RECTICELGROUP

POWERING PROGRESS THROUGH FUTURE-SMART INSULATION

2025 Annual Report

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The European Single Electronic Format (ESEF) is the official version of the Financial Statement (Chapter 7 of this report), as stipulated in Art. 4 of the Transparency Directive 2004/109/EG. Download the machine-readable iXBRL version of our 2025 Annual Report at https://www.recticel.com/investors/annual-half-year-reports.html

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RECTICEL GROUP: THE HOME OF FUTURE-SMART INSULATION

Recticel Group is a leading insulation company with headquarters in Belgium and operations in eight countries across Europe and the US. Our ambition is to accelerate the fight against climate change with smart insulation solutions that create sustainable value for our customers, stakeholders and society as a whole. We offer a comprehensive and innovative portfolio of thermal insulation and noise control solutions. through different divisions, all of which are centres of excellence in their own specialities.

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LETTER FROM THE EXECUTIVE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

Dear Reader,

Welcome to this 2025 Annual Report. As we look back on a year of growth and transition, we value this opportunity to share our performance, with an emphasis on clarity, accuracy and transparency. Our Annual Report serves as a key resource for stakeholders and as an important guide for strategic planning within the Recticel Group. By reviewing our performance and assessing upcoming risks and opportunities, we gain critical insights that inform long-term value creation.

While the 2025 Annual Report has been prepared in full compliance with all applicable legal and reporting standards, including ESRS and IFRS, we strive to go beyond merely meeting legal requirements. This document contains valuable information on our progress towards our goals and plans for further growth as a provider of future-smart insulation.

As the Executive Chairman and CEO of Recticel Group, we assure you that, to the best of our knowledge, our 2025 sustainability and financial statements and the remuneration report accurately reflect Recticel Group's assets, position and performance.

Reflecting on a year of success
In 2025, Recticel Group delivered strong financial performance, strategic expansion and steady progress towards our sustainability targets. By focusing relentlessly on our purpose – **future-smart insulation** – we have reinforced our market identity, supported by a growing portfolio of brands. Volumes increased in all our divisions, as did Group sales and profits, reflecting our dedication to operational excellence, product innovation and strategic growth in key operating countries.

2025 also brought significant changes. Over the year, we reassessed our business model and strategy to establish our pathway and targets for the rest of this decade. Our newly launched strategy - **ELEVATE 2030** - sets out a clear blueprint for value-driven growth through greater focus and efficiency. Built on six core pillars (operations, administrative processes, advanced products, downstream offerings, geographical expansion, carbon footprint), this disciplined approach will strengthen our position as a leader in future-smart insulation.

Jan Vergote
Executive Chairman

Stefaan Debusschere
Chief Executive Officer

"In 2025, Recticel Group remains committed to being the smartest rather than the biggest."

Our three divisions continue to expand in their specific markets. The Insulation Boards division has been on a positive trajectory since 2024, and this is expected to continue. Demand for our polyurethane insulation boards, marketed under the new and revitalised **Recticel Insulation** brand, continues to grow in line with the building insulation market in general. Our **Turvac** vacuum insulated panels (VIPs) also serve the building insulation market alongside applications in the cold chain packaging and pharmaceutical sectors. And with our UK-based **Gradient** brand we offer bespoke solutions for tapered and flat roofs. Moving forward, the division is focused on enhancing its product mix, with an emphasis on advanced and downstream products. It is also targeting new efficiencies through smarter operations and administrative processes, including AI-driven advances that improve the customer experience.

In 2025, Recticel Group delivered strong financial performance, strategic expansion and steady progress towards our sustainability targets.

The Insulated Panels division has shown agility amid market changes, with both the **Trimo** and **Rex** brands increasing sales and volumes in 2025. Building on this success, they are aiming to be a leading supplier of premium mineral wool insulated panels, alongside PIR market leadership in targeted geographies. Construction continues at the new Greenfield panel manufacturing facility in the US, with commissioning scheduled by the end of 2026. The **Trimo MSS** brand continues to serve a growing market for prefabricated solutions that contribute to the circular economy. The Insulated Panels division has also extended its portfolio with two new downstream brands: **Miclar** and **Kuras**. The growth of the division is driven by key applications, strategic expansion, improved utilisation of operational capacity, and continuous innovation to enhance both products and production efficiency. The data centre market is a strategic growth area with demanding requirements, where our insulated panels excel as building envelope solutions.

Our US-based Acoustic Solutions division, represented by the **Soundcoat** brand, remains a pioneer in acoustics innovation. Largely due to its engineering prowess and commitment to R&D, it holds a unique position in value-added sectors such as aerospace, aviation and EV charging. Soundcoat's advanced acoustic materials were used in NASA's Artemis II, which successfully returned to Earth after a 10-day mission around the Moon.

The extended Recticel Group portfolio, encompassing upstream and downstream capabilities, is central to our business model and identity. It reflects a smart, future-ready strategy that combines core insulation materials with higher-value, engineered, and application-specific products and services. Its scope enables us to tailor solutions for diverse markets, applications, customers and projects while maintaining our focus on performance and energy efficiency.

Sustainability progress
The fight against climate change remains central in our growth strategy. In 2025 we achieved a 28% reduction in Scope 1 & 2. Whilst our Scope 3 emissions increased by 5%, our total carbon intensity (total emissions per m^3 produced) reduced by 7.5%. This reflects the impact of our sustainability efforts in a year of growth.

Our activities centre on developing high-performance insulation solutions that support the energy transition by reducing energy demand in buildings. We estimate that the building insulation products we sold in 2025 will prevent 20 million tCO_2e over their lifetime, far surpassing the total carbon footprint of our activities, by a factor 33.

The data centre market is a strategic growth area with demanding requirements.

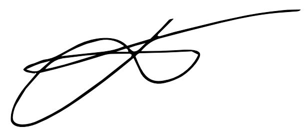
In 2025 we took a significant step forward with the construction of our new recycled Polyol plant in Wevelgem, Belgium, which enables us to integrate recycled content across our mainstream insulation portfolio while reducing production waste, starting May 2026. This operation alone will lead to an annual saving of 6,000 tonnes virgin polyol, providing a financial benefit and a reduction in our Scope 3 emissions.

As collaboration is key to our sustainability efforts and achievements., we partner closely with customers and suppliers to create solutions that enhance energy efficiency and promote circularity throughout the supply chain.

A future-smart outlook
Recticel Group's 2025 and Q1 2026 results demonstrate growth across our Insulated Panels and Insulation Boards divisions. Group revenue reached a record high in 2025, rising by 7.4%. Major investments are proceeding as planned, the integration of our new acquisitions is proceeding as planned, and our new strategy sets the stage for a leaner, smarter Group – anchored by a strong market position, a clear purpose and highly committed teams.

While geopolitical and economic uncertainties persist and significantly impact the costs of our raw materials, we are confident in the Group's proven ability to adapt and drive growth.

We are very grateful to our colleagues, customers, suppliers, shareholders and everyone who has contributed to Recticel Group's success. In return, we reaffirm our commitment to delivering enhanced value for you on our shared journey to growth.



Jan Vergote
Executive Chairman

Stefaan Debusschere
Chief Executive Officer

01 Highlights and performance indicators

PART 1 | MANAGEMENT'S REVIEW

1.1 Highlights of 2025 and early 2026

JAN 2025

Low-carbon innovation
Trimo next-generation Qbiss One Next and Trimoterm Next insulated panels deliver up to 69% reduction in carbon footprint versus conventional alternatives.

FEB 2025

Expanding infrastructure
Turvac inaugurates a state-of-the-art production facility and Competence Centre dedicated to vacuum insulation technologies.

MAR 2025

Circular manufacturing
Investment in an advanced recycling facility for **Recticel Insulation** that converts PIR production scrap into high-value recycled polyol, for insulation boards production.

AUG 2025

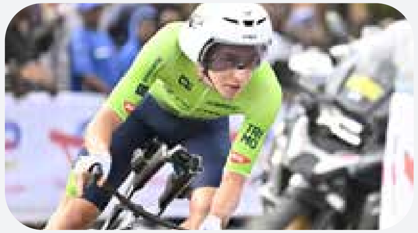
New acoustics lab
Soundcoat unveils state-of-the-art acoustics lab with enhanced capabilities in modelling, simulation, and rapid prototyping, accelerating innovation and customer-specific development.

AUG 2025

Cleanroom manufacturing
Soundcoat scales up controlled-environment production, enabling advanced thermo-acoustic composites and ready-to-install kit assemblies for highly sensitive applications.

OCT 2025

Full ownership of Turvac
Acquisition of the remaining minority stake in **Turvac**, fully integrating its expertise in vacuum insulated panels.



OCT 2025

Champions rise. Legends last.
Tadej Pogačar, proudly supported by **Trimo**, secures his second consecutive title at the UCI Road World Championships, a testament to excellence, endurance, and performance.

NOV 2025

Acquisition of Kuras (NED)
Acquisition of a 70% controlling stake in **Kuras**, strengthening its position in the insulated panels market.

NOV 2025

Supplier of the Year
Trimo MSS receives top recognition at the Sisk Supply Chain Awards 2025, highlighting excellence in performance and partnership.

NOV 2025

New growth strategy
Launch of **ELEVATE 2030**, outlining the **Recticel Group** strategic roadmap focused on excellence, innovation, sustainability, and international expansion.

NOV 2025

Best sustainability report
Recticel Group is honored by the Belgian Institute of Statutory Auditors for its outstanding 2024 sustainability reporting.

NOV 2025

Acquisition of Miclar (BEL)
Recticel Group acquires a 76% stake in **Miclar**, expanding capabilities in façade systems, structural steel, and finishing solutions.

FEB 2026

Greenfield expansion in US
Recticel Group announces the construction of its first insulated panels production facility in Tennessee (US), marking a major step in its North American growth strategy.

FEB 2026

Top recognition by EcoVadis
Recticel Group earns its first EcoVadis Silver Medal, placing the Group among top performers in sustainability.

MAR 2026

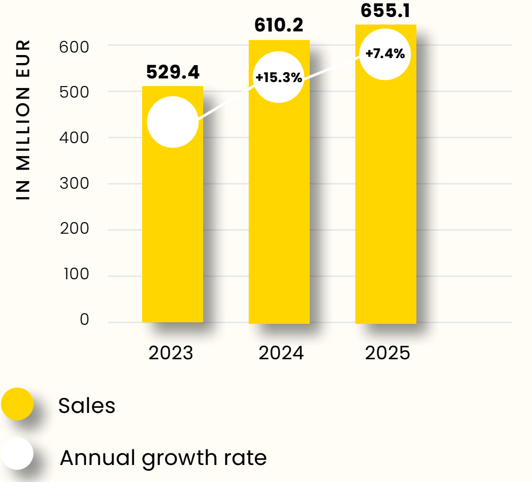
We build trust
Launch of a refreshed identity and logo for **Recticel Insulation**, reflecting a renewed focus on trust, innovation, and future growth.

APR 2026

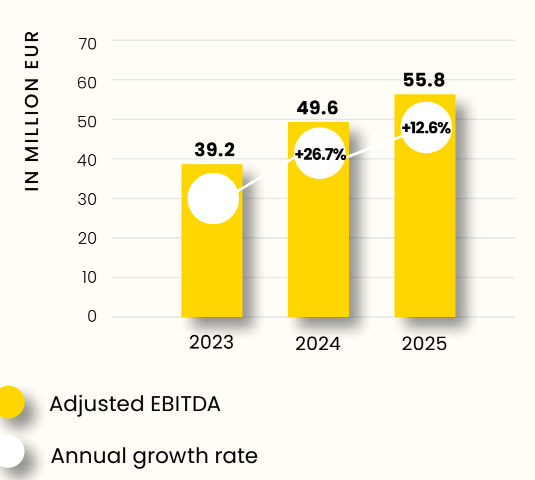
To the moon and back
Soundcoat acoustics technologies contribute to Artemis II by NASA, demonstrating performance in one of the most demanding environments imaginable.

1.2 2025 financial indicators

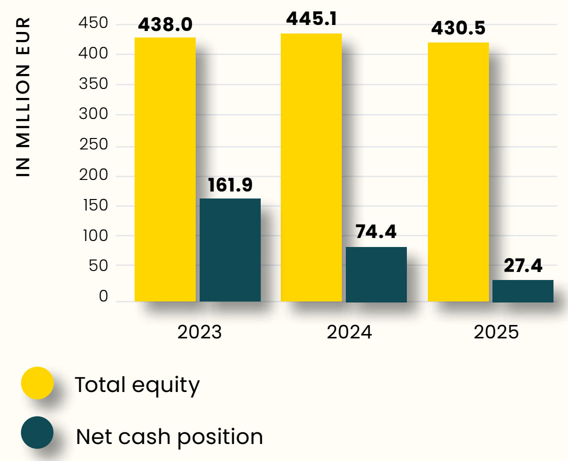
SALES



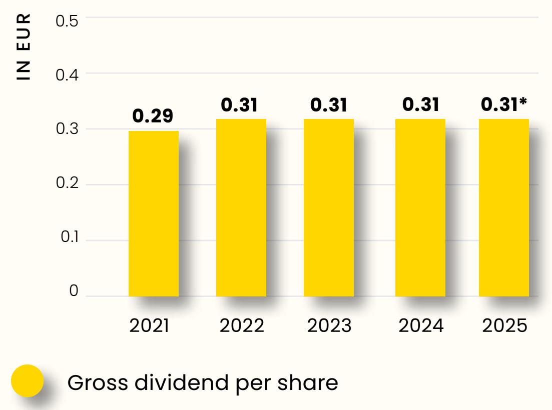
ADJUSTED EBITDA



TOTAL EQUITY VERSUS NET CASH

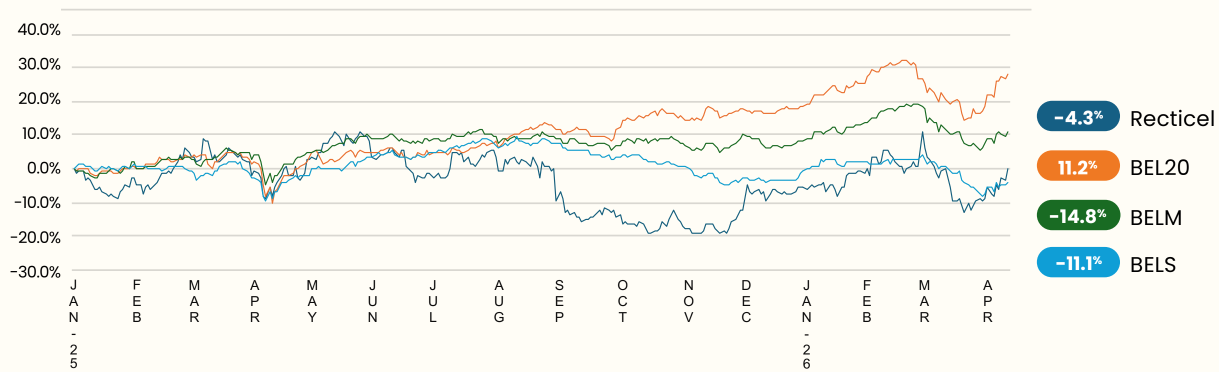


GROSS DIVIDEND PER SHARE (5 YEARS)



** Subject to approval of the profit appropriation by the General Meeting of 26 May 2026, a dividend of EUR 0.31 gross will be paid per ordinary share, or EUR 0.217 net (-30% withholding tax). This dividend will be payable from 1 June 2026. KBC Bank acts as paying agent. Payments for the registered shares will take place via bank transfer to the shareholders' bank accounts*

RECTICEL SHARE PRICE EVOLUTION VERSUS BEL 20, BEL MID, BEL SMALL (PERIOD 01.01.2025-14.04.2026)



(Euronext™: RECT.BE – Reuters: RIECT.BR – Bloomberg: RECT.BB) is listed on the Euronext ™ stock exchange in Brussels and is part of the BEL Mid® index.
Index weighting: 2.11% on 31 December 2025

Consolidated Recticel Group results – Key figures

IN MILLION EUR

	2024	2025[1]	%
Sales	**610.2**	**655.1**	**7.4%**
Gross profit	104.5	114.0	9.0%
as % of sales	17.1%	17.4%	
Adjusted EBITDA	**49.6**	**55.8**	**12.6%**
as % of sales	8.1%	8.5%	
EBITDA	**42.6**	**51.3**	**20.6%**
as % of sales	7.0%	7.8%	
Adjusted operating profit (loss)	**18.9**	**24.6**	**29.7%**
as % of sales	3.1%	3.7%	
Operating profit (loss)	**11.5**	**19.9**	**73.3%**
as % of sales	1.9%	3.0%	
Financial result	**3.4**	**(3.5)**	**n.m.**
Income from other associates [2]	**0.0**	**0.0**	**n.m.**
Impairment other associates	**0.0**	**(11.5)**	**n.m.**
Income taxes	**1.5**	**0.6**	**n.m.**
Result of the period of continuing operations	**16.3**	**5.6**	**n.m.**
Result of discontinued operations	**1.6**	**5.0**	**213.0%**
Result of the period (share of the Group)	**18.1**	**10.2**	**-43.8%**
Result of the period (share of the Group) - base (per share, in EUR)	0.32	0.18	-44.0%

Consolidated Recticel Group results - Financial position

IN MILLION EUR

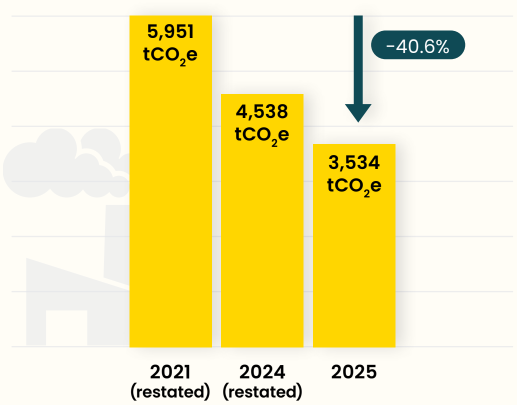
	31 DEC 2024	31 DEC 2025	%
Total equity	**445.1**	**430.5**	**-3.3%**
Net financial debt (incl. IFRS 16 - Leases)	(74.4)	(27.4)	n.m.
Gearing ratio (Net financial debt / Total equity)	**N/A**	**N/A**	
Leverage ratio (Net financial debt / EBITDA)	N/A	N/A	

[1] Kuras BV (Insulated Panels) is fully consolidated as from 1 November 2025 and Miclar Group (Insulated Panels) is fully consolidated as from 1 December 2025.
[2] Income from other associates: income from associates not considered as being part of the Group's core business are not integrated in Operating profit (loss); i.e. Ascorium Holding GmbH (formerly TEMDA2).

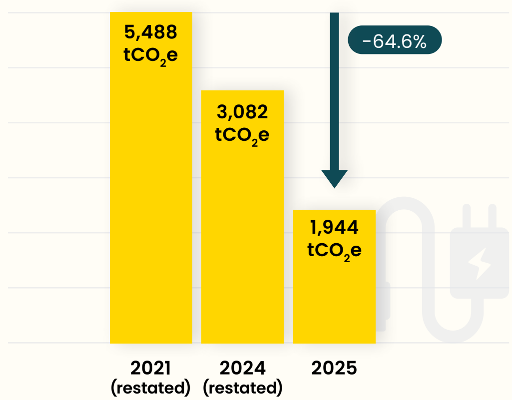
1.3 2025 environmental indicators

Recticel Group reduced its Scope 1+2 emissions in 2025 by 28%, and although Scope 3 emissions increased by 5%, our total carbon intensity (per m³ produced) fell by 7.5%, reflecting the impact of our sustainability efforts during a year of growth. Energy intensity per m³ also decreased by 14.1%. We estimate that the insulation products sold in 2025 will avoid 20 million tCO_2e over their lifetime, over 33 times our total carbon footprint.

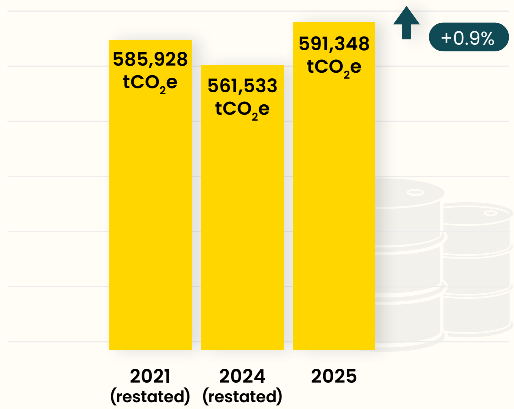
SCOPE 1 GHG EMISSIONS



SCOPE 2 GHG EMISSIONS (MARKET BASED)



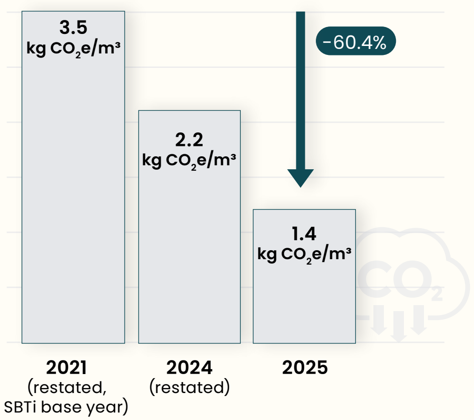
SCOPE 3 GHG EMISSIONS



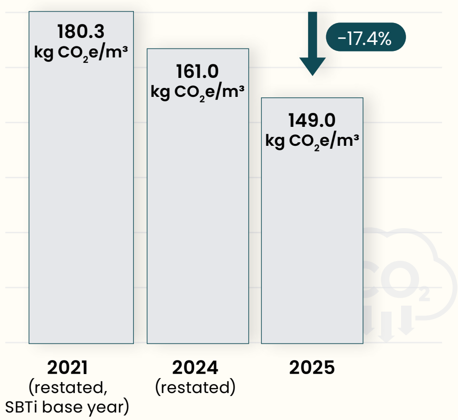
Excl. Cat 3.15, Investments

INTENSITY KPIS

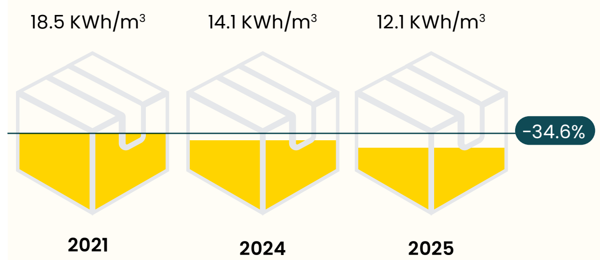
CARBON INTENSITY KG CO_2E PER M³ SCOPE 1+2 (MARKET BASED)



CARBON INTENSITY KG CO_2E PER M³ SCOPE 1+2+3 (MARKET BASED)

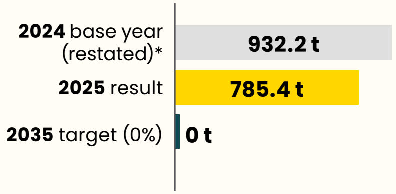


ENERGY INTENSITY PER M³

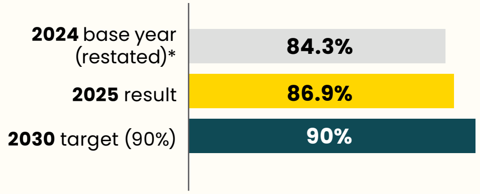


CIRCULAR ECONOMY AND RESOURCE USE TARGETS

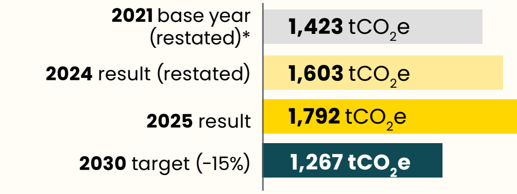
WASTE REDUCTION AND RECOVERY
Zero operational waste to landfill



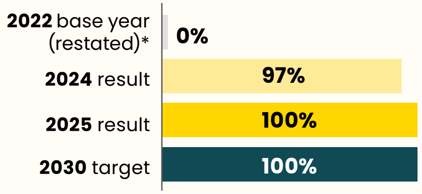
WASTE REDUCTION AND RECOVERY
Diversion of operational waste to recycling



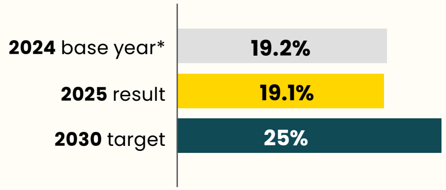
END-OF-LIFE RECYCLING
Cat. 3.12, End-of-Life treatment of sold products



PEFC CERTIFIED PAPER IN MULTILAYER FACINGS OF INSULTION BOARDS



RECYCLED CONTENT** OF MINERAL WOOL IN INSULATED PANELS



** base year: Recticel Group, excluding Kuras, Miclar*
*** unweighted average of supplier-reported pre-and post consumer content*

AVOIDED EMISSIONS

Over 50 years of use of the building insulation products sold in 2025, more than

19.7 million tonnes of CO_2e

will be avoided.

SBTi

Overall net-zero target

- Recticel Group commits to reach net-zero greenhouse gas emissions across the value chain by 2050 from a 2021 base year.

Near-term targets

- Recticel Group commits to reduce absolute Scope 1+2 GHG emissions 90% by 2030 from a 2021 base year.
- Recticel Group also commits to reduce absolute Scope 3 GHG emissions 25% within the same timeframe.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Our commitment to sustainability and our 2025 performance is translated in higher ESG scores from major rating companies.

Climate CDP A List 2025

SILVER | Top 15% ecovadis Sustainability Rating FEB 2026

02 A force for smarter insulation

ESRS 2, SBM-1 | ESRS 2, SBM-2 | ESRS 2, SBM-3

PART 1 | MANAGEMENT'S REVIEW

2

IN THIS CHAPTER

Against a shifting geopolitical background, and in the face of market fluctuations, Recticel Group has remained both agile and committed to its overall purpose of providing future-smart insulation. Our brands are helping to shape the future of construction through innovation and proven performance. Each of our three divisions – Insulation Boards, Insulated Panels and Acoustic Solutions – has its own specialisations and capabilities. Together, they add up to a comprehensive offering that addresses needs in a growing range of industries and applications.

The fight against climate change remains fundamental and we have made measurable progress in reducing our Scope 1, 2 and 3 emissions. Sustainability is firmly embedded in every facet of our operations and relationships, and we have enhanced our performance in the three key areas of our strategy: products and services, customer categories and stakeholders. We have invested in new downstream offerings and continue to adopt appropriate AI-enabled innovations which add value for our customers.

In 2025, we increased volumes in all our divisions and achieved higher Group sales and profits. We also evaluated our strategy and business model to redefine our growth path and targets for the rest of this decade. By combining core insulation materials with higher-value, specifically engineered products, we are addressing the needs of a more diverse spectrum of markets.

We continue to build trust through engagement with ESG rating companies, and have been rewarded most recently with an A score for Climate Change from CDP, as well as an A rating in its Supplier Engagement Assessment (SEA). In February 2026, we also received a silver medal from EcoVadis. Backed by continuous stakeholder engagement, a robust business model and our rigorously focused **ELEVATE 2030** strategy, we are confident that Recticel Group will continue to build on its position as a strong, dynamic and sustainable force for smarter insulation.

EUR 100 MILLION

Our adjusted EBITDA target for 2030

3 CORE SEGMENTS

- Conventional PIR boards
- Premium MW and conventional PIR panels
- Advanced products and downstream solutions

25 MILLION

Number of buildings to be retrofitted under the EU Renovation Wave Strategy

CONTENTS

2.1 **Our identity and purpose**

2.2 **Our ecosystem: trends and market drivers**
2.2.1 Macroeconomic factors
2.2.2 Renovation: sustainability incentives
2.2.3 Outlook

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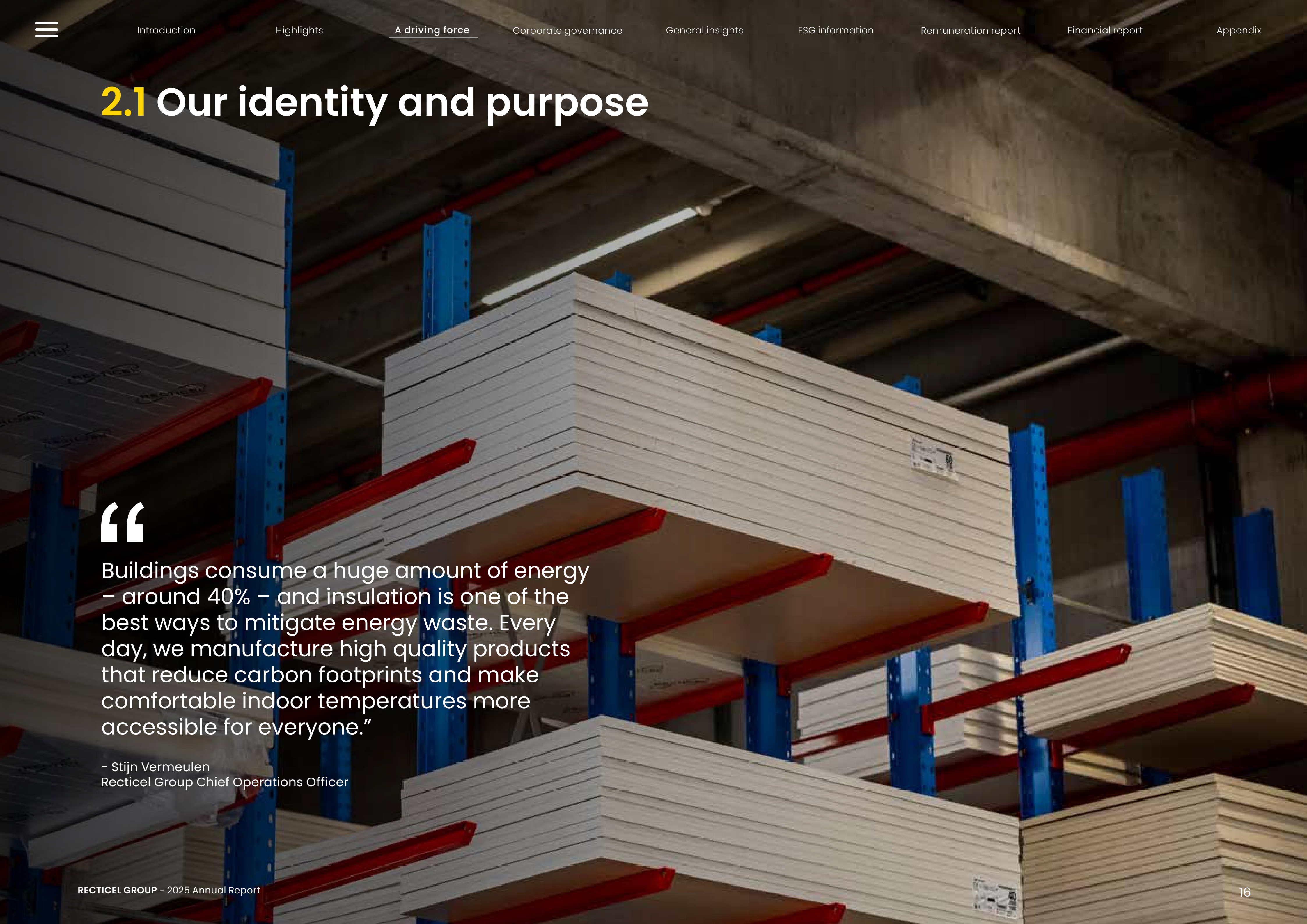
2.3.2 Smarter solutions, smarter growth
2.3.3 Our business model
2.3.4 Specialised brands for a comprehensive portfolio
2.3.5 Sustainability: central to value creation
2.3.6 Resilience of our strategy and business model
2.3.7 ESG ratings and transparency
2.3.8 Interests and views of stakeholders

2.1 Our identity and purpose



"Buildings consume a huge amount of energy – around 40% – and insulation is one of the best ways to mitigate energy waste. Every day, we manufacture high quality products that reduce carbon footprints and make comfortable indoor temperatures more accessible for everyone."

- Stijn Vermeulen
Recticel Group Chief Operations Officer

Recticel Group is a leading house of insulation brands providing innovative and comprehensive solutions that meet the demands of a rapidly evolving world. Headquartered in Belgium, we operate twelve facilities across eight countries. Applying a smart strategic approach with sustainability at its core, our divisions are helping to shape the future of construction with high-performance insulation boards, advanced insulated panels and cutting-edge thermal and thermo-acoustic solutions.

BELGIAN
insulation company

With a strong presence in Europe and USA

Present in **8** countries

Sales in **+40** countries

Future-smart insulation

3
DIVISIONS

INSULATION BOARDS

INSULATED PANELS

ACOUSTIC SOLUTIONS

1,311
EMPLOYEES
headcount on 31.12.2025

665.1
SALES IN MILLION €
on 31.12.2025

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

CDP A List 2025

SILVER | Top 15% ecovadis Sustainability Rating FEB 2026

Future-smart insulation | Our purpose
Rectícel Group's overall purpose is future-smart insulation. While they specialise in diverse areas, all our expert brands are united and driven by this purpose. It encapsulates our mission to develop smarter, more sustainable insulation solutions that create lasting value for customers, stakeholders and society at large.

We fight climate change with **leading products that lower the carbon footprint of buildings.**

We help architects and clients to **develop exciting spaces.**

We contribute to well-being with **thermal insulation and noise control solutions.**

Future-smart insulation | Our activities
Our activities are organised into three distinct divisions, each powered by specialised brands, with upstream and downstream capabilities to address a broad spectrum of industry needs. We drive innovation in construction and renovation with lightweight and high-performing insulation materials, modular designs and architectural building skins that set new standards for efficiency and sustainability.

A powerhouse of brands

RECTICELGROUP

INSULATION BOARDS

Energy-efficient polyurethane insulation boards, advanced vacuum insulated panels essential for both buildings and cold-chain industries, and bespoke solutions for flat and tapered roofs.

- recticel: PIR insulation boards
- Turvac VACUUM INSULATION: Vacuum insulated panels
- GRADIENT: Bespoke flat and tapered roof specialist (downstream offering)

INSULATED PANELS

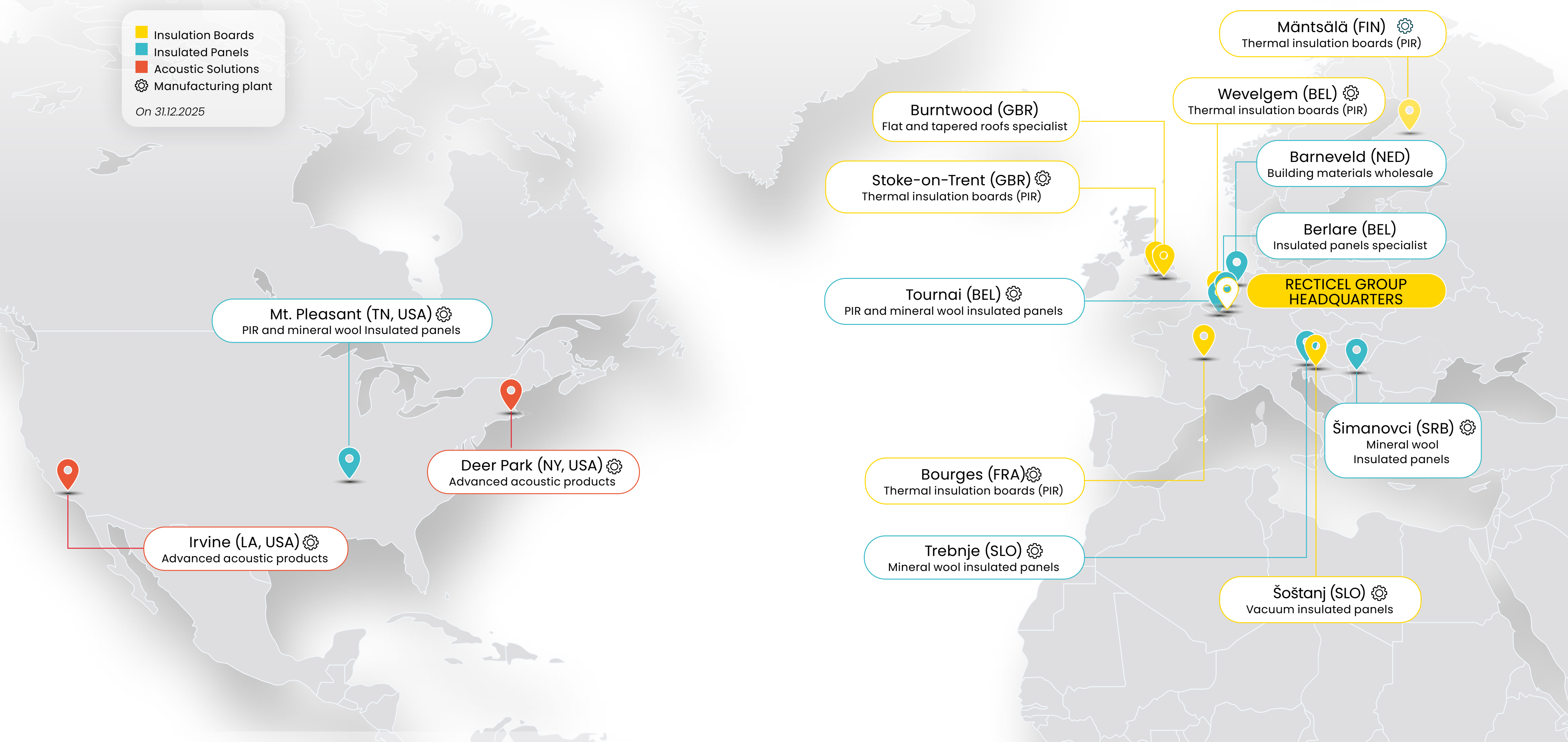
Polyurethane and mineral wool insulated panel solutions to meet high aesthetic standards and inspire architectural innovation. Modular space solutions to simplify prefabrication for cost efficiency and flexibility. Insulated panel solutions and services for the downstream market.

- TRIMO: MW insulated panels
- TRIMO MSS: Modular Space Solutions (downstream offering)
- MICLAR: Insulated panels specialist (downstream offering)
- REX PANELS & PROFILES: MW and PIR insulated panels
- kuras: Building materials wholesale (downstream offering)

ACOUSTIC SOLUTIONS

Customised noise control solutions for superior sound management, designed to meet the unique requirements of manufacturers.

- SOUNDCOAT: Advanced acoustic products



- In H1 2025, Recticel Group completed the planned closure of its thermo-acoustic boards plant in Angers, France.
- Construction is underway at the Greenfield panels manufacturing facility in the US, with operations expected to commence by the end of 2026. Products will be marketed under the Trimo North America brand.
- At end 2025, Recticel Group had acquired Kuras (The Netherlands, Insulated Panels), fully consolidated as of 1 November 2025, and Miclar (Belgium, Insulated Panels), fully consolidated as of 1 December 2025.

Future-smart insulation | Our fight for climate change

The fight against climate change is fundamental to our identity, purpose and operational practices. We continue to prioritise responsible sourcing of raw materials, smarter, more energy-efficient operations and enhanced circular efficiencies

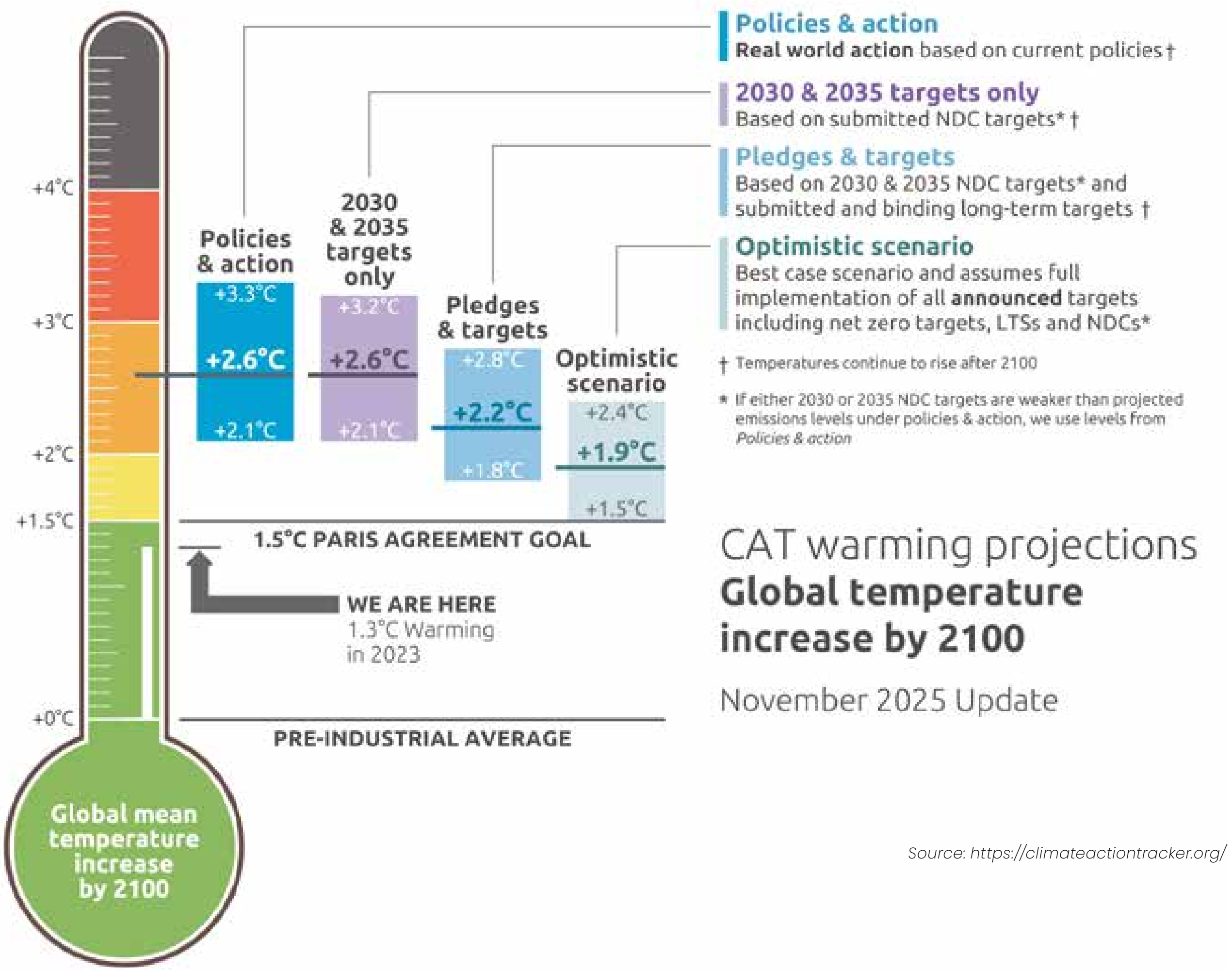
According to Climate Action Tracker (November 2025), current global policies place the world on a trajectory of approximately 2.7°C warming by 2100. Even assuming full implementation of announced climate pledges, projected warming remains around 1.9°C, well above the 1.5°C objective of the Paris Agreement.

These projections underline the critical role of energy efficiency and decarbonisation across sectors, particularly in the built environment, which accounts for a significant share of global energy consumption and emissions. Recticel Group contributes to the energy transition by developing high-performance insulation solutions that help to reduce energy demand in buildings, supporting customers

Recticel Group voluntarily committed to reducing its absolute Scope 1+2 GHG emissions by 90% by 2030, using 2021 as the base year, and to cutting its absolute Scope 3 emissions by 25% within the same period. Our formal commitment to the ultimate goal of achieving net zero by 2050 was validated by the SBTi in February 2024.

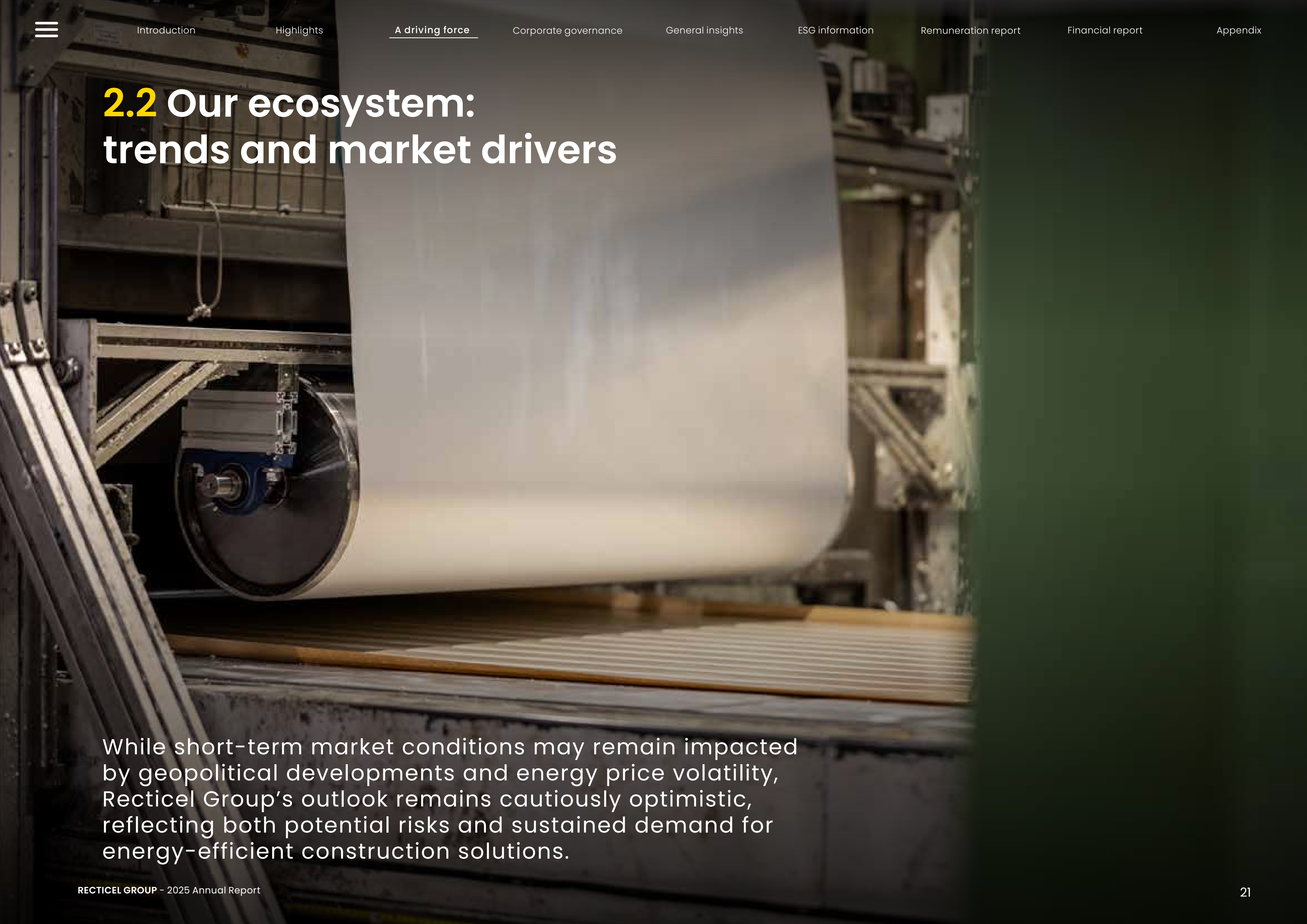
Since 2021, we have reduced our Scope 1+2 emissions by 52.1%, while our Scope 3 emissions (excl. Cat. 3.15, Investments) increased slightly by 0.9%. This occurred alongside a substantial expansion in production output, and is reflected in a significant 16.6% reduction in Scope 3 emissions intensity (GHG emissions per m³ of insulation produced).[1]

We estimate that the building insulation products we sold in 2025 will prevent 19.7 million tCO_2e of emissions over their lifetime. This equates to 33 times the Group's total carbon footprint in 2025.[2]



Source: *https://climateactiontracker.org/*

[1] *See section 5.2.7.5*
[2] *See section 5.2.8.*



2.2 Our ecosystem: trends and market drivers

While short-term market conditions may remain impacted by geopolitical developments and energy price volatility, Recticel Group's outlook remains cautiously optimistic, reflecting both potential risks and sustained demand for energy-efficient construction solutions.

2.2.1 Macroeconomic factors and inflation

Europe's construction market began to show initial signs of recovery in 2025, after a protracted period of underperformance caused by high interest rates, increased costs and low consumer and business confidence. While the outlook is generally positive, the pace of recovery varies by country and sector.

A modest recovery in residential construction, supported by improving financing conditions, a gradual increase in building permits and continued investment in infrastructure and renovation projects, is expected to underpin demand across the Recticel Group core markets.

The non-residential building sector, which accounts for approximately 30% of the EU's total construction output, has faced headwinds in several sub-sectors, particularly industrial and office building. However, the outlook is improving, with new investments emerging, and a return to growth is anticipated.

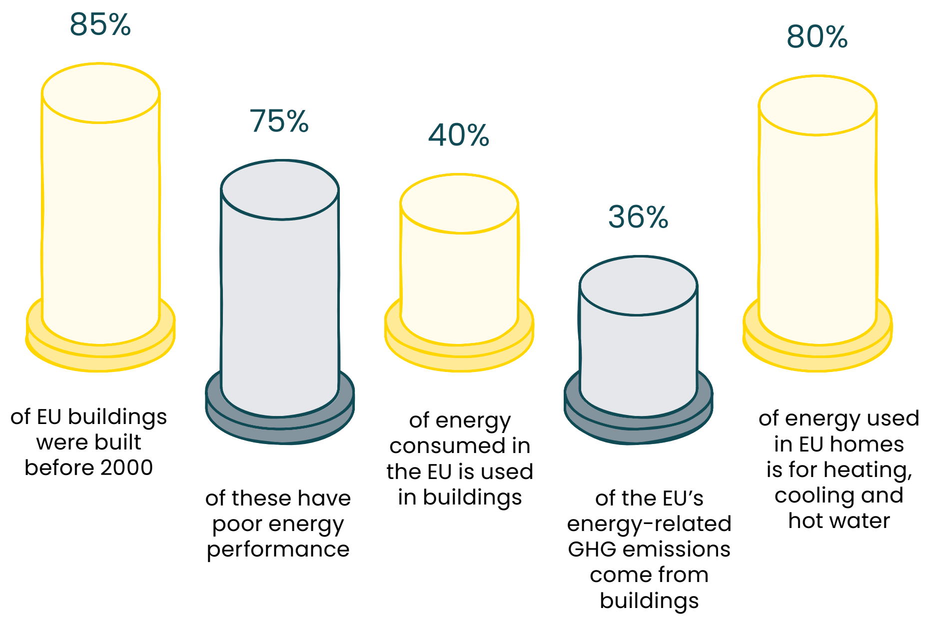
At the same time, the macroeconomic environment remains uncertain. Ongoing geopolitical tensions in the Middle East contributed to increased volatility in global energy markets in early 2026, affecting the pricing of raw materials linked to petrochemical inputs.

Against this backdrop, Recticel Group remains focused on operational efficiency, supply chain resilience and disciplined cost management. Structural trends such as stricter energy-efficiency requirements, climate targets and the renovation of Europe's existing building stock continue to support demand for high-performance insulation solutions.

2.2.2 Renovation: sustainability incentives

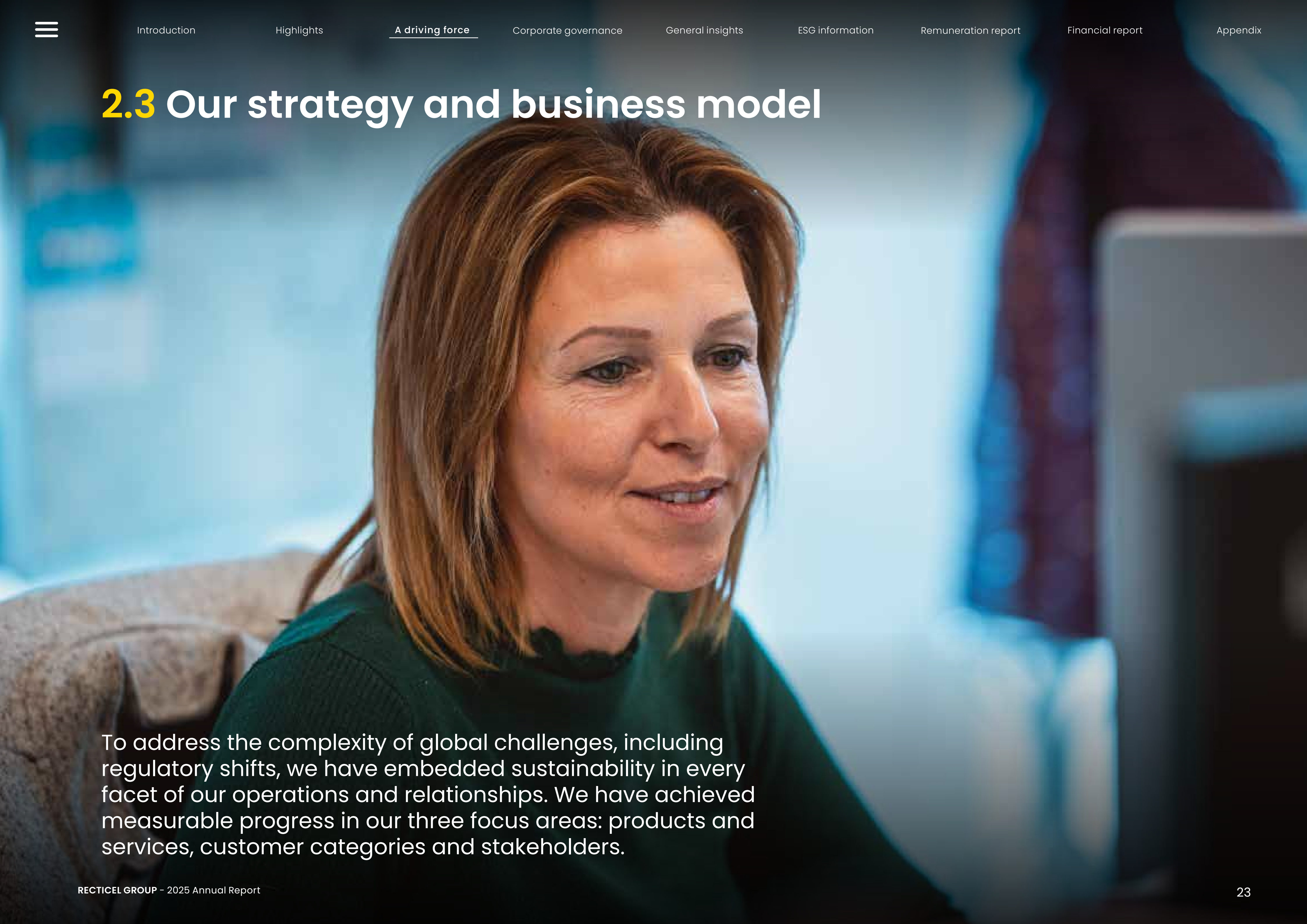
Renovation in both residential and non-residential markets is being driven by energy-efficiency requirements and sustainability incentives. Buildings contribute significantly to environmental challenges, accounting for approximately 50% of resource extraction and consumption while generating over 30% of the EU's annual waste. They account for 40% of the EU's energy consumption and 36% of its energy-related greenhouse gas emissions. Moreover, around 64% of the EU building stock exhibits poor energy performance.

The EU's revised directive on the energy performance of buildings, which must be transposed into national law by 29 May 2026, focuses on increasing the rate of renovation across the EU, particularly for the worst-performing buildings in each country.



2.2.3 Outlook

While short-term market conditions may remain impacted by geopolitical developments and energy price volatility, Recticel Group's outlook remains cautiously optimistic, reflecting both potential risks and sustained demand for energy-efficient construction solutions.

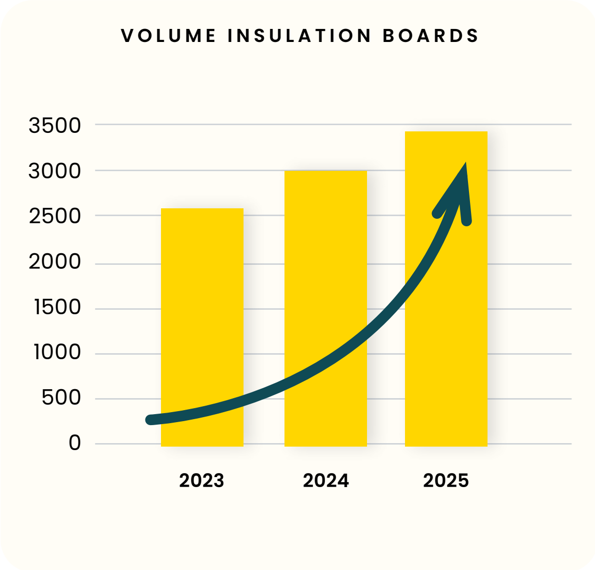


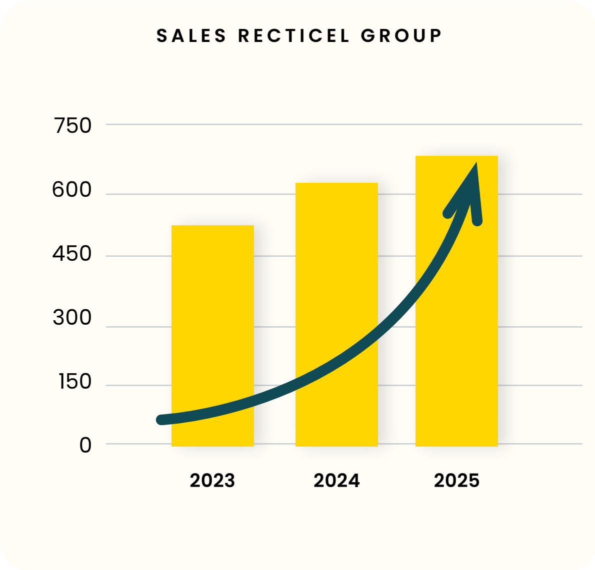
2.3 Our strategy and business model

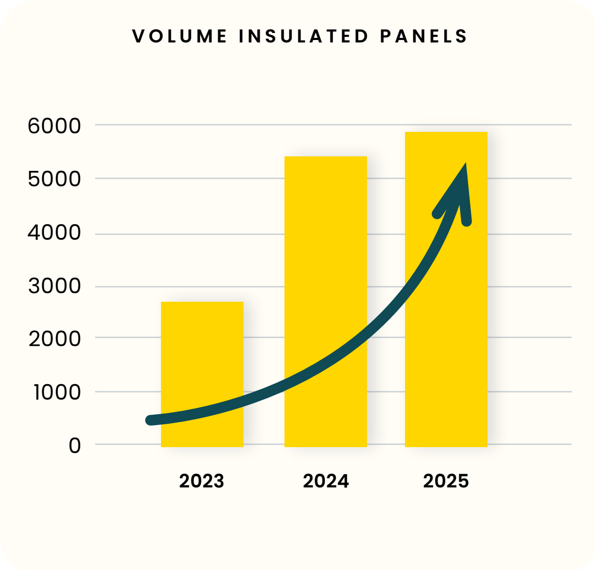
To address the complexity of global challenges, including regulatory shifts, we have embedded sustainability in every facet of our operations and relationships. We have achieved measurable progress in our three focus areas: products and services, customer categories and stakeholders.

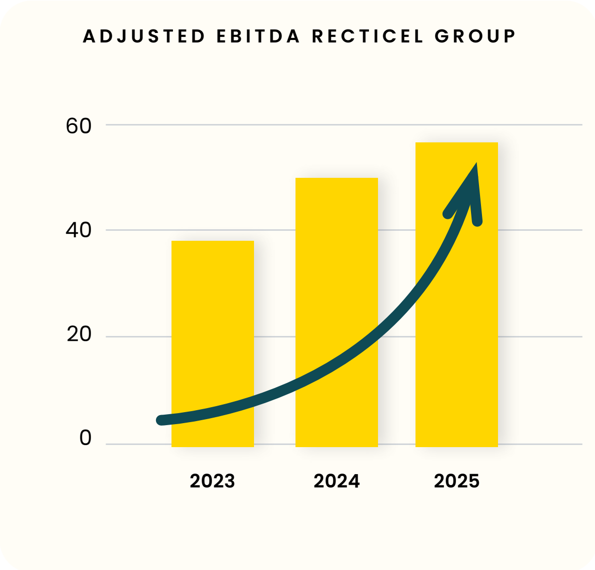
2.3.1 Positioned for success

Our strategy in recent years has resulted in a solid position in the insulation industry. We have shown agility and resilience in the face of impactful market and macroeconomic trends. To address the complexity of global challenges, including regulatory shifts, we have embedded sustainability in every facet of our operations and relationships. We have achieved measurable progress in our three focus areas: products and services, customer categories and stakeholders. Our efforts have paid off in increased volumes in all our divisions and in higher Recticel Group sales and profits. At the same time, we have acquired new downstream offerings which enable us to align our products and distribution processes more closely with customer needs.









2.3.2 Smarter solutions, smarter growth

In 2025, we undertook a thorough evaluation of our strategy and business model to redefine our roadmap and targets for the rest of this decade. This exercise resulted in a new, rigorously focused strategy – **ELEVATE 2030** – which will guide and underpin the growth of Recticel Group as a force for smarter insulation.

ELEVATE 2030 is the blueprint for added-value growth through focus and efficiency and is based on six non-cyclical smart pillars: operations, administrative processes, advanced products, downstream offering, geographical expansion and carbon footprint. The target is to reach more than EU 100 million EBITDA by 2030.

