sustaining our operation. This systemic view was essential to correctly guide the subsequent stages of analysis.

Additionally, internal interviews were conducted with leaders of strategic and operational processes to capture their vision regarding risks, impacts, and opportunities linked to different sustainability topics and the stakeholders inherent to each area. This incorporated expert, operational, and contextual knowledge from within the organization, ensuring the solidity and pertinence of the next phase.

2. Identification of Actual and Potential IROs Related to Sustainability Topics

In this second stage, we developed the methodological core of the double materiality exercise, focused on the structured identification of actual and potential impacts, as well as financial risks and opportunities (IROs) associated with sustainability topics. To do so, we used the thematic universe of topics and sub-topics proposed by the CSRD Directive and ESRS standards as a baseline, guiding the analysis and ensuring alignment with European regulatory expectations.

We established evaluation criteria applicable to both materiality approaches in accordance with international regulatory frameworks. As a common criterion, the likelihood of occurrence was considered. For Impact Materiality, we applied principles such as severity, scale, scope, and remediability; whereas for Financial Materiality, we evaluated the magnitude of effects on economic performance, integrating different time horizons.

Subsecuently, for each sustainability sub-topic, we analyzed negative and positive impacts, associated risks, and strategic opportunities, ensuring a comprehensive view that covered both our direct operations and our value chain, upstream and downstream.

3. Assessment and Determination of Material IROs Related to Sustainability Topics

This stage focused on the rigorous application of technical analysis to determine the materiality of each topic. We performed the assessment based on preliminary scoring from both perspectives—impact and financial—following the criteria indicated for each materiality type.

Based on this valuation, we identified the topics that exceeded the established threshold and consolidated the list of material topics from the impact dimension, the financial dimension, and the combined dimension. Finally, we documented the process for traceability and external assurance.

4. Integration of Material Topics into Strategy and Reporting Processes

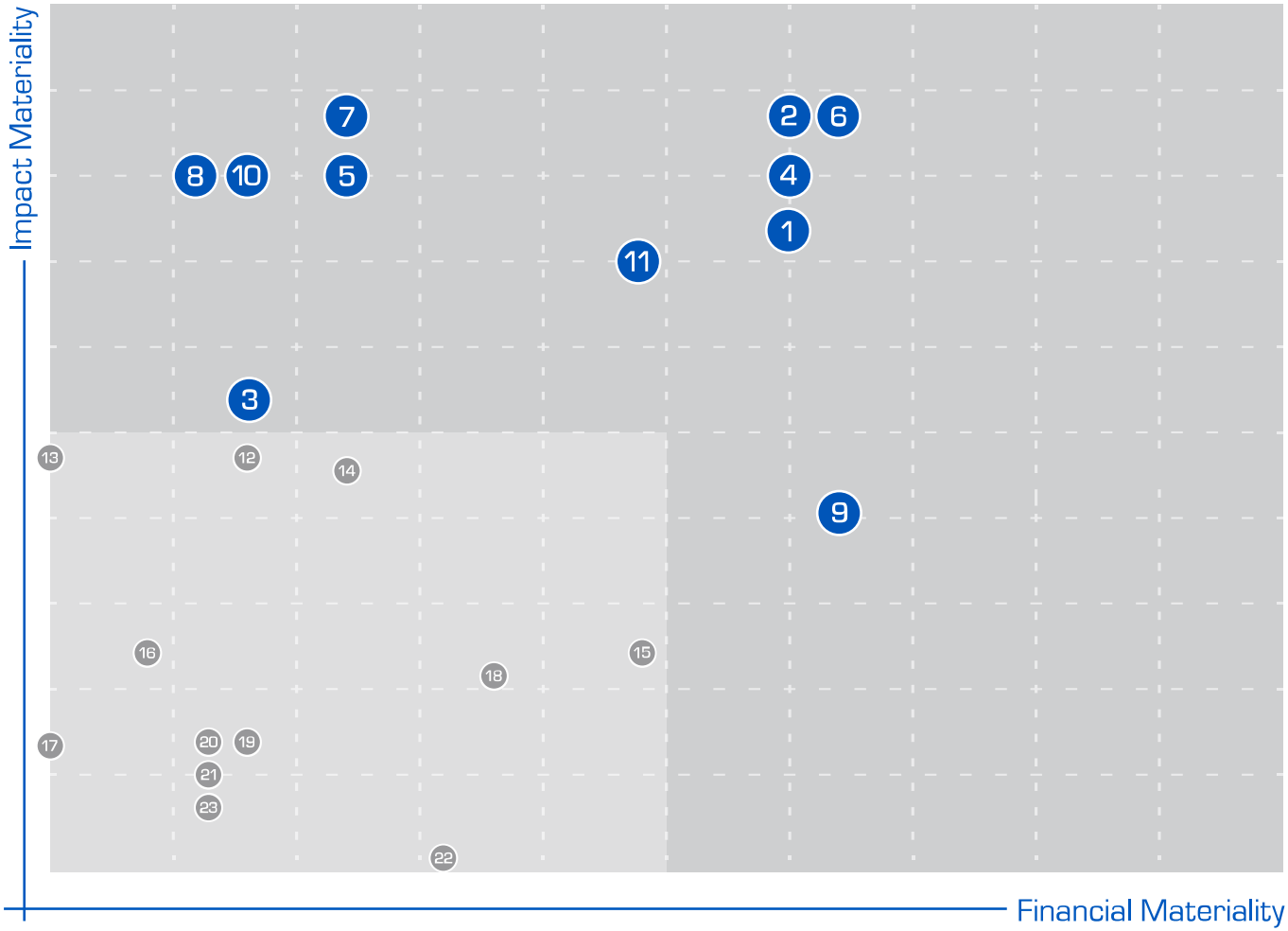
The results of the double materiality exercise were conceived as a structural input for defining our ESG strategy. The prioritization of topics and the assessment of IROs allowed us to validate previously defined priorities, recognize the maturity level of different topics, and refine tactical goals through more specific and measurable action plans.

The results of the double materiality assessment became the foundation for defining our 2025–2028 ESG strategic architecture. This articulates the priorities of our stakeholders, the corporate values that define us (passion, innovation, commitment, and collaboration), and the Sustainable Development Goals established by MUSTAD's senior management since 2022, reaffirming our contribution to the 2030 Agenda through our business model and corporate strategy.

Double Materiality Matrix

As a result of the double materiality exercise, we identified 11 relevant topics that exceeded the cut-off threshold established by the company. In the table presented below, we indicate the type of materiality associated with each of these topics, visualizing their degree of relevance from both perspectives and adequately guiding our ESG strategy.

For the purposes of this double materiality exercise, we established a cut-off threshold of 2.5 out of 5 in the relevance valuations. This means that any topic reaching or exceeding this value, whether from the impact or financial perspective, is considered material for MUSTAD and, therefore, important for the company's management and sustainability reporting.



Topic names reflect the terminology used in the materiality exercise, in alignment with CSRD/ESRS standards.

ESG	TOPIC NAME	IMPACT MATERIALITY	FINANCIAL MATERIALITY
E	1. Climate change mitigation	✓	■
	2. Energy	✓	■
	3. Pollution of air	✓	
	4. Resource inflows, including resource use	✓	■
	5. Resource outflows related to products and services	✓	
S	6. Working conditions	✓	■
	7. Working conditions (Value Chain)	✓	
	8. Equal treatment and opportunities for all	✓	
	9. Information-related impacts for consumers and/or end-users	✓	■
	10. Personal safety of consumers and/or end-users	✓	
G	11. Animal welfare	✓	
NO MATERIAL	12. Microplastics		
	13. Other work-related rights		
	14. Rights of indigenous communities		
	15. Waste		
	16. Pollution of soil		
	17. Corporate culture		
	18. Impacts and dependencies on ecosystem services		
	19. Water		
	20. Protection of whstle-blowers		
	21. Corruption and bribery		
	22. Climate change adaptation		
	23. Management of relationships with suppliers including payment practices		

Harmonization of Material Topics with the VSME Framework and ESRS (CSRD)

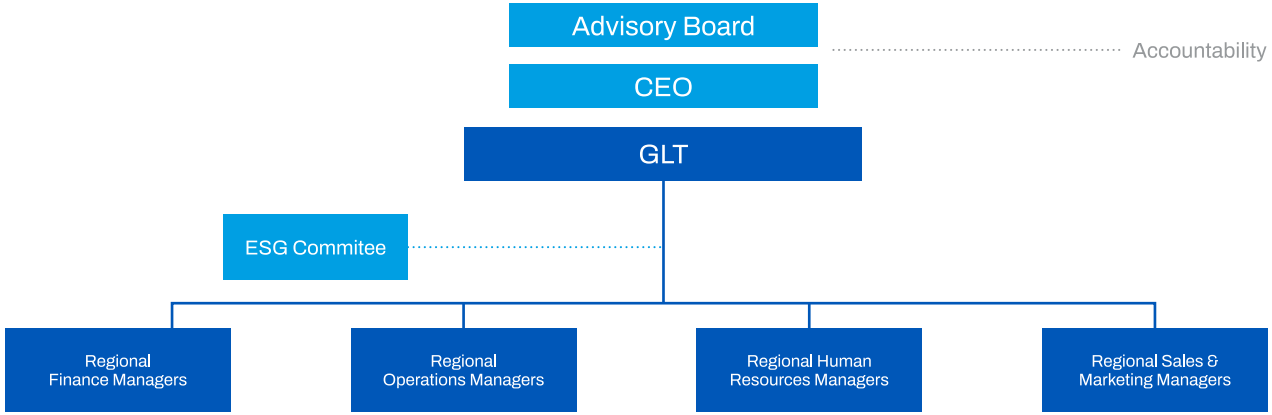
The following table presents the alignment between the material topics prioritized in our double materiality exercise—developed in accordance with the European Sustainability Reporting Standards (ESRS)—and the thematic blocks defined in the VSME standard (Requirement B2).

This exercise evidences the traceability between both frameworks. It offers the reader a clear view of which topics are material for MUSTAD, how they relate to ESRS topics and sub-topics, and how we respond to the requirements for practices, policies, and initiatives established by the VSME, the voluntary standard we have chosen for reporting. In doing so, we ensure transparent, consistent communication aligned with international sustainability frameworks.

VSME TOPIC	MATERIALITY FOR MUSTAD	BRIEF EXPLANATION	ESRS TOPIC	RELATED DOUBLE MATERIALITY SUB-TOPICS	REPORT SECTION	VSME B2 SCOPE
Climate Change	Yes	Relevant due to GHG emissions and energy consumption.	E1 Climate Change	E1.2 Climate Change Mitigation E1.3 Energy	Response to Climate Change, p. 24 Energy Efficiency, p. 54 Emissions Management, p. 57	• Practices/Policies: Yes • Publicly available: Partial • Future goals: Yes • Senior Oversight: Yes
Pollution	Yes	Atmospheric emissions beyond GHGs are considered.	E2 Pollution	E2.1 Pollution	Pollution Prevention, p. 62	• Practices/Policies: In progress • Publicly available: No • Future goals: Partial • Senior Oversight: Yes
Water and Marine Resources	No	Evaluated in the DMA; no material risks related to water consumption were identified.	E3 Water and Marine Resources	—	—	• Not material for MUSTAD.
Biodiversity and Ecosystems	No	No operations in biodiversity-sensitive areas.	E4 Biodiversity and Ecosystems	—	—	• Not material for MUSTAD.
Circular Economy	Yes	Relevant for materials management, waste, and recycling.	E5 Resource Use and Circular Economy	E5.1 Resource Inflows, Including Resource Use E5.2 Resource Outflows Related To Products and Services	Circular Economy and Efficient Resource Use, p. 66	• Practices/Policies: Yes • Publicly available: Partial • Future goals: Yes • Senior Oversight: Yes
Own Workforce	Yes	Relevant for working conditions and equal opportunities.	S1 Own Workforce	S1.1 Working Conditions S1.2 Equal Treatment and Opportunities for All	Talent and Workplace Environment, p. 71	• Practices/Policies: Yes • Publicly available: Partial • Future goals: In progress • Senior Oversight: Yes
Workers in the Value Chain	Yes	Relevant regarding farriers and critical suppliers.	S2 Workers in the Value Chain	S2.1 Working Conditions	Contractor Safety Strengthening Program, p.83	• Practices/Policies: Yes • Publicly available: No • Future goals: Partial • Senior Oversight: Yes
Affected Communities	No	Evaluated in the DMA; no significant impacts on local communities were identified.	S3 Affected Communities	—	—	• Not material for MUSTAD.
Consumers and End-Users	Yes	Relevant for product safety and transparency toward customers.	S4 Consumers and End-Users	S4.1 Information Impacts (Consumers – Users) S4.2 Personal Safety of Consumers and/or End-Users	Strengthening Our Professional Farrier Community, p. 47	• Practices/Policies: Yes • Publicly available: Partial • Future goals: Yes • Senior Oversight: Yes
Business Conduct	Yes (sector specific)	Relevant for business ethics and animal welfare.	G1 Business Conduct	G1.3 Animal Welfare	Governance, p. 97 Product Development Support and Digital Channels, p. 49	• Practices/Policies: Yes • Publicly available: Yes • Future goals: Yes • Senior Oversight: Yes

ESG GOVERNANCE

Sustainability governance at MUSTAD stems from the Advisory Board's commitment to consolidating a responsible, competitive, and long-term sustainable company. This purpose is channeled through our CEO, who acts as the liaison between the highest corporate vision and global operations, defining, approving, and delegating the sustainability approach that guides the entire organization. Under his direction, we ensure that environmental, social, and governance (ESG) principles are integrated into our decisions, operations, and business relationships. To this end, we are supported by the Global Leadership Team (GLT), comprised of key corporate leaders who materialize this vision by implementing our ESG Roadmap. This roadmap operationalizes the ESG strategy through programs, goals, and indicators applicable to every area and management level.



ESG Committee: Turning Strategy into Joint Action

We recognize that the success of our ESG strategy and its 2025–2028 Plan depends on the collective articulation of everyone at MUSTAD. Therefore, in 2025, we strengthened our governance architecture with the creation of the ESG Committee, a body acting as the link between the Global Leadership Team (GLT) and the rest of the organization. This committee consolidates itself as a coordination and co-creation hub, where strategy components are integrated, priorities are aligned, and mechanisms are defined to drive them into action at all levels.

The ESG Committee is responsible for defining and establishing policies and guidelines regarding environmental, social, and governance matters, ensuring their coherence with corporate strategy and the results of the annually updated Double Materiality Assessment (DMA). Furthermore, it keeps the review process for Impacts, Risks, and Opportunities (IROs) current, drives awareness and internal capacity building, and monitors compliance with goals and Key Performance Indicators (KPIs). On a quarterly basis, it presents ESG performance progress to the GLT and guarantees the preparation and disclosure of the sustainability report, in accordance with applicable international frameworks and the expectations of our stakeholders.

Leadership of the ESG Committee is held by a member designated by the Global Leadership Team (GLT), who is responsible for coordinating the fulfillment of the committee's functions and periodically reporting its progress and results to the team.

Integrity and Sustainability: The Foundations of Our Conduct

Our ESG governance structure is underpinned by a corporate framework composed of policies and guidelines that guide decision-making and daily behaviors, guaranteeing the consistency of our conduct at all organizational levels. Notable among these are our Code of Conduct and the Global HSEQ Policy, which constitute the foundation of our ethical, social, environmental, and safety commitments.

Additionally, we have global and specific policies that recognize the particularities of the operating contexts in each region or business unit. These include, for example, the Remuneration Policy, which seeks to recognize and reward employees according to the company's strategy and under criteria of responsibility and sustainability; and the Whistleblowing Policy, which promotes the protection of the company's reputation through high standards of integrity. All of these reinforce the practical application of our principles and values in day-to-day operations.

The Global HSEQ Policy defines MUSTAD's commitment to quality, safety, and sustainability, guiding innovation, manufacturing, and the commercialization of hoof care solutions toward continuous improvement, regulatory compliance, and the responsible management of risks and opportunities.

Meanwhile, the Code of Conduct establishes the ethical principles and behavioral rules that guide how we work and relate to our stakeholders. In it, we reaffirm our respect for people and the planet, as well as our commitment to acting with integrity, transparency, and fairness.

This code expressly prohibits any form of corruption, bribery, or conflict of interest; promotes equal opportunity and non-discrimination; mandates safe and dignified working conditions; and rejects child and forced labor. Likewise, it incorporates our vision of sustainability, reflecting the conviction that progress and innovation only make sense if achieved with respect for people and the environment.

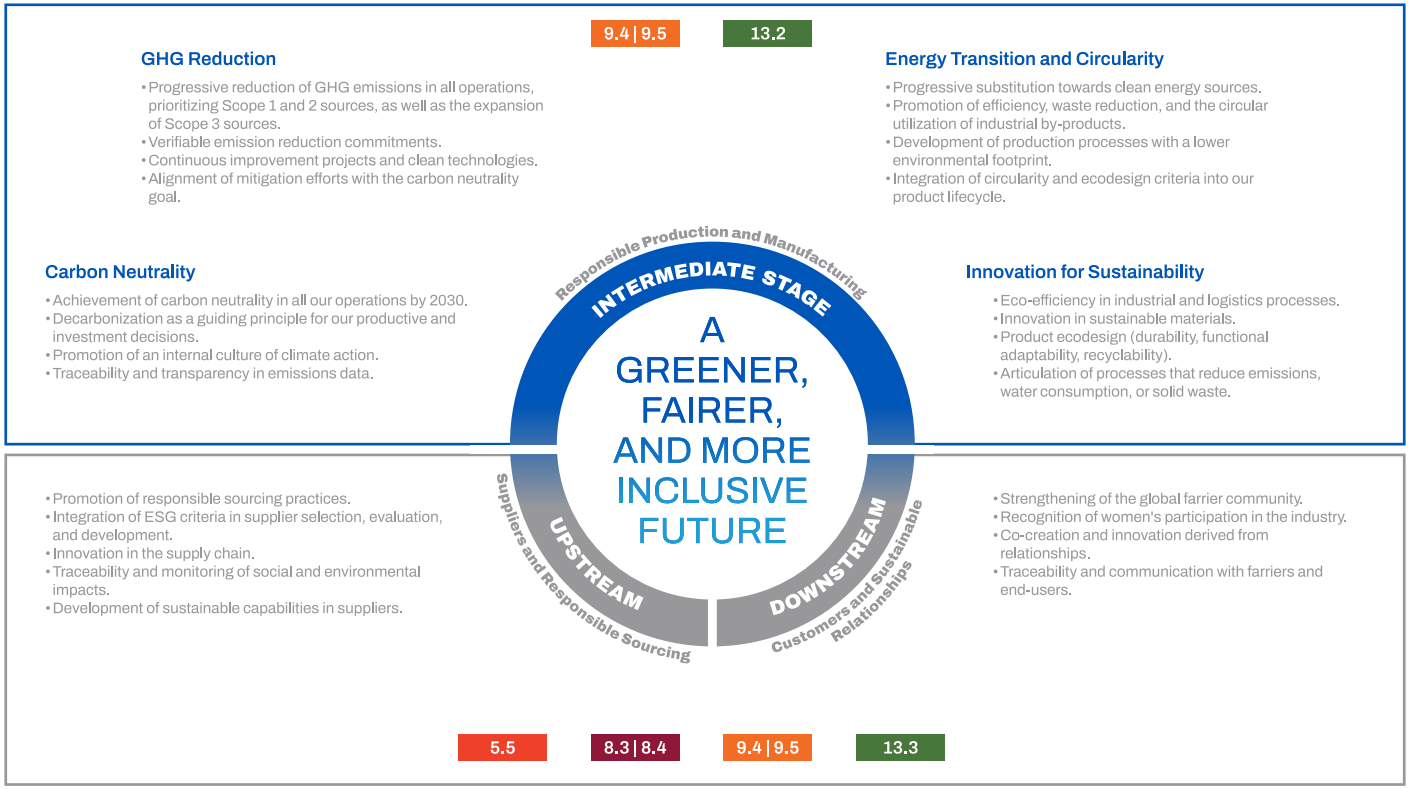
These instruments consolidate a governance framework ensuring that every decision, process, and commercial relationship is managed under the highest standards of ethics and sustainability, strengthening the trust of our stakeholders and backing the purpose of forging a greener, fairer, and more inclusive future.

Stakeholder Engagement

Our governance structure contemplates permanent dialogue and relationships with stakeholders, promoting transparent, two-way communication that allows us to incorporate their expectations into the management and evolution of our ESG strategy. Specific interaction mechanisms and channels are presented in the Governance section of our ESG Management and Performance chapter.

KEY FOCUS AREAS OF OUR ESG STRATEGY

INNOVATION, SUSTAINABILITY, AND ENERGY TRANSITION



5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making.

8.3. Promote development-oriented policies that support productive activities, decent job creation, and entrepreneurship.

8.4. Improve progressively, through 2030, global resource efficiency in consumption and production, and endeavor to decouple economic growth from environmental degradation.

9.4. Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean technologies and processes.

9.5. Enhance scientific research and upgrade the technological capabilities of industrial sectors, encouraging innovation and the development of sustainable technologies.

13.2. Integrate climate change measures into policies and strategies.

13.3. Improve education, awareness-raising, and human and institutional capacity on climate change mitigation, adaptation, and impact reduction.

The way we translate our 2030 ESG vision into concrete, measurable actions aligned with our corporate purpose of forging a greener, fairer, and more inclusive future is reflected across different management and performance areas.

In this first report, we have chosen to highlight two transversal dimensions of our ESG strategy, which clearly express the progress, challenges, and opportunities that currently mark MUSTAD's sustainable evolution: Innovation, Sustainability, and Energy Transition, and the Viability of our Value Chain.

Both dimensions are practical expressions of the strategic foundations supporting our ESG management and find their connection point with the four Sustainable Development Goals (SDGs 5, 8, 9, and 13) defined by senior management as the guiding framework for our contribution to the 2030 Agenda.

Through these two dimensions, we seek to demonstrate in an integrated manner how MUSTAD's ESG strategy is transformed into decisions, processes, and projects that contribute to business sustainability and the responsible development of our environment.

Carbon Neutrality

Our route to carbon neutrality is a commitment declared by the company's owners in 2021, becoming one of the most ambitious purposes of MUSTAD's ESG strategy. Through this path, we seek to progressively reduce emissions generated by our operations and achieve total neutrality by 2030. We are advancing toward a responsible, low-carbon manufacturing and distribution model that implies investment, innovation, and transformation in how we conceive and produce our goods.

This declaration marked the starting point of the MUSTAD Group's climate roadmap, which contemplates the systematic reduction of GHG emissions, independent verification of the carbon footprint, and the implementation of energy efficiency projects and the transition to renewable sources.

These actions consolidate the transition toward low-carbon operations, positioning MUSTAD as a benchmark in industrial sustainability within the global equine shoeing value chain.

Our objective covers direct emissions (Scope 1) and indirect emissions from energy consumption (Scope 2), as well as the continuity in the gradual incorporation of Scope 3 sources, in accordance with the material categories of the GHG Protocol.

We apply the mitigation hierarchy established in the ISO 14068 Standard, prioritizing the reduction and substitution of sources followed by the offsetting of residual emissions. We verify our progress under this same standard, guaranteeing the integrity and transparency of both the process and the results.

Alignment with the Paris Agreement and National Goals

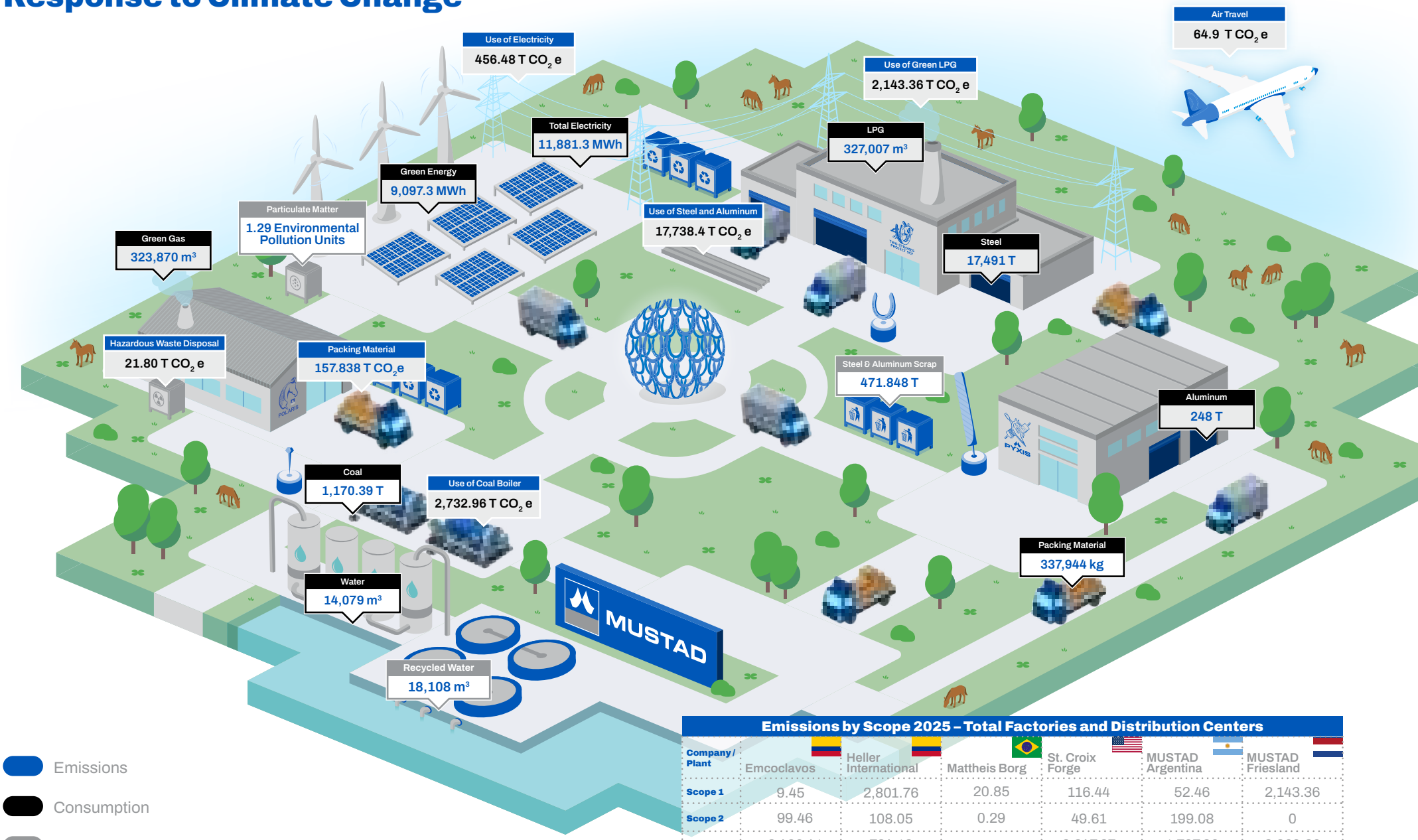
Consistent with the Paris Agreement, we orient our GHG reduction targets according to scientific 1.5°C trajectories and the Nationally Determined Contributions (NDCs) of the countries where we maintain industrial operations.

This alignment ensures that our corporate goals centered on Scopes 1 and 2, as well as the progressive integration of Scope 3, contribute to national and international efforts to achieve net-zero emissions and a low-carbon economy.

COUNTRY	NATIONAL REDUCTION GOAL	TARGET YEAR	REGARDING
Colombia	51%	2030	Projected emissions updated in 2020.
United States	N/A: Not applicable	—	—
Brazil	59-67%	2035	Base year 2005.
Argentina	< 359 Mt CO_2	2030	N/A: Not applicable
Netherlands	Min. 55%	2030	Base year 1990.

In this way, we seek to contribute in a structured manner to the territorial implementation of international climate commitments, reaffirming our shared responsibility in global action to mitigate climate change.

Response to Climate Change



Emissions

Consumption

Environmental quality and waste management

Emissions by Scope 2025 – Total Factories and Distribution Centers

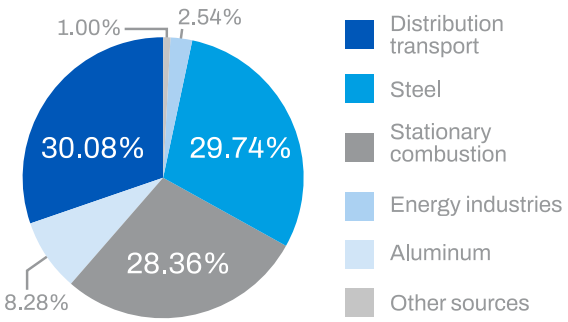
Company / Plant	Emcoclavos	Heller International	Mattheis Borg	St. Croix Forge	MUSTAD Argentina	MUSTAD Friesland
Scope 1	9.45	2,801.76	20.85	116.44	52.46	2,143.36
Scope 2	99.46	108.05	0.29	49.61	199.08	0
Scope 3	2,400.41	734.12	3,351.91	2,247.87	1,707.36	2,269.26

Decarbonization Plan

Since 2021, we began designing and implementing a structured plan for a gradual and progressive transition toward low-carbon operations, based on the measurement, verification, and continuous management of the carbon footprint in all MUSTAD Group production plants.

The annual verification of the carbon footprint by an internationally recognized certification body for the group's operations has allowed us to identify the most significant emission sources. These are: stationary combustion, energy industries, mobile combustion, the pulp and paper industry, lubricant use, waste disposal, and air transport combustion.

Share of Emission Sources in Factories 2025*



Total Emissions in Tons of CO_2 in Factories 2025*

Emcoclavos	2,453.03
Heller International	3,619.40
Mattheis Borg	3,354.05
St. Croix	2,412.87
MUSTAD Argentina	1,746.02
MUSTAD Friesland	4,412.62

More detailed information is available in the Environmental chapter.

Regarding these emissions, we prioritize actions with the greatest reduction potential and drive investments in energy efficiency and the transition to clean energy.

Our corporate guidelines establish that carbon offsets are applied only once effective emission reduction has been proven, in conformity with the principles of the ISO 14068 Standard. This approach guarantees the environmental integrity of the process and prioritizes direct mitigation through operational and technological improvements over any compensation mechanism.

Thus, all offsets we perform are registered, documented, and verified internally by the QHSE department, to be subsequently validated by the certifying body, which ensures the integrity and transparency of said bonds, enabling the issuance of carbon neutrality certificates for each factory.

Under this framework, aligned with corporate strategy and considering the results obtained during the year, we updated the project matrix, extending its projection for the next three years. This gathers decarbonization initiatives from all MUSTAD plants, including improvements in thermal and electrical efficiency, expansion of renewable energy use, transport optimization, material substitution, industrial reuse or recycling programs, as well as improvements in product quality and process efficiency.