1. Operations
Improve efficiency, maximise assets output, achieve top-level operational performance

2. Administrative processes
Reduce organisational complexity, eliminate waste, improve workflows, unlock efficiency

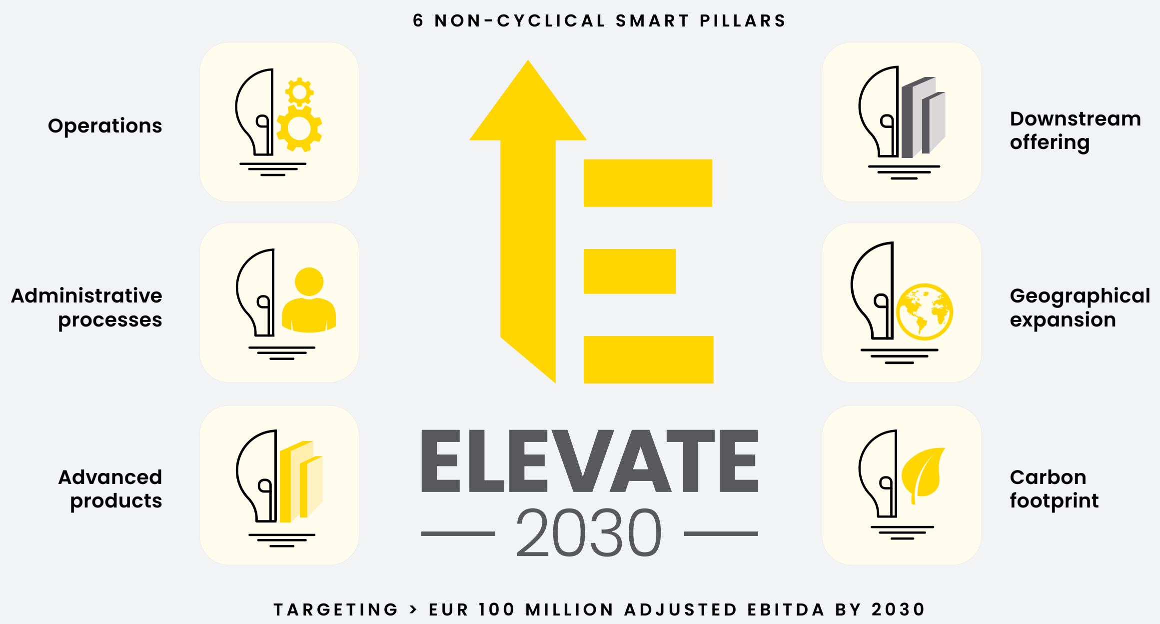
3. Advanced products
Focus on high-value products (vacuum insulated panels, high added value insulation boards, Qbiss design panels, acoustic solutions)

4. Downstream offering
Focus on flat and tapered roof solutions, modular space solutions, façade and cladding solutions

5. Geographical expansion
Greenfield panels manufacturing - Trimo North America, Mt. Pleasant (TN, USA)

6. Carbon footprint
Industry-leading PIR recycling plant, Wevelgem, Belgium

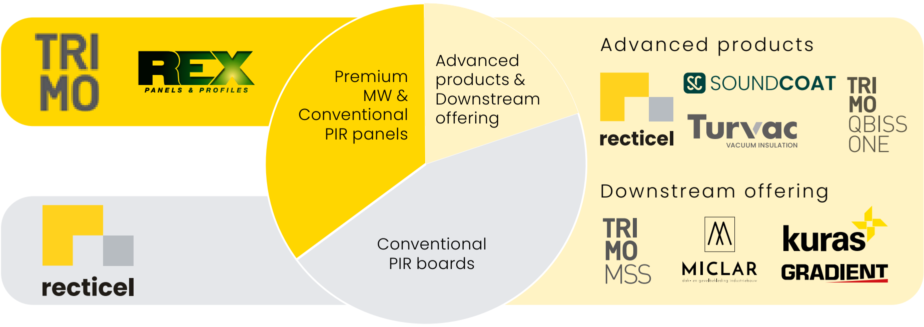
We have embraced AI as a vital tool to boost productivity on both the individual employee-driven level and on an overall operational level. In 2025, we set out a roadmap for safe and responsible implementation of AI use, covering internal operations and customer-facing resources. We identified key opportunities in a number of areas, implemented data protection policies and are currently rolling out training and awareness sessions to enhance AI skillsets throughout the company.



2.3.3 Our business model

Recticel Group specialises in future-smart insulation solutions tailored to diverse needs across a wide range of market segments, from residential and commercial buildings to non-residential and specialised applications. Applying both upstream and downstream capabilities, we aim to provide the optimal solution, based on time-proven expertise and profound understanding of each project's individual requirements. We are committed to addressing specific customer needs, prioritising energy efficiency, sustainability and superior performance to design value-driven solutions that stand out in a competitive market.

The graphics present Recticel Group's value-added portfolio, organised into three core segments: conventional PIR boards; premium mineral wool (MW) and conventional PIR panels; and a growing range of advanced products and downstream solutions. Together, these segments reflect the Group's strategy of combining core insulation materials with higher-value, engineered and application-specific products and services to address the needs of diverse building and industrial markets.

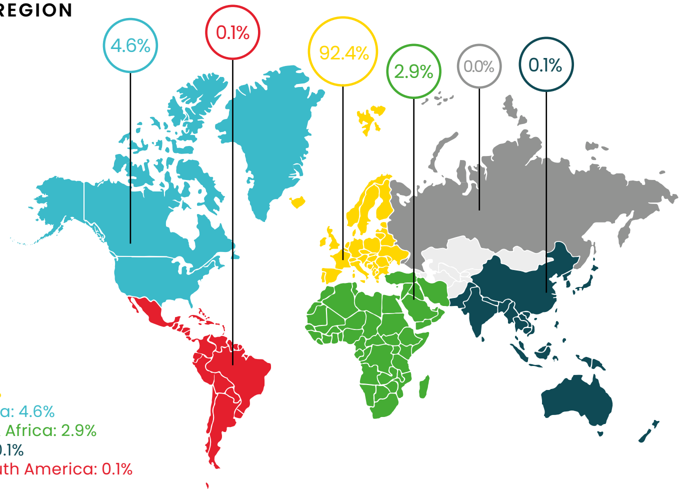


WHERE WE CREATE VALUE

	Renovation	New construction
Residential	15%	16%
Non Residential	21%	48%

- Sales in over 40 countries
- Primarily through B2B channels

SALES BY REGION



Europe: 92.4%
North America: 4.6%
Middle East & Africa: 2.9%
Asia Pacific: 0.1%
Central & South America: 0.1%
Russia: 0.0%

HOW WE CREATE VALUE

INSULATION BOARDS

Energy-efficient PIR boards and advanced vacuum-insulated panels essential for both buildings and cold-chain industries, from food to pharmaceuticals.

INSULATED PANELS

PIR and mineral wool solutions that meet high aesthetic standards, inspire architectural innovation, and simplify pre-fabrication for cost efficiency.

ACOUSTIC SOLUTIONS

Customised noise-control solutions for superior sound management, designed to meet the unique requirements of manufacturers.

OUR COMMITMENTS

- Achieving long-term profitable growth
- Creating added value for our stakeholders
- Investments in circular insulation
- Focus on resource-efficient technologies
- SBTi net zero commitment

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

CDP A List 2025

SILVER | Top 15% ecovadis Sustainability Rating FEB 2026

2.3.4 Specialised brands for a comprehensive portfolio

Recticel operates as a powerhouse of brands, each with its own unique identity. We encourage each brand to innovate and grow based on its specific areas of technical expertise and knowledge of relevant markets, customers and applications. Together, these diverse offerings make Recticel a vital and comprehensive force for smarter insulation.

2.3.4.1 Insulation Boards

recticel

Turvac VACUUM INSULATION

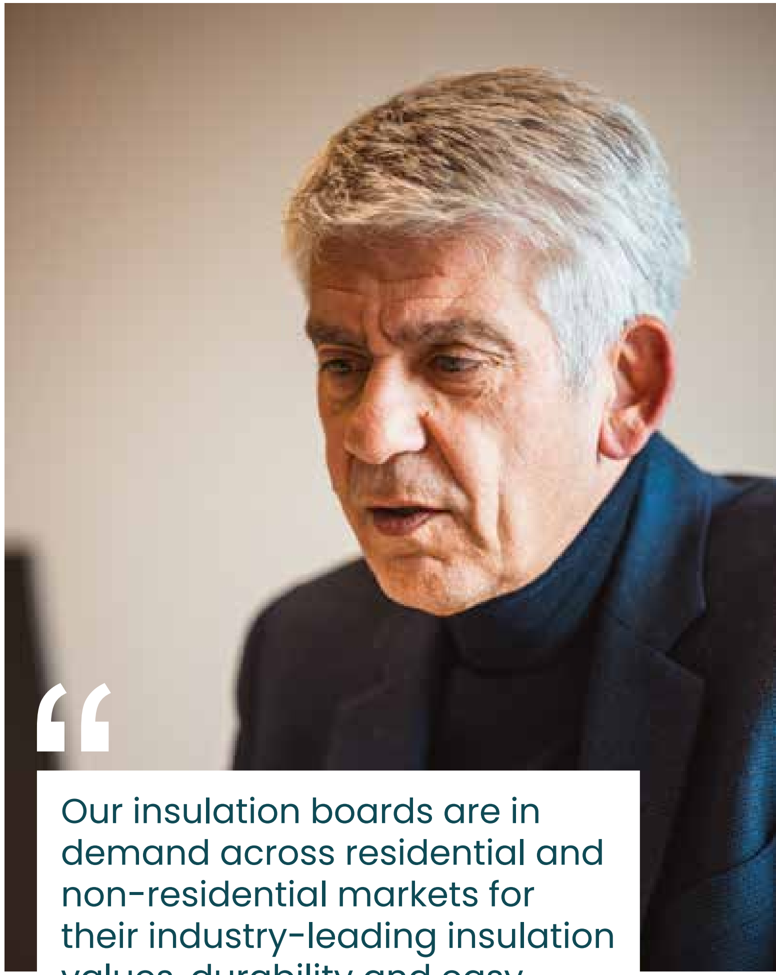
GRADIENT

1. OFFERING AND MARKET

Our Insulation Boards division provides high-performance insulation solutions to meet the growing demand for energy efficiency and sustainability in buildings. The division's innovations prioritise lightweight, durable materials with industry-leading insulation values, ensuring ease of installation, long-lasting efficiency and reduced environmental impact. Its products are all developed to meet or exceed the most stringent building regulations and energy standards. They include solutions for walls, roofs and floors, in diverse residential and non-residential applications.

The market for our polyurethane insulation boards, marketed under the renewed **Recticel Insulation** brand, is expanding in line with the European building insulation market in general. The market for our **Turvac** vacuum insulated panels (VIPs) includes the building and construction industry, especially in renovation and retrofitting sectors. Due to their exceptionally high efficiency and space-saving characteristics, our VIPs serve additional markets in the cold chain packaging and pharmaceutical industries. The upstream portfolio is rounded out by the downstream provision of bespoke solutions for tapered and flat roofs, supplied by the UK-based **Gradient** brand.

The Insulation Boards division's volumes and sales have been growing steadily in every geography since 2024 and this trend is projected to continue. Our key area of focus is an improvement of the product mix, with a stronger emphasis on advanced and downstream products. As part of our **ELEVATE 2030** strategy, we are further increasing efficiencies through smarter operations and administrative processes. Innovations in this area include AI sales order processing and an AI-driven search function on our public website, which will enhance internal processes while adding value for customers.

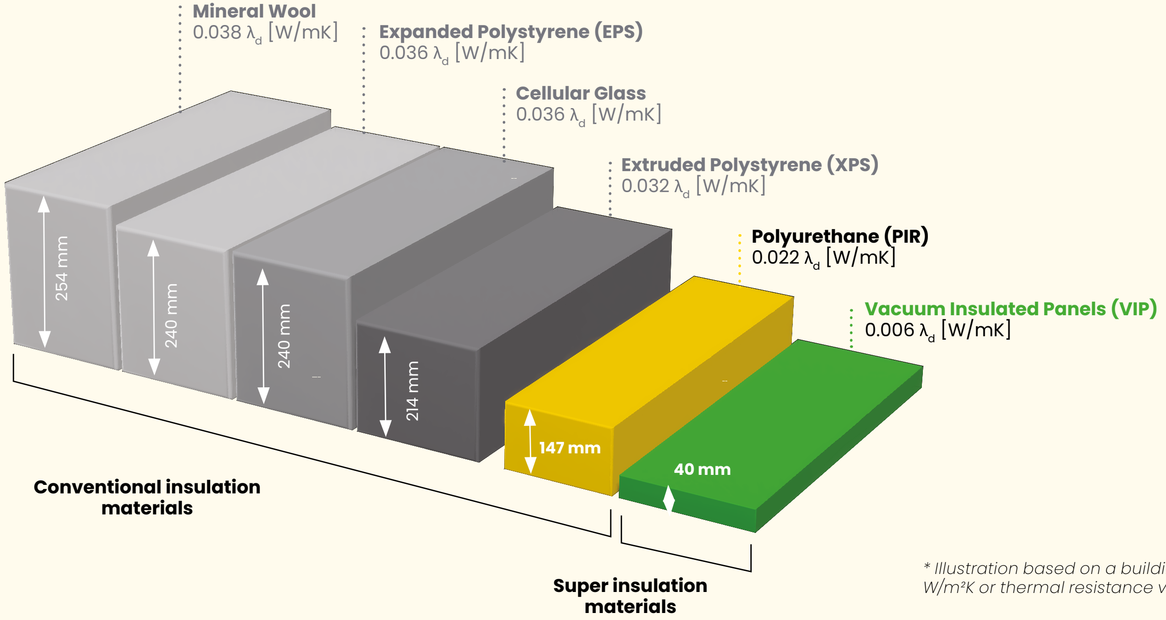


"Our insulation boards are in demand across residential and non-residential markets for their industry-leading insulation values, durability and easy handling. We will introduce new AI tools to improve the customer experience even further."

- Joël Pirotte
Sales Director Recticel Insulation

2. BENEFITS AND VALUE CHAIN

Our **thermal insulation boards** are based on a polyisocyanurate (PIR) foam core laminated between two durable facing materials. As an insulating material, PIR outperforms materials such as mineral wool (glass wool/stone wool), XPS/EPS and cellular glass. Numerous facings are available, including multi-layer foils, aluminium, bituminous, mineral-coated glass fleece, and gypsum plasterboard. The boards are engineered for multiple applications across the building envelope, including flat, tapered and pitched roofs, cavity walls, floors and external wall insulation systems. They allow regulatory compliance to be achieved with thinner walls and roofs.

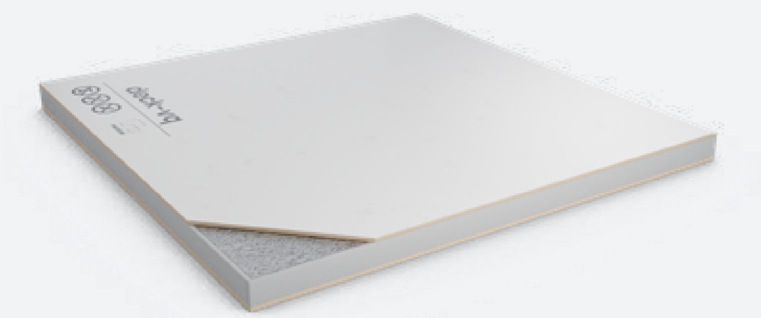


** Illustration based on a building shell element of U=0.15 W/m²K or thermal resistance value R=6.65 m²K/W (R=1/U).*

PIR INSULATION BOARD BENEFITS

- Superior energy efficiency
- Reduced thickness
- Low weight
- Cleaner indoor air
- Walkability without deformation

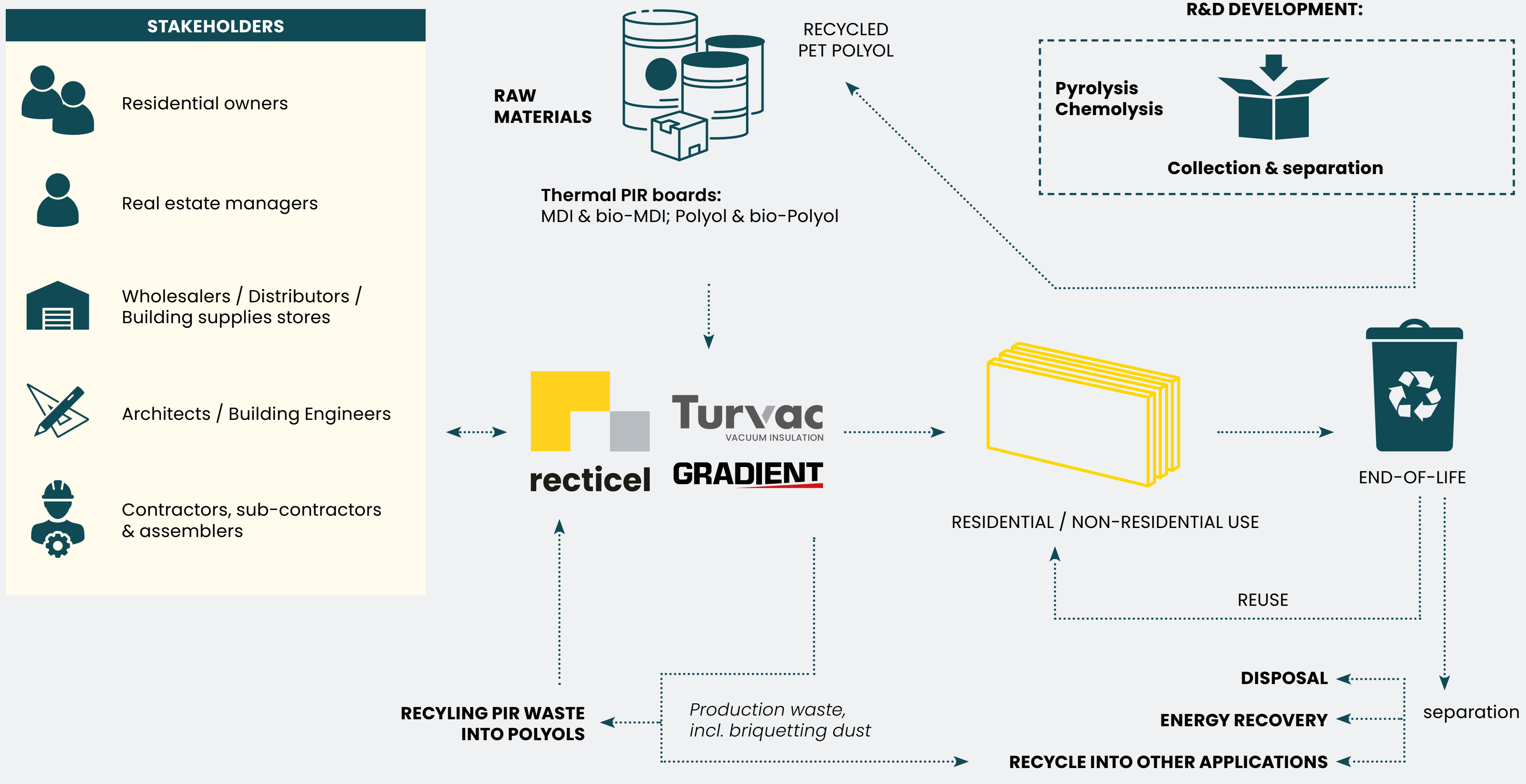
Our **vacuum insulated panels** meet high technical demands where space constraints make traditional insulation impractical. This is due to their ability to provide the most efficient performance with the thinnest layer. Their applications include retrofitting older buildings and specialised needs, such as temperature-controlled packaging for pharmaceuticals and food products.



VACUUM INSULATED PANELS BENEFITS

- Environmentally friendly
- Reduced thickness
- Long lifetime

Insulation Boards value chain

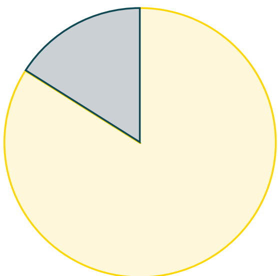


2.3.4.2 Insulated Panels

1. OFFERING AND MARKET

Our Insulated Panels division specialises in premium-quality products tailored to meet a wide spectrum of modern construction requirements. These include premium mineral wool panels and advanced products from **Trimo** and conventional mineral wool and PIR panels delivered by **Rex Panels & Profiles**. All of these are designed to provide outstanding thermal performance, durability and versatility. The division also offers modular units comprising floor, column and ceiling structural elements, produced by **Trimo MSS**. In 2025, we expanded the portfolio with a new downstream offering via two newly acquired brands: **Miclar**, which specialises in industrial façade and roof cladding, light structural steel and finishing components, and **Kuras**, a specialised building products wholesaler adding value for our customers in the Benelux region.

Our Insulated Panels division serves the key trends driving market growth: sustainability, fire safety, energy efficiency and prefabrication. The product mix addresses a market that is split between polyurethane and mineral wool cored products.



16% MW

84% PIR

The division has adapted dynamically and proven resilient to changes in market behaviour, leading to growth in both sales and volumes for the Trimo and Rex brands in 2025. As part of our **ELEVATE 2030** strategy, we have identified key steps to build on this success, with the ambition of achieving a world-leading position as a premium supplier of superior mineral wool insulated panels, alongside PIR market leadership in selected regions.

We are strengthening our focus on key applications, notably the fast-growing data centre market, in which Trimo has delivered more than 200 projects for industry-leading technology companies since 2018. We are positioned to benefit from recovery and growth in Western Europe, especially priority markets in the UK, Germany and Benelux, and are deploying a plan for expansion in other global regions. We are optimising capacity utilisation at our mineral wool plants, developing value-adding innovations at Rex and increasing the efficiency of all our production lines.

We have added an AI-enabled chat facility to the Trimo website to provide fast, reliable technical information and are deploying new AI tools to reduce sales administration and accelerate order processing.

The Trimo MSS brand continues to serve the growing market demand for prefabricated and sustainable solutions. The company has provided 100,000 units globally, providing versatile and sustainable solutions with an outstanding price-to-performance ratio. They are designed for long-term use, are almost completely recyclable and offer certified fire resistance and proven energy efficiency.

“Data centres are a key growth market for us. Since 2018, we have completed over 200 projects and work with leading technology companies. We deliver insulated building envelope systems that ensure controlled thermal performance, high airtightness, and consistent on-site execution.”

- Janez Kunič
Chief Commercial Officer Trimo

2. BENEFITS AND VALUE CHAINS

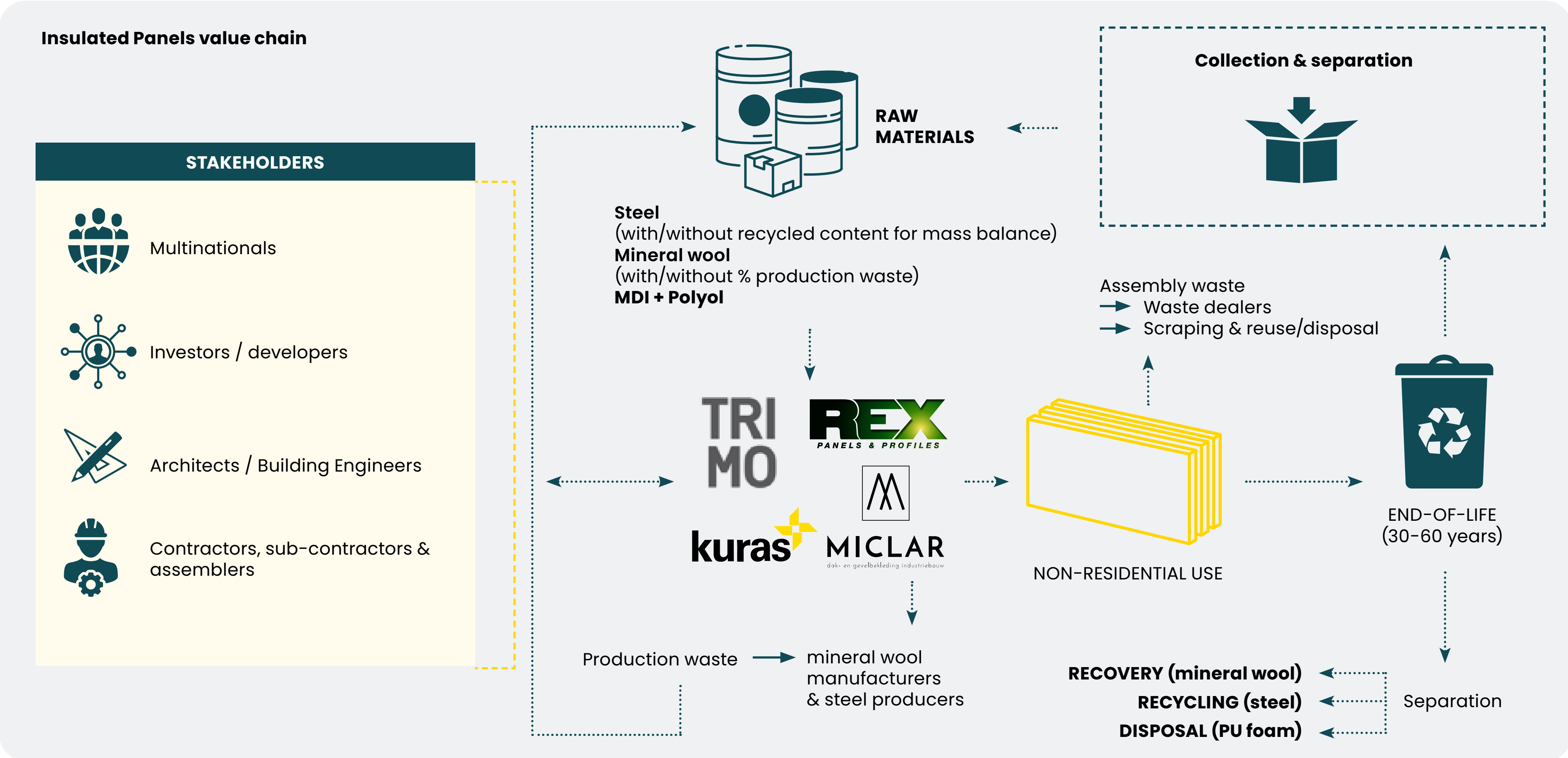
Engineered for superior energy performance, our insulated panels minimise heat loss and reduce overall building energy consumption, resulting in reduced operational costs and a smaller carbon footprint. Available in a range of materials, thicknesses and finishes, they offer unique structural and physical properties that allow extensive design freedom, while their advanced technical qualities provide a high-quality, total envelope solution. They are also a particularly good match for prefabrication requirements, enabling regulatory compliance in a fast, cost-efficient and scalable manner.

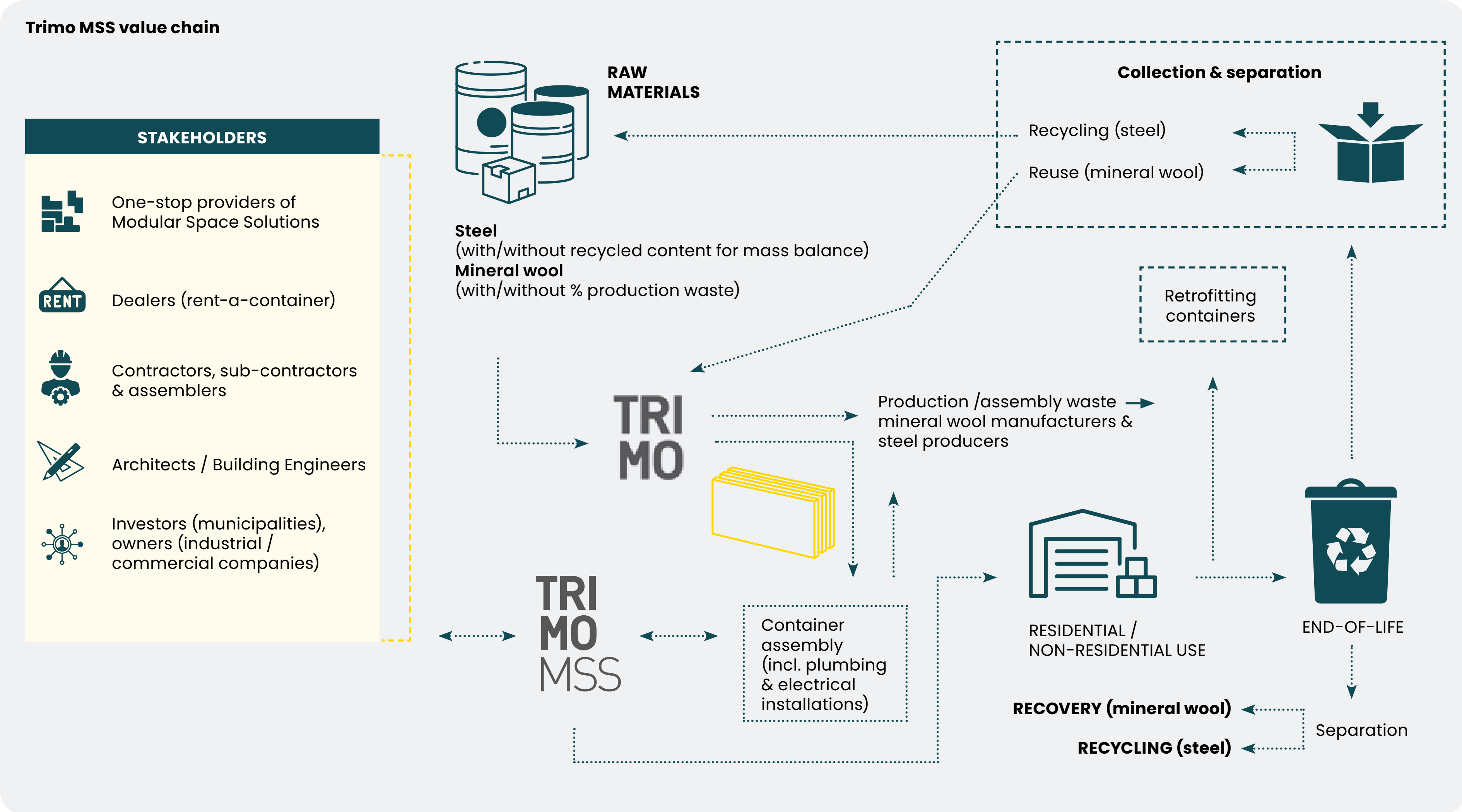
MINERAL WOOL AND POLYURETHANE INSULATED PANEL BENEFITS

- Single factory-manufactured unit
- Lightweight factory system
- A sustainable choice
- Low life cycle costs
- Safety and performance
- First-class service
- Design flexibility

KEY FEATURES OF OUR INSULATED PANELS PORTFOLIO

- Self-supporting (up to 10m single span)
- Single factory-manufactured unit
- Mineral wool or polyurethane core insulation
- Water & air tightness
- Extreme thermal values
- Moisture resistant
- 99% recyclable (MW)





Trimo MSS value chain
STAKEHOLDERS
One-stop providers of Modular Space Solutions
RENT
Dealers (rent-a-container)
Contractors, sub-contractors & assemblers
Architects / Building Engineers
Investors (municipalities), owners (industrial / commercial companies)
RAW MATERIALS
Steel
(with/without recycled content for mass balance)
Mineral wool
(with/without % production waste)
Collection & separation
Recycling (steel)
Reuse (mineral wool)
Retrofitting containers
TRIMO
Production /assembly waste mineral wool manufacturers & steel producers
TRIMO MSS
Container assembly (incl. plumbing & electrical installations)
RESIDENTIAL / NON-RESIDENTIAL USE
END-OF-LIFE
RECOVERY (mineral wool)
RECYCLING (steel)
Separation

2.3.4.3 Acoustic Solutions

SOUNDCOAT

1. OFFERING AND MARKET

Soundcoat provides customised acoustic insulation solutions for equipment used in various sectors. Its highly specialised engineering capabilities place the brand at the forefront of acoustic innovation. Led by an experienced team of acoustical engineers, Soundcoat operates according to industry-leading best practices and proprietary methodologies.

Leveraging strong in-house expertise, Soundcoat delivers a broad portfolio of tailored solutions, including laminated composites with films, acoustic fabrics or embossed facings; custom-shaped materials with or without adhesive backing; and products supplied in sheets, rolls or kits.

Soundcoat holds a distinctive position in the market, combining advanced engineering services with a versatile product offering designed to meet specific customer requirements.

Soundcoat utilises a range of engineered acoustic products to deliver tailored solutions:

- **Absorption:** Materials engineered to reduce reverberant airborne noise by converting acoustic energy into thermal energy.
- **Barrier:** High-performance solutions designed to deliver strong sound transmission loss, particularly in low-frequency applications.
- **Damping:** Products developed to minimise vibrations caused by impact, panel resonance and structure-borne noise.
- **Gasketing:** Specialised materials used between structural components to regulate contamination, airflow, noise, vibration, RF-EMI, ESD and thermal loss.
- **Thermal:** Advanced porous and fibre-blended solutions suitable for high-temperature environments, including aerospace applications.

Key services include the **Soundcoat 360 Solution**™, which leverages a host of products, services and expertise to expedite products to market and minimise design costs for industrial spaces and OEM applications. The division also offers advanced **lab services and testing** through its product and materials testing lab. Services include advanced simulation and analysis tools, proprietary characterisation processes, material & prototype development capabilities and mechanical and physical testing to measure or verify acoustics and physical properties. The company's two manufacturing facilities operate under a stringent internal quality control system, ensuring consistently high standards.

For over six decades, Soundcoat has been building solid relationships with manufacturers and developing pioneering noise control solutions, propelled by a spirit of innovation that enables it to tackle market challenges head-on.

Its innovations are used in diverse sectors, including:

- Aerospace & aviation
- Heavy duty & transport vehicles
- Industrial equipment
- Electronic equipment & energy infrastructure
- Building & commercial construction
- Medical equipment

Soundcoat is ISO 9001:2015 registered in California and New York, with its Irvine, CA facility carrying additional AS9100:2016 registration and cleanroom manufacturing capabilities for aviation and aerospace.

Soundcoat acoustic solutions were part of the historic NASA rocket launch of Artemis II on 1 April 2026. NASA's SLS (Space Launch System) is a super heavy-lift rocket that provides the foundation for human exploration beyond Earth orbit.

Our components were used in the Launch Vehicle Stage Adapter (LVSA), the structural element between the core (fuel tank) and the Upper Stage (Interim Cryogenic Propulsion Stage and the crewed Orion capsule). The materials were specially engineered to control the internal acoustic environment of the LVSA in order to prevent resonance, reduce vibroacoustic loading, and protect critical propulsion and avionics systems during ascent.

Image Credit: NASA/Frank Michaux

2. BENEFITS AND VALUE CHAIN

Noise control is a key differentiator in equipment manufacturing, influencing product quality and playing a vital role in a brand's reputation. Soundcoat enhances the value of its noise control solutions by treating each project as a collaborative partnership. Its engineers work closely with manufacturers, offering specialised expertise and practical knowledge throughout the design, manufacturing, testing, implementation and operational phases.

SOUNDCOAT ACOUSTIC SOLUTION BENEFITS

- Noise reduction
- Enhanced product performance
- Equipment protection
- Regulatory compliance
- Improved comfort

Acoustic Solutions value chain

STAKEHOLDERS

Primary markets

Mobilty Performance: Aerospace, Aviation, Class 8 truck

Industrial Solutions: Power generation, Heavy-duty vehicles, Semiconductor equipment, Building acoustics

Medical OEM equipment: Fluid diagnostics, Waste management, Oxygen therapy

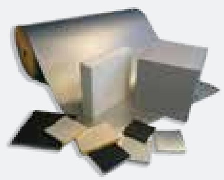
B2B

- R&D (acoustics engineers)
- application engineering / support
- procurement management
- manufacturing / assembly

RAW MATERIALS

Foams (Melamine foam, PU foam, Polyimide foam)
Plastics
Chemicals
Metals
Adhesives

SOUNDCOAT



Parts & Complete kits

END-OF-LIFE

Production waste

Separation

DISPOSAL

RECYCLING INTO OTHER APPLICATIONS

2.3.5 Sustainability: central to value creation

Our **ELEVATE 2030** strategy and our business model are aligned with the European Green Deal, the European Commission's initiative to make Europe the first climate-neutral continent by 2050. The EU Green Deal includes measures to enhance building energy efficiency through the EU Renovation Wave Strategy, which aims to double the annual renovation rate by 2030 and retrofit at least 25 million buildings.

Sustainability-aligned solutions make up a substantial and growing portion of the Recticel Group's portfolio. By strategically focusing on markets and customers who share our priorities, we can integrate evolving environmental and social standards in every stage of our value chain, addressing challenges like climate change and resource scarcity.

More information can be found in section 5.2, Environmental | E1 Climate change, and section 5.3, Environmental | E5 Resource use and circular economy.

2.3.5.1 Integrating SDGs in our strategy

Recticel Group's activities are aligned with the United Nations Sustainable Development Goals (UN SDGs). We have selected seven SDGs as strategic priorities relevant to our core values and business objectives. These globally recognised goals provide a framework for addressing critical challenges in areas such as environmental protection, social equity and economic development.

By embedding these SDGs in our strategy, we drive innovation, empower our workforce and address pressing global challenges including climate change, resource scarcity and access to energy-efficient housing. Our mission is to maximise the transformative potential of future-smart insulation systems to meet societal needs, improve building energy efficiency and promote sustainability within the construction sector.

SDG 7:	Promote energy-efficient solutions for sustainable building practices
SDG 8:	Drive sustainable and economic growth through dignified work
SDG 9:	Foster innovation to enhance resilient infrastructure
SDG 11:	Develop products that improve urban energy efficiency
SDG 12:	Advance circular economy practices through product innovation
SDG 13:	Commit to ambitious greenhouse gas (GHG) reduction targets and climate-aligned practices
SDG 17:	Collaborate with stakeholders to amplify positive environmental and social impacts

2.3.5.2 Leveraging impacts, risks and opportunities

Central to the European Sustainability Reporting Standards (ESRS) standards is the identification of material impacts, risks and opportunities (IROs) which can be leveraged to drive our strategy and foster business growth.

In 2024, Recticel Group conducted its first full Double Materiality Assessment (DMA), a systematic evaluation integrating the principles of **financial materiality** (how environmental and social risks impact the organisation) and **impact materiality** (the organisation's influence on the environment and society).

The evaluation process included engaging with stakeholders and analysing data from internal and external sources. Impacts were assessed based on their scale, Scope and irreversibility, while risks were evaluated in terms of likelihood and potential financial implications.

Our evaluation encompassed every ESG dimension in the following areas:

- Environmental: Climate change (E1), Pollution (E2), Water and marine resources (E3), Biodiversity and ecosystems (E4), Resource use and circular economy (E5)
- Social: Own workforce (S1), Workers in the value chain (S2), Affected communities (S3), Consumers and end-users (S4)
- Governance: Business conduct (G1)

The other dimensions assessed are currently considered non-material, as their direct impact and risk relevance across our operations and value chain are limited based on operational insights and stakeholder feedback. As materiality is dynamic, these conclusions will be revisited as conditions evolve. Identified material topics will be addressed through targeted strategies and transparent reporting.

In August 2025, the Group performed a review to assess whether its Double Materiality Assessment required adaptation or revision.

Detailed information on the double materiality approach can be found in section 4.2, Unlocking the power of Double Materiality. For a full description of our IRO identification process, findings and interaction with our strategy and business model, see section 4.3, Navigating the landscape of impacts, risks and opportunities.

This assessment led to the identification of our material issues, opportunities and risks:

Environmental	Social	Governance
Climate change (E1) Climate change was identified as a material issue due to the positive impact of our products in terms of energy savings and avoided emissions during building lifecycles. • Opportunities: Transition to renewable energy; adoption of energy-efficient technologies; innovation in low-carbon solutions. • Risks: Carbon pricing policies; increased regulatory scrutiny; reputational impacts.	**Own workforce (S1)** The satisfaction, engagement, health & safety, fair compensation and development of our own workforce are central to our success and long-term sustainability. • Opportunities: Building a culture of innovation; fostering employee loyalty; attracting top talent through strong employer branding. • Risks: Potential challenges related to talent retention, skills gaps and evolving workplace dynamics.	**Business conduct (G1)** Upholding ethical business conduct is part of our core values. This dimension includes compliance with regulations, anti-corruption measures, transparency in governance and robust supply chain oversight. • Opportunities: Strengthening corporate reputation; building resilient supply chains; enhancing investor confidence. • Risks: Exposure to legal penalties; reputational damage; operational disruptions due to unethical practices.
Resource use and circular economy (E5) Resource use and circular economy emerged as material due to our focus on resource management and the regulatory push for reusable, circular product designs. • Opportunities: Cost savings through resource efficiency and innovation in circular design. • Risks: Compliance challenges with evolving regulations; adapting to shifting customer preferences for sustainable products.		

2.3.5.3 The ESG plans steering our progress

Recticel Group has two ESG plans in place to guide our strategy and optimise our performance for sustainable growth.

Our **Race to Net Zero** is a dedicated Climate Action Plan aimed at combatting global warming. This plan outlines specific targets and measurable KPIs to minimise our carbon footprint, achieve net zero emissions and amplify the positive impact of our activities. Our approach emphasises responsible sourcing of raw materials, sustainable, energy-efficient processes and eco-conscious design, and reflects our ambition to lead the global shift toward a circular, low-carbon economy.

Our **Race to Maximum Positive Performance** is our People and Solutions Plan, driven by our belief that building a better society requires collective action and the sharing of knowledge, expertise and technology. This conviction compels us to uphold the highest standards in human rights, labour practices, environmental stewardship and anti-corruption efforts. As an employer, we foster an inspiring, rewarding and safe workplace. We continuously improve the sustainability and energy efficiency of our solutions to elevate living standards for current and future generations.

2.3.6 Resilience of our strategy and business model

In 2024 we reviewed our strategy and business model to address sustainability challenges and seize opportunities that drive long-term value creation.

The evaluation encompassed the entire Recticel Group, excluding Rex Panels & Profiles, which was acquired after the ESG materiality assessment. Notably, Rex operates within the Insulated Panels Division, alongside Trimo, which engages in similar activities. The assessment covered the entire value chain.

The review considered short-term (1-5 years), medium-term (5-10 years), and long-term (up to 25 years) horizons, focusing on the adaptability of our business model to economic, environmental and social shifts while capitalising on emerging opportunities.

Core aspects included:
- Identifying major sustainability drivers such as climate change, resource efficiency and socio-economic developments.
- Engaging stakeholders to ensure a comprehensive understanding of material impacts.
- Analysing critical metrics, including carbon intensity, financial stress indicators and market share projections.

The findings of the review underscore our business resilience, which we demonstrate by:
- Mitigating climate risks through investments in resource-efficient technologies and collaboration with suppliers to minimise the impact of purchased goods.
- Proactively adapting to regulatory changes through compliance initiatives and stakeholder engagement.
- Expanding sustainable product offerings to meet evolving consumer preferences and societal trends.

Our analysis is rooted in the 1.5°C global warming scenario, a prerequisite for validating our SBTi net-zero commitment.

To enhance the long-term resilience of its operations, Recticel Group is strengthening its understanding and management of physical climate risks affecting its production footprint. Through climate scenario analysis and targeted site assessments, the Group is identifying potential vulnerabilities and defining appropriate adaptation actions.

For further information, refer to section 5.2.2, E1-1 Transition plan for climate change mitigation, and section 4.3.2, Material IROs and their interaction with strategy and business model.

2.3.7 ESG ratings and transparency

Building on our long-standing commitment to excellence in both financial and non-financial metrics, we continue to advance our ESG performance as a central element of our business strategy.

Maintaining clear, measurable goals and transparently reporting our progress are crucial for earning and retaining the trust of shareholders, who increasingly recognise the importance of sustainable and responsible business practices. Active engagement with ESG rating companies enables us to assess our impact, enhance our accountability and continuously identify opportunities for meaningful improvement.

2.3.7.1 CDP environmental data disclosure and assessment

Recticel Group reports climate data with CDP, which operates the world's leading independent environmental disclosure system, enabling organisations worldwide to measure and manage their environmental impacts.

For the second consecutive year, Recticel Group has received the highest 'A' score for Climate Change from CDP, reflecting our consistent and transparent approach to climate reporting and action. This recognition underscores our commitment to meaningful climate action and a sustainable future for all stakeholders.

In 2025, CDP assessed more than 22,100 companies worldwide. Only 877 - around 4% - earned a place on the Climate Change A List, underscoring the exclusivity of this group of global leaders in environmental transparency and performance.

In addition, Recticel Group received an A rating in CDP's Supplier Engagement Assessment (SEA), reflecting our continued efforts to embed climate considerations throughout the supply chain and to collaborate with suppliers in advancing their own climate initiatives.

Climate CDP A List 2025

	2022	2023	2024	2025
Recticel Group	B	B	A	A
Peer 1	A-	A	A	A-
Peer 2	A-	A-	B	A-
Peer 3			B	-

2.3.7.2 ESG research and rating providers

Our ESG performance is evaluated by several leading rating providers. Each provider applies its own methodology, using distinct evaluation criteria and scoring systems aligned with its specific approach. As a result, ratings are not directly comparable across providers. To better understand these methodologies, we encourage stakeholders to consult the detailed information available on the respective providers' websites.

Morningstar Sustainalytics and S&P Global evaluate our exposure to ESG impacts, risks and opportunities, providing insights into how effectively we manage these critical areas, relative to peers within the same industry classification. They cannot be compared across industries.

ecovadis

Recticel Group has been awarded the EcoVadis Silver Medal for the first time, marking an important milestone in our sustainability journey.

This achievement places Recticel Group among the **top 15% of companies** assessed globally by EcoVadis over the past 12 months (85th percentile and above).

EcoVadis evaluates 21 sustainability criteria across four core themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. With more than 130,000 companies rated worldwide, this recognition reflects the strength of our commitments, processes and continuous improvements across the Group.

OVERALL SCORE

↗ 73/100

PERCENTILE

87th

SILVER | Top 15%
ecovadis
Sustainability Rating
FEB 2026

Peer 2	Gold (10/2025)
Recticel Group	Silver (02/2026)
Peer 1	Silver (02/2026)
Peer 3	not scored

MORNINGSTAR | SUSTAINALYTICS

ESG RISK RATING

20.8 Medium Risk

NEGL	LOW	MED	HIGH	SEVERE
0-10	10-20	20-30	30-40	40+

RANKING

Industry Group (1st = lowest risk)

Building Products 24 out of 139

Universe

Global Universe 4,478 out of 14,999

Last full update 17 October 2025

ESG RISK RATING 09.04.2026

BUILDING PRODUCTS 2025	Score	Category	Rank	Percentile
Peer 1	19.3	Low	13/139	10th
Peer 2	19.9	Low	17/139	12th
Recticel Group	20.8	medium	24/139	18th

S&P Global

S&P GLOBAL ESG SCORE

2023	2024	2025
30/100	38/100	49/100

Data Availability: Medium

Last updated: 17 December 2025
Updated annually or in response to major developments

S&P GLOBAL ESG SCORE

ESG Score ■ Industry ESG Score Average

ENVIRONMENTAL

CSA Score 55 | ESG Score 59 | Industry Average 38

SOCIAL

CSA Score 35 | ESG Score 37 | Industry Average 37

GOVERNANCE & ECONOMIC

CSA Score 48 | ESG Score 48 | Industry Average 38

BUILDING PRODUCTS	2025
Peer 2	56
Peer 1	55
Recticel Group	49
Peer 3	26

2.3.8 Interests and views of stakeholders

Clear and effective stakeholder communication is essential to build trust, manage risks and support our strategic objectives. Engaged stakeholders contribute to customer loyalty, investor confidence and employee motivation. Any material changes in strategy or activities affecting these relationships are communicated transparently.

Our key stakeholders include shareholders, investors, customers, employees and suppliers. We also recognise the broader impact of our products and activities on workers throughout the value chain, as detailed in section 3.4, GOV-4 Statement of due diligence in the value chain.

Our stakeholder engagement aims to understand priorities, address concerns and align with our sustainability goals. Insights gathered from these interactions are systematically reviewed with the Board of Directors and the Management Committee, as outlined in section 3.2

Throughout 2025, we engaged consistently with our key stakeholders through various communication channels to support our business goals.

Through our due diligence and materiality assessment processes, we actively analyse stakeholder interests and perspectives in relation to our strategy and business model. By integrating these priorities into our strategic planning, we ensure alignment with both stakeholder expectations and organisational goals, fostering continuous value creation.

Material stakeholders	Topics addressed	How we engage	Purpose and outcome
Shareholders, investors and analysts	• Timely disclosure of information such as operating results, management policies, plans and events • Building trust-based relationships • Shareholder returns	• Corporate website, press releases • Annual and half-year reports • Annual General Meeting (AGM) • Disclosing information to rating organisations • Analyst meetings • Roadshows, contacts (individual, group) • Contacts with reference shareholders	• Confidence in accuracy and credibility of disclosed information • Better ESG ratings • Higher reputation • Compliancy with regulations
Customers	• Providing safe, secure and quality products • Building trust-based relationships • Improving customer satisfaction through products, service and support • Fair and equitable transactions	• Quality Assurance Certificates • Environmental Product Declarations • Interactions, training sessions, lectures • Calculation tools	• Anticipating customer's expectations with smart and sustainable insulation products • Increased trust and loyalty
Employees	• Providing a safe and rewarding workplace • Enhancing systems and education to maximise their capabilities • Open communication with employees and their representatives	• Intranet communication • CEO 'Team Talk' • Town hall and team meetings • Employee Performance Management Discussion (EPMD) • Training programmes • Social dialogue (local and European Works Council)	• Higher levels of employee engagement • Improved safety performance • Increased operational efficiency
Suppliers	• Optimising carbon footprint • Resource efficiency and circular economy • Optimising upstream transport and distribution • Supply chain human rights due diligence • Partnership for innovation	• Day-to-day contact • Visits, meetings, audits, fairs • Joint development projects	• Improved operational efficiency • Trustful partnerships • More sustainable products • Lower embodied carbon

03 Corporate governance

ESRS IRO-1, ESRS 2, GOV-1 - GOV-5

PART 1 | MANAGEMENT'S REVIEW

3

IN THIS CHAPTER

Recticel Group maintains a robust governance framework and integrates sustainability across its operations and value chain. This chapter outlines the role, composition, and functioning of the Board of Directors and Executive Management, including statutory appointments, Committee structures, and oversight mechanisms that ensure effective governance.

Sustainability is embedded in decision-making and incentives, with performance metrics incorporated into management and executive schemes. Recticel Group advances responsible business practices through a comprehensive procurement vision, ensuring environmental and social standards are upheld throughout the value chain.

The Group has strengthened its risk management framework, enhancing transparency, accuracy, and compliance with evolving regulatory requirements. Building on a data-driven ESG approach and strong governance, the Group is focused on creating sustainable value with future-smart insulation that meet stakeholder expectations.

REPRESENTATION (01.04.2025)

Board of Directors
Male: 57.1%
Female: 42.9%

Management Committee
Male: 50%
Female: 50%

COMMITTEES

Audit & Sustainability Committee

Remuneration & Nomination Committee

PRIMARY EMISSION DATA

73.7% of Scope 3.1 GHG emissions calculated using supplier-specific product emission values

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3.1 GOV-1 I The role of the administrative, management and supervisory bodies
3.1.1 Role of the Board of Directors of Recticel NV
3.1.2 Composition of the Board of Directors
3.1.3 Statutory appointments
3.1.4 Functioning of the Board of Directors
3.1.5 Composition of the Executive Management
3.1.6 Committees set up by the Board of Directors

3.2 GOV-2 I Information provided to and sustainability matters addressed by the Recticel Group administrative, management and supervisory bodies

3.3 GOV-3 I Integration of sustainability-related performance in incentive schemes

3.4 GOV-4 I Statement on due diligence in the value chain
3.4.1 Our procurement vision
3.4.2 Our supply chain human rights due diligence procedure
3.4.3 Product stewardship

3.5 GOV-5 | Risk management and internal controls over sustainability reporting
3.5.1 Risk management and governance
3.5.2 Internal controls over sustainable reporting

3.6 Applicable reference code and rules
3.6.1 Applicable reference code
3.6.2 Transactions and other contractual ties between the Company and members of the Board of Directors or members of the Management Committee
3.6.3 Insider trading and market manipulation
3.6.4 Relationships with the reference shareholders

3.7 External audit

3.8 Shareholder’s diary

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

The Board places a strong emphasis on the interests of all key stakeholders, such as customers, employees, shareholders and society, acknowledging their critical role in Recticel Group's long-term sustainability.

3.1.1 Role of the Board of Directors of Recticel NV

Recticel NV's Board of Directors is entrusted with overseeing the company's overall management, emphasising sustainable growth, financial stability and long-term success. The Board plays a key role in integrating sustainability into the corporate strategy and decision-making processes. It provides strategic direction, ensures sound financial stewardship, upholds strong corporate governance and assesses and mitigates business risks.

The Board places a strong emphasis on the interests of all key stakeholders, such as customers, shareholders and society, acknowledging their critical role in Recticel Group's long-term sustainability. It sets ethical standards and business best practices (ESRS G1, Business conduct), ensures adherence to legal and regulatory obligations and oversees the material topics targets and progress, including the Company's transition plan to reach net zero by 2050 (ESRS E1, Climate change).

The Board, supported by its Audit & Sustainability Committee, assesses the ESG strategy to maintain high sustainability standards, ensuring the adoption of robust practices and reporting frameworks that align with evolving expectations.

Further details on the roles and responsibilities of the Board of Directors and the Audit & Sustainability Committee, particularly in overseeing material impacts, risks and opportunities (IROs), can be found in section 3.2, GOV-2.

3.1.2 Composition of the Board of Directors

On 31 December 2025, the Board of Directors consists of eight members: one Executive Director, six Independent Directors, and one Non-executive Director representing the reference shareholder. Mandate of IMRADA BV, represented by Ms Ingrid Merckx, expired on 27 May 2025.

Name	FUNCTION	TYPE
Wim Dejonghe [1]	Chairman	Independent
Jan Vergote [2]	Managing Director	Executive
Frank Coenen [3]	Director	Independent
Barbara De Saedeleer [4]	Director	Independent
Luc Missorten [5]	Director	Independent
Ingrid Merckx [6]	Director	Independent
Astrid Rahn [7]	Director	Independent
Elisa Vlerick [8]	Director	Independent
Filip Balcaen [9]	Director	Non-executive

[1] in the capacity of permanent representative of D.A.S.T. BV
[2] in the capacity of permanent representative of CORAL & WALLACE BV
[3] in the capacity of permanent representative of IRIDI BV
[4] in the capacity of permanent representative of FOXFIN BV, from 27/05/2025
[5] in the capacity of permanent representative of LUBIS BV
[6] in the capacity of permanent representative of IMRADA BV, until 27/05/2025
[7] in the capacity of permanent representative of REF.LEX BV, from 27/05/2025
[8] in the capacity of permanent representative of MOROXCO BV
[9] in the capacity of permanent representative of BALTISSE NV

The Board does not include employee representatives, and Independent Directors account for 75% of its members.

In accordance with Article 7:86 of the Belgian Code of Companies and Associations, which mandates that at least one third of the Board members must be of a different gender than the other members, the Board is proactively pursuing initiatives to improve female representation. As of 31 December 2025, three of the eight Board members are women, representing 37.5% of the Board. On 2 March 2026, the female representation increased to 42.9%

The selection process for Board members is detailed in the Recticel Group Corporate Governance Charter (Corporate Governance | Recticel),[1] which emphasises the importance of diversity across all dimensions, including gender, background, professional experience, competencies and education.

The members of the Audit & Sustainability Committee collectively possess a strong understanding of business conduct and sustainability, supported by prior professional experience in overseeing sustainability objectives. They are updated and informed on relevant legislation, regulations and IROs on an ongoing basis by the Group Sustainability Director to ensure that they have the necessary insights to do so effectively. (For more information on the role of the Group Sustainability Director, see section 3.2).

Additionally, the Board has access to external experts to ensure comprehensive insights and informed decision-making on sustainability matters.

On 2 March 2026, Wim Dejonghe, representing D.A.S.T. BV resigned from his position of Director. On the same day, Jan Vergote, representing CORAL & WALLACE BV, formerly Managing Director, was appointed Executive Chairman.

[1] https://www.recticel.com/index.php/investors/corporate-governance.html A review process of the Recticel Group Corporate Governance Charter was initiated Q4 of 2025. A new Corporate Governance Charter was published on 26 February 2026.

Composition of the Board of Directors on 02/03/2026

Jan Vergote
Belgian
Executive Director*

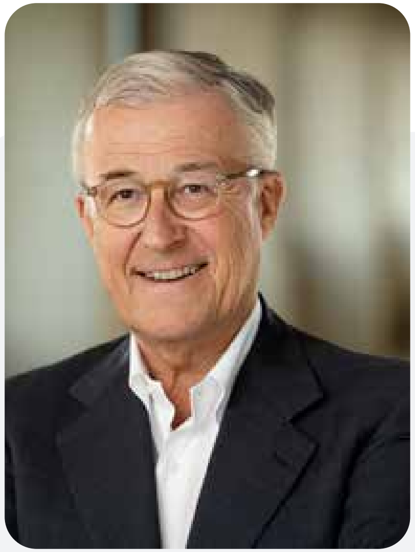
Born: 1962
Recticel NV mandate: Executive Chairman of the Board of Directors
Start of mandate: 2024
End of mandate: 2027
Education: Germanic Philology, University of Ghent; Vlerick Business School Ghent; General Management INSEAD
Primary functions outside Recticel Group: Director at PIA Group and Baobab

** In the capacity of permanent representative of CORAL & WALLACE BV*

Frank Coenen
Belgian
Independent Director*

Born: 1959
Recticel NV mandates: Member of the Board of Directors and Chairman of the Remuneration & Nomination Committee
Start of mandate: 2024
End of mandate: 2027
Education: Master of Science, Chemical Engineering, University of Ghent; Postgraduate Management, University of Leuven
Primary functions outside Recticel Group: Partner at Syntagma Capital

** In the capacity of permanent representative of IRIDI BV*



Filip Balcaen
Belgian
Non-executive Director*

Born: 1960
Recticel NV mandates: Member of the Board of Directors and Remuneration & Nomination Committee
Start of mandate: 2022
End of mandate: 2028
Education: TEW (Economics), Antwerp
Primary functions outside Recticel Group: Executive Chairman at Baltisse; Chairman at Baobab and Polflam; Director at House of Talents, PIA Group and Pentahold

** In the capacity of permanent representative of BALTISSE NV*

Barbara De Saedeleer
Belgian
Independent Director*

Born: 1970
Recticel NV mandates: Member of the Board of Directors, Audit & Sustainability Committee and Remuneration & Nomination Committee
Start of mandate: 2025
End of mandate: 2028
Education: Master in Business Economics, VLEKHO Business School, Brussels
Primary functions outside Recticel Group: Chief Strategy Officer at erudite.health; Director at Montea, Kolmont Holding, Orsi Academy and UTB

**In the capacity of permanent representative of FOXFIN BV*

Luc Missorten
Belgian
Independent Director*

Born: 1955
Recticel NV mandates: Member of the Board of Directors and Remuneration & Nomination Committee; Chairman of the Audit & Sustainability Committee
Start of mandate: 2015
End of mandate: 2027
Education: Degree in Law, University of Leuven
Primary functions outside Recticel Group: Member Board of Directors and Chairman Audit Committee GIMV; Managing Director at Lubis

** In the capacity of permanent representative of LUBIS BV*

Elisa Vlerick
Belgian
Independent Director*

Born: 1986
Recticel NV mandates: Member of the Board of Directors and Audit & Sustainability Committee
Start of mandate: 2019
End of mandate: 2028
Education: BA (Hons) History in UK; MA Law, University of Leuven; Master in BA in Switzerland; MA Corporate Law, University of Leuven
Primary functions outside Recticel Group: Partner at 9.5 Ventures VC fund; Director at Vlerick Group

** In the capacity of permanent representative of MOROXCO BV*

Astrid Rahn
Belgian
Independent Director*

Born: 1970
Recticel NV mandates: Member of the Board of Directors, Audit & Sustainability Committee and Remuneration & Nomination Committee
Start of mandate: 2025
End of mandate: 2028
Education: Master in Commercial Sciences, ICHEC, Brussels
Primary functions outside Recticel Group: CFO Bridgestone EMEA

** In the capacity of permanent representative of REF. LEX BV*

3.1.3 Statutory appointments

As proposed by the Board of Directors and based upon the recommendations made by the Remuneration & Nomination Committee, the following was decided during the Ordinary General Meeting of 27 May 2025.

- Renewal of the mandate of BALTISSE NV, permanently represented by Mr Filip Balcaen, as Non-executive Director for a new term of three years ending after the Ordinary General Meeting of 2028.
- Renewal of the mandate of MOROXCO BV, permanently represented by Ms Elisa Vlerick, as Non-executive and Independent Director for a new term of three years ending after the Ordinary General Meeting of 2028.
- Establishment that the mandate of IMRADA BV, permanently represented by Ms Ingrid Merckx, as Non-executive and Independent Director, expires after the Ordinary General Meeting of 27 May 2025. Decision to proceed with her replacement.
- In replacement of IMRADA BV, appointment as Non-executive and Independent Director of FOXFIN BV, permanently represented by Ms Barbara De Saedeleer, for a term of three years expiring after the Ordinary General Meeting of 2028.
- Appointment as Non-executive and Independent Director of REF.LEX BV, permanently represented by Ms Astrid Rahn, for a term of three years expiring after the Ordinary General Meeting of 2028.

Upon advice of the Remuneration & Nomination Committee, the Board of Directors proposes at the Ordinary General Meeting of 26 May 2026 to approve the following:

- Approval of the resignation of D.A.S.T. BV, represented by Mr. Wim Dejonghe, as Director with effect from 2 March 2026. It was decided not to replace him.

For more information, please consult our corporate website (www.recticel.com).

3.1.4 Functioning of the Board of Directors

The Board of Directors convened a total of six times in 2025. One meeting focused primarily on the 2025 budget, while two meetings handled the preparation of the annual accounts as of 31 December 2024 and the mid-year accounts as of 30 June 2025.

Each meeting included a review of the performance of the different divisions, discussions on significant acquisition and/or divestment matters and review of sustainability matters (which is a recurring item since August 2024).

Other topics, such as human resources, external communications, legal issues, litigations and delegations of authority, were addressed as required. Dirk Verbruggen, representing ROFFOELKIN BV, acted as Secretary of the Board of Directors. The written decision procedure was not applied in 2025.

The following table outlines the individual attendance rates for the Board of Directors meetings in 2025.

Name	ATTENDANCE RATE IN 2025
Wim Dejonghe [1]	6/6
Jan Vergote [2]	6/6
Frank Coenen [3]	5/6
Barbara De Saedeleer [4]	4/4
Luc Missorten [5]	6/6
Ingrid Merckx [6]	1/2
Astrid Rahn [7]	4/4
Elisa Vlerick [8]	6/6
Filip Balcaen [9]	4/6

[1] in the capacity of permanent representative of D.A.S.T. BV
[2] in the capacity of permanent representative of CORAL & WALLACE BV
[3] in the capacity of permanent representative of IRIDI BV
[4] in the capacity of permanent representative of FOXFIN BV, from 27/05/2025
[5] in the capacity of permanent representative of LUBIS BV
[6] in the capacity of permanent representative of IMRADA BV, until 27/05/2025
[7] in the capacity of permanent representative of REF.LEX BV, from 27/05/2025
[8] in the capacity of permanent representative of MOROXCO BV
[9] in the capacity of permanent representative of BALTISSE NV

The Board of Directors periodically conducts a self-assessment of its performance, including an evaluation of its interactions with members of the Management Committee. The process begins with a questionnaire that is distributed to and completed by each Director. The results are then reviewed and discussed in a subsequent Board meeting for further analysis. The most recent formal assessment took place in 2021, with the results and recommendations being presented to the Board of Directors in February 2022 and implemented accordingly. Individual assessments of the Directors are carried out by the Remuneration & Nomination Committee.

3.1.5 Composition of the Executive Management

The Board of Directors has entrusted the day-to-day management of the Group to the Chief Executive Officer (CEO). The CEO is supported by the Management Committee.

On 31 December 2025, the Management Committee consisted of six members.

Name	FUNCTION
Jan Vergote [1]	Group Chief Executive Officer
Betty Bogaert	Chief Information and Digitalisation Officer
Stefaan Debusschere [2]	Chief Executive Officer Insulation Boards
Nay Tawile [3]	Chief Executive Officer Insulated Panels
Bart Van den Eede [4]	Chief Financial Officer
Stijn Vermeulen [5]	Chief Operations Officer

[1] in the capacity of permanent representative of CORAL & WALLACE BV
[2] in the capacity of permanent representative of AVENTUS BV, from 01/03/2026
[3] from 01/06/2025
[4] in the capacity of permanent representative of PENDRON BV
[5] in the capacity of permanent representative of DEVE CONSULTING BV

Rob Nijskens, Chief Human Resources Officer, was a member of the Management Committee until 31 October 2025.

On 2 March 2026, Stefaan Debusschere, Chief Executive Officer Insulation Boards, representing AVENTUS BV, succeeded to Jan Vergote as Group Chief Executive Officer.

On 1 April 2026, the Management Committee consisted of six members.

Name	FUNCTION
Stefaan Debusschere [1]	Group Chief Executive Officer and Chief Executive Officer Insulation Boards
Betty Bogaert	Chief Information and Digitalisation Officer
Tine Malfrère [2]	Chief Human Resources Officer
Nay Tawile	Chief Executive Officer Insulated Panels
Bart Van den Eede [3]	Chief Financial Officer
Stijn Vermeulen [4]	Chief Operations Officer

[1] in the capacity of permanent representative of AVENTUS BV
[2] in the capacity of permanent representative of PLANIKA BV, from 01/04/2026
[3] in the capacity of permanent representative of PENDRON BV
[4] in the capacity of permanent representative of DEVE CONSULTING BV

The CEO is in charge of the daily management of the Company within the meaning of article 7:121 of the Belgian Companies and Associations Code (BCCA), and the representations of the Company in this respect. Upon decision by the Board of Directors, the CEO may from time to time be entrusted with other duties and responsibilities. For more detailed information, please refer to the Recticel Group Corporate Governance Charter (article 3.4.2) (Corporate Governance | Recticel),[2]. Working closely with the Management Committee, the CEO oversees and coordinates the Company's ESG roadmap, ensuring efficient implementation and reporting to meet the targets linked to key material topics.

The Executive Management has access to dedicated sustainability expertise and skills through structured internal resources and external collaborations. This includes specialised teams within the organisation focused on environmental, social and governance (ESG) matters, as well as engagement with external consultants, industry networks and sustainability experts. These resources ensure informed decision-making and alignment with best practices in sustainability.

In accordance with the Recticel Group Corporate Governance Charter, the Executive Chairman, Jan Vergote, represented by CORAL & WALLACE BV, is part of the Executive Management. The Executive Chairman is not a member of the Management Committee.

[2] https://www.recticel.com/index.php/investors/corporate-governance.html

Composition of the Management Committee on 01/04/2026

Stefaan Debusschere
Group Chief Executive Officer

Tine Malfrère
Chief Human Resources Officer

Bart Van den Eede
Chief Financial Officer

Betty Bogaert
Chief Information & Digitalisation Officer

Nay Tawile
Chief Executive Officer Insulated Panels

Stijn Vermeulen
Chief Operations Officer

3.1.6 Committees set up by the Board of Directors

3.1.6.1 Audit & Sustainability Committee

The Audit & Sustainability Committee oversees the financial and non-financial reporting process, monitors the effectiveness of the Company's internal control and risk management systems, supervises the internal audit, statutory oversight of the annual and consolidated accounts, and the Sustainability Statement, and ensures the Auditor's independence.

Currently, no dedicated controls or procedures are in place specifically for the management of impacts, risks and opportunities (IROs). However, the Audit & Sustainability Committee regularly reviews IROs as part of its broader oversight responsibilities. The Committee monitors the effectiveness of the Company's internal control and risk management systems, including sustainability aspects, and advises the Board of Directors on ESG-related topics. In addition, discussions surrounding IROs take place between the CEO, the Management Committee and the Sustainability Director, ensuring that these critical issues are addressed and incorporated into the Company's ongoing strategies and operations.

The Committee's responsibilities are outlined in the Recticel Group Corporate Governance Charter (Corporate Governance | Recticel),[3] which provides a detailed description of its tasks.

The Audit & Sustainability Committee held four meetings in 2025. Two of these sessions focused primarily on reviewing the audit of the annual accounts as of
31 December 2024, and the interim accounts as of 30 June 2025. In addition, all meetings addressed important topics such as the Internal Audit programme, risk management, compliance, taxation, IFRS-related accounting issues, and sustainability topics. At least two of these meetings included direct discussions with the Statutory Auditor and the Head of Internal Audit.

In 2025, the Audit & Sustainability Committee reviewed the Double Materiality Assessment and the IROs, as well as the progress on alignment with the CSRD, with the Recticel Group Sustainability Director.

Going forward, the sustainability agenda will cover topics including, but not limited to, upcoming legislation, impacts, risks and opportunities (IROs), progress on CSRD reporting requirements, advancements towards material targets, and sustainability initiatives aimed at reducing Scope 1, 2 and 3 emissions.

The Audit & Sustainability Committee is composed of five members in 2025, all of whom are Independent Directors.

Dirk Verbruggen, representing ROFFOELKIN BV, acted as the Secretary of the Audit & Sustainability Committee.

The Committee's composition complies with the provisions of the Belgian Code of Companies and Associations, as well as the Belgian Corporate Governance Code. In line with Article 7:100 of the Belgian Code of Companies and Associations, Recticel NV confirms that the Chairman of the Audit & Sustainability Committee, Luc Missorten, possesses the requisite expertise in accounting and auditing.

The following table outlines the individual attendance rates for the Audit & Sustainability Committee meetings in 2025.

Name	FUNCTION	ATTENDANCE RATE IN 2025
Luc Missorten [1]	Chairman	4/4
Wim Dejonghe [2]	Member	4/4
Barbara De Saedeleer [3]	Member	2/2
Ingrid Merckx [4]	Member	1/2
Astrid Rahn [5]	Member	2/2
Elisa Vlerick [6]	Member	4/4

[1] in the capacity of permanent representative of LUBIS BV
[2] in the capacity of permanent representative of D.A.S.T. BV
[3] in the capacity of permanent representative of FOXFIN BV, from 27/05/2025
[4] in the capacity of permanent representative of IMRADA BV, until 27/05/2025
[5] in the capacity of permanent representative of REF.LEX BV, from 27/05/2025
[6] in the capacity of permanent representative of MOROXCO BV

D.A.S.T. BV, represented by Wim Dejonghe was a member of the Audit & Sustainability Committee until 2 March 2026. He is not replaced as committee member.

[3] Available at https://www.recticel.com/index.php/investors/corporate-governance.html

3.1.6.2 Remuneration & Nomination Committee

The Remuneration & Nomination Committee advises the Board of Directors on the remuneration policy and determines individual compensation for Directors and Management Committee members. It prepares the remuneration report and presents it at the Ordinary General Meeting. The Committee also makes recommendations on the evaluation and reappointment of Directors and oversees the selection and onboarding of new Directors. Its roles and responsibilities are detailed in the Recticel Group Corporate Governance Charter (Corporate Governance | Recticel).[4]

The Remuneration & Nomination Committee met three times in 2025. These meetings dealt with the fixed and variable remuneration of the Executive Management and with the election and re-election of Directors. The CEO was present at the discussion about the remuneration of the other members of the Executive Management.

The Remuneration & Nomination Committee was composed of six members in 2025, one of whom is a Non-executive Director, with five serving as Independent Directors.

Dirk Verbruggen, representing ROFFOELKIN BV, acted as the Secretary of the Remuneration & Nomination Committee.

The Committee's composition complies with the provisions of the Belgian Code of Companies and Associations, as well as the Belgian Corporate Governance Code. In line with Article 7:100 of the Belgian Code of Companies and Associations, Recticel NV confirms that the Remuneration & Nomination Committee has the required expertise in remuneration policy matters.

The following table outlines the individual attendance rates for the Remuneration & Nomination Committee meetings in 2025.

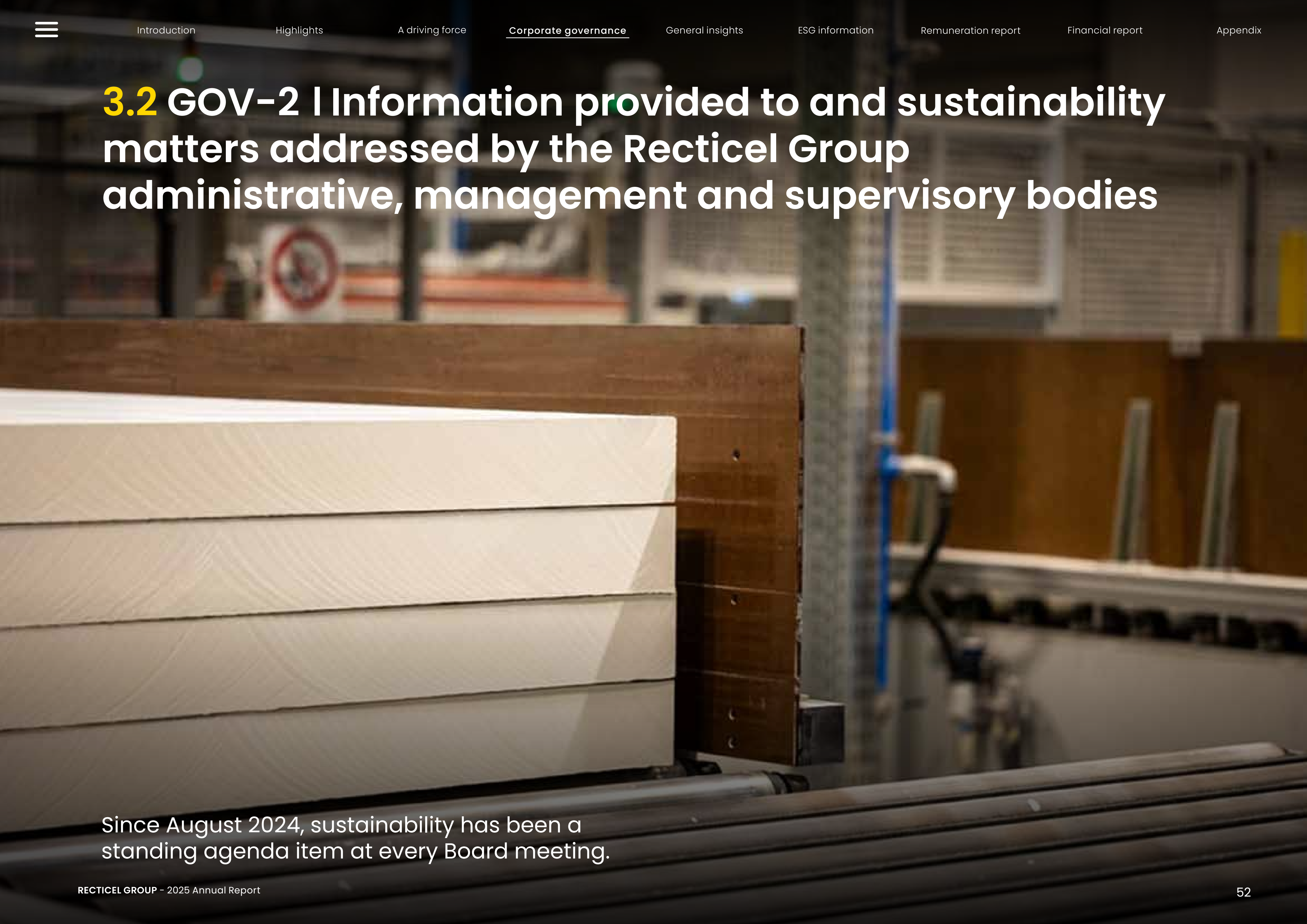
Name	FUNCTION	ATTENDANCE RATE IN 2025
Wim Dejonghe [1]	Chairman	3/3
Filip Balcaen [2]	Member	3/3
Frank Coenen [3]	Member	2/3
Barbara De Saedeleer [4]	Member	1/1
Luc Missorten [5]	Member	3/3
Astrid Rahn [6]	Member	1/1

[1] in the capacity of permanent representative of D.A.S.T. BV
[2] in the capacity of permanent representative of BALTISSE NV
[3] in the capacity of permanent representative of IRIDI BV
[4] in the capacity of permanent representative of FOXFIN BV, from 27/05/2025
[5] in the capacity of permanent representative of LUBIS BV
[6] in the capacity of permanent representative of REF.LEX BV, from 27/05/2025

The Remuneration & Nomination Committee conducts an informal self-assessment of its functioning during one of its meetings and reserves the necessary time to discuss and analyse the same. A formal assessment by an external partner was performed in 2021 and the results and recommendations were discussed and implemented in early 2022.

D.A.S.T. BV, represented by Wim Dejonghe, was Chairman of the Remuneration & Nomination Committee until 2 March 2026. He is not replaced as committee member. From 2 March 2026, Frank Coenen, representing IRIDI BV, Independent Director, was designated Chairman of the Remuneration & Nomination Committee.

[4] Available at https://www.recticel.com/index.php/investors/corporate-governance.html



3.2 GOV-2 I Information provided to and sustainability matters addressed by the Recticel Group administrative, management and supervisory bodies

Since August 2024, sustainability has been a standing agenda item at every Board meeting.

The **Board of Directors**, supported by the Audit & Sustainability Committee, ensures that sustainability is integral to the corporate strategy. Since August 2024, sustainability has been a standing agenda item at every Board meeting. These discussions encompass progress toward the Science Based Targets initiative (SBTi) goals and other targets set for the material topics, approval of the Annual Report's Sustainability Statement, and a comprehensive review of the Company's aggregated exposure to material ESG impacts, risks, opportunities (IROs) and policies.

When overseeing the Company's strategy, major transactions and risk management processes, the Board of Directors carefully assesses the broader implications of material impacts, risks and opportunities. This includes evaluating potential trade-offs to balance short-term business priorities with long-term sustainability goals. By considering these factors, the Board of Directors ensures that decision-making aligns with the Company's commitment to responsible growth, resilience and value creation for all stakeholders.

The Chairman of the **Audit & Sustainability Committee**, working closely with the Chief Executive Officer, is responsible for overseeing the sustainability targets and related impacts, risks and opportunities, and regularly updates the Board of Directors on progress, including the potential effects of upcoming legislation such as the Ecodesign for Sustainable Products Regulation, replacing the old Ecodesign Directive and introducing Digital Product Passports (DPPs) for transparency. Following the Omnibus Agreement, Recticel Group does not meet the thresholds required to report under the Corporate Sustainability Due Diligence Directive (CSDDD), due to come into force in 2029.

The **Chief Executive Officer** is responsible for the Company's sustainability ambitions, strategy, reporting and issue management. The targets for the material topics are set together with the Management Committee. The CEO reviews the ESG strategy with the Audit & Sustainability Committee and the Board of Directors, ensuring the implementation of appropriate sustainability standards and reporting frameworks. Additionally, he oversees progress against the SBTi-approved near-term and long-term targets as well as the targets for all material topics, and engages monthly with the Group Sustainability Director to review the coordination of the Company's sustainability roadmap and reporting.

The role of the **Group Sustainability Director** is to advance Recticel Group's sustainability agenda. Its key responsibilities include:

- Ensuring compliance with environmental regulations and standards while driving efforts to reduce the Company's carbon footprint and optimise sustainable resource use through targeted sustainability programmes.
- Managing sustainability disclosures aligned with current frameworks like CSRD/ESRS, effectively communicating progress and goals through various channels.
- Tracking upcoming legislation, directives and regulations relevant to Recticel Group's business operations, such as the Construction Products Regulations.
- Managing the preparation and submission of the Sustainability Statement, supervising the disclosure of environmental data to CDP, and ensuring accurate and standards-aligned ESG reporting to EcoVadis, Morningstar Sustainalytics, and S&P Global (see also section 2.3.7).
- Proposing Group-level sustainability goals and KPIs to the Management Committee, enabling clear measurement of achievements and ongoing improvements.
- Providing regular updates and information sessions to the Audit & Sustainability Committee and the Board of Directors on material impacts, risks and opportunities, ensuring they have the insights needed to exercise effective oversight of sustainability objectives.

3.3 GOV-3 I Integration of sustainability-related performance in incentive schemes

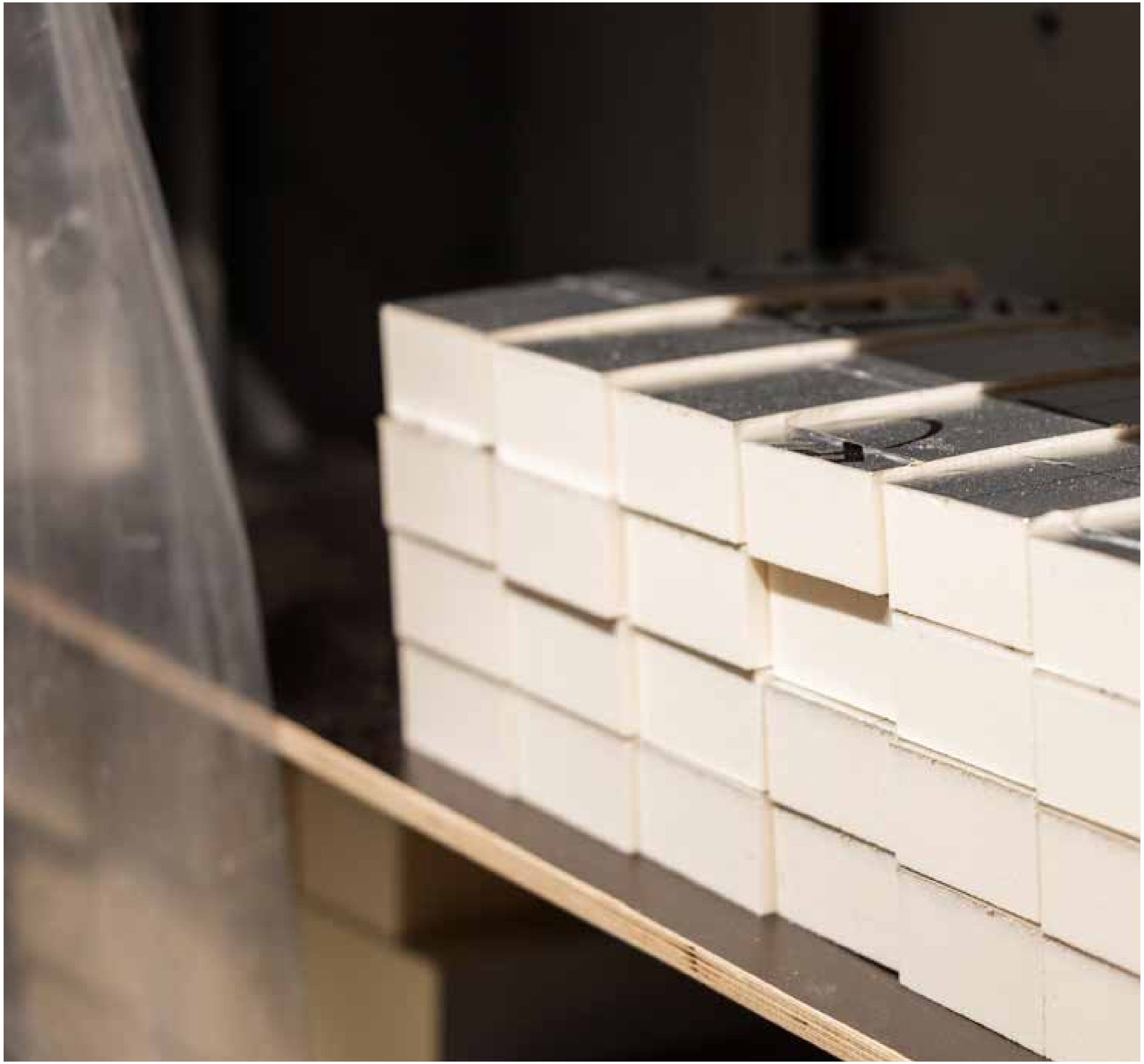
Our involvement with the Science Based Targets initiative (SBTi) highlights our commitment to environmental stewardship and corporate responsibility.

Our involvement with the Science Based Targets initiative (SBTi) highlights our commitment to environmental stewardship and corporate responsibility. Among our near-term science based objectives is the ambitious goal of reducing absolute Scope 1+2 GHG emissions by 90% by 2030, from a 2021 base year. Setting an ESG-related monetary incentive for the management of environmental issues enables us to achieve this target progressively.

For the performance year 2025, collective objectives for the CEO and Group Function Heads (Chief Financial Officer, Chief Operations Officer, Chief Human Resources Officer, Chief Information & Digitalisation Officer) are set at the Group level. For division CEOs and Managers, objectives are determined at the division level.

In 2025, 5% of the variable remuneration was linked to sustainability objectives. Specifically, the ESG-related incentive was tied to achieving a 10% reduction in greenhouse gas (GHG) emissions compared to 2023, measured by the carbon intensity of the production process (scope 1+2). To minimise the impact of price fluctuations, this target was based on production volume rather than revenue. The payout scale ranged from 0% for reductions below 5% to a maximum of 125% for achieving a 15% reduction. As detailed in section 5.2.7, the carbon intensity (scope 1+2) based on production volume decreased by 36.6% compared to 2024.

More information can be found in chapter 6, Remuneration report.



3.4 GOV-4 | Statement on due diligence in the value chain

Our suppliers play a pivotal role in realising our sustainability aspirations. We are committed to fostering sustainable partnerships, rooted in the belief that the transition to a low-carbon society and circular economy can only be achieved through collaborative efforts.

3.4.1 Our procurement vision

At Recticel Group, we are committed to fulfilling our ethical, social and environmental responsibilities across all levels of our operations and partnerships. Responsible sourcing plays a key role in our sustainability strategy, guiding us to work with suppliers who prioritise environmental stewardship and uphold strong social standards.

Our suppliers play a pivotal role in realising our sustainability aspirations. We are committed to fostering sustainable partnerships, rooted in the belief that the transition to a low-carbon society and circular economy can only be achieved through collaborative efforts. By striving to build a resilient and sustainable value chain, we aim to align with our strategic objectives while generating positive societal and environmental impacts.

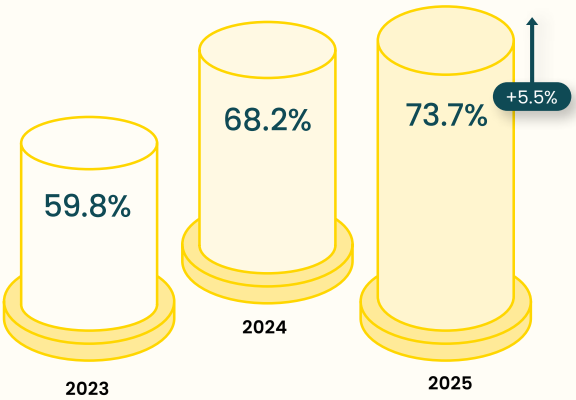
Our collaboration with suppliers focuses on:
- Reducing carbon emissions
- Sourcing eco-friendly materials
- Upholding fair labour practices

When selecting new suppliers or evaluating existing partnerships, we prioritise discussions about their capabilities in resource efficiency, use of renewable materials, and their supplier engagement strategies to help realise our Science Based Targets initiative (SBTi) ambitions. These discussions are designed to align supplier innovations with our carbon footprint reduction goals, reinforcing a sustainable and responsible value chain.

Since 88% of the Recticel Group carbon footprint in 2025 is attributable to purchased goods and services, close collaboration with our suppliers is critical to reducing our climate impact and achieving our SBTi targets. We have made substantial progress in gathering actual evidence-based environmental data from our suppliers, including the systematic tracking of their Scope 1, 2 and 3 emissions. Each year, we request our key Tier 1 suppliers to provide product-specific emissions data, moving away from reliance on industry averages. The main product categories concerned include chemicals, facers, mineral wool and steel.

In 2025, 73.7% of Cat. 3.1 emissions were calculated using supplier-specific emission data (primary data) for purchased products, an increase of 5.5% compared to the previous year. Prioritising supplier-specific data over industry averages is essential to accurately identify hotspots and drive targeted actions that reduce the carbon footprint of our purchased goods.

CAT. 3.1, PURCHASED GOODS AND SERVICES SUPPLIER-SPECIFIC EMISSION DATA



(see also section 5.2.7)

Recticel Group has established a Group Code of Conduct and corresponding policies and procedures for business conduct based on the United Nations Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organization (ILO). No cases have been brought to the attention of the Compliance Committee indicating that Recticel Group was in breach of law in the reporting year in the areas of human rights, corruption, fair competition or taxation. Recticel Group had no involvement with the OECD National Contact Point or the Business and Human Rights Resource Centre during this period.

If an adverse impact is identified on a supplier's side, Recticel Group will issue a non-compliance report and engage with the supplier to develop a detailed action plan and establish a timeline to ensure compliance.

3.4.2 Our supply chain human rights due diligence procedure

The Recticel Supplier Sustainability Requirements (RSSR) serve as the foundation of our business relationships with suppliers and are thus an integral part of our contracts for the supplies and services we procure.

The RSSR set out the requirements for ensuring that working conditions in the supply chain are safe, that workers are treated with respect and dignity and that business operations are environmentally responsible and conducted ethically. Although originally scheduled for 2025, an updated version of the RSSR will be published in 2026.

We expect our business partners to uphold the principles outlined in the RSSR, disseminate them to their own vendors, subcontractors and business associates, and implement reasonable measures to ensure compliance with them among these stakeholders. If signing the RSSR is not feasible, we request proof that their practices meet the standards outlined in our Code of Conduct and the RSSR.

The RSSR form an integral part of Recticel Group's General Terms and Conditions and are available on our corporate website. Where the contractual relationship with our suppliers is not governed by Recticel Group's General Terms and Conditions, we require the suppliers to provide us either with a signed version of the RSSR or with proof that they respect principles equivalent to those set out in our Code of Conduct and RSSR.

Suppliers are expected to adhere to:
- The Universal Declaration of Human Rights and its two complementary pacts (the International Covenant on Economic, Social, and Cultural Rights and the International Covenant on Civil and Political Rights).
- The ten principles of the United Nations Global Compact.
- The Fundamental Conventions of the International Labor Organization (ILO), including the ILO Declaration on Fundamental Principles and Rights at Work.

Our human rights impact procedure is designed to identify, assess and address potential issues within the supply chain. This process includes:
- Requiring suppliers to sign the Recticel Supplier Sustainability Requirements (RSSR) and submit their Code of Conduct or equivalent policies.
- Distributing self-assessment questionnaires to suppliers.
- Evaluating the need for corrective actions to mitigate negative impacts on people within the supply chain.

This process is reviewed annually, and no human rights issues were identified in 2025.

Looking forward, we are enhancing our due diligence efforts across the entire value chain, both upstream and downstream.

Although we do not currently fall within the Scope of the Corporate Sustainability Due Diligence Directive (CSDDD), we are committed to its underlying principles.

3.4.3 Product stewardship

Product stewardship was identified as a material topic and is linked to section 5.5, Governance | G1 Business conduct. Related IRO information can be found in section 4.3.

Product stewardship is central to our approach in sourcing, handling and managing raw materials such as chemicals, non-chemicals, steel and mineral wool. By prioritising sustainability, safety and regulatory compliance, we ensure that the materials we use contribute to a safer workplace, a healthier environment and a more circular economy. Our commitment to responsible sourcing, waste reduction and recycling highlights our dedication to minimising our environmental impact and promoting long-term sustainability.

We are dedicated to conducting our business in a manner that prioritises the health and safety of our employees, contractors, upstream transport operators, downstream building material delivery drivers and the general public. This commitment, grounded in our Core Values of respect and integrity, is reflected by our unwavering focus on safety.

For the Tier 1 materials we purchase – chemicals, non-chemicals, steel and mineral wool – we take a comprehensive approach to sourcing, handling and disposal. This ensures that sustainability and safety are integral to our operations, achieved through close collaboration among procurement, logistics and operational teams.

We also engage with industry groups, conduct thorough desk research and utilise market intelligence to gain deeper insights into products, organisations and supply chain dynamics beyond Tier 1 suppliers, offering a clearer perspective on upstream tiers.

3.4.3.1 Material impacts, risks and opportunities

Recticel Group's activities inherently expose it to various environmental risks due to the use of potentially hazardous materials, such as chemicals, in its development and manufacturing processes. While pollution cannot be entirely ruled out, the Company mitigates these risks through stringent industrial policies designed to prevent environmental harm. Detailed crisis management plans outlining response mechanisms and mitigation strategies have been disseminated across the organisation.

The handling of hazardous materials may potentially pose health risks to employees and visitors, particularly in cases of non-compliance with Recticel Group's safety protocols. Moreover, evolving environmental regulations may impose significant business challenges, potentially leading to higher compliance costs or operational adjustments. Failure to adhere to such regulations could result in legal liabilities or damage to the Company's operations.

CHEMICALS

- **Supplier certification:** All our chemical suppliers have signed the Recticel Supplier Sustainability Requirements (RSSR) or provided equivalent documentation confirming their compliance with environmental, health and safety (EHS) standards. They adhere to both local and international regulations, including REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals). Additionally, our suppliers are responsible for ensuring that their upstream transport operators comply with all legal requirements for the safe transport and handling of their goods.
- **Safe handling and storage:** Safety data sheets (SDS), proper labelling and employee training are used to guarantee safe transportation, storage and handling of chemicals. This is especially critical to preventing spills, leaks or exposure to hazardous materials. In our manufacturing processes, we enforce strict safety policies and procedures. All chemical products used in production are subject to rigorous approval processes overseen by local HS&E managers. Additionally, chemicals are stored safely and undergo regular inspections, with Safety Data Sheets (SDS) always available for reference. To further reinforce safety, we conduct root cause analyses of critical operations and implement corrective and preventive actions as necessary. Our plants comply with strict safety regulations and most sites are ISO 14001-certified. Emphasis is placed on training employees and contractors who handle chemicals, ensuring they are educated on safe handling practices, the use of personal protective equipment, and emergency procedures.
- **End-of-Life management:** Whilst continuously working on the reduction of hazardous waste, we only involve certified waste management services, ensuring it is disposed of in accordance with environmental regulations to prevent contamination of natural ecosystems.

NON-CHEMICALS

- **Sustainable sourcing:** We are assessing the potential of recyclable and renewable materials (e.g. silica, packaging materials, paper, aluminium and cardboard) to reduce pressure on natural resources and support a circular economy. As of Q2 2026, Recticel Group operates a high-value recycled polyol plant that uses in-house PIR scrap to produce inputs for new high-performance insulation boards, thereby reducing reliance on virgin feedstock and enhancing both the performance and circularity of our products. (see section 5.3.3).
- **Waste reduction:** Non-chemical waste can significantly impact landfills. To address this, we implement strategies to reduce, reuse and recycle materials wherever possible, while also encouraging suppliers to use environmentally friendly packaging.

STEEL

- **Sustainable sourcing:** We work with suppliers that employ energy-efficient steel production processes, which use recycled steel and have a lower environmental impact compared to traditional production methods.
- **Recycling and circular economy:** Steel is highly recyclable, making it a key material in our circular economy efforts. We ensure that steel scrap from our operations is recycled and that recycled steel is incorporated into new products where possible.
- **Durability:** Steel's longevity makes it an environmentally sound choice; products made from high-quality steel typically require fewer replacements, which reduces the overall demand for raw materials and energy.
- **End-of-Life management:** Once a steel product reaches the end of its lifecycle, it can be recycled without loss of quality. We partner with certified recyclers to ensure that our steel waste is responsibly processed and reintroduced into production cycles.

MINERAL WOOL

- **Sustainable sourcing:** We source mineral wool from suppliers that use eco-friendly processes and include recycled materials to support a circular production model.
- **Health and safety:** We source mineral wool products that meet safety certifications such as the EUCEB (European certification board for mineral wool products).
- **Waste reduction and recycling:** We aim to minimise mineral wool waste by optimising material use in construction and manufacturing. Additionally, we support efforts to recycle mineral wool.

3.4.3.2 Mapping of due diligence process in the Sustainability Statement

The key aspects and stages of due diligence correspond to various cross-cutting and specific Disclosure Requirements under the ESRS. The mapping below illustrates how and where these aspects and steps of the due diligence process are incorporated into this Sustainability Statement.

Due diligence element	DISCLOSURE REQUIREMENT	SECTION	DESCRIPTION	PAGE	PEOPLE	ENVIRONMENT
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3	3.2	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	52	X	X
		3.3	GOV-3 Integration of sustainability-related performance in incentive schemes	54	X	X
		2	Leading the way in future-smart insulation	14	X	X
		4.3	Navigating the landscape of impacts, risks and opportunities	82	X	X
		5	ESG information	95	X	X
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2- GOV-2: ESRS 2 SBM-2 ESRS 2 IRO-1	3.2	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	52	X	X
		2	Leading the way in future-smart insulation	14	X	X
		2.3	Our business model and strategy	23		X
		4.2	Unlocking the power of Double Materiality	76	X	X
		4.3	Navigating the landscape of impacts, risks and opportunities	82	X	X
		5	ESG information	95	X	X
	ESRS 2 MDR-P Topical ESRS	3	Corporate governance	41	X	
		5.2.3	E1-2 Policies related to climate change mitigation	108		X
		5.3.2	E5-1 Policies related to resource use and circular economy	128		X
		5.4.2	S1-1 Policies related to our own workforce	144	X	
		5.5.2	G1-1 Business conduct policies and corporate culture	159	X	X
		5.5.4	G1-2 Management of relationships with suppliers and its impacts on our supply chain	163	X	X
		5.5.5	G1-3 Prevention and detection of corruption and bribery	164	X	
		5.5.7	G1-5 Political influence and lobbying activities	165	X	X
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	4.2	Unlocking the power of Double Materiality	76	X	X
		4.3	Navigating the landscape of impacts, risks and opportunities	82	X	X
		5	ESG information	95	X	X
	ESRS 2 SBM-3	3	Corporate governance	41	X	
		2	Leading the way in future-smart insulation	14	X	X
		4.3	Navigating the landscape of impacts, risks and opportunities	82	X	X
		5	ESG information	95	X	X

Due diligence element	DISCLOSURE REQUIREMENT	SECTION	DESCRIPTION	PAGE	PEOPLE	ENVIRONMENT
c) Identifying and assessing adverse impacts	Topical ESRS	5.2.2	E1-1 Transition plan for climate change mitigation	106		X
		5.2.5	E1-4 Targets related to climate change mitigation	112	X	X
		5.2.7	E1-6 Gross Scopes 1, 2, 3 and total GHG emissions	117		X
d) Taking action to address those adverse impact	ESRS 2 MDR-A Topical ESRS	5.2.4	E1-3 Actions and resources in relation to climate change policies	110		X
		5.3.3	E5-2 Actions and resources related to resource use and circular economy	130		X
		5.2.2	E1-1 Transition plan for climate change mitigation	106		X
		5.4.5	S1-4 Taking action on material impacts on own workforce	149	X	
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M ESRS 2 MDR-T Topical ESRS	5.2.5	E1-4 Targets related to climate change mitigation	112	X	X
		5.3.4	E5-3 Targets related to resource use and circular economy	133		X
		5.4.6	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	151	X	
		5.2.6	E1-5 Energy consumption, mix and intensity	114		X
		5.2.7	E1-6 Gross Scopes 1, 2, 3 and total GHG emissions	117		X
		5.2.8	Avoided emissions	124		X
		5.3.5	E5-4 Resource inflows	135		X
		5.3.6	E5-5 Resource outflows	137		X
		5.4.7	S1-6 Characteristics of the undertaking's employees	152	X	
		5.4.12	S1-13 Training and skills development metrics	154	X	
		5.4.13	S1-14 Health and safety metrics	155	X	
		5.4.14	S1-15 Life-work balance	156	X	
		5.4.15	S1-17 Incidents, complaints and severe human rights impacts	156	X	
		5.5.2	G1-1 Business conduct policies and corporate culture	159	X	
		5.5.6	G1-4 Incidents of corruption or bribery	165	X	
		5.5.8	G1-6 Payment practices	166	X	

3.5 GOV-5 | Risk management and internal controls over sustainability reporting

To address risks and uncertainties effectively, we utilise a structured risk management framework that enables proactive identification and management of both risks and opportunities.

3.5.1 Risk management and governance

The competitive environment in which Recticel Group operates requires us to accept risks, such as investment risks, whereas business results are delivered when seizing opportunities. Risks that affect Recticel Group's ability to achieve business objectives are typically identified at various points in the business cycle. For certain risks, such as those relating to health & safety and business conduct, Recticel Group demonstrates zero tolerance.

To address risks and uncertainties effectively, we utilise a structured risk management framework that enables proactive identification and management of both risks and opportunities.

The Recticel Group risk assessment incorporates a group-wide top-down and bottom-up risk evaluation to determine the likelihood of occurrence and potential impact of risks on Recticel Group at inherent and residual level, leading to a risk register. Recticel Group assesses risks, including climate-related risks, along five dimensions – financial, reputational, legal/regulatory, capacity to meet stakeholder expectations and ability to meet strategic goals – and evaluates them with regard to their potential impact and likelihood. Climate-related risks are split into transition risks and physical risks.

FINANCIAL RISK MANAGEMENT

For a summary of the financial risks, see section 7.2.5.18 of the Financial Statement.

SUSTAINABILITY RISK MANAGEMENT

Transition risks

These are risks connected to the ongoing shift towards a more sustainable, net zero emissions economy and the accomplishment of the Sustainable Development Goals. This shift is closely related to stronger regulations, technical progress and changes in consumer preferences and stakeholder expectations. All these factors may challenge or disrupt existing business models, value chains, operations, overall compliance and our profitability.

Physical climate risks

Physical climate risks arise from both acute events (e.g. floods, storms and heatwaves) and chronic changes (e.g. increasing temperatures, shifting precipitation patterns and sea-level rise).

In FY2025, Recticel Group conducted a physical climate risk assessment covering its own operations, including all production sites. The objective is to identify the exposure and vulnerability of assets to climate-related hazards and to strengthen operational resilience.

The assessment followed a structured approach consisting of:

(1) identification of relevant hazards,
(2) scenario analysis for 2030 and 2050 under two climate scenarios (SSP2-4.5 and SSP5-8.5), and
(3) evaluation of existing and potential adaptation measures.

The Group defines time horizons as short-term (0–3 years), medium-term (3–10 years), and long-term (>10 years), aligned with operational planning cycles, strategic planning and asset lifetimes.

The results indicate that all sites are exposed to at least one climate hazard; however, the overall level of risk is currently assessed as limited. Four sites were prioritised for further analysis based on their combined exposure, vulnerability and operational criticality.

In FY2026, the assessment will be further enhanced by incorporating a detailed evaluation of asset sensitivity, including factors such as asset robustness and potential operational disruption. This will enable the identification of gross physical risks prior to mitigation. The assessment supports the evaluation of existing measures and the development of a structured adaptation roadmap.

Table 1: Scope and methodology

Scope	Own operations (all production sites)
Hazards assessed	12 physical hazards (acute and chronic)
Methodology	Hazard mapping, scenario analysis, sensitivity assessment, adaptation review

Table 2: Climate scenarios and time horizons

Scenario	SSP2-4.5 | Temperature: +2.5°C | Time horizon: 2030/2050 | Key drivers: temperature, precipitation, extreme events
Scenario	SSP5-8.5 | Temperature: +4°C | Time horizon: 2030/2050 | Key drivers: temperature, precipitation, extreme events

Table 3: Key results of physical risk assessment

Sites assessed	All operational sites
Exposure	All sites exposed to >= 1 hazard
Higher-risk sites	4 sites identified
Key hazards	Tropical cyclones, windstorms, heatwaves/heatstress, extreme snow, heavy rain

Table 4: Risk assessment approach

Exposure	Location-based hazard analysis
Sensitivity	Asses robustness, criticality, disruption potential
Risk outcome	Identification of gross physical risks (pre-mitigation)

TRANSITION RISKS

- Policies & regulations
- Liability
- Technology & processes
- Customers
- Business partners
- Trends & preferences

PHYSICAL RISKS

- Extreme weather
- Climate change
- Pollution
- Energy supply
- Flooding/wildfires
- Inequalities
- Scarcity of primar resources

POTENTIAL IMPACTS

- Product/operation disruption (e.g. power, transportation, water, availability)
- Supply chain disruptions
- Physical damage to assets (and rising insurance costs)
- Scarcity of resources (e.g. water, energy, food)
- Changes in demand for products/services
- Fines and legal actions
- Health & safety
- Limited access to capital & funding
- Social & investor activism

RELEVANT RISK AREAS

- Strategic risk
- Reputational risk
- Risk of not meeting market expectations
- Financial risk
- Legal/regulatory risk

For more insights into our IRO identification and assessment, refer to section 4.3.

Recticel's Board of Directors, supported by the Audit & Sustainability Committee, holds ultimate responsibility for overseeing adequate risk management. This includes identifying and assessing risks, implementing effective control measures, and maintaining visibility over Recticel Group's overall risk exposure while balancing it against the Company's risk appetite. The Internal Audit department provides independent and objective assurance to enhance operations through the continuous evaluation of risk management, control and governance processes.

Our risk management strategy aims to minimise exposure to potential risks while allowing for strategic trade-offs in pursuit of the Company's long-term and short-term goals.

3.5.2 Internal controls over sustainable reporting

A critical challenge for the Board of Directors and Executive Management is to define the level of uncertainty they are prepared to accept while striving for value creation. Optimal value is achieved when growth and returns are effectively balanced with associated risks.

Recticel Group's internal control and risk management framework is founded on the COSO model (Committee of Sponsoring Organizations of the Treadway Commission) and complies with the Belgian Corporate Governance Code. This framework is tailored to suit Recticel Group's specific size and operational needs.

Currently, there is no specific internal control mechanism solely focused on managing ESG impacts, risks and opportunities. However, these factors are actively monitored and managed through broader operational and strategic frameworks, ensuring they are effectively integrated into our overall decision-making processes.

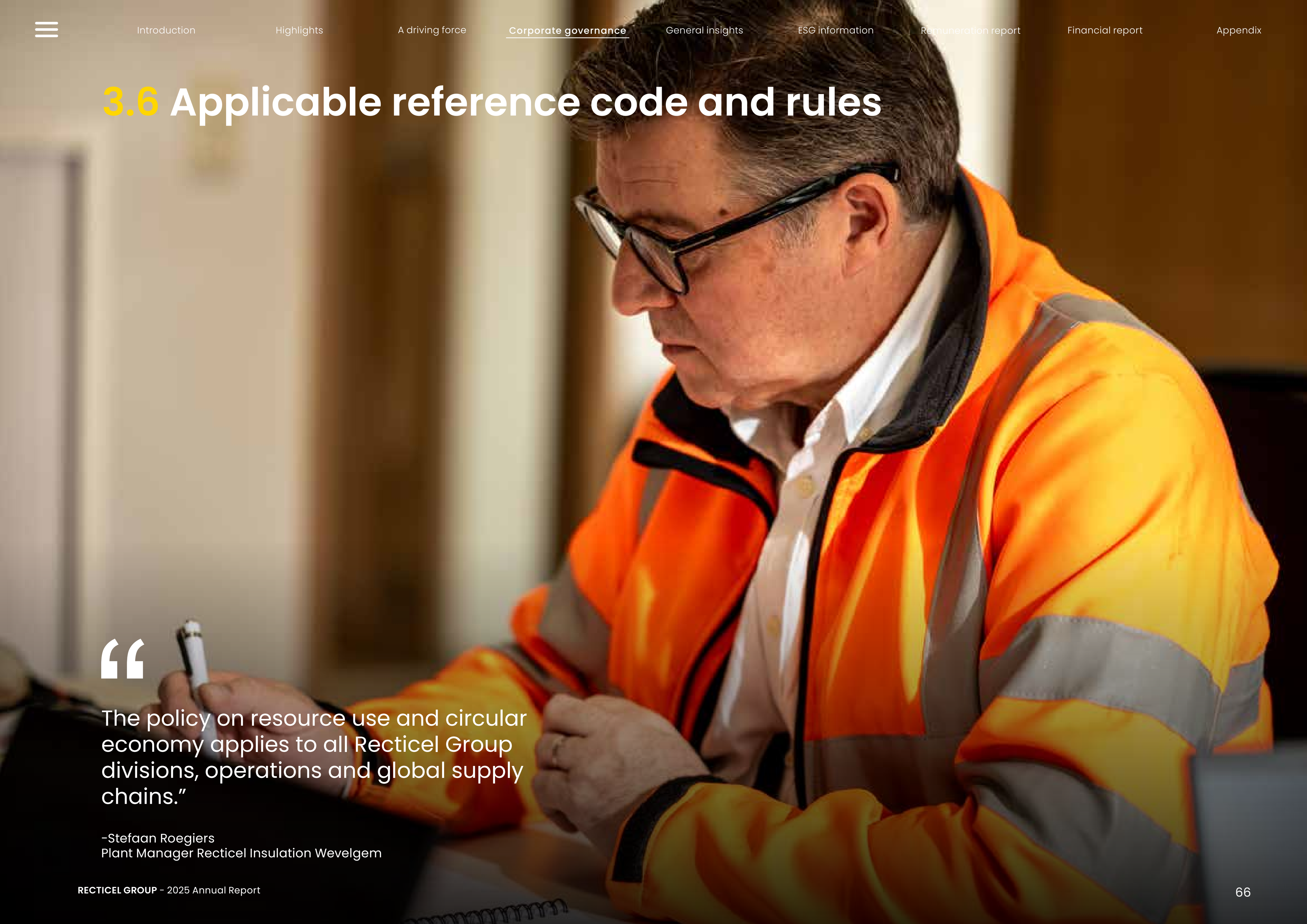
The Group Code of Conduct, which applies to all Recticel Group directors, managers and employees, underpins this framework. Available on our corporate website, this Code of Conduct covers critical areas including ethics, safety, health, environmental responsibility, quality, conflicts of interest and anti-trust compliance.

Financial reporting and controls are governed by the Company's Accounting Manual, Accounting Methodology and Cost Accounting Methodology, which clearly define decision-making authority and responsibilities. We are automating our reporting of ESG datapoints in a platform directly connected with our financial reporting and governed by the Company's financial team. Safeguards are implemented wherever required to protect data security and confidentiality of financial and non-financial information.

In the event of breaches of internal policies or external regulations, Recticel Group has established and updated its Whistleblowing Policy. This policy offers a clear mechanism for reporting any behaviour that may violate the Code of Conduct, corporate policies or legal requirements. It is available on the corporate website.[5]

[5] *https://www.recticel.com/who-we-are/discover-recticel/business-ethics-integrity.html*

3.6 Applicable reference code and rules



"The policy on resource use and circular economy applies to all Recticel Group divisions, operations and global supply chains."

-Stefaan Roegiers
Plant Manager Recticel Insulation Wevelgem

3.6.1 Applicable reference code

Recticel Group provides its Corporate Governance Charter on its corporate website,[6] in compliance with the Belgian Corporate Governance Code, which can be downloaded from Corporate Governance Committee.[7] The Charter outlines the governance structure and the Company's governance policy, including the roles and responsibilities of the Board of Directors.

Recticel Group affirms its decision to adopt a monistic (one-tier) governance structure as defined by the Belgian Code of Companies and Associations. Under this structure, the Board of Directors is empowered to take all actions deemed necessary or beneficial to fulfil the Company's objectives, except for those that are legally reserved for the Annual General Meeting. This authority has not been further restricted in the Company's Articles of Association.

[6] https://www.recticel.com/index.php/investors/corporate-governance.html
[7] https://corporategovernancecommittee.be/en/

3.6.2 Transactions and other contractual ties between the Company and members of the Board of Directors or members of the Management Committee

The Recticel Group Code of Conduct and Dealing Code describe the Company's policy on related party transactions that are not governed by the legal conflict of interest scheme. During 2025, no conflict of interest arose between a Director and the Company as referred to in Article 7:96 of the Belgian Code of Companies and Associations.

3.6.3 Insider trading and market manipulation

The Company policy regarding the prevention of insider trading and market manipulation is further explained in the Dealing Code. These measures include the implementation of restrictions on the execution of transactions ('closed periods') applicable since 2006. The Compliance Committee is responsible for monitoring the observance of these regulations.

3.6.4 Relationships with the reference shareholders

Below is an overview of the shareholders who, in accordance with legal requirements, have submitted a notification to the Company and the FSMA.

Name	DATE OF NOTIFICATION	NUMBER OF SHARES	PERCENTAGE OF SHARES AT THE MOMENT OF NOTIFICATION [1]	PERCENTAGE OF SHARES AT BALANCE SHEET DATE	PERCENTAGE OF VOTING RIGHTS ATTACHED TO SHARES AT BALANCE SHEET DATE [2]
Own shares	5/13/2015	326,800	0.61%	0.58%	0.00%
Spring Holdco BV	5/12/2022	15,262,301	27.20%	26.89%	27.05%
Spring Holdco BV		600,748 [3]		1.06%	1.06%
Spring Holdco BV		540,083 [4]		0.95%	0.96%
Total Spring Holdco BV		**16,403,132**		**28.90%**	**29.07%**
Janus Henderson Group Plc	5/22/2023	1,698,929	3.02%	2.99%	3.01%
Janus Henderson Group Plc	1/23/2024	1,126,271	2.00%	1.98%	2.00%
Total Janus Henderson Group Plc		**2,825,200**		**4.98%**	**5.01%**
Degroof Petercam Asset Management	5/2/2024	1,699,862	3.02%	3.00%	3.01%
Public	Not applicable	35,497,926		62.55%	62.91%
Total (excluding own shares)		56,426,120			100.00%
Total (including own shares)		**56,752,920**		**100.00%**	

[1] The percentage of shares is calculated based upon the number of existing shares at the moment of the notification.

[2] The percentage of voting rights is calculated based upon the 56,105,920 existing shares per 12/05/2022 based upon the information the Company has received from its shareholders per 12/05/2022, which can be different from the actual situation. The calculation has been adjusted to take into account the suspension of the voting rights of the 326,800 own shares held by the Company as foreseen by the law.

[3] Number of shares acquired by Spring Holdco BV on 19/10/2022, 12/12/2022 and 16/12/2022.

[4] Number of shares acquired by Spring Holdco BV in September and November 2024.

The Company has not entered into a relationship agreement with its primary shareholder, Baltisse NV, in line with principle 8.7 of the Belgian Corporate Governance Code, as the main shareholder's interests are adequately represented through its participation on the Board of Directors.

Details regarding the Company's capital structure, including the number of shares and warrants/subscription rights, are available on the Recticel Group's corporate website (Share information | Recticel).[8]

Amendments to Recticel NV's Articles of Association require compliance with the special majorities mandated by law and article 37 of the Articles of Association.

The Board of Directors submits its proposals regarding the appointment or re-election of directors to the Annual General Meeting. The Remuneration & Nomination Committee recommends one or several candidates to the Board of Directors, taking into account the needs of the company and following the appointment procedure and the selection criteria drawn up by the Board of Directors for that purpose. The composition of the Board of Directors is determined based on the necessary diversity and complementary skills, experience and knowledge.

The Annual General Meeting appoints the directors of its choice with a simple majority of the votes cast. Directors can likewise be dismissed "ad nutum" by the Annual General Meeting with a majority of the votes cast, before the normal expiry of their term of office.

If a position of director becomes vacant because of resignation, incapacity or death, the Board of Directors may provisionally fill the vacancy, upon recommendation from the Remuneration & Nomination Committee.

There are no legal or statutory limitations on transfer of securities. There are no securities with special control rights. There are no legal or statutory restrictions on the exercise of voting rights, provided the shareholder is legally represented at the Ordinary General Meeting and his/her voting rights have not been suspended for any reason.

There are no agreements between the Company and its directors or employees that would provide for compensations after a public takeover bid, the directors resigning or departing without any valid reason, or the employment of the employees being terminated.

The following agreements, to which the Company is party, contain a clause that takes effect in the event of a change of control over Recticel NV: The Recticel Stock Option Plans of June 2019, March 2020, March 2021, May 2022, June 2023, June 2024 and June 2025 (warrant plans June 2019, March 2020, March 2021, May 2022, June 2023, June 2024 and June 2025) issued by the Board of Directors contain a clause 6.2./5.2 which gives the beneficiaries the right to exercise their warrants, if applicable under the conditions determined by the Board of Directors, immediately in the event of a change of control (that is, in the event of a transfer, in one or more transactions, of more than fifty percent (50%) of the voting rights) or in the case of the launch of a public share purchase offer.

This clause was specifically approved by the Recticel NV Ordinary General Meeting.

In line with article 7:151 of the Belgian Code of Companies and Associations, such a clause requires the approval of the Annual General Meeting.

The Board of Directors is not aware of shareholder agreements that give rise to restrictions on the transfer of securities and/or the exercise of voting rights.

By decision of the Extraordinary General Meeting of the shareholders on 25 May 2021, an authorised capital was created equal to 5% of the issued capital with a validity of five years, allowing the Board of Directors to issue a maximum of 2,791,971 new Recticel shares to be used only in the framework of the subscription rights plans for the leading executives and personnel of Recticel Group. The Board has used this authorisation twice in the framework of the Recticel stock option plan:

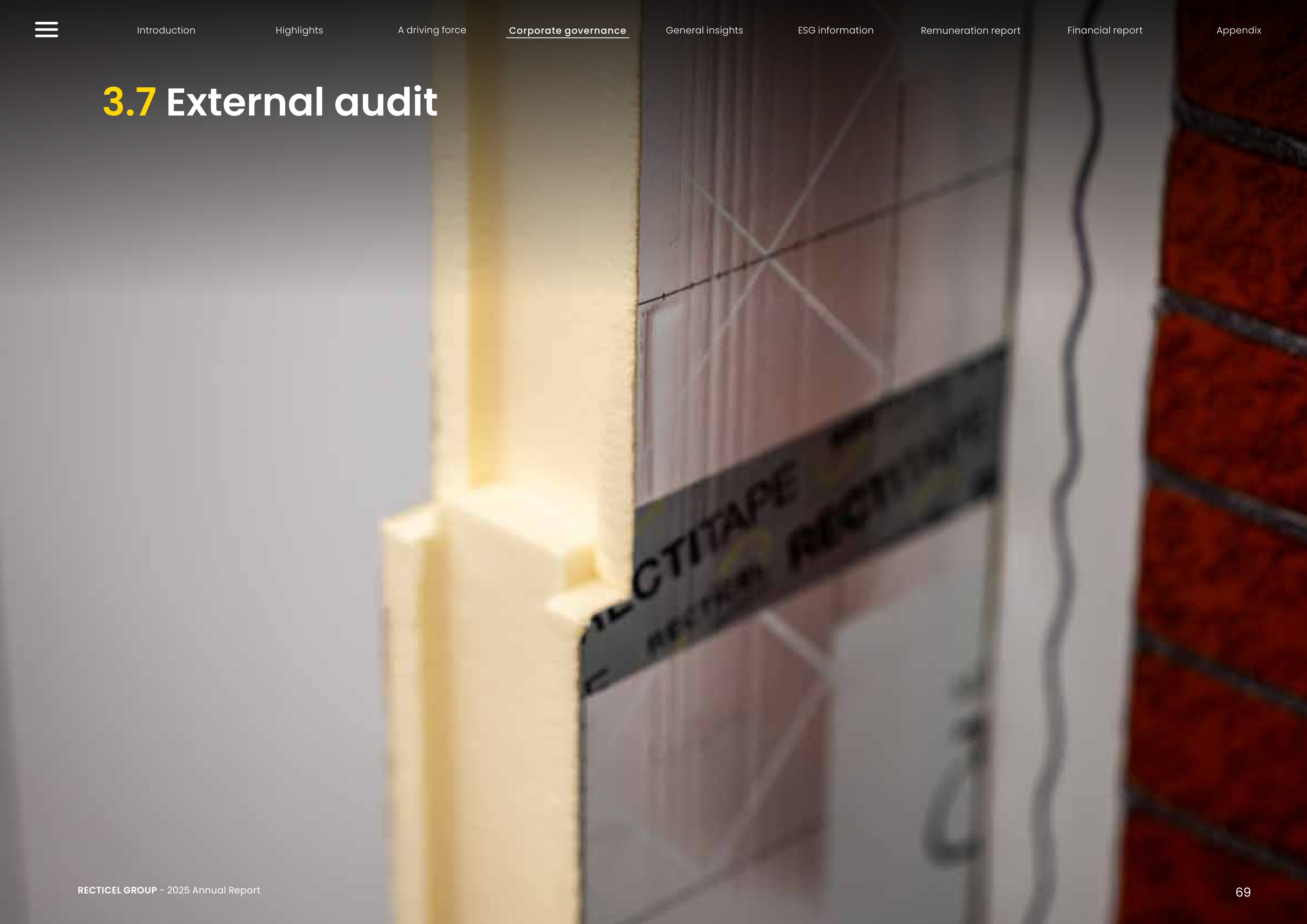
- 475,000 subscription rights were issued in 2021;
- 320,000 subscription rights were issued in 2022;
- 350,000 subscription rights were issued in 2023;
- 492,500 subscription rights were issued in 2024;
- 412,500 subscription rights were issued in 2025.

The renewal of this authorisation will be put to the vote of the shareholders at the Extraordinary General Meeting of 26 May 2026.

The Board of Directors is authorised to acquire own shares of the Company as long as the fractional value of the Company's shares held in portfolio does not exceed 20% of its issued capital, at a unit price that may not be less than 20% below the average of the last 20 closing prices on Euronext Brussels prior to the date of acquisition, and not higher than the same average plus 20%. This purchase and sale authorisation was valid until 9 July 2025. The renewal of this authorisation was put to the vote of the shareholders at the Extraordinary General Meeting of 27 May 2025 but was rejected. This authorisation will be put to the vote of the shareholders again at the Extraordinary General Meeting on 26 May 2026.

[8] *https://www.recticel.com/investors/share-information.html*

3.7 External audit



The external audit of Recticel NV company and consolidated annual accounts has been entrusted by the Annual General Meeting of 2021, renewed by the Annual General Meeting of 28 May 2024, to the limited liability cooperative company PwC Bedrijfsrevisoren, with registered office at Culliganlaan 5, B-1831 Diegem, Belgium, represented by Wouter Coppens BV, itself represented by Wouter Coppens, bedrijfsrevisor, in order to exercise control over the financial years ended 31 December 2024, 2025 and 2026.

The Auditor conducts its audits in accordance with the International Standards on Auditing (ISA) and delivers a report, which confirms whether the company's annual accounts and the consolidated financial statements of the company reflect a true and fair view of the assets, financial condition and results of the company. The Audit & Sustainability Committee investigates and discusses these semi-annual reports in the presence of the Auditor, and afterwards also with the Board of Directors.

In addition to its review of the Financial Statement, the Auditor evaluates whether the structure, data and presentation of the Sustainability Statement are in accordance with the ESRS standards, the framework of the CSRD and the requirements of EU Taxonomy reporting.

The remuneration of PwC (in its capacity as Auditor) for the audit of the Recticel NV annual and consolidated annual accounts referred to in article 3:65 of the Belgian Code of Companies and Associations amounted to EUR 663.7K for 2025 including CSRD reporting.

The global amount of the remuneration for additional services of the Statutory Auditor and parties related to the Statutory Auditor amounts to EUR 59.5K at the level of the Company.

The annual fees of the Statutory Auditor amount to EUR 365.7K including CSRD reporting and excluding IBR contribution, travel and accommodation expenses abroad and VAT.

The Auditor's reports can be found in section 8.1.

3.8 Shareholder's diary

First quarter trading update 2026	22.04.2026 (07:00 AM CET)
Annual General Meeting	26.05.2026 (10:00 AM CET)
First half year results 2026	28.08.2026 (07:00 AM CET)
Third quarter trading update 2026	29.10.2026 (07:00 AM CET)

04 General insights, DMA and IRO

ESRS 2, IRO-1, ESRS 2, IRO-2

PART 2 | SUSTAINABILITY STATEMENT

4

IN THIS CHAPTER

Recticel Group is committed to full transparency on sustainability issues. We rigorously pursue more detailed and granular data not just in our own operations but also along our upstream and downstream value chains.

We conducted our first full Double Materiality Assessment in 2024, applying a clearly defined process to accurately identify the sustainability topics to be covered in our reporting. Through internal workshops, stakeholder engagement and consultation with subject-matter experts, we arrived at a profound understanding of the impacts, risks and opportunities that are material to our activities, value chain and business relationships.

Our analysis allowed us to compile a list of positive and negative impacts across the Group's entire value chain, from sourcing to product end-of-life. The tables that form the conclusion of this chapter map these impacts in relation to our key material topics, risks and opportunities. They are intended to offer stakeholders a comprehensive and coherent overview of the interconnections between the IROs and the Recticel Group strategy and business model.

AVOIDED EMISSIONS

20 million tonnes CO_2e avoided over 50 years use of our building insulation products sold in 2025

MATERIAL IRO

13 Topics
9 Risks
3 Opportunities

CO_2e REDUCTION

up to **69% reduction** in CO_2e emissions achieved by our Qbiss One Next and Trimoterm Next products

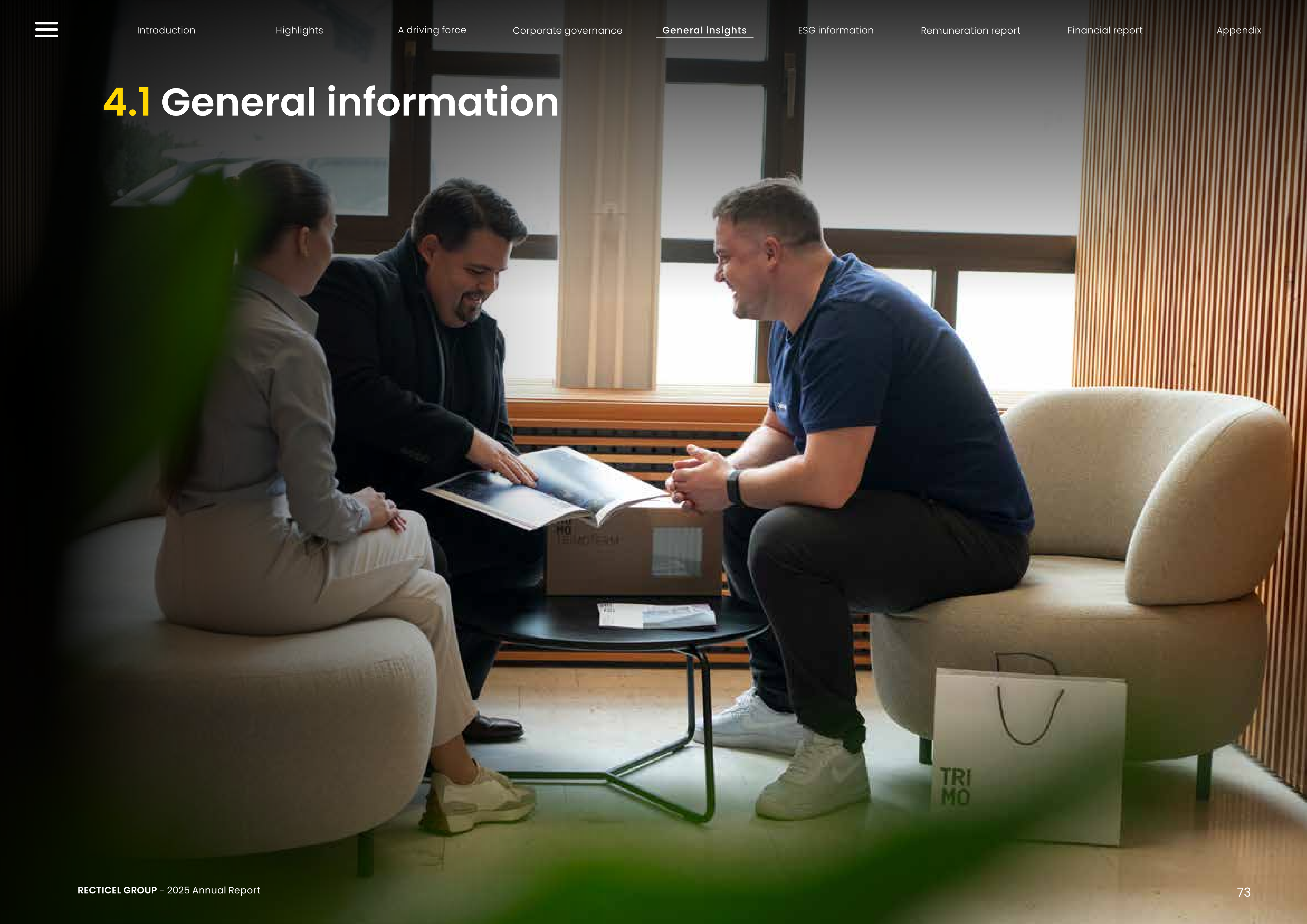
CONTENTS

4.1 General information

4.2 Unlocking the power of double materiality
4.2.1 Understanding double materiality
4.2.2 Our DMA process
4.2.3 Defining impact and financial materiality
4.2.4 Final outcome material ESG topics

4.3 Navigating the landscape of impacts, risks and opportunities (IRO)
4.3.1 IRO process description
4.3.2 Material IROs and their interaction with strategy and business model

4.1 General information



Basis of preparation
For the reporting year ended 31 December 2025, Recticel Group reports its sustainability information in accordance with Article [3:32/2] of the Belgian Code of Companies and Associations, including compliance with the applicable European Sustainability Reporting Standards ("ESRS"). This includes:

- Compliance of the process carried out by the Company to identify the information reported in the Sustainability Statement (the "Process") in accordance with the description set out in note [ESRS 2 IRO-1]; and
- Compliance of the disclosures in section 8.2 of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

The contents of the Sustainability Statement were subject to a limited assurance report in accordance with ISAE 3000 (Revised). The Independent Auditor's Report on a Limited Assurance Engagement can be found in section 8.1.