We evaluate each project within the plan according to its technical, economic, and environmental viability under the CAR (Capital Authorization Request) format. This requires incorporating its impact on the carbon footprint along with expected benefits, projected savings, and the payback period.

The plan's starting point is the evaluation of viability and abatement curves for each initiative. These curves allow us to define emission reduction scenarios and establish intermediate reduction goals by plant and source type. These goals must specify the expected reduction percentage, the period in which they will be achieved, and the base year from which progress will be measured.

Actions consolidating the global decarbonization matrix and guiding the prioritization and execution of the plan toward 2030

Energy and Technological Efficiency

Through the optimization of furnaces, motors, and electrical systems.

Sustainable Transport and Logistics Management

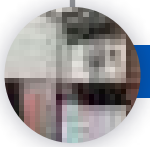
With the progressive use of hybrid vehicles and route improvement.

Transition to Renewable Energies

Incorporating solar and certified green energy in plants.

Circular Economy and Materials

Through the elimination of non-recyclable inputs and projects: Paperless.



Digitalization and Intelligent Energy Control

With tools for monitoring and consumption analysis.

Beyond the environmental benefit, our plan also generates positive impacts on people and the work environment. One example is the elimination of coal use in industrial processes scheduled for the Heller International plant in Colombia in 2026. This initiative will not only reduce direct emissions but also improve health and safety conditions for workers.

While we know that this process change will increase electrical energy consumption (Scope 2), we project the implementation of photovoltaic solar energy by 2027 to minimize the generated environmental impact.

Social and environmental impact reduction projections with the elimination of coal and sand use at the Heller International plant:

- Reduction of chemical risk by 72% in the sharpening process due to the elimination of silica sand and coal use.
- Reduction of noise risk levels by 2% due to the elimination of internally generated steam use.
- Optimization of Personal Protective Equipment (PPE) use, primarily regarding respiratory protection.
- Minimization of burn risks from contact with high temperatures.
- Minimization of work at heights and in confined spaces for direct personnel and contractors.
- Elimination of 100% of particulate matter.
- Reduction of approximately 60% in waste generation from sludge and slag.
- Reduction of approximately 21% in water consumption.
- Generation of zero direct atmospheric emissions due to the elimination of the coal combustion process.

The described projections respond to the change in rasp manufacturing technology to one that eliminates the use of coal and sand.

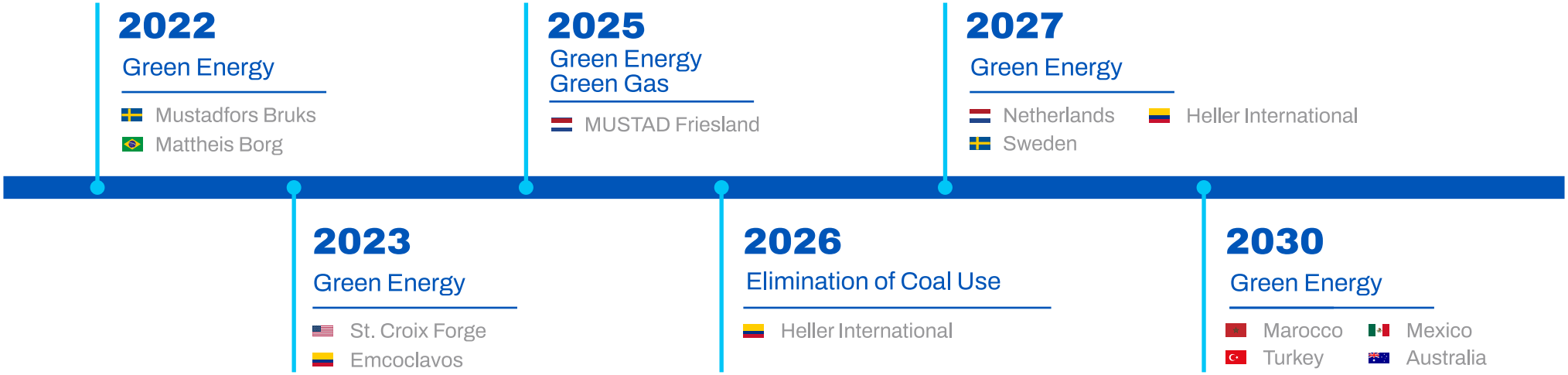
Thanks to innovation and research into low-emission technologies—transversal pillars of the decarbonization plan—we managed to improve productive and environmental efficiency. This is reflected in initiatives seeking the optimization of material use for both our products and the tooling used for their manufacture, as well as the utilization of high-efficiency motors and LED lighting.

GHG Reduction: Intermediate Objectives and Measurable Results

Reduction Objectives

Our commitment to climate change mitigation is concretized by the goal of achieving carbon neutrality in 2030 through a progressive reduction of greenhouse gas (GHG) emissions in all MUSTAD Group plants.

In line with this global goal, we have defined intermediate reduction objectives for 2025 and 2026, oriented toward achieving neutrality by plant, certified in accordance with the roadmap established in the Decarbonization Plan.



We base our goals on the verified emissions inventory and the abatement curves currently under development, which will allow us to define the most efficient reduction scenarios by source type and facility.

Starting in 2025, we perform the calculation and monitoring of emissions in accordance with the ISO 14068 Standard, thereby strengthening the traceability and credibility of the results.

The objective of our decarbonization plan covers direct emissions (Scope 1) and indirect emissions from energy consumption (Scope 2), and will continue to progressively incorporate significant Scope 3 emissions in accordance with updates made to our significance matrix.

Consistent with the Paris Agreement and the Nationally Determined Contributions (NDCs) of the countries where we operate, MUSTAD's reduction goals are defined under a 1.5°C scientific trajectory approach, contributing to the fulfillment of global and national decarbonization commitments.

We measure each goal in absolute terms (tCO_2e) and carbon intensity (tCO_2e per unit produced), referencing the 2021 base year. We accompany the analysis by monitoring corporate performance indicators such as emissions per plant, energy intensity, and the percentage of renewable energy.

Carbon Intensity

FACTORY	2021 (BASE LINE)	2024	2025	TREND vs. BASE LINE
Emcoclavos	0.00034	0.00024	0.00018	↓
Mattheis Borg	0.155	0.00014	0.00053	↓
Heller International	4.66	4.25	3.79	↓
MUSTAD Argentina	0.18	0.20	0.177	↓
St. Croix Forge	0.16	0.0029	0.0186	↓
MUSTAD Friesland	0.26	0.23	0.248	↓

From the baseline established in 2021 through 2025, we have managed to reduce carbon intensity in all operations, except at MUSTAD Argentina. In 2025, the company decided to transfer production from that unit to the factory in the United States. This will not only optimize logistics but also contribute to decreasing carbon intensity, thanks to the use of renewable energy in the manufacturing process.

Main Mitigation Actions

Consistent with our Decarbonization Plan, we have consolidated emission reduction actions into five strategic fronts that reflect the integration of operational, technological, and environmental management in our plants.

We detail the main mitigation actions planned for the 2025–2030 period, grouped according to their nature and contribution to the decarbonization process across all group operations.

- **Energy and Technological Efficiency (Scopes 1 and 2)**

  This front includes projects oriented toward the modernization of motors, furnaces, compressors, and other machinery; the installation of power factor correction and reactive energy systems; and the expansion of solar capacity for clean energy self-consumption.

  The determined measures contribute to decreasing energy intensity per production unit, improving operational stability, and reducing dependence on fossil sources.

Company / Plant	 EMCOCLAVOS	 ST. CROIX FORGE	 HELLER INTERNATIONAL	 MATTHEIS BORG	 MUSTAD ARGENTINA	 MUSTAD FRIESLAND
Location	Colombia	USA	Colombia	Brazil	Argentina	Netherlands
Action or Investment	• Expansion of solar panel capacity for clean energy self-consumption. • Installation of reactive energy and harmonics systems.	• Power factor correction using capacitors.	• Installation of rooftop solar panels.	• Optimization of energy consumption in manufacturing processes (thermal and electrical efficiency).	• Replacement of electric motors with high-efficiency versions (IE3).	• Improvements in energy efficiency of the production process (LPG and electricity).
Implementation Year	2025-2026	2025	2027	2025-2026	2026	2026-2027

- **Transition to Renewable Energy (Scope 2)**

The second mitigation front focuses on the progressive replacement of fossil fuel energy sources with renewable and low-emission energy, advancing toward a cleaner and more resilient electricity matrix.

This process combines in-situ generation via photovoltaic solar systems in countries like Colombia with the purchase of certified green energy in countries where this option is feasible, such as Brazil, the United States, and the Netherlands, contributing to Scope 2 emission reductions.

Investments in this front strengthen the plants' energy autonomy, reduce long-term operating costs, and reinforce compliance with national energy transition goals. Each initiative is developed in accordance with ISO 14068 guidelines, prioritizing direct mitigation and the traceability of the clean energy acquired or generated.

Company/Plant	Action or Investment	Implementation Year
Emcoclavos	Expansion of solar panel capacity for self-consumption and partial clean energy supply.	2026
Mattheis Borg	Purchase of green energy from certified renewable sources.	2022-2024
St. Croix Forge	Green energy supply contract and power factor correction.	2023-2025
Heller International	Installation of solar panels on industrial roofing.	2027
Mustadfors Bruks	Supply via green energy (100% renewable matrix).	2021 (Certified carbon neutral until 2022. Manufacturing suspended in 2023; continues as a distribution center.)
MUSTAD Friesland	Gradual replacement of LPG with certified green gas in production processes and use of certified green electricity.	2025-2027

- **Sustainable Transport and Logistics Management (Scope 3)**

Transport and logistics represent one of the most relevant indirect sources within Scope 3 of the MUSTAD Group's carbon footprint.

Therefore, this front is oriented toward reducing emissions associated with the movement of people, materials, and finished products. This is achieved through campaigns promoting sustainable transport (such as bicycles for employees), prioritizing raw material suppliers located as close as possible to factories, and optimizing routes for finished product dispatch. In specific cases, this includes hiring electric or hybrid vehicles, seeking route optimization and improved operational efficiency in distribution.

Actions implemented in this area seek not only to mitigate emissions but also to reduce operating costs, improve delivery times, and strengthen road safety in transport operations.

We design every initiative in accordance with the energy efficiency principles established in our 2030 Decarbonization Plan.

Company/Plant	Action or Investment	Implementation Year
Emcoclavos	Renewal of the sales vehicle fleet with hybrid models.	2025
Heller International	Improvement in cargo transport systems and optimization of logistics routes.	2026
St. Croix Forge	Optimization of ground transport through fuel efficiency and preventive maintenance.	2024-2025
MUSTAD Argentina	Maintenance and vehicle emissions control plan for the commercial fleet.	2025
MUSTAD Friesland	Adjustment of logistics processes to reduce inter-plant transfers.	2025-2026

- **Circular Economy and Sustainable Materials (Scopes 1 and 3)**

The circular economy constitutes a key pillar in our corporate decarbonization strategy. Through this front, we seek to optimize material use, minimize waste, and prolong the useful life of resources employed in operations, integrating sustainability criteria from product design to packaging, distribution, and final disposal.

Actions in this area have a dual purpose:

1. Reduce GHG emissions (Scopes 1 and 3) derived from raw material use and industrial waste.
2. Decrease natural resource consumption through the substitution, reuse, and digitalization of materials in production and administrative processes.

Among the main initiatives developed under this front are:

Company/Plant	Action or Investment	Implementation Year
Emcoclavos	Progressive elimination of labels and corrugated material in product boxes.	2025-2026
	Adjustment in packaging specifications to reduce the use of non-recyclable materials.	2025
Mattheis Borg	Implementation of the "MBL Paperless" project to eliminate physical printing in operational processes.	2025
	Reuse of metal stamping dies, reducing the use of virgin steel.	2025
	Replacement of punching and cutting materials with higher durability versions.	2026
MUSTAD Friesland	Optimization of plastic input use and collection for post-industrial recycling.	2026-2027

- **Digitalization and Intelligent Energy Control**

Through this final front composing our 2030 plan, we promote the digitalization of energy management systems and the incorporation of technologies that allow for more precise, automated, and real-time control of resource consumption.

This approach drives a transition toward proactive, data-driven management capable of anticipating deviations, improving operational efficiency, and strengthening the traceability of greenhouse gas (GHG) emissions.

Initiatives developed in this front include the implementation of energy monitoring and analysis systems, the use of sensors to track consumption, the automation of industrial equipment, and the digitalization of operational and administrative processes.

In this way, we advance toward a more agile, transparent management model supported by verifiable information.

Company/Plant	Action or Investment	Implementation Year
Emcoclavos	Installation of reactive energy and harmonics systems for digital electrical consumption control.	2025-2026
St. Croix Forge	Implementation of a digital power factor measurement and control system.	2025
Mattheis Borg	Partial automation of production processes with integrated energy metering.	2025-2026

Company/Plant	Action or Investment	Implementation Year
MUSTAD Argentina	Incorporation of electricity consumption sensors in critical production equipment.	2026
MUSTAD Friesland	Pilot system for real-time electrical consumption monitoring and operational alerts.	2027
Heller International	Integration of the energy system with environmental performance management software (QHSE).	2027

Results and Progress

Since 2021, we have advanced in the implementation of the Decarbonization Plan, achieving significant results in terms of emission reduction and energy efficiency. Each year, our global QHSE team consolidates information from production plants, verifying emissions through carbon footprint calculations and monitoring programs implemented across all three scopes.

We highlight that during this period, we prioritized the execution of projects regarding energy efficiency, fuel substitution, process optimization, and indirect emission reductions, with systematic measurement and monitoring of results in tons of CO_2 equivalent (tCO_2e).

The analysis of consolidated results shows significant reductions in several Group operations, achieving full or partial compliance in 68% of active programs, as summarized below:

Summary of Emission Reduction Program Results 2021–2025

Company/Plant	EMCOCLAVOS	MATTHEIS BORG	ST. CROIX FORGE		MUSTAD ARGENTINA	MUSTAD FRIESLAND		HELLER INTERNATIONAL	
Country	Colombia	Brazil	USA		Argentina	Netherlands		Colombia	
Program	Energy efficiency	Energy efficiency	Ground transport	Energy efficiency	Energy efficiency	Production process	Energy efficiency	Thermal production (Coal)	Energy efficiency
Current Emission Source	Electricity (Grid)	Electricity (Grid)	Gasoline	Electricity (Grid)	Electricity (Grid)	LPG	Electricity (Grid)	Coal	Electricity (Grid)
Expected Reduction %	20%	20%	5%	20%	10%	15%	20%	15%	20%
Reduction Potential (tCO_2e)	36.82	53.8	0.28	396.29	29.86	310.22	86.55	487.42	46.69
Achived Reduction %	Reduction 45.98%	Reduction 99.89%	Reduction 17.62%	Reduction 97.5%	Reduction 33.33%	Reduction 3.64%	Reduction 100%	Reduction 17.54%	Reduction 53.72%
Actual Reduction on (tCO_2e)	84.64	268.62	0.99	1,931.83	99.52	225.42	432.75	570.11	125.4
Results	Goal fully met	Goal fully met	Goal fully met	Goal fully met	Goal fully met	Partial compliance	Goal fully met	Goal fully met	Goal fully met

The results obtained during these three years reflect mixed performance across plants, characteristic of the initial implementation stages of our decarbonization plan.

Collectively, the measures we implemented between 2021 and 2025 allowed us to reduce over 3,620 tCO_2e on a consolidated basis, contributing to the progressive fulfillment of the decarbonization objectives defined by the MUSTAD Group.

Monitoring, Verification, and Continuous Improvement

Each year, we internally verify results through the Global QHSE department, reviewing energy and operational indicators per plant.

These indicators include:

- Total energy consumption (MWh)
- Emission intensity (tCO_2e / ton of product)
- Percentage of renewable energy used
- Annual variation in Scope 1, 2, and 3 emissions

Consolidated results are presented to the Global Leadership Team (GLT) and discussed in quarterly global performance meetings.

Starting in 2025, we established that emissions will be calculated and verified in accordance with **ISO 14068**, which superseded the PAS 2060 standard used for verifications in previous years. This change strengthens monitoring reliability and consistency with Paris Agreement goals.

Milestones on the Route to Carbon Neutrality (2021–2025)

	Milestone	Description and Relevance	Contribution to Neutrality Objective Relevance
2021	**Mustadfors Bruks:** Carbon Neutrality Certification	First Group plant to achieve carbon neutrality, thanks to the use of 100% green energy and low residual emissions.	Demonstrates the viability of the carbon neutrality model within the Group and serves as a technical benchmark for other operations.
2022	**Mattheis Borg:** Carbon Neutrality Certification	Second plant certified, strengthening the regional decarbonization strategy.	Expands the adoption of clean energies and consolidates the emission calculation and verification methodology.
2023	**St. Croix Forge:** Transition to Certified Green Energy	Replacement of fossil energy with renewable energy through certified contracts.	Reduces indirect emissions (Scope 2) and improves the traceability of purchased energy.
2023	**Emcoclavos:** Start of Photovoltaic Solar Supply	Purchase of solar energy contributing to energy efficiency.	Decreases dependence on the electrical grid and emissions associated with energy consumption.
2024	**Heller International:** Reduction in coal consumption via quality control of this input (20T less than in 2023)	Monitoring ensuring that the calorific value of the coal used guarantees efficient combustion.	Achieves a reduction in natural resource depletion and emissions due to lower coal weight in boiler combustion.
2025	**MUSTAD Group:** Expansion of GHG Inventory Scope to External Distribution Centers	Incorporation of new emission sources within the monitoring system.	Improves emission calculation coverage (Scope 3) and strengthens accountability.
2026	**Heller International:** Elimination of Coal Use	Project seeking to completely eliminate coal in thermal processes.	Reduces direct emissions (Scope 1) and improves occupational health and safety conditions.

We include 2021 data in this table as it serves as our base year.

Next Steps on the Route to Carbon Neutrality (2025–2030)

Strategic Line	1 Consolidate Carbon Neutrality Certification	2 Extend Scope 3 Emission Monitoring	3 Integrate Climate Management into the ESG Reporting System
Description	Obtain carbon neutrality certification in all active MUSTAD Group production plants, replicating the model validated in Sweden, Brazil, Colombia, and United States.	Incorporate the measurement and management of indirect emissions in the supply chain, distribution, and international transport, strengthening GHG inventory traceability.	Align emission reporting processes and climate results with ISO 14068 and CSRD–ESRS E1 frameworks, ensuring methodological consistency and transparency.
Execution Horizon	2025 - 2028	2025 - 2027	2026 - 2028
Contribution to Neutrality Objective	Guarantees external verification of climate performance and consolidates the primary corporate goal of total neutrality.	Expands measurement system coverage to the entire value chain and enables the identification of additional reduction opportunities.	Ensures comparability and verifiability of climate performance in MUSTAD's global ESG reports.

Governance and Monitoring

The governance of our 2030 Decarbonization Plan is supported by a clear structure of responsibilities, where senior management and the Global QHSE team guarantee the integration of climate objectives into the company's operational and strategic management.

Our Global Leadership Team (GLT) supervises general plan progress and reviews consolidated environmental and energy indicators from all plants on a quarterly basis.

Meanwhile, the Global QHSE department coordinates data collection, verifies the methodological consistency of emission calculations, and communicates results to every level of the organization, promoting continuous improvement in efficiency and GHG reduction processes.

This structure ensures that decisions regarding investment, technological innovation, and operations are adopted based on verified information aligned with global carbon neutrality commitments and international standards (ISO 14068 and ESRS).

Transparency and Accountability

We communicate results and progress associated with our Carbon Neutrality Plan annually through the sustainability report and technical carbon footprint reports, verified in accordance with ISO 14068.

Consolidated data on emissions, energy consumption, and efficiency are independently reviewed by a certified body, guaranteeing the integrity, comparability, and credibility of the reported information.

Value Chain Viability

We consider the value chain to be the system that enables our company's reason for being: offering the world solutions that allow for proper equine hoof care, regardless of the context, discipline, or activity the horse performs.

This system connects responsible sourcing, integrating materials that meet quality, traceability, and sustainability criteria, with innovation, specialized knowledge, and the precision manufacturing processes of the MUSTAD team. The result is valuable solutions for farriers, veterinarians, and other clients, contributing to equine well-being and strengthening safety in the practice of the trade.

By 2030

We will build an innovative, traceable, and sustainable value chain.

By 2030, we will have consolidated an innovative value chain, underpinned by the development of products that enhance equine well-being and farrier safety. It will be traceable, with verifiable information on origin, processes, and performance throughout each product's lifecycle; and responsible, guaranteeing fair labor practices, efficient resource use, a reduced environmental footprint, and commercial relationships based on ethics, transparency, and collaboration.

This vision guides our decisions across the three links of the chain:

- Upstream: Responsible sourcing with suppliers aligned with labor and environmental standards, lower-impact materials, and the progressive reduction of the inbound footprint.
- Midstream: Proprietary operations based on the promotion of human rights, diversity, inclusion, innovation, safe design, technical quality, equine well-being, farrier safety, and manufacturing excellence.
- Downstream: Safe use cycle, optimal performance, waste reduction, and the strengthening of the technical capacity of farriers and customers through continuous training and access to reliable information.

This vision allows us to advance toward a value chain that drives business competitiveness, promotes more sustainable practices, raises the standards of the global equine hoof care industry, and contributes to the well-being of the people and animals that depend on our products.

Toward a Responsible Supply Chain

We work with special attention on the choice of materials we use, consistently advancing in the management of environmental impacts associated with their production and supply. While this is an area where we have made significant progress, we recognize that important challenges remain regarding social traceability and working conditions in the early stages of the value chain.

For this reason, we are progressively strengthening our evaluation and relationship criteria with suppliers, prioritizing aspects such as respect for labor rights, occupational safety, and the integrity of production processes. Our purpose is to build commercial relationships with actors who share these principles and contribute to ensuring that the materials we use are consistent with the technical quality we offer and our commitment to equine well-being and trade safety.

We base our commitment on managing ESG risks linked to the supply chain. These include, among others, GHG emissions generated in raw material manufacturing, emissions embedded in products imported into regulated markets such as the European Union, limitations on social traceability at the source, and the heterogeneity of practices among suppliers. This guides the construction of a responsible sourcing model consistent with the company's sustainability objectives.

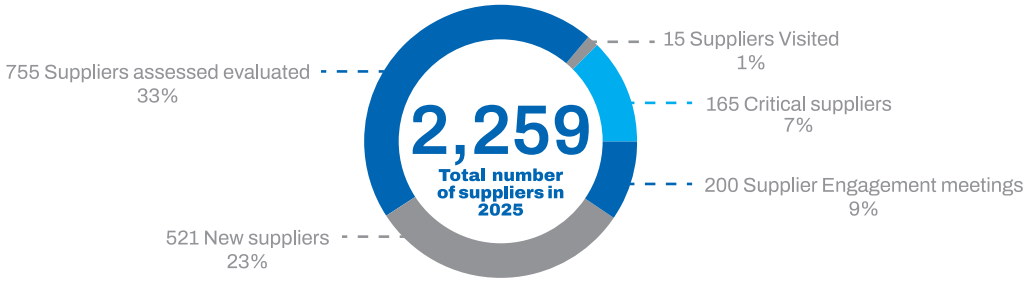
Materials Critical to Our Operation

The materials and supplies necessary for the manufacture of MUSTAD products, as well as goods commercialized and produced by third parties, are classified into three main groups:

- Raw materials and packaging materials, which have a direct impact on the operation and final product quality.
- Consumables, which have a lower level of criticality.
- Other acquired materials, used in a complementary manner.

Under this distribution, we highlight that the proportion of suppliers evaluated during 2025 on aspects related to quality, safety, and environmental compliance rose to 33%. This seeks to guarantee quality and support purchasing decisions based on responsible and sustainable behaviors.

Throughout the year, we held 200 meetings with suppliers in Colombia, aimed at strengthening commercial relationships and promoting good practices in occupational health and safety and environmental matters.



Approximately 2.3% of the total suppliers included in the graphic correspond to the European operation, primarily related to traded products.

Steel constitutes the primary input in our manufacturing processes, followed by aluminum, which is used especially in specific lines of horseshoes and components. For their supply, we work with suppliers located in different countries and regions.

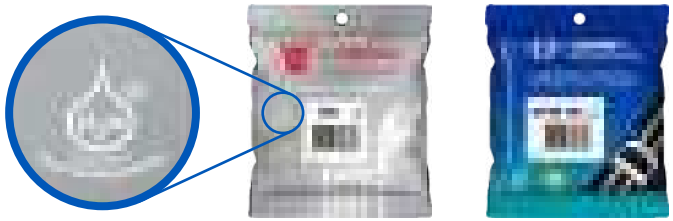
92% of these suppliers have sustainability management systems, certifications related to quality, environment, and occupational health and safety, or verifiable policies on matters such as carbon neutrality and human rights, along with third-party audited sustainability reports.

Considering emissions associated with raw material transport, we prioritize suppliers that meet technical and logistics requirements and are also located in proximity to our produc-tion centers. Along this line, in 2025 we centralized aluminum horseshoe production in the United States, bringing the production process closer to our main aluminum suppliers and thereby reducing the footprint associated with transporting this material.

Packaging Materials

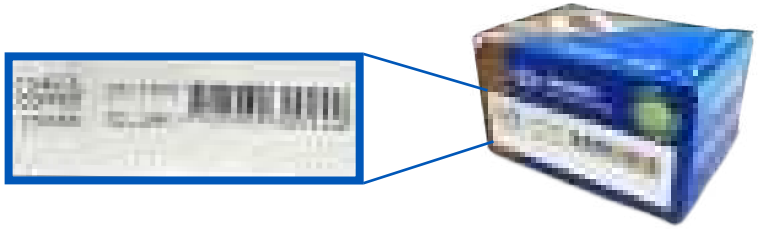
72% of the cardboard used for manufacturing our product boxes comes from recycled material, a criterion we also promote in the selection of new suppliers. Our packaging is designed to optimize paper and cardboard use, reducing total material consumption.

Regarding plastics, since 2022 we have incorporated oxo-biodegradable plastics in nail packaging. Our goal is to extend this practice to the material used at the Brazil plant for horseshoe packaging in 2026. These actions contribute to reducing the environmental foot-print associated with packaging materials entering our operation.



Nail sachet packed in oxo-biodegradable plastic bag

Additionally, in 2025 we developed a project to eliminate the use of paper labels on nail boxes, which previously accounted for an annual average of 800,000 units. This process, requir-ing an investment of €65,000, will allow us to significantly decrease paper use, improve packaged product quality, reduce maintenance interventions on the packaging line, and decrease waste generation, consistent with our transition toward more efficient processes and a “paperless” culture.



Nail box with direct printing eliminating label use

Supply Chain Environmental Impacts

Starting in 2024, with the entry into force of the European Union's Carbon Border Adjustment Mechanism (CBAM), MUSTAD must report the emissions embedded in products entering that market. This process requires integrating information from our plants located outside the EU and from external suppliers manufacturing metallic materials such as steel and aluminum.

In 2025, the consolidated report indicated that products imported by MUSTAD into the European Union generated approximately 1,500 tCO_2e. This value reflects the carbon intensity of acquired materials and constitutes the basis for calculating the border adjustment the EU will apply when the mechanism enters its full phase.

Having this information allows us to evaluate the environmental impact associated with sourcing and analyze alternatives to reduce both the carbon footprint of materials and the future economic impact of CBAM on our operation's financial sustainability. In this line, during 2025 we began constructing the baseline of emissions by region generated by raw material use.

CO_2-e Ton	
5,352.17	
% of total emissions	
29.74	

CO_2-e Ton	
1,490.55	
% of total emissions	
8.28	

Supply Chain Development

To ensure the deployment of MUSTAD's responsible sourcing model, the company's senior management defined criteria to prioritize commercial allies with verifiable practices in social, environmental, and compliance matters, establishing guidelines that steer supplier relationships.

On this basis, in 2025 we implemented the Supplier Code of Conduct, which constitutes the regulatory framework determining minimum expectations regarding human rights, the environment, ethical conduct, product and service quality, logistics, and legal compliance. It is a binding mechanism for suppliers with whom we establish commercial relationships.

We also incorporated ESG criteria into supplier selection and evaluation processes. These cover sustainability policies, working conditions, environmental management systems, occupational health and safety practices, waste management, emission measurement and reduction, and actions associated with the circular economy. These allow us to assess supplier sustainability performance, identify gaps, and promote the implementation of good practices.

Challenges and Work Streams

Scope	Strengthening Lines 2026
Environmental Traceability	Deepen the analysis of generated emissions, strengthen work with suppliers to reduce emissions, and optimize transport routes and modes.
Social Traceability	Expand the review of working conditions and management systems in early chain stages and incorporate comparable social evaluation tools.
Supplier Evaluation	Progressively implement ESG criteria and the Code of Conduct, structuring monitoring and feedback mechanisms based on performance.
Packaging Materials	Extend circularity principles to new materials, optimize designs, and decrease material intensity in packaging processes.
Strategic Sourcing Management	Develop a global responsible sourcing model with homogeneous indicators, information digitalization, and systematic monitoring mechanisms.
Development of New Technologies	Develop projects based on new technologies that optimize raw material use and reduce negative environmental impacts through greater process efficiencies and lower waste generation in production stages.

Responsible Transformation

The transformation link is the operational core of MUSTAD and the point where raw materials become technical solutions for equine hoof care. This section of the chain integrates design, innovation, product engineering, precision manufacturing processes, and good environmental practices. It ensures that every piece meets the functional, quality, and performance standards required by farriers and our general customers. How we manage this stage defines material use efficiency, internal circularity, the technical consistency of our products, and the information base allowing for their safe and effective use in daily life.

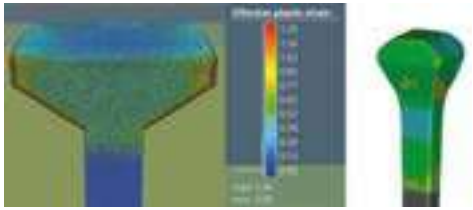
Technical Innovation and Product Development

Innovation in production is a central component of MUSTAD's performance and a direct enabler of our sustainability, efficiency, and competitiveness goals. This stage integrates product engineering, technical design, and industrial transformation, ensuring that every solution responds to the performance, safety, and quality criteria required by farriers.

Based on the guidelines established in our comprehensive policy, manufacturing processes are developed under high standards of control and technical assurance. This guarantees that every stage, from design to final validation, meets parameters of functionality, reliability, and dimensional consistency.

In 2025, we finalized the transfer and development process for MUSTAD nail SKUs originally manufactured in Sweden to be manufactured in Colombia. The project included the detailed reproduction of original samples, the technical analysis of their dimensions and attributes, and commercial validation until reaching products equivalent in performance and market acceptance. This work was supported by CAE simulations, industrial design tools, and a specialized product development team.