The Sustainability and Financial Reports, as well as the Remuneration Report, were authorised for issue by the Board of Directors on 20 April 2026.

Consolidated basis and Scope
The Sustainability Statement was prepared on a consolidated basis and covers the same reporting Scope as the Financial Statement. All statements on strategies, policies, actions, metrics and targets refer to the consolidated group and, where not shown separately, also to the Company.

The report covers the consolidated group's entire value chain in all geographies where it operates. Where material, we provide information on upstream and downstream activities in accordance with ESRS 1.

Please also note that certain information under ESRS 2 (e.g. Disclosure Requirement SBM-1 – Strategy, business model and value chain) can be found in section 2.3.

Consolidation of all quantitative ESG data is in accordance with the same principles applied in the consolidated financial statements, covering the parent company Recticel NV and its subsidiaries where it has operational control.

All subsidiary undertakings of Recticel Group are included in the consolidation and are exempted from individual or consolidated sustainability reporting.

The acquisitions of Kuras (NL) on 1 November 2025 and Miclar (B) on 1 December 2025 are not included in the 2025 ESG reporting. Given the limited period during which these entities were part of the Recticel Group in 2025 and the resulting constraints in data availability and quality. Accordingly, the SBTi base year (2021) and prior year 2024 data presented in section 5.2.6 (E1-5 Energy consumption, mix and intensity) and section 5.2.7 (E1-6 Gross Scope 1, 2, 3 and total GHG emissions) have not been restated. Management considers that no material information has been omitted.

For information relating to ESRS 2 DR15 (Disclose that the entity includes in its Sustainability Statement information stemming from other legislation which requires the entity to disclose sustainability information or from generally accepted sustainability reporting standards and frameworks), refer to section 8.3.

The use of phase-in provisions
In this Sustainability Statement, Recticel Group uses the option to omit the following in accordance with Appendix C of ESRS 1 and including the relevant extensions introduced by the Quick Fix Delegated Act.

- E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
- E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities
- S1-7 Characteristics of non-employee workers in the undertaking's own workforce
- S1-13 Training and skills development metrics
- S1-14 Health and safety (non-employees)
- S1-15 Life-work balance

References to other parts of the Annual Report
Where information has been published in other parts of the Annual Report, Recticel Group has made use of the incorporation by reference concept, and cross references have been inserted where relevant. (See section 8.2 for a consolidated overview of cross references).

Estimations, uncertainties and exclusions
The Sustainability Statement covers Recticel Group's own operations as well as its upstream and downstream value chain. Where estimations have been used or where there are outcome uncertainties related to the metrics disclosed in the statement, these are disclosed along with the respective metrics within each topical chapter.

The data and assumptions used in preparing the Sustainability Statement are, to the extent possible, consistent with the corresponding financial data and assumptions used in the undertaking's financial statements. For Scope 3 GHG emissions, significant progress has been made in improving data quality. In particular, more than 70% of Scope 3.1 (Purchased goods and services) emissions are now calculated using supplier-specific emissions data, enabling more accurate benchmarking and informed discussions with suppliers. While efforts to further improve data coverage continue, achieving full coverage across all Scope 3 categories remains challenging. Where supplier-specific data is not yet available, broader activity data, sector-average emission factors and proxies are used, with extrapolation applied where necessary to address data gaps.

Estimations, uncertainties and exclusions are outlined in sections 5.2.7.1 and 5.2.7.2.

Presenting comparative information
Where metrics have been reported previously, comparative information is presented. In 2024, limited assurance was obtained over all KPIs disclosed in the 2024 Sustainability Statements. The definitions and calculation methodologies of the metrics were applied consistently throughout the financial year and in the preparation of comparative information. Any specific changes in the preparation or presentation of metrics are discussed below and disclosed within the relevant topical sections.

Material restatements in prior period
As part of ongoing data quality improvements, Recticel Group continues to enhance the completeness and accuracy of its sustainability data. Following Scope and Category items have been restated, for prior year and for the SBTi base year 2021:

1. **Energy consumption, Scope 1, Scope 2, Cat. 3.3**
   For the subsidiary Rex Panels & Profiles, acquired in 2024, the data reported in the 2024 Annual Report on self-generated and consumed electricity, were inaccurate for 2021

and 2024. Data collection and quality have since improved, including for historical years and the SBTi base year (2021). As a result, data for Cat. 3.3, Fuel and energy related activities, have also been revised.

2. **Cat. 3.1, Purchased goods and services**
Several recent publications report higher estimates of CO_2 emissions from flaring and methane emissions associated with oil and gas production. These increases are primarily due to improved scientific methods and enhanced monitoring technologies, such as satellite-based detection and advanced atmospheric measurements, which have enabled the identification of previously unaccounted-for emission sources. Importantly, the revised estimates do not indicate an increase in actual emissions resulting from deteriorating operational practices or recent shale gas exploitation; rather, they reflect improved transparency and more accurate measurement of existing emissions. As one of our major suppliers adjusted its emission value for 2021, incorporating the newly identified impacts from flaring and methane emissions, we adjusted our 2024 and 2021 baseline accordingly.

3. **Cat. 3.12, EOL treatment of sold products**
We have updated the methodology for calculating end-of-life (EOL) emissions under Scope 3.12. Previously, emissions from waste incineration were fully allocated to this category. Going forward, emissions from combustion are excluded where incineration involves energy recovery; only emissions from waste preparation and transport to waste-to-energy facilities are included. This improves alignment with evolving standards and industry practices. The 2024 and the base year 2021 results have been restated accordingly. See also section 5.2.7.1.

4. **Cat. 3.15, Investments**
The 2024 emissions disclosed in AR2024 were estimates derived from FY2023 results and realised turnover. Final figures were confirmed at the end of 2025. In addition to a restatement of 2024, also the 2021 emissions were restated.

5. **Avoided emissions**
To calculate the avoided emissions associated with products sold in 2024 and 2025, Recticel Group applied the framework outlined in section 5.2.8.
In 2025, the methodology was further refined to better reflect the assumed heating sources in the countries where the products are sold. The avoided emissions for 2024 have been restated accordingly. To ensure comparability with peers reporting avoided emissions, we maintained the full Scope of our insulation activities, including all associated greenhouse gas (GHG) emissions (Scopes 1, 2, and 3), in line with WRI recommendations.

6. **Waste management**
Due to a more comprehensive understanding of the classification of waste streams at our manufacturing facilities, we have corrected the classification of waste accordingly, enabling proper comparison with waste reported under the updated classification for 2025. The reported GHG emissions under Cat 3.5 for 2024 remain unchanged. See also section 5.3.6.2.

Table 1: Restatement GHG (see section 5.2.7.3)

In tCO_2e

	AR2024		AR2025 (RESTATED	
	2021	2024	2021	2024
Scope 1	6,002	4,332	5,951	4,538
Scope 2	5,435	3,010	5,488	3,082
Cat. 3.1	520,155	508,256	527,294	514,565
Cat. 3.3	-	2,044	-	2,296
Cat. 3.12	242,016	248,904	1,423	1,603
Cat. 3.15	60,568	49,272	60,798	38,371

Table 2: Restatement avoided emissions (see section 5.2.8)

	2024	2024 (RESTATED)
tCO_2e	21,534,602	17,202,866
Multiple	26.9	29.9

Forward-looking information

This report includes forward-looking statements in accordance with the European Sustainability Reporting Standards (ESRS). These statements represent management's current views, expectations and assumptions about future developments, corporate strategies, sustainability initiatives and potential business impacts.

Such forward-looking information may cover climate goals, emission reduction targets, renewable energy integration, circular economy efforts and other ESG commitments. However, these projections are subject to uncertainty, as actual results may vary due to evolving regulations, market dynamics, technological progress and other external influences beyond the Company's control.

Although our assumptions are based on the best available data, we cannot guarantee that projected events or outcomes will materialise as anticipated. Recticel Group assumes no obligation to update or revise these forward-looking statements unless required by applicable laws or regulations.

Validation of metrics

Unless otherwise mentioned, the metrics reported in the Sustainability Statement of the 2025 Annual Report have not been validated by an external body other than the limited assurance provider (see Annex 8.1 for their audit report).

Excluded items

In accordance with ESRS 2, Appendix B, the following non-material data points in cross-cutting topical standards, originating from other EU legislation, are excluded from reporting:

ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil (paragraph 28)
ESRS E3-1	Water and marine resources (paragraph 9)
ESRS E3-1	Dedicated policy (paragraph 13)
ESRS E3-1	Sustainable oceans and seas (paragraph 14)
ESRS E3-4	Total water recycled and reused (paragraph 28(c))
ESRS E3-4	Total water consumption (m³) per net revenue on own operations (paragraph 29)
ESRS IRO 1 – E4	paragraph 16(a)i, 16(b), 16(c)
ESRS E4-2	Sustainable land/agriculture practices or policies (paragraph 24(b))
ESRS E4-2	Sustainable oceans/seas practices or policies (paragraph 24(c))
ESRS E4-2	Policies to address deforestation (paragraph 24(d))
ESRS S2-1	Human rights policy commitments (paragraph 17)
ESRS S2-1	Policies related to value chain workers (paragraph 18)
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECS guidelines (paragraph 19)
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 (paragraph 19)
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain (paragraph 36)
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles and/or OECD guidelines (paragraph 17)
ESRS S3-4	Human rights issues and incidents (paragraph 36)
ESRS S4-1	Policies related to consumers and end-users (paragraph 16)
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights, ILO principles and/or OECD guidelines (paragraph 17)
ESRS S4-4	Human rights issues and incidents (paragraph 35)

4.2 Unlocking the power of Double Materiality

> "Our focus on identifying and managing key impacts, risks, and opportunities has sharpened our sustainability strategy. It allows us to respond proactively to business challenges and opportunities, while improving alignment across the organisation. "
>
> - Werner Van Peteghem, Recticel Group Sustainability & Communications Director

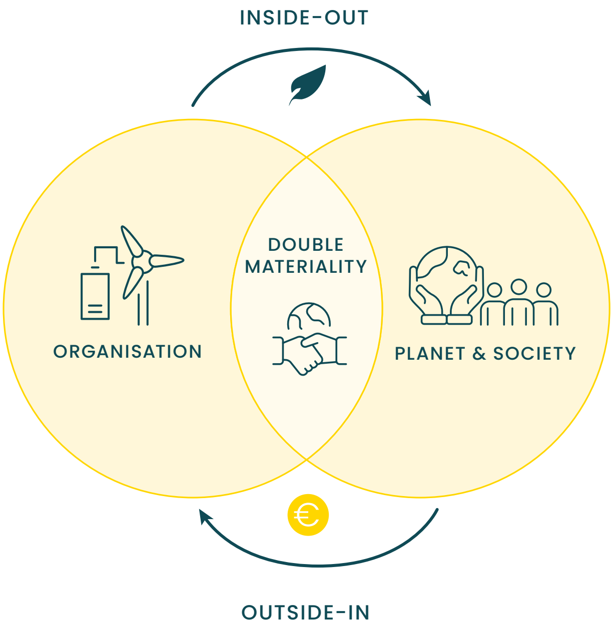
4.2.1 Understanding Double Materiality

At the core of the European Sustainability Reporting Standards (ESRS) standards is the identification of material topics. This process ensures that our efforts are concentrated on addressing the most significant economic, environmental and social impacts of our operations. Recticel Group conducted a full Double Materiality Assessment (DMA) for the first time during 2024, ensuring that its sustainability efforts are both transparent and strategically aligned with its long-term goals.

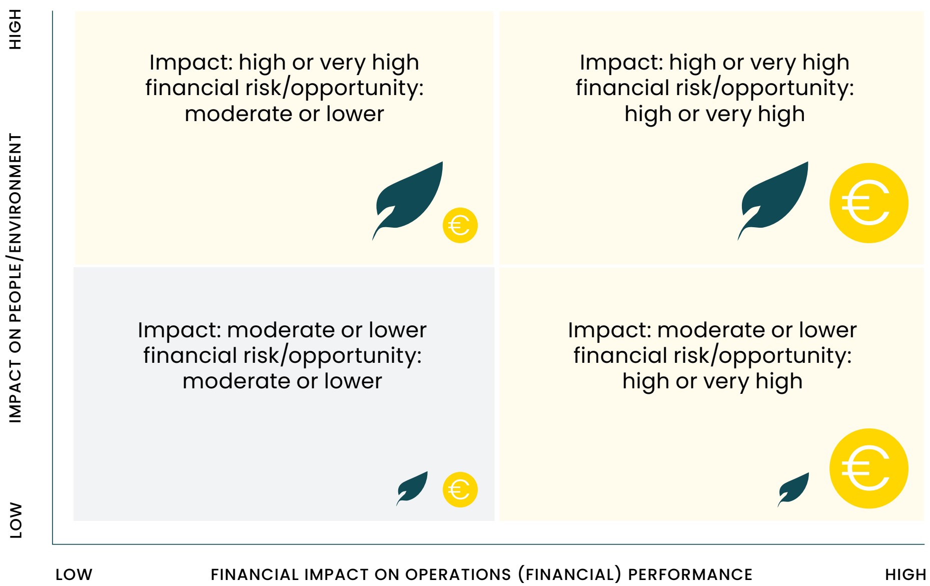
In August 2025, the Group reviewed the results of its double materiality assessment together with the Audit & Sustainability Committee, taking into account the main developments that occurred during the year. As a result, the list and ranking of material topics remain unchanged.

The Double Materiality Assessment encompasses two dimensions:

- **Impact materiality (the inside-out perspective)**, which evaluates how Recticel Group's activities and those within its value chain affect the environment and/or people.
- **Financial materiality (the outside-in perspective)**, which examines how sustainability issues influence the Company's financial health, reputation and performance, as well as Recticel Group's downstream and upstream activities, considering all our activities and geographies.



If the outcome of either of these two dimensions is significant, it will fall within the yellow area of the figure below. In such cases, the CSRD mandates the organisation to report on the sustainability issue and include its policies, actions, targets and KPIs in the Sustainability Statement.



The DMA ultimately determines which sustainability topics will be reported in the Sustainability Statement and how they will be presented.

Our DMA process covered the entire Recticel Group, the whole value chain and all geographies. In the upstream value chain assessment, we focused on Tier 1 direct suppliers and key raw material suppliers. In the downstream value chain assessment, we considered the relevant stakeholders for each division.

Recticel Group recognises that its operations and business relationships are influenced by a variety of factors, including specific activities, geographical regions and sector dynamics, which may elevate the risk of adverse impacts. In particular, we monitor activities in extended risk areas such as regions with political instability, supply chains involving raw materials with high environmental or social risks, and partnerships with entities that may not align with the Group's sustainability values.

Recticel Group aims to mitigate potential adverse impacts through risk management strategies and by ensuring that business practices align with our commitment to responsible corporate behaviour.

4.2.2 Our DMA process

The process for identifying the IROs material to the Recticel Group, its activities, value chain and business relationships is structured in five key steps.

This approach incorporates internal assessments, stakeholder feedback and ongoing monitoring to support continuous improvement.

1 Establish sustainability governance structure

ACTIONS

- Internal capacity building
- Sustainability task force

OUTCOME

- Sustainability governance framework

2 Define context and relevant ESG risks and opportunities

ACTIONS

- Long list of sustainability topics
- Evaluation of relevance and criticality with internal stakeholders
- Selection of short list

OUTCOME

- Short list of relevant ESG topics

3 Perform stakeholder assessment

ACTIONS

- Identify relevant stakeholders
- Assess importance of topics to stakeholders

OUTCOME

- Importance of ESG topics to stakeholders

4 Determine impact and financial materiality

ACTIONS

- Evaluation of actual and potential impacts (scale, Scope, irremediability and likelihood)
- Evaluation of financial materiality (size and likelihood)

OUTCOME

- Impact on planet and society
- Financial impact of ESG topics

5 Define material sustainability topics

ACTIONS

- Define the threshold
- Identify material sustainability topics

OUTCOME

- Material topics on which to report and build the sustainability strategy

Between July and October 2023, we held ESG and Enterprise Risk Management (ERM) workshops to identify and prioritise sustainability topics. The materiality of each topic was evaluated based on its relevance, associated risks and opportunities, criticality and the urgency for action

CLIMATE CHANGE (ESRS E1)	POLLUTION (ESRS E2)	RESOURCE USE AND CIRCULAR ECONOMY (ESRS E5)	OWN WORKFORCE (ESRS S1)	WORKERS IN THE VALUE CHAIN (ESRS S2)	BUSINESS CONDUCT (ESRS G1)	ENTITY SPECIFIC MATTERS
Climate change mitigation Energy efficiency and renewable energy	Use of chemicals and substances of concern	Product design and circularity Renewable resources Sustainable packaging Use of recycled materials and EOL value Resource efficiency and waste reduction	Working conditions and labour rights Occupational health & safety Workers with disabilities Diversity, equality, and inclusion Training and development	Working conditions, health and safety in the supply chain	Governance and transparency (corporate culture) Ethics and integrity (business conduct) Management of relationships with suppliers Corruption and bribery	Product performance Product stewardship Product and process innovation Job satisfaction & well-being

In 2024, we consulted internal and external stakeholders to evaluate the impact and financial materiality of key sustainability topics. To ensure all affected stakeholders were considered, we conducted a comprehensive analysis of stakeholder groups across our divisions' value chains, using diverse engagement methods, as outlined below.

STAKEHOLDER	DOUBLE MATERIALITY ASSESSMENT
Shareholders, investors, analysts	• Analyst meetings • Roadshows (financial, ESG) • Contacts with reference shareholders
Customers	• Desk research • Survey / Interview
Employees	• ERM + ESG Workshops • European Works Council (EWC) • Impact and financial materiality scoring
Suppliers	• Survey / Interview

Internally, we engaged subject-matter experts with deep knowledge and insight into each ESRS standard and organised DMA workshops with them. These experts comprised a diverse group of employees involved in sustainability impacts and risks at both the corporate and divisions levels.

For customer and supplier selection, we ensured representation from each subsidiary based on the value chains outlined in section 2.3 and engaged with their sustainability experts.

As part of this initiative, 28 representatives from selected customers and suppliers participated in an online survey. They assessed:

- The relevance of the identified sustainability topics to their organisation or value chain.
- Recticel Group's impact on these topics through its activities, value chain or business relationships.

To support informed decision-making on material risks and opportunities, detailed definitions of impacts, risks and opportunities (IRO) were provided for each sustainability issue. The list of IROs was composed by gathering information from the following sources:

- Sustainability / ESG reports from peers
- Sustainability information published on the websites of similar businesses
- Sector-specific topics (a.o. SASB, EcoVadis)
- Other sources (a.o. WEF Global Risk Report, web-based research)
- The Recticel Group risk assessment, conducted alongside the ESG assessment mentioned above

To enhance the credibility of the materiality assessment, additional desk research was conducted. This research informed the scoring of various dimensions, establishing thresholds for impact materiality and ensuring a robust and objective evaluation process.

4.2.3 Defining impact and financial materiality

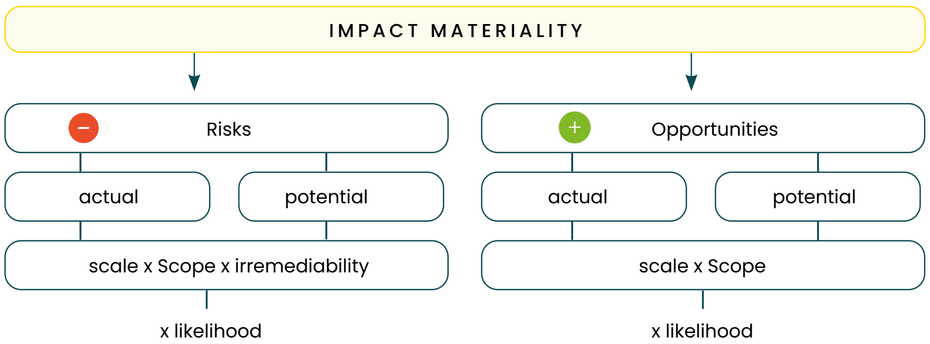
4.2.3.1 Impact materiality

Following the external consultation, 25 internal subject matter experts from diverse functions and divisions across the Recticel Group were tasked with evaluating the Group's environmental and societal impacts. These experts were selected for their profound knowledge of sustainability initiatives, their expertise in assessing environmental and social dimensions, and their strategic insight into the Group's business activities, processes and overall alignment with long-term goals.

Participants were asked to assess sustainability impacts using the following criteria:

- **Positive & Negative:** Do they perceive the impact of our activities, value chain or business relationships on people or the environment as positive or negative?
- **Scale:** How significant is the harm caused by a negative impact? Conversely, how substantial could the benefits of a positive impact be?
- **Scope:** What is the geographical extent of the impact, and how many individuals might be affected?
- **Likelihood:** Is the impact already occurring (actual), or is it a potential future event? How likely is it to happen?
- **Irremediability** (for negative impacts only): Can the negative impact be mitigated? Is it possible to restore the environment or individuals to their original state?

When assigning their scores, they prioritised the most severe impacts, focusing primarily on negative ones. Impact materiality was calculated by averaging the values for scale, Scope and irremediability, and then multiplying the result by the likelihood score.

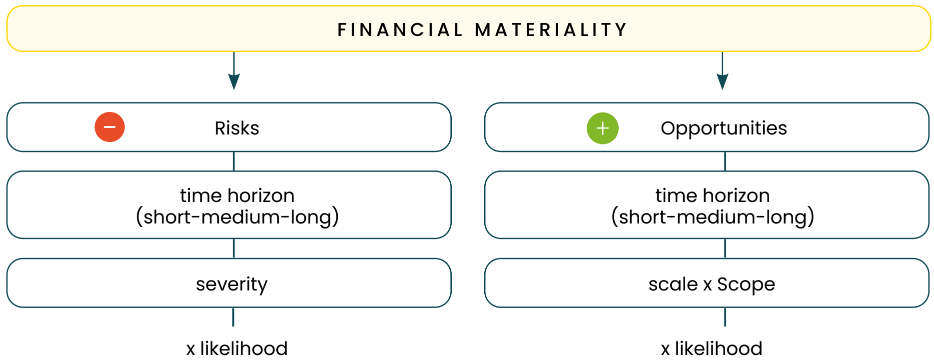


4.2.3.2 Financial materiality

Members of the Recticel Group's Finance teams (Group and subsidiaries) and the Management Committee evaluated the risks and opportunities facing Recticel Group. Drawing on their deep understanding of the Company's financial performance, they assessed both the severity and likelihood of each risk and opportunity.

The goal was to identify the most significant factors affecting the Group. Participants scored sustainability risks and opportunities based on the following criteria:

- **Risk & Opportunity:** Is the topic perceived primarily as a risk or an opportunity?
- **Time horizon:** When is the impact expected to occur?
- **Severity:** How significant is the potential financial impact, or how does it affect our operations, reputation or market position? This assessment considered the inherent risk/opportunity without accounting for mitigating measures.
- **Likelihood:** How probable is the risk or opportunity, factoring in existing mitigating measures?

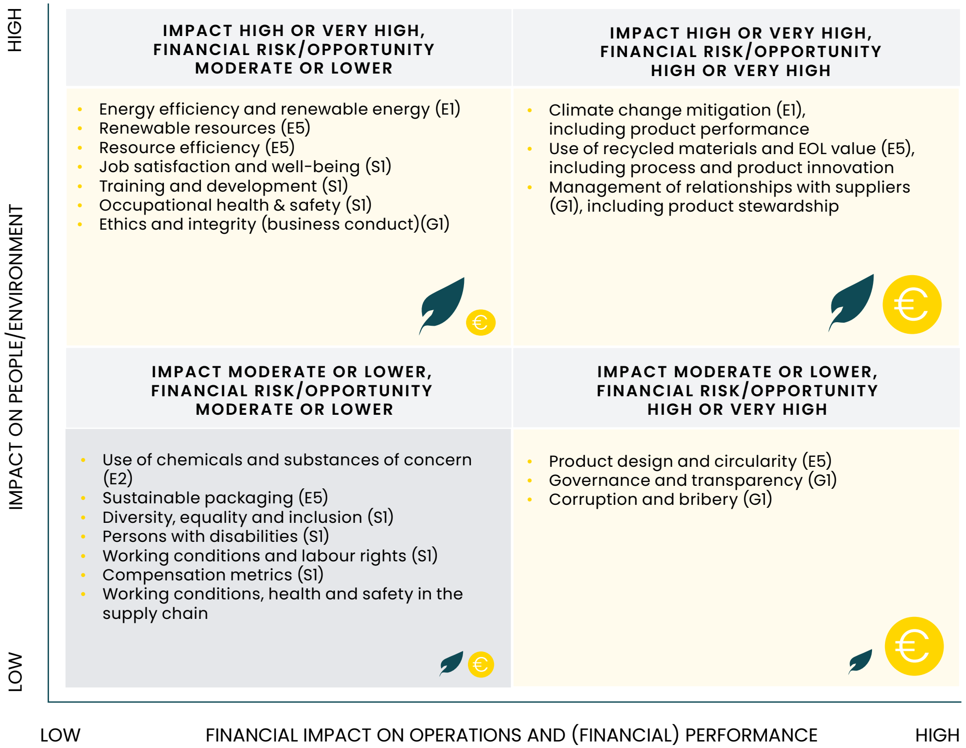


The financial materiality was calculated by multiplying the severity by the likelihood.

For the severity assessment, we considered key metrics such as EBITDA, direct operational costs, market share and revenue, with specific thresholds defined for each. The likelihood was evaluated on a scale of low, medium and high.

4.2.4 Final outcome material ESG topics

Feedback from both external stakeholder engagement and internal evaluations of impact and financial materiality was consolidated and analysed to identify the most significant sustainability subtopics.



Of the twenty sustainability subtopics initially deemed relevant (see section 4.2.2), thirteen were identified as material (yellow area). Among these, three subtopics stood out as especially significant, demonstrating both high impact materiality and high financial materiality, highlighting their crucial importance to Recticel Group's strategy and goals.

- **ESRS E1-1:** Climate change mitigation poses both transitional and physical risks to our operations. Shifting regulations, evolving market conditions and extreme weather events can disrupt business continuity. By adopting low-carbon technologies, renewable energy solutions and energy-efficient practices, we can mitigate these risks and reduce our environmental footprint.
- **ESRS E5-5:** Raw material scarcity and environmental impact present significant challenges. By emphasising recycling, reuse and sustainable resource management, we can not only mitigate risks but also unlock opportunities to develop innovative business models.
- **ESRS G1-2:** Suppliers play a pivotal role in achieving our strategic business goals by offering products with a lower environmental footprint and enhanced product stewardship.

The following subtopics and disclosure requirements were assessed as not material:

- **ESRS E2:** Pollution
- **ESRS E5:** Sustainable packaging
- **ESRS S1:** Diversity metrics; Persons with disabilities; Compensation metrics; Working conditions and labour rights
- **ESRS S2:** Workers in the value chain

To ensure that all key aspects of sustainability are comprehensively reported, the IROs linked to the entity specific material matters have been allocated to the topics of the ESRS, given their proximity with the topical standards.

- **Product performance**, under ESRS E1-1 (Transition plan for climate change mitigation)
- **Product and process innovation**, under ESRS E5-2 (Actions and resources related to resource use and circular economy)
- **Job satisfaction and well-being**, under ESRS S1-4 (Taking action on material impacts on own workforce)
- **Product stewardship**, under ESRS GOV-4 (Statement of Due Diligence) with reference to ESRS G1-2 (Management of relationships with suppliers and its impacts on its supply chain)

4.3 Navigating the landscape of impacts, risks and opportunities (IRO)

4.3.1 IRO process description

By offering products that fulfil societal and ecological needs, Recticel Group will benefit from better access to financing, improved customer satisfaction, loyalty and better employee relations. Recticel Group employs a comprehensive and systematic approach to identify, evaluate, prioritise and monitor risks and opportunities with potential financial implications. This process includes the following key steps:

- **Identifying impacts and dependencies:** We continuously monitor both external and internal environments for emerging risks and opportunities, including market trends, regulatory changes, stakeholder expectations and environmental and social shifts. Additionally, we evaluate operational vulnerabilities, areas for improvement and dependencies on specific resources and suppliers, as well as the quality of virgin and recycled materials.
- **Assessment:** We evaluate identified risks and opportunities by assessing their potential impact and likelihood, considering financial implications, immediate and long-term effects, operational disruptions, reputational risks and market positioning. Opportunities are specifically evaluated for their potential to drive growth, profitability and competitiveness. In this process, we also recognise the critical dependencies on key resources, such as the quality and availability of both virgin and recycled materials, as well as the reliability of our supply chain. These dependencies are essential for achieving our operational and sustainability objectives.
- **Prioritisation:** We prioritise risks and opportunities based on their potential financial impact, urgency and alignment with strategic objectives. Risks with high financial impact or impacting short or long-term viability, along with opportunities offering substantial financial and sustainability benefits, are given top priority. ESG risks, opportunities and financial impacts are integrated into the Enterprise Risk Management (ERM) programme, which is reviewed by the Management Committee and the Audit & Sustainability Committee to determine priorities.
- **Monitoring:** We conduct regular reviews of the financial and operational impacts of risks and opportunities, as well as market conditions. Ongoing reporting and risk assessments ensure timely responses to changes.

E1 – Climate Change mitigation
Recticel Group is committed to monitoring and reducing Scope 1, 2 and 3 emissions across all operations to achieve our Science-Based Targets initiative (SBTi) commitments. We employ Life Cycle Assessments (LCA) and greenhouse gas (GHG) accounting tools to track emissions, ensuring alignment with international climate standards.

In 2025, Recticel Group started with a detailed climate risk scenario analyses on each of its operating facilities evaluating physical risks, such as extreme weather events that may disrupt production and supply chains. At the same time, we recognise opportunities in investing in energy-efficient production processes, expanding the use of renewable energy and developing highly efficient insulation products with a low embodied carbon footprint.

Recticel Group is classified under the EU NACE economic activity codes C 20.59 and C 22.21, which belong to the list of high climate impact sectors as defined in the EU Commission Delegated Regulation (EU) 2022/1288. High climate impact sectors are those that contribute significantly to greenhouse gas (GHG) emissions and environmental effects, making them key players in the transition to a low-carbon economy.

While Recticel Group is classified in a high climate impact sector, its operating activities are not energy intensive. On the other hand, its specialised ranges of building insulation materials generate a positive impact on climate change mitigation.

E2 – Pollution
While E2 Pollution is not classified as a material topic for our organisation, we remain focused on reducing air and noise pollution in our production operations and material transport. Regulatory changes aimed at lowering transport emissions may introduce stricter compliance requirements to minimise environmental and health impacts and satisfy societal expectations. There are opportunities to mitigate pollution through investments in cleaner vehicle technologies and the promotion of eco-driving practices.

E3 – Water and marine resources
Since our operational processes do not require water, our consumption is limited to personal uses such as drinking, eating, sanitation and showering. As a result, our direct impact on water resources is minimal. However, indirect factors, including supply chain activities and operational logistics, may have localised effects on water quality and marine ecosystems.

E4 – Biodiversity and ecosystems
While part of our production process involves the use of chemicals to manufacture polyurethane insulation, the final insulation itself is inert and does not impact biodiversity or ecosystems. However, the handling, storage and transportation of raw materials require responsible management to prevent potential environmental contamination. Although our direct impact is minimal, we ensure that all chemicals are managed in accordance with environmental, health and safety (EHS) regulations and industry best practices. Our commitment to responsible operations is further reinforced by adherence to ISO 14001 (Environmental Management) and ISO 45001 (Occupational Health and Safety) certifications.

In 2025, the Recticel Group conducted an initial biodiversity screening on 12 operational sites on their proximity to biodiversity-important areas, in line with the EU Taxonomy's Do No Significant Harm (DNSH) criteria. Following IBAT guidance, three buffer zones (2 km, 5 km, and 10 km) were applied to assess potential direct and indirect impacts and to identify priority locations for further review.

The sites were evaluated against key biodiversity datasets, including Natura 2000, WDPA, EBAs, Ramsar Sites, and KBAs. No overlaps with Ramsar Sites were identified. For DNSH purposes, Natura 2000 was considered the most relevant framework.

Two sites were identified as having potential interactions with biodiversity-sensitive areas. However, given their limited environmental footprint, characterised by very low water use, minimal air emissions, and no fine particulate emissions, an Appropriate Assessment under the Habitats Directive has been deferred, pending future review.

E5 – Resource use and circular economy
Resource efficiency and circularity are central to Recticel Group's sustainability strategy. We actively identify risks related to raw material scarcity, price volatility and increasing regulatory pressures to minimise waste. Environmental risks, such as waste generation, non-recyclable materials and end-of-life product disposal, are carefully managed. However, significant opportunities exist in enhancing recycling processes for production waste, implementing waste reduction strategies, fostering value-chain partnerships to explore innovative end-of-life waste solutions, and transitioning to manufacturing powered entirely by renewable energy.

Recticel Group's procurement, sustainability and product development teams collaborate to embed circular economy principles into product design and manufacturing. Through material flow analysis, we assess resource efficiency and engage with suppliers, recyclers and industry stakeholders to drive innovation in bio-based and recycled polyols and increase the amount of recycled content in base materials, reinforcing our commitment to sustainable materials.

S1 – Own workforce
At Recticel Group, our employees are fundamental to our long-term success. We prioritise health and safety, employee well-being, talent development and engagement. We proactively assess risks associated with occupational hazards and evolving labour regulations while recognising opportunities in fostering employee engagement and skills development.

To uphold high labour standards, Recticel Group benchmarks its policies against industry best practices and legal frameworks, ensuring ethical employment practices and a supportive workplace culture that nurtures professional growth and well-being.

G1 – Business Conduct
Recticel Group operates across multiple regions, with production facilities and business activities spanning Europe and other global markets. The geographical footprint of our operations influences our environmental impact, particularly in terms of energy consumption, transportation emissions and regulatory compliance across different jurisdictions.

Governance and ethical business conduct are foundational to Recticel Group's corporate strategy. Key risks in this domain include corruption, bribery, competition law breaches and non-compliance with existing and evolving regulatory frameworks. Failure to address these risks could lead to legal consequences, reputational damage and financial penalties.

To mitigate these risks, Recticel Group's legal, compliance and governance teams oversee ethics and integrity policies. We have implemented whistleblowing mechanisms, anti-corruption training programmes and internal compliance audits to ensure strict adherence to the Recticel Group Code of Conduct. By maintaining the highest ethical standards, we reinforce our commitment to responsible business practices and sustainable growth.

4.3.2 Material IROs and their interaction with strategy and business model

Recticel Group conducted a comprehensive assessment of the impacts associated with its key material topics, evaluating their effects on people and the environment. This analysis resulted in a clearly defined list of positive and negative impacts across the entire value chain, from sourcing and manufacturing to product disposal.

The table below presents these impacts while illustrating the interconnections between Recticel Group's key material topics and the risks and opportunities identified through the ERM exercise. Additionally, it highlights alignment with the UN Sustainable Development Goals (UN SDGs – see section 2.3.6) and demonstrates how the IROs interact with our strategy and business model.

Section 8.2 offers an overview of the ESRS disclosure requirements addressed by Recticel Group in Part 1 (Management's Review) and Part 2 (Sustainability Statement) of this Annual Report.

ESRS STANDARD	MATERIAL TOPIC	IMPACT	CLASSIFICATION	TIME HORIZON	OCCURENCE IN VALUE CHAIN	UN SDG	RISK	OPPORTUNITY	INTERACTION WITH STRATEGY AND BUSINESS MODEL
E1	Climate change mitigation	Transitional and physical impact Mitigation long-term effects of climate change	Negative impact Risk Opportunity	Short/ Medium	DO DS	SDG 13 SDG 11	R1 | Non-compliance with legislations R2 | Changes to regulations of existing products and services R3 | Transition to increasing recycled content R4 | Changing customer behaviour R5 | Natural disasters R6 | Carbon pricing mechanisms	O1 | Development of new products and services through R&D and innovation O2 | Ability to diversify business activities O3 | Use of public sector incentives	The Recticel Group's smart insulation plays a strategic role in enhancing energy efficiency and reducing emissions throughout building lifecycles. This supports our business model by aligning with voluntary near-term (2030) and long-term (2050) SBTi net-zero commitments, ensuring regulatory compliance and strengthening our market position in sustainable construction solutions.
	Energy efficiency and renewable energy	Transitioning to renewable energy Building sustainable and equitable future	Positive impact	Short/ Medium	DO US	SDG 7			
E5	Use of recyled materials and EOL value, including process and product innovation	Resource conservation Waste reduction Supporting circular economy Lower carbon emissions	Positive impact Risk Opportunity	Medium	DO EOL	SDG 9 SDG 12	R1 | Non-compliance with legislations R2 | Changes to regulation of existing products and services R3 | Transition to increasing recycled content R4 | Changing customer behaviour	O1 | Development of new products and services through R&D and innovation O2 | Ability to diversify business activities O3 | Use of public sector incentives	The integration of resource use and circularity into the Recticel Group's strategy and business model drives long-term value by optimising material efficiency, reducing waste and fostering sustainable innovation. This approach not only ensures compliance with evolving EU building regulations but also strengthens our competitive advantage by promoting reusable, circular product designs.
	Renewable resources	Environmental protection Resource conservation	Positive impact	Medium	DO EOL	SDG 12			
	Resource efficiency	Optimised use of raw materials and energy Waste reduction Efficiency improvement	Positive impact	Short/ Medium	DO EOL	SDG 12			
	Product design and circularity	Reduced environmental harm Economic opportunities Implementation sustainable practices	Risk Opportunity	Medium	DO US EOL	SDG 9 SDG 12	R1 | Non-compliance with legislations R2 | Changes to regulation of existing products and services R3 | Transition to increasing recycled content R4 | Changing customer behaviour	O1 | Development of new products and services through R&D and innovation O2 | Ability to diversify business activities O3 | Use of public sector incentives	

ESRS STANDARD	MATERIAL TOPIC	IMPACT	CLASSIFICATION	TIME HORIZON	OCCURENCE IN VALUE CHAIN	UN SDG	RISK	OPPORTUNITY	INTERACTION WITH STRATEGY AND BUSINESS MODEL
S1	Job satisfaction and well-being	Positive impact on motivation, productivity and retention Organisational impact on success	Positive impact	Short/ Medium	DO	SDG 8			The satisfaction, engagement, health and safety, fair compensation and development of our workforce are fundamental to the Recticel Group strategy. By fostering a motivated and skilled workforce, we enhance productivity, innovation, and long-term business success, ensuring sustainable growth.
	Training and development	Growth through contiuous learning Performance improvement with new skills Success in achieivng goals	Positive impact	Short/ Medium	DO	SDG 8			
	Occupational health & safety	Reduced workplace accidents and Injuries Increased productivity Improved employee morale Positive business reputation	Positive impact	Short/ Medium	DO	SDG 8			
G1	Relationships with suppliers, including product stewardship	Minimised environmental and human harm Sustainable growth	Positive impact Risk Opportunity	Short/ Medium	US DO DS EOL	SDG 13 SDG 17	R1 | Non-compliance with legislations R2 | Changes to regulation of existing products and services R3 | Transition to increasing recycled content R6 | Carbon pricing mechanisms R7 | Misconduct R9 | Sourcing concentration	O1 | Development of new products and services through R&D and innovation	The Recticel Group strategically partners with suppliers who share our values, champion sustainable innovation and embrace best practices. These collaborations reinforce our business model by enhancing supply chain resilience, securing responsible sourcing and driving competitive advantage through meaningful social and environmental benefits.
	Ethics and integrity (business conduct)	Undermined trust Damaged reputation Disrupted operations Decreased employee morale	Negative impact	Short/ Medium/ Long	DO	SDG 8			
	Governance and transparency (corporate culture)	Unethical decision-making Regulatory non-compliance Financial mismanagement	Risk	Short/ Medium/ Long	DO	SDG 8	R7 | Misconduct R8 | Ineffective CIA		Upholding ethical business conduct is embedded in the Recticel Group's strategy and core values. By ensuring compliance with regulations, enforcing anti-corruption measures and promoting transparent governance, we strengthen stakeholder trust, mitigate risks and safeguard the long-term sustainability of our business.
	Corruption and bribery	Disrupted fairness, equality, justice Hindered progress toward equitable development	Risk	Short/ Medium/ Long	DO	SDG 8	R7 | Misconduct		

SDG 7: Affordable and clean energy
SDG 8: Decent work and economic growth
SDG 9: Industry, innovation and infrastructure
SDG 11: Sustainable cities and communities
SDG 12: Responsible consumption and production
SDG 13: Climate action
SDG 17: Partnerships for the goals

DO: Direct operations
DS: Downstream
US: Upstream
EOL: End-of-life management

4.3.2.1 Spotlight on material risks

The following tables present an overview of the identified ESG risks, including a description of each risk and primary response, time horizon, likelihood and magnitude, and where the risk occurs within the value chain. The anticipated financial impacts of material physical and transition climate-related risks (E1-9), as well as those related to resource use and the circular economy (E5-6), are not included in this report. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772[1].

In addition, we indicate the risk category relevant to Recticel Group's activities and operations (strategy & compliance, operations, support, external) and the material topic. For climate-related risks, we further identify whether they are a physical or a transition risk.

RISK DEFINITIONS

Climate-related physical risk	Risks that arise from the direct physical impacts of climate change, typically divided into acute and chronic risks. **Acute risks:** sudden and severe events, often caused by extreme weather **Chronic risks:** longer-term, gradual changes in climate patterns over time
Climate-related transition risk	Risks associated with changes in policy, market, reputation, technology or liability.

Recticel Group conducted a climate risk scenario analysis across all its manufacturing facilities, assessing physical climate risks such as extreme weather events that could disrupt production and supply chains. For more information, refer to section 3.5.1.

Unlike substantive risk, such as price competition, macroeconomic fluctuations or geopolitical factors, the ESG impacts, risks and opportunities (IROs) tend to evolve over longer timeframes, often exceeding traditional financial cycles. As a result, our ESG considerations are assessed across distinct time horizons:

	SUBSTANTIVE RISK	ESG IROs
Time horizon	Short-term: ≤ 6 months Medium-term: 6-12 months Long-term: 12-24 months	Short-term: 0-5 years Medium-term: 5-10 years Long-term: 10-25 years

These time frames are integrated into our Enterprise Risk Management (ERM) programme covering substantive and ESG risks.

As Recticel Group reports environmental data to CDP (see section 2.3.5), we use CDP's classification to evaluate the likelihood of each risk occurring within the expected time horizon. CDP's likelihood categories include: virtually certain, very likely, likely, more likely than not, about as likely as not, unlikely, very unlikely, exceptionally unlikely, and unknown.

[1] *https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en*

R1 | Non-compliance with legislation

RISK DESCRIPTION

STRATEGY & COMPLIANCE
CLIMATE-RELATED TRANSITION RISK

MATERIAL TOPIC
- Climate change mitigation (E1), including product performance
- Use of recycled materials & EOL value (E5), including product and process innovation
- Product design & circularity (E5)
- Managing relationships with suppliers (G1), including product stewardship

TIME HORIZON: SHORT-TERM ESG
LIKELIHOOD: VERY UNLIKELY
MAGNITUDE: MEDIUM

OCCURRENCE IN VALUE CHAIN
DIRECT OPERATIONS

SITUATION
- Recticel Group must comply with CSRD (2024) requiring a science based climate action plan.
- The SBTi commitment for 2030 and 2050 entails costs that could affect pricing, profitability and performance but also create opportunities.
- Monitoring and reporting on GHG reduction progress is crucial to meeting targets.

TASK
- Assess business partners and materials for alignment with our strategic plan.
- Evaluate technology availability for carbon footprint reduction.
- Address risks tied to ambitious targets.

ACTION
- Collaborate with suppliers to reduce the embedded carbon footprint of raw materials.
- Develop innovative, low-carbon products.
- Increase recycled content in MW and steel.

RESULT
- Reduced emissions from raw materials.
- New products with lower embodied carbon and higher recycled content.
- Stronger supplier collaboration for a sustainable supply chain.
- Enhanced operational resilience and alignment with long-term sustainability goals.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
EUR 287 K *

** CSRD initial setup costs*

STRATEGIC PLANNING
- Update the roadmap for implementing SBTi targets to balance ambition with feasibility, considering the organisation's capacity for investment, technology adoption and operational changes.

INVESTMENT PRIORITISATION
- Prioritise investments based on their potential impact on cost savings, product performance and alignment with SBTi commitments.

CONTINUOUS IMPROVEMENT
- Monitor and evaluate to track progress towards SBTi targets.
- Identify areas for improvement or adjustment.
- Foster a culture of sustainable innovation.

COST CALCULATION
- Systems and tools
- Policy and reporting frameworks
- Data collection and management
- Reporting and disclosure
- Monitoring and auditing

R2 | Changes to regulation of existing products and services

RISK DESCRIPTION

STRATEGY & COMPLIANCE
CLIMATE-RELATED TRANSITION RISK
CIRCULAR ECONOMY-RELATED RISK

MATERIAL TOPIC
- Climate change mitigation (E1), including product performance
- Product design & circularity (E5)
- Use of recycled materials & EOL value (E5), including product and process innovation
- Managing relationships with suppliers (G1), including product stewardship

TIME HORIZON: MEDIUM-TERM ESG
LIKELIHOOD: VERY LIKELY
MAGNITUDE: MEDIUM

OCCURRENCE IN VALUE CHAIN
END-OF-LIFE MANAGEMENT

SITUATION
- Recticel Group risks challenges if it fails to monitor and comply with standards and regulations, particularly regarding product end-of-life circularity.

TASK
- Stay ahead of regulatory changes that impact strategic objectives by tracking laws, regulations and guidelines.

ACTION
- Establish robust compliance systems and update procedures to meet new regulations.
- Invest in sustainable product innovation and joint R&D on circularity.
- Build long-term partnerships with suppliers, universities and institutes.
- Develop collaborations for collecting and treating end-of-life materials.

RESULT
- Avoided non-compliance penalties.
- Maintained market position and minimised operational disruptions.
- Strengthened reputation through sustainability efforts.
- Launched innovative products with higher renewable content.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
ONGOING *

** Recticel's legal department will cover potential legislative action.*

REGULATORY MONITORING
- Track legislative developments, policy changes and emerging regulatory trends relevant to Recticel Group.

STAKEHOLDER ENGAGEMENT
- Participate in industry forums to share expertise and shape favourable regulatory frameworks.
- Collaborate with suppliers to lower embodied carbon and invest in sustainable product innovation, including joint R&D.

RISK ASSESSMENT
- Perform regular risk assessments and scenario analyses to evaluate regulatory impacts on operations, finances and strategy.

COST CALCULATION
- Address legislative actions through the internal legal team, with support from external legal firms as needed.

R3 | Transition to increasing recycled content

RISK DESCRIPTION

STRATEGY & COMPLIANCE

CIRCULAR ECONOMY-RELATED RISK

MATERIAL TOPIC

- Climate change mitigation (E1), including product performance
- Product design & circularity (E5)
- Use of recycled materials & EOL value (E5), including product and process innovation
- Managing relationships with suppliers (G1), including product stewardship

TIME HORIZON: MEDIUM-TERM ESG
LIKELIHOOD: LIKELY
MAGNITUDE: MEDIUM

OCCURRENCE IN VALUE CHAIN
DIRECT OPERATIONS
DOWNSTREAM

SITUATION

- Product circularity focuses on maximising lifecycle through recycling and reuse.
- Key risks include dependency on consistent-quality recycled content, integrating circular practices into manufacturing, high upfront costs, economic feasibility and competitive speed of adoption.

TASK

- Adapt processes for recycling and remanufacturing technologies.
- Ensure consistent product quality and market competitiveness.
- Secure the economic viability of circular initiatives.

ACTION

- Monitor industry trends and technology advancements.
- Build partnerships with reliable suppliers.
- Invest in R&D, modern technologies and process optimisation.
- Implement strict quality assurance protocols.
- Perform cost-benefit analyses and track market dynamics.

RESULT

- Reduced material variability and production disruptions.
- Seamless integration of circular practices.
- Strengthened market position and competitiveness.
- Enhanced economic sustainability of circular techniques.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
EUR 2 M *

** R&D efforts aimed at increasing the use of recycled materials and EOL*

SUPPLIER ENGAGEMENT

- Build strong partnerships with suppliers to ensure a stable supply of high-quality recycled materials and reduce variability risks.

OPERATIONS

- Develop and integrate recycling and remanufacturing technologies.
- Refine processes to incorporate new technologies efficiently.
- Implement robust quality controls and monitor product performance to maintain quality.

COST MANAGEMENT

- Secure funding or subsidies for circular initiatives.
- Continuously evaluate the economic impact and optimise processes to reduce costs and improve profitability.

COST CALCULATION

- Focus R&D efforts on increasing recycled material usage.

R4 | Changing customer behaviour

RISK DESCRIPTION

EXTERNAL RISK

CLIMATE-RELATED TRANSITION RISK
CIRCULAR ECONOMY-RELATED RISK

MATERIAL TOPIC

- Climate change mitigation (E1), including product performance
- Use of recycled materials & EOL value (E5), including product and process innovation
- Managing relationships with suppliers (G1), including product stewardship

TIME HORIZON: MEDIUM-TERM ESG
LIKELIHOOD: LIKELY
MAGNITUDE: MEDIUM

OCCURRENCE IN VALUE CHAIN
DOWNSTREAM

SITUATION

- Shifts in consumer preferences, including renewable content and recyclability, may impact product demand. Mineral wool insulated panels are up to 99% recyclable, while polyurethane insulation boards and panels are improving in this area.

TASK

- Capitalise on opportunities to enhance climate performance, reduce environmental impact and drive sustainable growth.

ACTION

- Focus R&D on advanced insulation materials with superior performance and lower environmental impact.
- Partner with universities to explore new materials and technologies.
- Implement digital tools and automation to boost efficiency and reduce waste. Leverage data analytics to optimise supply chain operations and minimise carbon footprint.
- Conduct Life Cycle Assessments (LCA) for new products to ensure sustainability.
- Obtain certifications like LEED or BREEAM to validate environmental performance.

RESULT

- Launch of smart, sustainable insulation materials.
- Improved energy efficiency and sustainability.
- Strengthened position as a leader in building materials.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
EUR 2 M *

**Related to relevant ongoing R&D efforts*

MARKET RESEARCH

- Conduct in-depth studies to evaluate demand for new products, considering customer preferences, market trends, competition and regulations.

SUPPLY CHAIN

- Ensure agile production and supply chain operations to adapt quickly to market changes.
- Adjust production levels to match demand forecasts and inventory needs.
- Foster cross-functional collaboration.

COST CALCULATION

- Addressing this risk is primarily covered by ongoing R&D efforts, representing 1% of annual sales.

R5 | Natural disasters *

RISK DESCRIPTION

EXTERNAL RISK
CLIMATE-RELATED PHYSICAL RISK

MATERIAL TOPIC
- Climate change mitigation (E1), including product performance

TIME HORIZON: SHORT-TERM ESG
LIKELIHOOD: MORE LIKELY THAN NOT
MAGNITUDE: MEDIUM-LOW

OCCURRENCE IN VALUE CHAIN
DIRECT OPERATIONS

SITUATION
- Natural disasters (earthquakes, flooding, fires, hailstorms) can cause infrastructure damage, operational disruptions and risks to personnel.

TASK
- Identify site-specific climate risks, assess vulnerabilities and develop strategies for preparedness, response and recovery.

ACTION (FOLLOWING ASSESSMENT BY INSURANCE COMPANY)
- Assess buildings, operations and supply chains for disaster resilience.
- Safeguard employee safety and IT systems.
- Develop site-specific emergency response and business continuity plans.
- Implement operational recovery strategies.

RESULT
- Improved disaster resilience, operational continuity and protection of personnel and assets with robust response and recovery protocols.

Recent evaluations reveal no urgent vulnerabilities, but potential costs could arise from photovoltaic installations or roof reinforcements for hail exposure.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST, IN ADDITION TO THE ACTIVE INSURANCE FEES
EUR 120 K *

** Update business continuity plans (BCP) for each site; determine required investments in existing infrastructure*

BUILDING INFRASTRUCTURE
- Assess resilience of buildings and facilities to natural disasters (earthquakes, flooding, fires, storms).
- Adress operational dependencies and employee safety impacts.

DATA INFRASTRUCTURE
- Evaluate risks to IT systems and implement safeguards to protect data from loss or corruption.

EMERGENCY PLANS
- Develop tailored disaster response plans, update business continuity plans (BCP) and ensure crisis readiness.

** For more insights into climate related physical risks, refer to section 3.5.1.*

R6 | Carbon pricing mechanisms

RISK DESCRIPTION

STRATEGY & COMPLIANCE
CLIMATE-RELATED TRANSITION RISK

MATERIAL TOPIC
- Climate change mitigation (E1), including product performance
- Managing relationships with suppliers (G1), including product stewardship

TIME HORIZON: SHORT-TERM ESG
LIKELIHOOD: VERY LIKELY
MAGNITUDE: LOW

OCCURRENCE IN VALUE CHAIN
DIRECT OPERATIONS

SITUATION
- The EU Emissions Trading System (ETS) is expanding to include CO_2e emissions from buildings (ETS2). Free allowances will phase out by 2035, affecting EU supplier pricing.

  The EU Carbon Border Adjustment Mechanism (CBAM) covers imports of key carbon-intensive products, including cement, iron & steel, aluminium, fertilisers, electricity and hydrogen. Financial obligations start in 2026 and will be progressively phased in until 2034, in parallel with the phase-out of free EU ETS allowances.

TASK
- Assess ETS2's impact on energy costs.
- Evaluate carbon pricing's effect on supplier costs and potential pass-through to Recticel Group.
- Analyse CBAM's impact on non-EU material costs and identify mitigation strategies.

ACTION
- Model energy cost increases (EUR 57-350/tCO_2e) and identify emission reduction opportunities.
- Adjust procurement strategies to manage and mitigate cost increases.
- Explore passing increased costs to customers.
- Monitor CBAM's impact on steel costs.

RESULT
- Controlled budget and energy cost savings through efficiency improvements.
- Minimised supplier cost impact with revised procurement strategies.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
EUR 5 K *

** Modelling costs on product prices and COGS*

MODELLING
- Estimate procurement and operating cost increases (EUR 57-350/tCO_2e).
- Collaborate with suppliers to assess their carbon pricing responses.

STRATEGY
- Adjust procurement strategies to address cost increases and risks.
- Track CBAM's effect on metal prices.

COST CALCULATION
- Compliance costs are minimal due to low direct carbon pricing impact on Recticel Group.
- Procurement cost modelling is straightforward, leveraging existing ESG models and carbon price forecasts.

R7 | Misconduct

RISK DESCRIPTION

SUPPORT RISK

MATERIAL TOPIC

- Governance and transparency (corporate culture) (G1)
- Managing relationships with suppliers (G1), including product stewardship
- Corruption and bribery (G1)

PRIMARY FINANCIAL EFFECT
DECREASE IN SHAREHOLDER VALUE

TIME HORIZON: SHORT/MEDIUM/LONG-TERM
LIKELIHOOD: ABOUT AS LIKELY AS NOT
MAGNITUDE: MEDIUM-HIGH

OCCURRENCE IN VALUE CHAIN
DIRECT OPERATIONS

SITUATION

- Misconduct and fraud risk could threaten Recticel Group's operations, integrity and reputation, stemming from unethical behaviour and governance deficiencies.
- Corruption can damage trust, leading to lost sales, contract cancellations and partnership challenges.

TASK & ACTION

- Foster a culture of ethics, integrity and accountability.
- Pursue proactive fraud detection and investigation.
- Internal management control

RESULT

- Ethical business conduct reinforces Recticel Group's values, builds stakeholder trust and strengthens its competitive position.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
ONGOING

- Cultivate a culture of ethics and accountability across all levels, with clear expectations and leadership by example.
- Establish protocols for proactive fraud detection, reporting and investigation, ensuring confidentiality, fairness and due process.
- Provide employee training and promote a speak-up culture, empowering staff to report concerns or seek ethical guidance without fear of retaliation.

R8 | Ineffective CIA

RISK DESCRIPTION

SUPPORT RISK

MATERIAL TOPIC

- Governance and transparency (corporate culture) (G1)

PRIMARY FINANCIAL EFFECT
DISRUPTION IN DOWNSTREAM VALUE CHAIN

TIME HORIZON: SHORT/MEDIUM/LONG-TERM
LIKELIHOOD: ABOUT AS LIKELY AS NOT
MAGNITUDE: MEDIUM-HIGH

OCCURRENCE IN VALUE CHAIN
DIRECT OPERATIONS

SITUATION

- The risk of inadequate management of confidentiality, integrity and availability (CIA) threats presents a substantial challenge to Recticel Group's cybersecurity stance.
- This risk could be heightened by several factors, including a rise in cybercrime, insufficient cybersecurity training, poor maintenance of IT systems, data leaks, limited resources, human errors, lack of awareness and complex data storage systems.
- These challenges threaten stakeholder trust and compromise the Company's operational effectiveness.

TASK

- Develop and implement a comprehensive cybersecurity strategy that enhances the CIA of data and infrastructure.
- Raise awareness, provide training, strengthen technical defences and ensure robust incident response mechanisms.

ACTION

- Conduct a risk assessment.
- Implement comprehensive cybersecurity training.
- Strengthen IT infrastructure.
- Establish incident response protocols.

RESULT

- Implementing a comprehensive cybersecurity strategy results in a significant reduction in data breaches and improved stakeholder confidence in Recticel Group's ability to protect sensitive information.
- Enhanced training programmes, increased employee awareness and response capabilities, leading to a culture of security.

PRIMARY RISK RESPONSE

PRIMARY RESPONSE COST
ONGOING

CYBERSECURITY TRAINING

- Provide company-wide training to enhance awareness of cyber risks, best practices, and incident response, fostering a security-conscious culture where employees can quickly identify and report threats.

ROBUST IT INFRASTRUCTURE

- Implement strong maintenance protocols, including regular updates, patching, antivirus monitoring, and vulnerability assessments to minimise risks and ensure system resilience.

STRATEGIC INVESTMENTS

- Allocate sufficient resources, budget, personnel, and technology to strengthen threat detection, incident response, and recovery capabilities.

R9 | Sourcing concentration

RISK DESCRIPTION	
OPERATIONAL RISK **MATERIAL TOPIC** • Managing relationships with suppliers (G1), including product stewardship **PRIMARY FINANCIAL EFFECT** DISRUPTION IN UPSTREAM VALUE CHAIN **Time horizon:** short/medium **LIKELIHOOD:** LIKELY **MAGNITUDE:** MEDIUM **OCCURRENCE IN VALUE CHAIN** DIRECT OPERATIONS	**SITUATION** • Dependence on a limited number of suppliers for critical raw materials poses risks to Recticel Group's operations and production. **TASK** • Mitigate supply chain vulnerabilities by diversifying suppliers and reducing exposure to disruptions and price volatility. **ACTION** • Identify potential partners across different regions. • Streamline the supplier qualification process. **RESULT** • Lower risk of supply disruptions and price instability. • Maintain competitive pricing and operational resilience.

PRIMARY RISK RESPONSE	
PRIMARY RESPONSE COST ONGOING	**SUPPLIER RELATIONSHIP MANAGEMENT** • Foster collaboration and actively monitor existing suppliers. **DIVERSIFICATION OF SUPPLIERS** • Qualify alternative suppliers to reduce dependency and build strategic partnerships. **INVENTORY MANAGEMENT** • Maintain sufficient stock of critical materials to mitigate supply disruptions.

4.3.2.2 Spotlight on material opportunities

Material opportunities represent potential advantages or positive factors that can substantially drive Recticel Group's growth, profitability and competitive edge. These opportunities often emerge from market trends, innovation, regulatory shifts and environmental or social initiatives, providing avenues for value creation and long-term success.

The following tables present an overview of the identified ESG opportunities, including a description of each opportunity and primary response, time horizon, likelihood and magnitude, and where the opportunity occurs within the value chain. The anticipated financial impacts of material climate-related opportunities (E1-9), as well as those related to resource use and the circular economy (E5-6), are not included in this report. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772[2].

As Recticel Group reports environmental data to CDP (see section 2.3.5), we use CDP's classification to evaluate the likelihood of each opportunity occurring within the expected time horizon. CDP's likelihood categories include: virtually certain, very likely, likely, more likely than not, about as likely as not, unlikely, very unlikely, exceptionally unlikely, and unknown.

[2] *https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en*

O1 | Development of new products and services through R&D and innovation

OPPORTUNITY DESCRIPTION

CLIMATE RELATED

CIRCULAR ECONOMY-RELATED

MATERIAL TOPIC

- Climate change mitigation (E1), including product performance
- Use of recycled materials & EOL value, including product and process innovation
- Managing relationships with suppliers (G1), including product stewardship

PRIMARY FINANCIAL EFFECT

- Increased revenues resulting from increased demand for products and services

TIME HORIZON: SHORT/MEDIUM/LONG-TERM
LIKELIHOOD: LIKELY
MAGNITUDE: HIGH

OCCURRENCE IN VALUE CHAIN
DOWNSTREAM

SITUATION

- Recticel Group is dedicated to developing smart sustainable insulation materials and allocates approximately 1% of its annual revenue to research and development (R&D).

TASK

- Identify and seize opportunities that enhance its climate-related performance, minimise environmental impact and foster growth.

ACTION

- Focus R&D team on creating advanced insulation materials with exceptional thermal performance and reduced environmental impact.
- Collaborate with universities and research institutions to explore new materials and technologies.
- Utilise data analytics to optimise supply chain operations and minimise the carbon footprint.
- Conduct Life Cycle Assessments (LCA) for new products to ensure they meet sustainability standards.
- Pursue certifications (e.g. LEED, BREEAM) to validate the environmental performance of products.

RESULT

- Introduction of new insulation materials with increased insulation performance, hereby significantly reducing energy consumption in buildings and contributing to lower greenhouse gas emissions.
- An additional improvement in energy efficiency across manufacturing facilities.
- Strengthened market position.
- Leadership and credibility.

PRIMARY RESPONSE

PRIMARY RESPONSE COST
EUR 5 M *

** R&D budget 1%, including LCA, certification*

POWERDECK+ LIGHT ROOF

- Renovation of steel deck flat roofs with insulation boards and photovoltaic panels, offering thinner boards with equal λ insulation value.
- Suitable for lighter steel structures and provides a lower carbon footprint compared to alternatives.

DECK-VQ®

- Vacuum-insulated panels offering exceptional efficiency for demanding applications with a low carbon footprint and space-saving benefits.

IMPACT® PRODUCT LINE

- Eurowall Impact® and Eurothane Silver Impact® contain 25% bio-circular content, reducing carbon footprint by 43% while maintaining the same λ insulation performance.

ALU-FREE INSULATION BOARD

- A gas diffusion-tight, alu-free polyurethane (PIR) board for prefab buildings, reducing corrosion risk and carbon emissions by 40%.

QBISS INFILL

- An insulated façade system with extreme load-bearing capacity, allowing for quick installation and up to 60% reduction in embodied carbon.

QBISS ONE NEXT AND TRIMOTERM NEXT

- Advanced insulated panels crafted from sustainable, low-carbon materials, achieving up to 69% reductions in CO_2e emissions compared to existing alternatives.

O2 | Ability to diversify business activities

OPPORTUNITY DESCRIPTION

CLIMATE RELATED

MATERIAL TOPIC

- Climate change mitigation (E1), including product performance
- Use of recycled materials and EOL value (E5), including product and process innovation

PRIMARY FINANCIAL EFFECT

- Increased revenues through access to new and emerging markets

TIME HORIZON: MEDIUM-TERM
LIKELIHOOD: VERY LIKELY
MAGNITUDE: MEDIUM-HIGH

OCCURRENCE IN VALUE CHAIN
DOWNSTREAM

SITUATION

- Recticel Group is expanding its insulated panels in both domestic and international markets, aiming to broaden product reach.
- Our high-end insulated panels meet aesthetic standards, enhance architectural potential, and improve prefabrication cost efficiency.
- In 2025, Recticel Group's building insulation products will help avoid 19.7 million tonnes of CO_2e emissions, 33 times more than the emissions from their production (see also section 5.2.8).

TASK

- Analyse market trends.
- Evaluate adoption potential in different regions.
- Leverage construction projects focused on energy efficiency and sustainability.

ACTION

- Assess the competitive landscape.
- Monitor sustainable construction projects.
- Position panels for green building certification (e.g., LEED, BREEAM).
- Innovate to stay ahead in insulation technology.
- Partner with leading construction and tech companies.
- Secure contracts with major international construction projects.

RESULT

- Successful international expansion and sales growth.
- Enhanced reputation as smart insulation leader.

PRIMARY RESPONSE

PRIMARY RESPONSE COST
EUR 10 M – EUR 150 M *

** Acquisition of a sizeable company*

- Our insulated panels strategy targets a premium market position to differentiate, create value and expand internationally.
- Focus on the USPs of our insulated panels: superior aesthetics, architectural flexibility and cost-efficient, resource-efficient prefabrication.
- Recticel Group is investing in a greenfield operation in the US for insulated panels, which will be operational mid 2026.
- Develop a growth plan for modular building systems that support sustainable construction, cost efficiency and rapid deployment.

O3 | Use of public sector incentives

OPPORTUNITY DESCRIPTION

CLIMATE RELATED

MATERIAL TOPIC

- Climate change mitigation (E1), including product performance
- Use of recycled materials and EOL value (E5), including product and process innovation

PRIMARY FINANCIAL EFFECT

Increased revenues resulting from increased demand for products and services

TIME HORIZON: SHORT-TERM
LIKELIHOOD: VERY LIKELY
MAGNITUDE: MEDIUM-HIGH

OCCURRENCE IN VALUE CHAIN
DOWNSTREAM

SITUATION

- Recticel Group's value creation aligns with the European Green Deal, promoting energy efficiency in buildings, supported by the EPBD mandating energy improvements in construction and renovation (see also section 2.2.2).

TASK

- Enhance energy efficiency in building projects.
- Ensure compliance with new GHG emission standards.
- Explore opportunities in energy-efficient renovations and construction.

ACTION

- Advance insulation materials and renewable energy solutions.
- Ensure GHG emission standard compliance.
- Partner with technology firms to integrate innovative solutions.
- Leverage the EU's goal to renovate 35 million buildings by 2030.

RESULT

- Recticel Group's positioned as a leader in energy-efficient smart building solutions, attracting new customers and projects.

PRIMARY RESPONSE

PRIMARY RESPONSE COST
EUR 2 M *

** Production and organisational efficiency, capacity increase*

- Enhance circularity.
- Design our products for easy EOL dismantling.
- Integrate bio-based materials into our products.
- Increase the amount of recycled content during the manufacturing process
- Analyse market trends to identify opportunities, especially in emerging regions.
- Forge strategic partnerships and leverage robust distribution channels to access new markets.

O4 | Increased sales of existing products and services

OPPORTUNITY DESCRIPTION

CLIMATE RELATED

MATERIAL TOPIC

- Climate change mitigation (E1), including product performance
- Use of recycled materials & EOL value (E5), including product and process innovation

PRIMARY FINANCIAL EFFECT

Increased revenues resulting from increased demand for products and services

TIME HORIZON: SHORT-TERM
LIKELIHOOD: VERY LIKELY
MAGNITUDE: MEDIUM-HIGH

OCCURRENCE IN VALUE CHAIN
DOWNSTREAM

SITUATION

- Recticel Group offers a wide array of thermal and thermo-acoustic insulation solutions, organised into specialised divisions recognised as leaders in their respective fields.

TASK

- Identify and capitalise on opportunities to enhance our climate-related performance, reduce GHG emissions and achieve the ambitious SBTi targets.

ACTION

- Proactively respond to increasing decarbonisation demands throughout the value chain by prioritising products with lower embodied carbon.
- Increase the percentage of primary emissions data directly obtained from suppliers, enabling informed selection of purchased goods with lower embodied carbon.

RESULT

- Investor confidence due to alignment of our portfolio with EU Taxonomy objective of climate change mitigation.
- Our building insulation products sold in 2025 are projected to prevent over 19.7 million tonnes of CO_2e emissions throughout their lifespan, which is 33 times greater than the total 2025 carbon footprint of the entire Recticel Group.
- Progress towards SBTi validated near-term (2030) and long-term (2050) targets.
- Strong position as smart insulation company.
- Fulfilment of the growing demand for low-carbon products.

PRIMARY RESPONSE

PRIMARY RESPONSE COST
ONGOING*

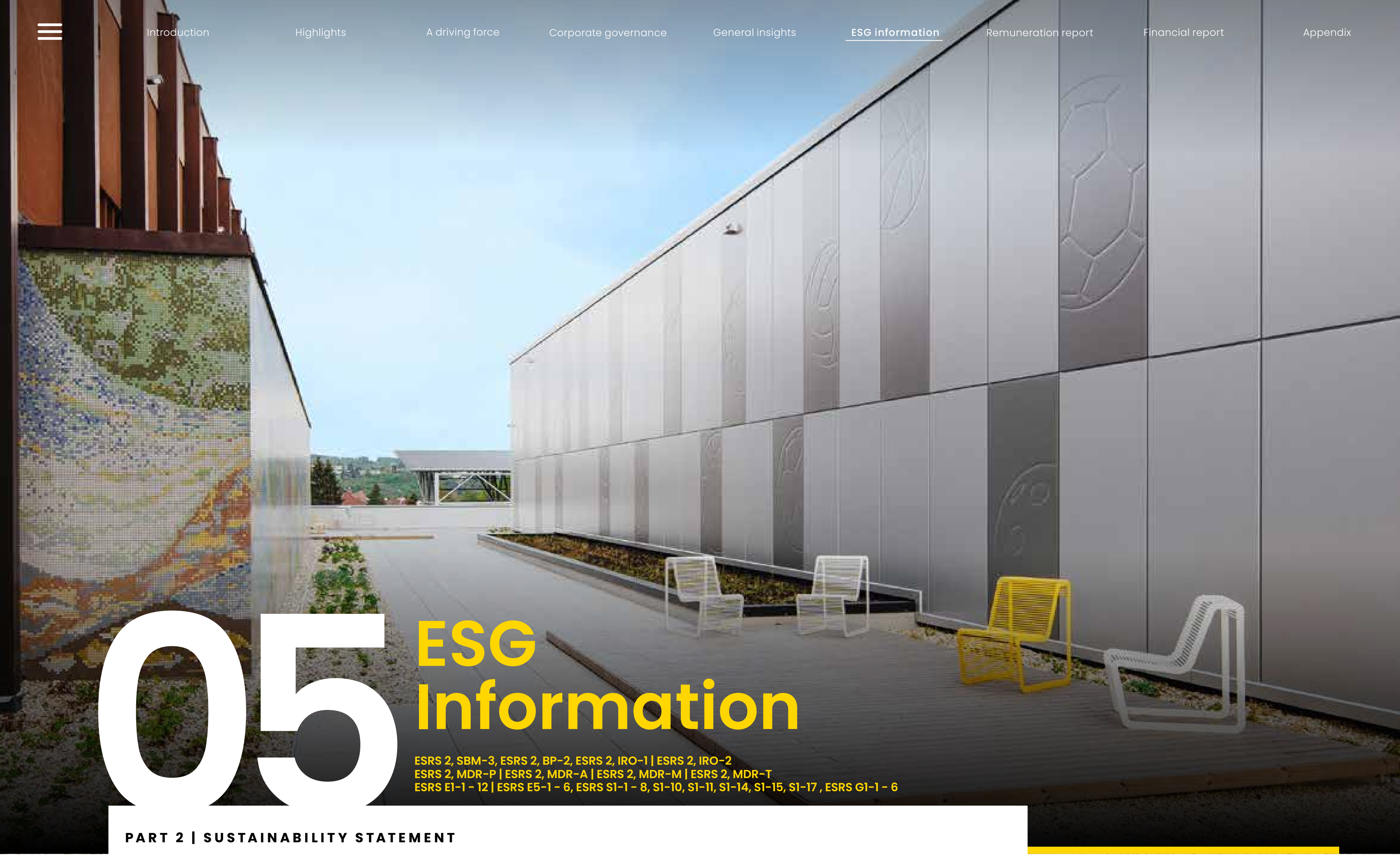
** Aligned with our climate transition action plan*

PRODUCT PORTFOLIO BENEFITS

- Our insulation boards enable regulatory compliance with thinner walls and roofs, outperforming materials like mineral wool, XPS/EPS and cellular glass. They deliver superior energy efficiency at reduced thickness, are lightweight, water- and moisture-resistant, support walkability without deformation, and contribute to cleaner indoor air quality.
- Our vacuum-insulated panels offer superior efficiency with the thinnest layers, ideal for retrofitting buildings with limited space.
- Our metal-faced insulated panels (mineral wool, polyurethane) provide insulation and weather protection, directly fixed to the frame without requiring cavity space.

PRODUCT CASE STUDIES

- Trimoterm panels are made-to-order to minimise waste, contain up to 52% recycled materials, and are designed for easy reuse, being up to 99% recyclable.
- Trimoterm Next and Qbiss One Next X are our next generation sustainable façade solutions achieving up to 68% lower carbon footprint compared to conventional solutions, leading the way toward a zero-carbon future.
- The Impact® range includes thermal insulation boards with 25% bio-circular content, reducing CO_2e emissions by 43% compared to standard boards.



05 ESG Information

ESRS 2, SBM-3, ESRS 2, BP-2, ESRS 2, IRO-1 | ESRS 2, IRO-2
ESRS 2, MDR-P | ESRS 2, MDR-A | ESRS 2, MDR-M | ESRS 2, MDR-T
ESRS E1-1 - 12 | ESRS E5-1 - 6, ESRS S1-1 - 8, S1-10, S1-11, S1-14, S1-15, S1-17 , ESRS G1-1 - 6

PART 2 | SUSTAINABILITY STATEMENT

5.1 Environmental | EU Taxonomy

Recticel Group remains committed to assessing and reporting the eligibility and alignment of our activities in accordance with applicable regulatory requirements.

5.1

IN THIS SECTION

The EU Taxonomy continues to provide a common framework for companies to assess and disclose the extent to which their activities contribute to key environmental objectives. It aligns with Recticel Group's overarching efforts to enhance transparency and comparability for investors and other stakeholders. We remain committed to assessing and reporting the eligibility and alignment of our activities in accordance with applicable regulatory requirements.

PRIMARY ELIGIBLE ACTIVITY
Manufacture of energy efficiency equipment for buildings

CLIMATE RISK SCENARIO
Climate risk scenario analyses conducted across all manufacturing facilities

EU TAXONOMY ELIGIBILITY
79.4% of our economic activities significantly contribute to climate change mitigation.

CONTENTS

5.1 Environmental | EU Taxonomy
5.1.1 EU Taxonomy framework for defining eligible and aligned activities
5.1.2 Changes compared to the EU Taxonomy disclosure covering 2024
5.1.3 2025 EU Taxonomy analysis
5.1.4 2025 EU Taxonomy reporting tables

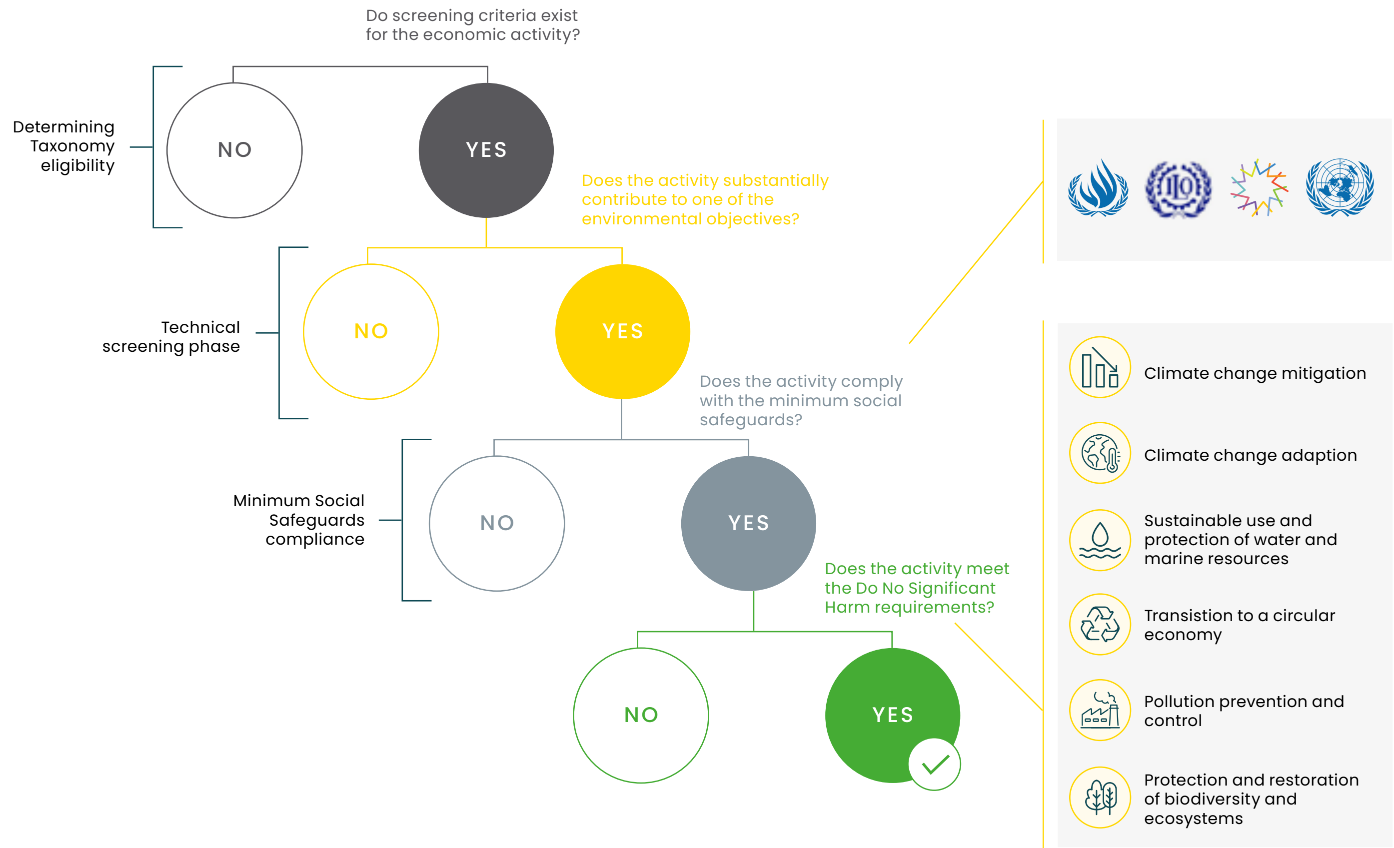
5.1.1 EU Taxonomy framework for defining eligible and aligned activities

In 2025, the EU Taxonomy remained a central instrument in the EU's sustainability framework, aimed at directing financial flows toward activities that advance climate objectives, strengthen environmental resilience and support broader sustainability goals. Recticel Group is reporting pursuant to Article 8 of Regulation (EU) 2020/852 on the EU Taxonomy and for 2025 has elected to apply Commission Delegated Regulation (EU) 2026/73.

Our climate disclosure statement in accordance with the guidelines set forth by the European Securities and Markets Authority (ESMA) can be found in section 7.2.1.5, Climate change.

In July 2025, the European Commission adopted measures to simplify the application of the EU Taxonomy. For the 2025 reporting year, Recticel Group has applied these amendments and prepared its disclosures in accordance with the amended Delegated Act.

Screening & assessment of economic activities



Determining Turnover, CapEx and OpEx KPIs

To identify taxonomy-eligible activities, we assessed our economic activities against those listed in Annexes I and II of the Climate Delegated Act, selecting those that contribute to one or more of the six environmental objectives. Our primary eligible activity, 'Manufacture of energy efficiency equipment for buildings' (CCM 3.5), was identified on the basis of its contribution to enhancing energy efficiency and reducing carbon emissions within the built environment.

We also identified purchased outputs and specific measures that correspond to taxonomy-eligible economic activities. These give rise to taxonomy-eligible CapEx and OpEx, reflecting the assessment of capital and operating expenditures against Category C criteria.

Turnover KPI

To determine the Turnover KPI, the denominator is the external sales revenue reported in accordance with the IFRS consolidated financial statements, as found in section 7.1.1. The numerator represents the revenue, under IFRS 15, attributable to taxonomy-aligned economic activities. The eligible activities meeting the technical screening criteria are detailed in section 5.1.3.3.

CapEx KPI

To determine the CapEx KPI, all additions to intangible assets and property, plant and equipment (excluding goodwill) are shown in the denominator and can be reconciled to the additions of tangible and intangible assets, new leases and business combinations as reported in the Financial Report (sections 7.2.5.1 & 7.2.5.3 (acquisitions and business combinations), and section 7.2.5.4 (new leases)). In the numerator, investments are included if they relate to assets or processes that are essential to carry out a taxonomy-eligible economic activity. In addition, further sustainable investments were identified, leading to a reduction in the Company's own greenhouse gas emissions.

OpEx KPI

To determine the OpEx KPI, the denominator contains the direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced, that are necessary to ensure the continued and effective functioning of such assets. The numerator includes operating expenses that can be allocated, directly or indirectly, to taxonomy-aligned activities, as well as expenses related to purchases of aligned economic activities and individual measures that enable target activities to become low-carbon or lead to greenhouse gas reductions.

5.1.2 Changes compared to the EU Taxonomy disclosure covering 2024

Boundary: The 2025 data include the Kuras and Miclar subsidiaries. Kuras was acquired on 1 November 2025 and is based in The Netherlands. Miclar was acquired on 1 December 2025 and is based in Belgium.

Restatement: No restatement on the 2024 and 2023 data was required.

5.1.3 2025 EU Taxonomy analysis

5.1.3.1 Analysis of eligibility and technical screening criteria

In June 2023, the European Commission adopted a Taxonomy Environmental Delegated Act, introducing a new set of EU Taxonomy criteria to assess economic activities that significantly contribute to one or more of the following environmental objectives:
- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Recticel Group conducted a comprehensive screening of all its economic activities, including those of its Kuras and Miclar subsidiaries, acquired on 1 November and 1 December 2025 respectively. The assessment revealed that most of Recticel Group's activities significantly contribute to climate change mitigation but do not substantially contribute to any of the other five objectives.

5.1.3.2 2025 Eligible activities within the climate change mitigation objective

The following economic activities of the Recticel Group qualify as substantial contributions to climate change mitigation:

- **Thermal insulation boards (Recticel Insulation, Kuras):** These high-performance polyisocyanurate (PIR) foam boards are laminated between two facing materials, providing excellent insulation across the entire building envelope. They are suitable for a variety of applications, including flat, tapered, and pitched roofs, cavity walls, floors, internal linings and external wall insulation systems.
- **Metal-faced mineral wool and polyurethane insulated panels (Trimo, Rex, Miclar):** These energy-efficient, single-component panels are factory-engineered and typically attached directly to the building's structural frame, providing both insulation and weatherproofing without the need for a cavity in the cladding.
- **Vacuum insulated panels for buildings (Turvac):** With ultra-low thermal conductivity and high thermal resistance, these panels deliver superior insulation compared to traditional materials.
- **Thermo-acoustic insulation boards (Recticel Insulation):** Designed for partition wall applications, these boards reduce sound transmission between rooms while providing strong thermal insulation. Made from recycled PU foams from end-of-life mattresses, they contribute to waste reduction and environmental sustainability. In H1 2025, Recticel Group completed the planned closure of its thermo-acoustic boards plant in Angers, France.
- **Vacuum insulated panels for packaging (Turvac):** These panels offer highly efficient, space-saving insulation solutions for packaging applications.

The economic activities of Soundcoat in our Acoustic Solutions division and the non-building products of Turvac are not eligible for any of the six EU Taxonomy criteria.

The activities of Kuras and Miclar, both acquired at the end of 2025, are not eligible under "Manufacture of energy efficiency equipment for buildings," as they do not engage in manufacturing. Their activities may, however, be considered under "Installation, maintenance and repair of energy efficiency equipment," to the extent that they relate to insulation materials. This split will be further investigated in the near future.

Given the limited period during which Kuras and Miclar are part of the Recticel Group, the data required to accurately assess their EU Taxonomy eligibility was not available. Accordingly, their activities have been classified as non eligible for EU Taxonomy for FY2025.

5.1.3.3 2025 Eligible activities meeting the technical screening criteria

The table below outlines the EU Taxonomy-eligible activities that meet the technical screening criteria for climate change mitigation.

Environmental Objective	ECONOMIC ACTIVITY 2025	EU TAXONOMY CATEGORY OF ECONOMIC ACTIVITY	TECHNICAL SCREENING CRITERIA
Climate change mitigation	Insulation boards	Category 3.5 Manufacture of energy efficiency equipment for buildings (CCM 3.5)	Insulating products with a lambda value lower than or equal to 0.06 W/mK.
	Insulated panels	Category 3.5 Manufacture of energy efficiency equipment for buildings (CCM 3.5)	External wall systems with U-value lower than or equal to 0.5 W/m²K. Roofing systems with U-value lower than or equal to 0.3 W/m²K.
	Vacuum insulated panels for buildings	Category 3.5 Manufacture of energy efficiency equipment for buildings (CCM 3.5)	Insulating products with a lambda value lower than or equal to 0.06 W/mK.
	Thermo-acoustic boards	Category 3.5 Manufacture of energy efficiency equipment for buildings (CCM 3.5)	Insulating products with a lambda value lower than or equal to 0.06 W/mK

Table 1. 2025 Turnover related to EU Taxonomy-eligible activities meeting the technical criteria

Economic activity	% TURNOVER (SALES) ELIGIBLE FOR EU TAXONOMY ALIGNMENT
Manufacture of energy efficiency equipment for buildings	79.4%

Table 2. 2025 CapEx and OpEx related to EU Taxonomy-eligible activities meeting the technical criteria

KPI	% CAPEX/OPEX ELIGIBLE FOR EU TAXONOMY ALIGNMENT
Related to capital expenditure (CapEx)	91.5%
Related to operational expenditure (OpEx)	83.7%

5.1.3.4 2025 Meeting the Do No Significant Harm (DNSH) objective

In 2025, Recticel Group conducted a climate risk scenario analysis across all its manufacturing facilities, assessing physical climate risks such as extreme weather events that could disrupt production and supply chains. The Group is currently identifying and implementing adaptation measures to mitigate the material risks identified. For more information, refer to section 3.5.1.

DNSH criteria for 'Climate change adaptation'
- Identify relevant physical climate risks
- Assess the materiality of each identified risk
- Identify and implement adaptation solutions to mitigate the material risks identified

In 2025, the Recticel Group conducted an initial biodiversity screening on 12 operational sites on their proximity to biodiversity-important areas. Following IBAT guidance, three buffer zones (2 km, 5 km, and 10 km) were applied to assess potential direct and indirect impacts and to identify priority locations for further review.

The sites were evaluated against key biodiversity datasets, including Natura 2000, WDPA, EBAs, Ramsar Sites, and KBAs. No overlaps with Ramsar Sites were identified. For DNSH purposes, Natura 2000 was considered the most relevant framework.

Two sites were identified as having potential interactions with biodiversity sensitive areas. However, given their limited environmental footprint, characterised by very low water use, minimal air emissions, and no fine particulate emissions, an Appropriate Assessment under the Habitats Directive has been deferred, pending future review. As a result the Group is not yet aligned on the DNSH objective for Biodiversity.

DNSH criteria for 'Biodiversity'
- Screen locations in or near biodiversity-sensitive areas
- Develop a biodiversity management plan to address the identified risks

It should be noted that Recticel Group uses a very limited amount of water in its manufacturing processes and releases its wastewater in a controlled manner. As such, we have not identified:
- water bodies that may be affected by water withdrawal, wastewater release
- bodies of water potentially affected by the activity
- risks related to preserving quality and avoiding water stress
- a need to develop a water use and protection management plan

5.1.3.5 2025 Compliance with Minimum Safeguards

Minimum Safeguards, in the context of the EU Taxonomy, are a set of social and governance criteria that must be met by economic activities deemed environmentally sustainable. The inclusion of these safeguards in the EU Taxonomy is seen as an important step in ensuring that the transition to a sustainable economy is equitable and respects the rights of workers, communities and the environment.

Alignment with the following guidelines and principles is required:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- Fundamental Conventions of the International Labour Organization (ILO)
- International Bill of Human Rights

We evaluated compliance with the EU Taxonomy regulation on Minimum Safeguards, focusing on human rights, labour rights and consumer rights across the value chain, as well as issues related to bribery and corruption, taxation and fair competition. To meet these safeguards, companies must implement robust due diligence processes and demonstrate that there are no specific negative impacts or incidents.

For all Recticel Group entities, excluding Kuras and Miclar (acquired at the end of 2025), we initiated the necessary risk management and due diligence processes for our value chain. For further details on supply chain due diligence, please refer to section 3.4, GOV-4. Recticel Group has not been found in violation of human, labour or consumer rights or anti-corruption, tax or competition laws within the five years preceding this Annual Report. Additionally, Recticel Group has had no interactions with an OECD National Contact Point or the Business and Human Rights Resource Centre.

5.1.3.6 EU Taxonomy alignment outcome

79.4% of Recticel Group's activities meet the technical criteria for contributing to climate change mitigation. As there was no full alignment with the DNSH criteria on 'Climate change adaptation' and 'Biodiversity' (section 5.1.3.4) in 2025, 0% of our activity was Taxonomy-aligned.

Taxonomy-eligible turnover (sales) decreased by 0.9 % from 525.172 KEUR to 520,456 KEUR.

Taxonomy-eligible CapEx decreased slightly from 71,114 KEUR to 69,375 KEUR, including the investments in the new polyol plant, the greenfield in the US, and the business combinations of Kuras and Miclar involving tangible and intangible assets.

Taxonomy-eligible OpEx decreased by 30.0% from 10,091 KEUR to 7,067 KEUR.

The primary drivers of change in the 2025 CapEx KPI stem from the acquisition of Kuras and Miclar, specifically their intangible and tangible assets (sections 7.2.5.1 and 7.2.5.3) and right-of-use assets (section 7.2.5.4), which are classified according to Taxonomy-eligible and non-eligible economic activities. Additionally, CapEx related to equipment and vehicles under 'New leases' (section 7.2.5.1) is reported as Taxonomy-eligible. Other eligible CapEx (Category C) includes investments in energy-efficient building upgrades.

For the OpEx KPI, the denominator comprises day-to-day costs directly incurred for research and development, building renovations, short-term lease and the repair and maintenance of property, plant and equipment. No other direct expenditures related to the ongoing servicing of the Recticel Group assets were recorded.

Repair and maintenance costs include both external and internal expenses; however, internal salary costs are excluded, as a detailed cost breakdown is not available. Operating expenses related to taxonomy-aligned activities of Kuras and Miclar are excluded from both the numerator and the denominator when determining the Company's proportion.

5.1.4 2025 EU Taxonomy reporting tables

Proportion of Turnover, CapEx, OpEx from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities

FINANCIAL YEAR 2025	2025														
					BREAKDOWN BY ENVIRONMENTAL OBJECTIVES OF TAXONOMY ALIGNED ACTIVITES										
KPI	TOTAL	PROPORTION OF TAXONOMY ELIGIBLE ACTIVITIES	TAXONOMY ALIGNED ACTIVITIES	PROPORTION OF TAXONOMY ALIGNED ACTVITIES	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY	PROPORTION OF ENABLING ACTIVITIES	PROPOIRTION OF TRANSITIONAL ACTIVITIES	NOT ASSESSED ACTIVITIES CONSIDERED NON-MATERIAL	TAXONOMY ALIGNED ACTIVITIES IN PREVIOUS FINANCIAL YEAR (2024)	PROPORTION OF TAXONMY ALIGNED ACTIVITIES IN PREVIOUS FINANCIAL YEAR (2024)
	KEUR	%	KEUR	%	%	%	%	%	%	%	%	%	%	KEUR	%
Turnover	655,075	79.4%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0	0.0%
CapEx	69,375	91.5%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0	0.0%
OpEx	7,067.2	83.7%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0	0.0%

Turnover

REPORTED KPI (TURNOVER)	TURNOVER												
FINANCIAL YEAR 2025	2025												
					ENVIRONMENTAL OBJECTIVE OF TAXONOMY ALIGNED ACTIVITIES								
ECONOMIC ACTIVITIES	CODE	TAXONOMY ELIGIBLE KPI (PROPORTION OF TAXONOMY ELIGIBLE TURNOVER)	TAXONOMY ALIGNED KPI (MONETARY VALUE OF TURNOVER)	TAXONOMY ALIGNED KPI (PROPORTION OF TAXONOMY ALIGNED TURNOVER)	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY	ENABLING ACTIVITY	TRANSITIONAL ACTIVITY	PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE
		%	M EUR	%	%	%	%	%	%	%	(E WHERE APPLICABLE)	(T WHERE APPLICABLE)	%
Manufacture of energy efficiency equipment for buildings	CCM 3.5	79.4%	0.0	0.0%	100.0%	0.0%	0,0%	0.0%	0.0%	0.0%	E	-	0.0%
Sum of alignment per objective					100.0%	0.0%	0,0%	0.0%	0.0%	0.0%			
Total KPI (Turnover)		79.4%	0.0	0.0%	100.0%	0.0%	0,0%	0.0%	0.0%	0.0%			

CapEx

REPORTED KPI (CAPEX)	CAPEX												
FINANCIAL YEAR 2025	2025												
ECONOMIC ACTIVITIES	CODE	TAXONOMY ELIGIBLE KPI (PROPORTION OF TAXONOMY ELIGIBLE CAPEX)	TAXONOMY ALIGNED KPI (MONETARY VALUE OF CAPEX)	TAXONOMY ALIGNED KPI (PROPORTION OF TAXONOMY ALIGNED CAPEX)	ENVIRONMENTAL OBJECTIVE OF TAXONOMY ALIGNED ACTIVITIES						ENABLING ACTIVITY	TRANSITIONAL ACTIVITY	PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE
					CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY			
		%	M EUR	%	%	%	%	%	%	%	(E WHERE APPLICABLE)	(T WHERE APPLICABLE)	%
Manufacture of energy efficiency equipment for buildings	CCM 3.5	91.3%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E	-	0.0%
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings	CCM 7.4	0.0%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E	-	0.0%
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.0%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E	-	0.0%
Renovation of existing buildings	CCM 7.2	0.1%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E	-	0.0%
Sum of alignment per objective					100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Total KPI (CapEx)		91.5%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

OpEx

REPORTED KPI (OPEX)	OPEX												
FINANCIAL YEAR 2025	2025												
ECONOMIC ACTIVITIES	CODE	TAXONOMY ELIGIBLE KPI (PROPORTION OF TAXONOMY ELIGIBLE OPEX)	TAXONOMY ALIGNED KPI (MONETARY VALUE OF OPEX)	TAXONOMY ALIGNED KPI (PROPORTION OF TAXONOMY ALIGNED OPEX)	ENVIRONMENTAL OBJECTIVE OF TAXONOMY ALIGNED ACTIVITIES						ENABLING ACTIVITY	TRANSITIONAL ACTIVITY	PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE
					CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY			
		%	M EUR	%	%	%	%	%	%	%	(E WHERE APPLICABLE)	(T WHERE APPLICABLE)	%
Manufacture of energy efficiency equipment for buildings	CCM 3.5	83.7%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E	-	0.0%
Sum of alignment per objective					100.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Total KPI (OpEx)		83.7%	0.0	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

5.2 Environmental | E1 Climate change

Our commitment to environmental stewardship is exemplified by our involvement in the Science Based Targets initiative (SBTi). With net-zero emissions by 2050 as our ultimate goal, we have set two near-term targets for 2030 aligned with limiting global warming to 1.5°C, as per the Paris Agreement.

5.2

IN THIS SECTION

Recticel Group is firmly committed to addressing the challenges of climate change, resource depletion and the urgent need for clean, renewable energy. As a leading insulation company, we help to mitigate global warming through our solutions, operations, innovations and by collaborating closely with the construction sector and other industries.

Since 2024, our total carbon intensity (Scope 1+2+3 per m³ produced) reduced by 7.5% (17.4% since 2021). This result reinforces our confidence that we will meet our SBTi commitment to reduce Scope 1+2 emissions by 90% and Scope 3 emissions by 25% by 2030.

In the past twelve months we further invested in electrifying our operations and vehicles, and in developing plans for a next-generation recycling plant in Belgium. By focusing on creating advanced insulation materials with exceptional thermal performance and reduced environmental impact, we succeeded in introducing several new systems and innovative products.

In 2025, Recticel's building insulation products will help avoid 19.7 million tonnes of CO_2e emissions. This amounts to 33 times the emissions resulting from their production.

SUSTAINABILITY
21% reduction in energy consumption since 2021; 3% compared to 2024

AVOIDED EMISSIONS
33 X our 2025 carbon footprint avoided over our insulation products' lifecycle

SCOPE 1 + 2
52% reduction Scope 1+2 since 2021; 28% since 2024

CONTENTS

5.2 Environmental | E1 Climate change
5.2.1 Material E1 IROs and their interaction with strategy and business model
5.2.2 E1-1 Transition plan for climate change mitigation
5.2.3 E1-2 Policies related to climate change mitigation
5.2.4 E1-3 Actions and resources in relation to climate change policies
5.2.5 E1-4 Targets related to climate change mitigation
5.2.6 E1-5 Energy consumption, mix and intensity
5.2.7 E1-6 Gross Scopes 1, 2, 3 and total GHG emissions
5.2.8 Avoided emissions
5.2.9 E1-7 GHG removals and mitigation projects financed through carbon credits

** The information in this section follows the structure of ESRS E1. All sub-topics were considered material in the Double Materiality Assessment (DMA).*

Section 5.1 provides details on EU Taxonomy reporting, while section 5.2.8 contains information on the avoided emissions of our building products sold in 2024. Recticel integrates sustainability-related performance targets in incentive schemes, as detailed in section 3.3, GOV-3.

5.2.1 Material E1 IROs and their interaction with strategy and business model

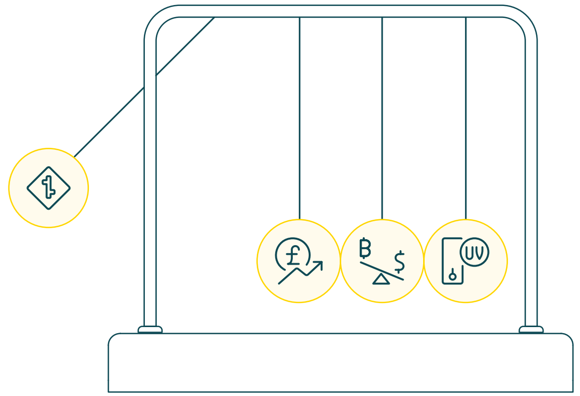
Section 4.3, Navigating the landscape of risks and opportunities, provides a comprehensive examination of the material IROs associated with ESRS E1, including the IRO process description, and their interaction with the strategy and business model. Information on the results of the resilience analysis can be found in section 2.3.4, Resilience of our business model and strategy.

5.2.2 E1-1 Transition plan for climate change mitigation

Since 2010, Recticel Group has undergone a significant transformation, evolving from restructuring and optimising its manufacturing footprint to repositioning itself as a leading insulation company. Today, we provide energy-efficient solutions that help to mitigate climate change. Through strategic divestments and acquisitions, we have strengthened our insulation business and positioned ourselves for continued growth.

As we operate manufacturing sites in seven countries, the Group's electrification strategy is influenced by the readiness of regional electricity grids and access to low-carbon electricity. While some regions have clear electrification roadmaps, infrastructure development often lags, causing delays in grid connections. This is the case in Great Britain, for example, where the independent energy regulator Ofgem has fast-tracked a 4 billion GBP investment to accelerate infrastructure development. In Belgium, while electrification is growing fast in some sectors (e.g. mobility and industry), the pace is inconsistent, leading to imbalances between supply and demand. France is experiencing grid connection bottlenecks due to rapid growth in solar energy; grid operator RTE estimates that the country will need to invest around 10 billion EUR by 2040 to modernise and expand the national grid.

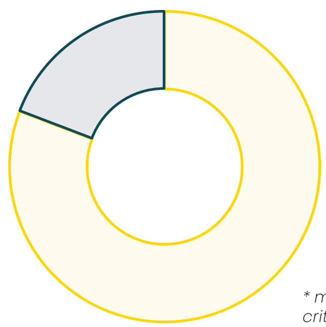
These regional disparities illustrate the complexity involved in scaling electrification and transitioning to sustainable energy across our operations. Nevertheless, we are committed to meeting our customers' needs and driving sustainable development in an industry propelled by the energy transition. Our smart insulation solutions are rooted in sustainable innovation and address key societal challenges including climate change, depletion of resources and the urgent need for clean, renewable energy.



Portfolio and EU Taxonomy eligibility

Our current portfolio addresses one of the most critical megatrends: reducing CO_2e emissions to protect the environment. This is reflected in our EU Taxonomy declaration (section 5.1), which provides a standardised framework for classifying environmentally sustainable activities. 79.4% of our insulation boards, insulated panels and vacuum insulated panels meet the technical screening criteria for climate change mitigation (CCM 3.5, Manufacture of energy efficiency equipment for buildings).

Environmentally sustainable activities, according EU Taxonomy



** meeting technical screening criteria for climate change mitigation (CCM 3.5)*

The Science Based Targets Initiative (SBTi)

Our commitment to environmental stewardship is exemplified by our involvement in the Science Based Targets initiative (SBTi), which approved our targets in February 2024. With net-zero emissions by 2050 as our ultimate goal, we have set two near-term targets for 2030 aligned with limiting global warming to 1.5°C, as per the Paris Agreement. Details on our targets, decarbonisation levers, action plans, and associated expenditures are outlined in section 5.2.4, E1-3, and section 5.2.5, E1-4.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Near-term action: Reducing Scope 1 and Scope 2 emissions

A key element of our near-term strategy is achieving a 90% reduction in absolute Scope 1+2 GHG emissions by 2030, based on a 2021 baseline. To ensure accountability and measurable progress, we have integrated ESG-linked monetary incentives into the remuneration practices of white-collar employees (Hay Grade 14 and above) and officers. For more information on the alignment of compensation with sustainability goals, see section 3.4, GOV-4.

Addressing locked-in emissions

We have identified potential locked-in GHG emissions in the carbon-intensive raw materials used for manufacturing insulation boards and insulated panels. By collaborating with our supply chain, we are driving innovation to reduce these emissions, strengthening resilience and contributing to a low-carbon economy. No locked-in emissions have been identified in our infrastructure or operations.

Alignment with EU Paris-aligned benchmarks

Recticel Group is aligned with the EU Paris-Aligned Benchmarks (PABs), which guide investment portfolios to meet the Paris Agreement's climate goals. This alignment underscores our commitment to achieving the highest climate responsibility standards while fostering sustainable growth and long-term value creation.

Governance and oversight

The Board of Directors, in collaboration with the Audit & Sustainability Committee, reviewed and approved the ESG strategy, including the climate change mitigation transition plan, to ensure alignment with high sustainability standards. For more information on governance, see section 3.2, GOV-2.

Investments

In 2025, Recticel Group continued to accelerate its operational excellence and sustainability roadmap. Building on the investments initiated in 2024, we further upgraded our manufacturing footprint and optimised production lines across multiple sites to enhance efficiency, improve cost competitiveness, and reduce energy consumption and associated GHG emissions.

A major milestone was the continued development of our next-generation recycling facility in Wevelgem, Belgium. This EUR 13 million plant is dedicated to the chemical recycling of polyurethane (PU) waste into high-quality raw materials for new insulation board production. Once fully operational, the facility will play a pivotal role in advancing circularity within our industry, significantly reducing reliance on virgin raw materials and contributing to a substantial reduction of Scope 3 emissions across our value chain.

For more insights, refer to section 5.3.3.1.

5.2.3 E1-2 Policies related to climate change mitigation

Our sustainability strategy has shaped our portfolio and innovation priorities as we respond to key societal challenges. With our **Race to Net Zero** plan we address climate change mitigation within our operations, supply chain and business activities. The strategy is grounded in science based evidence, industry best practices and our commitment to continuous improvement.

OUR RACE TO NET ZERO EMISSIONS

Objectives

- Fight climate change through decarbonisation and resource efficiency
- Deliver on our SBTi commitment

Target activities

Reduction of direct energy consumption & electrification	**Conversion** process energy away from fossil fuels	**Increase** owned energy	**Zero emission** company vehicles
Decrease in product carbon intensity from key suppliers	**Zero waste** to landfill	**Recovery** of EOL value	**Reduction** of distribution inefficiencies

Recticel Group has established a comprehensive roadmap to guide its efforts in mitigating climate change, underlining our commitment to achieving ambitious greenhouse gas (GHG) reduction targets and transitioning to a sustainable future.

Photovoltaic panels on Wevelgem (B) site

5.2.3.1 Scope and exclusions

The climate change mitigation policy applies across all business units, operations and supply chains globally. It encompasses the reduction of Scopes 1, 2 & 3 GHG emissions, the adoption of renewable energy and the implementation of sustainable product design principles, focusing on resource efficiency and recyclability. Exclusions are limited to activities where Recticel Group does not have operational control.

5.2.3.2 Accountability

The overall responsibility for our sustainability ambitions, strategy, reporting and issues management resides with the Chief Executive Officer (CEO). As such, he is ultimately accountable for the policy implementation, ensuring alignment with Recticel Group's strategic priorities and overseeing progress against our climate-related targets. See section 3.2 (GOV-2) on the role and responsibility of the Audit & Sustainability Committee.

5.2.3.3 Alignment with third-party standards

The policy respects internationally recognised standards and frameworks, including:

- The Science Based Targets initiative (SBTi) for aligning GHG reduction targets with the Paris Agreement
- EU Taxonomy for sustainable activities
- Recommendations of the Task Force on Climate-related Financial Disclosures (see section 8.3)
- ISO 14001 for environmental management systems
- Contribution to the UN Sustainable Development Goals (SDG) (see section 8.3)

5.2.3.4 Stakeholder interests

The development and refinement of the climate change mitigation policy are informed by the interests and inputs of the following stakeholders:

Investors	Emphasis on financial resilience and alignment with sustainability benchmarks
Customers	Demand for low-carbon, energy-efficient products
Employees	Engagement in sustainability goals, including incentives
Regulators	Compliance with climate-related legislation and reporting standards
Suppliers	Engagement in lowering the embedded carbon of purchased materials and in development of materials with bio-sourced content

5.2.3.5 Stakeholder communication and accessibility

We actively engage with employees, suppliers and other key stakeholders through targeted communication and collaboration, supporting the effective implementation of our sustainability objectives and shared accountability across our value chain. We communicate transparently about our SBTi commitments and our profiles and ratings with leading ESG rating organisations such as CDP, EcoVadis, Sustainalytics and S&P Global. A dedicated sustainability section on our corporate website provides accessible and up-to-date information.

No specific policy on climate change mitigation has been issued. Instead, a dedicated procedure is being developed and will be formally rolled out across the organisation in 2026 to ensure that all employees are properly informed.

5.2.3.6 Impacts, risks and opportunities

Details about the climate change mitigation impacts, risks and opportunities (IRO) are provided in the overview table in section 4.3.2.

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

In 2025, Scope 1+2 emissions intensity per m³ produced decreased by 36.6%, while Scope 3 emissions intensity decreased by 7.1% (excl. Cat. 3.15, Investments). Our SBTi emissions-reduction plan is aligned with a decarbonisation rate that keeps the global temperature increase to 1.5°C above pre-industrial levels. Details of progress against targets can be found in section 5.2.7, E1-6: Gross Scopes 1, 2, 3 and total GHG emissions.

In absolute terms, and relative to our SBTi baseline year (2021) and 2030 commitments (a 90% reduction in Scope 1+2 and a 25% reduction in Scope 3 emissions), we have already reduced Scope 1+2 emissions by 52%. Scope 3 emissions have increased slightly by 0.9%. This limited increase is notable given the Group's double-digit growth since 2021 and is also reflected in the reduction of Scope 3 intensity per m³. Recticel Group remains firmly committed to achieving its SBTi near-term targets.

Recticel Group's R&D developments, as well as all other CapEx and OpEx expenses related to category CCM 3.5 (manufacture of energy efficiency equipment for buildings), are assessed in the context of the approved SBTi objectives (section 5.2.5, E1-4), reported in the EU Taxonomy tables in section 5.1.3.

As we invest to achieve our near-term and net-zero SBTi targets, we carefully evaluate the useful life of replaced assets and adjust our estimates accordingly. These considerations are reflected in our financial statements and, at this stage, our climate change initiatives have not materially impacted our financial reporting judgments.

The following is a summary of actions undertaken in 2025 as part of our GHG emission reduction roadmap. These initiatives, aligned with both our near- and long-term SBTi targets (see section 5.2.5), will continue in the years ahead.

Energy efficiency initiatives
Recticel Group operates with relatively low energy intensity, as evidenced by our modest Scope 1 and Scope 2 GHG emissions. We have further reduced energy consumption by replacing equipment and enhancing operational efficiency. We have increased electrification of our car fleet and nearly all forklifts are now electrical. As a result, in 2025, our Scope 1 emissions decreased by 40.6% compared to 2021.

Supply chain collaboration
We actively collaborate with our suppliers to address emissions across our value chain, promote sustainability and drive positive environmental outcomes. A key focus is the collection and analysis of supplier-specific product emission data for the materials and products we purchase. Today, nearly 90% of our Tier 1 suppliers (including chemicals, mineral wool, and steel) provide product-level emission data, enabling us to increasingly integrate these insights into our purchasing decisions and supplier engagement. These efforts have contributed to a reduction in Scope 3.1 emissions compared to our 2021 base year, while production output has continued to grow.

Renewable energy transition
Recticel Group increased its consumption of on-site generated photovoltaic electricity by 17.0%, representing 7.1% of total energy consumption. Purchased renewable electricity supported by green certificates rose by 145%, accounting for 33.0% of total energy use. As a result, renewable energy represented 40.1% of the Group's total energy consumption during the reporting period. In addition, most of the Group's purchased electricity is sourced from grids with a high share of renewable generation. However, as Recticel Group does not hold the associated Guarantees of Origin or green certificates, this electricity is classified as "grey" and cannot be reported as renewable under market-based accounting.

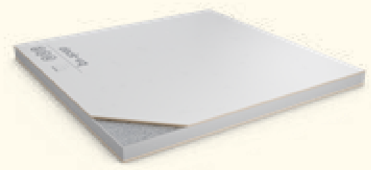
Innovation
Recticel Group allocates approximately 1% of its annual revenue to innovative solutions and technologies that support climate change mitigation and circularity. This includes partnerships with research and development institutes to explore bio-based raw materials and recycling solutions for end-of-life construction materials.

New product introduction

By focusing on creating advanced insulation materials with exceptional thermal performance and reduced environmental impact, Recticel Group has introduced several new systems and innovative products in recent years.

Powerdeck+ Light Roof

The light roof system allows renovation of steel deck flat roofs with polyurethane insulation boards and installation of photovoltaic panels without reinforcing the existing roof construction. In a joint offering with SIKA France, this new system outperforms insulation with mineral wool, allowing thinner panels for equal λ insulation value. It is suitable for lighter structural steel and provides a much lower carbon footprint versus alternatives.



Deck-VQ

Deck-VQ vacuum insulated panels offer the ultimate efficiency for demanding applications. Vacuum insulated panels offer exceptionally high insulation efficiency and space-saving characteristics and have a very low carbon footprint.

Impact product line

With Eurowall Impact and Eurothane Silver Impact insulation boards, we offer a product line containing 25% bio-circular content, reducing their carbon footprint by 43% while maintaining the same λ insulation performance.

Alu-free board

Our gas diffusion tight alu-free polyurethane (PIR) board for prefab buildings reduces the risk of corrosion and significantly enhances durability in construction projects, with up to 40% reduction in carbon emissions of the facings.

BASE – backing wall

BASE, a backing wall insulated façade system solution, is a canvas for architects to design architecture with unlimited choice of final claddings. It is a façade system with an extreme load-bearing capacity of up to 60 kg/m^2 ensuring quick installation with fewer workers whilst reducing the embodied carbon of the building envelope by up to 60%.

Qbiss One Next & Trimoterm Next

As the demand for greener building solutions grows, Qbiss One Next and Trimoterm Next insulated panels lead the way toward a zero-carbon future. These advanced insulated panels crafted from sustainable, low-carbon materials, achieve up to 68% and 69% reductions in CO_2e emissions compared to existing alternatives.

5.2.5 E1-4 Targets related to climate change mitigation

The SBTi, a collaboration between CDP, the UN Global Compact, WRI and WWF, provides a science based framework for companies to reduce greenhouse gas emissions consistent with the latest climate change scenarios and corresponding carbon budgets.

In October 2022, Recticel Group submitted two near-term targets and a long-term net-zero target to the Science Based Targets initiative (SBTi) for validation. These were approved on 14 February 2024.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C OUR ONLY FUTURE

5.2.5.1 Relationship with policy objectives

Our targets are directly aligned with Recticel Group's climate change mitigation policy, which aims to reduce our carbon footprint, enhance energy efficiency and contribute to a low-carbon economy. These objectives are embedded in our strategic roadmap and reflect our dedication to environmental stewardship and sustainable growth.

Recticel Group chose operational control as the consolidation approach and all divisions have been accounted for in the inventory boundary. All science based targets have been assessed against the absolute contraction approach.

All targets are grounded in conclusive scientific evidence, as defined by the SBTi. They are designed to meet or exceed the decarbonisation pathways outlined in the latest Intergovernmental Panel on Climate Change (IPCC) reports, ensuring alignment with a 1.5°C global warming scenario, compared to pre-industrial temperatures.

5.2.5.2 Scope of target

- Near-term targets (2030)
  - Recticel Group commits to reduce absolute Scope 1+2 GHG emissions by 90%, by 2030 from a 2021 base year.
  - Recticel Group also commits to reduce absolute Scope 3 GHG emissions by 25% within the same timeframe.

- Long-term target (2050)
  - Recticel Group commits to maintain at least 90% absolute Scope 1+2 GHG emissions reductions from 2030 through 2050 from a 2021 base year.

For details on how Recticel Group addresses the remaining 10% of residual emissions, refer to section 5.2.9, E1-7.

- Baseline value
  - To ensure that the baseline value against which we measure progress towards our targets is representative, the Scope of activities covered and external influencing factors need to be considered, such as temperature anomalies that may affect energy consumption and related GHG emissions. As Recticel Group made a voluntary commitment to achieving net zero under the Science Based Targets initiative (SBTi), our baseline year has been defined in accordance with SBTi requirements to align with the goal of reaching net zero by 2050. This ensures consistency with global best practices and maintains the integrity of our emissions reduction pathway.
  - Our targets are based on a 2021 baseline established by SBTi, reflecting the timing of our commitment and our net-zero target, aligned with a 1.5°C global warming scenario.
  - Absolute 2021 emissions values:
    - Scope 1: 5,951 tCO_2e (restated)
    - Scope 2: 5,488 tCO_2e (market-based, restated)
    - Scope 3: 585,928 tCO_2e (restated, excl. Cat. 3.15, Investments)

5.2.5.3 Methodologies and significant assumptions

- The targets were developed in accordance with the Science Based Targets initiative (SBTi) criteria, validated against their Target Validation Protocol (version 5.1) and approved on 14 February 2024.
- Scopes 1 and 2 reduction pathways align with sector-specific decarbonisation curves for manufacturing industries.
- Scope 3 reduction relies on lifecycle analysis (LCA) of our products and collaboration with suppliers to innovate and decarbonise the supply chain.
- Key assumptions include the availability of renewable energy, advancements in material technology, and supportive regulatory frameworks.

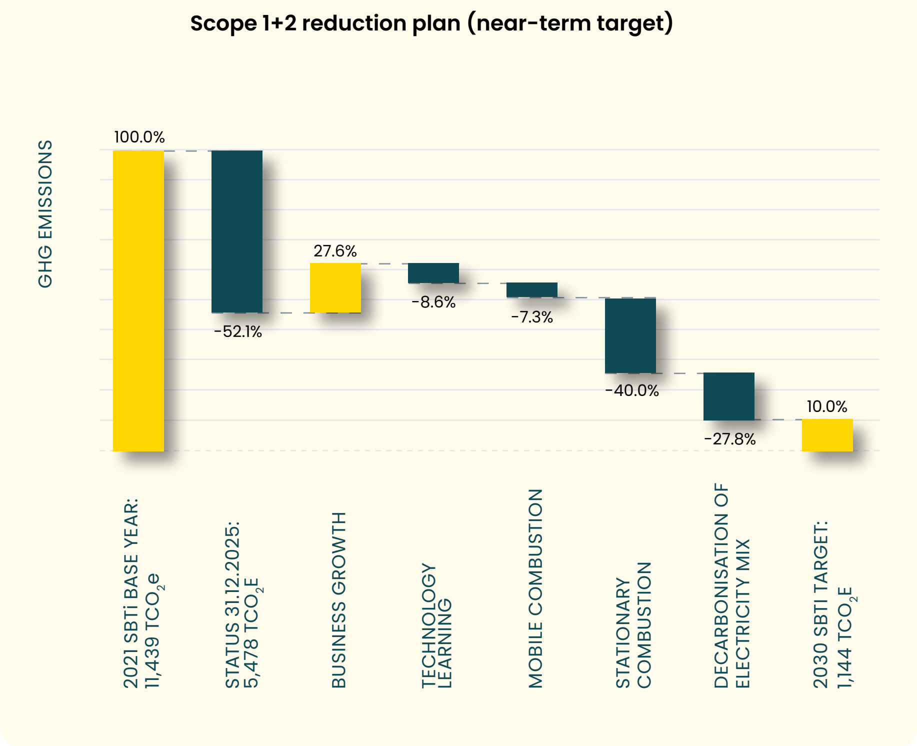
5.2.5.4 Stakeholder involvement in target setting

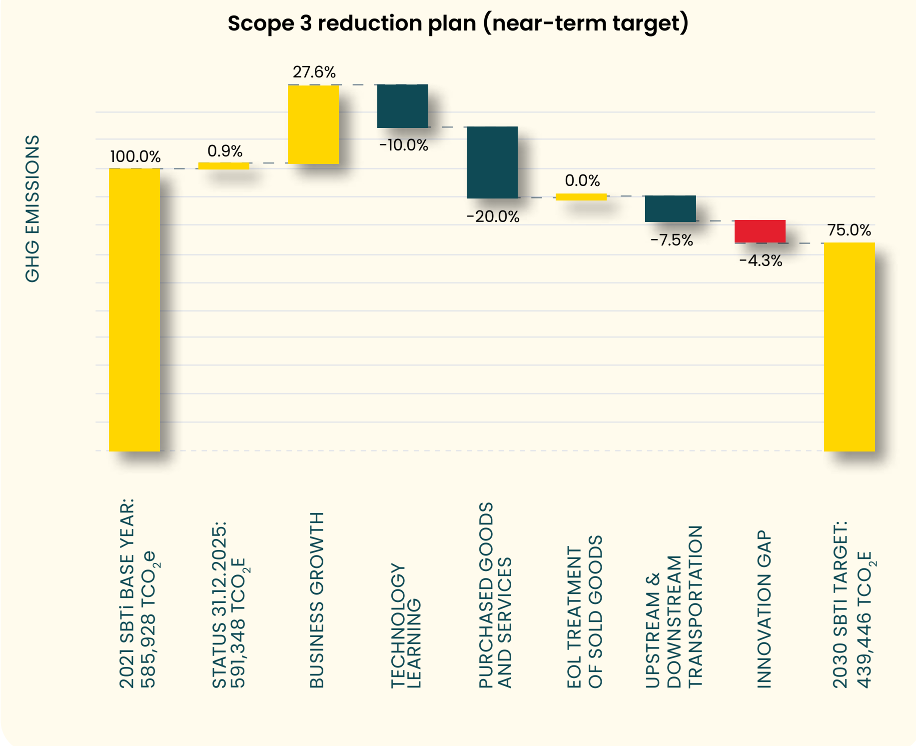
The SBTi target was defined by the Chief Executive Officer in 2022 and validated by the Board of Directors.

5.2.5.5 Emission reduction roadmap

As part of the SBTi approval process, we developed a detailed roadmap to model emission reductions across Scopes 1, 2 and 3. Built from the ground up at the site level, this roadmap includes interim projections of estimated emissions leading up to our 2030 target year and accounts for the anticipated growth of the Recticel Group. Notably, the roadmap exclusively aligns with the 1.5°C climate scenario, with no alternative scenarios considered during its preparation.

The key pillars of the roadmap are:
- Focusing on efficiency measures through continuous improvement
- Electrifying the production process
- Transitioning from fossil fuels to renewable energy
- Focusing on procurement of more sustainable materials
- Redesigning products so that the end-of-life (EOL) impact is reduced and recyclability is increased
- Fostering supplier engagement towards more carbon-efficient materials and services





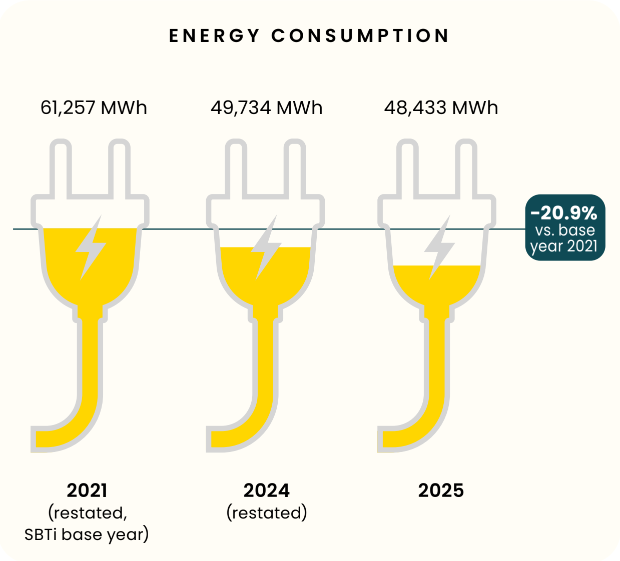
5.2.6 E1-5 Energy consumption, mix and intensity

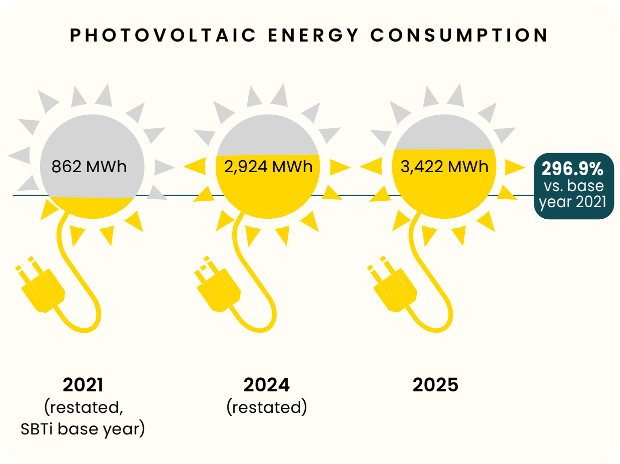
5.2.6.1 Total energy consumption

We consider non-renewable electricity as all electricity for which no electricity attribute certificates (e.g. certificate of origin) for renewable electricity are purchased.

Renewable electricity is purchased electricity combined with electricity attribute certificates, or self-produced renewable electricity (e.g. with photovoltaic panels). Renewable electricity does not count for any emissions in Scope 1 or Scope 2 in the market-based method. When relevant, we account for Scope 3 emissions related to the production, transport and grid losses of such renewable electricity.