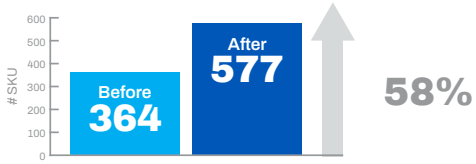
CAE simulation for nail forming



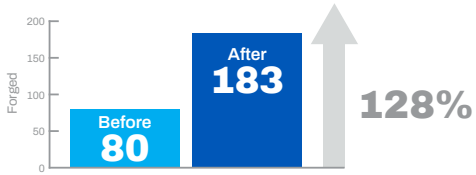
Comparison of two overlapped nails to confirm compliance with specifications at all points.

As a result, in 2025 we achieved a 58% increase in new packaged SKUs, representing 20% of the annual production volume, without generating relevant disruptions in market supply. This advance was complemented by the digitalization of 635 standardized and controlled technical drawings, strengthening technical knowledge management and internal design traceability.

Increase in packed SKUs



Increase in in-process SKUs

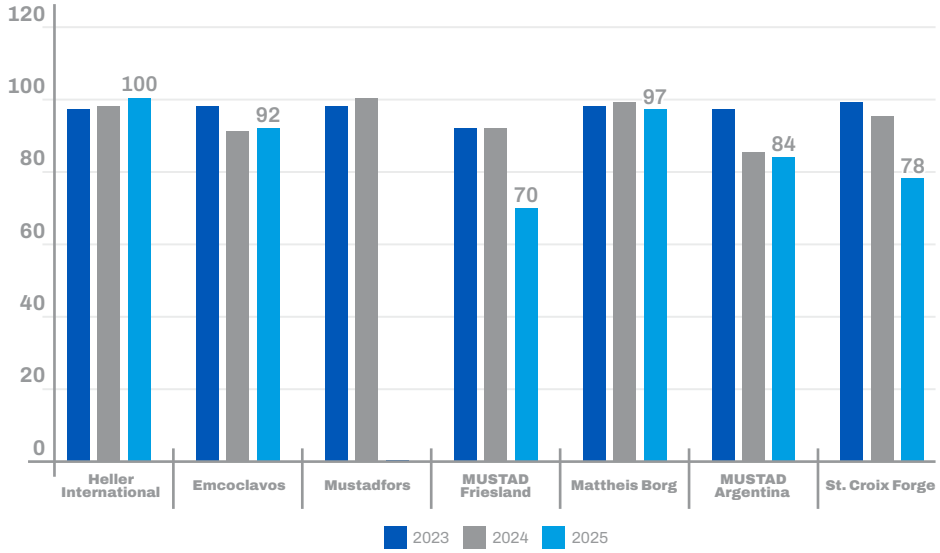


Operational Efficiency and Productive Reliability

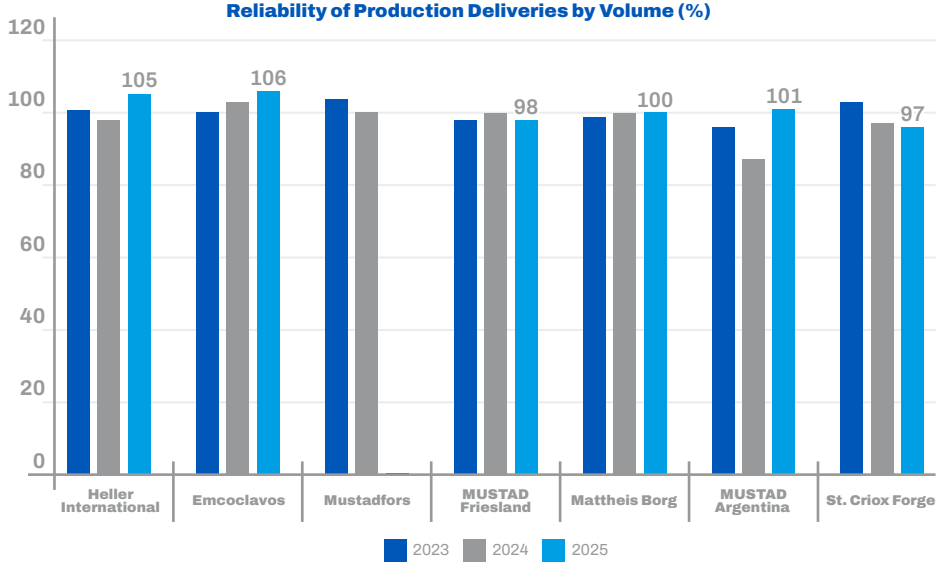
Compliance with production plans, which define volumes, sequences, and manufacturing times per line, depends on machine availability and performance. This is managed through preventive and predictive maintenance schemes oriented toward reducing downtime and ensuring operational continuity.

Process standardization allows us to improve replicability, reduce variability, and consolidate more robust quality control routines. These elements contributed to the strong performance of the Output Reliability indicator in all plants during 2025.

Reliability of Production Deliveries by SKU (%)



Reliability of Production Deliveries by Volume (%)



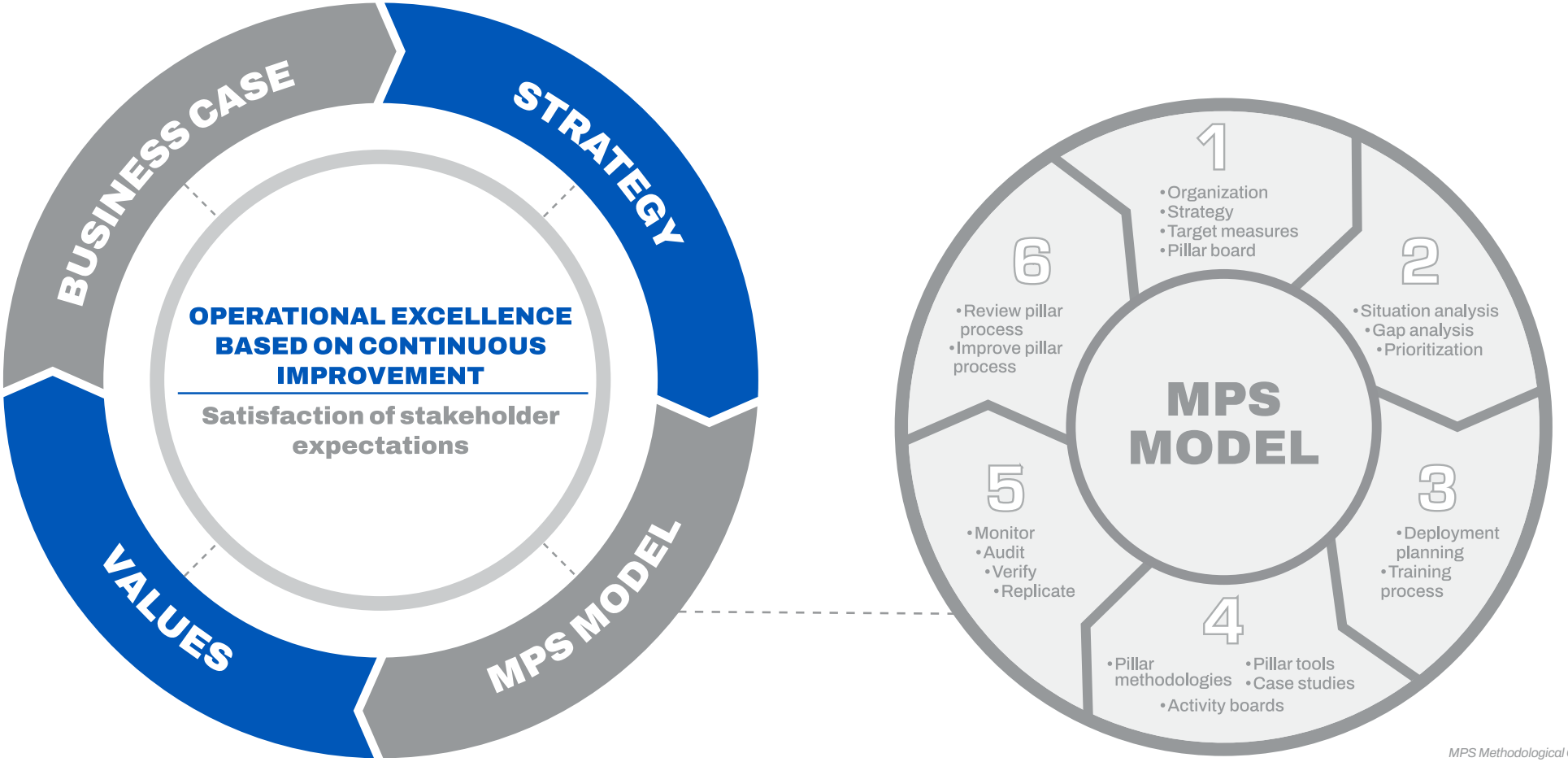
There is no available data for Mustadfors for 2025, as the production of these plants was transferred to the United States and Colombia, respectively. Compliance is monitored both by volume and by SKU to align with market needs.

Knowledge Management, Talent, and Operational Excellence (MPS)

MUSTAD's capacity to innovate and guarantee consistent manufacturing processes depends on the solidity of its internal capabilities. Continuous training, technical skills development, and the use of technological tools for process planning and control allow the operation to function on robust technical foundations and ensure decisions are made using data-driven criteria. This approach facilitates risk anticipation, resource optimization, and the maintenance of a performance level aligned with quality standards defined by the company.

Accountability complements these capabilities by establishing an operational culture where every area understands its role within global performance and how its results impact manufacturing processes. This scheme reinforces coordination between teams, promotes transparency, and sustains results-oriented organizational learning cycles.

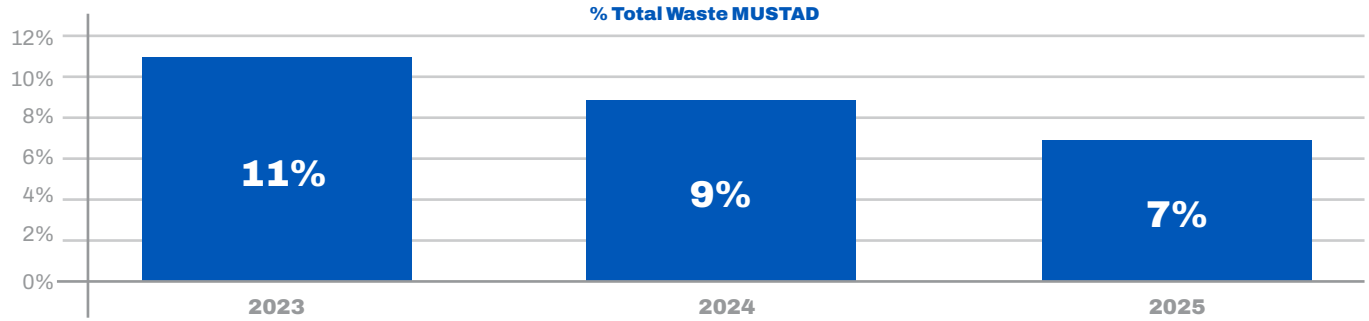
Our operational excellence model, MPS, is structured on this foundation. It acts as a methodological framework to identify gaps between current performance and the expectations of our stakeholders. Through structured continuous improvement methodologies, MPS allows us to generate new operational standards, drive innovation, and ensure that every implemented improvement remains aligned with MUSTAD's strategic vision and is sustainable over time.



MPS Methodological Cycle

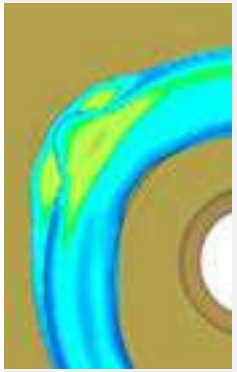
Material Use Efficiency and Operational Circularity

Material use efficiency is managed as an integrated system combining operational control, performance goals, and design criteria. In our plants, we maintain rigorous monitoring of waste generated at every stage of the production process. This allows us to optimize raw material consumption and reduce the environmental impact associated with natural resource depletion. This approach is especially relevant for steel, the manufacturing of which represents approximately 7% of global greenhouse gas emissions.



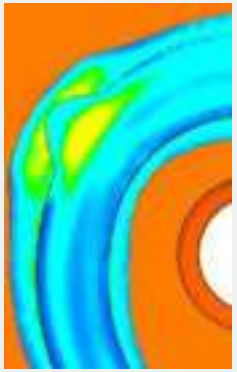
On this control foundation, over the last three years we have consolidated a downward trend in total waste percentages, driven by specific goals defined annually at each factory. These goals are monitored monthly via performance indicators and corrective action mechanisms when results deviate from forecasts, ensuring consistency between planning and execution.

The definition of these goals also incorporates natural process waste determined from the product design stage. This integration between design, manufacturing, and waste control improves material use efficiency and advances internal circularity practices that strengthen Midstream environmental performance.



Insufficient material quantity, affects horseshoe quality.

Excessive material quantity that increases process waste.



Optimal material quantity.

In line with circularity principles, 100% of steel and aluminum waste generated in production processes is delivered to specialized companies for reincorporation as raw material in new manufacturing chains.

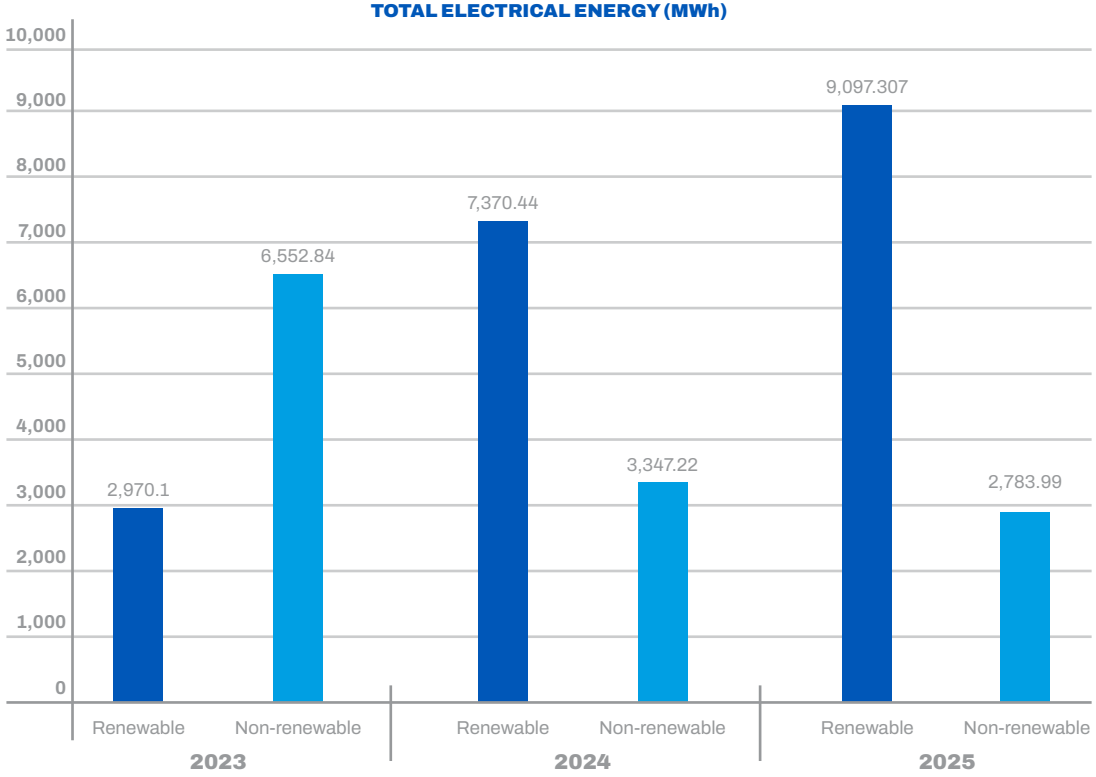
Energy Management and Transition to Clean Energies

Energy management in our operations forms a central part of MUSTAD's decarbonization strategy and contributes to the progressive fulfillment of the corporate carbon neutrality goal by 2030. This approach combines operational efficiency, energy source substitution, and systematic consumption monitoring in each of our plants.

In 2025, 76% of MUSTAD's total energy consumption came from clean sources, with 67% of our productive units operating under this type of supply. This transition includes the incorporation of renewable energy contracts and the full substitution of fossil fuels in specific facilities, such as our Netherlands factory, where we have used solely green gas since 2025. These advances have allowed us to consolidate an upward trend in the share of clean energies within the company's total consumption. *(Learn about our commitment to climate change)*

Monitoring of these results is performed systematically through regional and global indicators that allow for the evaluation of energy performance and guide improvement decisions regarding efficiency and sourcing. Below, we present the distribution of clean energy use over the last three years, as well as the evolution of its share in MUSTAD's total consumption.

TOTAL ELECTRICAL ENERGY (MWh)



MUSTAD PERFORMANCE SYSTEM (MPS): Our Framework for Operational Excellence

The MUSTAD Performance System (MPS) is the corporate framework guiding operational excellence in our plants, directing standardization, operational discipline, and continuous im-provement. The model articulates practices for loss reduction, process optimization, and talent strengthening, ensuring the operation maintains consistent levels of quality, productivity, and efficiency.

MPS is structured into seven strategic pillars, among which Safety and Daily Management (DMS) act as a transversal foundation. These pillars allow us to evaluate process stability, operational control, and each plant's capacity to sustain and scale improvements, guaranteeing alignment with our customers' needs and corporate objectives.

MUSTAD PERFORMANCE SYSTEM (MPS)

AUTONOMOUS MAINTENANCE	PLANNED MAINTENANCE	FIVE S (5S)	SKILLS DEVELOPMENT	FOCUSED IMPROVEMENT
"I'll take care of my own machine: longer useful life, greater safety, fewer losses."	Zero breakdowns and increased equipment reliability through support for autonomous maintenance and the provision of technical training for operators.	Improve efficiency and safety, and reduce waste through organization and cleaning activities.	Doing the right things the right way, always, through standadized training processes.	Seeks to eliminate losses through the implementation of strategic impact projectsm using Lean methodologies.

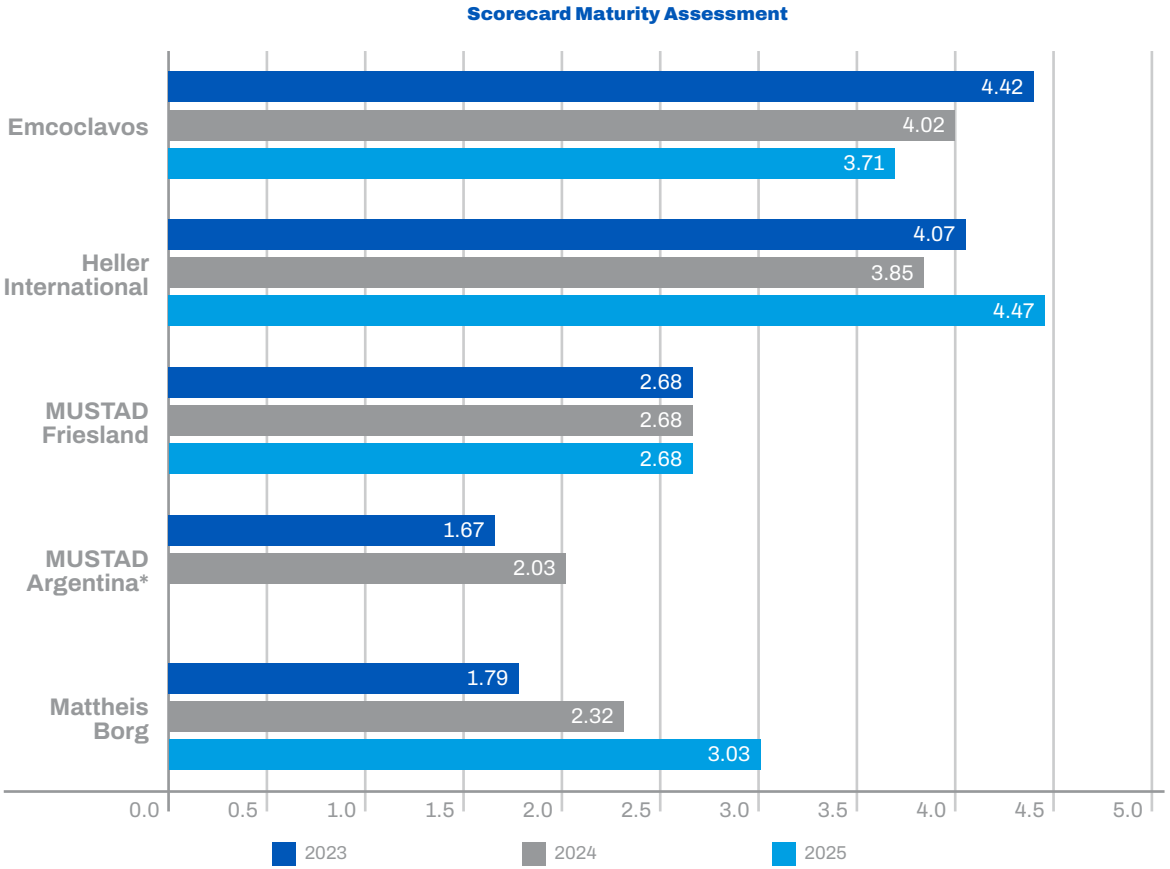
SAFETY

Create a safety culture driven by the staff, eliminating unsafe conditions, fostering awareness, and promoting safe practices.

DAILY MANAGEMENT SYSTEM (DMS)

Organizes continous operational activities through planning, standarization, review, and actions supported by a balanced scorecard. This system allows for the alignment of cascading objectives and engages the entire organization in the stabilization and maintenance of improvements.

We monitor the model's evolution through maturity assessments that allow us to compare performance between regions, identify gaps, and guide implementation or sustainment plans according to the context of each production site. The plants in Colombia currently present a superior maturity level, leveraged by their management systems certified under ISO standards, which has facilitated the consolidation of advanced practices.



** An internal audit was not carried out at the MAS factory because, in September 2025, production from this factory was transferred to the United States.*

During 2025, we advanced in the global standardization of the MPS model, with its relaunch in the Brazil and Argentina plants. In the Colombia nail plant, the transfer of production volumes from Sweden in 2024 generated temporary challenges for maintaining the model, especially due to a 19% increase in new personnel. However, it is worth noting that by the close of 2025, the operation was stabilized, and we project recovering its previous maturity level in 2026. In the case of the Netherlands, the model relaunch is scheduled for 2026.

Downstream Performance: Professional Application and Equine Welfare

MUSTAD's value chain does not end with manufacturing. The way our products are applied in the field, the level of technical information available, and the support we provide to farriers and other customers directly determine the safety of the trade and the welfare of the horse. This downstream stage is the space where our solutions take final form and generate impact, and where knowledge transfer, professional accompaniment, and the proper use of products become essential to ensure safe, consistent results aligned with our purpose.

Circularity and Resource Efficiency

The products we manufacture and commercialize are designed for professional use. Upon reaching the end of their useful life, they do not generate significant environmental impacts due to the nature of the raw materials and the final disposal practices prevailing in the sector. In most markets, farriers deliver used horseshoes and worn rasps to recycling companies, closing the material cycle and promoting the circular economy. In some cases, rasps are resharpened by the users themselves, extending usage time and reducing the need for replacement.

Strengthening Our Professional Farrier Community

We work to build and maintain a deep relationship with the professional community that uses our products worldwide. To this end, we maintain an updated census of farriers in all regions where we operate, serving as a strategic input for planning training activities, conducting technical visits, validating product developments, and establishing direct feedback mechanisms.

Permanent involvement with this community—both in the field and through diverse interaction mechanisms—allows us to respond to the on-the-ground realities of the trade and reinforces the coherence between expected product performance and its application in real working conditions.

Region	EMEA	APAC	LATAM	TOTAL
Number of Farriers in the database	9,700	1,100	5,300	16,100 farriers

Design Oriented to Durability

In line with principles of resource efficiency and downstream impact reduction, some of the aluminum horseshoes we manufacture incorporate a high wear-resistance steel insert. This component significantly prolongs the horseshoe's useful life, decreases replacement frequency, and optimizes material consumption. This design decision allows us to improve the product's technical performance, reduce pressure on natural resources, and contribute greater stability and safety to professional shoeing.

Thus, our products align with recovery and recycling processes that evidence our commitment to environmental care and the responsible use of materials throughout our product cycle.

Knowledge Transfer, Technical Support, and Strengthening the Trade

The availability and quality of information for end-users is a critical material topic. To manage this, we implement a continuous training model integrating theoretical, practical, and technical accompaniment tools.

Farriery Clinics

Farriery clinics are one of the most relevant mechanisms for knowledge transfer within our value chain. Through these spaces, MUSTAD offers structured training combining technical fundamentals, practical demonstrations, and application in real working conditions. This approach allows farriers to strengthen essential trade competencies, update shoeing techniques, and adopt practices that improve both user safety and equine well-being.

Each clinic is designed with curricular content aligned to specific market needs and the sector's technical advances. Participants work directly with specialized instructors and MUSTAD products in real contexts, facilitating the validation of methods, the correction of technical deviations, and the reinforcement of safe procedures. This training model not only improves shoeing quality but also reduces injury risks for the horse and contributes to a more precise application of our solutions.

Additionally, these activities function as a key technical feedback channel. The observations, questions, and challenges raised by farriers during sessions nurture internal product development processes, allowing us to identify improvement opportunities and adapt solutions to the real conditions of the trade in each region. This generates a continuous learning cycle that strengthens both professional practice and the quality of our offering.

11 **Collaboration with Universities**

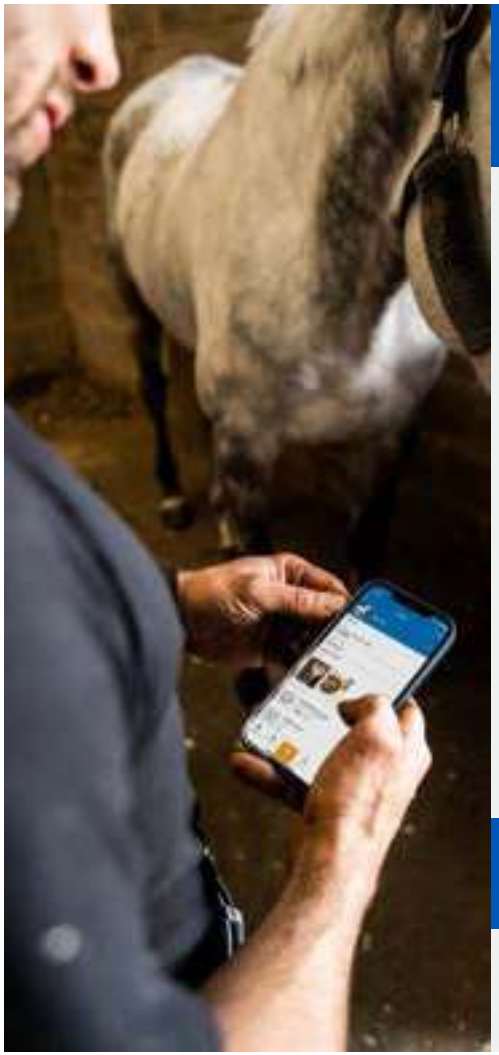
In several countries, we work with academic institutions to promote applied research and incorporate new techniques benefiting hoof health and trade safety.

103 **Championships and Technical Associations**

We sponsor farriery competitions and support associations in different countries, strengthening learning networks, technical updating, and professional recognition.

Product Development Support and Digital Channels

The Product Development area structurally incorporates the experience of farriers, who validate product performance and contribute technical observations on field usage to guide improvements and new developments. Simultaneously, e-commerce platforms—which in this first phase operate exclusively in Latin America—function as a complementary contact channel with our customers, allowing more agile access to products and gathering traceable information on their behavior and needs. This combination of technical feedback and commercial data consolidates a continuous improvement system that strengthens the quality of MUSTAD solutions.



EQUINET App: Digital Infrastructure for Safe Use, Equine Welfare, and Continuous Improvement

(https://www.equinetapp.com/us)

We developed the EQUINET App as a digital solution oriented toward strengthening the correct application of our products in the field and supporting the integral management of the farrier's trade.

The application integrates functionalities aimed at improving both the technical quality of service and the operational efficiency of the trade. These include horse history management, which allows for the recording of previous interventions, shoeing types used, and observed conditions, contributing to earlier detection of potential problems and more informed decisions regarding hoof care.

EQUINET also incorporates scheduling and appointment management systems that support timely shoeing, reducing risks associated with delays, hoof overgrowth, or animal discomfort.

From the perspective of correct product application, the tool supports the selection of suitable horseshoes, nails, and tools for each case, favoring the use of technical solutions consistent with the horse's needs and the work context. Likewise, it includes billing, inventory, and material control functionalities, which reduces improvisation, improves work planning, and decreases the farrier's administrative burden.

Finally, EQUINET facilitates communication and collaborative work among professionals, as well as of-fering an offline mode enabling use in areas with limited connectivity—a frequent condition in rural environments. These functionalities contribute to more efficient practices from an operational and en-vironmental standpoint by reducing unnecessary travel and paper use.

EQUINET contributes to the strengthening of farriers' social and professional capital, promoting knowledge exchange, technical collaboration, and collective learning within the equine industry.

By the close of 2025, more than 1,500 professionals were active on the platform, with positive evalua-tions associated with their experience using MUSTAD solutions.

Management of Technical Relationships with Farriers

Registering farriers in our CRM database allows us to structure technical support, follow up on specific needs, and organize activities segmented by market. This strengthens the proper use of products and the continuous improvement of performance in the field.

Complaint Management, Continuous Improvement, and User Participation

At MUSTAD, we have a structured procedure for managing complaints related to product and service quality, aimed at ensuring timely responses to users and strengthening continuous improvement. This process applies both to products manufactured directly by MUSTAD and those supplied by third parties. It includes defining replacements when the claim warrants it, thereby backing our after-sales guarantee and reinforcing trust in our products.

Annually, each factory establishes specific complaint reduction goals, including objectives focused on the top two causes of complaints per product category. These indicators are monitored monthly by the Quality teams, allowing for the tracking of defined corrective and preventive actions. When recurrent claims are identified or a deeper analysis is required, we develop joint work sessions involving leading farriers, as well as the Marketing, Production, and Quality areas of the corresponding plant.

This participatory approach allows us to analyze root causes, define improvements in product design or production processes, and, when necessary, escalate findings to the Innovation area. Implemented solutions are subsequently validated in the field by the same farriers who participated in the initial analysis, ensuring their effectiveness under real usage conditions.

As a result of the consistent application of this model, in 2025 we achieved a 45% reduction in the number of complaints compared to 2024, maintaining a downward trend in all regions.

Featured Case: Quality Improvement in Rasps through Field Validation

During 2025, we addressed a recurrent quality issue in rasps, identified primarily in the European market. Following preliminary analyses and technical field visits, we invited professional farriers from England to participate directly in tests and validations conducted at the production plant in Colombia.

The joint work between end-users, plant operators, and technical teams allowed us to identify the root cause of the defect and define definitive corrective actions. The implemented solutions were re-validated under real usage conditions, confirming the elimination of the problem's recurrence.

This process confirmed the effectiveness of the company's continuous improvement model, based on the integration of field feedback, in-plant technical analysis, and operational validation. This ensures product performance stability, recurrence prevention, and the promotion of innovation.

We are committed to contributing to equine well-being and the professionalization of the farrier trade, generating positive impacts on service quality and the local economies where we operate. To continue advancing toward an increasingly responsible and efficient value chain model, we must strengthen our impact metrics regarding equine well-being, expand the data traceability capabilities provided by EQUINET, expand our technical training initiatives, and consolidate a robust system for measuring safety in the use of our products. These challenges will not only contribute to the continuous improvement of our solutions but will also guarantee that our products continue to generate sustainable value in all regions where we have a presence.

ESG PERFORMANCE

ENVIRONMENTAL

Our Approach to Environmental Management

In line with our operational model and our global Quality, Health, Safety, and Environment (QHSE) policy, we incorporate environmental management as a structural part of our operations. We systematically address the risks and opportunities associated with energy consumption, emissions, and resource use, consistent with the topics identified as relevant in our double materiality analysis.

Our management is based on a periodic process of identifying and evaluating environmental aspects and impacts. This allows us to prioritize those of greatest relevance and define preventive and corrective measures in a structured manner across our operations.

Based on this approach, we strengthen operational efficiency, anticipate regulatory and energy risks, and reinforce business resilience against volatility in energy and raw material costs, ensuring regulatory compliance in all jurisdictions where we operate.

Throughout this chapter, we complement what was developed in the Key Approaches to Our ESG Strategy section, where we presented our roadmap toward carbon neutrality and energy transition in detail. Here, we will delve into environmental management from an operational perspective, including emissions measurement, pollution prevention, and efficiency in resource use from a circular economy standpoint.

Energy Efficiency

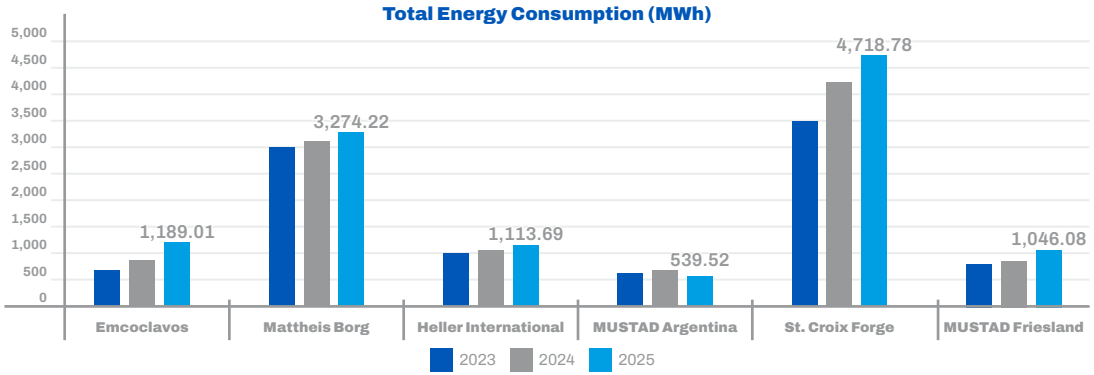
Energy constitutes a material topic for the MUSTAD Group given its direct impact on our greenhouse gas emissions, operating cost structure, and exposure to regulatory and market risks associated with the energy transition.

For this reason, we manage energy consumption under a dual approach: operational efficiency and progressive decarbonization of our energy matrix. In this chapter, we present the 2025 energy performance, while mitigation and transition plans are developed in detail in Chapter 2, in the Carbon Neutrality section.

Periodic monitoring of energy performance is integrated into our environmental management system and the operational objectives of each plant. This allows us to evaluate progress, prioritize investments, and ensure coherence between current performance and the emission reduction commitments established at the corporate level.

During 2025, total energy consumption was composed of a combination of non-renewable origin fuels (such as coal, used mainly in thermal and industrial processes), renewable origin fuels (including certified green gas), and electrical energy purchased from the grid in the various jurisdictions where we operate. The composition of this energy matrix reflects both the technical nature of our production processes and the progressive advance toward sources with lower carbon intensity. Detailed consumption monitoring, measured in standardized energy units (MWh), allows us to evaluate annual evolution, identify optimization opportunities, and manage the reduction of dependence on fossil sources in a structured manner, consistent with our energy transition strategy.

Total Energy Consumption

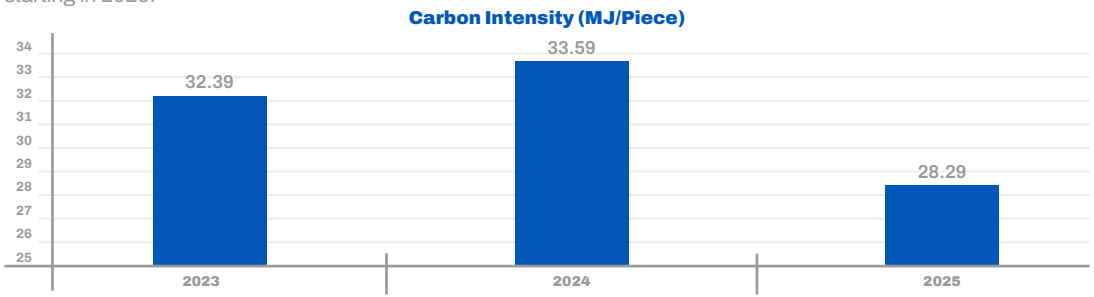


During 2025, the Group's total electricity consumption amounted to 11,881.30 MWh, reflecting a 10.86% increase compared to 2024, associated primarily with an increase in production activity. It is worth noting that 68% of the electrical energy consumed throughout the year, equivalent to approximately 8,051 MWh, came from renewable sources.

The plants with the highest energy demand were Brazil and the USA, consistent with the energy-intensive nature of their industrial processes; meanwhile, the plant in Argentina reported a reduction in annual consumption due to the suspension of production starting in 2025.

It is important to highlight that although the horseshoe manufacturing process in the Netherlands involved the use of 323,000 m^3 of LPG, this volume achieved the category of green gas thanks to the geo-compensation of associated emissions.

As part of our energy matrix, we use coal to generate the thermal energy necessary for manufacturing rasps. In 2025, we observed a decrease in the energy efficiency of this source, derived from fluctuations in its calorific capacity directly impacting generation levels.



Data is calculated by converting the total kilograms of coal used multiplied by the factor of 29.3 MJ/kg, this being the lowest value of standard calorific capacity.

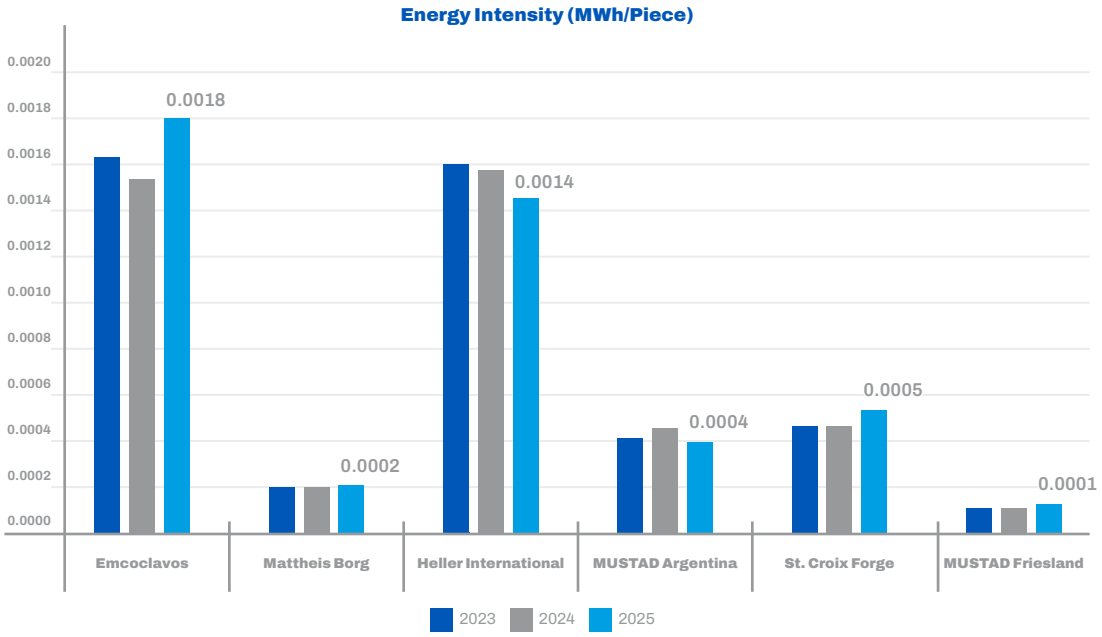
In line with our decarbonization plan, this energy generation source and its associated emissions will be replaced by electrical energy in 2026, ensuring a more stable and sustainable operation.

The detail regarding the consumption of renewable source fuels for energy production is found in our Key Approaches to Our ESG Strategy chapter.

Energy Intensity

Beyond absolute energy consumption, we analyze energy intensity as a strategic metric, understood as the amount of energy consumed per unit produced. This indicator allows us to evaluate the real efficiency of our operations, isolating the effect of production growth and providing a more precise vision of operational performance.

During 2025, process improvements, technological modernization, and the strengthening of autonomous maintenance contributed to optimizing energy use in several of our plants. Thanks to the monitoring of this indicator, we were able to identify deviations, prioritize technical interventions, and strengthen the energy efficiency culture transversally across our activities.



Based on this strategy, plants like Heller in Colombia showed direct improvements due to efficiency controls, while Brazil and the Netherlands maintained constant indicators. The United States and Emcoclavos in Colombia, on the other hand, reflected an increase in energy intensity in response to the corporate growth decision that involved absorbing the production lines of Argentina and Sweden, respectively, representing a stabilization phase for the plants. This stage is expected to conclude in 2026 and be reflected in a decrease in energy intensity. In the particular case of Argentina, the positive variation in its indicator is associated with the definitive cessation of its operations starting in October 2025.

The generally stable behavior of energy intensity constitutes a structural enabler of our decarbonization strategy by simultaneously decreasing demand per production unit and our exposure to energy risks.

Energy Management and Transition Plans 2025–2030

Our energy management as a Group is structured around efficiency and transition plans articulated with our 2025–2030 decarbonization roadmap. These plans include specific goals for energy intensity reduction, solar generation capacity expansion, progressive substitution of fossil fuels with lower carbon intensity alternatives, and the strengthening of digital consumption monitoring systems.

Looking toward 2026 and our corporate strategy, the implementation of these initiatives will focus on accelerating the substitution of LPG use in horseshoe manufacturing in the Netherlands with clean energy, and the replacement of coal with electrical energy in rasp production in Colombia. This will help us advance our commitment to emission reduction, operational stability, and consistent response to the environmental sustainability requirements of the markets. The details of these plans are developed in the Carbon Neutrality section of Chapter 2.

Emissions Management

Our route to carbon neutrality—declared by the company's shareholders in 2021 and described in the Key Approaches to Our ESG Strategy chapter—establishes the strategic framework for the systematic reduction of Scope 1 and 2 GHG emissions, as well as the progressive incorporation of material Scope 3 categories, in accordance with the GHG Protocol and under the mitigation hierarchy of the ISO 14068 standard.

This section complements said strategic approach, detailing how this commitment is implemented and operationalized throughout the value chain. In particular, we delve into the traceability of emissions associated with critical raw material consumption and the environmental performance of our production plants, evidencing concrete advances in carbon intensity reduction, neutrality certifications, and technological improvements.

This level of detail allows for visualizing how the MUSTAD Group's climate roadmap translates into operational decisions, investments, and productive adjustments that strengthen the transition toward a low-carbon manufacturing model.

Value Chain Traceability

With the purpose of advancing the progressive incorporation of material Scope 3 categories, in 2025 we initiated the generation of a specific baseline for emissions associated with the use of strategic raw materials, particularly steel and aluminum.

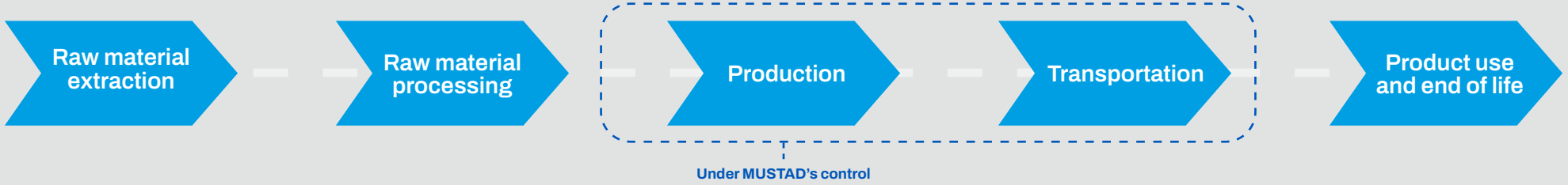
While we do not exercise direct control over emissions generated in the primary extraction and transformation processes of these materials, we recognize their high energy intensity and their relevance within our total footprint. Quantifying these impacts constitutes a fundamental step to strengthen upstream environmental management, improve transparency, and guide sourcing decisions based on verifiable environmental criteria.

TOTAL STEEL	
Percentage (%)	98.6
Amount (kg) 2025	17,490.5
Emissions from raw material use (t CO2e)	5,352.17

TOTAL ALUMINUM	
Percentage (%)	1.4
Amount (kg) 2025	247.6
Emissions from raw material use (t CO2e)	1,490.6

UPSTREAM	MIDSTREAM	DOWNSTREAM
Scope 3 • Raw material extraction • Steel production • Aluminum production • Packaging production • Transportation of raw materials and supplies	**Scope 1** • Coal use, gas use, and other direct emissions **Scope 2** • Electricity supply **Scope 3** • Waste disposal • Air travel	**Scope 3** • Disposal of finished product at the end of its life cycle • Estimated at 0% considering these are non-polluting and recyclable materials and packaging

Product Life Cycle



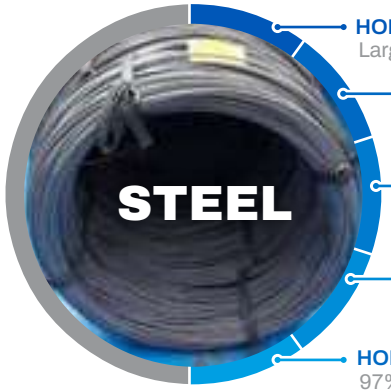
Upstream

As part of our environmental management in the supply chain, we integrate environmental criteria into the evaluation and selection of our main steel and aluminum suppliers.

Given that these materials represent the largest proportion of our raw materials and have high energy intensity in their production, we work preferentially with suppliers that have certified environmental management systems, have assumed public commitments to emission reduction or carbon neutrality, and report or are structuring their environmental performance under recognized accountability frameworks.

This approach allows us to advance coherently in emissions management throughout the product life cycle and strengthen the traceability of indirect impacts associated with our value chain.

Environmental Commitment Throughout the Supply Chain



HORSESHOES USA
Largest steel recycler in the USA. 20.3 million tons recycled in 2024

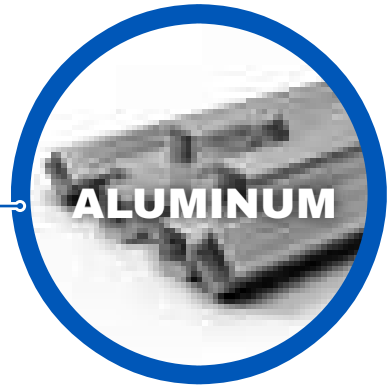
RASPS
ISO 14001 certified supplier

NAILS
Has been reducing its emissions by over 30% since 2022

HORSESHOES BRAZIL
Nearly 70% of the steel produced comes from scrap

HORSESHOES NETHERLANDS
97% of the steel produced comes from scrap

16% reduction in emissions against its 2018 baseline



Own Operations: Responsible Production

In 2025, 98.6% of the raw materials used in our production processes corresponded to steel and 1.4% to aluminum. Given the energy intensity associated with these materials, since 2021 we have implemented measures oriented toward progressively reducing the carbon footprint in our plants, allowing us to advance in a staggered manner in the carbon neutrality certification of our operations. Thus, the horseshoe manufacturing plants in Brazil and the United States achieved this recognition in 2022 and 2023 respectively, marking a milestone in the Group's industrial decarbonization process.

In 2025, both facilities advanced in their recertification, while the Netherlands began its transition toward carbon neutrality following the incorporation of renewable electrical energy and green gas into its production processes.

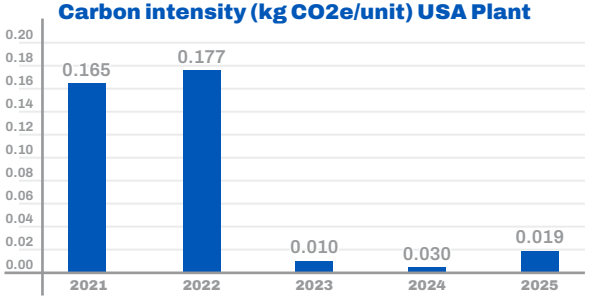
For its part, the transfer of aluminum horseshoe production from Argentina to the United States plant during this year allowed for the integration of this line into the carbon neutrality scheme, ensuring that all manufactured horseshoes are produced under this same standard.

Since 2023, nail production has been carbon neutral, expanding the scope of our operations' decarbonization strategy.

Although this operational adjustment implies a natural increase in natural gas consumption at that plant, it is important to point out that the associated emissions are integrated into the current energy management and neutrality scheme, accompanied by the development of initiatives oriented toward optimizing the consumption of this fuel and progressively reducing its intensity in the coming years.

The sum of these strategic decisions and operational changes is reflected in the carbon intensity indicator (kg CO_2e per unit produced), which evidences a reduction exceeding 90% in Scopes 1 and 2 since 2021. This result demonstrates that the neutrality achieved responds to a progressive transformation in the energy matrix and production processes, going beyond the compensation mechanisms applied to residual emissions.

Carbon intensity (kg CO2e/unit) USA Plant



In this context, the rasp plant constitutes the next step in consolidating the Group's neutrality. Its transition is scheduled for 2026, once the implementation of a new production process is finalized, which will eliminate coal consumption and optimize resource use.

The estimated improvements associated with the technological change in the rasp plant include:

- Emission reduction: 2,500 t CO_2e
- Estimated reduction in water consumption: 20.5%
- Elimination of particulate matter: 100%
- Estimated reduction in conventional waste generation: 60%

Emissions Measurement System

The Greenhouse gas (GHG) inventory of the MUSTAD Group is prepared in accordance with the ISO 14064-1 standard and includes the direct and indirect emissions of our six production plants located in Colombia,(with their distribution centers), Argentina, the United States and the Netherlands. Starting 2025, the distribution centers in the Netherlands, Argentina, Turkey, Mexico, Morocco, the United States, and Australia.

Emissions are classified by Scope (1, 2, and 3) and by source, including combustion, energy consumption, and waste management. In the case of Scope 3, each unit identifies significant sources through a matrix considering magnitude, level of influence, information availability, and data precision, thereby determining the categories included in the measurement period.

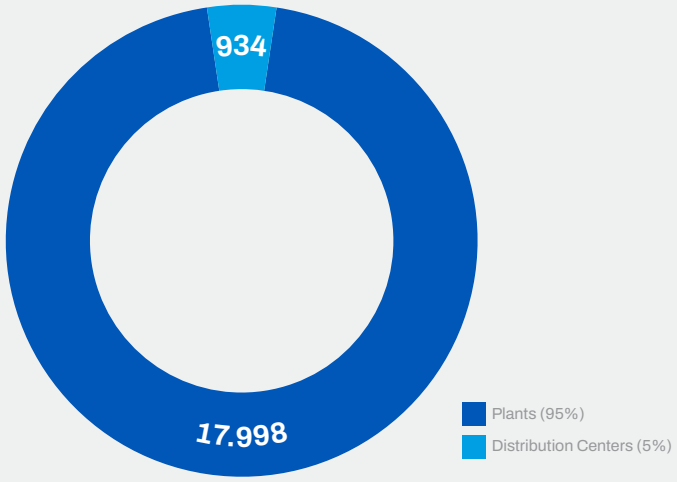
In 2025, total GHG emissions were 17,998 tCO_2e in the production plants and 934 tCO_2e in the distribution centers.

In 2025, we established the baseline for external distribution centers, incorporating energy consumption and, in the case of the Netherlands, LPG combustion for thermal generation.

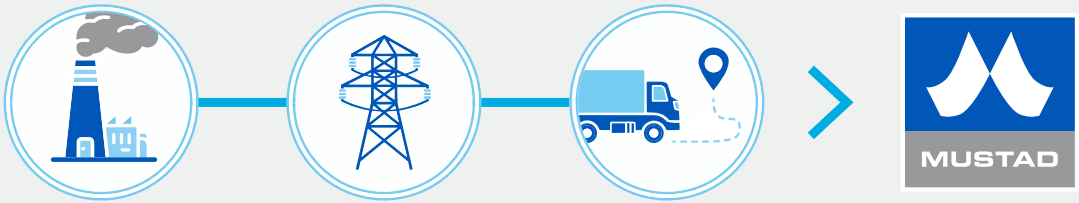
This exercise expanded the inventory's coverage and identified opportunities to progressively strengthen the inclusion of additional sources, improving the system's precision in future measurement cycles.

Although their contribution represents a minor proportion within the consolidated inventory, most of their emissions are concentrated in Scopes 1 and 2, associated primarily with operational energy consumption.

MUSTAD total tCO_2e emissions 2025



MUSTAD total emissions by scope (Plants and Distribution Centers) 2025



Scope 1 31%

Scope 2 3%

Scope 3 66%

Corporate Emissions

The distribution of these emissions by scope shows that the greatest weight is concentrated in indirect value chain emissions (Scope 3), followed by direct emissions (Scope 1) and, in a smaller proportion, by acquired energy consumption (Scope 2).

Energy Matrix and Fuel Type: Determining Factors of Emissions Performance in 2025

The following operational dynamics prominently explain the behavior of emissions during the year in our plants and the results obtained:

Heller International

The largest contribution to Scope 1 comes from the use of coal as fuel (2,801 tCO_2e), representing 48% of the Group's direct emissions. The technological transition scheduled for 2026 constitutes the main enabler for structural reduction.

St. Croix Forge

The reduction of emissions in Scopes 1 and 2 responds to the substitution of conventional energy with certified renewable energy. As a result, the plant decreased its emissions by 92% compared to the 2021 baseline year, evidencing the impact of the energy transition on operational decarbonization.

Emcoclavos

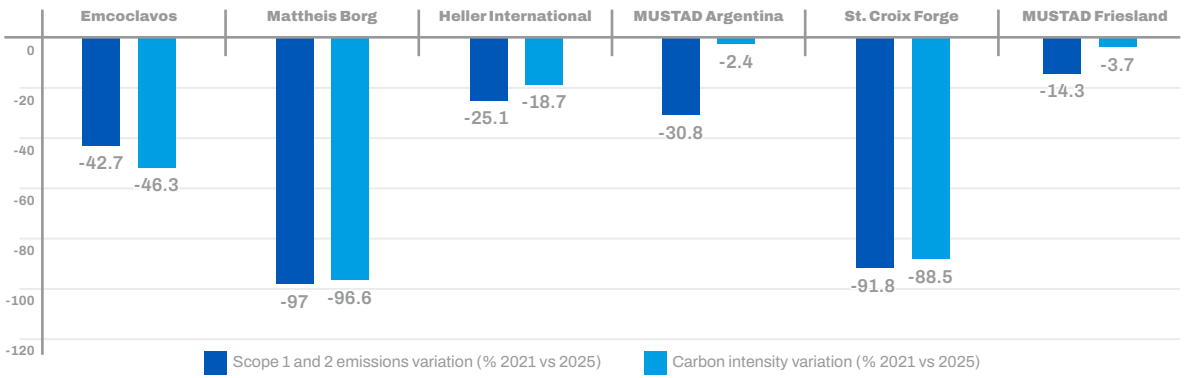
The lower relative contribution in Scope 2 emissions is explained by the high participation of renewable sources in the Colombian electrical matrix and the incorporation of photovoltaic solar energy for 14% self-consumption in 2025. As a result, Scope 2 emissions were reduced by 57% compared to the baseline year, evidencing a significant improvement in energy intensity, even with the sustained growth in production volume since 2023.

MUSTAD Friesland

The main source of emissions was associated with the use of LPG in production processes. In 2025, the transition to green gas allowed for a 14% reduction in Scope 1 and 2 emissions compared to 2024, reflecting progressive advancement in the substitution of fossil fuels.

The evolution compared to the 2021 baseline year shows consistent reductions in emissions and carbon intensity in most of our productive units, confirming the impact of the energy transition measures implemented since 2021.

Percentage variation in emissions and intensity (2021–2025) by production unit



Pollution Prevention

Pollution prevention forms part of our environmental management system and is oriented toward avoiding or minimizing the generation of atmospheric emissions, discharges, and waste that may affect human health or the environment. This approach prioritizes control at the source, technological improvement, and strict compliance with the regulatory framework applicable in each jurisdiction where we are present.

Atmospheric Emissions Other Than GHG

Beyond the greenhouse gases addressed in the previous section and in the Carbon Neutrality chapter, our operations generate atmospheric emissions associated with thermal combustion processes. In the MUSTAD Group, the main source corresponds to the use of coal at the Heller International plant (Colombia), which generates emissions of sulfur dioxide (SO_2), nitrogen oxides (NOx), and particulate matter.

These emissions are periodically monitored and reported to the competent environmental authority, remaining within applicable regulatory limits.

Pollutant	Sulfur Dioxide	Nitrogen Oxides	Particulate Matter
2023	0.99 EPU	0.79 EPU	—
2024	2.14 EPU	0.66 EPU	0.03 EPU
2025	0.99 EPU	0.30 EPU	—

EPU: Environmental Pollution Unit.

Particulate matter measurements are performed on a triennial basis, which is why we only report the data corresponding to 2024. With the implementation of the technological transformation project scheduled for 2026, we will completely eliminate the use of coal, suppressing this atmospheric emission source.

The technological transformation scheduled for 2026 will also allow us to eliminate the use of silica sand in the production process, reducing the generation of particulate matter and improving internal environmental conditions. We currently manage this risk through engineering controls and the use of personal protective equipment; however, with the process substitution, we will eliminate the source at origin, generating environmental and occupational benefits simultaneously.

While this initiative constitutes the most relevant pollution prevention project within the Group, we additionally develop other actions oriented toward reducing impacts on soil and air, including the decrease of hazardous waste and the optimization of production processes (see Chapter 2 – Innovation, Sustainability, and Transition).

Other Implemented Actions

During the reported period, we complemented our structural initiatives with operational actions oriented toward preventing pollution at the source and strengthening environmental control in our production plants. These actions include:

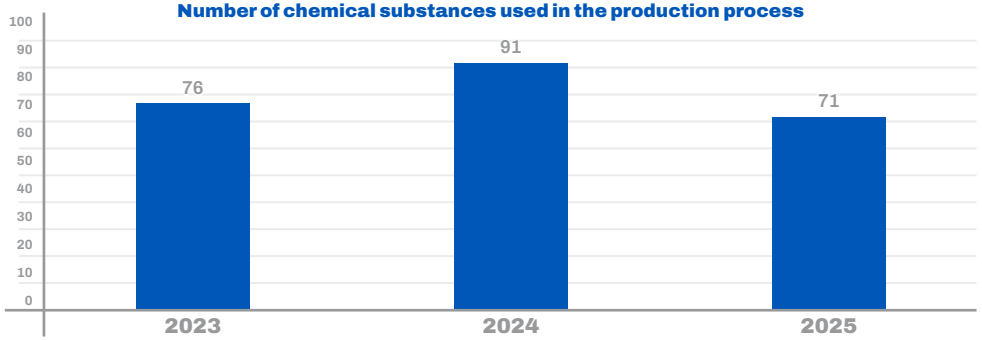
Initiative	Companies	Specific Action
Source reduction programs to minimize solid and liquid waste	Emcoclavos, Heller International, St. Croix Forge	Optimization of lubrication systems based on the autonomous maintenance pillar.
Predictive maintenance plans to prevent spills and leaks	Emcoclavos, Heller International, St. Croix Forge	Preventive control programs for compressed air leaks and technical monitoring of critical equipment.
Continuous training in environmental prevention practices	Emcoclavos, Heller International, St. Croix Forge, Mattheis Borg	Implementation of the Equipment Reliability Program and strengthening of the autonomous maintenance pillar (MPS - Operational Excellence Program).

Chemical Substanace Management

The rasp plant in Colombia concentrates the highest volume of chemical substance use within the Group, making it the primary focus of our management in this matter. In the other plants, the use of substances is mainly limited to lubricants and auxiliary maintenance products.

We have a management system that integrates hazard identification, risk evaluation, and the implementation of operational controls. This includes storage according to compatibility criteria, adequate ventilation and signage, transport under standardized procedures, and final disposal through authorized waste managers with documented traceability.

This orientation allows us to prevent environmental impacts and protect the safety and health of our employees, in compliance with applicable regulations and our internal standards for safe operation.



The evolution in the number of substances used since 2023 responds primarily to operational adjustments associated with the modernization of the production process.

In recent years, we have prioritized reducing the use of hazardous substances through progressive substitution with less harmful alternatives when technically and operationally viable. This criterion reinforces our preventive strategy and contributes to minimizing environmental and occupational risks at the source.

Complementarily, we apply preventive controls oriented toward avoiding spills or emissions that may affect human health or the environment. We periodically train our personnel in safe procedures and maintain an updated chemical substance inventory that guarantees traceability and the required documentary control.

Incident and Spill Control

In 2025, we registered an increase in the number of spills, associated with movements and adjustments derived from the reconfiguration of the rasp plant, carried out as part of the technological transformation project that will allow us to eliminate the use of coal in 2026.

The volumes involved were of low magnitude and were contained immediately according to internal procedures, without generating environmental affectations or impacts on the health of our collaborators. Naturally, in all cases, we activated the internal spill management procedure, which includes:

1. Immediate containment.
2. Risk evaluation.
3. Root cause investigation.
4. Implementation of corrective actions.

Number of substance spill incidents per year

SPILL 2025	SUBSTANCE	QUANTITY
1	Hydrochloric acid (reagent grade)	100 ml
2	Diesel fuel	5 L
3	PVC cleaner	1 L

As part of our operational monitoring, we track the number of incidents associated with chemical substance spills per year.