Energy consumption (MWh)	2021 (RESTATED) SBTI BASE YEAR	2024 (RESTATED)	2025	Δ % 2025-2024	Δ % 2025-2021
Total energy consumption Scope 1 (energy) + Scope 2	61,257	49,734	48,433	-2.6%	-20.9%
Purchased electricity from renewable sources (green certificates)		6,500	15,989	146.0%	
Purchased electricity from renewable & non-renewable sources	60,395	46,809	45,011	-3.8%	-25.5%
Renewable energy consumption on-site (photovoltaic)	862	2,924	3,422	17.0%	296.9%
Renewable energy production on-site (photovoltaic) *	425	1,290	1,547	19.9%	263.7%





5.2.6.2 Purchased energy according to type of instrument

Purchased energy (type of instrument)	2021 (RESTATED) SBTI BASE YEAR	2024 (RESTATED)	2025	Δ % 2025-2024	Δ % 2025-2021
With no attribute	100.0%	86.4%	67.0%	-19.4%	-33.0%
With bundled attribute (i.e. PPA)	0.0%	0.0%	0.0%		
With unbundled attribute (i.e. standalone energy certificate)	0.0%	13.1%	33.0%	19.9%	

* In AR2024, we reported extrapolated figures for Rex on its renewable energy production on site (photovoltaic). These datapoints have now been updated with actual data.

5.2.6.3 Energy mix and consumption

Energy mix (MWh)	2021 (RESTATED) SBTI BASE YEAR		2024 (RESTATED)		2025		Δ % 2025-2024	Δ % 2025-2021
(1) Fuel consumption from coal and coal products	0	0.0%	0	0.0%	0	0.0%	0.0%	0.0%
(2) Fuel consumption from crude oil and petroleum products	4,424	7.2%	4,850	9.8%	3,210	6.6%	-33.8%	-27.4%
(3a) Fuel consumption from natural gas	16,620	27.1%	10,370	20.9%	11,082	22.9%	6.9%	-33.3%
(3b) Fuel consumption from LPG	6,888	11.2%	5,442	10.9%	2,800	5.8%	-48.5%	-59.3%
(4) Fuel consumption from other fossil fuels	0	0.0%	0	0.0%	0	0.0%	0.0%	0.0%
(5a) Consumption of purchased heat (location-based)	1,123	1.8%	1,060	2.1%	946	2.0%	-10.7%	-15.7%
(5b) Consumption of non-renewable electricity (market-based)	31,340	51.2%	18,562	37.3%	10,961	22.6%	-40.9%	-65.0%
Of which consumption from nuclear sources	11,893		7,044		4,160		-40.9%	-65.0%
(6) Total fossil fuel/grey energy consumption	**60,395**		**40,284**		**29,000**			
Share of grey energy sources in total energy consumption	**79.2%**		**66.8%**		**51.3%**			
Share of consumption from nuclear sources in total energy consumption	**19.4%**		**14.2%**		**8.6%**			
(7) Fuel consumption from renewable sources, including biomass	0	0.0%	0	0.0%	0	0.0%	0.0%	
(8) Consumption of purchased or acquired electricity from renewable sources (market-based)	0	0.0%	6,525	13.1%	16,011	33.1%	145.4%	
(9) Consumption of purchased heat from renewable sources (market-based)	0	0.0%	0	0.0%	0	0.0%	0.0%	
(10) Consumption of self-generated non-fuel renewable energy	862	1.4%	2,924	5.9%	3,422	7.1%	17.0%	296.9%
(11) Total renewable energy consumption	**862**		**9,450**		**19,433**			
Share of renewable sources in total energy consumption	**1.4%**		**19.0%**		**40.1%**			
Total energy consumption (sum of lines 6 and 11)	**61,257**	**100.0%**	**49,734**	**100.0%**	**48,433**	**100.0%**	**-2.6%**	**-20.9%**

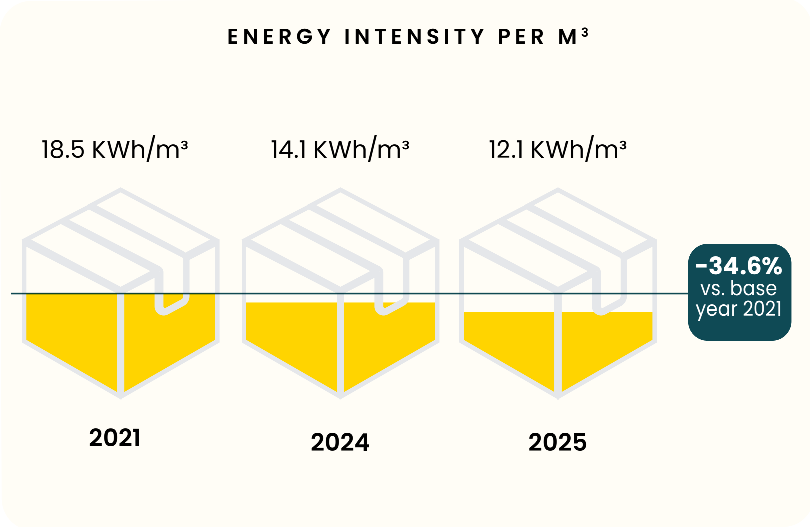
Energy mix (tCO_2e)	2021 (RESTATED) SBTI BASE YEAR		2024 (RESTATED)		2025		Δ % 2025-2024	Δ % 2025-2021
(1) Fuel consumption from coal and coal products	0	0.0%	0	0.0%	0	0.0%	0.0%	0.0%
(2) Fuel consumption from crude oil and petroleum products	1,058	9.4%	1,153	15.4%	779	14.5%	-32.4%	-26.3%
(3a) Fuel consumption from natural gas	3,075	27.2%	1,915	25.6%	2,030	37.8%	6.0%	-34.0%
(3b) Fuel consumption from LPG	1,683	14.9%	1,333	17.8%	622	11.6%	-53.4%	-63.1%
(4) Fuel consumption from other fossil fuels	0	0.0%	0	0.0%	0	0.0%	0.0%	0.0%
(5a) Consumption of purchased heat (market-based)	90	0.8%	107	1.4%	100	1.9%	-6.1%	11.6%
(5b) Consumption of non-renewable electricity (market-based)	5,399	47.8%	2,975	39.8%	1,844	34.3%	-38.0%	-65.9%
(6) Total fossil fuel/grey energy consumption	**11,304**	**100.0%**	**7,483**	**100.0%**	**5,375**	**100.0%**	**-28.2%**	**-52.5%**

5.2.6.4 Energy intensity

Energy intensity is calculated as the amount of energy consumed per unit of output or activity. Reducing energy use while maintaining the same level of production lowers this intensity.

Recticel Group operates in a high climate impact sector (see section 4.3.1) and, therefore, reports energy intensity indicators based on net revenue (sales). Additionally, we disclose energy intensity relative to realised production volume*. Using production volume as a basis eliminates price-driven volatility in the indicator, which is unrelated to climate impact. SBTi recognises this approach as the most robust method for addressing climate considerations.

** Soundcoat's production volumes have been excluded on the grounds that they manufacture specialty engineered parts in relatively small volumes*



Energy intensity 1, per volume produced [KWh/ m³]	2021 (RESTATED)	2024 (RESTATED)	2025	Δ % 2025-2024	Δ % 2025-2021
Total energy consumption from activities in high climate impact sectors per sales volume from activities in high climate impact sectors*	18.5	14.1	12.1	-14.1%	-34.6%

Energy intensity 2, per net revenue [KWh/EUR]	2024	2025	Δ % 2025-2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors*	12.3	13.5	10.2%

In thousand EUR

	2024	2025
Net revenue from activities in high climate impact sectors used to calculate energy intensity*	610,196	655,075
Net revenue (others)	0	0
Total net revenue (Sales, section 7.1.1)	610,196	655,075

** EU Regulation 2019/2089, also known as the EU Low Carbon Benchmarks Regulation (EU BMR), defines high climate impact sectors as those that are key to the low-carbon transition. The EU BMR defined 9 (of a total of 21) NACE sections, amongst them manufacturing and construction*

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

The carbon footprint of an activity or organisation represents the total greenhouse gas emissions produced over a defined period, measured in metric tonnes of carbon dioxide equivalent (tCO_2e). This footprint is calculated by multiplying activity data by the corresponding emission factors. Recticel Group adheres to the globally recognised Greenhouse Gas Protocol (GHG) Protocol, which provides comprehensive standards for measuring and managing emissions. Direct emissions (Scope 1) originate from sources owned or controlled by the reporting entity. In contrast, indirect emissions (Scope 2, Scope 3) are associated with the entity's activities but occur at sources owned or operated by third parties.

5.2.7.1 Measuring our carbon footprint

Methodology

All emissions are calculated in line with the GHG Protocol, covering our insulation activities since 2021. Miclar and Kuras, acquired at the end of 2025, are excluded; given their late consolidation and non-manufacturing nature, their impact on 2025 GHG emissions is negligible and below the reporting threshold.

Sources of emission factors: internationally recognised emission factor databases (ecoinvent, Bilan Carbone, ADEME, IEA, BEIS, Higg, DEFRA), EPD from suppliers, sector and product specific LCA reports, and national electricity emission factors from IEA reports, eGRID for the USA and DESNZ for the UK.

Reporting

Technical

- All greenhouse gases, such as carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and refrigerants (HFC, PFC and CFC) are converted into CO_2 equivalents using Intergovernmental Panel on Climate Change (IPCC) 100-year global warming potential (GWP) coefficients.

Boundaries

- Operational control (Scopes 1, 2, 3 all categories): All Recticel Group manufacturing sites during 2024, all offices, warehouses and the Recticel Group headquarters in Brussels (Belgium). This covers the subsidiaries Recticel Insulation, Trimo , Turvac, Rex and Soundcoat, all of which are considered at 100% since the reporting year 2021, which is also the base year for our SBTi commitments.
- Non-operational control (Scope 3, Cat. 3.15): TEMDA2 GmbH (Ascorium)*

** Recticel Automotive Interiors was acquired by ADMETOS GmbH in April 2020 and transferred to TEMDA2 GmbH, a joint venture with ADMETOS holding 51% and Recticel Group 49%. The Cat. 3.15 data for 2025, provided by TEMDA2, is an estimate based on 2024 data, realised sales and purchased quantities.*

Reference year

For targets and performance evaluation, Recticel Group uses 2021 as the base year (see also section 3.3).

Emissions calculations

The 2025 CO_2e emissions were calculated using an internally developed ESG digital platform, in accordance with the methodology and guidelines established by CO2logic, a subsidiary of South Pole (www.co2logic.com). The emission factors for the different categories were selected by CO2logic and subsequently integrated into the ESG digital platform.

Adjustments

As part of ongoing data quality improvements, Recticel continues to enhance the completeness and accuracy of its sustainability data. As such, the indicators for FY2021 (i.e. SBTi baseline) and FY2024 have been revised compared to prior year reporting due to updates in emission factors for Scope 3, Cat. 3.12, End-of-life treatment of sold products, and data improvements for fuel and energy consumption.

Restatement for fuel and energy consumption

- In the 2024 Annual Report, the volume of green electricity produced by Rex Panels & Profiles was estimated based on an assumption. We now have access to the invoices from the grid supplier, as well as to a monitoring platform that provides site-level data on the total renewable energy generated by the solar panels at each Rex location. Based on this improved data availability, the 2024 figures have been restated. Whereas the figures reported for 2021 were based on extrapolations, they have now been updated to reflect actual data.

Reclassification of fugitive emissions

- In previous years, emissions from refrigerant losses and process-related activities were reported together under Scope 1.3 (fugitive emissions). Starting in 2025, these are disclosed separately as Scope 1.3, Fugitive emissions, and Scope 1.4, Process emissions)

Restatement of fossil-based purchased goods

- Several recent publications report higher estimates of CO_2emissions from flaring and methane emissions associated with oil and gas production. These increases are primarily due to improved scientific methods and enhanced monitoring technologies, such as satellite-based detection and advanced atmospheric measurements, which have enabled the identification of previously unaccounted-for emission sources. Importantly, the revised estimates do not indicate an increase in actual emissions resulting from deteriorating operational practices or recent shale gas exploitation; rather, they reflect improved transparency and more accurate measurement of existing emissions. As one of our major suppliers adjusted its emission value for 2021, incorporating the newly identified impacts from flaring and methane emissions, we adjusted our 2021 baseline accordingly.

Restatement of EOL emissions

- We updated the methodology used to calculate end-of-life (EOL) emissions in Cat. 3.12. Previously, emissions related to waste incineration were fully allocated to this category, both when using Environmental Product Declarations (EPDs) and when applying average waste-treatment statistics for countries of distribution.

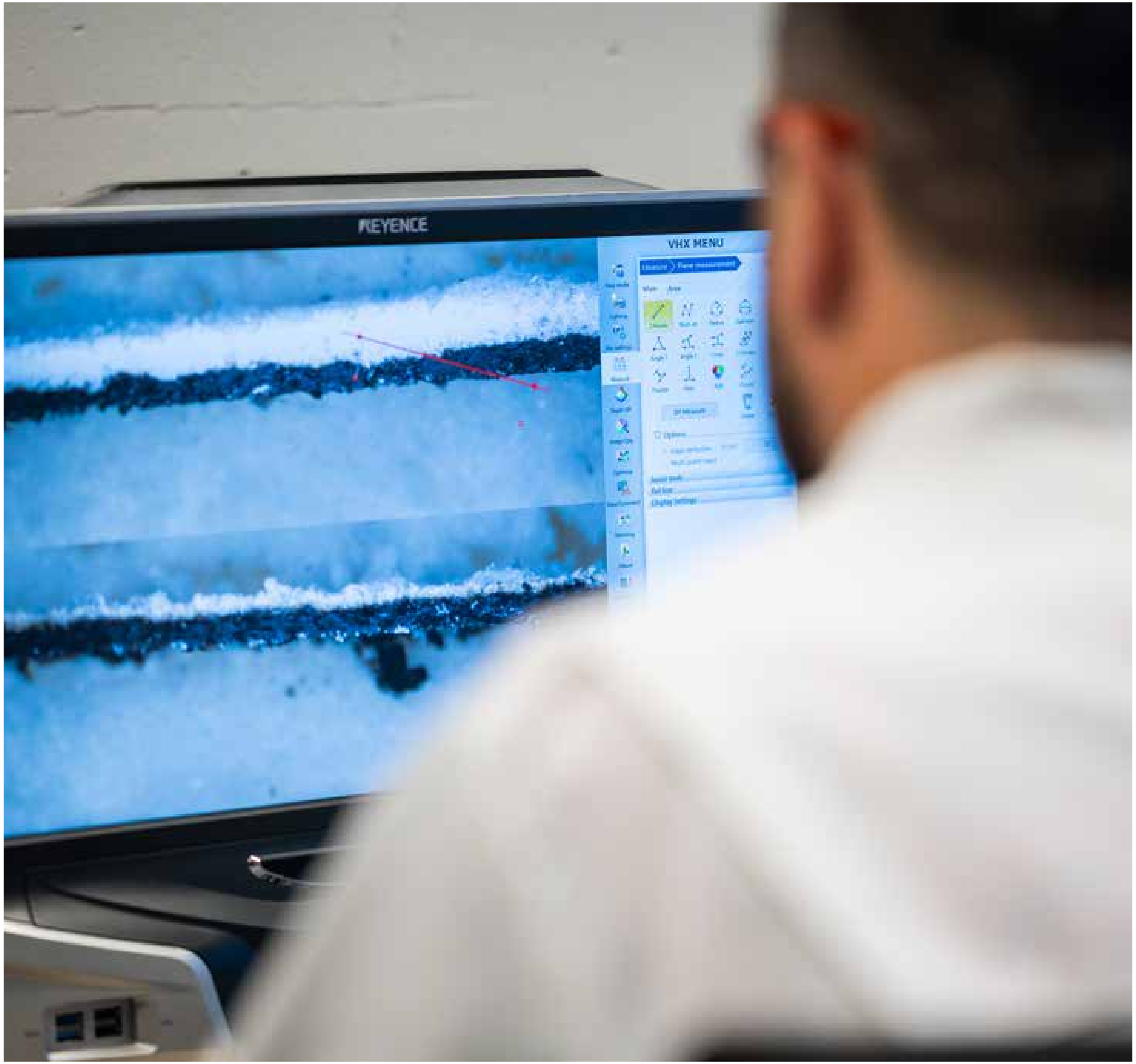
- Going forward, emissions from the combustion process itself will no longer be included when waste incineration takes place with energy recovery. Only emissions related to the preparation and transport of waste to waste-to-energy facilities will be accounted for. This update improves alignment with evolving standards and enhances comparability with industry practices.

This change was implemented for three main reasons.

1. Guidance from the GHG Protocol indicates that emissions from the waste-to-energy combustion process should not be included in Scope 3.12, while upstream activities such as waste handling and transport should remain included.
2. The SBTi has increasingly supported this approach where energy recovery is highly likely.
3. Benchmarking against comparable companies showed that Recticel Group's previous methodology resulted in significantly higher reported EOL emissions, suggesting that many peers already apply a similar treatment.

Restatement of avoided emissions

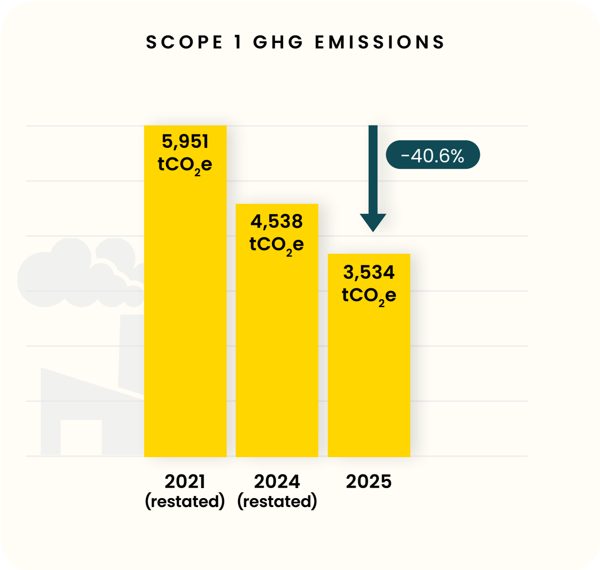
- To calculate the avoided emissions associated with products sold in 2024 and 2025, Recticel Group applied the framework outlined in section 5.2.8. In 2025, the methodology was further refined to better reflect the assumed heating sources in the countries where the products are sold.

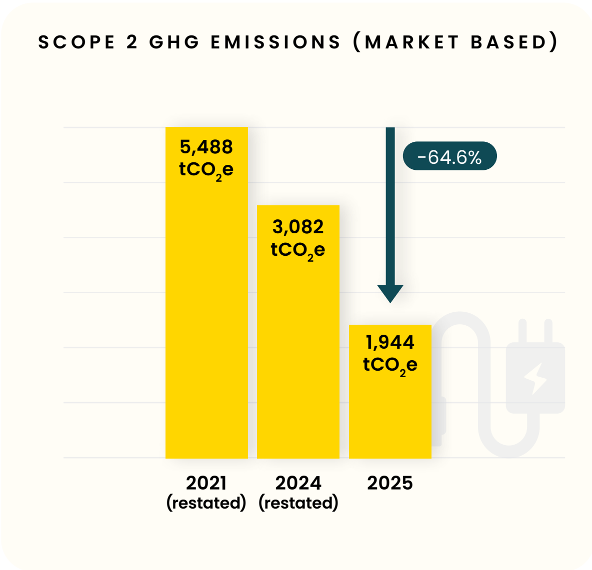


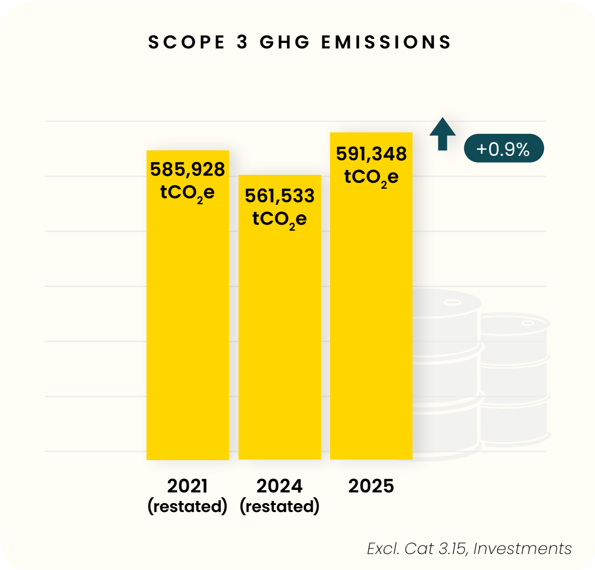
5.2.7.2 Data treatment & assumptions

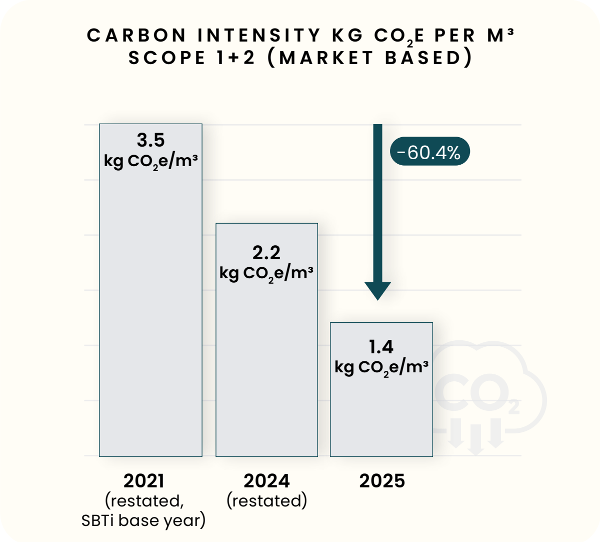
SCOPE	SOURCE OF EMISSIONS 2025		DATA TREATMENT & ASSUMPTIONS	REASON FOR DATABASE CHOICE
1 & 2	Infrastructure fuels		No further data treatment needed.	DESNZ and Bilan Carbone® database provides widely acceptable emission factors for Scope 1 emissions.
	Infrastructure electricity and district heating		No further data treatment needed.	IEA provides the most appropriate emission factors on a country level for electricity. More appropriate and/or granular emission factors are provided by eGRID for the USA and DESNZ for the UK. District heating emission factors calculated using IEA data on average heating sources used for district heating.
	Company vehicles		Limited data processing required.	DESNZ and Bilan Carbone® database provides widely acceptable emission factors for Scope 1 emissions. For electric company cars, the same emission factors are used as mentioned in the category "infrastructure electricity and district heating".
	Fugitive emissions		If available, direct losses data was used which was available from maintenance reports. If not available, an assumption of 10% losses was assumed as prescribed by the Bilan Carbone® methodology.	Bilan Carbone® database provides widely acceptable emission factors for Scope 1 emissions.
	Process emissions		The production of insulation boards involves an exothermic reaction in which water (H_2O) present in the formulation reacts to generate carbon dioxide (CO_2). The quantity of CO_2 released is calculated based on the measured volume of water, applying the respective molecular masses of H_2O (18 g/mol) and CO_2 (44 g/mol). These calculations assume complete conversion of all water into CO_2.	
3	Purchased goods & services	Cat. 1	Generally data was treated using the following approach: 1) When mass data available, mass based emission factors were used. 2) For the remaining data, spend based data were used to account for the emissions 73.7% of GHG Cat. 3.1, Purchased goods and services, data have been calculated using primary GHG emission data obtained from suppliers, up by 5.5% compared to 2024.	Data in mass units: Supplier-specific emission factors are prioritised as they provide the most specific emission factor quality. This was followed by EcoInvent emission factors, as this is a detailed database with detailed information for very specific types of materials and activities. If not available, Bilan Carbone® and DESNZ emission factors were used. Data in spend units: Bilan Carbone® database provides readily available, cost-free spend based emission factors.
	Capital Goods	Cat. 2	No data treatment required.	Bilan Carbone® database provides readily available, cost-free spend based emission factors.
	Fuel and energy related activities (not included in Scope 1 and 2)	Cat. 3	See treatment and assumptions Scope 1+2: each data point has a Scope 1+2 and a Scope 3 emission factor assigned to it.	See Scope 1+2.
	Upstream & dowstream transportation of goods	Cat. 4 Cat. 9	Generally two ways of data treatment for both incoming & outgoing transport: 1) Dedicated transport (= full truckload): Total distances of (assumed) full trucks were calculated by CO2logic using an automated tool. Data gaps were extrapolated (average distance assumed). 2) Shared transport (for truck and other transport modes): Distances were calculated using the same tool and gaps were extrapolated similarly. This allowed for calculating data in tonne.km. When data was available in m³, these were converted based on average kg/m³ data per site. For downstream transportation, no distances were known and the Product Environmental Footprint Category Rules Guidance was used to estimate distances	DESNZ emission factors were used for all transport modes.
	Waste generated in operations	Cat. 5	Waste data was directly available in mass units and was mapped according to different emission factor categories. Waste data for the Angers site was not directly available, and an assumption was applied to derive the figures.	DESNZ was preferred over Bilan Carbone® as the Bilan Carbone® emission factor calculation methodology is not aligned with the GHG Protocol for certain treatment types (most notably recycling). For certain types of waste the Bilan Carbone® and EcoInvent database were used, as these emission factors were not available in DESNZ.
	Business travel (air, ground, accommodation)	Cat. 6	CO_2e reports from travel agencies were directly used when available; distances were calculated using a flight calculator tool when departure & arrival location were available. When no distance data was available, spend based emission factors were used.	DESNZ and Bilan Carbone® database provides widely acceptable emission factors for transportation emissions.
	Employee commuting	Cat. 7	Total distances per transport mode were calculated. For some sites, assumptions had to be made on average distance & average transport mode.	Bilan Carbone® database provides widely acceptable emission factors for transportation emissions.
	Upstream & downstream leased assets	Cat. 8 & Cat. 13	Office data could be directly used to assess the footprint. For warehouses an average energy consumption/m² was applied.	See Scope 1+2: the upstream leased assets use the Scope 1 & 2 emission factors for energy.
	Processing of sold products	Cat. 10	Not applicable	
	Use of sold products	Cat. 11	Not applicable	
	End of life treatment of sold products	Cat. 12	When required, data in m³ was converted to kg. For each site, the allocation to country and region of use of produced volumes was applied and for each of these countries statistical data on waste treatment methods were applied.	DESNZ emission factors per waste treatment type were applied.
	Franchises	Cat. 14	Not applicable	
	Investments	Cat. 15	Turnover data was used to which Recticel Group's shares % was applied.	External tool using supplier-specific and database emission values.

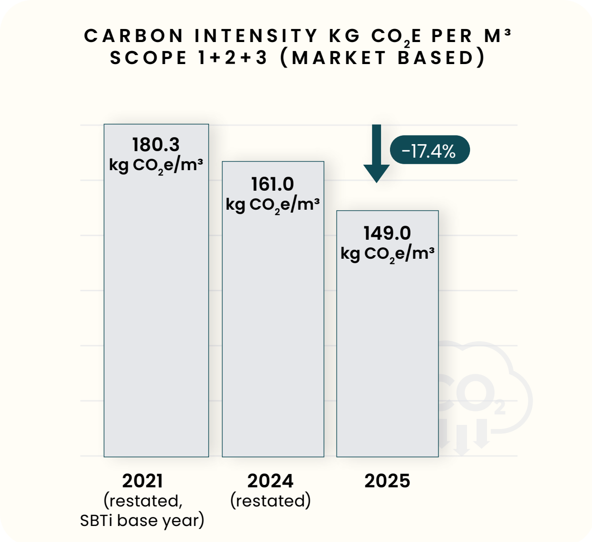
5.2.7.3 GHG emissions – Scopes 1, 2, 3

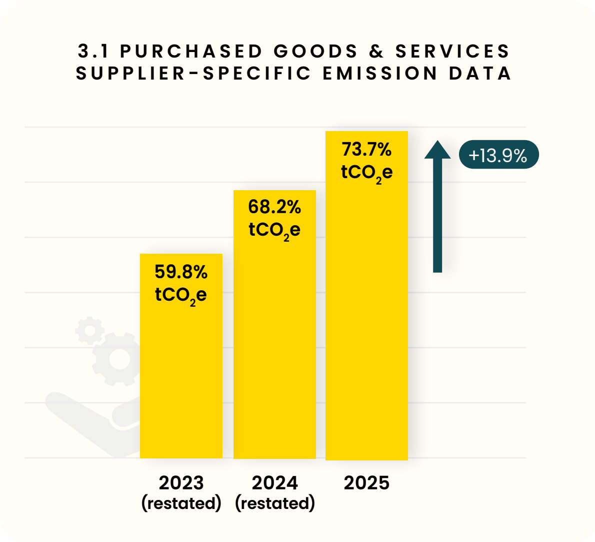












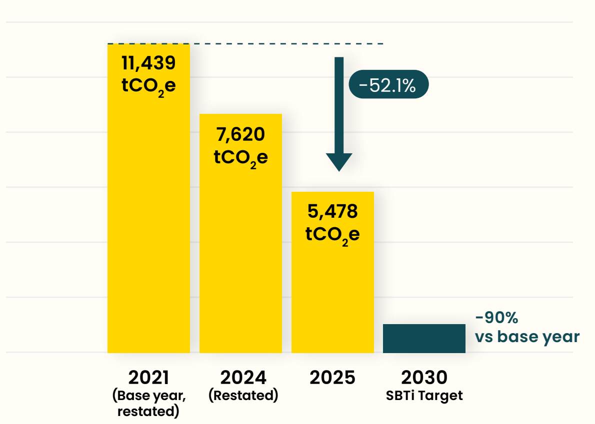
	RETROSPECTIVE				MILESTONES AND TARGET YEARS		
	BASE YEAR	COMPARATIVE	N	%N/N-1			%N/BASE YEAR
GHG Indicators (tCO_2e)	2021 SBTI BASE YEAR (RESTATED)	2024 (RESTATED)	2025	Δ % 2025-2024	TARGET 2030	TARGET 2050	Δ % 2025-2021
Scope 1+2 (market based)	11,439	7,620	5,478	-28.1%	1,144	1,144	-52.1%
Scope 1+2 (location based)	11,512	8,714	7,889	-9.5%			-31.5%
Scope 3 (excluding investments)	585,928	561,533	591,348	5.3%			0.9%
Scope 3 (including investments)	646,726	599,904	624,208	4.1%	485,044	64,673	-3.5%
Scope 1+2+3 (market based, excluding investments)	597,367	569,152	596,826	4.9%			-0.1%
Scope 1+2+3 (location based, excluding investments)	597,440	570,246	599,237	5.1%			0.3%
Scope 1+2+3 (market based, including investments)	658,165	607,523	629,687	3.6%	486,188	65,817	-4.3%
Scope 1+2+3 (location based, including investments)	658,238	608,617	632,098	3.9%			-4.0%
Scope 1 GHG emissions	**5,951**	**4,538**	**3,534**	**-22.1%**			**-40.6%**
1.1 Mobile combustion	917	957	507	-47.0%			-44.7%
1.2 Stationary combustion (natural gas, LPG, other fossil fuels) (see 5.1.5.4)	4,899	3,445	2,925	-15.1%			-40.3%
1.3 Fugitive emissions**	135	137	52				-61.8%
1.4 Process emissions**			51				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	0.0%			
Scope 2 GHG emissions (market-based)	**5,488**	**3,082**	**1,944**	**-36.9%**			**-64.6%**
Gross location-based Scope 2 GHG emissions	5,561	4,176	4,355	4.3%			-21.7%
Gross market-based Scope 2 GHG emissions	5,488	3,082	1,944	-36.9%			-64.6%
Variance (= impact of renewable energy)	73	1,094	2,411	120.4%			
Biogenic Scope 2 GHG emissions *	0	0	0	0.0%			0.0%

** Biogenic emissions of CO_2 carbon from the combustion or biodegradation of biomass as biofuel (wood, paper, grass trimmings, and other biofuels) - to be reported separately from Scope 2.*
*** In previous years, emissions from refrigerant losses and process-related activities were reported together under Cat. 1.3. Starting in 2025, these emissions are disclosed separately under Cat. 1.3 (Fugitive emissions) and Cat. 1.4 (Process emissions).*

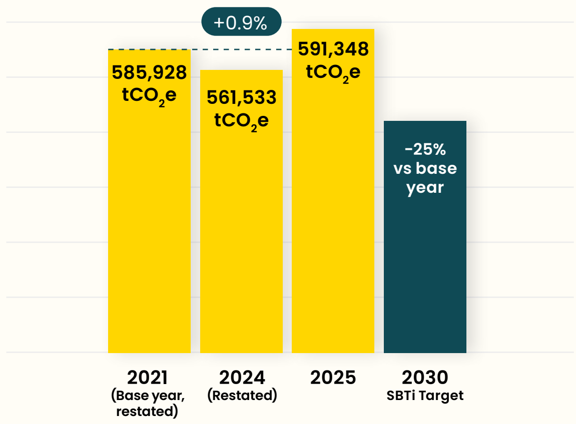
GHG Indicators (tCO_2e)		RETROSPECTIVE				MILESTONES AND TARGET YEARS		
		BASE YEAR	COMPARATIVE	N	%N/N-1			%N/BASE YEAR
		2021 SBTI BASE YEAR (RESTATED)	2024 (RESTATED)	2025	Δ % 2025-2024	TARGET 2030	TARGET 2050	Δ % 2025-2021
Scope 3 GHG emissions (excl. Cat. 3.15 Investments)		**585,928**	**561,533**	**591,348**	**5.3%**			**0.9%**
3.1 Purchased goods and services	upstream	527,294	514,565	527,608	2.5%			0.1%
3.2 Capital goods	upstream	1,410	2,963	3,347	13.0%			137.3%
3.3 Fuel and energy related activities (not included in Scopes 1 and 2)	upstream	2,565	2,296	2,691	17.2%			4.9%
3.4 Upstream transportation and distribution	upstream	44,211	29,381	52,748	79.5%			19.3%
3.5 Waste generated in operations	upstream	1,364	993	432	-56.5%			-68.3%
3.6 Business travel (air, ground, accommodation)	upstream	55	241	271	12.4%			392.9%
3.7 Employee commuting	upstream	1,311	1,064	1,056	-0.8%			-19.4%
3.8 Upstream leased assets	upstream	65	482	407	-15.5%			529.6%
3.9 Downstream transportation and distribution	downstream	6,230	7,945	995	-87.5%			-84.0%
3.10 Processing of sold products	downstream				not applicable			
3.11 Use of sold products	downstream				not applicable			
3.12 End-of-Life treatment of sold products	downstream	1,423	1,603	1,792	11.8%			25.9%
3.13 Downstream leased assets	downstream	0	0	0	0%			0%
3.14 Franchises	downstream				not applicable			
Scope 3 GHG emissions (incl. Cat. 3.15 Investments)		**646,726**	**599,904**	**624,208**	**4.1%**			**-3.5%**
3.15 Investments	downstream	60,798	38,371	32,860	-14.4%			-46.0%

** Biogenic emissions of CO_2 carbon from the combustion or biodegradation of biomass as biofuel (wood, paper, grass trimmings, and other biofuels) - to be reported separately from Scope 2.*

SCOPE 1+ 2 GHG EMISSIONS (MARKET BASED)



SCOPE 3 GHG EMISSIONS*



** Excl. Cat 3.15, Investments*

5.2.7.4 Regulated Emission Trading Schemes (ETS)

The UK Emissions Trading Scheme (UK ETS) and the EU Emissions Trading System (EU ETS I) are mainly focused on industries with high CO_2e emissions, like the power sector. These schemes operate on a "Cap and Trade" model, which establishes a cap on total greenhouse gas emissions within Scope 1. If emissions surpass this cap, companies must buy additional allowances.

None of the Recticel Group's operations fall under the Scope of the UK ETS or EU ETS I, as they do not exceed the threshold values.

The EU Emissions Trading System EU ETS II is set to become operational in 2028 (postponed). Its main purpose is to reduce emissions from buildings and road transport by putting a carbon price on fuels used in these sectors.

5.2.7.5 GHG emissions intensity

Emission intensity or carbon intensity is the emission of pollutants relative to the intensity of the production process (Scope 1+2) or the entire value chain (Scope 1+2+3).

We report the carbon intensity indicators, both market-based and location-based, relative to net revenue (carbon intensity 1), as required under E1-6. Additionally, we voluntarily disclose these indicators relative to production volume (carbon intensity 2), which removes price-induced volatility unrelated to climate impact. This approach is regarded by SBTi as the most robust in addressing climate contributions. The 36.6% Scope 1+2 reduction in CO_2e per m³ of insulation product produced in 2025 compared to 2024 is a result of implementing an efficiency programme focused on more cost- and energy-efficient manufacturing processes, alongside the acquisition of green energy through photovoltaic panels and the purchase of electricity with green certificates.

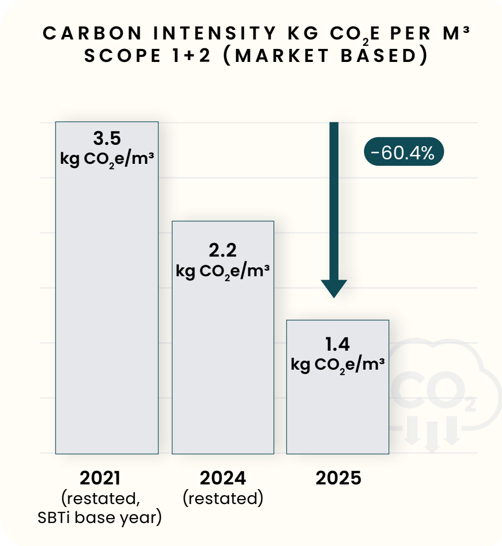
Carbon intensity 1, per production volume	2021	2024 (RESTATED)	2025	Δ % 2025-2024	Δ % 2025-2021
market based					
Carbon intensity 1 - Scope 1+2 [kg CO_2e/m³]	3.5	2.2	1.4	-36.6%	-60.4%
Carbon intensity 1 - Scope 1+2+3* [kg CO_2e/m³]	180.3	161.0	149.0	-7.5%	-17.4%
location based					
Carbon intensity 1 - Scope 1+2 [kg CO_2e/m³]	3.5	2.5	2.0	-20.1%	-43.3%
Carbon intensity 1 - Scope 1+2+3* [kg CO_2e/m³]	180.4	161.3	149.6	-7.3%	-17.1%
** excl. Cat 3.15, Investments*	Recticel Group	Recticel Group	Recticel Group (excl. Kuras, Miclar)		

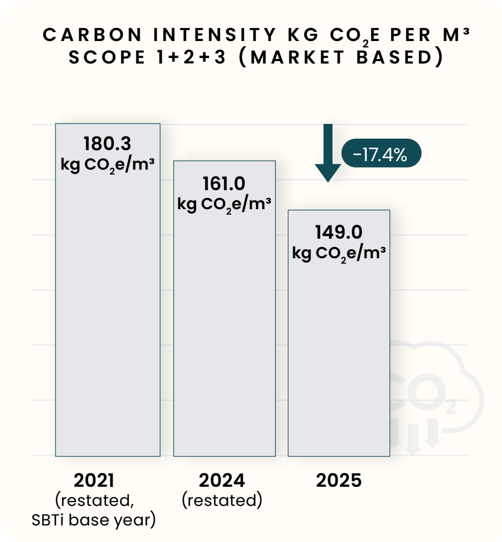
Carbon intensity 2, per net revenue	2024 (RESTATED)	2025	Δ % 2025-2024
market based			
Carbon intensity 2 - Scope 1+2 [kg CO_2e/EUR]	12.5	8.4	-33.0%
Carbon intensity 2 - Scope 1+2+3* [kg CO_2e/EUR]	932.7	911.1	-2.3%
location based			
Carbon intensity 2 - Scope 1+2 [kg CO_2e/EUR]	14.3	12.0	-15.7%
Carbon intensity 2 - Scope 1+2+3* [kg CO_2e/EUR]	934.5	914.8	-2.1%
** excl. Cat 3.15, Investments*	Recticel Group	Recticel Group (excl. Kuras, Miclar)	

IN THOUSAND EUR

	2024	2025
Net revenue from activities in high climate impact sectors used to calculate energy intensity *	610,196	655,075
Net revenue (others)	0	0
Total net revenue (Sales, Chapter 7.1.1)	610,196	655,075

** EU Regulation 2019/2089, also known as the EU Low Carbon Benchmarks Regulation (EU BMR), defines high climate impact sectors as those that are key to the low-carbon transition. The EU BMR defined 9 (of a total of 21) NACE sections, amongst them manufacturing and construction.*





5.2.8 Avoided emissions

Avoided emissions refer to reductions in greenhouse gas emissions that occur outside a product's life cycle or value chain but are a direct result of its use. Currently, there is no international standard or consistent terminology to define or describe avoided emissions.

In 2019, the World Resources Institute (WRI) published a detailed working paper and neutral framework to help estimate and report the comparative emission impacts of products. This guidance is available on the GHG Protocol website (www.ghgprotocol.org).

Following the WRI recommendations, Recticel Group calculated its avoided emissions using the attributional Life Cycle Assessment (LCA) approach. This well-established method assesses the environmental impacts of a product or service throughout its entire life cycle, from raw material extraction to end-of-life disposal.

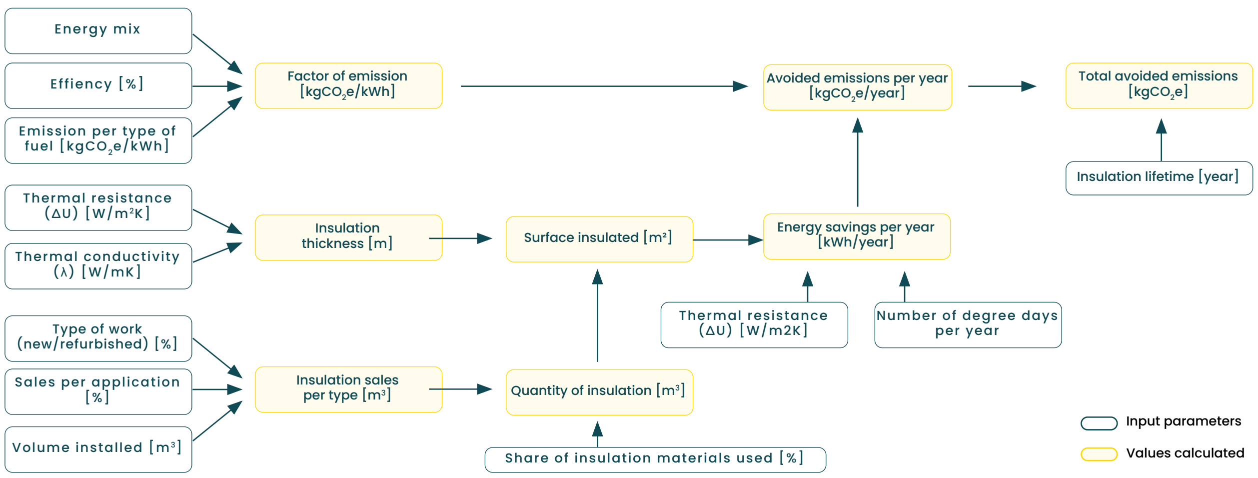
To calculate the avoided emissions associated with products sold in 2024 and 2025, Recticel Group applied the framework outlined below and engaged CO2logic to validate the methodology and perform the calculations. In 2025, the methodology was further enhanced to better reflect the assumed heating source in the countries where the products are sold.

For a fair comparison with other companies reporting avoided emissions, it is important to highlight that **the full Scope** of our insulation activities was included, along with all associated greenhouse gas (GHG) emissions **(Scopes 1, 2, 3)**, as recommended by the WRI. This approach considers more than just emissions from our own operations.

We encourage the building materials industry to adopt this methodology and use the attributional LCA approach to ensure consistency and transparency.

The table below summarises the 2025 parameters used for the calculation of avoided emissions.

Lifespan insulation boards	Years	50
Lifespan insulated panels	Years	50
Heat conductivity of products	W/mK	0.022 to 0.035
U-value reference wall	W/m²K	1.6
Insulation thickness boards	m	0.11
Insulation thickness panels	m	0.13 - 0.25
Heat generation efficiency	%	Heating type is defined per country based on the energy mix
Fuels emission factor	$kgCO_2e/kWh$	Heating type is defined per country based on the energy mix
Heat demand difference	kWh/yr	54.8



Methodology refinement

Sales and production volumes are collected solely at the country/business unit level. These volumes are then allocated across the different energy types based on the specific energy mix attributable to each country. Each energy type is assigned a corresponding efficiency factor that is both country-level and energy-type-specific. In addition, an emissions factor (also specific to each country and energy type) is applied, yielding the avoided emissions for that particular energy type within a given country. Aggregating the avoided emissions across all energy types and all countries produces the total figure for emissions avoided.

We assumed that insulation would be installed in cases where none previously existed.

Restatement

The avoided emissions for 2024 have been restated to reflect the heating type in the countries where the products are sold.

AVOIDED EMISSIONS

33 TIMES

Over 50 years of use of the building insulation products sold in 2025, more than 19.7 million tonnes of CO_2e emissions will be avoided.

	2024 (RESTATED)	2025	Δ% 2025-2024
Estimated avoided emissions from all Recticel Group building insulation products over 50 years usage (insulation boards, insulated panels) (tCO_2e)	17,202,866	19,710,676	+14.6%
Recticel Group carbon footprint (Scope 1+2+3*) (tCO_2e)	569,152	596,826	+4.9%
Multiple	29.9	33.0	+10.3%

**Excl. Cat. 3.15, Investments*

5.2.9 E1-7 GHG removals and mitigation projects financed through carbon credits

Transparent communication about carbon credits alongside emission reductions is essential for validating GHG neutrality claims and aligning with global climate goals.

5.2.9.1 Residual emissions and SBTi

The Science Based Targets initiative (SBTi) framework mandates that claims of carbon neutrality (net zero) be supported by clear, measurable targets for emission reductions across Scopes 1, 2 and 3. This approach prioritises a systematic reduction of at least 90% of emissions as the primary strategy, with offsets playing only a supplementary role.

As part of Recticel Group's net-zero commitment to SBTi, the Company is required to reduce its greenhouse gas (GHG) emissions across all relevant Scopes 1, 2 and 3 by a minimum of 90% by 2050. Any residual emissions, accounting for up to 10%, have to be managed through high-quality carbon offset mechanisms. These mechanisms include initiatives like carbon capture and storage (CCS), designed to compensate for emissions that are currently unavoidable.

5.2.9.2 Carbon credit-funded projects

Projects funded through carbon credits aim to either remove greenhouse gases (GHGs) from the atmosphere or prevent their release. These initiatives generate carbon credits, often referred to as Emission Reduction Units (ERUs) or Certified Emission Reductions (CERs), which represent quantifiable reductions or removals of GHG emissions.

Carbon credits are not intended to replace direct emission reduction efforts and cannot be deducted from reported GHG emissions. Instead, they are designed to address emissions that remain unavoidable due to technical or economic constraints.

Examples of carbon credit options:
- Forest restoration: Planting trees (afforestation) or re-establishing forests on degraded or deforested land (reforestation).
- Renewable energy development: Expanding wind, solar, hydroelectric and biomass energy to replace fossil fuel use.
- Methane capture: Capturing methane from landfills, wastewater treatment plants and livestock to convert it into renewable energy or destroy it through controlled combustion.
- Carbon capture and storage (CCS): Capturing CO_2 for long-term underground storage or use in enhanced oil recovery operations.

5.2.9.3 Recticel Group support for reforestation

In 2024, Recticel Group entered into a three-year partnership with Lignaverda (www.lignaverda.org), an international non-governmental organisation (NGO) founded in 2008 and certified by the United Nations Convention to Combat Desertification (UNCCD). Lignaverda's mission is to combat desertification in Africa's semi-arid regions, addressing the critical challenges of climate change and landscape degradation.

With over a decade of expertise, Lignaverda focuses on participatory landscape restoration through reforestation. By engaging closely with local communities, the organisation ensures the long-term sustainability of newly established forests. Its initiatives emphasise empowering vulnerable populations, particularly in areas with limited access to resources and income, delivering environmental and socioeconomic benefits. Through sustainable land management practices, Lignaverda enhances ecological resilience while creating local jobs and fostering sustainable income opportunities.

United Nations Convention to Combat Desertification | LIGNAVERDA

As part of this partnership, Recticel Group supports a reforestation project in the Louga region of northern Senegal. This initiative contributes to climate change mitigation while delivering additional environmental co-benefits, including the restoration of degraded ecosystems, improved soil health and enhanced water retention. These actions help to strengthen environmental resilience in a region particularly vulnerable to climate change.

Over the project's three-year implementation period, the estimated carbon sequestration potential is approximately 100 tonnes of CO_2 per hectare, corresponding to around 5,000 tCO_2e in total over time. As trees require time to grow and biomass to accumulate, no greenhouse gas removals from this project are recognised in the Group's GHG inventory for the current reporting period.

The project is progressing according to plan and is expected to generate carbon removal credits in the future, subject to independent verification under the VM0047 methodology of the Verra Standard. This methodology applies to Afforestation, Reforestation and Revegetation (ARR) projects and is among the few ARR methodologies approved by the Integrity Council for the Voluntary Carbon Market (ICVCM) for its high-integrity standards. Any such credits would be reported separately from the Group's gross greenhouse gas emissions, in line with applicable reporting standards.

5.2.10 E1-8 Internal carbon pricing

Internal carbon pricing serves as a mechanism for integrating environmental considerations into business decisions, promoting emissions reductions and advancing sustainability goals within organisations. During 2025, Recticel Group did not determine an appropriate carbon price based on factors such as the social cost of carbon, regulatory requirements and its own sustainability targets.

5.2.11 E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The anticipated financial effects from material physical and transition risks are not included in the 2025 Sustainability Statement. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772[1].

[1] *https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en*

5.3 Environmental | E5 Resource use and circular economy

"There are so many ways to make insulation more sustainable. Reducing weight, integrating recycled components, improving efficiency in production and logistics, optimising thermal performance and durability, having a plan for what happens at the end of the product's life… It's important that everyone is aware and open to working together in all these areas."

- Ward Dhaese,
Innovation Manager Insulation Boards

5.3

IN THIS SECTION

Recticel Group integrates sustainability and innovation as core pillars of its business and ESG strategies. The potential of our products to avoid GHG emissions and protect the environment can only be maximised through circular product design and deliberate collaboration throughout our value chain.

The Recticel Group policy on resource use and circular economy applies to all our operations and supply chains. We engage actively with our stakeholders to ensure that the policy reflects diverse interests. Our progress is consistently monitored and reviewed to ensure continuous improvement.

Our goals with respect to resource use and circular economy are embedded in our innovation strategy, to foster eco-design innovation in all our divisions. We have clear targets for waste reduction and are focusing investment, research and development on advancing chemical recycling methods.

Our raw materials and packaging are managed and optimised to place sustainability at the heart of our manufacturing process. The products and materials we produce prioritise durability and recyclability. This has led to product lines that set new benchmarks in sustainable construction through their recycled content, end-of-life treatment, reduced embodied carbon, responsible packaging and energy-saving performance.

INVESTMENTS

EUR 13 MILLION investment in a closed loop PU recycling facility

WASTE REDUCTION

15.7% reduction in waste to landfill in 2025, bringing us closer to our 2030 target of zero

RECYCLABILITY

We integrate up to **52%** of recycled content into the manufacturing of our mineral wool insulated panels

CONTENTS*

5.3 Environmental | E5 Resource use and circular economy
5.3.1 Material E5 IROs and their interaction with strategy and business model
5.3.2 E5-1 Policies related to resource use and circular economy
5.3.3 E5-2 Actions and resources related to resource use and circular economy
5.3.4 E5-3 Targets related to resource use and circular economy
5.3.5 E5-4 Resource inflows
5.3.6 E5-5 Resource outflows
5.3.7 E5-6 Anticipated financial effects from material resource use and circular economy-related risks and opportunities

** The information in this section follows the structure of ESRS E5. All sub-topics were considered material in the Double Materiality Assessment (DMA).*

Section 5.3.6, E5-5 Resource outflows, explains how we transform production waste into circular economic activities. It also emphasises the importance of product and process innovation as a material aspect for Recticel Group.

5.3.1 Material E5 IROs and their interaction with strategy and business model

- Section 4.3, Navigating the landscape of risks and opportunities, provides a comprehensive examination of the material IROs associated with ESRS E5, including the IRO process description, and their interaction with the strategy and business model.
- Information on the results of the resilience analysis can be found in section 2.3.6, Resilience of our business model and strategy.

5.3.2 E5-1 Policies related to resource use and circular economy

Our policies on resource use and the circular economy play a key role in tackling global challenges such as resource scarcity and waste management. In particular, we prioritise the development of high-performance insulation solutions that improve energy efficiency and make a significant impact in reducing greenhouse gas (GHG) emissions, supporting our commitment to achieving SBTi net zero targets.

The policy on resource use and circular economy applies to all Recticel Group divisions, operations and global supply chains.

Recticel Group enhances resource efficiency in several ways:
- We integrate recycled and recyclable materials into our production processes while minimising the use of primary raw materials in our products.
- We design products for easy disassembly at the end of their lifecycle, including initiatives to repurpose production waste into reusable materials.
- We participate actively in Extended Producer Responsibility (EPR) programmes to collect and recycle production waste, promoting a closed-loop approach to materials management.

5.3.2.1 Scope and exclusions

The policy on resource use and circular economy applies to all Recticel Group divisions, operations and global supply chains. It encompasses initiatives aimed at improving material efficiency, reducing waste, enhancing recyclability and fostering closed-loop systems across our product lifecycle. This policy also promotes partnerships with stakeholders to innovate in material recovery and reuse. Exclusions apply only to operations or activities where Recticel Group does not have direct control or influence.

5.3.2.2 Accountability

The Group Chief Operating Officer (COO) assumes accountability for implementing this policy and ensuring alignment with the Recticel Group strategic priorities. Adequate status reviews and reporting mechanisms ensure continuous monitoring and improvement.

5.3.2.3 Alignment with third-party standards

Recticel Group's resource use and circular economy policy aligns with globally recognised standards and frameworks to ensure consistency and credibility, including:

- Ellen MacArthur Foundation's circular economy principles
- ISO 14001 for effective resource management practices
- EU Taxonomy for sustainable activities

5.3.2.4 Stakeholder interests

The policy reflects insights and expectations from key stakeholders:

Investors	Increasing emphasis on resilience through resource efficiency and sustainability-driven growth.
Customers	Growing demand for sustainable, recyclable and eco-friendly products.
Employees	Engagement and participation in resource-efficient practices.
Regulators	Compliance with circular economy directives and waste reduction regulations.
Suppliers	Collaboration to develop innovative materials and integrate resource recovery practices.

5.3.2.5 Stakeholder communication and accessibility

Recticel Group communicates its approach to resource use and the circular economy through ongoing engagement with employees, suppliers, customers and other key stakeholders. Employees are informed through internal communications and training on initiatives related to resource efficiency and circular product design. Externally, Recticel Group works with suppliers and customers to improve material use, increase circularity in products and support recycling solutions. Progress and key developments are shared through sustainability disclosures, stakeholder dialogue and industry collaborations.

As the Code of Conduct outlines the Recticel Group's approach to the circular economy, rather than issuing an additional policy, the Group is developing a dedicated procedure on this topic. This will be properly disseminated across the organisation in 2026 to ensure that all employees are adequately informed.

5.3.2.6 Integration with innovation strategy

Resource use and circular economy goals are embedded in Recticel Group's innovation strategy, driving the development of sustainable products and technologies. Key focus areas include:

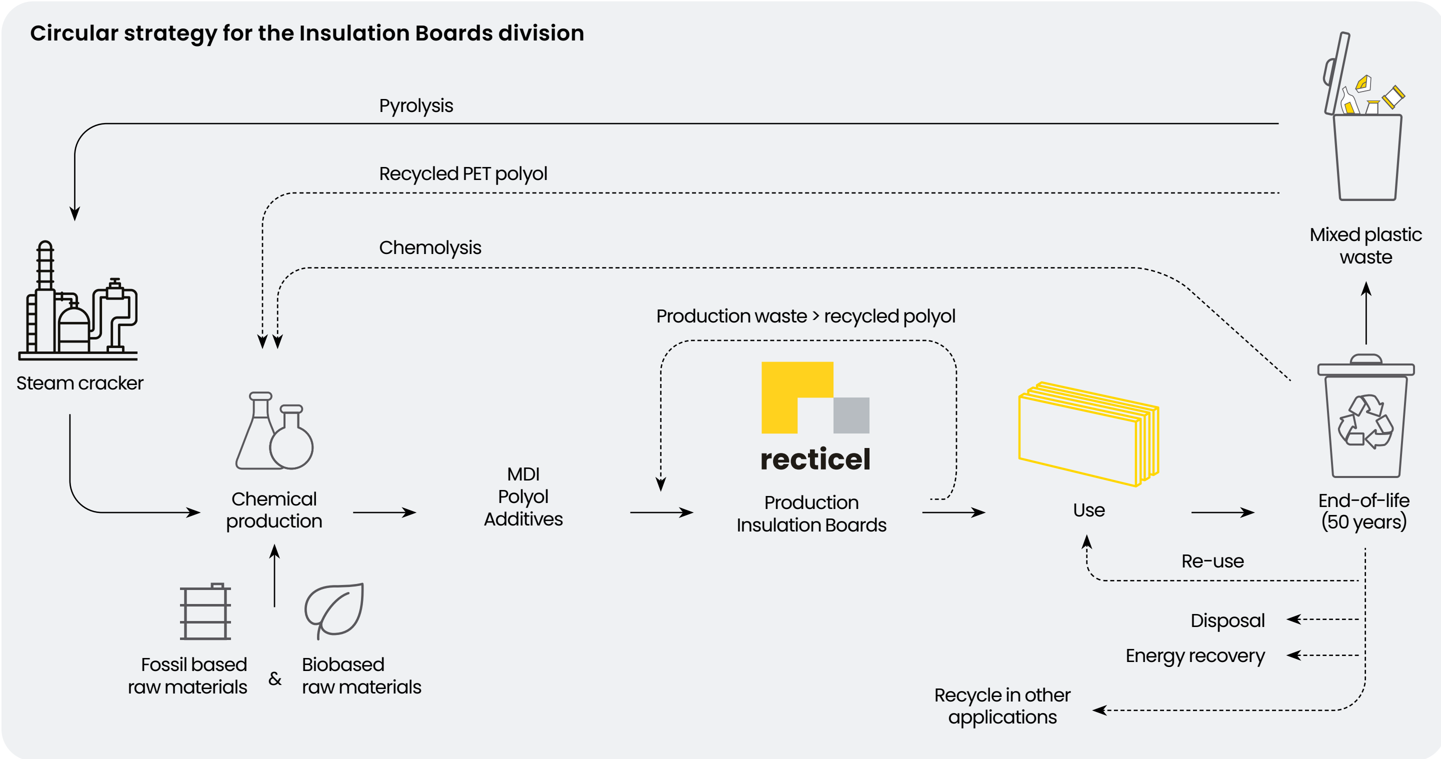
- Material substitution to enhance recyclability and reduce environmental impact.
- Product design innovations to enable end-of-life recovery and reuse.
- Expansion of partnerships to scale circular solutions across industries.

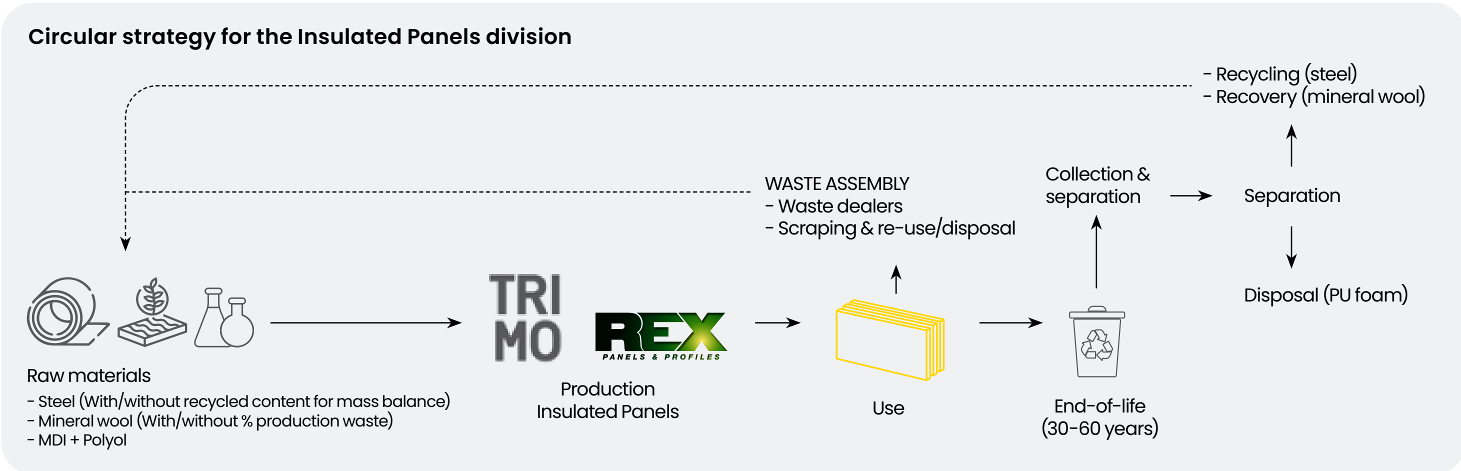
5.3.2.7 Impacts, risks and opportunities

The overview table in section 4.3 outlines the environmental and economic impacts, risks and opportunities (IROs) linked to resource use and circular economy practices. This serves as a comprehensive reference for stakeholders to assess our progress and commitment in this area.

5.3.3 E5-2 Actions and resources related to resource use and circular economy

Recticel Group accelerates its transition to a sustainable, circular economy model with initiatives designed to reduce environmental impacts, maximise material efficiency and foster collaboration across the value chain. For example, Recticel Insulation is offering insulated panels made with bio-circular raw materials (see section 5.3.6.1). The Group also invested EUR 13 million in a closed loop polyurethane recycling plant (see section 5.3.6.2). In the Insulated Panels division, Trimo utilises mineral wool and steel with a high percentage of recycled production waste and EOL waste.





5.3.3.1 Key actions

To enhance resource efficiency and uphold circular economy principles, Recticel Group has implemented key initiatives across all its subsidiaries and regions in recent years. These efforts will continue over the next five years as part of its transition plan to meet the SBTi near-term target by 2030. Spanning the entire value chain, both upstream and downstream, as well as the Company's own operations, these initiatives align with all levels of the waste hierarchy. The targets outlined in section 5.4.4 are designed to be specific, measurable, achievable, relevant, and time-bound (SMART).

Waste hierarchy

Material efficiency

- Developing and expanding infrastructure to reduce, recover and reuse production waste and building installation waste.
- Implementing a consumption reduction programme of primary raw materials.

Eco-design and lifecycle management

- Incorporating recyclability, durability and resource efficiency into product design.
- Exploring strategies for recycling components at the end of a product's lifecycle, typically spanning 50–60 years.