It should be noted that all plants have containment dikes for the storage of lubricants and similar substances. Likewise, in areas with the highest risk exposure, waterproofed floors are available, reducing the probability of soil contamination in the event of incidents.soil contamination in the event of incidents.

Waterproofed floors.

Spill containment dike.

Process Transformation and Structural Reduction of Chemical Substances

Beyond operational controls, in recent years we have advanced in the structural simplification of the production process by eliminating and substituting highly hazardous substances.

Main Chemical Substances Substituted Since 2022

SUBSTANCE	UNIT OF MEASURE	AVERAGE MONTHLY QUANTITY (kg)	GHS HAZARDS (CATEGORY)	SIGNAL WORD	2022	2023
Hydrochloric acid	kg	2,000	Skin/eye corrosion Cat. 1 (H314/H318) Stot SE 3 (H335) Corrosive to metals Cat. 1 (H290)	Danger		Elimination due to process change
Kemoclean 108	kg	134.8	Skin/eye corrosion Cat. 1A (H314) Corrosive to metals Cat. 1 (H290) STOT SE 3 (H335)	Danger	Elimination due to process change	
Powedered coal	kg	28	Combustible dust Respiratory irritation (not classified)	Warning	Elimination due to process change	
Barium carbonate	kg	57	Acute oral toxicity Cat. 4 (H302)	Warning	Elimination due to process change	
Sodium carbonate	kg	57	Eye damage Cat. 2A (H319)	Warning	Elimination due to process change	
Wheat flour	kg	69	Combustible dust (OSHA/WHMIS) Possible respiratory irritation	Warning	Elimination due to process change	
Coke coal	kg	72	Combustible dust Respiratory irritation (not classified)	Warning	Elimination due to process change	
Ferrocyanide	kg	21	Chronic aquatic hazard Cat. 3 (H412) EUH032 (liberates HCN with acids)	—	Elimination due to process change	
Imported aluminum oxide	kg	51	Not classified (nuisance dust)	—	Elimination due to process change	
Industrial salt	kg	411	Not classified	—	Elimination due to process change	
Industrial chalk (stripper)	unit	53.8	Depends on supplier's SDS	—	Elimination due to process change	
Bismuth	kg	152	Not classified (massive form)	—	Elimination due to process change	

(Hazard categories in accordance with the GHS classification).

Between 2022 and 2023, we achieved a relevant reduction in the number of chemical substances used in our operational processes. We substituted highly hazardous substances such as hydrochloric acid, sodium hydroxide, and various combustible dusts, allowing us to decrease exposure to corrosive agents, reduce risks associated with irritating vapors and hazardous reactions, and minimize the probability of dust explosions.

These adjustments simplified our operational controls and strengthened health, safety, and environmental performance, contributing to a safer and more efficient process.In 2024 and 2025, we did not carry out new relevant substitutions; however, with the implementation of the coal elimination project in 2026, we foresee an additional reduction in the number of chemical substances involved in the process.

Circular Economy and Efficient Resource Use

The responsible use of natural resources and the transition toward circular models constitute pillars of our ESG strategy. We continuously identify opportunities to improve operational efficiency, reduce waste, and valorize materials, strengthening business sustainability and resilience against input volatility.

Our management is primarily oriented toward:

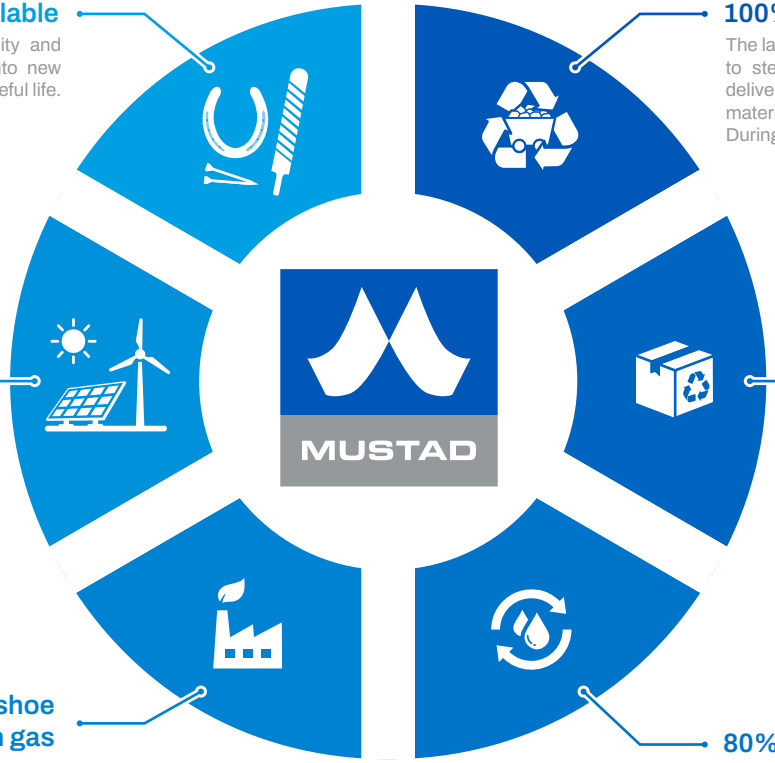
- Optimizing the consumption of water, energy, and raw materials, reducing environmental impacts and operational costs.
- Fostering the reuse, recycling, and recovery of materials in production processes, avoiding their final disposal when technically viable.
- Driving improvements and innovations incorporating circular economy and eco-design principles, consistent with applicable regulations and ESG standards.

100% of our products are recyclable

We design our steel and aluminum products with durability and recyclability criteria, allowing them to be reincorporated into new production cycles at the end of their useful life.

100% of our process waste is recycled

The largest volume of waste generated in our operations corresponds to steel and aluminum—technically recyclable materials that are delivered to authorized waste managers for reincorporation as raw material in new products.
During 2025, 471,848 tons were recycled.



70% of the energy used at MUSTAD is clean

70% of the energy used in our operations comes from renewable sources, including solar, wind, and hydroelectric generation.

80% of our packaging uses recycled material

Cardboard is the main material used in our packaging. We prioritize suppliers incorporating recycled fiber in their production, reaching an average content of 89.5% recycled material in the packaging acquired in 2025.

100% of the gas used in horseshoe manufacturing in EMEA is green gas

At our horseshoe manufacturing plant in Europe, we use 100% certified green gas, contributing to emission reduction by utilizing waste that would otherwise release methane into the atmosphere.

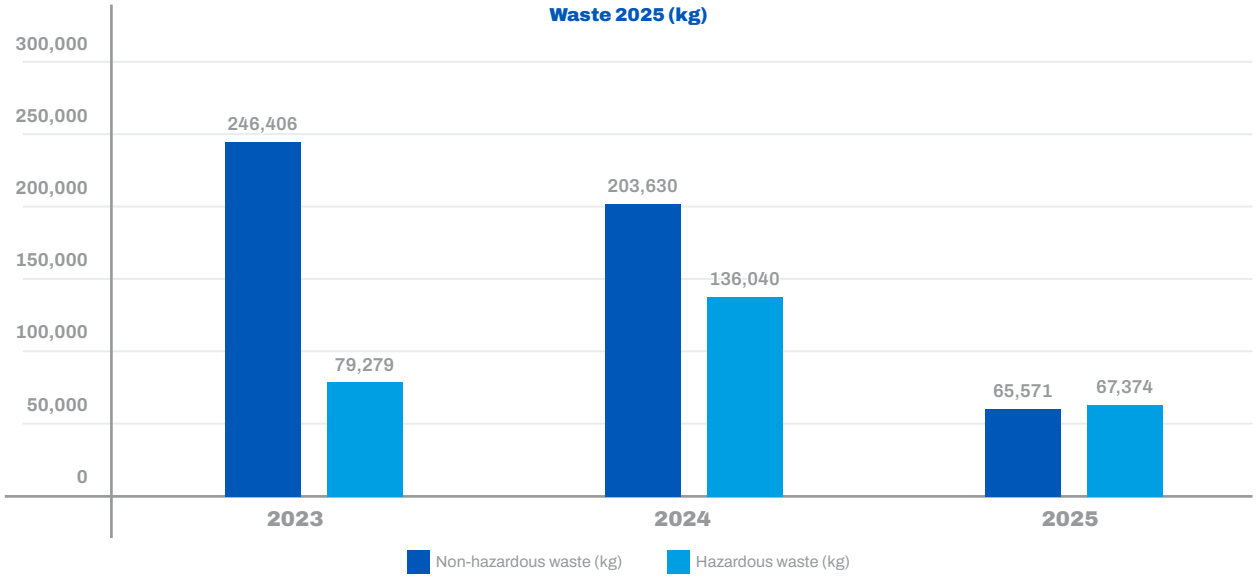
80% of the water we use In the process is reused

Thanks to the optimization of internal treatment at the rasp plant, in 2025 we reduced water consumption by 80% in the sharpening process, equivalent to a 37% decrease in the plant's total consumption.

Waste Management

This is a central component of our environmental performance, especially considering the relevance of output flows associated with our production processes. Consistent with the identified material topics, we focus our management on:

- Optimizing the use of raw materials to reduce waste generation from the process origin.
- Improving internal waste classification to facilitate its recovery.
- Ensuring metallic waste is delivered to authorized waste managers for reincorporation as raw material in new production cycles.



The generation of conventional and hazardous waste shows a general downward trend between 2023 and 2025, especially in conventional waste, the reduction of which is associated with improvements in source separation and the strengthening of valorization schemes through authorized waste managers.

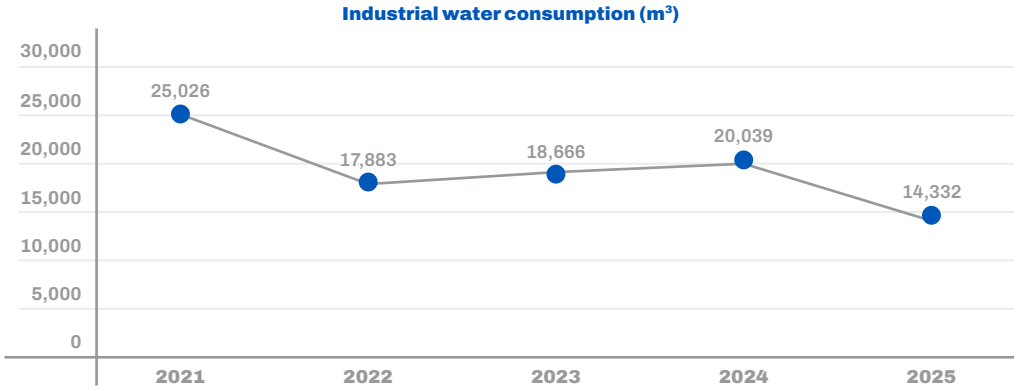
In the Colombia and Brazil plants, classification optimization has allowed materials previously disposed of as conventional waste to currently be recovered through recycling processes. Starting in 2026, control of this indicator will be extended homogeneously to all Group factories, strengthening consolidated traceability.

In the case of hazardous waste, the increase observed in 2024 is related to the increase in production volume and the technical developments implemented in the nail line. However, a stabilization of the indicator is observed in 2025.

Given that steel represents approximately 78% of the waste generated in the Latin American plants and constitutes the Group's most significant material flow, reduction and recovery initiatives are prioritized for this material, with the relative contribution of other waste types being marginal.

Water Management

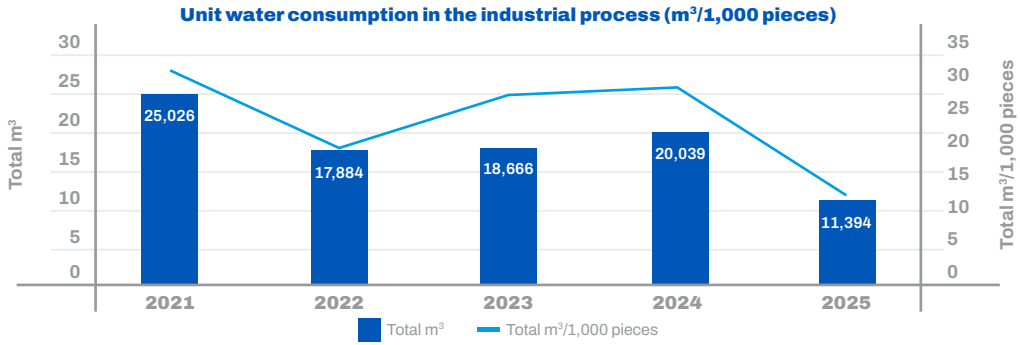
Water is an essential resource for our industrial operation, especially in the rasp manufacturing plant, where it is used directly in the production process. In the other units, its use is mainly limited to domestic activities. Our management focuses on optimizing consumption, promoting reuse, and ensuring compliance with the discharge parameters established by local regulations.



The total industrial water consumption in the rasp plant shows a general downward trend in the 2021 to 2025 period, reaching a consumption of 14,332 m³ in 2025, the lowest level recorded in the last five years. This decrease reflects the improvements implemented in the treatment and reuse of the resource within the production process.

Water Intensity

The water intensity indicator (m³ per 1,000 pieces produced) shows a progressive reduction in the analyzed period (2021 to 2025), evidencing an improvement in resource use efficiency. This trend confirms that the decrease in total consumption does not respond only to variations in production volume, but to optimizations implemented in the production process and the internal treatment and reuse system.



Resource Reuse

Until 2024, the wastewater from the rasp plant in Colombia was sent to an external plant for final disposal. Following the implementation of improvements in our internal system, we began to reuse 100% of the processed water, which includes rainwater, within the operation. It is worth noting that when we exceed storage capacity, this water is delivered to the treatment plant of the industrial park where our factory is located, for its conditioning and discharge to the municipal sewage system in compliance with applicable regulations.

This optimization allowed us to reduce total water consumption by 28.4% compared to the previous year and largely explains the improvement observed in the water intensity indicator. With this, we advance toward a more efficient and circular use of the resource, prioritizing source reduction and internal recirculation over external disposal.

Discharge Management

In addition to optimizing the consumption and reuse of the resource, we rigorously manage water quality prior to its discharge.

At the rasp plant in Colombia, we perform daily controls of the internal system and annual measurements of the physicochemical parameters of the wastewater, the latest being conducted in July 2025. This is done to guarantee compliance with the limits established by local regulations.

Water is discharged in accordance with applicable regulatory standards, ensuring that no affectations to the environment are generated.

Discharge parameter results

PARAMETER	2025 RESULT
BOD5 (Biochemical Oxygen Demand)	76.8 mg/L
Oxygen Demand	54.45 mg/L
TSS (Total Suspended Solids)	13.43 mg/L
Fats and oils	6.3 mg/L
pH	7.94 – 8.46

Complementarily, the technological transformation project scheduled for 2026, which will eliminate the use of coal in the rasp plant, will also incorporate improvements in the production process that will allow for an additional reduction of approximately 20% in water consumption.

With this, we will not only eliminate a relevant source of atmospheric emissions, but we will also consolidate a more efficient operation regarding resource use, reinforcing the coherence between our decarbonization strategy and water optimization.


SOCIAL

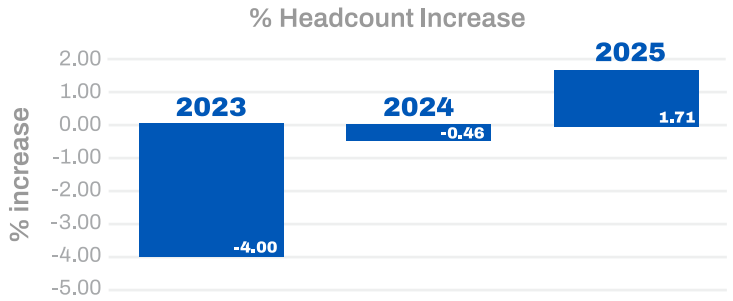
Talent and Workplace Environment

At MUSTAD, human talent is the pillar supporting our sustainability strategy and the engine driving our global growth. The commitment we maintain to people is reflected in the construction of safe, inclusive, and respectful work environments, where integral well-being, equal opportunity, and continuous development are promoted.

At the close of 2025, the company had 656 employees, representing an increase of 1.71% compared to 2024. Of this total, 34% (16) corresponds to women and 66% (31) to men in managerial positions, reflecting a diverse and growing workforce structure.

Total Employees 2025

Male	Female	No Binary
77.7%	21.8%	0.5%



	Total Employees			Employees in Managerial Positions		
Year	Male	Female	No Binary	Male	Female	No Binary
2023	518	119	5	73.9%	26.1%	0%
2024	512	130	3	69.8%	30.2%	0%
2025	510	143	3	66.0%	34.0%	0%

Professional and Personal Development

Within the framework of our Remuneration and Talent Management Policy, we guarantee equitable access to training and professional development opportunities for all employees as a key enabler of performance, employability, and professional growth.

Our training offer includes mandatory training, role-associated training, and professional development programs, defined based on role needs, organizational objectives, performance evaluation results, and specific area requirements. These initiatives are supported by talent development programs, online learning platforms, and formal feedback mechanisms.

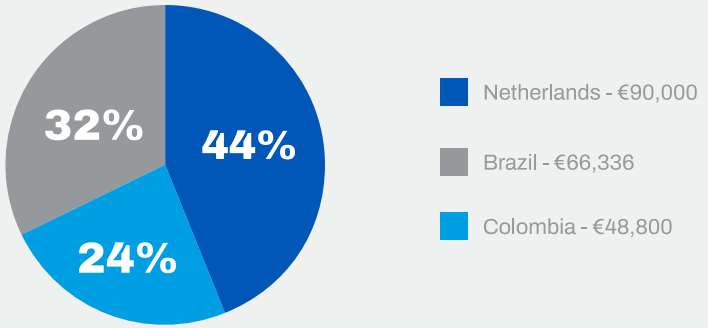
We consistently allocate a percentage of the annual budget to employee training. In 2025, this investment represented up to 4% of the annual payroll value, allowing us to strengthen personnel specialization in strategic topics for the Company, including technical competencies linked to the role, use of technologies, and good manufacturing practices.

Complementarily, we provide financial support for technical, technological, university, and language studies, contributing to the development of key capabilities and the strengthening of our collaborators' employability.

Our commitment to personal and professional development

As part of our commitment to personal and professional development, during 2025 we carried out diverse training programs with an investment exceeding €200,000. Through these, we strengthened technical competencies and key leadership skills, contributing to the development of a high-performance culture and the continuous improvement of occupational health and safety.

Training Investment (%)



Hours of Training per Year (2023–2025)

Company/ Plant	 MATTHEIS BORG	 MUSTAD FRIESLAND	 EMCOCLAVOS
Country	Brazil	Netherlands	Colombia
2023	2,318	NA*	6,220
2024	1,361	NA*	8,630
2025	6,845	NA*	6,117

**Consolidated information on training hours for the Netherlands is not available for the reported period because training records are managed through different systems and providers. The company is currently working on strengthening its information collection and consolidation mechanisms for future reporting.*

Capability Development: Highlights by Country

In Brazil, the training strategy has been oriented toward the integral strengthening of people, combining personal development, leadership, and operational excellence. In this context, we promoted initiatives focused on working on trust, adaptability, and empowerment, particularly through participation spaces such as the Women's Committee, created in 2023, oriented toward promoting personal growth and building more inclusive work environments.

At the operational level, the IMPULSO program was consolidated in 2025. This program is oriented toward strengthening the technical, behavioral, and cultural skills of the Operations team, with the objective of forming internal benchmarks capable of leading by example, sustaining work routines with high standards, and acting as active agents of a culture of safety, quality, productivity, and continuous improvement.

Complementarily, we focused on developing capabilities associated with emotional well-being and responsible leadership by training collaborators as emotional first responders and increasing local leadership, ensuring alignment with organizational values and a culture of learning and innovation. Finally, English language training was integrated as a key tool to strengthen communication, professional development, and interaction with teams and processes at an international level.

In the Netherlands, during 2025 we implemented 20 coaching sessions for senior management, focused on strengthening leadership, communication, and decision-making skills as part of our development strategy for high-responsibility roles.

Additionally, we promoted operational performance improvement through the certification of 11 employees in Lean Manufacturing, strengthening capabilities associated with continuous improvement, process efficiency, and operational quality, thereby promoting practice standardization and driving a culture oriented toward productivity and sustainable performance.

The training investment made in the Netherlands benefited from a reimbursement mechanism derived from industry union agreements, which allowed for the recovery of up to 10% of resources invested in soft skills training. This scheme contributes to optimizing training investment and prioritizing local leadership development initiatives.

In Colombia, the training strategy was developed progressively between 2024 and 2025, combining the strengthening of technical capabilities with soft skills development, consistent with the Company's operational and strategic needs. During this period, we implemented training aimed at improving team performance in operational and administrative functions, contributing to the fulfillment of organizational objectives and the strengthening of key competencies for the operation.

In 2025, we directed training primarily toward technical education, as well as legal updates in foreign trade and industrial safety, responding to applicable regulatory requirements and the specific needs of the operation in the country. Complementarily, we promoted language training as a tool to strengthen communication, professional development, and corporate involvement at a global level.

Competency Development: Highlights by Country

	Personal Development and Emotional Well-being	Strengthening Leadership and Culture	Operational Excellence and Safety Culture	Development of Transversal Capabilities
Brazil	• Creation of the women's committee in 2023. • Training in 2025 for 25 employees as emotional first responders for any emotional crisis that may arise.	• **IMPULSO:** Created in 2025 for operations team members to strengthen diverse skills. • **Leadership Trajectory:** As the route to consolidate a culture of learning and innovation, aligned with the company's strategy.	• **IMPULSO Program** as a transversal axis.	• English language training to strengthen communication, professional development, and interaction with international teams and processes.
Netherlands		• 20 coaching sessions for executives to strengthen leadership, communication, and decision-making.	• 11 employees certified in Lean Manufacturing.	• Development of soft skills.
Colombia		• Soft skills training.	• Technical training. • Legal updates in occupational health and safety (OSH) and foreign trade.	• English language training.

Performance Evaluation

With the objective of managing performance in a structured manner aligned with the company's strategy, we conduct evaluations with annual periodicity, in which individual objectives linked to process and general organizational objectives are established.

The current procedure contemplates formal instances of face-to-face feedback between the immediate supervisor and each collaborator. These allow for reviewing the fulfillment of defined objectives, clarifying functions and responsibilities, and gathering inputs for identifying development and training needs.

We use the information generated from evaluations as a management input, particularly for:

- The definition and monitoring of individual and team objectives.
- The identification of performance improvement opportunities.
- The detection of collaborators with potential for internal development and growth.
- The application of objective criteria in merit-based compensation processes.

Thanks to this scheme, we strengthen the coherence between individual performance, process objectives, and talent management decisions within a framework of formal and traceable practices.

Annual Participation: 100% of employees

During 2025, we continued systematically implementing the performance evaluation process, oriented toward identifying strengths, improvement opportunities, and collaborator development needs as a consolidated element of talent management and work environment strengthening.

It is important to point out that in the case of operational personnel, performance evaluation practices are implemented in a decentralized manner, attending to the particularities of each production center. These differences respond to variations in processes, business dynamics, and local regulatory requirements.

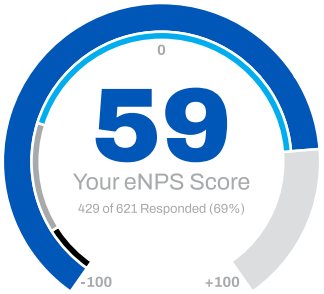
In this context, each factory defines the evaluation criteria that best adjust to its operational reality, maintaining coherence with the company's general talent management guidelines. However, we ensure that an annual individual evaluation is carried out in all production centers, ensuring that every collaborator receives formal feedback and has structured performance monitoring.

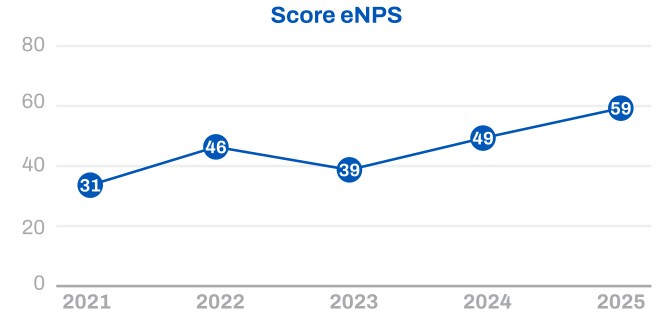
Employee Experience (eNPS)

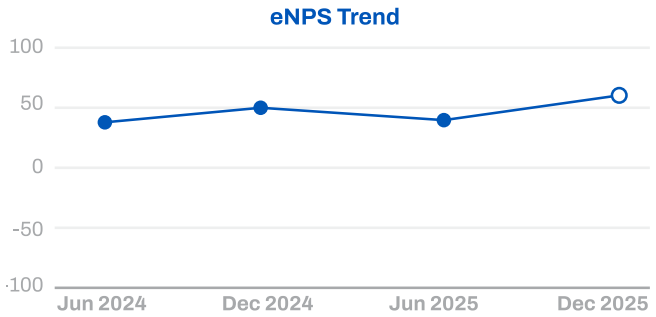
At MUSTAD, we conduct two annual employee perception measurements through anonymous surveys integrated into the company's human capital and sustainability management system. These measurements are based on the Employee Net Promoter Score (eNPS) methodology, a widely used indicator that evaluates the willingness of collaborators to recommend the company as a place to work, classifying responses into Promoters, Passives, and Detractors.

This exercise constitutes a structured listening mechanism, allowing us to systematically gather collaborator perception regarding their work experience. We use eNPS results as a management input, particularly for identifying improvement opportunities in aspects related to the work climate, well-being, and employee experience, as well as for defining actions oriented toward continuous improvement.

We have applied the eNPS survey periodically since 2021. In the most recent measurement, nearly 70% of collaborators classified themselves as Promoters, indicating a high willingness to recommend the company as a workplace. The eNPS result has consistently remained in positive ranges over the last few years, positioning itself in the upper level of the scale (>50) in 2025.







The eNPS result has consistently remained in positive ranges over the last few years, positioning itself in the upper level of the scale (>50) in 2025.

As part of utilizing this indicator, we hold dialogue sessions with teams in different countries with the objective of delving deeper into topics identified as improvement opportunities and defining short-term and medium-term actions. From these spaces, we have identified initiatives related to shift management, development opportunities, and improvements in infrastructure and common spaces, which are considered inputs for talent management and labor well-being.

Turnover and Retention

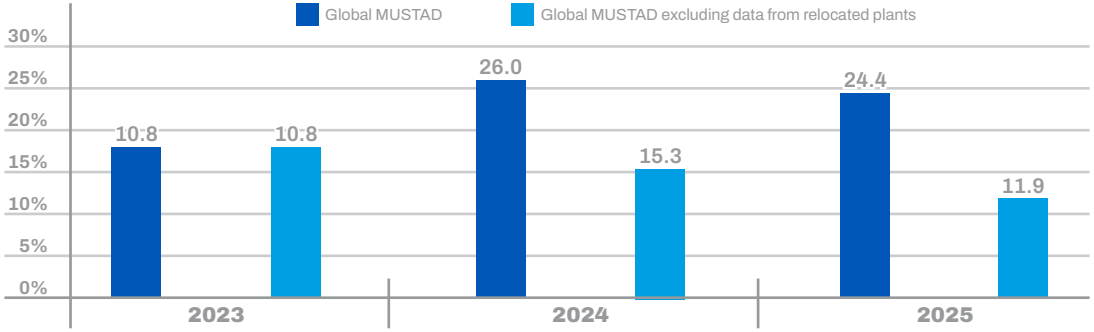
To complement the analysis of employee perception, we incorporate the employee turnover indicator, which allows for observing effective retention behavior within the company. Both indicators are analyzed in a complementary manner, given that they measure distinct dimensions of the work experience.

When analyzing turnover levels for the 2023–2025 period, it is important to consider the occurrence of extraordinary events affecting the reading of the indicator at an aggregated level. In particular, the company's global turnover values are significantly influenced by plant closures in Sweden (2023–2024) and Argentina (2025).

For this reason, for an adequate interpretation of ongoing business performance, we distinguish between global turnover and adjusted turnover, the latter excluding effects associated with these closures. Under this approach, adjusted turnover remains in a range between 11% and 15%, while global turnover ascends to 24%–26% in 2024 and 2025.

This difference evidences that a relevant proportion of the turnover registered in these years responds to operational closure processes and not to structural changes in the retention dynamics of active personnel, whose turnover remains stable and within expected ranges.

Employee Turnover (%)



Remuneration

Our Remuneration Policy establishes criteria and guidelines for fair, competitive, and consistent compensation in all countries where we operate. This policy is applied in alignment with the corporate strategy and operational and financial results, integrating sustainability criteria into the definition and review of remuneration schemes.

The implementation, supervision, and update of the Remuneration Policy is the responsibility of the Global Leadership Team (GLT), which relies, when pertinent, on the support of independent external advisors to strengthen process objectivity and market analysis, consistent with the Company's corporate governance model.

Local execution of the policy is in charge of the Global Human Resources Director, in coordination with Local Human Resources Managers, who ensure its consistent application, compliance with current labor legislation, and consideration of the regulatory and cultural contexts of each country.

Labor Relations and Social Dialogue

We do not have our own union organizations; however, we fully comply with agreements and remuneration guidelines established by industry unions in the countries where we operate, such as Brazil, the Netherlands, and Argentina. In these contexts, we strictly apply current collective agreements and actively participate in productive sector dialogue spaces, consistent with applicable labor legislation and our responsible labor practices approach.

Remuneration management is governed by principles of internal equity, transparency, non-discrimination, and equal opportunity, consistent with ESG principles. We define base salary and benefit levels taking the market average for comparable positions as a reference, ensuring external competitiveness and internal coherence. Likewise, alongside the policy, we establish criteria for promotions and non-mandatory salary adjustments, applicable when collaborators assume additional responsibilities or perform functions distinct from their original role.

We apply an annual inflation salary adjustment for all personnel, complemented by a structured annual compensation review, with the objective of preserving purchasing power and promoting internal equity. Additionally, we consider merit and performance adjustments oriented toward recognizing individual contribution, in accordance with guidelines established in our policy.

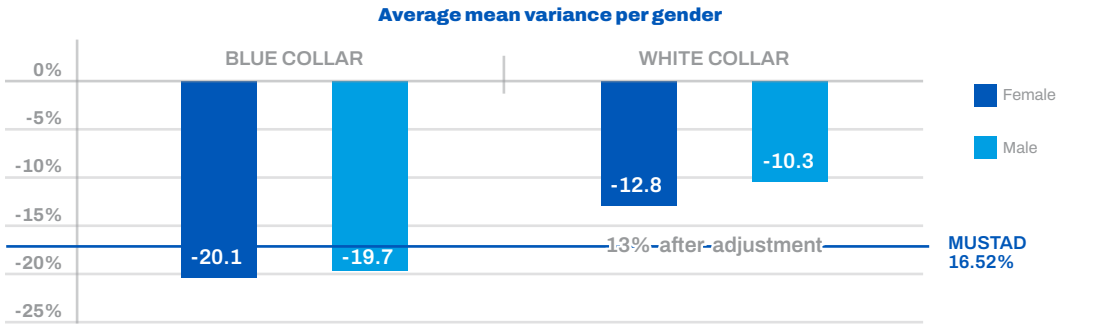
These decisions are supported by periodic market analyses and salary competitiveness studies, allowing us to evaluate MUSTAD's positioning vis-à-vis the labor market, with the most recent ones applied in 2021 and 2023.

In the 2025 remuneration distribution, we observed that approximately 73% of our operational workforce (blue collar) is concentrated in the Latin American region, particularly in Colombia and Brazil. In these countries, we apply reference salaries situated, on average, 15% above the legal minimum wage, as part of our approach to guaranteeing competitive labor conditions consistent with local regulatory frameworks.

Regarding compensation equity, based on the salary study conducted in 2023, we objectively identified gender pay gaps. This allowed us to define and implement corrective actions backed by a specific economic effort. As a result of these actions, we improved our relative position against the market, reducing the average gap from 16.52% to 13% and approaching the market reference value.

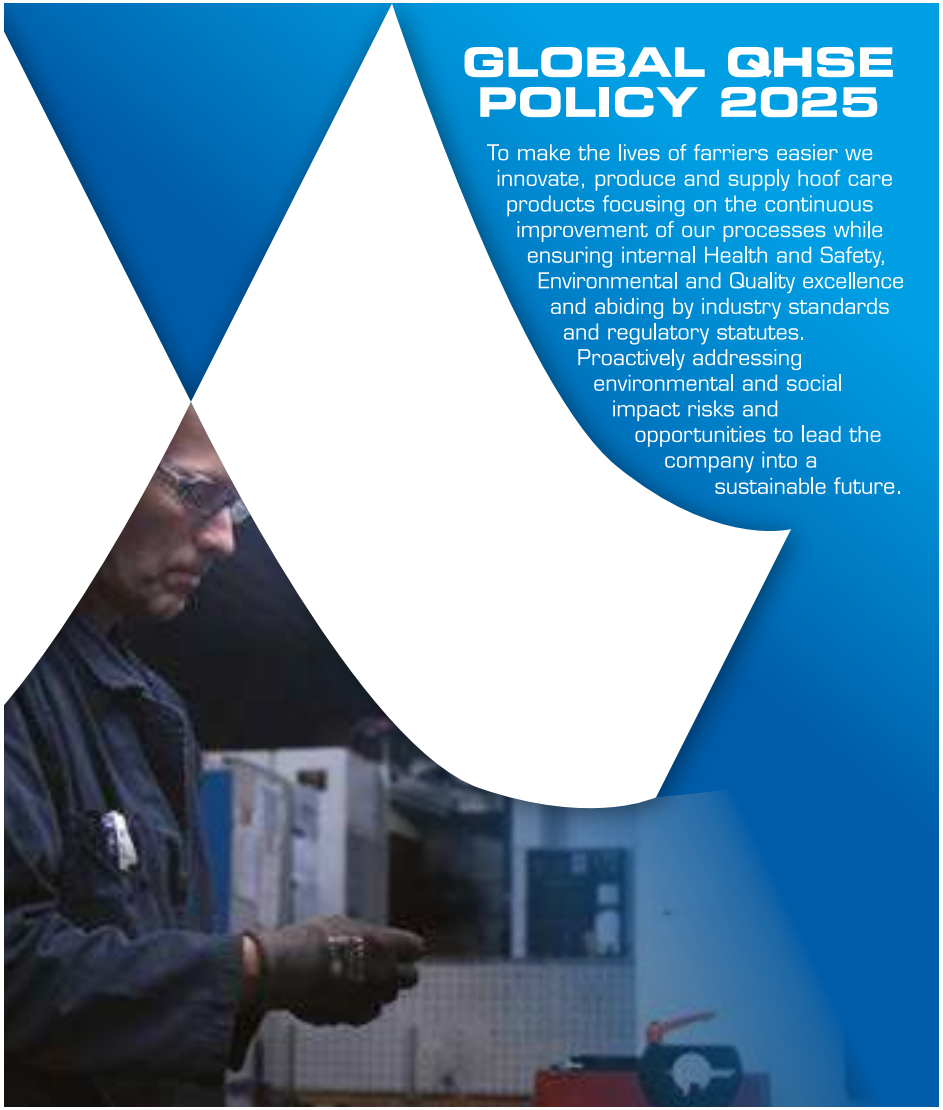
This process is part of a sustained strategy initiated in 2021, oriented toward strengthening salary equity and remuneration competitiveness. Based on monitoring subsequent to the implemented actions, in the 2024 and 2025 exercises we did not evidence gender pay gaps against market reference values.

The 2023 salary study allowed for identifying and reducing the gender pay gap from 16.52% to 13%.



The graph presented corresponds to the results of the 2023 salary study and does not include subsequent exercises.

MUSTAD
THE HOOFCARE PEOPLE



Culture of Health, Safety, and Well-being

Governance Framework for Health, Safety, and Well-being at MUSTAD

Safety is one of our fundamental pillars, present transversally in all productive processes and support areas. Under this principle, we have consolidated a governance structure allowing us to guide, supervise, and continuously improve Occupational Safety and Health (OSH), guaranteeing applicable regulatory compliance in every country where we operate and contributing to the achievement of our corporate goal of zero accidents.

Senior management is responsible for directing the strategy and approving annual OSH plans, ensuring the availability of technical, human, and financial resources for effective management. Complementarily, area leaders and operational managers ensure the daily application of controls, compliance with corporate standards, and adequate preventive management in every process.

We promote and value employee participation through Joint Health and Safety Committees, specialized subcommittees, and consultation channels. These allow for the timely identification of emerging risks, the review of implemented measures, and the strengthening of evidence-based decision-making.

OSH Governance Structure at MUSTAD

Global Operations Management approves our Global QHSE Policy and delegates its translation into objectives, goals, and implementation plans to senior management. Based on this mandate, senior management, together with the Global OSH Leader, deploys, manages, and monitors safety and health matters in all our plants, relying on the responsible teams at each factory to guarantee the effective application of corporate standards and the integration of prevention into daily operations.

Delegates / Responsible	GLOBAL OSH LEADER	MPS SAFETY PILLAR	OSH AREA	SUBCOMMITTEES (BY REGION/ COUNTRY)
Composition	Global QHSE Manager.	Members from different factory areas.	OSH Specialist in each factory (and Technologist where applicable).	Subcommittees defined by main risks: Hands, Falls on the same level, Road safety, Environmental. Composed of employees from risk-related areas.
Key Roles	Plan, enable, and follow up on OSH management.	Reduce the OSH risk level.	Manage plans and ensure measurement and legal compliance.	Define and implement action plans focused on risk level reduction and prevention.

Safety: A Pillar Within Our Operational Excellence Model (MPS)

Within the framework of our Operational Excellence Model (MPS), we have a pillar dedicated exclusively to Occupational Safety and Health, constituting a key instance of operational leadership for the organization.

The team responsible for this component of the model gathers representatives from technical, productive, and administrative areas, facilitating an integral vision of safety performance and strengthening coordination between units. It is organized around monitoring, risk management, the creation of a self-care culture, joint work, regulatory compliance, and continuous improvement.

MONITORING

- Review accident rate indicators.
- Verify compliance with corporate objectives.
- Evaluate the progress of annual OSH plans.

RISK MANAGEMENT

- Prioritize risks.
- Validate the effectiveness of implemented actions.

CULTURE AND COORDINATION

- Coordinate cross-functional efforts to improve the self-care culture.

COMPLIANCE AND IMPROVEMENT

- Analyze unsafe conditions or behaviors and promote corrective actions.
- Drive regulatory compliance and the consistent application of OSH standards.

In this way, we seek for the safety pillar to articulate the corporate strategy with daily operations and help maintain a preventive and disciplined focus in all our facilities.

An OSH System that Modulates Our Strategy

At MUSTAD, we address the permanent commitment to zero accidents through an occupational safety and health management system applicable to all our factories and distribution centers. This system aligns with the requirements of ISO 45001:2018 and is maintained current through internal audits or certification audits, depending on the factory. We obtained our first certification in 2014 for the Colombia headquarters (Emcoclavos SAS).

We extend our system to those contractors who perform work in our facilities on a permanent basis.

KEY INDICATORS PER FACTORY	2025
Internal system audits performed per factory	1
Factories certified in ISO 45001:2018	1

Zero Accidents: The Main Objective

Our corporate purpose of zero accidents is a guideline supported by prevention, operational excellence, and shared responsibility. It marks the direction of our decisions, programs, and system improvements, oriented toward eliminating hazards, controlling critical risks, and promoting safe and healthy work environments.

OSH Objectives and Goals

- **Reduce the risk level in our factories and prevent the occurrence of disabling accidents** through the prioritized management of critical risks and the implementation of effective operational controls.

- **Strengthen the OSH Management System by ensuring the update, development, and total coverage of risk matrices** in all our productive units.

- **Ensure compliance with the Annual OSH Plan**, which integrates performance monitoring, operational control, preventive culture, and regulatory compliance activities in all plants.

These three objectives represent the central axis of our annual management and articulate the operation with the corporate strategy through a plan that indicates key activities, responsible parties, deadlines, and resources for their fulfillment in each factory.

Key Components of Our System

Supported by our governance framework, at MUSTAD we have several key elements that modulate the commitment to occupational safety and health, among which the following stand out:

1. **Risk identification, evaluation, and update.**
2. **Operational controls and preventive programs.**
3. **Occupational health surveillance.**

1 Identification, Hazard Update, and Risk Evaluation

We are progressively advancing in the strengthening of our risk matrices in all productive units. Some plants have fully updated and operational matrices, while in others we are in the process of development, review, or adjustment. Each matrix constitutes the central technical instrument for assessing risks associated with activities and roles, and its update is part of the annual goals of each factory.

Thanks to these matrices, which we review periodically, we can determine the risk level, guide preventive actions, and identify potential new situations to address them from the source, the medium, or the person.

Our risk maps are also fed by findings from audits, inspections, Red Tags, and reports of unsafe acts and conditions generated by our employees, contractors, or visitors.

Key Indicators in 2025

Voluntary reports of unsafe acts and conditions	Positive reports	Environmental reports	Reports managed and closed
2,240	130	235	2,128 (95 %)

Red Tags for safety	Plants with updated risk matrices	Audits performed on OSH	Accident investigations performed
94*	3 / 4	4	17

The Red Tag system is fully implemented and at a high maturity level in the Colombia factories. In the Brazil plant, it was implemented in 2025, so the baseline is currently being established there. In the Netherlands, implementation is estimated to be completed in 2026.

Voluntary Safety Reporting System

At MUSTAD, we have diverse mechanisms to identify improvement opportunities and detect operational deviations. One of the most important is the Unsafe Acts and Conditions Report Form, a confidential tool allowing all employees to report any situation that may affect their safety and health, that of their colleagues, or the production process.

Through this form, employees can also highlight positive actions or behaviors, as well as report situations generating environmental impacts.

For our contractors and visitors, the preferred reporting channel is the institutional email, guaranteeing accessibility and traceability in all cases. This system strengthens the preventive culture, fosters active participation, and contributes to continuously improving operational controls in all our plants.

Red Tags in the Operational Excellence Model (MPS)

As part of our Operational Excellence Model (MPS), we implemented the Red Tags tool, designed to visually identify anomalies detected during equipment and infrastructure condition inspections.

These tags allow for classifying the attention priority of each anomaly, with safety being the category of highest importance. This prioritization facilitates the timely management of deviations, guarantees adequate resource allocation, and reinforces our commitment to prevention and risk control.

The use of Red Tags complements our voluntary reporting mechanisms and strengthens operational surveillance in all our plants.

2 Operational Controls and Preventive Programs

Based on risk identification and prioritization at each plant, we implement technical, administrative, and behavioral measures allowing us to reduce incident probability and strengthen operational discipline in all our productive units.

These controls are integrated into the Operational Excellence Model (MPS), ensuring consistency in their application, periodic monitoring, and continuous improvement. We apply the hierarchy of controls defined in ISO 45001, always privileging the most effective solutions to eliminate or reduce hazards.

Type of Controls Implemented

ENGINEERING

- Improvements in infrastructure and mechanical protections.
- Lockout/Tagout (LOTO) systems.
- Technical signage and structural adjustments.
- Physical controls for hazardous energy management.

ADMINISTRATIVE

- Operating procedures and safe work standards.
- Protocols for high-risk activities.
- Scheduling of inspections, maintenance, and verifications.
- Analysis of changes in processes and equipment.

PEOPLE-FOCUSED

- Use of PPE (Personal Protective Equipment) according to exposure.
- Mandatory training on specific risks.
- Operational supervision and behavioral observation.
- Shared responsibilities in self-care.

In addition to operational controls, we implement programs strengthening preventive culture and participation across all our factories.

Behavior-Based Safety (BBS) Program

We have implemented this program in 60% of our productive units, seeking to reach 100% coverage during 2026.

KEY PROGRAM INDICATORS IN 2025	
Program coverage in plants	60 %
Reduction of accidents associated with unsafe behaviors	Negative trend reported *
Leaders actively participating in observation and feedback	253
Hours of BBS training	863

** An increase in accident rates was observed due to an increase in new personnel (19% in the nail plant and 8.2% in the Argentina plant—in the latter case during the first semester of 2025, before its closure in September of the same year). This implies a reinforcement of BBS training for all personnel in 2026.*

Training and Competency Development

At MUSTAD, we provide theoretical and practical training to all our employees and contractors oriented toward regulatory compliance, prevention, and safe operation. In 2025, we achieved a representative number of training hours: 4,904.5 hours for employees and 863 hours for contractors, with the support of expert professionals from the Operations area and external consultants.

Main topics addressed included identification of critical risks and high-risk activities, PPE use, safe work procedures, and emergency management.

Contractor Safety Strengthening Program

We focus this initiative on promoting and guaranteeing safe, homogeneous conditions for all persons performing activities within our facilities, aligned with our corporate standards and legal requirements in each country where we operate.

This program includes prior review of competencies and documentation, mandatory training before entry, field verification of operational control compliance, and continuous accompaniment by our OSH leaders. We promote contractor participation in our reporting mechanisms, preventive actions, and training activities, ensuring they have the necessary tools to identify and communicate any risk condition.

These actions strengthen operational discipline in our plants and allow us to maintain coherent, integrated management between own workers and contractors, consolidating our common goal of preventing incidents and protecting the life and health of all person's part of our operations.

KEY PROGRAM INDICATORS IN 2025	RESULT
Contractors trained before entry	1,901
Contractors with OSH training during the year	1,901
Safety inspections performed on contractors	368
Safety findings identified in contractor activities	21
Findings closed	100%
Reports of unsafe acts/conditions generated by contractors	35
Accidents or incidents associated with contractor activities	3

3 Occupational Health Surveillance

Through preventive programs, periodic examinations, and continuous monitoring, we seek to identify early any change in the health status of our employees, prevent occupational diseases, and promote conditions favoring their integral well-being. This process is articulated with our risk matrix and criteria established by applicable regulations in each country where we operate.

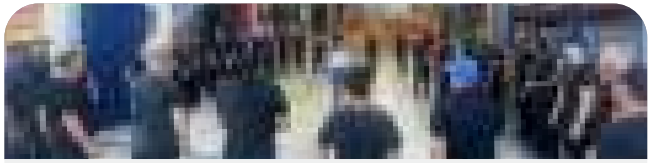
Monitoring of Common Origin Diseases

Without compromising privacy or medical information confidentiality, we monitor absenteeism related to common origin diseases. This analysis allows us to identify trends, detect recurrent diagnoses, and anticipate situations that may require preventive actions.

Based on this data, we implement measures oriented toward promoting healthy habits, ergonomics, active pauses, mental health, and other factors contributing to our employees' general well-being.

Surveillance of Occupational Origin Diseases

We have a structured Occupational Medicine process oriented toward identifying early effects of exposure to hazards inherent to each workstation. This process comprises:

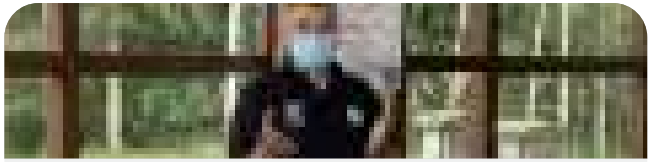


ENTRY EXAMINATIONS

- Defined according to estimated exposure for each role.

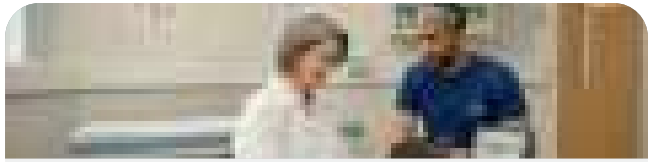
PERIODIC EXAMINATIONS

- Determined based on prioritized risks in the risk matrix.



EARLY PREVENTIVE ACTIONS

- Oriented toward reducing the probability of health deterioration or appearance of occupational diseases.



EXIT EXAMINATIONS

- Evaluating health status upon ending the labor relationship and determining if additional accompaniment is necessary.

This approach guarantees continuous traceability between risks, exposure, and health status.

Naturally, we have internal safety and health professionals and experts who accompany the implementation of our surveillance programs, analyze available medical information, advise plant leaders and supervisors, and ensure regulatory compliance in all countries where we operate. Their role includes technical interpretation of results, coordination of intervention actions, accompaniment in incident analysis, and articulation with global HSEQ teams.

Health Promotion and Well-being

Within the framework of our well-being strategy, we implement initiatives oriented toward strengthening the self-care culture and preventing diseases through educational activities, awareness campaigns, and actions promoting healthy habits.

Brazil: Monthly Health Campaigns

Each month we develop campaigns focused on promoting prevention and self-care, addressing topics of general interest contributing to the health of our collaborators and their families:

- Cardiovascular diseases
- Breast cancer
- Hypertension
- Healthy habits

These campaigns included educational talks, informative material, and interactive activities to strengthen health awareness and promote informed decisions among our collaborators.

Colombia: Health Week

Annually, we carry out Health Week, an initiative integrating:

- Periodic follow-up examinations
- Blood donation campaigns
- Conferences on physical and mental well-being
- Self-care promotion activities

In this space, we bring prevention closer to all employees, contractors, and visitors, promoting healthy habits and reinforcing our culture of safety and well-being in the country's productive units.

2025 Health Promotion and Medical Surveillance Indicators

Number of entry examinations performed	138
Number of periodic examinations executed	310
Number of exit examinations performed	25
Number of health promotion activities developed	217
Participants in campaigns and well-being days	295
Number of plants that performed health campaigns or days	3
Beneficiaries of Health Week (Colombia)	381

Emergency Preparedness and Response

We have updated emergency plans, procedures, and brigades in all our factories, allowing us to prevent, contain, and respond in a timely manner to unforeseen situations that may affect our personnel, contractors, the community, or the environment. Our approach integrates prevention, constant training, and continuous improvement to ensure all our plants are prepared to act with coordination and efficacy in the face of any eventuality.

We possess the necessary resources for detection, alert, and initial incident control, which are reviewed and reinforced periodically and articulate emergency management with internal areas such as Operations, Maintenance, Physical Security, and QHSE.

Prioritized Emergency Types

We adapt our preparedness and response to the most relevant scenarios according to the operational nature and risks identified at each plant. Among prioritized scenarios are:

- Fires and incipient fires
- Medical emergencies and first aid
- Spills or leaks of hazardous substances
- Critical equipment failures or operational interruptions
- External or natural events, depending on each facility's location

These scenarios guide planning, training, and resource allocation globally.

Key System Capabilities

We strengthen our preparedness through:

UPDATED EMERGENCY PLANS

- Periodically reviewed to ensure alignment with operational changes, legal requirements, and emerging risks.

EMERGENCY BRIGADES

- Implemented in each of our plants, these brigades are formed by employees who, in addition to their habitual functions, receive specialized training to attend to emergencies in their initial phase.

SIGNAGE, EVACUATION ROUTES, AND ASSEMBLY POINTS

- Implemented and maintained to ensure orderly movement during a contingency.

PERIODIC DRILLS

- Exercises performed to validate plan efficacy, strengthen response routines, and generate improvement actions.

EMERGENCY EQUIPMENT AND RESOURCES

- Including extinguishers, detection and alarm systems, first aid kits, and initial response devices.

ARTICULATION WITH EXTERNAL SERVICES

- We coordinate management with external response bodies depending on the country or region, including:
  - Fire Departments
  - Local Authorities
  - Medical Services
  - Risk Management Entities.

This allows the response to be integral, effective, and aligned with protection systems available in each territory.

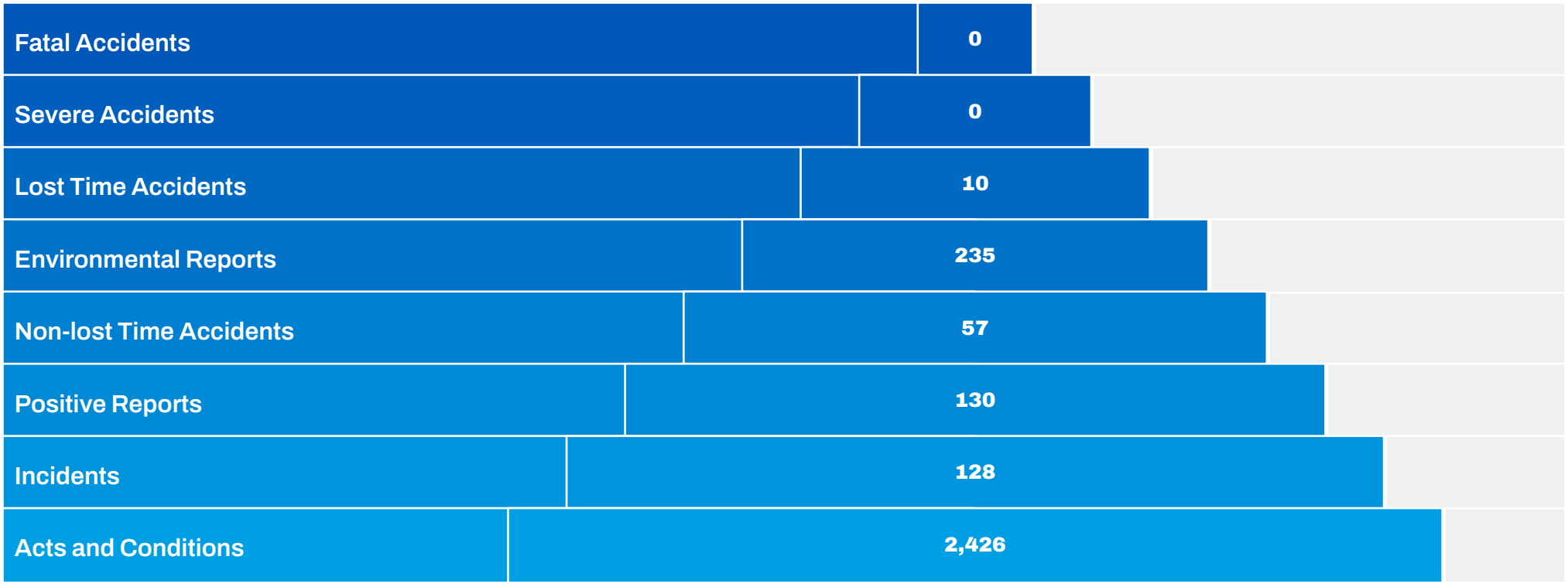
Emergency Preparedness Indicators 2025

Total number of drills performed	4	Emergency equipment inspected and operational	100%
Active brigade members in plants	86	Emergency training activities	19
Average participation in drills	>95%		

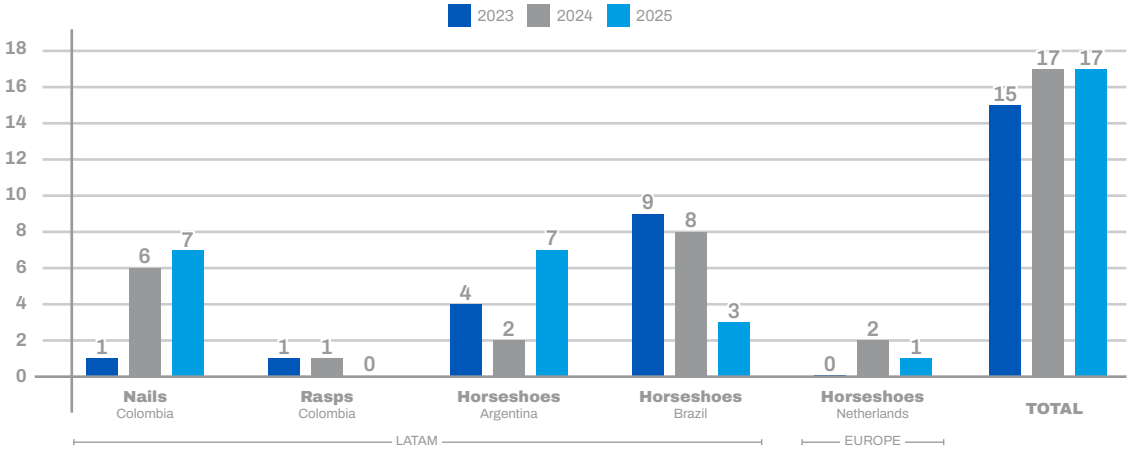
Our Main Metrics

We evaluate our occupational safety and health performance through indicators reflecting risk materialization, preventive action effectiveness, and the impact of programs implemented in all our plants. This permanent monitoring allows us to analyze trends, identify deviations, and strengthen the continuous improvement cycle consistent with management system guidelines, the Operational Excellence Model, and the corporate goal of zero disabling accidents.

MUSTAD Golbal Safety Reports 2025



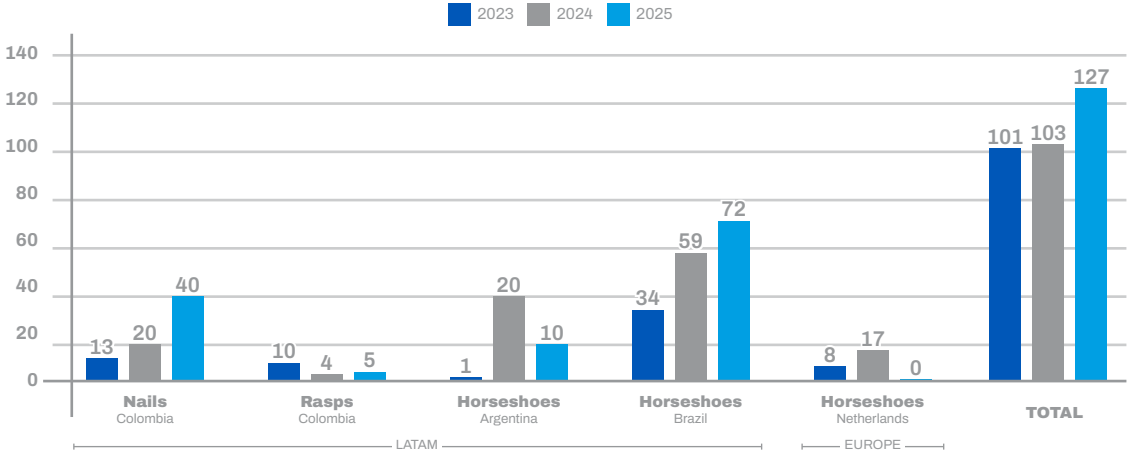
Accidents



In all our factories, we monitor accident severity and frequency, allowing us to prioritize risks and guide concrete actions from MPS subcommittees. In the nail plant, where 67% of accidents in 2025 were related to hand injuries, engineering controls, tool adjustments, focused training, and visual management were implemented to reduce this type of event.

Regarding incidents, we have observed an increase in reports over the last few years. This behavior is positive, as it evidences greater maturity in the reporting culture, allowing us to identify deviations and prevent accidents before they materialize.

Incidents



In recent years, we have not registered fatalities in any of our operations, reflecting the global commitment to protecting life and preventing serious incidents. Three of our factories maintain a stable, downward trend in accidents with lost time, even reaching periods of zero accidents (such as in the Netherlands and the rasp factory in Colombia).

In cases where increases have occurred, particularly in the nail factory, we perform permanent root cause analyses and establish specific action plans with rigorous follow-up to restore performance levels achieved in 2023 and prior years.

Challenges and Future Commitments in Occupational Safety and Health

As part of our commitment to continuous improvement, we are advancing in high-impact interventions oriented toward eliminating risks, modernizing processes, and protecting the health and safety of our teams.

In this line, the decision was made to replace the technology currently used for steam generation, which presents relevant impacts regarding safety and the environment. This process change, scheduled for 2026, will allow for the complete elimination of risks associated with both coal handling and emissions derived from its use.

Additionally, in the nail plant, we continue advancing in the installation of protection cabins for machinery, with the objective of improving ergonomic conditions for maintenance and production personnel. This preventive intervention seeks to reduce exposure to prolonged physical effort and prevent musculoskeletal injuries in our people.

Well-being and Benefits

We recognize that the integral well-being of our employees in its physical, mental, social, and economic dimensions is a key enabler of performance, productivity, and long-term value creation. During 2025, we strengthened our well-being approach, explicitly articulating it with our organizational culture and occupational safety and health programs.

In this framework, we promoted working conditions favoring daily well-being through adequate workspaces, rest areas, dining options, and a set of benefits defined locally, in accordance with the characteristics and needs of each operation. These actions have contributed to maintaining high levels of internal satisfaction and obtaining external recognition, such as the Great Place to Work certification in Brazil.

Our MUSTAD culture places particular emphasis on recognizing and valuing people, fostering good practices through work teams and management oriented toward continuously building a people-centered company.

Recreational areas at our Brazil factory.

Diverse Benefits Portfolio

We have benefit schemes oriented toward supporting our employees' well-being, covering initiatives in health, work-life balance, and professional development. These benefits are managed under a decentralized approach, allowing for their adaptation to the regulatory, cultural, and social frameworks of each country where we operate.

The definition and implementation of these benefits consider specific needs identified at each site, with the objective of ensuring their relevance and utility for collaborators. This approach allows us to manage well-being in a differentiated manner, strengthening labor conditions and contributing to a work experience aligned with local expectations.

The benefits and voluntary practices listed below exceed applicable legal minimums in each country. Their definition and implementation are carried out in a differentiated manner according to regulatory, social, and operational contexts; therefore, they do not apply uniformly across all geographies.

Lactation room Rionegro plant - Colombia

Work-Life Balance

As part of our benefits portfolio, we implement measures oriented toward work-life balance, defined in a differentiated manner according to the country and operational context. These include, among others, childcare support and maternity and paternity leaves that, in some countries, exceed established legal minimums.