Waste reduction programmes

- Setting a target to achieve zero operational waste-to-landfill by 2030, focusing on waste reduction, enhanced recycling and conversion of production waste into alternative applications.
- Setting a target of 90% by 2030 for operational waste-to-recovery.
- Partnering with suppliers to reduce packaging waste.
- Opting for packaging materials with higher recycled content while maintaining technical performance.
- Encouraging employee-led initiatives to reduce waste in daily operations.

Collaboration and innovation

- Collaborating with suppliers and customers to develop innovative materials and solutions that support circularity across the supply chain.
- Advancing technologies that improve recyclability and resource recovery (see insert on Polyol recycling plant).
- Investing in pilot programmes to test and implement new approaches to material recovery from end-of-life products.
- Engaging with industry groups to advocate for and share best practices in circular economy initiatives.

Renewable and recycled materials

- Reducing reliance on finite resources by replacing virgin materials with renewable or recycled alternatives.
- Incorporating bio-based materials in our primary materials.
- Prioritising materials with high recycled content and demonstrated sustainability performance.
- Introducing next-generation chemical recycling of PU waste and investing in a closed-loop recycling plant.

New polyol recycling plant

We have taken a major step toward circular manufacturing with the launch of our recycled polyol plant in Wevelgem (Belgium), which converts post-industrial PIR waste into a valuable raw material for new insulation boards. The initiative was driven by the ambition to eliminate production waste by transforming PIR dust, generated during board cutting, into a reusable resource. As PIR accounts for around 99% of the Recticel Insulation board production, closing the loop on this material represents a significant opportunity to improve circularity within our own operations.

The new facility applies a chemical recycling process to convert PIR waste into high-quality recycled polyol, which can be reintegrated directly into insulation manufacturing. Designed for continuous industrial operation, the plant will initially recycle up to 4,000 tonnes of PIR waste annually, producing approximately 6,000 tonnes of recycled polyol. This scale allows Recticel Group to integrate recycled content across its mainstream insulation portfolio rather than limiting it to niche applications.

Virgin polyol accounts for around 15% of the carbon footprint of PIR insulation boards, and replacing one third of it with recycled polyol is expected to significantly reduce emissions. Early estimates indicate a reduction of around 40% in carbon emissions compared to virgin material, with full lifecycle assessments and EPDs to confirm these results once the plant reaches steady operation.

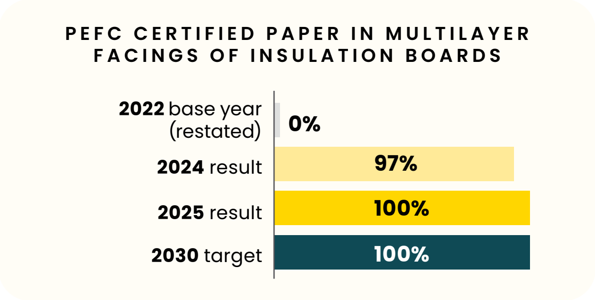
Extensive research and development ensured that the recycled polyol meets our strict performance standards, with early results even suggesting minor improvements in insulation properties. Beyond reducing production waste, the project also lays the foundation for future circular initiatives, including expanding the use of recycled content and exploring take-back schemes for construction and demolition waste.

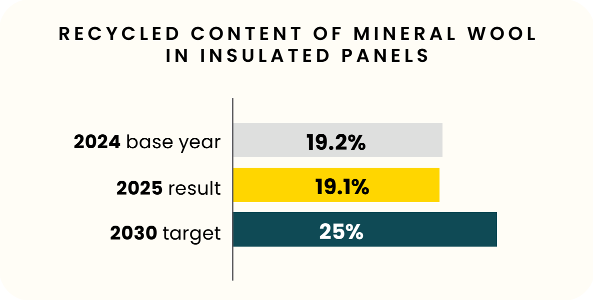
5.3.4 E5-3 Targets related to resource use and circular economy

By embedding circular economy practices into our business model, we aim to drive innovation, reduce environmental impact and create long-term value for all stakeholders. We have established voluntary, measurable and time-bound targets to reduce material consumption and waste, enhance resource recovery and design products for recyclability. The Management Committee has defined these targets to ensure strategic alignment and accountability. They also support the reduction of Scope 3 GHG emissions, with progress detailed in section 5.2.7.

5.3.4.1 Resource use targets

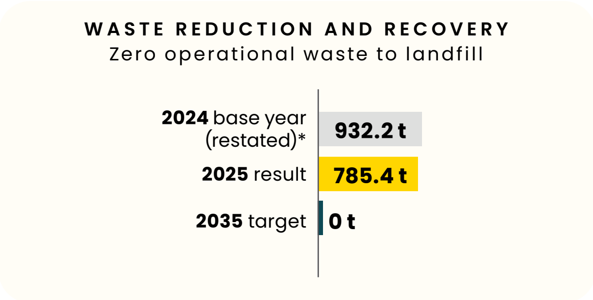
	APPLICATION	TARGET	COMPARISON BASE YEAR - 2024 - 2025	ACTIONS
PEFC certified paper in multilayer facings of insulation boards	Production phase	100% PEFC certified paper in our multilayer facings for insulation boards by end 2025	2022: 0% (Base year) 2024: 97% 2025: 100%	Transitioning, testing, approving
Recycled content of mineral wool in insulated panels	Production phase	25% of unweighted average of supplier-reported pre-and post- consumer content	2024: 19.2% (base year) 2025: 19.1%	Increase supplier engagement, especially to those integrating a limited recycled content in their products

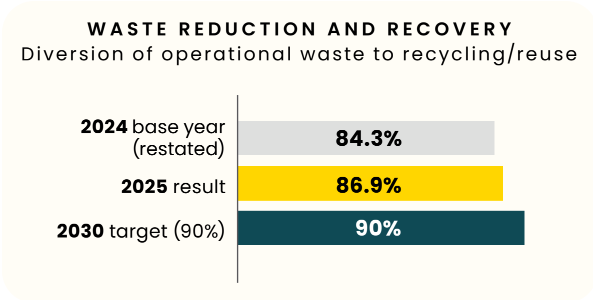


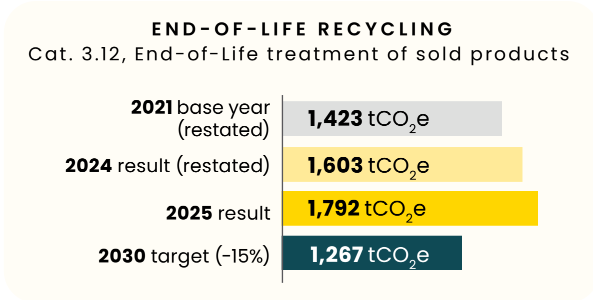


5.3.4.2 Circular economy targets

	APPLICATION	TARGET	COMPARISON BASE YEAR - 2024 - 2025	ACTIONS
Waste reduction and recovery - Zero operational waste to landfill	Production phase (all waste streams)	Achieve zero operational waste to landfill by 2030	2024: 932.1 tonnes (base year, restated) 2025: 785.4 tonnes	Increasing waste segregation at source, improving recycling rates, adopting closed-loop systems.
Waste reduction and recovery - Diversion of operational waste to recycling and reuse	Production phase (all waste streams)	Achieve 90% waste diverted to recycling by 2030	2024: 84.3% (Base year, restated) 2025: 86.9%	
End-of-life recycling - GHG reduction of Cat. 3.12, End-of-life treatment of sold products	Production and end-of-life phase	Achieve 25% reduction of Scope 3 by 2030, compared with the restated base year 2021*	2021: 1,423 tCO_2e (Base year, restated) 2024: 1,603 tCO_2e (restated) 2025: 1,792 tCO_2e	Sourcing more recycled materials, collaborating with suppliers, integrating eco-design principles in our products, developing EOL recycling options. The increases in 2024 and 2025 are a reflection of the increase in production outlet.

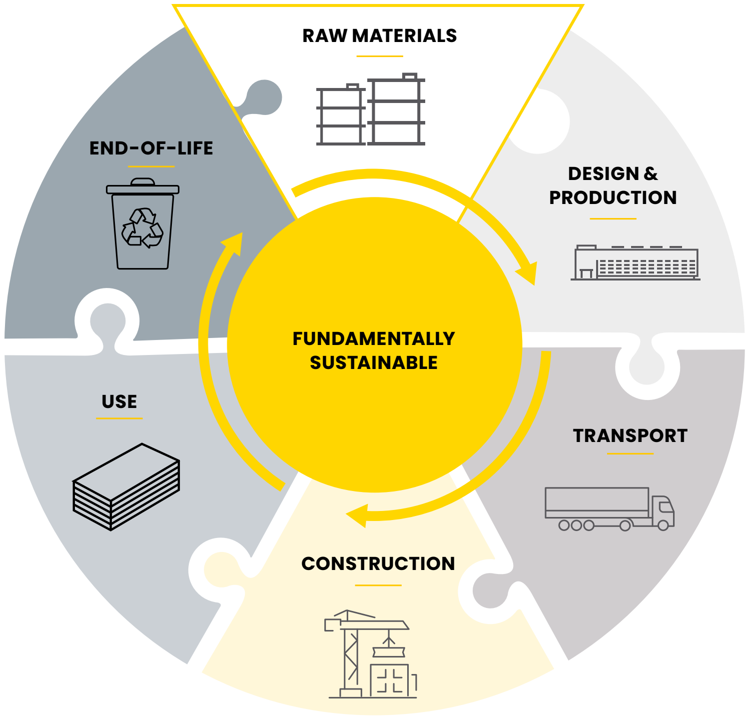






** Restated for Cat. 3.12, End-of-life treatment of sold products, with updated methodology (see section 4.1).*

5.3.5 E5-4 Resource inflows



5.3.5.1 Description of resource inflows

The main resource inflows used in the manufacturing processes include the following:

MDI AND POLYOL
These primary raw materials are used in the production of rigid polyurethane foams. MDI (Methylene Diphenyl Diisocyanate) serves as the isocyanate component, while polyols act as the reactive counterpart, forming the foam structure, in combination with additives. The inflow is closely monitored to optimise efficiency and minimise waste.

MINERAL WOOL
Mineral wool is utilised as an insulation material for the manufacturing of insulated panels.

STEEL
Steel, supplied in coils, is used in the manufacturing of insulated panels. Measures are in place to source steel with recycled content, reducing reliance on virgin materials.

PACKAGING
Packaging materials, such as PE foils, are used for the safe transportation and storage of products. Recticel Group prioritises sourcing recyclable and reusable packaging materials and minimises unnecessary packaging wherever possible.

→ There are no rare earth elements (REE) involved in our manufacturing processes.

→ As our manufacturing processes require very limited use of water, our water consumption is primarily for personal uses, such as eating, drinking, showering and sanitation.

→ Recticel Group is not a high energy consuming company, as demonstrated by its low Scope 1 and Scope 2 CO_2e.

5.3.5.2 Materiality data

Total weight of products, technical and biological materials used

YEAR	2024	2025
Weight (t)	268,744.6	289,169.7

Sustainably sourced biological materials utilised in the manufacturing of products

	CERTIFICATION SCHEME	2024	2025
MDI (mass balance) – see section 5.3.6	ISCC	0%*	0%
Paper for multilayer facing for insulation boards – see section 5.3.6	PEFC	97%	100%
% Sustainably sourced biological materials (and biofuels used for non-energy purposes)	-	1.9%	2.6%

** Recticel Group is promoting its new Impact® range of insulation boards, which offer a 25% reduction in CO_2e. However, the greenhouse gas reduction achieved through the mass balance approach has not yet been recognised by the EU as valid for inclusion in product Environmental Product Declarations (EPDs). As a result, downstream stakeholders (architects, contractors, engineers) cannot yet account for this reduction in their sustainability assessments. We anticipate greater market adoption once official approval is granted.*

ISCC Plus, developed by the International Sustainability & Carbon Certification, is a certification system aimed at promoting sustainability and reducing CO_2 emissions in the supply chains of various sectors, such as agriculture, food, biomass and bioenergy. It includes criteria relating to social, ecological and economic aspects, as well as the reduction of greenhouse gas emissions. Companies that are ISCC Plus certified, including Recticel Insulation, have demonstrated that they meet strict sustainability standards and handle renewable raw materials and CO_2 emissions responsibly.

PEFC, the Programme for the Endorsement of Forest Certification, is a leading global alliance of national forest certification systems, promoting sustainable forest management that is environmentally friendly, socially beneficial and economically viable, through independent third-party certification.

Secondary components and materials

	WEIGHT (T)	PERCENTAGE
Secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture our products (including packaging)	2024: 14,060.3 2025: 14,254.5	2024: 5.2% 2025: 4.9%

** Based on unweighted average of supplier-reported pre-and post-consumer content of mineral wool in our insulated panels and in our eco-packaging.*

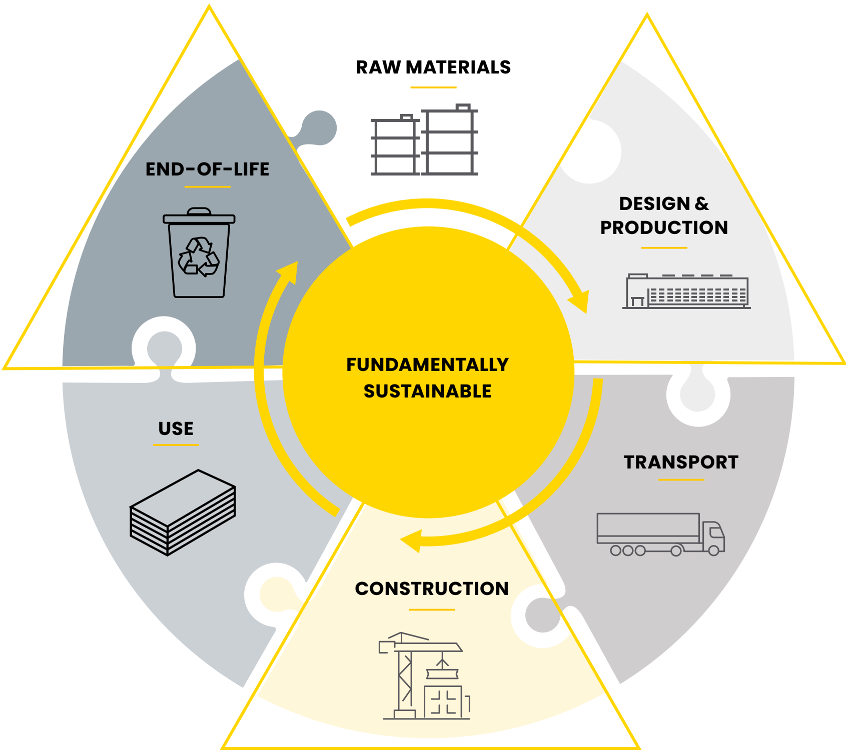
5.3.5.3 Contextual information on data methodologies and circular design criteria

All data are sourced from direct weighing systems for production offcuts, scrap materials and packaging waste. The collected data is classified into predefined categories such as polyurethane waste, mineral wool waste, steel waste, chemicals, plastic packaging, and others.

To determine and classify products designed along circular principles, Recticel Group applies the following criteria

Material recyclability	Products are assessed based on the recyclability of their primary components, such as polyurethane foam and steel.
Resource efficiency	The use of renewable or secondary (recycled) raw materials in product manufacturing is a key consideration.
Product longevity	Designs that extend the lifespan of products or materials through durability and reuse potential are prioritised.
End-of-Life recovery	Products designed to facilitate easy disassembly and material recovery at the end of their lifecycle are classified as circular.

5.3.6 E5-5 Resource outflows



5.3.6.1 Products and materials

Durability

INSULATION BOARDS
Recticel Group's thermal insulation boards are designed for a wide range of residential and non-residential applications. They provide highly effective insulation across the entire building envelope, including flat, tapered and pitched roofs, cavity walls, floors, internal linings and external wall insulation systems. These boards are valued for their excellent thermal performance, lightweight nature and durability.

Under normal construction conditions, they can last up to 60 years without significant degradation, although their lifespan depends on environmental factors and installation methods.

Key factors affecting durability:
- Moisture resistance: The closed-cell polyurethane structure minimises water absorption and any moisture-related deterioration.
- UV stability: Prolonged exposure to direct sunlight can cause surface degradation; protective coatings or facings are recommended for exposed applications.
- Mechanical resistance: A high strength-to-weight ratio ensures robustness under structural loads.
- Chemical resistance: Generally resistant to most chemicals but may degrade when exposed to strong solvents.

When properly installed and maintained, these boards have an industry-average lifespan of 50 years.

INSULATED PANELS
Metal-faced insulated panels are a prime example of prefabricated building materials that enhance energy efficiency. They are widely used for façade, wall and roof cladding, as well as for partition walls in industrial and commercial buildings. These panels consist of an insulating core (polyurethane or mineral wool) sandwiched between metal sheet facings, offering high load-bearing capacity, standardised technical performance and quick installation. Lightweight, cost-efficient and customisable, they help meet stringent building regulations and construction cost challenges.

When properly installed and maintained, these panels have an industry-average lifespan of 50 years.

Key factors affecting durability:
- Moisture and airtightness: Highly resistant to moisture ingress, preventing mould growth and insulation degradation.
- Protective facings: Metal cladding shields the insulation core from UV exposure, mechanical damage and environmental factors.
- Fire resistance: Provides high to excellent resistance to extreme temperatures, ensuring structural integrity in fire conditions.

The repairability of panels and boards is not relevant.

Rate of recyclability of end-products

Section 2.3.2 outlines the value chain of our business activities, including recycling options, which are explored in greater detail in section 5.3.3. Recticel Group's core business focuses on insulation boards and insulated panels, mainly composed of nearly 100% recyclable components, as shown in the table below. Similarly, our packaging is mainly composed of nearly 100% recyclable components, as outlined in the same table. However, while these products' recyclability is high, the end-of-life recycling rates remain modest due to varying national regulations and infrastructure.

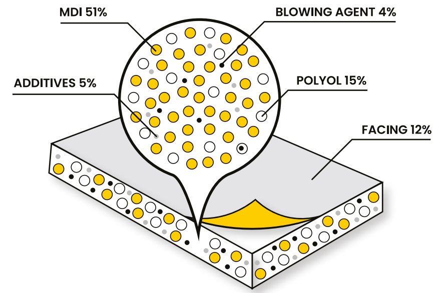
Recticel Group invested in a EUR 13 million chemical recycling facility for polyurethane waste to bridge this gap, an important step toward scaling circular solutions (see section 5.3.6.2). More industry initiatives are underway, with several expected to launch over the next 5–10 years. The growing incorporation of post-consumer steel and mineral wool into our base products underscores the increasing relevance and practical value of recyclability. Packaging material recycling is already well-established in our industry and is a common practice in our operations.

END-PRODUCT	COMPONENTS	RATE OF RECYCLABILITY		REFERENCE
		2024	2025	
Insulation boards Insulated panels	Mineral wool	99%	99%	Mineral wool manufacturers
	Steel	99%	99%	World Steel Association
	Rigid Polyurethane Foam	99%	99%	PU Europe, ISOPA
	Multilayers of insulation boards	0%	0%	-
Packaging	Stretch foil (LLDPE)	99%	99%	PlasticsEurope, RecyClass
	Cover foil (LDPE, HDPE)	99%	99%	PlasticsEurope, RecyClass
	EPS (Expanded polystyrene)	99%	99%	EPS Industry Alliance, PlasticsEurope

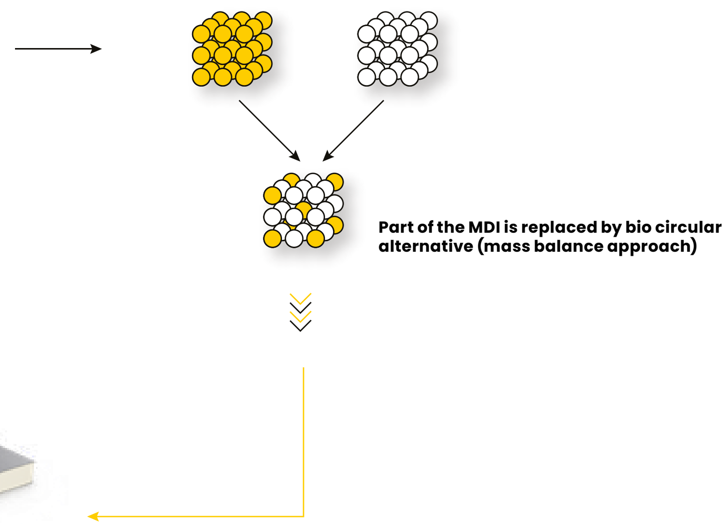
Portfolio examples

REPLACING MDI WITH BIO-CIRCULAR MATERIALS

Recticel Insulation's **Impact** range introduces insulation boards linked to 25% certified bio-circular content, aligned with the stringent International Sustainability & Carbon Certification (ISCC). These boards incorporate raw materials derived from bio-waste, such as used vegetable oils (with no impact on biodiversity), reducing their carbon footprint by 43%* compared to standard boards, while maintaining exceptional thermal and technical performance.
Eurowall Impact (for cavity wall insulation) and Eurothane Silver Impact (for flat roofs) deliver robust thermal efficiency, energy savings and reduced greenhouse gas emissions. Designed for easy handling and optimal comfort, these boards meet the same high standards as existing solutions, with PEFC-certified multilayer wood-fibre facings for sustainability.



Proportion of GHG emissions of PU rigid board (manufacturing process: approx. 13%)



Based on internal LCA calculations using the EN15804+A2 standard.

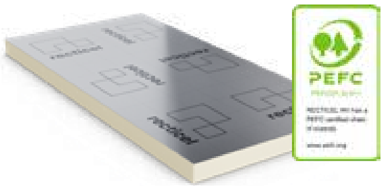
ECO-DESIGN

To simplify disassembly and enable efficient recycling, we have integrated a liquid coating between the layers of our insulation boards. This design feature allows for easy separation of materials at the end of the product's lifecycle, ensuring they remain undamaged and uncontaminated.

SWITCHING TO PEFC-CERTIFIED PAPER FOR MULTILAYER FACINGS

Recticel Insulation has further strengthened its commitment to responsible sourcing by fully transitioning to 100% PEFC-certified paper in the multilayer gastight facings of its polyurethane insulation boards in 2025. This milestone builds on the progress made in previous years to increase the share of sustainably sourced paper used in our products. By sourcing the paper layers from PEFC-certified forests, we support responsible forest management while reducing the environmental footprint of our materials.

The Programme for the Endorsement of Forest Certification (PEFC) is a globally recognised standard promoting sustainable forest management and traceability throughout the supply chain. Achieving 100% PEFC-certified paper in our multilayer facings ensures that the raw materials used originate from responsibly managed forests and controlled sources.



RE-ENGINEERED IP PIR INSULATION BOARDS

IP PIR is a thermal insulation board for use in concrete sandwich panels constructions for walls.

Recticel Insulation's RE-engineered IP PIR insulation board eliminates the aluminium facing, reducing the carbon footprint of the cladding by up to 40% and lowering the risk of corrosion. This innovation guarantees long-term performance with:

- Gas diffusion-tight behaviour, enhancing overall performance.
- Consistent long-term lambda values, ensuring reliable insulation efficiency.
- A lower carbon footprint in the final product.

POWERDECK+ LIGHT ROOF

Powerdeck+ Light Roof is specifically designed for renovating steel deck flat roofs with PIR insulation and integrating photovoltaic panels. It was created for the French market by Recticel Insulation in collaboration with the speciality chemicals company SIKA.

These thinner boards, offering the same λ value, maximise energy production on flat roofs while ensuring compliance with French regulations. The system is engineered to minimise both the carbon footprint and construction costs, delivering optimal performance and sustainability.

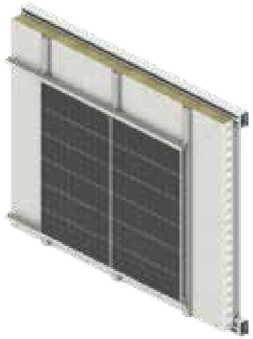
MINERAL WOOL INSULATED PANELS WITH POST-CONSUMER RECYCLED CONTENT

We already integrate up to 52% of recycled content into the manufacturing of our mineral wool insulated panels.

We are evaluating insulated panels made with post-consumer recycled mineral wool. This process involves collecting dismantled EOL panels and separating the steel and mineral wool components. The recycled mineral wool is then processed and incorporated into the production of new insulated panels, aiming to achieve 20% post-consumer recycled content.

BASE INSULATED PANEL

The BASE mineral wool insulated panel is a lightweight insulated façade system with high load-bearing capacity offering a sustainable alternative to concrete or brick walls, reducing embodied carbon and achieving up to 60% CO_2e savings for customers compared to conventional cladding systems. Additionally, final cladding can be applied during the building's operational phase.



ECO PACKAGING

We are shifting from virgin packaging materials to materials with recycled content and lower CO_2e emissions, such as:

- 30% recycled stretch foil
- 30% recycled cover foil
- 50% recycled EPS

QBISS ONE NEXT

The new Qbiss One Next and Trimoterm Next insulated panels set a new benchmark in sustainable construction, achieving up to 69% reduction in CO_2e emissions compared to conventional alternatives. Engineered with sustainable, low-carbon materials, these next-generation panels are paving the way toward a zero-carbon future.

5.3.6.2 Waste management

Recticel Group's waste is categorised into the following waste streams:

- Polyurethane: Includes production offcuts, scrap materials and defective insulation boards.
- Mineral wool: Primarily generated during the production of mineral wool-cored insulated panels.
- Steel: Comprises metal scraps from manufacturing processes.
- Chemicals: Encompasses process residues, expired chemicals and other hazardous substances.
- Packaging: Originates from material packaging, shipping materials and general packaging waste.
- Others: Includes miscellaneous waste types that do not fit into the above categories, such as non-hazardous general waste.

Current initiatives:

- Recycling polyurethane production waste for recovery of polyol suitable for the production of insulation boards (see section 5.3.1.1).
- Collecting production dust from saw lines and repurposing it for road construction applications.
- Implementing improved sampling procedures in the quality control lab to minimise polyurethane waste.
- Returning steel and mineral wool production scraps to their respective manufacturers.
- Partnerships with local waste management companies for collection and recycling, as part of mandatory and voluntary EPR schemes (Extended Producer Responsibility).
- Return and recovery of transport and sales packaging in various countries through contractual agreements.

Recticel Group does not generate any radioactive waste in its operations. Additionally, radioactive waste is not included in the total amount of hazardous waste reported or managed by the Recticel Group. The Company adheres to strict environmental and safety standards, ensuring that its waste management practices comply fully with all relevant regulations.

Polyurethane dust collection from saw lines and briquetting

Waste definitions

Waste data is primarily derived from gate weightings and invoices. Where direct measurements are unavailable, estimates are based on volume and best available knowledge.

TOTAL WASTE	The overall quantity of waste generated, including all disposal and recovery methods
REUSED WASTE	Waste that is repurposed without significant processing to extend its lifecycle.
RECYCLED WASTE	Waste that is processed into new materials or products, reducing raw material consumption.
WASTE FOR RECOVERY	Waste that is reused, recycled or otherwise diverted from disposal.
INCINERATED WASTE	Waste disposed of through combustion, with or without energy recovery.

Waste generated (in tonnes)

1. WASTE DIVERTED FROM DISPOSAL	2024 *	2025	%Δ
A. Hazardous waste	**3,428.1**	**62.9**	
Preparation for reuse	0.0	0.0	
Recycling	3,387.8	62.9	
Other recovery operations	40.3	0.0	
B. Non-hazardous waste	**6,614.4**	**10,892.9**	
Preparation for reuse	69.6	183.4	
Recycling	6,542.5	10,707.6	
Other recovery operations	2.3	1.9	
Total waste for recovery (A+B)	**10,042.5**	**10,955.8**	**9.1%**

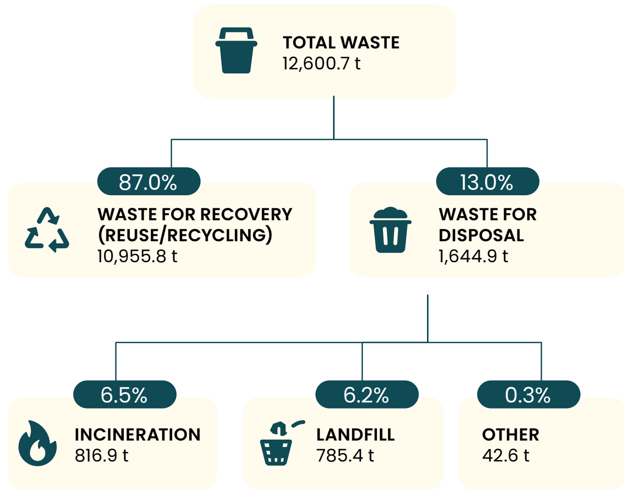
2. WASTE DIRECTED TO DISPOSAL	2024 *	2025	%Δ
A. Hazardous waste	**196.0**	**218.7**	
Incineration	145.6	178.8	
Landfill	0.1	0.0	
Other disposal operations	50.3	40.0	
B. Non-hazardous waste	**1,667.8**	**1,426.2**	
Incineration	651.8	638.1	
Landfill	932.1	785.4	
Other disposal operations	83.9	2.6	
Total waste for disposal (A+B)	**1,863.8**	**1,644.9**	**-11.7%**

Municipal and septic wastewater is not included in the reported tables. Recticel Group is using a very limited amount of water in its operations.

	2024 *	2025	%Δ
Total amount of non-recycled waste	**1,976.0**	**1,830.2**	**-7.4%**
Total percentage of non-recycled waste	**16.6%**	**14.5%**	**-2.1%**
Total percentage of disposed waste	**84.3%**	**86.9%**	**2.6%**
Total percentage non-recovered waste	**15.7%**	**13.1%**	**-2.6%**
Total percentage of waste to landfill	**7.8%**	**6.2%**	**-1.6%**
Total amount of waste generated (1+2)	**11,906.3**	**12,600.7**	**5.8%**

** Following a more comprehensive understanding of waste stream classification at our manufacturing facilities, we have revised the categorisation of waste. While the total amount of waste generated in 2024 remains unchanged, the classifications have been updated. This restatement ensures proper comparability with waste reported for 2025.*

2025 operational waste

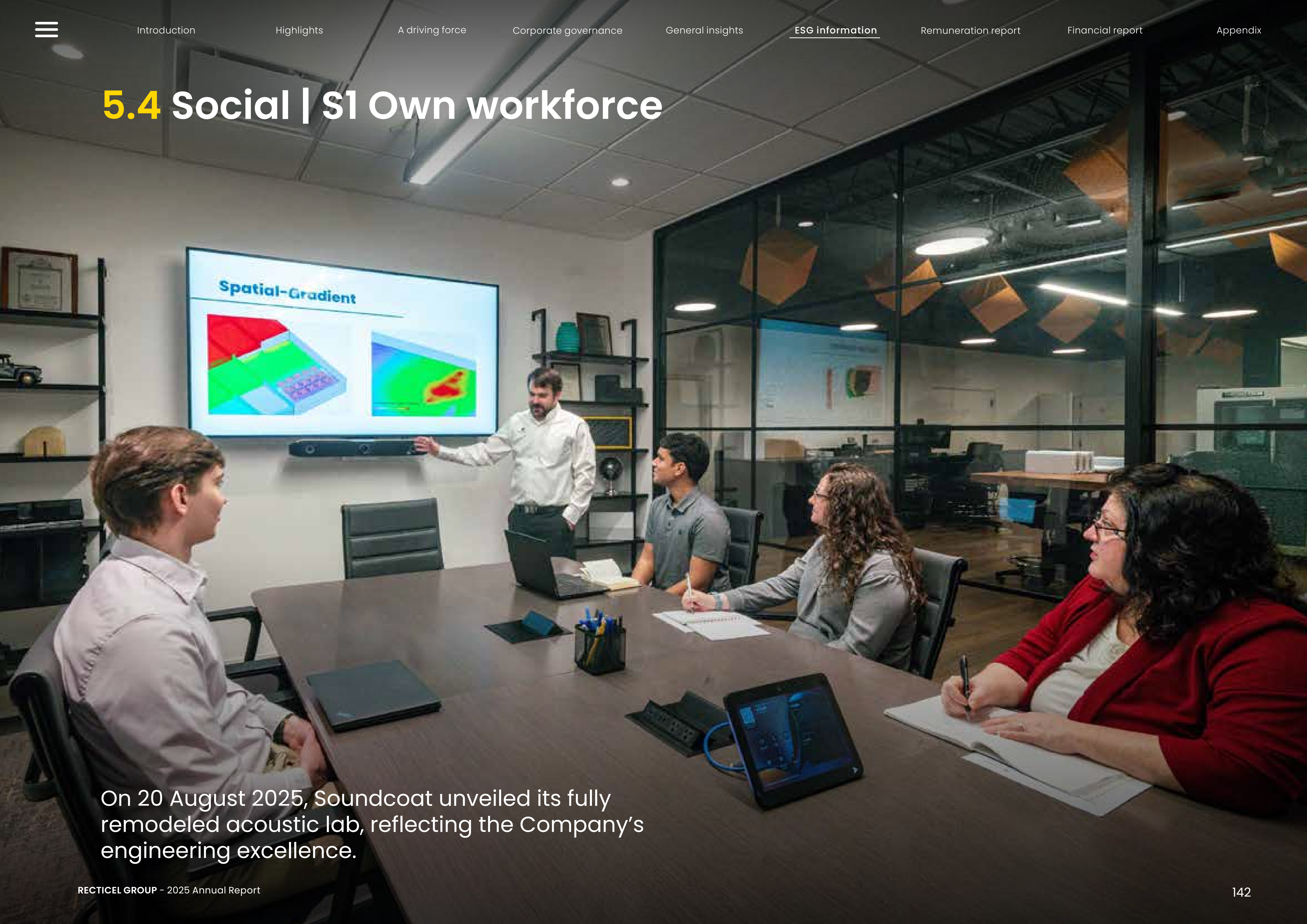


5.3.7 E5-6 Anticipated financial effects from material resource use and circular economy-related risks and opportunities

The anticipated financial effects from material resource use and circular economy-related risks and opportunities are not included in the 2025 Sustainability Statement. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772[2].

[2] https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en.

5.4 Social | S1 Own workforce



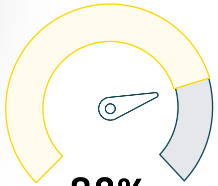
On 20 August 2025, Soundcoat unveiled its fully remodeled acoustic lab, reflecting the Company's engineering excellence.

5.4

IN THIS SECTION

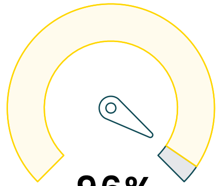
Recticel Group's success depends on our ability to maintain a diverse, motivated, skilled and well-protected workforce. We ground our efforts in a strong policy framework, providing clear guidelines and directly addressing health and safety, job satisfaction, well-being and skills development. We prioritise clear flows of information and feedback between management and employees.

Our internal HR and Health & Safety organisations ensure representation and local policy implementation for all operating companies, overseen by the Group Audit & Sustainability Committee.



82%

White-Collar Workers Satisfaction Level



96%

People managers trained/ retrained on running effective performance reviews

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The information provided in this section follows the structure of ESRS S1. Following the Double Materiality Assessment (see section 4.2), the following sub-topics were deemed not material and are therefore not reported upon:

- *ESRS S1-9, Diversity metrics;*
- *ESRS S1-12, Persons with disabilities;*
- *ESRS S1-16, Compensation metrics.*

Important note: The subsidiaries Kuras and Miclar, acquired respectively in November and December 2025, are not included in any of the topics covered under S1 Own workforce.

5.4.1 Material S1 IROs and their interaction with strategy and business model

A comprehensive examination of the material IROs associated with ESRS S1, including the IRO process description and their interaction with the strategy and business model, is provided in section 4.3, Navigating the landscape of risks and opportunities. Information on the results of the resilience analysis can be found in section 2.3.4, Resilience of our business model and strategy.

5.4.2 S1-1 Policies related to our own workforce

This section describes the policies adopted by Recticel Group to manage its material impacts on its workforce, as well as associated material risks and opportunities.

Once a policy is approved, it is implemented at the local level to ensure consistency, transparency, and effective execution across all operations. Each policy clearly defines its Scope and applicability, providing clear guidance for implementation. The Management Committee holds the responsibility for validating all policies, ensuring they align with Recticel Group's strategic objectives and regulatory requirements.

Overarching policies

- Code of Conduct
- Whistleblowing Policy
- Data Protection Policy
- Privacy Notice to employees

Specific policies

MATERIAL IMPACT 1	MATERIAL IMPACT 2	MATERIAL IMPACT 3
OCCUPATIONAL HEALTH & SAFETY	**JOB SATISFACTION & WELL-BEING**	**TRAINING & SKILLS DEVELOPMENT**
• Group HS&E Policy	• Performance Review Policy	• Group HR Policy • Performance Review Policy • Employee Training Procedure

Overarching policies

Group Code of Conduct
Our Code of Conduct was updated extensively in 2024.

Recticel Group upholds the highest standards of human rights, labour rights, safety, health and environmental protection and anti-corruption, aligning with international frameworks and regulatory requirements.

We have implemented due diligence policies to ensure compliance with the International Labour Organization (ILO) Conventions 1 to 8 and the UN Guiding Principles on Business and Human Rights. Our policies support fair labour practices, prevent discrimination and foster ethical working conditions across our entire workforce and supply chain. We also maintain strict measures to prevent human trafficking, forced labour or compulsory labour and child labour. These measures include risk-based assessments, grievance mechanisms, supplier reviews and assessments.

We strive to create an inclusive workplace that values diversity. Recticel Group ensures fair and transparent recruitment and employment practices, providing equal opportunities regardless of age, disability, gender reassignment, marital or civil partnership status, pregnancy and maternity, race, religion or belief, sex, sexual orientation or work hours.
Section 5.5.2 provides a detailed description of the principles that shape our ethical and compliant business practices, including our core values, Code of Conduct, Whistleblowing Policy and Governance targets and metrics.

Compliance with the Group Code of Conduct policy is supported through awareness training, internal audit and the whistleblowing system. The Compliance Committee plays a key role in monitoring adherence to the policy.

Whistleblowing Policy
Our Whistleblowing Policy was updated extensively in 2024 and incorporates the latest European requirements.
The Recticel Group Whistleblowing Policy encourages a culture of transparency and accountability by facilitating the reporting of actual or suspected misconduct in the business conduct or work-related behaviour of Recticel Group or any of its shareholders, managers, employees, self-employed service providers or contractors. The Whistleblowing Policy helps to maintain integrity and ethical standards in the workplace.

More information on the Whistleblowing Policy can be found in section 5.5.2.

Health, Safety & Environment (HS&E) Policy
Recticel Group conducts its business in a manner that prioritises the health and safety of its customers, employees, contractors and the general public. We uphold a culture of safety by ensuring that managers and employees are regularly informed and educated on health and safety regulations. We also allocate adequate resources to the identification, control and mitigation of health and safety risks associated with our operations, strictly adhering to all applicable laws and regulations in the countries where we operate.

The Recticel Group HS&E Policy, signed by the Chief Operations Officer (COO), defines strategic objectives to minimise all HS&E risks and environmental impacts inherent in the company's activities and products. The HS&E Policy extends beyond the basic obligation to comply with applicable health, safety and environmental regulations. It includes an accident prevention policy, ensuring that proactive measures are taken to prevent workplace incidents. Recticel Group monitors its health and safety performance through key performance indicators including Frequency 1 (Lost Time Accidents) and Frequency 2 (Lost Time Accidents + Restricted Work Cases + Medical Treatment Cases) metrics. An overview of our 2025 performance in relation to these metrics can be found in section 5.4.13.

In Recticel Group's operations, hazardous chemicals may be used for the production of insulation solutions. For example, rigid polyurethane foam is produced through an exothermic reaction between a polyol and an isocyanate. Adhesives are also used in the manufacturing process. Strict policies and procedures are in place to protect the health and safety of employees at all times. Before any new chemical product is introduced into production, it must be approved by the local HS&E manager. Additionally, all chemicals are stored safely and are subject to regular inspections. Safety Data Sheets (SDS) are readily available in the production areas for consultation at any time.

To ensure continuous improvement, Recticel Group conducts root cause analyses and implements corrective and preventive actions for critical operations. Our foaming sites adhere to stringent regulatory frameworks, including SEVESO and COMAH directives, and our plants operate within environmental management systems. In 2025, seven out of 11 manufacturing sites (on 31.10.2025) held an ISO 14001 certification.

Beyond workplace safety, we are dedicated to upholding fundamental human rights within our workforce.

Recticel Group explicitly prohibits human trafficking, forced or compulsory labour and child labour, in line with international labour standards. These commitments are embedded within our policies and operational procedures to ensure ethical business practices.

Recticel Group ensures that its HS&E Policy is accessible to all relevant stakeholders, including those potentially affected by its operations and those responsible for implementing the policy. The policy is communicated internally and externally to reinforce compliance and shared responsibility for health, safety, and environmental standards.

The Company actively promotes safety awareness through initiatives like the global 'Simply Safe' programme, which stipulates Golden Safety Principles and Rules. The '**Stop. Think. Act!**' slogan underpinning the programme emphasises the importance of pausing to assess risks before undertaking tasks and stimulates habits that ensure a safer working environment.

An external legal HS&E audit is conducted every three years.

Data Protection Policy and Privacy Notice to employees
The Data Protection Policy establishes a minimum standard for processing personal data in any form by any Recticel Group subsidiary. It is an addition to all applicable national and international laws and regulations. It is based on the EU legislation.

The Privacy Notice to employees explains why and how Recticel Group collects information about its personnel, how Recticel Group protects such information and for how long Recticel Group retains it. Recticel Group keeps the data of its personnel as safe and secure as reasonably possible, protecting it against loss and unauthorised disclosure or access. Recticel Group handles personal data of its personnel in strict compliance with applicable data protection laws, in particular the General Data Protection Regulation 2016/679 of 27 April 2016 (GDPR).

Specific policies

HR Policy
The Group HR Policy explains how the Human Resources department contributes to the execution of the business strategy through 10 core functions, including Employee Development, Learning and Employee Well-being. It also explains the HR organisational structure, the different roles and their responsibilities, at local and Group level.

This HR Policy and the related procedures apply to the Recticel Group and its direct and/or indirect affiliates, excluding Joint Ventures.

Performance Review Policy
This policy is chiefly implemented through the Employee Performance Management Discussion (EPMD), whose objective is to define the principles, process and responsibilities to conduct effective annual performance management discussions with all white-collar employees across the Recticel Group. This procedure also describes how the performance of all white-collar employees is assessed, monitored and documented.

The EPMD procedure highlights Recticel Group's strong commitment to carrying out a regular feedback dialogue with its employees in a fair and consistent way that creates trust among employees and strengthens a culture of open and transparent discussion in the company.

The EPMD procedure applies to the Recticel Group and its direct and/or indirect affiliates, excluding Joint Ventures, and is relevant for all white-collar employees. It is not applicable for blue-collar workers.

Employee Training Procedure (ETP)
The objective of the ETP is to explain the Recticel Group's approach to employee training. It describes how the need for employee training is identified, carried out, monitored and evaluated. It outlines the roles and responsibilities of each party (employee, manager, "grandparent" and HR) and the process to identify, request, attend and assess training and development activities.

This Employee Training Procedure and the related procedures apply to all white-collar employees of Recticel Group and its direct and/or indirect affiliates, excluding Joint Ventures.

"We are committed to a culture of continuous learning that enhances job satisfaction, drives motivation and strengthens employee retention. Our goal is to provide every employee with the tools and opportunities they need to develop professionally and contribute meaningfully to our organisation."

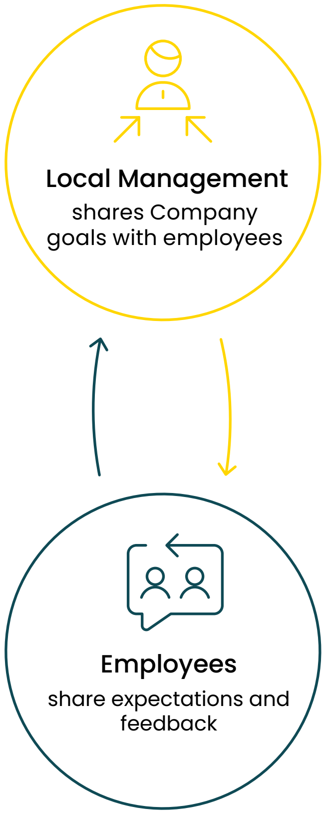
- Lionel De Leener
Recticel Group Reward & Talent Director

5.4.3 S1-2 Process for engaging with workers and workers' representatives about impacts

This section describes the general processes whereby Recticel Group engages with its workforce and its representatives about actual and potential impacts on its workers. It explains how our own workforce's perspectives are taken into account in the Group's decision-making process in order to manage actual or potential impacts on employees.

Recticel Group actively promotes a positive employer image and ensures transparency in employment practices. Our approach includes:

- Fostering open dialogue with employees and their representatives on the Company's strategy and performance, business developments and workforce-related concerns.
- Implementing proactive measures to reduce the environmental and health impact of our operations.



Local management teams play a pivotal role in cultivating positive employee relations. They facilitate regular updates on Company objectives, ensuring that employees understand their roles in the pursuit of strategic goals. Employees are encouraged to share their expectations and feedback, contributing to a collaborative work environment.

As part of our engagement strategy, Recticel Group conducts an annual Employee Performance Management Discussion (EPMD) for white-collar employees. This process provides employees with an opportunity to reflect on their work experiences, including task management, workload and workplace relationships. Employees expressing concerns can propose solutions to their direct managers and, if necessary, escalate issues to their local HR representatives for further discussion and resolution.

Recticel Group actively engages with social partners throughout the year at both local country and European levels to ensure effective communication and consultation.

In countries where a works council is mandated by law, regular meetings are held to discuss and consult on key workforce matters. Local HR management oversees the works council process, ensuring compliance with legal and organisational standards. In countries without a works council the same processes are implemented through the local management and HR team.

Recticel Group has established a European Works Council (EWC) that meets at least once a year, with additional restricted committee meetings convened when needed. Sustainability is a standing agenda item at these meetings. The September 2025 EWC meeting focused on Recticel Group's alignment with the ESRS reporting standards under the CSRD, the impact of the Omnibus "stop-the-clock" Directive, environmental risks, our GHG performance in relation to our SBTi commitment, and the new Construction Products Regulation (CPR). The Chief Human Resources Officer oversees the EWC process, ensuring that employee voices are heard at the highest levels of corporate decision-making.

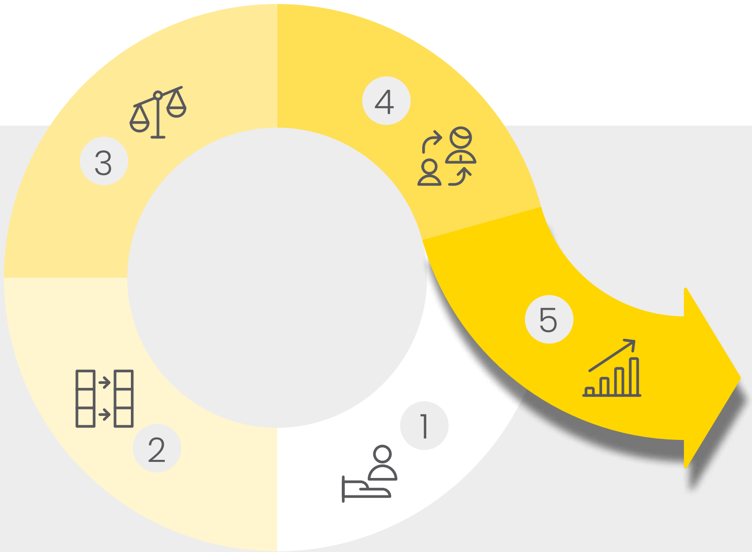
The Recticel Group Code of Conduct is applicable in all countries where we operate (see section 5.4.2). It was prepared in consultation with the local Works Councils in Finland, France, Belgium and Slovenia, and discussed at the European Works Council. It describes our commitment to uphold and promote sustainable development practices across all Recticel Group's operations and those of its subsidiaries, suppliers and contractors, including respecting the human rights of its own workforce. We engage directly with our workforce to understand and address potential and actual impacts.

5.4.4 S1-3 Process to remediate negative impacts and channels for own workers to raise concerns

This section explains the formal means and channels by which Recticel Group's workforce can make their concerns and needs known directly.

At Recticel Group, we recognise our responsibility to identify, prevent and remediate any negative impacts on workers, communities and other stakeholders that may arise from our business activities. We make sure that all employees have access to transparent and effective internal and external channels to voice concerns and seek remediation, freely and safely, without fear of repercussions. We promote these channels via internal communication to ensure that employees are aware of their availability.

Recticel Group actively encourages employees to share feedback, voice concerns and engage with the organisation through both formal and informal meetings with managers, the HR community and other stakeholders. Frequent use of the Trusted Advisor, where available, and the HR representatives highlights the effectiveness and credibility of these channels as trusted mechanisms for raising concerns.



1. Raising a concern or grievance
Recticel Group ensures that all employees, regardless of role or location, can freely raise concerns through multiple secure and accessible channels. These include: our Whistleblowing Policy (as described in section 5.5.2); open-door policies with HR representatives and worker councils allowing employees to discuss concerns without fear of retaliation; and active solicitation of feedback through performance reviews, allowing concerns to be identified and addressed proactively.

Employees wishing to raise a concern or grievance are encouraged to address it first with their direct manager or HR representative. If a solution cannot be found that satisfies all parties, the concern can be escalated to the manager's manager ("grandparent principle") and/or the Country or Group HR organisation. In countries where a works council is in place, the employee can also choose to consult with their workers' representative. In addition, the employee may raise their concern using the procedure described in the Whistleblowing Policy.

Depending on local legislation, some countries have a confidential advisor in place to support and advise any employee experiencing a psychosocial problem at work (e.g. stress, bullying, trauma, alcohol or drug-related issues). This is the case in Belgium and Finland. The confidential advisor can also mediate if requested to do so by the employee. In other countries, the HR organisation is the point of contact for employees. If desired, employees can be referred to counselling organisations.

2. Remediation process for negative impacts
We have established a structured organisational framework to address any adverse impacts related to labour rights, workplace conditions or ethical concerns. Our remediation process includes:
- Early identification
- Internal assessments to identify potential or actual negative impacts on workers
- Ensuring compliance with labour rights, environmental, health and safety regulations

Information on incidents and complaints is provided in section 5.4.15, S1-17. .

3. Corrective and preventive actions
In the event of a negative impact being identified, a dedicated task force will investigate and propose corrective measures. Action plans are implemented with clear timelines, responsibilities and follow-up assessments.

4. Worker involvement and redress mechanisms
Any worker affected by a negative impact has access to fair and timely remediation through internal grievance procedures.

Retraining, reallocation or workplace adjustments are provided where necessary to restore the impacted individual's rights and well-being.

5. Commitment to continuous improvement
We continuously evaluate and enhance our remediation processes and reporting mechanisms to align with international labour standards and best practices. All reports and concerns are reviewed by senior management and outcomes are communicated transparently to relevant stakeholders.

5.4.5 S1-4 Taking action on material impacts on own workforce

This section describes the actions whereby Recticel Group:

- prevents, mitigates and remediates HSE issues (material impact 1) and job dissatisfaction (material impact 2), and
- enhances the skills of its workforce (material impact 3).

During the reporting year, Recticel Group implemented various initiatives across all its operational activities and geographies aimed at delivering positive outcomes for its entire workforce. These included employee training and development programmes and enhanced health and safety measures.

Data use across Recticel Group respects employee privacy and adheres to GDPR and other applicable data protection regulations. Systems are in place to ensure that workforce data is used solely for legitimate business or HR purposes, and not in ways that could lead to discrimination, surveillance concerns or breaches of trust.

The Group Code of Conduct outlines the conditions under which business relationships may be terminated, specifically in cases of systematic non-compliance with human rights standards and when impacts cannot be mitigated through collaborative action plans.

General governance and oversight
The Audit & Sustainability Committee is the highest governing body responsible for overseeing material topics identified through the Double Materiality Assessment related to ESRS S1 – Own Workforce, including:

- Occupational health and safety
- Job satisfaction and well-being
- Training and skills development

To effectively manage these priorities, structured Health & Safety and HR organisations have been established, ensuring that all operating countries have dedicated representatives to oversee and implement key workforce policies.

Taking action to prevent, mitigate and remediate HSE issues
Recticel Group is committed to preventing, mitigating and remediating any negative impacts on its workforce through proactive governance, risk management, compliance and continuous improvement initiatives. The following measures were implemented to address material risks, ensure positive impacts and evaluate the effectiveness of these efforts.

HEALTH, SAFETY AND WELL-BEING
Recticel Group has a set of measures in place to protect and promote employee health, safety and well-being. These include:

- Comprehensive health & safety programmes supported by regular training sessions and emergency preparedness drills to prevent workplace accidents and illnesses.
- Mental health resources, including confidential counselling services, to help address workplace-related challenges.
- Engaging employees during the transition to a greener, climate-neutral economy, through counselling, communication and involvement.

RISK ASSESSMENT AND MITIGATION
We conduct risk assessments to proactively identify workplace hazards and potential vulnerabilities. This process involves:

- Systematic hazard identification: using site-specific evaluations, employee feedback and industry best practices.
- Impact assessment: analysing risks related to physical safety, mental well-
being and job stability in the context of business transformations.
- Action planning: developing and executing mitigation strategies, such as enhanced safety measures, upskilling programmes and ergonomic workplace improvements.

Taking action to prevent, mitigate and remediate job dissatisfaction
Recticel Group ensures full adherence to labour laws and international ethical standards to mitigate legal and reputational risks.

A Code of Conduct is enforced, with mandatory ethics training provided to all white-collar employees to promote integrity and workplace respect. Anti-discrimination policies are implemented to create an equitable work environment.

Fair and equitable wages are maintained through compliance with the applicable local legislation and collective bargaining agreements. Remuneration structures are established on the basis of gender-neutral job evaluation standards. Salaries are also regularly benchmarked internally and externally to ensure financial security and job satisfaction. Structured recognition and reward systems help us to retain top talent, driving motivation and long-term engagement. We also offer flexible work arrangements, including remote work options, making a positive contribution to work-life balance and job satisfaction.

Grievance mechanisms including whistleblowing channels and anonymous reporting systems enable employees to voice concerns confidentially and ensure timely

resolution. For more information on reporting and remediation processes, see section 5.4.4.

In addition, during the annual performance review cycle (EPMD), white collar employees are invited to reflect on their daily work, including content, workload and relationships. Employees complete this section on a voluntary basis. Their answers are shared with their manager, their "grandparent" and HR. If an employee is not satisfied with his/her situation at work, he/she may also ask to meet with his/her local HR representative.

Recticel Group promotes responsible business conduct by aligning its sales practices with ethical standards, avoiding unrealistic targets and incentive structures to ensure fairness, balanced workloads and integrity in all operations.

Taking action to enhance the skills of our workforce

Recticel Group has integrated learning and development into its corporate strategy. By ensuring a skilled, engaged and future-ready workforce, we strengthen our ability to innovate and sustain long-term business success.

We are committed to a culture of continuous learning that enhances job satisfaction, drives motivation and strengthens employee retention. Our goal is to provide every employee with the tools and opportunities they need to develop professionally and contribute meaningfully to our organisation.

During the annual Employee Performance Management Discussion (EPMD), white-collar employees are invited to evaluate their experience of their daily work in terms of content, workload, relationships, etc.

This is an individual discussion between the manager and his/her employees. It is mandatory for all the Group's white-collar workers and takes place at the beginning of the reporting year. The EPMD is supported by a structured form hosted on the Group HR information system (HR4U, enabled by SAP SuccessFactors). As well as evaluating the employee's performance, the EPMD focuses on how the employee exhibits the core values and behaviours of the Group, the people management skills of the employee, his/her career aspirations and his/her past and future development needs. During this annual discussion with their manager, employees are encouraged to actively shape their own development journeys by selecting learning opportunities that align with their roles and aspirations. If an employee reports dissatisfaction with their situation at work, they can suggest possible solutions to their direct manager and can also request a meeting with their local HR representative.

A non-mandatory mid-year review is offered to discuss the progress made against the Personal Objectives that were set for the year.

During the EPMD, appropriate learning formats are also identified. Several options are available:

- External and internal training courses
- On-the-job coaching, mentoring and learning
- Seminars, conferences and networking opportunities
- E-learning modules and digital knowledge-sharing platforms
- Peer-to-peer learning and best practice exchanges
- TECUN – Recticel Group Technical University

TECUN is the dedicated e-learning platform of the Recticel Group, designed to enhance employees' technical expertise. It enables on-demand learning, allowing employees to access materials at their own pace, while also supporting the measurement of outcomes and fostering continuous improvement. By strengthening product and application knowledge across teams, TECUN promotes cross-functional skills development in line with evolving industry needs.

5.4.6 S1-5 Targets and managing material impacts, risks and opportunities

This section describes the time-bound and outcome-oriented targets of Recticel Group for each material impact on its workforce.

All targets relating to S1 Own workforce are set by the Management Committee, considering the impact it has on our workforce and alignment with our core values. Engagement of our own workforce and workforce representatives in target setting is facilitated through information sharing and discussion with the European Works Council on an annual basis. The same procedure applies to engagement in tracking performance against targets and to identifying lessons or improvements as a result of the Company's performance.

Our process for managing material impacts, risks and opportunities is described in section 4.3.

Health and Safety targets

Recticel Group is firmly committed to safeguarding the health and safety of its employees. Managers and employees receive regular training and instruction on health and safety matters. The Company also dedicates adequate resources to the identification, management and mitigation of risks in alignment with applicable laws and standards.

All direct Recticel Group employees are covered by our health & safety management system. We report on a series of health & safety KPIs, and the resulting metrics for our 2025 performance are provided in section 5.4.13. Whilst our set target is less than two for Frequency 1[3] incidents,our overarching ambition is to have zero accidents.

Job satisfaction and well-being targets

White-collar employees can report on their job satisfaction during the annual performance review cycle (EPMD). This helps in identifying areas of improvement and taking necessary actions to enhance employee well-being.

In 2025, the level of satisfaction measured among white-collar employees during the EPMD was 82%. The Group's ambition is to reach 85% in 2028.

	UNSATISFIED	SATISFIED	NO ANSWER	REPORTING SCOPE
EPMD 2024 (base year)	4%	77%	18%	Recticel Group (excl. Turvac, Rex)
EPMD 2025	4%	82%	13%	Recticel Group (excl. Kuras, Miclar)
EPMD 2028 (target)		85%		Recticel Group

The level of satisfaction is measured on the basis of the answers provided by white-collar employees in the EPMD form during the annual performance review. This process takes places in the first quarter of each reporting year.

[3] *Frequency 1 = Number of Lost Time Accidents x 1,000,000 / number of hours performed.*

Training and skills development targets

Recticel Group will continue to ensure that its entire white-collar population is covered by the EPMD process. In 2025, the white-collar employees of the Rex business acquired in 2024 were included in this process, together with the white-collar employees of Turvac.

To facilitate continuation of the EPMD process, Recticel Group will specifically train and retrain line managers on running effective performance reviews, with a focus on skills gap identification. The KPI will be the proportion of people managers trained, with the aim to reach 100% by the end of 2027.

In addition, the members of the Recticel Group HR community will be retrained to successfully perform training needs analyses.

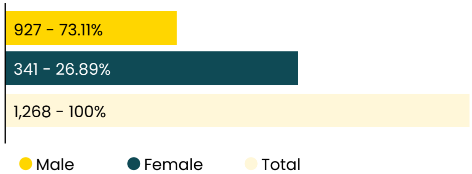
	EPMD WHITE-COLLAR EMPLOYEES		RUNNING EFFECTIVE PERFORMANCE REVIEWS		SUCCESSFULLY PERFORMING TRAINING NEEDS ANALYSES	
	WHITE-COLLAR COVERAGE IN HR4U	REPORTING SCOPE	PROPORTION OF PEOPLE MANAGERS (RE)TRAINED	REPORTING SCOPE	PROPORTION OF HR COMMUNITY MEMBERS RETRAINED	REPORTING SCOPE
2024 (base year)	84%	Recticel Group	72%	Recticel Group	0%	Recticel Group
2025	97%	Recticel Group (excl. Kuras, Miclar)	96%	Recticel Group (excl. Kuras, Miclar)	100%	Recticel Group (excl. Kuras, Miclar)
2027 (target)	100%	Recticel Group	100%	Recticel Group	100%	Recticel Group

5.4.7 S1-6 Characteristics of the undertaking's employees

Recticel Group is a Belgian insulation company with a strong presence in Europe and the US, and production sites in Belgium, France, Finland, Serbia, Slovenia, the United Kingdom and the US. On 31 December 2025, Recticel Group employed 1,311 people, including the newly acquired subsidiaries Kuras and Miclar.

The reported data refer to the end of the reporting period (31 December 2025). Except for graph 2, Employee headcount per country, the 2025 reported data do not include Kuras and Miclar.

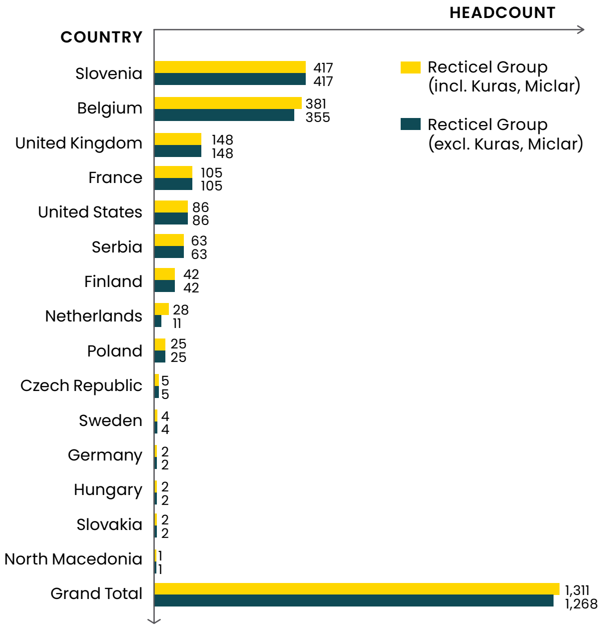
1. Number of employees (headcount by gender)



Scope 2025: Recticel Group (excl. Kuras, Miclar)

2. Employee headcount per country, on 31.12.2025

The graph below shows the total number of employees by country. 6 out of the 15 countries have at least 50 employees and each account for at least 10% of the total workforce: Slovenia, Belgium, UK, France, USA, Serbia.