These measures are oriented toward accompanying distinct stages of the collaborators' life cycle and strengthening conditions favoring well-being, co-responsibility, and talent retention, in complement with other corporate policies such as labor flexibility and benefits defined at the local level.

WELL-BEING DIMENSION	BENEFIT OR GOOD PRACTICE	DESCRIPTION
Financial	Merit and performance adjustments.	Economic recognitions linked to individual performance and results, applicable to White Collar personnel not covered by union agreements.
Physical and Health	Medical insurance and extended coverage.	Health coverages additional to those required by local legislation, defined according to the practices and needs of each country.
	Voluntary prevention and self-care programs.	Complementary initiatives for health promotion, physical well-being, and prevention, integrated into OSH programs.
Work	Labor flexibility policies.	Flexibility modalities favoring work-life balance, defined according to the nature of each role and local context.
Social and Family	Extended family benefits.	Additional supports defined at the local level (education, food, transport, or others), especially relevant in LATAM operations.
	Additional leaves and special supports.	Leaves and supports exceeding legal minimums, oriented toward addressing specific personal and family situations.
Development and Employability	Technical and operational training.	Training programs oriented toward strengthening technical, operational, and functional skills beyond mandatory requirements.
	Internal mobility and promotions.	Opportunities for growth, role change, or expansion of responsibilities based on defined and transparent criteria.
Governance (Transversal)	Salary market analysis.	Periodic salary competitiveness studies used to inform compensation and benefits decisions.
	Transparency in allocation criteria.	Documented and communicated guidelines for the allocation of benefits, promotions, and non-mandatory recognitions.

Children's celebration for MUSTAD employees in Colombia.

During 2025, we maintained labor flexibility policies oriented toward favoring the balance between work and personal life. At the close of the year, these policies benefited 25% of our collaborators, corresponding to 150 employees globally.

Culture of Recognition

As part of our well-being and employee experience approach, we promote a culture of recognition oriented toward visualizing and valuing contributions generating a positive impact on Company performance and the fulfillment of strategic objectives.

For this reason, we have a recognition program allowing us to highlight exceptional performance and significant contributions exceeding habitual role expectations, when these generate a verifiable impact on business results or strategic plan execution. Recognition may adopt monetary or non-monetary forms and is applied according to defined criteria, guaranteeing coherence, equity, and alignment with organizational culture.

During 2025, the recognition program, linked to the Operational Excellence Model (MPS), allowed us to highlight the contribution of 194 collaborators in Colombia through monetary and non-monetary incentives. These recognitions were associated with exceptional performance, contribution to the strategic plan, process improvement, safety culture, and innovation, distributed among distinct areas and functions, reflecting the program's transversal character.

In 2026, we will extend the scope of this initiative to Brazil and the Netherlands.

Commitment to Human Rights

At MUSTAD, we understand that sustainability is built upon respect for human rights and the promotion of decent work conditions, both in our operations and our value chain, understanding that our decisions and commercial relationships may generate direct or indirect impacts on people. This approach is incorporated into our Code of Conduct and internal policies, implemented in compliance with labor legislation current in the countries where we operate.

All our labor relationships are governed by principles of voluntariness, legality, fair treatment, and transparency. We do not tolerate child labor, forced labor, or any form of human trafficking; we promote ethical and responsible labor practices both in our operations and in the relationships we maintain throughout our value chain.

Diversity, Inclusion, and Equity

Diversity, Equity, and Inclusion (DEI) constitute a key component of our ESG strategy, contributing to responsible talent management, social risk mitigation, and the strengthening of an organizational culture based on respect and equal opportunity.

We recognize that our activity takes place in a historically masculinized sector, posing structural challenges in terms of gender diversity and equitable access to labor opportunities. This reinforces the relevance of integrating diversity, equity, and inclusion as an axis of progressive management within the Company.

During 2025, we developed actions and initiatives oriented toward promoting diversity and inclusion in our operations. In particular, we promoted specific initiatives such as Diversity Week in Brazil and the MUSTAD Women's Committee, oriented toward fostering participation, dialogue, and professional development. Likewise, we promoted salary equity and equitable access to development opportunities, consistent with our remuneration and talent management policies.

Thanks to the increase in the number of women in the nailz production plant in Colombia, we made an investment of €7,000 in 2025 to increase the capacity and improve the comfort of women's restrooms and changing rooms.

As part of monitoring implemented actions, we analyzed the evolution of women's participation in the workforce between 2023 and 2025. During this period, we registered a global accumulated increase of more than 20%, and a positive trend in Latin America of 35% over these three years.

% Increase in Women's Participation vs. Prior Year

	Global		LATAM
2023	-6	2023	-3
2024	9	2024	22
2025	20.17	2025	16

The annual percentage increase reflects the relative variation of women's participation regarding the immediately preceding year.

The growth observed during this period was particularly relevant in specific operations, among them the plants in Petrópolis (Brazil), Rionegro, and Bogotá (Colombia), where we evidenced an increase in women's participation, especially among operational personnel.

This advance occurs in a context of progressive transformation of our industrial operations, in which the adequacy of processes, work conditions, and infrastructure contributes to broadening access to labor opportunities for distinct profiles. Within this framework, we have been implementing improvements in our productive environments oriented toward strengthening safety, efficiency, and inclusion, creating conditions facilitating more diverse participation in the workforce.



Gender Pay Equity

In 2023, we participated in a global compensation study led by Mercer with the objective of evaluating the competitiveness and equity of our salary structure. Based on its results, we formalized salary guidelines based on principles of equity, transparency, and competitiveness, oriented toward guaranteeing equal remuneration for work of equal value, without gender distinction.

Between 2023 and 2025, we allocated more than €450,000 to salary leveling actions oriented toward closing identified gender gaps as part of our compensation equity approach.

Consistent with our 2030 ESG strategy, in which Diversity, Equity, and Inclusion (DEI) constitute a strategic axis for business sustainability and responsible talent management, starting in 2026 we will advance in the progressive strengthening of the management of this topic at a global level.

This process contemplates the definition of a common scope, corporate guidelines, roles, and monitoring mechanisms allowing us to gradually incorporate metrics to evaluate progress and gaps, strengthen traceability, and support informed decision-making regarding DEI.

In 2026, we will work to have a formal DEI framework, defined governance, integration into human management processes, and a minimum baseline of indicators for monitoring and improvement.

Equal Treatment and Opportunities for All

At MUSTAD, we apply a policy of non-discrimination and zero tolerance toward harassment and any conduct contrary to our corporate values. This approach is aligned with our Code of Conduct and current labor legislation in the countries where we operate, and is integrated into our corporate governance framework, internal policies, and talent management practices.

We seek to guarantee equal treatment and access to equitable opportunities for all persons, regardless of gender, age, origin, or other protected conditions, both in recruitment and development processes and in work conditions and daily labor relations management.

As part of this approach, selection, hiring, and promotion processes are based on merit criteria and objective competency evaluation to ensure equal opportunity in access to distinct roles within the organization. Hiring decisions are founded on fulfilling requirements defined for each profile, without distinction by gender or other protected conditions.

We prioritize internal promotion and encourage lateral mobility of our employees when suitable opportunities exist. These movements allow for strengthening cross-training, broadening collaborator competencies, and offering professional development alternatives contributing to individual growth, the management of risks associated with discriminatory practices, and business sustainability.

During the 2023–2025 period, no harassment cases were reported through the formal channels established by the Company, evidencing a stable and respectful work climate.

Child Labor and Forced Labor

At MUSTAD, we expressly prohibit child labor and forced labor in all our operations, consistent with our Code of Conduct and current labor legislation in the countries where we operate.

We do not employ minors. The minimum hiring age is defined in compliance with applicable national regulations and the legal age for completion of mandatory education in the places where we are present.

We reject any form of forced or involuntary labor; therefore, all labor relationships at MUSTAD are based on voluntariness, guaranteeing that collaborators may freely leave their employment in accordance with applicable legislation. We do not demand deposits, retain identity documents, or restrict people's freedom of movement inside or outside the work environment.

This approach forms part of our responsible talent management and the prevention of social risks associated with inadequate labor practices, applied transversally throughout the company.

Complementarily, these principles extend to our commercial relationships. Since 2025, we initiated a process to strengthen the responsible business conduct approach in the value chain, defining and communicating expectations regarding human rights and labor practices, as well as progressively incorporating these criteria into the frameworks regulating our relationship with suppliers and business partners.

Human Rights Management and Monitoring Framework

HUMAN RIGHTS ASPECT	SCOPE - COVERAGE	POLICIES AND CONTROLS IMPLEMENTED	CASES IDENTIFIED 2025	ACTIONS OR MEASURES (PREVENTIVE OR CORRECTIVE)	2026 GOALS	EVIDENCE
Ethics and anti-corruption (transversal focus)	Scope: Global - all units and countries where we operate. Coverage: Employees, shareholders, and third parties linked to the company.	ABC Policy. Code of Conduct. Compliance with local and international laws. Dissemination via BambooHR.	34 reports received through the reporting channel (2023–2025). 2 confirmed cases of ethics and anti-corruption following investigation.	Disciplinary sanctions and legal actions where applicable. Management procedure with Ethics Committee.	Consolidate report by typology; maintain 100% coverage in mandatory training.	Code of Conduct. Record of acceptance and periodic update of corporate policies via BambooHR. Training programs. Corporate reporting channel (see Governance chapter).
Child labor, forced labor, and human trafficking	Scope: Global - all units and countries where we operate. Coverage: Direct labor chain, contractors, and third parties providing services to the company.	Code of Conduct. Voluntary labor relations through employment contracts.	No cases reported.	Investigation and immediate remediation upon findings.	Extend due diligence to contractors (prioritized third parties).	Code of Conduct and Human Resources procedures. Code of Conduct for contractors (see Value Chain Viability chapter).
Non-discrimination and equal treatment	Scope: Global - all units and countries where the company operates. Coverage: Employees, shareholders, and third parties acting on behalf of the company.	Non-discrimination policy. Internal promotion guideline. Fair pay practices.	No reported cases of discrimination. Identification of gender pay gaps starting from the global salary study conducted in 2023.	Closing of gender pay gaps 2023–2025 (€ 450,000 invested). Monitoring of equity by position/country.	Define DEI KPIs 2026 by country and leadership level. Female leadership goals.	Salary market study (2021 and 2023). Leveling and remuneration practices 2023–2025; non-discrimination, diversity, equity, and inclusion (see Social chapter).
Occupational Health and Safety (OHS)	Scope: Global - all plants and company operations. Coverage: Employees, contractors providing services within operations complying with OHS management systems and applicable local regulations.	OHS management system. Risk identification and assessment. Preventive measures and PPE use. Local and international regulatory compliance.	18 accidents.	Corrective and preventive action plans. Periodic monitoring of accident rate indicators.	Maintain incident rate below benchmark. Strengthen self-care training.	See Social chapter in the Health and Safety at Work section. Also MPS in the Value Chain Viability section.
Prevention of harassment and workplace violence	Scope: Global - all units and countries where the Company operates. Coverage: Employees and third parties interacting in the work environment.	Code of Conduct. Workplace Harassment Committee (for Colombia). Reporting channel.	No cases reported.	Investigation and immediate remediation upon findings. Disciplinary sanctions and legal actions when applicable.	Maintain the indicator at zero. Strengthen harassment concepts through the deployment of the DEI aspect in the company.	See Social chapter in the Human Rights section. Reporting channel (see Governance chapter).
Reporting mechanisms and confidentiality	Scope: Global - all units and countries where the company operates. Coverage: Employees, shareholders, and third parties having a relationship with the company.	Reporting Policy. Management in BambooHR Reporting Procedure.	34 reports received through the reporting channel during the 2023–2025 period. 14 cases closed 2025.	Reporting procedure applied. Lessons learned.	Implement whistleblower satisfaction survey. Optimize SLA.	Corporate reporting channel (see Governance chapter).


GOVERNANCE

MUSTAD Netherlands B.V. is a company belonging to the MUSTAD Hoofcare Group, incorporated as a private limited company (Besloten Vennootschap – B.V.) in accordance with the legislation of the Netherlands, the country where it maintains its registered office in Drachten. In its capacity as the parent company, it is governed by the applicable Dutch regulatory framework regarding corporate, commercial, and governance matters, in alignment with the European Union's regulatory framework. This constitutes the primary reference for defining our corporate policies, control structures, and governance principles.

The Group recognizes and complies with the regulatory, legal, and normative frameworks in force in each of the jurisdictions where it operates. It integrates local requirements into the daily management of operations while maintaining common corporate criteria regarding ethics, integrity, and control.

Governance Structure

The corporate governance structure of MUSTAD Hoofcare Group is articulated through the Advisory Board, a body for strategic guidance and general oversight that supports senior management in defining corporate guidelines and monitoring the Group's main affairs.

The company's daily operational management is overseen by the global leadership team, in accordance with the current organizational structure, while the Advisory Board fulfills a role of guidance and supervision at a strategic level.

Our Advisory Board

At the close of 2025, our Advisory Board was comprised of four members selected based on their professional experience, executive trajectory, and alignment with the company's culture and values, aiming to provide an independent strategic vision complementary to the Group's management.

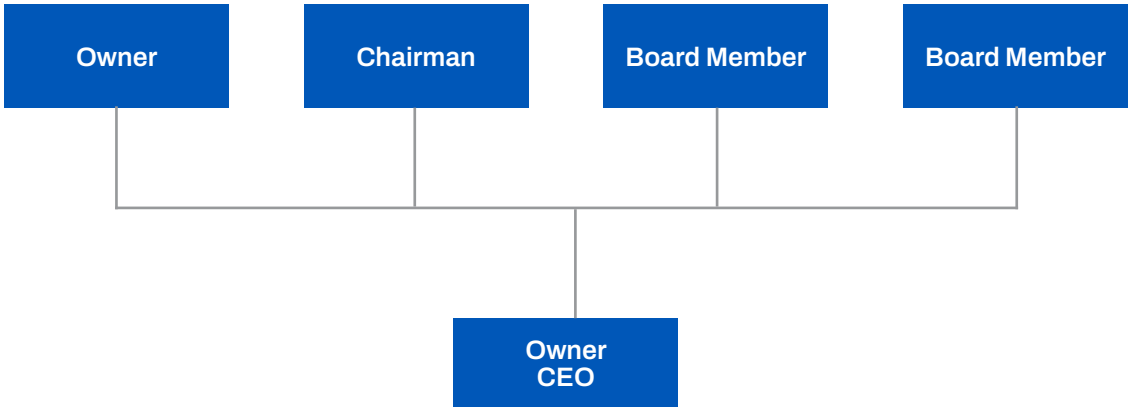
The members comprising this body are appointed by the shareholders, who elect the chairperson from among themselves. Regarding its composition, the company seeks to maintain a balanced gender distribution and include profiles with extensive experience, generally associated with consolidated professional careers. To preserve independence and adequately manage potential conflicts of interest, owner participation in the Advisory Board is limited to a maximum of two members.

The selection of Advisory Board members responds to a direct evaluation of the capabilities and knowledge required by the Group, particularly in key areas such as Finance, Sales and Marketing, and Operations, in accordance with its context and medium-term outlook.

Upon joining, every new member receives an induction allowing them to understand the business model, corporate strategy, and main governance guidelines, facilitating their adequate integration and contribution to strategic discussions.

Our Global Leadership Members

Composition of the Advisory Board 2025



While the company does not currently have formal committees to support the governing body, key topics that may arise regarding sustainability, audit, risks, ethics, or corporate governance are addressed comprehensively within the framework of the Annual Governance Cycle. This work scheme allows the Advisory Board and senior management to periodically review the Group's main strategic, control, and performance issues.

Through this approach, the company ensures that matters usually treated by specialized committees are analyzed in a structured and timely manner, maintaining an integrated and coherent view of business management, consistent with the nature and complexity of its operations.

Within the framework of its regular functioning, the Advisory Board reviewed and approved, among other items: audit results; guidelines applicable to sustainability (agreeing to adhere to legal requirements in force for 2025); and the compensation and bonus structure for the management team, benchmarked against external references. Additionally, it reviewed corporate governance aspects and approved the budget for the year. Details regarding these decisions are documented in the minutes of the meetings held.

Evaluation of the Advisory Board

The performance evaluation of the Advisory Board is conducted in a non-formalized manner through a periodic review process led by the Group's owners. In this space, the body's functioning, its contribution to strategic guidance, and the need for adjustments in its composition or working dynamics are analyzed. These reflections are shared and discussed within the Board, allowing for the introduction of improvements by consensus, depending on business evolution and the Group's strategic priorities.

Business Ethics and Anti-Corruption

We possess an ethical governance framework that guides our management at all organizational levels. This framework reflects our commitment to responsible business conduct, regulatory compliance, and the adoption of integrity standards that guide the company's behavior and actions beyond applicable legal minimums, extending to all our global operations.

The company's ethical framework is supported by a set of corporate policies, codes, and guidelines establishing principles and behavioral expectations for employees, executives, members of the governing body, and, where applicable, third parties. These include the Code of Conduct, Anti-Corruption and Anti-Bribery Policies, Whistleblowing Policy, Employee Remuneration Policy, and other compliance guidelines. These have been approved and endorsed by senior management through the Global Leadership Team (GLT) and are formally communicated and socialized with applicable stakeholders via established corporate channels.

Responsibility for updating, implementing, and monitoring this ethical framework lies with the GLT, which ensures its validity, coherence, and adequate application across the company's various areas and processes.

Promotion of an Ethical Culture

With the purpose of promoting an ethical culture and responsible conduct, the company has formal mechanisms for dissemination, socialization, and training directed at employees and other relevant stakeholders. The policies comprising this ethical framework remain available for consultation as part of the company's integrity system.

For employees, these documents are available on the corporate platform Bamboo, which constitutes the main internal communication channel for corporate policies and guidelines. As part of the onboarding process, all individuals joining the company must read and formally accept the Code of Conduct and the Anti-Corruption and Anti-Bribery Policy, thereby certifying their knowledge and understanding of these guidelines. This process is carried out electronically and is duly recorded on the platform.

In 2025, 100% of employees endorsed their commitment to the company's ethical framework.

Regarding suppliers and other third parties, the company has been progressively strengthening its mechanisms to promote compliance with the ethical framework within the supply chain. The Supplier Code of Conduct, initially implemented in 2025 in Latin America, is communicated via email as part of a sensitization and preparation strategy for its gradual deployment across Group operations starting in 2026.

In a complementary manner, in Latin America, critical suppliers are identified through a documented procedure and are subject to visits and audits. Furthermore, since 2025, the supplier selection process has incorporated sustainability criteria. These mechanisms allow us to reinforce responsible conduct expectations and manage risks associated with commercial relationships in our operations.

It is worth noting that in jurisdictions where corruption has been identified as a relevant risk, such as Colombia, the company adopts a reinforced approach regarding training and risk management. According to the Corruption Perceptions Index (CPI) prepared by Transparency International, Colombia presents a level of corruption perception that justifies the adoption of more robust preventive and control mechanisms.

In this context, we develop specific training for employees and contractors, whether virtual or in-person, complemented by periodic email communications and recommendations. These focus on comprehensive anti-corruption risk management and the prevention of money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction, in line with the requirements of the SAGRILAFT (Colombia's Anti-Money Laundering and Counter-Terrorist Financing System). Likewise, the Code of Conduct promotes a culture of responsible reporting, based on good faith and non-retaliation, as a key element of the company's integrity system.

In Colombia, during 2025, 129 employees received training on:

- Types of risks.
- Red flags regarding clients, suppliers, and employees.
- Definition of corruption.
- Whistleblowing, ethics, and transparency policies.

AEO Certification

To strengthen transparency in foreign trade for the Colombia distribution center, located at the nail factory, we hold the Authorized Economic Operator (AEO) certification, granted by DIAN (Dirección de Impuestos y Aduanas Nacionales—Colombia's National Tax and Customs Authority). This certification generates significant benefits, such as:

- Being recognized as a secure and reliable actor within the international supply chain.
- The reduction of risks regarding fraud and other crimes such as contraband, drug trafficking, arms trafficking, money laundering, etc.
- Facilitation of customs processes that expedite export dispatches, allowing compliance with deadlines and commercial agreements with our customers.
- Reduction of inspections that may affect product quality and delivery times.

In line with the Code of Conduct, the company maintains a zero-tolerance policy toward bribery, improper payments, and other practices contrary to integrity.

Conflict of Interest Management

We formally regulate conflicts of interest through our Code of Conduct, which incorporates specific provisions aimed at preventing situations that may affect objectivity, integrity, or independence in decision-making. It establishes the obligation to act with transparency and to avoid, identify, and report any actual or potential conflict of interest situation that may arise in the performance of work functions or the company's business relationships.

When a situation of this nature is identified, the organization has formal reporting channels available, framed within our Whistleblowing Policy, which allow for the communication of these cases in a confidential manner and in accordance with established internal procedures.

Reported situations are evaluated according to established internal procedures. In the event of verifying a breach of the Code of Conduct, we apply disciplinary measures consistent with the nature and severity of the event, in conformity with applicable regulations, including, where appropriate, the termination of the employment link or commercial relationship.

Although there is currently no formal requirement for a periodic declaration of the absence of conflicts of interest, we have implemented preventive measures aimed at reducing the risk of favoritism, improper practices, or self-dealing, seeking to ensure that decisions and relationships develop under criteria of transparency, independence, and alignment with ethical principles.

Regulatory Compliance and Integrity

Based on the corporate ethical framework and through the application of internal controls, formal procedures, and supervision processes, we seek to ensure transparency, traceability, and adequate decision-making in the company's operations, preventing, detecting, and managing risks related to corruption, bribery, fraud, and other improper practices.

Internal Controls and Authorizations

Globally, MUSTAD has Signature Authority and Representation Guidelines that regulate the powers for subscribing official documents and exercising representation roles on behalf of the company. These guidelines establish formal authorization schemes, define responsibilities, and seek to mitigate risks associated with unauthorized signatures, contributing to the legal protection of the organization and the integrity of its internal processes.

This control framework favors the segregation of duties, clarity regarding approval levels, and accountability, constituting a key element for the prevention of improper practices and the promotion of transparent management.

Third-Party Due Diligence and Supply Chain

Managing risks associated with corruption, fraud, and other improper practices regarding third parties relies on evaluation and selection procedures for suppliers and other business associates. These procedures allow us to identify relevant risk factors and define proportional actions based on the determined criticality level.

We have an internal procedure for determining supplier criticality, which incorporates criteria aimed at evaluating integrity, compliance, and sustainability risks. Based on the results of these evaluations, we establish actions to follow when the obtained levels fall below the standards defined by the company.

As part of our due diligence processes, we verify suppliers and customers against international restrictive lists, a preventive mechanism against risks of corruption, fraud, and other illicit activities.

In the case of third parties, the management of risks associated with corruption, fraud, and other improper practices relies on the evaluation and selection procedures for suppliers and other business associates, which allow us to identify relevant risk factors and define proportional actions based on the determined criticality level.

Internal Control, Audit, and Transparency

We have a set of internal procedures and controls aimed at ensuring the adequate management of the company's financial and operational processes. These are applied in a decentralized manner in the various countries where we have a presence, considering local operational particularities, and cover key processes such as portfolio and collection, inventory management, accounting records, fixed asset administration and acquisition, as well as obsolescence management.

Key controls over financial and operational processes include authority limits, approval schemes, segregation of duties, automated controls, and management reviews. These mechanisms are clearly defined, communicated, and applied within the organization, contributing to transparency and adequate decision-making.

Although we do not have a single formal internal control manual, the company has a Business Control Model, developed by the Global Leadership Team (GLT), which defines the types of control applicable in each area of the organization. This model is complemented by specific procedures that ensure consistency, traceability, and the proper execution of processes.

The Finance function plays a central role in the design, implementation, and supervision of internal control, in coordination with the various operational areas, ensuring that controls are applied consistently with the nature and risk level of each process.

Additionally, we have a RACI matrix, developed and reviewed by the GLT, which explicitly establishes the roles of Responsible, Approver, Consulted, and Informed for the company's main processes and functions, strengthening organizational clarity, accountability, and transparency in management.

Enterprise Risk Management

Our global risk management system includes the identification, evaluation, and monitoring of strategic risks that may affect business continuity or value creation for stakeholders. This is supported by a global plan, the latest update of which was performed in March 2025. This plan incorporates risks associated with all company operations, along with respective mitigation actions aligned with the Key Performance Indicators (KPIs) defined in the MUSTAD strategy. These are reviewed monthly in Global Leadership Team (GLT) and Regional Leadership Team (RLT) meetings.

At the process level, risk management is developed based on a structured methodology that considers Political, Economic, Social, and Technological (PEST) factors, and incorporates probability and impact criteria for the prioritization of those risks that could significantly affect operations at the local level.

This risk matrix incorporates the definition of controls, contingency plans, and responsible parties for identified risks. These elements are verified during the annual review, strengthening the organization's response capacity regarding the eventual materialization of relevant risks.

Within this framework, corruption and fraud risks are integrated as part of the enterprise risk management system and are subject to monitoring through the company's control and supervision processes. Globally, these risks are considered within external financial audits through the application of tests oriented toward identifying atypical behaviors and validating the reasonableness of financial and transactional information.

For the year 2025, audit and supervision processes did not yield findings evidencing improper practices or significant irregularities regarding these risks.

Reinforced Approach by Jurisdiction

In jurisdictions where elevated risks are identified, the company applies reinforced control measures. In Colombia, for example, security visits are conducted by an external company to clients and suppliers, both at the selection stage and on a periodic (biannual) basis, in order to evaluate threats associated with corruption, fraud, and other unethical practices.

This differentiated approach allows us to adapt controls to local context conditions and strengthen risk management in markets with greater integrity challenges.

Relationship with Authorities and Regulators

Interactions with government entities and regulatory bodies are conducted in accordance with the principles of legality, integrity, and transparency established in the company's Code of Conduct. These interactions are intended to address regulatory requirements, fulfill legal obligations, or manage administrative matters inherent to our operation, and do not include activities of undue influence, political contributions, or practices aimed at obtaining improper advantages.

Generally, this type of relationship is channeled through the Finance area and is managed within applicable regulatory frameworks. When the nature or complexity of the matter requires it, we recur to the support of specialized external advisors, such as law firms or technical consultants, maintaining responsibility and supervision over said interactions at all times.

The Code of Conduct expressly establishes the prohibition of bribery, improper payments, political contributions, and any other practice that may compromise the independence, objectivity, or reputation of the company in its relationship with government entities.

Fiscal Transparency and Tax Compliance

The company's tax management is developed under principles of legality, regulatory compliance, and tax responsibility, as an integral part of our compliance and integrity framework. The transparency and reasonableness of our tax practices are supported by external audit processes and compliance with obligations associated with transfer pricing, in conformity with applicable regulations in the various jurisdictions where we operate.

Compliance with our tax obligations is ensured through the application of existing internal controls and supervision by responsible areas. Additionally, tax risk management is addressed, when necessary, with the support of specialized external advisors, allowing for an adequate interpretation and application of current regulatory frameworks.

We do not engage in aggressive tax planning practices nor do we utilize tax havens. During the years 2023, 2024, and 2025, no tax sanctions were recorded in the company's operations.

In 2025, there were zero fiscal sanctions and zero significant fiscal contingencies.

Information Security and Privacy

We recognize privacy and information security as essential elements of responsible management and the trust we build with our stakeholders. In this sense, we address information protection as part of our governance framework, consistent with the ethical and conduct principles established in the company's Code of Conduct.

These principles guide the proper use of information, the protection of digital assets, and the prevention of unauthorized access, loss, or misuse of information, both in our internal operations and in our relationships with third parties.

Personal Data Protection and Confidentiality

We treat the personal data of employees, customers, suppliers, and other third parties in a responsible manner and in accordance with the applicable regulations in the jurisdictions where we operate. We promote the legitimate and limited use of personal information, ensuring that it is used exclusively for purposes linked to business activity and corresponding legal obligations.

Likewise, we safeguard the confidentiality of commercial, financial, and strategic information, and we establish clear expectations to prevent its unauthorized disclosure or inappropriate use. These provisions are communicated to employees as part of the conduct guidelines and form part of the individual responsibilities associated with the exercise of their functions.

Responsible Use of Information and Systems

Information systems and technological resources are considered corporate assets, the use of which must be carried out in a responsible and secure manner, compliant with internal guidelines. We expect our employees to make proper use of these resources and to actively contribute to the protection of the information to which they have access during the development of their activities.

Looking toward 2026, we will reinforce our commitment to information security and privacy by strengthening protection measures for digital assets, promoting greater awareness and a culture of information care among our employees, and integrating privacy considerations into the design and management of systems and processes.

By prioritizing transparency, ethical data management, and a preventive approach to risks and threats, we seek to strengthen our organizational resilience and consolidate the trust of our stakeholders in an increasingly digital and interconnected environment.

Number of confirmed personal data breach incidents	0
Number of sanctions or fines for non-compliance with data protection	0
Number of information security audits performed	1

Stakeholder Engagement and Dialogue

Relationship building and dialogue with our stakeholders constitute a pillar for building trust, long-term relationships, and shared value. Through these relationships, we seek to continuously understand the expectations, needs, and concerns of our stakeholders, and to strengthen bonds based on transparency, mutual respect, and collaboration.

This approach is developed transversally through our management processes and practices, allowing dialogue with different stakeholders to be consistently integrated into business operations. The identification and consideration of stakeholders are incorporated into the planning of the company's management system, developed under the ISO 9001:2015 Standard. Although this system is not implemented uniformly across all Group subsidiaries, it establishes a common guideline for stakeholder involvement and analysis, given that relevant stakeholders remain consistent at a categorial level across the different geographies where we operate.

In this way, we establish a shared basis to understand stakeholder expectations and needs while adapting to the operational and regulatory particularities of each local context.

Stakeholder Identification and Prioritization

Our main stakeholders include shareholders, customers, suppliers, employees, the government, and communities. The prioritization of these groups is based on their direct relationship with the business, their influence on operational continuity, and the impact our activities may generate on them.

We perform a review of stakeholder needs and expectations periodically, at least once a year, as part of the quality management system update processes and continuous improvement exercises. This approach is verified in both internal management system audits and external audits, including financial audits.

Additionally, during the double materiality analysis exercise, we built a matrix linking identified stakeholders with Impacts, Risks, and Opportunities (IROs). This allows us to ensure that the management of impacts, risks, and opportunities explicitly considers the potentially affected or involved stakeholders, enabling us to prioritize actions, define responsibilities, and guide management plans toward those actors most relevant to each IRO.

Ongoing Dialogue and Engagement Monitoring

We engage with our stakeholders through distinct mechanisms and interaction spaces, depending on the type of group and the nature of the relationship. These include periodic meetings, service channels for responding to requests, complaints, claims, and suggestions, as well as participation and feedback spaces with customers and other relevant actors.

Stakeholder relationship management is handled through distinct metrics that allow for monitoring the quality and timeliness of the dialogue. These indicators reflect the interactions developed from different areas and processes of the organization, recognizing that stakeholder engagement is a cross-functional and continuous effort.

These monitoring elements include, as appropriate, the number of meetings held, response times to inquiries and complaints, request attention levels, participation in dialogue spaces, and, in some cases, satisfaction indicators such as the Net Promoter Score (NPS).

Although these indicators are managed organically by the areas responsible for each relationship, together they provide an integral vision that strengthens engagement, trust, and the construction of long-term relationships at the corporate level.

INVESTORS

EXPECTATIONS
- Profit ensuring profitability and growth
- Brand image maintaining a positive reputation
- Legal compliance to avoid sanctions and risks
- Information facilitating decision-making

CHANNEL
- GLT-RLT Meetings

STATE

EXPECTATIONS
- Legal compliance guaranteeing transparent operations
- Support for economic and social development
- Social responsibility and transparency

CHANNEL
- E-mail

CUSTOMERS

EXPECTATIONS
- Delivery time as agreed
- Quality in accordance with specifications
- Competitive prices
- Customer service
- Appropriate portfolio
- Clear, timely, and transparent communication

CHANNEL
- Visits
- Social Networks
- CRM

COMMUNITY

EXPECTATIONS
- Support for local development
- Legal compliance affecting social well-being
- Local employment generation
- Transparency and communication regarding community impacts

CHANNEL
- E-mail

SUPPLIERS

EXPECTATIONS
- Timely payments
- Purchase orders
- Ethics and transparency
- Support and collaboration

CHANNEL
- Visits
- E-mail

ENVIRONMENT

EXPECTATIONS
- Legal compliance to prevent negative impacts
- Responsible resource use
- Climate change mitigation

CHANNEL
- As per specific situation

EMPLOYEES

EXPECTATIONS
- Benefits
- Stability - Equity
- Fair wages
- Timely payment
- Industrial safety

CHANNEL
- Meetings
- E-mail
- Bulletin boards

Listening and Response Mechanisms

We have established formal listening and response mechanisms that allow us to receive, analyze, and manage concerns related to ethical conduct and the work environment, in line with our commitment to transparency, dialogue, and continuous improvement.

Currently, we have an ethical whistleblowing channel enabled for employees (https://report.whistleb.com/mustad), oriented toward reporting situations related to potential breaches of the Code of Conduct and the corporate ethical framework. This medium constitutes a key element of the integrity system and is designed to facilitate the timely and confidential communication of relevant concerns.

The management of received complaints and reports follows a structured process that generally contemplates three stages:

1. **Initial verification of the existence of grounds for the complaint.**
2. **Definition of the most suitable treatment, whether through internal management or, when the nature of the case warrants it, with external support.**
3. **Adoption of corresponding actions for its resolution and closure.**

This process ensures a proportional, objective, and consistent analysis of each situation.

The average response time to received communications is approximately two days once the communication has been received, reflecting our commitment to timely and responsible attention to the concerns raised.

Information derived from these complaint mechanisms is continuously monitored, allowing us to identify trends, evaluate response effectiveness, and adopt preventive measures aimed at strengthening the work environment and the company's ethical culture.

Although the volume of registered formal complaints is low, the company complements this monitoring with the analysis of other internal indicators, such as eNPS results, which allow us to identify early signals and improvement opportunities in the organizational environment, thereby contributing to the prevention of recurrent situations.

Between 2023 and 2025, we received a total of 34 reports of various typologies through the channel, all of which were analyzed, managed by the corresponding areas, and closed in their entirety in a satisfactory manner.

Of this total, 14 reports were registered during 2025, all of them attended to in accordance with established internal procedures. None of these reports corresponded to cases of ethics or corruption.

In the 2023–2024 period, two reports were identified that, following the corresponding analysis and investigation, led to the confirmation of serious breaches of the Company's ethical guidelines. In both cases, and once due internal process was exhausted, the foreseen disciplinary measures were adopted, as well as any legal actions that were deemed appropriate.

As part of our continuous improvement approach, we plan to strengthen and expand these complaint and grievance mechanisms starting in 2026. The objective is to progressively extend their scope to other relevant stakeholders, such as suppliers and customers, thereby reinforcing a culture of active listening, trust, and accountability throughout the value chain.

APPENDICES

VSME Table

VSME Indicator B1 – Basis for Preparing the Sustainability Report under the Voluntary VSME Standard

Selected Reporting Option: Comprehensive
Scope of the report

COMPANY NAME	SUBSIDIARY REGION	SUBSIDIARY CONTRY OF REGISTRATION	REGISTERED ADDRESS (CITY,COUNTRY)	LEGAL FORM	NACE CODE(S)	LOCAL ACTIVITY CODE (IF NACE NOT APPLICABLE)	COUNTRY OF PRIMARY OPERATIONS	LOCATION OF SIGNIFICANT ASSETS	GEOLOCATION OF SITES (COORDINATES)	SUSTAINABILITY CERTIFICATIONS/ LABELS (ISSUER, DATE, RATING)
MUSTAD Hoofcare S.A.	EMEA	Switzerland	Rue de Gruyères 106 1630 Bulle Switzerland	Private limited liability undertaking S.A. Local Specification Aktiengesellschaft (AG), Switzerland	NACE 01.62 – Support activities for animal production.	NOGA 01.620 – Support Activities for Animal Production	×	Main Offices	46.6175, 7.0581	—
MUSTAD Netherlands Bv	EMEA	Netherlands	Het Helmhout 12 9206 AZ Drachten - The Netherlands Drachten Distribution Center: Pascallaan 42, 8218 NJ Lelystad The Netherlands	Private limited liability undertaking Local Specification B.V. (Besloten Vennootschap, NL)	C23.99 (Manufacture of other non-metallic mineral products).	VAT number: NL815449719B01 KVK nummer: 01111895	×	Factory and Distribution Center	53.1126, 6.1035	—
Mustadfors Bruks AB	EMEA	Sweden	66695 Dals Langed- Sweden	Private limited liability undertaking Local Specification AB (Aktiebolag, Sweden)	C24.41 Precious metals production	SNI 24451 Precious metals production	×	Distribution Center	58.9116, 12.3076	—
Mattheis Borg Administracao, Participacoes, Comercio e Industria LTDA	LATAM	Brazil	Estrada União e Indústria, 15500 - Galpão 350, Itaipava, Petrópolis - RJ, CEP 25730-730	Private limited liability undertaking LTDA (Sociedade Limitada, Brazil) e Industria LTDA	C25.99 Manufacture of other fabricated metal products n.e.c.	CNAE 25.99-3/99 Manufacture of other fabricated metal products n.e.c.	×	Factory and Distribution Center	-22.4416, -43.2087	—
MUSTAD Argentina SA	LATAM	Argentina	Distribution Center: México 2056, B1640 Martínez, Provincia de Buenos Aires Factory: Ruta Nº 3 Km 496, B7500 Tres Arroyos, Buenos Aires-Argentina	Private limited liability undertaking S.A. Local Specification (Sociedad Anónima, Argentina)	C25.99 Manufacture of other fabricated metal products n.e.c.	SCIAN 259999 Manufacture of other fabricated metal products n.e.c	×	Factory and Distribution Center	-34.4831, -58.5172	—
Natas Civi Sanayi Ve Ticarel AS	EMEA	Turkey	Natas Civi San ve Tic AS, Barlas Antrepo, Dekor Sk. No2 Eyup Sultan Mh. 34885 Sancaktepe, Estambul, Turkey	Private limited liability undertaking Local Specification A.Ş. (Anonim Şirket, Turkey)	G46.74 – Wholesale of hardware, plumbing and heating equipment and supplies	46.74.01	×	Distribution Center	40.9095, 29.1714	—
MUSTAD Maroc SA	EMEA	Morocco	Commune mnii, Settat 26000, Marocco	Private limited liability undertaking Local Specification S.A. (Société Anonyme, Morocco)	C25.93 Manufacture of wire products, chain and springs.	2593 Manufacture of articles made from wire, chains, and springs	×	Distribution Center	33.0096, -7.6200	—

COMPANY NAME	SUBSIDIARY REGION	SUBSIDIARY CONTRY OF REGISTRATION	REGISTERED ADDRESS (CITY,COUNTRY)	LEGAL FORM	NACE CODE(S)	LOCAL ACTIVITY CODE (IF NACE NOT APPLICABLE	COUNTRY OF PRIMARY OPERATIONS	LOCATION OF SIGNIFICANT ASSETS	GEOLOCATION OF SITES (COORDINATES)	SUSTAINABILITY CERTIFICATIONS/ LABELS (ISSUER, DATE, RATING)
Mustad Australia Pty Ltd	APAC	Australia	10 Willowmavin Rd, Kilmore VIC 3764, Australia	Private limited liability undertaking Local Specification Pty Ltd (Proprietary Limited Company, Australia)	G46.90 Non-specialised wholesale trade	ANZSIC 3739 COther Goods Wholesaling n.e.c.	×	Distribution Center	-37.2845, 144.9502	—
Emcoclavos SAS	LATAM	Colombia	Cra 106 A # 153 A 11 Bogotá D.C - Colombia	Private limited liability undertaking Local Specification (Sociedad por acciones simplificada, Colombia)	C25.99 Manufacture of other fabricated metal products n.e.c.	CIIU 2599 Manufacture of other fabricated metal products n.e.c.	×	Factory and Distribution Center	4.7016, -74.1469	ISO 14001 Bureau Veritas Certification Date: 1 December 2017 Expiry Date: 30 November 2026 Scope: Manufacturing of horseshoe nails and distribution of equine hoof care products.
Heller International SAS	LATAM	Colombia	Bodega 31 Zona Franca Rionegro – Antioquia	Private limited liability undertaking Local Specification (Sociedad por acciones simplificada, Colombia)	C25.93 Manufacture of wire products, chain and springs	CIIU 2593 Manufacture of other fabricated metal products n.e.c.	×	Factory	6.1646, -75.4202	—
Mustad Mexico SA	LATAM	Mexico	Rio Juárez 1762, Colonia El Rosario Guadalajara Jalisco C.P. 44890	Private limited liability undertaking Local Specification S.A. (Sociedad Anónima, México)	G46.74 – Wholesale of hardware, plumbing and heating equipment and supplies	SCIAN 435110 Wholesale trade of hardware, paints, and glass products	×	Distribution Center	20.6849, -103.3181	—

Global Standard Index

VSME Index

This index presents the disclosure requirements of the VSME Standard – Comprehensive Option and indicates where each requirement is addressed within this report.

CODE	DISCLOSURE REQUIREMENT	REPORT LOCATION
B1	Basis for preparation	9, 10, 109, 110
B2	Practices, policies and future initiatives for transitioning towards a more sustainable economy Practices, policies and future initiatives for transitioning towards a more sustainable economy	14, 25-49, 54-95, 78
B3	Energy and greenhouse gas emissions	24, 54-60, 62
B4	Pollution of air, water and soil	62-65, 68, 69
B5	Biodiversity	No material
B6	Water	68, 69
B7	Resource use, circular economy and waste management	24, 37, 38, 40, 43, 47, 66, 67
B8	Workforce – General characteristics	3, 71, 76 (partial)
B9	Workforce – Health and safety	87, 88
B10	Workforce – Remuneration, collective bargaining and training	72, 76, 77 (partial)
B11	Convictions and fines for corruption and bribery	107
C1	Strategy: Business Model and Sustainability-related initiatives	3-5, 14, 37, 47-51
C2	Description of practices, policies and future initiatives for transitioning towards a more sustainable economy	14, 25-49, 54-95, 78
C3	GHG reduction targets and climate transition	24, 28-35
C4	Climate risks	17, 18, 23
C5*	Additional (general) workforce characteristics	71
C6*	Additional own workforce information – Human rights policies and processes	94, 95
C7	Severe negative human rights incidents	95
C8	Revenues from certain sectors and exclusion from EU reference benchmarks	Not applicable
C9	Gender diversity ratio in the governance body	6

ISSB - SASB Index (RT-IG)

This SASB Index has been prepared with reference to the SASB Industrial Machinery & Goods Standard, selected as the closest industry standard to MUSTAD's manufacturing activities. Metrics are disclosed where relevant and material; items not applicable to MUSTAD's business model are marked as N/A

TOPIC	ZCODE	CONTENTS	MEASUREMENT UNIT	STATUS	REPORT LOCATION
Energy Management	RT-IG-130a.1	Total energy consumed Percentage grid electricity Percentage renewable energy	MWh, %	Reported	44
Workforce Health & Safety	RT-IG-320a.1	TRIR Fatality rate Near miss frequency rate, for (1) direct employees and (2) contract employees	Rate, number	Partially Reported, only employees	83, 87, 88
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1	Fuel consumed by heavy-duty equipment: (1) by fleet fuel type and (2) by brake-specific fuel consumption	Litres per 100 tonne-kilometres	Not applicable (N/A)	—
Fuel Economy & Emissions in Use-phase	RT-IG-410a.2	Fuel consumed by non-road equipment: (1) by fuel type and (2) by brake-specific fuel consumption	Litres per hour	Not applicable (N/A)	—
Fuel Economy & Emissions in Use-phase	RT-IG-410a.3	Fuel consumed by stationary equipment: (1) by fuel type and (2) by brake-specific fuel consumption	Kilojoules per litre	Not applicable (N/A)	—
Fuel Economy & Emissions in Use-phase	RT-IG-410a.4	Exhaust emissions: (1) nitrogen oxides (NOx) and (2) particulate matter (PM)	Grammes per kilojoule	Not applicable (N/A)	—
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Qualitative	Reported	63, 64
Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Euros	Not applicable (N/A)	—
Activity Metric	RT-IG-000.A	Units produced, by product category	Number	Not disclosed due to trade confidentiality	—
Activity Metric	RT-IG-000.B	Number of employees	Number	Reported	3, 71

GRI Content Index

This report has been prepared with reference to the GRI Standards 2021. The Company does not declare that it has prepared this report in accordance with the GRI Standards; rather, the Standards have been used as a reference framework to structure the disclosure of relevant and material information.

GRI STANDARD			PAGE
Universal Standards			
GRI 2: General Disclosures 2021	2-1	Organizational details	3, 4, 9, 10, 97, 109, 110
	2-2	Entities included in the organization's sustainability reporting	9-11
	2-3	Reporting period, frequency and contact point	9-11
	2-4	Restatements of information	Not applicable
	2-5	External assurance	10
	2-6	Activities, value chain and other business relationships	3-5, 36-38, 47, 48, 109, 110
	2-7	Employees	3, 71 (partial)
	2-9	Governance structure and composition	97, 98
	2-10	Nomination and selection of the highest governance body	97
	2-11	Chair of the highest governance body	98
	2-12	Role of the highest governance body in overseeing the management of impacts	98
	2-13	Delegation of responsibility for managing impacts	20, 97, 98
	2-14	Role of the highest governance body in sustainability reporting	20, 98
	2-15	Conflicts of interest	101
	2-18	Evaluation of the performance of the highest governance body	98 (partial)
	2-22	Statement on sustainable development strategy	2
	2-23	Policy commitments	19, 78, 91, 94, 95, 99, 100
	2-24	Embedding policy commitments	13, 14, 20, 95, 99, 100, 102, 103
	2-25	Processes to remediate negative impacts	50, 95, 103, 107
	2-26	Mechanisms for seeking advice and raising concerns	95, 107
	2-27	Compliance with laws and regulations	103, 104
	2-29	Approach to stakeholder engagement	105, 106
	2-30	Collective bargaining agreements	77

GRI STANDARD		DISCLOSURE	PAGE
GRI 3: 2021 Material Topics	3-1	Process to determine material topics	15-17
	3-2	List of material topics	18
	3-3	Management of material topics	19
Topic Standards			
GRI 205: 2016 Anti-corruption	205-1	Operations assessed for risks related to corruption	100 (partial)
	205-2	Communication and training about anti-corruption policies and procedures	99, 100
	205-3	Confirmed incidents of corruption and actions taken	95, 107
GRI 207: 2019 Tax	207-1	Approach to tax	103 (partial)
GRI 301: 2016 Materials	301-1	Materials used by weight or volume	24
GRI 302: 2016 Energy	302-1	Energy consumption within the organization	44, 55 (partial)
	302-3	Energy intensity	55 (partial)
GRI 303: 2018 Water and Effluents	303-2	Management of water discharge-related impacts	69
	303-5	Water consumption	24, 68
GRI 305: 2016 Emissions	305-1	Direct GHG emissions (Scope 1)	24, 25, 62 (partial)
	305-2	Energy indirect GHG emissions (Scope 2)	24, 25, 27 (partial)
	305-3	Other indirect GHG emissions (Scope 3)	24, 27 (partial)
	305-4	GHG emissions intensity	27, 60, 62 (partial)
	305-5	Reduction of GHG emissions	32
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	62
GRI 306: 2020 Waste	306-1	Waste generation and significant waste-related impacts	24, 43, 66
	306-2	Management of significant waste-related impacts	38, 43, 47, 66
	306-3	Waste generated	67
	306-4	Waste diverted from disposal	67
	306-5	Waste directed to disposal	67
GRI 308:2016 Supplier Environmental Assessment	308-1	New suppliers screened using environmental criteria	37
GRI 401: 2016 Employment	401-1	New employee hires and employee turnover (partial)	76
GRI 403: 2018 Occupational Health and Safety	403-1	Occupational health and safety management system	78-80
	403-2	Hazard identification, risk assessment, and incident investigation	80-82, 86, 87
	403-3	Occupational health services	80-84

GRI STANDARD		DISCLOSURE	PAGE
GRI 403: 2018 Occupational Health and Safety	403-4	Worker participation, consultation, and communication on occupational health and safety	78, 85
	403-5	Worker training on occupational health and safety	82, 83, 85, 86
	403-6	Promotion of worker health	84, 85, 90
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked through business relationships	48, 83
	403-8	Workers covered by an occupational health and safety management system	79
	403-9	Work-related injuries	83, 87, 88
	403-10	Work-related ill health	83, 87, 88
GRI 404: 2016 Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs (partial)	72, 73
	404-3	Percentage of employees receiving regular performance and career development reviews	74
GRI 406: 2016 Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	95, 107
GRI 407: 2016 Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	37, 39, 40, 77, 94, 100, 102
GRI 408: 2016 Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	37, 39, 40, 94, 95, 100, 102 (partial)
GRI 409: 2016 Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	37, 39, 40, 94, 95, 100, 102 (partial)
GRI 415: 2016 Public Policy	415-1	Political contributions	103
GRI 416: 2016 Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	47, 48, 51
GRI 418: 2016 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	104

Carbon Neutrality Certificates

Emcoclavos S.A.S.

Docusign Envelope ID: 1E45D07E-D256-8AD4-82BC-27C2F28FD022

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: EMCOCLAVOS SAS

Carrera 106 A # 153 A – 11 Bogotá, D.C., Colombia

BVQI Colombia Ltda., has carried out the third-party verification of the carbon neutrality declaration at the organizational level for MUSTAD HOOFCARE GROUP: EMCOCLAVOS SAS, in accordance with the requirements established in the International Standard ISO 14064-3:2019 "Specification with guidance, for the validation and verification of Greenhouse Gas declarations" and has found compliance with the requirements of the standard detailed below

ISO 14068-1:2023

Climate change management. Transition to net zero. Part 1: Carbon Neutrality

Scope of opinion:

MUSTAD HOOFCARE GROUP: EMCOCLAVOS SAS in its carbon neutrality statement includes: Category 1 direct emissions and Category 2 indirect emissions from imported energy. Emissions that were quantified, reported in the GHG inventory and 100% offset. Category 3 indirect emissions from transportation and category 4 indirect GHG emissions caused by products used by the organization were quantified, reported in the GHG inventory and excluded from the scope of this statement in accordance with the organization's carbon footprint management plan.

Category	t CO2e/year
Category 1 - Direct Emissions	8,83
Category 2 – Indirect emissions from imported energy.	99,46
Category 3 – Indirect GHG Emissions from Transport	1.660,43
Category 4 – Indirect GHG emissions caused by products used by the organization	684,31
Total Emissions	2.453,03
Total Biogenic Emissions	1,54
Total Compensation	111,00

The projects in which the offsets were made are listed on the following page

Fin del alcance BVQI Colombia Ltda.

Certificate Number:
CO26.06066

Period of the:
01/01/2025 to 31/12/2025

Assurance: *Reasonable*
Materiality: *5%*

Version No.: 1

Issue date:
11 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Docusign Envelope ID: 1E45D07E-D256-8AD4-82BC-27C2F28FD022

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: EMCOCLAVOS SAS

Carrera 106 A # 153 A – 11 Bogotá, D.C., Colombia

ISO 14068-1:2023

Climate change management. Transition to net zero. Part 1: Carbon Neutrality

GHG Emissions Offsets:

Type and nature of claims	Serie	Platform	Link to the record where the credit has been withdrawn	Withdrawal Date	Number of credits
CRIMA Predio Putumayo y Andoque de Aduche REDD+ Project (Voluntarios)	BCR-CO 259-14-005 3-2101 2112 0298119- 0298229	Biocarbon Registry	Global CarbonTrace	Abril 08 de 2026	111 tCO2e

End of scope BVQI Colombia Ltda.

Certificate Number:
CO26.06066

Version No.: 1

Issue date:
11 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Carbon Neutrality Certificates

Mattheis Borg LTDA

Docusign Envelope ID: 315ECF82-A876-8D4A-8054-3965BBE665A0

BUREAU VERITAS

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: MATTHEIS BORG LTDA

Estrada Uniao E Industria 15500, Glp 350, Itaipava / Petropolis; Rio de Janeiro.

BVQI Colombia Ltda., has carried out the third-party verification of the carbon neutrality declaration at the organizational level for MUSTAD HOOFCARE GROUP: MATTHEIS BORG LTDA, in accordance with the requirements established in the International Standard ISO 14064-3:2019 "Specification with guidance, for the validation and verification of Greenhouse Gas declarations" and has found compliance with the requirements of the standard detailed below

ISO 14068-1:2023

Climate change management. Transition to net zero. Part 1: Carbon Neutrality

Scope of opinion:

MUSTAD HOOFCARE GROUP: MATTHEIS BORG LTDA in its carbon neutrality statement includes: Category 1 direct emissions and Category 2 indirect emissions from imported energy. Emissions that were quantified, reported in the GHG inventory and 100% offset.
Category 3 indirect emissions from transportation and category 4 indirect GHG emissions caused by products used by the organization were quantified, reported in the GHG inventory and excluded from the scope of this statement in accordance with the organization's carbon footprint management plan.

Category	t CO2e/year
Category 1 - Direct Emissions	8,29
Category 2 – Indirect emissions from imported energy.	0,29
Category 3 – Indirect GHG Emissions from Transport	1.738,62
Category 4 – Indirect GHG emissions caused by products used by the organization	1.606,846
Total Emissions	3.354,04
Total Biogenic Emissions	0,79
Total Compensation	10,00

The projects in which the offsets were made are listed on the following page

Fin del alcance BVQI Colombia Ltda.

Certificate Number:
CO26.06068

Period of the:
01/01/2025 to 31/12/2025

Assurance: *Reasonable*
Materiality: *5%*

Version No.: 1

Issue date:
11 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Docusign Envelope ID: 315ECF82-A876-8D4A-8054-3965BBE665A0

BUREAU VERITAS

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: MATTHEIS BORG LTDA

Estrada Uniao E Industria 15500, Glp 350, Itaipava / Petropolis; Rio de Janeiro.

ISO 14068-1:2023

Climate change management. Transition to net zero. Part 1: Carbon Neutrality

GHG Emissions Offsets:

Type and nature of claims	Serie	Platform	Link to the record where the credit has been withdrawn	Withdrawal Date	Number of credits
Proyecto: Caleiras landfill gas emission reduction. Voluntarios	Número de serie inicial: BR-5 211250920 1-1-0-171 Número de serie final: BR-5 211250929 1-1-0-171	CDM de la Convención Marco de las Naciones Unidas sobre el Cambio Climático (UNFCCC)	https://cdm.unfccc.int/Registry/vc_attest_nr/index.html	24/04/2026	10 tCO2e

End of scope BVQI Colombia Ltda.

Certificate Number:
CO26.06068

Version No.: 1

Issue date:
11 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Carbon Neutrality Certificates

MUSTAD Friesland

Docusign Envelope ID: 3324A7D4-02A8-8D9E-810C-34F28309153B

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: MUSTAD FRIESLAND
Het Helmhout 12 9206 AZ Drachten - The Netherlands

BVQI Colombia Ltda., has carried out the third-party verification of the carbon neutrality declaration at the organizational level for MUSTAD HOOFCARE GROUP: MUSTAD FRIESLAND, in accordance with the requirements established in the International Standard ISO 14064-3:2019 "Specification with guidance, for the validation and verification of Greenhouse Gas declarations" and has found compliance with the requirements of the standard detailed below

ISO 14068-1:2023
Climate change management. Transition to net zero. Part 1: Carbon Neutrality

Scope of opinion:
MUSTAD HOOFCARE GROUP: MUSTAD FRIESLAND in its carbon neutrality statement includes: Category 1 direct emissions. Emissions that were quantified, reported in the GHG inventory and 100% offset.
Category 3 indirect emissions from transportation and category 4 indirect GHG emissions caused by products used by the organization were quantified, reported in the GHG inventory and excluded from the scope of this statement in accordance with the organization's carbon footprint management plan.

Category	t CO2e/year
Category 1 - Direct Emissions	2.143,46
Reduction Actions: Category 1 - Direct Emissions per Project Purchase of green energy certificates: PCO2 gecompenseerd gas GOLD standard fneemt van Audax Renewable.	- 2.116,16
Category 3 – Indirect GHG Emissions from Transport	874,09
Category 4 – Indirect GHG emissions caused by products used by the organization	1.397,17
Total Emissions	2.298,46
Total Compensation	28,00

The projects in which the offsets were made are listed on the following page

Fin del alcance BVQI Colombia Ltda.

Certificate Number:
CO26.06111

Period of the:
01/01/2025 to 31/12/2025

Assurance: *Reasonable*
Materiality: *5%*

Version No.: 1

Issue date:
14 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Docusign Envelope ID: 3324A7D4-02A8-8D9E-810C-34F28309153B

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: MUSTAD FRIESLAND
Het Helmhout 12 9206 AZ Drachten - The Netherlands

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ISO 14068-1:2023
Climate change management. Transition to net zero. Part 1: Carbon Neutrality

GHG Emissions Offsets:

Type and nature of claims	Serie	Platform	Link to the record where the credit has been withdrawn	Withdrawal Date	Number of credits
CRIMA Predio Putumayo y Andoque de Aduche REDD+ Project Voluntarios	BCR-CO-259-14-005- 2-2201-2212-03051525 0351552	Biocarbon Registry	https://globalcarbontrace.io/transactions	Abril 28 de 2026	28 tCO2e

End of scope BVQI Colombia Ltda.

Certificate Number:
CO26.06111

Version No.: 1

Issue date:
14 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Carbon Neutrality Certificates

St. Croix Forge

Docusign Envelope ID: 1D07B5ED-8980-888C-8146-1FD830893AF3

BUREAU VERITAS

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE GROUP: ST. CROIX FORGE

5195 Scandia Trail N, Forest Lake, MN 55025, Estados Unidos Forest Lake MN / USA

BVQI Colombia Ltda., has carried out the third-party verification of the carbon neutrality declaration at the organizational level for MUSTAD HOOFCARE GROUP: ST. CROIX FORGE, in accordance with the requirements established in the International Standard ISO 14064-3:2019 "Specification with guidance, for the validation and verification of Greenhouse Gas declarations" and has found compliance with the requirements of the standard detailed below

ISO 14068-1:2023

Climate change management. Transition to net zero. Part 1: Carbon Neutrality

Scope of opinion:

MUSTAD HOOFCARE GROUP: ST. CROIX FORGE in its carbon neutrality statement includes: Category 1 direct emissions and Category 2 indirect emissions from imported energy. Emissions that were quantified, reported in the GHG inventory and 100% offset. Category 3 indirect emissions from transportation and category 4 indirect GHG emissions caused by products used by the organization were quantified, reported in the GHG inventory and excluded from the scope of this statement in accordance with the organization's carbon footprint management plan.

Category	t CO2e/year
Category 1 - Direct Emissions	115,95
Category 2 – Indirect emissions from imported energy.	49,61
Category 3 – Indirect GHG Emissions from Transport	710,84
Category 4 – Indirect GHG emissions caused by products used by the organization	1.536,47
Total Emissions	2.412,87
Total Biogenic Emissions	0,84
Total Compensation	167,00

The projects in which the offsets were made are listed on the following page

Fin del alcance BVQI Colombia Ltda.

Certificate Number:
CO26.06067

Period of the:
01/01/2025 to 31/12/2025

Assurance: *Reasonable*
Materiality: *5%*

Version No.: 1

Issue date:
11 May 2026

[redacted]
Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

[redacted]

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

Docusign Envelope ID: 1D07B5ED-8980-888C-8146-1FD830893AF3

BUREAU VERITAS

CARBON NEUTRALITY DECLARATION VERIFICATION OPINION

MUSTAD HOOFCARE ST. CROIX FORGE

5195 Scandia Trail N, Forest Lake, MN 55025, Estados Unidos Forest Lake MN / USA

ISO 14068-1:2023

Climate change management. Transition to net zero. Part 1: Carbon Neutrality

GHG Emissions Offsets:

Type and nature of claims	Serie	Platform	Link to the record where the credit has been withdrawn	Withdrawal Date	Number of credits
Advanced Refrieration ARS2024002. (Voluntaers)	ACR -US 1092-2025 2855-1 to 167	ACR	https://acrcarbon.org/	26/03/2026	167 tCO2e

End of scope BVQI Colombia Ltda.

Certificate Number:
CO26.06067

Version No.: 1

Issue date:
11 May 2026

Carolina Prieto Carranza
Technical Manager
Bureau Veritas Certification

[redacted]

Certification Body Address: *BVQI Colombia Ltda. Carrera 16 No 97-40 Torre 1 Oficina 401. Bogotá D.C. – Colombia*

More information on the scope and validity of this certificate, as well as on the applicability of the requirements of the Management System, can be obtained by consulting the organization.

To check the validity of the certificate, please scan the QR Code. Any total or partial modification by any means to the original registration will cause it to lose its validity.

SF519 Local Certificate Template VV – rev.4 – 28octubre2025 – Página 1/1

MUSTAD

MUSTAD ESG REPORT 2025

We publish our sustainability report in digital format on the MUSTAD corporate website at **www.mustad.com** where it can be consulted and downloaded along with its indicator tables.

Stakeholders wishing to submit comments, inquiries, or suggestions regarding this report or the company's sustainability management may communicate via email at **esg@mustad.com**.