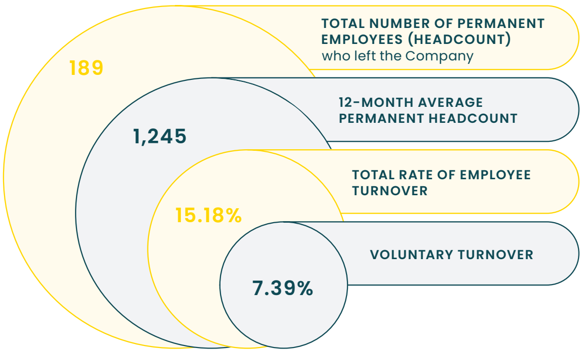


3. Employee headcount by contract type, broken down by gender, on 31.12.2025

	Female		Male		Total	
	2024	2025	2024	2025	2024	2025
Number of employees	343	341	932	927	1,275	1,268
Number of permanent employees	333	330	906	915	1,239	1,245
Number of temporary employees	10	11	26	12	36	23
Number of non-guaranteed hours employees	0	0	0	0	0	0

Scope 2024: Recticel Group
Scope 2025: Recticel Group (excl. Kuras, Miclar)

4. Employee turnover rate during 2025



The total employee headcount as of December 31, 2025, was 1,268 (excl. Kuras, Miclar), which differs from the information reported in the Financial Statement under section 7.2.6.7, Staff. There, we report the average number of employees (1,278, full-time equivalent) on a consolidated basis, excluding Joint Ventures.

Accounting policies – employee data

Headcount
includes the total number of employees, regardless of their full-time or part-time status, and regardless of the permanent or temporary nature of their contract. The reported headcount is per 31/12/2025.

Average headcount

is a 12-month average of the permanent headcount of the Recticel Group.

Full-time equivalents (FTE)

represent the ratio of an employee's contractual hours to the standard full-time hours for the same role and country. FTE figures are disclosed in the financial statements (section 7.2.6.7). The average FTE is calculated per legal entity as a monthly average over the year, based on end-of-month data. Both headcount and FTE figures include permanent and temporary employees on local payrolls, as well as inactive employees on sick leave or parental leave.

Gender data

is reported based on actual headcount, without estimations. All employee data is centrally managed in accordance with GDPR guidelines and encompasses the entire workforce. Permanent employees are defined as those with open-ended contracts, whereas temporary employees have fixed-term contracts, which may be extended.

Employee turnover

reflects the number of employees who exited Recticel Group during the reporting year. Total turnover is calculated as the total number of departures divided by the average (permanent) headcount for the year. Resignations are recorded from the month in which the employee resigned. All other departures are recorded from the month in which the employee officially leaves Recticel Group.

Total rate of employee turnover

corresponds to the total number of departures divided by the average (permanent) headcount for the year. It includes resignations, terminations, retirement and death in service.

5.4.8 S1-7 Characteristics of non-employees in the Recticel Group own workforce

The characteristics of non-employees in the Recticel Group own workforce are not included in the 2025 Sustainability Statement. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772.[4]

5.4.9 S1-8 Collective bargaining coverage and social dialogue

Recticel Group recognises the right of every employee to join or to refrain from joining a trade union. The Company encourages open communication with employees and their representatives and complies with the laws and collective labour agreements of every country in which it operates. Where applicable laws, collective labour agreements, and the Recticel Group Code of Conduct set different standards, the most stringent requirement will be applied.

Recticel Group supports the principles of the United Nations Universal Declaration of Human Rights and the conventions and recommendations of the International Labour Organization.

Recticel Group does not currently track specific metrics related to freedom of association.

For more information about Recticel Group's social dialogue, see section 5.4.3.

Collective bargaining coverage
- 73% of our total employees are covered by collective bargaining agreements.
- In the EEA, Recticel Group has several collective bargaining agreements in place.

Social dialogue
- Globally, 61% of our employees are covered by workers' representatives.
- An agreement exists with our employees for representation by a European Works Council.

[4] *https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en*

Countries with a collective bargaining agreement in place

	COLLECTIVE BARGAINING COVERAGE (HEADCOUNT)		SOCIAL DIALOGUE
Coverage rate	EMPLOYEES – EEA (FOR COUNTRIES WITH > 50 EMPLOYEES REPRESENTING >10% TOTAL EMPLOYEES)	EMPLOYEES – NON-EEA (ESTIMATES FOR REGIONS WITH > 50 EMPLOYEES REPRESENTING >10% TOTAL EMPLOYEES)	WORKPLACE REPRESENTATION (EEA ONLY) (FOR COUNTRIES WITH > 50 EMPLOYEES REPRESENTING >10% TOTAL EMPLOYEES)
0-19%	-	-	-
20-39%	-	-	-
40-59%	-	-	-
60-79%	-	-	Belgium
80-100%	Belgium, Slovenia	-	Slovenia

The table only includes countries with a collective bargaining agreement in place.

Recticel Group monitors collective bargaining coverage and social dialogue through internal reporting and ongoing engagement with employee representatives. This includes tracking the percentage of employees covered by collective agreements, the frequency and outcomes of social dialogue meetings, and the resolution of labour-related concerns. No assumptions behind each metric related to collective bargaining coverage and social dialogue were applied.

5.4.10 S1-10 Adequate wages

Recticel Group ensures that all employees receive fair and adequate wages in line with industry standards, local labour market conditions and applicable collective bargaining agreements. Compensation practices are regularly reviewed to maintain internal equity and external competitiveness. As of 31 December 2025, employees of Kuras and Miclar had not yet been included in the Group's programmes or benefits.

While Recticel Group does not publicly disclose wage-related metrics, wage adequacy is continuously evaluated through structured benchmarking, compliance with collective labour agreements and adherence to local regulatory requirements. These processes help the Company to monitor performance and effectiveness in managing the material risks and impacts associated with employee compensation, while promoting equitable and competitive remuneration across all operations.

Recticel Group's remuneration practices are designed to attract, retain and motivate individuals who drive the successful execution of the Company's business strategy. These practices aim to promote high performance while ensuring that underperformance is not rewarded. Compensation is managed globally in accordance with Recticel Group's established standards, which are formalised in procedures such as the salary review and bonus procedures.

Recticel Group takes a holistic approach to remuneration, aligning its various components – including base pay, incentives, benefits and perquisites – to reinforce and reward desired behaviours. Regular benchmarking against local and international markets ensures that remuneration levels remain competitive and appropriate.

The Company complies with all applicable laws, including minimum wage requirements, as well as collective labour agreements in every country where it operates. In cases where applicable laws, collective agreements and the Recticel Group Code of Conduct provide differing standards, the most stringent regulation is applied.

Recticel Group upholds the principles of the United Nations Universal Declaration of Human Rights and adheres to the conventions and recommendations of the International Labour Organization.

5.4.11 S1-11 Social protection

All employees of the Recticel Group are covered by social protection against loss of income due to major life events, through public programmes or benefits offered by the Group. Major life events encompass sickness, unemployment, employment injury and acquired disability, parental leave and retirement. As of 31 December 2025, employees of Kuras and Miclar had not yet been included in the Group's programmes or benefits.

Recticel Group recognises that extra-legal benefits play an important role in maintaining a healthy workforce, providing employees with a safety net and providing income at retirement.

Recticel Group complies with the laws and the collective labour agreements in all countries in which it operates. When the applicable law, the collective labour agreements and the Recticel Group Code of Conduct specify diverging standards, the most stringent regulation will be applied.

5.4.12 S1-13 Training and skills development metrics

The characteristics of training and skills development metrics in the Recticel Group are not included in the 2025 Sustainability Statement. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772.[5]

[5] *https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en*

5.4.13 S1-14 Health and safety metrics

Recticel Group operates with a steadfast commitment to safeguarding the health and safety of its customers, employees, contractors and the general public. The Company ensures that managers and employees are regularly educated on health and safety regulations, and dedicates sufficient resources to the identification, management and mitigation of risks in alignment with applicable laws and standards.

The S1-14 Health & Safety results for non-employees are not included in the 2025 Sustainability Statement, as phased implementation is permitted. We have aligned our reporting for own workers with the CSRD disclosure requirements to ensure comparability in the coming years.

Table 1. Percentage own workers covered by Recticel Group's health and safety management system based on legal requirements and/or recognised standards or guidelines

2024	2025
91.1%	91.4%
Scope: Recticel Group (own workers)	Scope: Recticel Group (excl. Kuras, Miclar) (own workers)

Table 2. Number of fatalities as a result of work-related injuries and work-related ill health

2024	2025
0	0
Scope: Recticel Group (own workers)	Scope: Recticel Group (excl. Kuras, Miclar) (own workers)

Table 3. Number and rate of recordable work-related accidents

	2024	2025
Number	18	36
Rate	7	15
	Scope: Recticel Group (own workers)	Scope: Recticel Group (excl. Kuras, Miclar) (own workers)

Table 4. Number of cases of recordable work-related ill health

2024	2025
0	0
Scope: Recticel Group (own workers)	Scope: Recticel Group (excl. Kuras, Miclar) (own workers)

Table 5. Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health

2024	2025
493	528
Scope: Recticel Group (own workers)	Scope: Recticel Group (excl. Kuras, Miclar) (own workers)

Table 6. Recticel Group safety KPIs

When we introduced our sustainability strategy in 2015, safety was selected as a material topic, with the ambition of reducing the impacts of our activities and products. The Recticel Group Safety KPIs below clarify our targets and results.

Recticel Group continues to reinforce the message across all its sites that safety should never be compromised. Since the Frequency 1 KPI only accounts for lost-time accidents, we introduced an additional KPI which also considers incidents leading to modified work or requiring medical treatment.

Safety KPI data is collected on a monthly basis by the local HS&E organisation and shared with the local and Group management teams. The Annual Report data are consolidated on 31 December 2025.

KPI	2024	2025	TARGET 2030	DEFINITION
Frequency 1 (Lost Time Accidents)	4.5	9.3	≤ 2	Definition: Number of Lost Time Accidents x 1,000,000 / number of hours performed
Frequency 2 (Lost Time Accidents + Restricted Work Cases + Medical Treatment Cases)	7	14.5	≤ 5	Definition: Number of [Lost Time Accidents + Restricted Work Cases + Medical Treatment Cases] x 1 million / number of hours performed
	Scope: Recticel Group (own workers)	Scope: Recticel Group (excl. Kuras, Miclar) (own workers)		

Working hours calculation

The working hours of own workers (contractual employees) are calculated based on payroll data and reflect the total actual hours worked as defined in the employee contract. Overtime is excluded from this calculation. A portion of the working hours data is estimated.

What is a Lost Time Accident?

It is a work-related accident resulting in at least one lost working day. The working day on which the accident occurred is counted as a lost working day. Fatalities and permanent disabilities are also counted as Lost Time Accidents (LTAs).

What is a Recordable Accident?

Recordable Accidents
= Lost Time Accidents + Restricted Work Cases + Medical Treatment Cases

Restricted Work Case (RWC)

This is a work-related accident where the employee cannot perform his/her normal work the day/shift following the accident due to the injury or illness, but performs a lighter job temporarily, without resulting in lost working days.

Medical Treatment Case (MTC)

This is a work-related accident for which medical treatment is required but which does not result in lost working days or work restrictions.

5.4.14 S1-15 Life-work balance

The characteristics of life-work balance in the Recticel Group are not included in the 2025 Sustainability Statement. As Recticel Group qualifies as a Wave 1 undertaking, the additional reliefs for some ESRS reporting requirements are governed by the "Quick Fix" Delegated Act (EU) 2023/2772.[6]

5.4.15 S1-17 Incidents, complaints and severe human rights impacts

Recticel Group holds its managers and employees to the highest standards of integrity and ethics, emphasising respect for individuals and the environment alongside full compliance with all applicable national and international laws and regulations.

Discrimination on the basis of personal characteristics such as age, race, colour, religion, native language, gender, sexual orientation, mental or physical disability, political beliefs, origin or nationality is strictly prohibited.

Harassment in any form is not tolerated. Managers and employees are expected to conduct themselves appropriately at all times. Recticel Group does not accept any actions, behaviours or verbal or written communications, internal or external, that could be perceived as humiliating, intimidating, hostile or otherwise inappropriate toward colleagues, contractors, customers, suppliers, business partners or their representatives. Any such conduct will result in disciplinary measures as warranted.

No manager or employee is authorised to request or enforce actions that would breach compliance with applicable laws and regulations. This principle is absolute and allows no exceptions, regardless of competitive pressures, industry norms or other circumstances.

Each year, the Legal Department reports on cases submitted to the Compliance Committee, as well as on any serious human rights violations, including lawsuits, fines, penalties and compensations; or confirms that no such cases occurred during the reporting period. No assumptions are considered in the reporting period.

Table 1. Total number of work-related incidents and/or complaints within our own workforce

	2023	2024	2025
Total number of incidents of discrimination, including harassment	1	2	2
Number of complaints filed through channels for own workforce, including grievance mechanisms, to raise concerns (excluding discrimination, harassment)	2	1	0
Total amount of material fines, penalties and compensation for damages as a result of the incidents and complaints described above	0	EUR 7,500	EUR 5,000
Reconciliation with the most relevant amount presented in the financial statement	0	0	0
	Recticel Group (excl. Turvac (74% Joint Venture) and Rex)	Recticel Group	Recticel Group (excl. Kuras, Miclar)

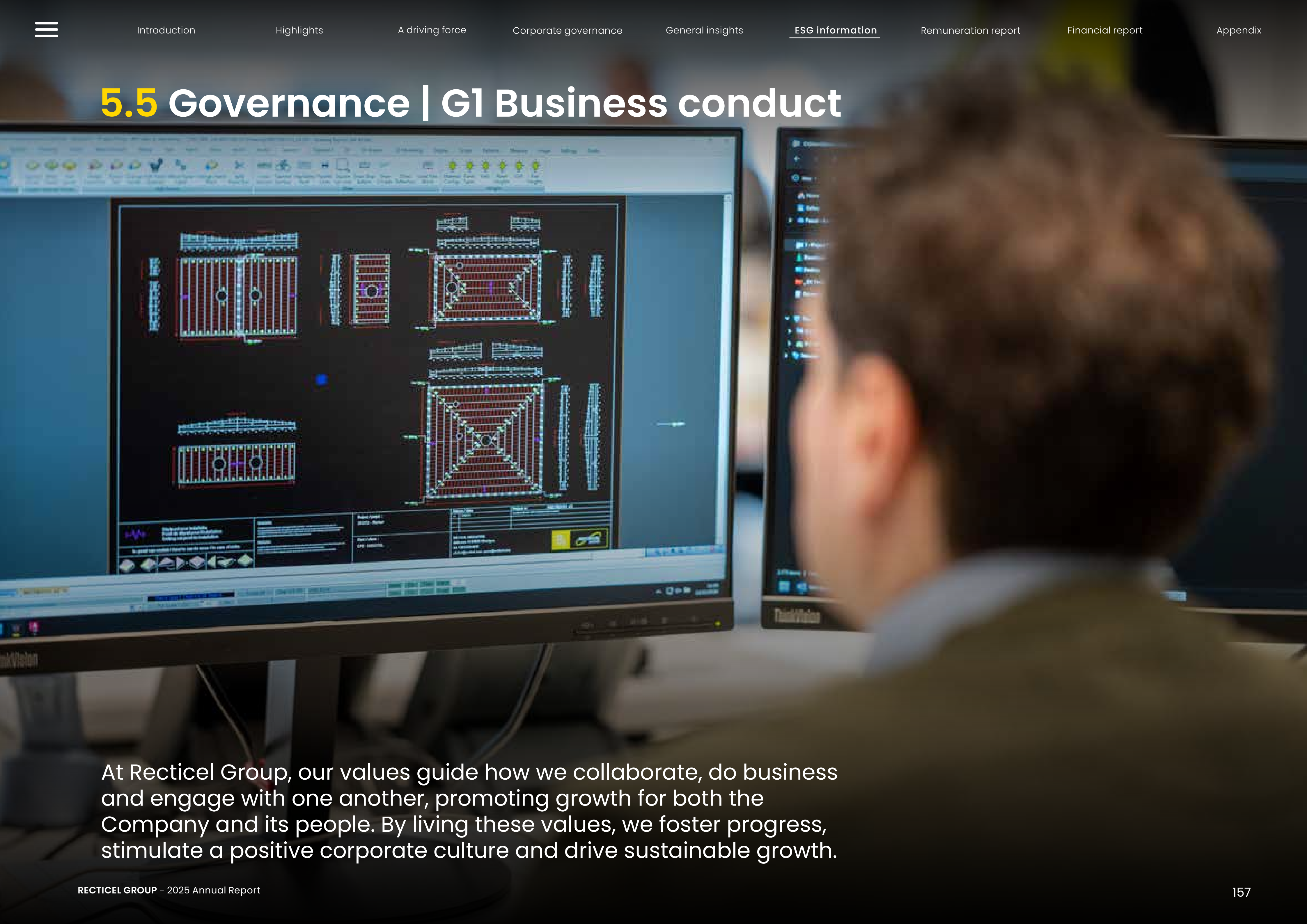
Table 2. Identified cases of severe human rights impacts and incidents (e.g. forced labour, human trafficking or child labour)

	2023	2024	2025
Total number of severe human rights issues and incidents connected to the workforce	0	0	0
Number of severe human rights issues and incidents connected to workforce non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises.	0	0	0
Total amount of fines, penalties and compensation for damages for the incidents described above	0	0	0
Reconciliation with the most relevant amount presented in the financial statement	0	0	0
	Recticel Group (excl. Turvac (74% Joint Venture) and Rex)	Recticel Group	Recticel Group (excl. Kuras, Miclar)

The Annual Report data are consolidated on 31 December 2025.

[6] *https://finance.ec.europa.eu/publications/commission-adopts-quick-fix-companies-already-conducting-corporate-sustainability-reporting_en*

5.5 Governance | G1 Business conduct



At Recticel Group, our values guide how we collaborate, do business and engage with one another, promoting growth for both the Company and its people. By living these values, we foster progress, stimulate a positive corporate culture and drive sustainable growth.

5.5

IN THIS SECTION

Ethical conduct and strong governance are essential to build trust, promote accountability and ensure that our business grows sustainably. Recticel Group has established clear policies and defined effective oversight structures to manage risk and ensure consistency and transparency in our decision making decisions. Guided by our core values, we foster a culture of integrity and compliance in order to protect our reputation and meet the expectations of stakeholders and regulators. In this section, we outline the principles, frameworks and practices that underpin responsible governance and ethical business conduct.

DATA PROTECTION E-LEARNING

89% of white-collar employees completed Data Protection e-learning (2025).

CORRUPTION AND BRIBERY

Zero-tolerance policy against corruption and bribery.

WHISTLEBLOWING POLICY

24/7 confidential mailbox with strict access and safeguarding protocols.

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5.5 Governance | G1 Business conduct
5.5.1 Material G1 IROs and their interaction with strategy and business model
5.5.2 G1-1 Business conduct policies and corporate culture
5.5.3 Role and expertise of administrative, management and supervisory bodies
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5.5.6 G1-4 Incidents of corruption or bribery
5.5.7 G1-5 Political influence and lobbying activities
5.5.8 G1-6 Payment practices

The overview below follows the structure of ESRS G1. All sub-topics were considered material in the Double Materiality Assessment (DMA).

The roles and expertise of the administrative, management and supervisory bodies related to business conduct are outlined in section 3.1, GOV-1.

To illustrate how Recticel Group incorporates environmental, social and governance-related standards across its value chain, the material topic of product stewardship (see section 5.5.4, G1-2) is addressed in section 3.4, GOV-4 Statement of due diligence.

5.5.1 Material G1 IROs and their interaction with strategy and business model

Section 4.3 provides a comprehensive examination of the material impacts, risks and opportunities associated with ESRS G1.

5.5.2 G1-1 Business conduct policies and corporate culture

5.5.2.1 Core values

At Recticel Group, our values guide how we collaborate, do business and engage with one another, promoting growth for both the Company and its people. By living these values, we foster progress, stimulate a positive corporate culture and drive sustainable growth.

Our five core values are grounded in specific behaviours. They are not mere slogans or abstract ideas, but dynamic principles that must be shared, discussed, embraced and actively demonstrated by every member of our workforce.

Designed to inspire action and empower teams, the core values are consistently communicated throughout the company and integrated into leadership messaging. They provide a guiding context for employee performance and play a crucial role in annual performance reviews.

Detailed information on the five core values can be found on our website (Purpose & values | Recticel). [7]

[7] *https://www.recticel.com/who-we-are/discover-recticel/purpose-values.html*

5.5.2.2 Code of Conduct

Recticel Group is built on respect, integrity, honesty and fairness, and we value our employees and business partners. Our collective success relies on the actions of our people – managers, employees (including seconded workers, volunteers and interns) and contractors – who shape the trust and reputation of our organisation. This impacts how customers perceive our products, how employees experience the workplace and how shareholders view their investments.

The Group Code of Conduct establishes the core principles that shape our ethical and compliant business practices. It reflects our commitments to employees, company assets, business partners, environmental responsibility and regulatory adherence. Our reputation is one of our most valuable assets, and the Recticel Group Code of Conduct sets clear standards that all managers, employees and contractors are expected to follow, ensuring consistency across all business operations.

Our values and ethical standards
Our core values guide our actions in all aspects of our business. Respecting others means recognising and honouring their inherent dignity, individuality and worth, as the cornerstone of professional relationships and ethical behaviour. Integrity requires consistently upholding moral principles and core values in every action we take. Our commitment to honesty ensures that all our business operations are conducted ethically, in full compliance with national laws and regulations.

Employment policies and non-discrimination
The Recticel Group employment policies are grounded in fairness and objectivity. Employment decisions are based solely on relevant factors, including qualifications, merit, performance and dedication. Discrimination of any form is strictly prohibited, whether based on age, race, colour, religion, language, gender, sexual orientation, disability, political opinion, origin or nationality.

The Code of Conduct also safeguards the rights of the Recticel Group workforce and ensures compliance with applicable laws in every country where we operate. In instances where differences arise between local laws, collective agreements and the Code of Conduct, applicable laws will always take precedence.

Health and safety
Recticel Group is dedicated to safeguarding the health and safety of its customers, employees, contractors and the public. We provide continuous training and updates on health and safety regulations for both managers and employees. Adequate resources are allocated to identify, mitigate and manage health and safety risks, ensuring full compliance with all relevant laws and regulations.

Human rights
Recticel Group adheres to the principles outlined in the United Nations Universal Declaration of Human Rights and the conventions and recommendations of the International Labour Organization (ILO). This adherence to human rights standards is integrated across all levels of the Company.

Corruption and bribery prevention
Recticel Group is committed to preventing corruption and bribery in all forms. We ensure transparency and ethical behaviour in all business operations. The functions that are potentially at risk include procurement, sales, marketing and finance, where controls and preventive measures are in place.

The Code of Conduct reinforces the importance of compliance with anti-bribery and corruption rules, ensuring employees understand their significance. As part of our broader compliance framework, mandatory training on bribery and corruption prevention is provided, both in the form of e-learning and face-to-face training.

For guidance on identifying and reporting unlawful conduct or violations of internal rules, both internal and external stakeholders can find guidelines in the Group Whistleblowing Policy (see section 5.5.2.3).

Remedial measures
When an infringement of the rules forming part of our Group Code of Conduct is detected, we initiate a thorough investigation process. This includes assessing the reported issue, gathering relevant facts and evidence and conducting interviews with involved parties if necessary. Based on the findings, the Recticel Group Compliance Committee coordinates appropriate remedial actions to prevent, address and mitigate the impact of the infringement. The exact measures taken will depend on the gravity of the violation.

For cases involving business partners, remedial actions may include audits, re-evaluation or even termination of the contractual relationship. For cases involving employees, appropriate disciplinary measures may be imposed. In the most severe instances, we may pursue legal recourse and/or seek compensation for damages.

Accountability and governance
The CEO is ultimately responsible for the implementation and oversight of the Group Code of Conduct. The CEO's leadership ensures the consistent application of the Code across the organisation and accountability for ethical practices.

In addition, management at all levels is responsible for ensuring that those reporting to them understand and comply with the Group Code of Conduct and are given adequate and regular training on it.

Third-party standards and initiatives
Recticel Group adheres to several third-party standards and initiatives that complement our internal policies. These include the UN Global Compact, the UN Guiding Principles of Business and Human Rights, the International Bill of Human Rights, the International Labour Organization's conventions and recommendations and the United Nations Convention against Corruption.

Compliance oversight
The Compliance Committee plays a critical role in overseeing compliance matters, including the investigation of allegations related to misconduct, corruption and bribery. The Compliance Committee ensures that all investigations are conducted with fairness, integrity and transparency. The Chief Financial Officer serves as the Committee's chairman and is responsible for reporting incidents, ongoing investigations and their outcomes to the Board of Directors.

Communication and accessibility
The Recticel Group Code of Conduct is communicated in local languages to managers, employees and contractors at all levels. It is readily accessible through internal communication channels to ensure that everyone is aware of their responsibilities.

White-collar workers are required to complete e-learning modules on the Code of Conduct, as detailed in section 5.5.2.5. Furthermore, the Code is provided in local languages and distributed by HR managers to both blue-collar and white-collar workers. Printed versions of the policy are displayed on notice boards, and further communication tools are used.

The Code is also publicly available for all stakeholders at Business ethics and integrity | Recticel. [8]

[8] *https://www.recticel.com/who-we-are/discover-recticel/business-ethics-integrity.html*

5.5.2.3 Whistleblowing Policy

In the event of an alleged violation of internal or external laws and regulations, Recticel Group has implemented a Group Whistleblowing Policy. This policy is fully aligned with the latest EU legal requirements and ensures that all stakeholders, whether managers, employees, contractors, business partners or external parties, have a clear and secure avenue to report any behaviour that may represent a breach of the Recticel Group Code of Conduct, corporate policies and procedures, contractual commitments or any applicable laws and regulations.

The Whistleblowing Policy establishes a clear process for addressing alleged misconduct involving managers, employees, contractors or any other individual who intentionally or negligently does not respect the rules. In accordance with a general duty of care, Recticel Group managers, employees and contractors are morally obliged to report any reasonable suspicion that someone might be engaged in any alleged misconduct.

Reporting channels
Concerns regarding misconduct can be raised through internal communication channels, either at group level or at local level. Multiple internal communication channels are available, including letter, email, phone and in-person discussions. A dedicated confidential mailbox is available 24/7, ensuring strict access and confidentiality protocols. External communication channels are also available, as referred to in the Whistleblowing Policy.

Protection for whistleblowers and persons whose behaviour is reported
Recticel Group has put several measures in place to protect the rights of whistleblowers, as well as the persons whose behaviour is being reported. These measures include the obligations to: treat reports about misconduct in an objective and impartial manner; investigate reports thoroughly and fairly within a reasonable time period; respect the strictest confidentiality; refrain from disclosing the identity of the whistleblower or other persons mentioned in the report; and ensure GDPR-compliant treatment of personal data.

In addition, measures are taken to prevent retaliation. Whistleblowers, as well as anyone associated with them (such as family members or colleagues), must not face any negative or harmful consequences as a result of making disclosures under the whistleblowing procedures outlined in the Whistleblowing Policy, provided the disclosures are made in good faith. Any attempt to prevent or discourage someone from raising concerns in accordance with the Whistleblowing Policy is a serious violation and will not be tolerated. If such actions occur, appropriate measures will be taken to protect the whistleblower and investigate those responsible for the retaliation.

Finally, the rights of individuals who are the subject of a report must also be respected and safeguarded. In this regard, Recticel Group is committed to maintaining a fair balance between the rights and interests of all parties involved, including its own right to conduct a thorough investigation.

Commitment to ethical standards
Recticel Group is committed to maintaining the highest ethical standards and ensuring full legal compliance across all aspects of its business activities. Recticel Group expects its shareholders, managers, employees and contractors to honour their respective responsibilities under their mandates, employment or service agreements, acting with loyalty, cooperation and good faith. This includes a moral obligation to report any concerns about actual or suspected work-related misconduct that involves Recticel Group or its stakeholders.

Key accountability
As Chairman of the Compliance Committee, the Chief Financial Officer (CFO) is the senior leader accountable for overseeing the implementation of the Whistleblowing Policy across the organisation.

Commitment to timely and independent investigation
Recticel Group is committed to investigating all reported misconduct without any undue delay, objectively and impartially, ensuring that each report is treated with the seriousness it deserves and investigated thoroughly in accordance with established procedures.

Communication and accessibility
The Whistleblowing Policy is communicated in local languages to all employees and managers. It is readily accessible through internal communication channels to blue-collar and white-collar workers, to ensure that everyone is aware of their responsibilities. Printed versions of the policy are displayed on notice boards. The Code is also publicly available for all stakeholders at Business ethics and integrity | Recticel.[9]

[9] *https://www.recticel.com/who-we-are/discover-recticel/business-ethics-integrity.html*

5.5.2.4 Data governance

Recticel Group has several policies and procedures in place which govern the use of data, including personal data.

Recticel Group's Data Protection Policy governs the use of personal data and ensures that all processing of personal data happens in accordance with any and all applicable laws on data protection, including, without limitation, Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("General Data Protection Regulation" or "GDPR").

Recticel Group's commitment to data protection extends beyond regulatory compliance. Protecting personal data is essential to maintain trust, uphold ethical standards and ensure the long-term sustainability of the work done by Recticel Group. In this framework, the Data Protection Policy aims to:

- Establish clear responsibilities and expectations for all shareholders, managers, employees, self-employed service providers, contractors and suppliers who handle personal data on Recticel Group's behalf;
- Ensure consistent and compliant data processing practices across all group entities, departments and systems;
- Promote a culture of privacy, accountability and respect for individuals' rights;
- Support the organisation's operational data processing needs while minimising risks related to data breaches, unauthorised access or misuse of information.

Further information on this topic can be found in the Group Data Protection Policy, available on the Company's intranet. The Recticel Group website provides the following privacy notices: (i) Customer, end-consumer and supplier privacy notice; (ii) Website privacy notice; and (iii) Job applicant privacy notice.

Recticel Group is also committed to ensuring the security of all business information and personal data across all business processes, in accordance with applicable information security laws. Hence, Recticel Group has established a comprehensive Information & Digitalisation Technology Policy, as well as an Information Security Procedure, a Back-Up Procedure and a Cyber Incident Procedure.

One of the topics recently added to the information security policies and procedures is a set of guidelines on the use of artificial intelligence within the Recticel Group, both to raise awareness and to ensure regulatory compliance.

Training sessions on various topics related to data protection, cybersecurity and artificial intelligence are delivered within the Recticel Group in both face-to-face and e-learning formats.

5.5.2.5 Targets and metrics

Recticel Group promotes compliance across the organisation through ongoing training initiatives for its white-collar workforce. We provide mandatory e-learning modules and in-person training covering topics such as governance, the Group Code of Conduct, EU competition law, EU data protection law, contract law and cybersecurity.

% employee participation in Governance and Cybersecurity e-learning

E-learning modules	TARGET	2023	2024	2025
Governance programme Data Protection Code of Conduct Basics of Contract Law	95% completion	 95% 94% 94%	 89% 89% 89%	 88% 90% 87%
Cybersecurity programme DIGIWIZZ	95% completion	95%	92%	96%

Scope 2023: White-collar workforce Recticel Group (excl. Trimo, Turvac 73% Joint Venture)
Scope 2024: White-collar workforce Recticel Group (excl. Rex, Turvac)
Scope 2025: White-collar workforce Recticel Group (excl. Kuras, Miclar)
Rex and Turvac are not included in the data protection training completion rate.

For the Governance programme, 'completed' status is only achieved if the employee obtains a test result of minimum 80%. For the Cybersecurity programme, a minimum score of 70% in the final test is required. Completion data per user for the Governance and Cybersecurity programmes are shared by the external provider on a monthly basis to check for completeness. The Annual Report data are consolidated on 31 December 2025.

Competition law training is provided to members of Recticel Group's white-collar workforce whose functions qualify as being at risk. 'At risk' functions are defined as roles that, by the nature of their daily responsibilities, are more likely to encounter competition sensitive situations, such as contacts with competitors, commercially sensitive information, pricing decisions or market allocation discussions.

Recticel Group targets its competition law training specifically at people working in sales, purchasing, marketing and management teams. Some people working in technical functions (e.g. R&D) are also targeted.

Throughout the year, Recticel Group implemented various initiatives to strengthen employees' awareness, knowledge and preparedness in cybersecurity. These efforts are designed to foster a strong security culture and ensure compliance with mandatory training requirements.

Key activities included:
- **Training:** Employees participated in a mandatory cybersecurity programme covering critical topics such as threat identification, data protection and secure online practices. Completion was validated through a final assessment, requiring a minimum score of 70%.
- **Phishing simulation campaigns:** Regular, unannounced phishing simulations were conducted to evaluate the ability of our workforce to recognise and respond to phishing attempts. Those who failed received targeted guidance to enhance their awareness.
- **Awareness campaigns:** Periodic communications, including newsletters, infographics and video messages, were distributed to reinforce key cybersecurity principles and promote vigilance.
- **Incident response drills:** Selected employees took part in simulated cybersecurity incidents to practise response protocols and strengthen preparedness for potential security breaches.

5.5.3 Role and expertise of administrative, management and supervisory bodies

Administrative, management and supervisory bodies play distinct yet complementary roles in ensuring that a company adheres to high standards of business conduct. Each of these bodies contributes its unique expertise and oversight to promote ethical practices, operational effectiveness and long-term success.

The Board of Directors officially approves the Code of Conduct, while the Audit & Sustainability Committee oversees its compliance within the Group. The Management Committee is responsible for the company's daily operations and for ensuring adherence to the guidelines and recommendations set by the Board of Directors.

Details on the administrative, management and supervisory bodies can be found in section 3.1.

5.5.4 G1-2 Management of relationships with suppliers and impacts on our supply chain

5.5.4.1 Recticel Group approach to relationships with its suppliers

Recticel Group takes a collaborative and responsible approach in managing its relationships with suppliers, acknowledging their essential role in the Company's overall success and sustainability. We assess and evaluate both operational and ESG risks within our supply chain that could impact our operations, the human rights of our stakeholders or our reputation. This strategy is built on the principles of transparency, ethical conduct and mutual value creation, ensuring that our supply chain not only aligns with our operational objectives but also addresses broader sustainability challenges.

Please refer to section 3.4, GOV-4 Statement of due diligence in the value chain, for an overview of the processes, measures and actions implemented by Recticel Group to identify, prevent, mitigate and address actual or potential risks within its value chain. These efforts encompass risks related to human rights violations, environmental damage, corruption and other ethical or legal issues arising from Recticel Group's operations, suppliers and business partners.

5.5.4.2 Environmental and social procurement practices

We continually assess and adapt our supplier relationships and procurement strategies to stay ahead of emerging risks, regulatory changes and evolving sustainability expectations. By nurturing strong, collaborative partnerships, we aim to create a resilient, ethical and sustainable supply chain that not only supports long-term business growth but also contributes positively to society and the environment.

Recognising the vital role suppliers play in achieving our sustainability goals, we prioritise building mutually beneficial partnerships that drive the shift toward a low-carbon economy and circular practices. Our approach to supplier relationship management focuses on fostering sustainable innovation, shared values and the adoption of industry best practices. This approach ensures a robust value chain that aligns with our strategic objectives, delivering measurable social and environmental impact.

Suppliers and contractors must meet the same social, environmental and governance standards as Recticel Group to ensure sustainable practices. In evaluating partners, we prioritise resource efficiency, renewable materials and supplier engagement to advance our 2050 net-zero goal. These discussions align with our Science Based Targets initiative (SBTi) commitments and drive innovations to reduce our carbon footprint.

To enhance transparency and accountability, we introduced the Recticel Group Supplier Sustainability Requirements (RSSR), integrating them into our General Terms and Conditions (see section 3.4.2). This integration highlights our commitment to sustainability, fostering a culture of shared responsibility and accountability throughout our supplier network.

For more information on supply chain human rights due diligence, RSSR and product stewardship, please refer to section 3.4 (GOV-4).

5.5.4.3 Description of policies/practices to prevent late payment

Recticel Group's payment policies focus on transparency and consistency, aiming to create a reliable process for all parties in our supply chain ecosystem. Our invoice-handling procedures are designed to ensure payment to suppliers within the agreed payment terms. Our payment policies are intended to build long-term relationships with suppliers while supporting operational efficiency and financial stability.

Senior level accountability
The Chief Financial Officer (CFO) and the Group accounting team oversee the implementation of the Recticel Group payment policies, ensuring the effective execution of payment procedures and related payment systems. They ensure that these policies align with Recticel Group's broader corporate objectives while addressing the needs of suppliers and other business partners. The CFO and the Group accounting team are also responsible for monitoring and enhancing payment processes to maintain efficiency and timeliness.

Third-party standards and initiatives
Recticel Group respects and aligns its payment practices with the European Union Late Payments Directive.

Consideration of key stakeholders
Recticel Group's payment practices are designed with a comprehensive view of all stakeholders, considering the needs and concerns of internal teams, external suppliers – including small and medium-sized enterprises (SME) – and the broader business ecosystem. Payment terms are communicated and agreed upon in advance with every new supplier.

5.5.5 G1-3 Prevention and detection of corruption and bribery

Recticel Group remains steadfast in its commitment to ethical practices, enforcing a strict zero-tolerance policy against all forms of corruption and bribery. By providing managers, employees and contractors with the necessary tools and knowledge to recognise, prevent and report unethical behaviour, Recticel Group cultivates a culture of vigilance and responsibility. With transparency and accountability at its core, Recticel Group upholds the highest standards of integrity, ensuring that trust and ethical excellence are embedded throughout the organisation.

5.5.5.1 Description of procedures in place to prevent, detect & address allegations or incidents of corruption/bribery

Recticel Group's approach to bribery and corruption is built on clear, actionable principles embedded within our Group Code of Conduct. Our policies are supported by compliance checks, strict prohibitions and proactive measures designed to uphold the highest standards of integrity across all business operations. This structured, multi-layered approach reinforces Recticel Group's commitment to ethical practices and robust governance, ensuring integrity is upheld in every aspect of our operations.

Core principles

- Bribery at Recticel Group is clearly defined as the offering, giving, promising or receiving of any financial or other advantage to influence or persuade an individual in a role that requires impartiality.
- Recticel Group strictly prohibits managers, employees and agents from offering, soliciting or accepting bribes under any circumstances. This prohibition extends beyond the organisation, requiring all business partners – including joint ventures, contractors, customers and suppliers – to commit to the same standard.
- Recticel Group enforces a zero-tolerance policy regarding bribes to government officials or employees of private organisations. This includes indirect payments made through intermediaries such as agents, consultants or facilitators suspected of transferring funds to officials.

Incident reporting and response

As further detailed in the Whistleblowing Policy, Recticel Group provides employees with the necessary channels to report alleged misconduct, including suspected bribery or corruption. Upon receiving a report, the Company initiates a thorough investigation, ensuring every incident is addressed transparently and consistently. Appropriate disciplinary actions are taken based on established protocols and in accordance with legal requirements.

Communication and accessibility

Recticel Group prioritises clear and comprehensive communication of its Code of Conduct and Whistleblowing Policy to employees, managers and relevant stakeholders. These documents are made easily accessible via internal communication platforms, ensuring everyone has a thorough understanding of their roles and responsibilities in upholding anti-bribery and corruption standards. The documents are also publicly available on the corporate website.

5.5.5.2 Investigating committee/body separate from the chain of management involved in the matter

Recticel Group is dedicated to upholding high ethical standards and ensuring full compliance with legal obligations in addressing allegations or incidents requiring investigation. These matters are handled with diligence, integrity and transparency by a dedicated Compliance Committee, which is composed as follows: the Chief Executive Officer, the Chief Human Resources Officer, the Chief Legal Officer and the Chief Audit Executive. While Recticel Group does not have a separate investigation committee outside its management structure, it strictly adheres to legal requirements and internal protocols to manage such situations effectively. If a potential conflict of interest arises involving a Compliance Committee member or a designated confidant, that individual will be excluded from the case team for that specific file.

Adherence to legal requirements

Recticel Group ensures strict adherence to all legal obligations when conducting investigations, aligning its procedures with corporate governance, ethical standards and transparency laws. In the event of an incident, the company follows established legal processes and internal guidelines to resolve matters in full compliance with relevant regulations.

Compliance oversight

The Compliance Committee plays a key role in overseeing compliance matters, including investigations into misconduct, corruption and bribery. The Chief Financial Officer, as Committee Chairman, is responsible for reporting incidents, ongoing investigations and outcomes to the Board of Directors.

5.5.5.3 Nature, scope and depth of anti-corruption/anti-bribery training programmes

The following employee categories are considered to have a higher risk profile for exposure to corruption and bribery due to the nature of their roles and responsibilities:

Finance: Employees in finance are often entrusted with managing large sums of money, budgeting and overseeing financial transactions. This gives them access to sensitive financial data, which can make them susceptible to fraudulent activities, misappropriation of funds or facilitation of corrupt financial practices.

Sales & Marketing: Those in sales and marketing roles are frequently in direct contact with customers, suppliers and third-party intermediaries, often negotiating contracts, incentives and commissions. This interaction can create opportunities for improper financial gain, such as kickbacks or bribery, in exchange for favourable business decisions, discounts or preferential treatment.

Procurement: Employees involved in procurement are responsible for sourcing and purchasing goods and services. Given their role in supplier selection and contract negotiation, they may be at risk of corruption, particularly if they are influenced by external parties seeking to secure contracts through unethical means, such as offering bribes or kickbacks.

As of 2025, a compulsory e-learning module on the Code of Conduct, covering the topics of anti-corruption and anti-bribery extensively, is available for all directors and managers across the Company, as well as for the Board of Directors. This change reflects our commitment to ensuring that all key personnel are equipped with the knowledge to uphold our anti-corruption and anti-bribery standards.

5.5.6 G1-4 Incidents of corruption or bribery

5.5.6.1 Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws

During the reporting period, two cases involving members of Recticel Group's value chain, in which the company or its employees were directly involved, were reported to the Compliance Committee. Following a thorough investigation, one disciplinary action was deemed necessary and no fines were issued to Recticel Group for violations of anti-corruption or anti-bribery laws.

5.5.6.2 Any actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery

During the reporting period, the company did not encounter any insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery.

5.5.7 G1-5 Political influence and lobbying activities

Recticel Group's approach to political influence and lobbying reflects its commitment to ethical conduct, transparency and responsible corporate citizenship. Focusing on its core business objectives, the company upholds integrity and strong governance to create long-term value for stakeholders while maintaining high standards of corporate ethics and social responsibility.

Recticel Group does not seek to influence political processes or engage in aggressive lobbying. Instead, it remains focused on delivering innovative insulation products, guided by strong values of integrity and governance.

As a member of sector-specific trade organisations, Recticel Group may indirectly support policy-influencing activities, always transparently and within the organisation's framework. Such activities could focus on energy efficiency in buildings, energy standards, industrial decarbonisation, circular economy initiatives or sustainable materials.

Respecting political impartiality, Recticel Group complies fully with applicable laws and regulations, ensuring its actions align with ethical principles. While the company may engage with policymakers via industry associations and regulatory bodies on matters directly related to its operations, these interactions are conducted transparently and in accordance with established protocols.

Recticel Group values transparency and shares key information on its corporate website, encouraging open dialogue and collaboration with stakeholders to positively impact public discussions, while safeguarding the interests of employees, shareholders and the broader community.

In 2025, Recticel Group made no financial or in-kind political contributions. The Chief Financial Officer, serving as Chairman of the Compliance Committee, ensures that no such contributions are made.

During the current reporting period, no members of the administrative, management or supervisory bodies had held a position in public administration, including regulatory bodies, in the two years prior to their appointment.

Recticel Group is not registered in the EU Transparency Register or any equivalent transparency register in an EU Member State.

5.5.8 G1-6 Payment practices

5.5.8.1 Average time to pay an invoice in number of days

The following information on payment practices in 2025 covers all Recticel Group legal entities, excluding Kuras and Miclar, which were acquired end 2025.

There were no outstanding legal proceedings related to late payments on 31 December 2025.

	2024	2025
Average days to pay*	53.4	52.0
	Recticel Group (excl. Soundcoat, Rex, Turvac)	Recticel Group (excl. Soundcoat, Rex, Kuras, Miclar)

** The scope of the calculation is limited to the subsidiaries Recticel Insulation, Trimo, and Turvac, as these entities are included in SAP. Kuras and Miclar are excluded, in line with the approach applied to other KPIs. The reported figure represents an estimate derived from actual data.*

We recognise the vital role of small and medium-sized enterprises (SMEs) in our supply chain and remain attentive to ensuring their invoices are processed promptly, supporting their financial stability and growth. Moving forward, Recticel Group remains committed to optimising invoice processing efficiency and upholding the highest standards of financial transparency and operational excellence.

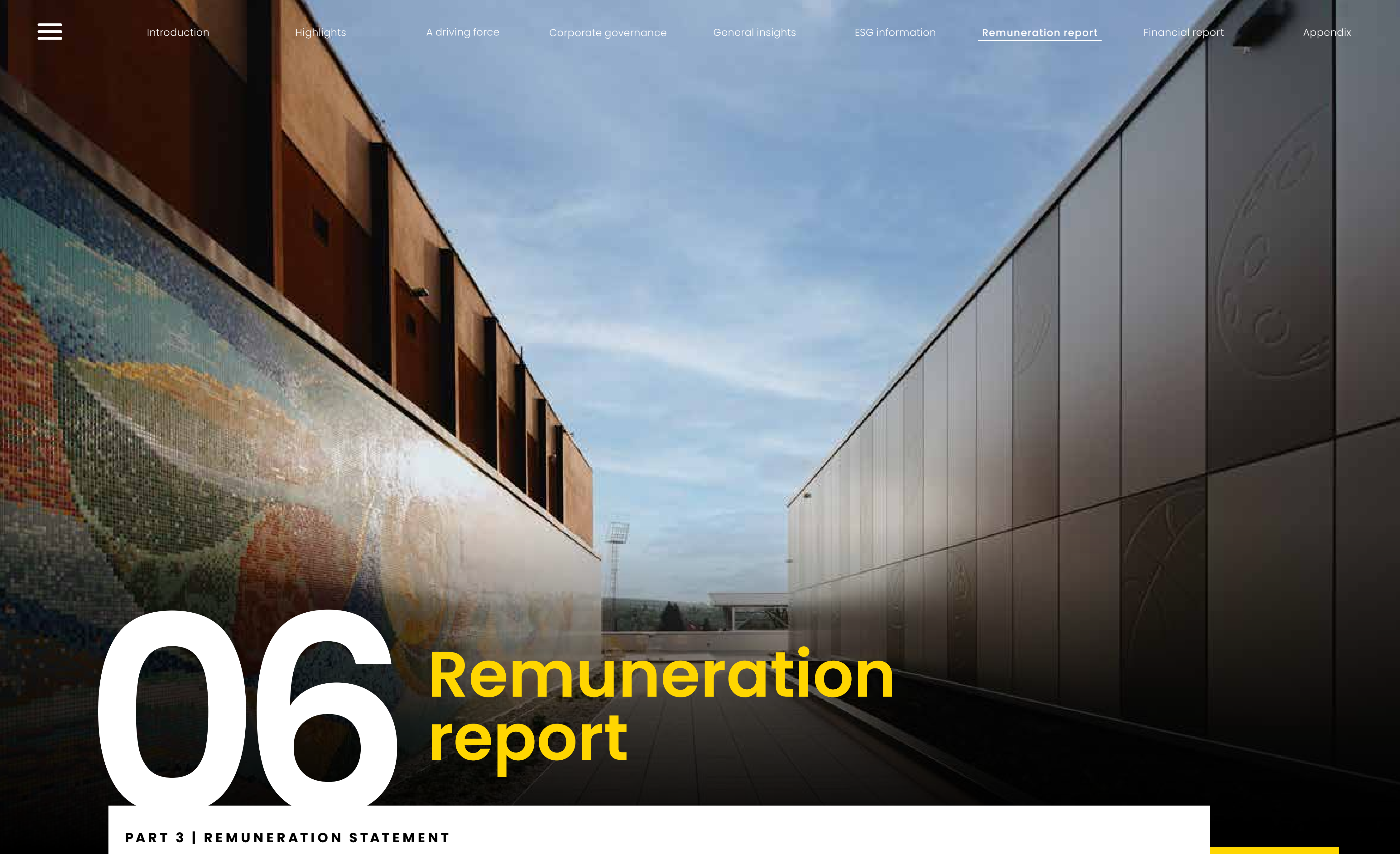
5.5.8.2 Description of standard payment terms in number of days by main category of suppliers & percentage of payments aligned

Recticel Group adheres to the payment terms outlined in Article 6 of its General Terms and Conditions for all suppliers. Key terms include:

- Invoices must include purchase order numbers, delivery quantities and relevant shipment documentation.
- Invoices must be submitted electronically to Recticel Group's designated address. Vendors under e-invoicing mandate in Belgium must submit their invoice exclusively through Peppol (Pan-European Public Procurement Online), a standardised network that enables the secure and efficient exchange of electronic invoices between businesses. Payments are made by wire transfer within sixty (60) days of the invoice date, provided that the goods or services have been fully delivered.
- Recticel Group reserves the right to offset amounts owed to the seller against amounts owed by the seller, without prior notice.

	2024	2025
% invoices paid in time*	49.4%	43.6%
	Recticel Group (excl. Soundcoat, Rex, Turvac)	Recticel Group (excl. Soundcoat, Rex, Kuras, Miclar)

** The scope of the calculation is limited to the subsidiaries Recticel Insulation, Trimo, and Turvac, as these entities are included in SAP. Kuras and Miclar are excluded, in line with the approach applied to other KPIs. The reported figure represents an estimate derived from actual data.*



06 Remuneration report

PART 3 | REMUNERATION STATEMENT

6

IN THIS CHAPTER

The 2025 Recticel Group remuneration report outlines the Company's strong financial and sustainability performance in a challenging market environment. Turnover grew by 7.4% to EUR 655.1 million and adjusted EBITDA increased to EUR 55.8 million, supported by organic volume growth and major strategic investments. The Group also made significant progress on climate change mitigation, reducing in 2025 its carbon intensity further by 7.5% (total GHG emissions per m³).

Executive remuneration reflects this performance. Annual bonuses were driven by adjusted EBITDA, Free Cash Flow, CO_2 intensity reduction and personal objectives, resulting in mixed payouts: Group adjusted EBITDA and FCF delivered below target results, while carbon intensity exceeded expectations with maximum payout. Stock options remain the core Long Term Incentive (LTI), with a 2025 grant priced at EUR 10.74 per option.

Recticel Group strengthened its remuneration policy following shareholder engagement and engaged pro-actively with proxy advisors. Changes include expanded benchmarking disclosure, clarified STI and LTI design elements, introduction of a clawback clause for future STI plans, and refinements to the change of control provisions. The company will also propose policy adjustments at the 2026 AGM.

The report provides comprehensive disclosure of director fees, Management Committee pay, pension arrangements, stock option plans, and shareholdings.

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6.1 Introduction

6.1.1 2025 business results

Recticel Group is a Belgian insulation group with a strong presence in Europe and the USA. It offers smart insulation solutions that advance a carbon-free economy and improve quality of life. Recticel Group's portfolio includes Insulation Boards, Insulated Panels and Acoustic Solutions. The company expects to benefit from the substantial and increasing demand for energy-efficient solutions in the construction sector.
The economic environment remained challenging in 2025. Despite this, Recticel Group reported strong revenue and profitability growth. Turnover rose by 7.4% to a record high EUR 655.1 million, with strong organic volume growth in Insulated Panels and Insulation Boards.

Adjusted EBITDA increased by 12.5% from EUR 49.6 million to EUR 55.8 million, while the adjusted EBITDA margin on sales improved from 8.1% to 8.5%.

Major investments progressed as planned: the polyol recycling plant in Belgium is due to be operational in April 2026, and the new insulated panels production facility in the USA is expected to start production in Q4 2026. During 2025, Recticel Group successfully concluded the acquisition of Miclar in Belgium, active in panel installation, and Kuras, focusing on last-mile delivery of panels in the Netherlands.

The Group made significant progress on climate change mitigation, reducing in 2025 its carbon intensity further by 7.5% (total GHG emissions per m³).[1] This result demonstrates that strong volume growth and meaningful climate action can go hand in hand.

Since 2021, the Group has reduced the energy consumption per m³ produced by 34.1%[2], reinforcing the clear link between operational excellence and climate performance.

[1] *See section 5.2.7.5*
[2] *See section 5.2.6.4*

6.1.2 2025 remuneration outcomes

The 2025 total remuneration levels reflect our positive year-on-year business growth and sustainability achievements, which drive the short-term variable remuneration. The value of the Long-Term Incentive depends on the stock price, which reflects the challenging outlook in the construction industry.

Annual bonus awards

- The annual bonus awards depend on the achievement of predetermined levels of adjusted EBITDA and Free Cash Flow, as well as pre-defined CO_2 intensity objectives, in addition to the completion of personal objectives focusing on M&A, business growth and operational excellence.
- The level of adjusted EBITDA reached by the Group delivered a payout of 55%. While below target, this remains a remarkable achievement considering the difficult market circumstances.
- The level of Free Cash Flow delivered at Group level was below target and triggered a payout of 44%.
- The Carbon Intensity target was overachieved by the Group with maximum payout (125%) as a result.

For further details see section 6.4.3.1, Short-Term Incentive (one-year variable).

Stock options

- The 2021 stock option grant vested on 1 January 2025. Another grant was made in June 2025 at a strike price of EUR 10.74.

Management Committee membership

- The Group Chief Human Resources Officer, Rob Nijskens, is not a member of the Management Committee since 31 October 2025. Tine Malfrère is appointed Group Chief Human Resources Officer effective 1 April 2026.

6.1.3 Shareholder engagement

The Annual General Meeting (AGM) held on 27 May 2025 approved the 2024 remuneration report with 80.8% of shareholder votes.

In establishing its remuneration policy and its future revisions, Recticel Group endeavours to take into account the votes and views of the shareholders. Recticel Group is committed to an open and transparent dialogue with its shareholders on remuneration as well as other governance matters.

In preparation for the 2026 AGM, Recticel engaged in a constructive and substantive dialogue with various shareholders and investors. Recticel also engaged proactively with ISS and Glass Lewis, two leading proxy advisory firms providing independent research, voting recommendations and governance analysis to institutional investors.

These discussions focused on the structure, disclosure and alignment of Recticel Group's executive remuneration framework with market best practices and shareholder expectations. As a result of this engagement, and with the objective of addressing the feedback received and enhancing overall transparency, Recticel Group has strengthened its remuneration report, updated certain elements of its remuneration policy, and expanded the explanatory documentation to be submitted to the upcoming AGM.

The key enhancements are summarised below.

REMUNERATION REPORT	
Benchmarking	Expanded disclosure on the peer group and benchmarking methodology used for pay setting, including the rationale for peer selection and positioning
Short-Term Incentives (STI)	Enhanced explanation and justification for the non-disclosure of commercially sensitive bonus objectives, also retroactively
	Clearer and more detailed explanation of the request to deviate from Article 7:91 of the Belgian Code of Companies and Associations regarding the three-year bonus deferral requirement.
Long-Term Incentives (LTI)	Further clarification of the structure, individual limits and overall cap of stock option grants.
	Rationalisation of the change-of-control clause and introduction of an additional trigger.
	Clear articulation of the rationale for the absence of additional performance conditions under the Recticel Group Long-Term Incentive plan (delivered in the form of stock options), taking into account the local tax environment and shareholder interests.
REMUNERATION POLICY	
Short-Term Incentives (STI)	Introduction of a clawback mechanism, reinforcing accountability and alignment with long term value creation and governance best practices.
Long-Term Incentives (LTI)	Detailed explanation of the determination, structure and individual allocation of stock option grants.
UPCOMING ANNUAL GENERAL MEETING (AGM)	
Long-Term Incentives (LTI)	Proposal to approve an authorised capital limited to 5%, strictly for the purpose of facilitating stock option grants over the next five years, with a maximum of 1% per year.
	Clarification that the authorisation to repurchase shares in the context of the LTI for maximum 10% of the share capital, explicitly excludes any use as a takeover defence mechanism.

6.1.4 Looking ahead

As announced on 27 February 2026, Stefaan Debusschere, who joined Recticel Group in March 2025 as CEO of the Insulation Boards division, took over from Jan Vergote as Group CEO effective 2 March 2026. Jan Vergote was appointed Executive Chairman of Recticel NV on that same date.

Accordingly, Recticel NV will therefore submit the following items to the approval of the AGM in May 2026.

1. Remuneration of the Executive Chairman
In addition to the customary duties of the chairman of the Board of Directors, the Executive Chairman oversees the strategic framework of the Recticel Group. Together with the Board of Directors and the CEO, the Executive Chairman monitors and supervises the implementation of the Company's long-term strategy. In collaboration with the CEO and the CFO, the Executive Chairman reviews, drafts and prepares proposals to the Board of Directors regarding strategic options for the Group (long-term targets, mergers & acquisitions, investments & divestments) and reports on progress. The Executive Chairman holds regular one-to-one meetings with the CEO to discuss strategic and organisational matters. The Executive Chairman also maintains an active dialogue on the Group's operations with the members of the Management Committee and, where relevant, senior employees of the Group, in particular during regular reporting meetings. The Executive Chairman is responsible for investor and shareholder relations and serves as the principal external spokesperson of the Group, in coordination with the CEO.

These executive duties represent a significant investment in time in addition to a traditional chairman role. Upon recommendation of the Remuneration & Nomination Committee, the Board of Directors will therefore propose to the AGM that the remuneration of the Executive Chairman consist of an all-inclusive annual fee of EUR 300,000 in cash.

2. Adjustment of the Group's remuneration policy
A new version of the remuneration policy will be submitted for approval by the AGM. The new policy is being proposed in light of the governance changes described above and reflects the terms of the new Corporate Governance Charter of the Group, including the respective roles of the Board of Directors, Remuneration & Nomination Committee, Executive Chairman, CEO and Annual General Meeting in determining the remuneration of the Directors and the Executive Management of Recticel. The new remuneration policy also explains the new Board fee structure following the appointment of an Executive Chairman, as described above.

In accordance with requirement 7.12 of the Belgian Code of Companies and Associations, the Board of Directors will also propose, upon recommendation by the Remuneration & Nomination Committee, that the remuneration policy include a clawback clause in the Short-Term Incentive Plan of the CEO and the other members of the Management Committee. The clawback clause enables the company to recover variable remuneration that has already been paid where it subsequently emerges that the award was not justified. The clause provides shareholders with greater confidence that executive remuneration is fair, defensible, and aligned with actual performance and long-term value creation. No clawback clause is foreseen for the Long-Term Incentive as it is delivered in the form of stock options and no performance conditions apply. The share price (and therefore the potential gain for the beneficiaries of stock options) will be automatically affected in case it appears that erroneous or fraudulent data were used to determine the performance of the Group.

The following points will also be included on the agenda.

3. Approval of this remuneration report

4. Authorisation for Recticel to issue warrants for the stock option plan in 2026
The Long-Term Incentive Plan of the CEO and the other members of the Management Committee is delivered in the form of stock options. As in previous years, the Board of Directors will seek authorisation from the Annual General Meeting to issue warrants for this purpose.

In 2026, it is proposed to distribute 380,000 stock options among 15 beneficiaries in accordance with the following schedule.

- CEO: 125,000 stock options (one beneficiary)
- Other members of the Management Committee: 30,000 stock options each (four beneficiaries)
- Selected members of divisional leadership teams: 15,000 stock options each (seven beneficiaries)
- Selected high performance/high potential employees: 10,000 stock options each (three beneficiaries)

The 380,000 stock options correspond to 0.64% of the outstanding shares on 22 December 2025. As the grant made in June 2019 is due to expire on 27 June 2026, the 380,000 stock options are expected to generate a dilution of 4.53% in case all the June 2019 stock options are exercised before expiry (4.55% in case none of the 2019 stock options are exercised before expiry).

The table hereafter shows dilution calculation on 31 March 2026.

Shares outstanding on 22/12/2025		56,279,120
Shares outstanding (*)	(1)	57,068,420
Warrants & convertibles	(2)	0
Shares reserved under plans (*)	(3)	2,310,000
Fully diluted shares (*)	(1+2+3)	59,378,420

		SHARES	DILUTION (BASIC)		DILUTION (FULL)	
New shares requested	(4)	380,000	0.67%	(4)/(1)	0.64%	(4)/(1+2+3)
Existing shares available for the grant	(5)	0	0.00%		0.00%	
Granted unexercised/unvested shares	(6)	2,310,000	4.05%	(6)/(1)	3.89%	(6)/(1+2+3)
Total share allocation	(7)	2,690,000	4.71%	(7)/(1)	4.53%	(7)/(1+2+3)

(*) When all options granted in June 2019 (315,500) are exercised before expiry on 27 June 2026.

The shares reserved under plans are listed in the table below.

ISSUE	NUMBER OF WARRANTS NOT EXERCISED YET	EXERCISE PERIOD
June 2019	315,500	01/01/2023 – 27/06/2026
March 2020	415,000	01/01/2024 – 02/03/2027
May 2021	440,000	01/01/2025 – 11/05/2028
May 2022	290,000	01/01/2026 – 12/05/2029
June 2023	350,000	01/01/2027 – 29/06/2030
June 2024	402,500	01/01/2028 – 16/06/2031
June 2025	412,500	01/01/2029 – 15/06/2032
Total before expiry of 2019 grant in June 2026	2,625,500	
Total after expiry of 2019 grant in June 2026	2,310,000	

5. Authorisation for Recticel to increase its capital and shares by 5% in order to cover the annual stock options plan emissions over the next five years with a maximum allocation of 1% of the current number of outstanding shares per year.

6. Authorisation for Recticel, if need be, to repurchase shares for a period of five years, provided that the aim of the repurchase is not to frustrate a takeover. The amount of shares to be repurchased and the number of shares to be held in treasury will not exceed 10% of issued shares.

7. Approbation of the change-of-control clause included in the 2025 stock option plan. The clause foresees an immediate vesting of the awarded stock options in the event of a change of control, provided that the immediate vesting is approved by the Board of Directors after a careful assessment of the situation, including preservation of the shareholders' interests and ensuring that an immediate vesting does not reward beneficiaries for underperformance.

8. Authorisation to deviate from Article 7:91 ("three-year bonus deferral")
As in previous years, the Board of Directors will seek authorisation from the Annual General Meeting to derogate from the prescriptions of Article 7:91 of the Belgian Code of Companies and Associations (BCCA) whereby variable remuneration payments must be spread over a period of three years if certain thresholds are passed. This deviation will be requested for the CEO and the other members of the Management Committee, in line with the possibility offered by the legislation.

- **Nature of the construction industry and business cyclicality.** The Company operates primarily in the construction sector, which is characterised by short- to medium-term project cycles, pronounced market volatility and high sensitivity to external factors, including macroeconomic conditions, public investment policies, inflation in raw materials, supply chain disruptions, regulatory changes and weather conditions.

  In this context, defining operational and financial performance objectives over a three year forward-looking period is inherently uncertain and may result in targets that may become misaligned with actual business conditions and hence become no longer realistically achievable, or, on the contrary, no longer challenging enough. Such uncertainty undermines the relevance and incentive effect of variable remuneration schemes.

- **Predominance of annual performance measurement in project-based activities.** The Company's performance is largely driven by individual construction projects or portfolios of projects, which are typically planned, executed and evaluated within annual or shorter timeframes. Key performance indicators such as project margins, contract profitability, cost control, safety performance, cash generation and operational execution are most meaningfully assessed on a year-by-year basis, often linked to the completion or decisive phases of projects.

Spreading variable remuneration over three years would dilute the direct link between individual management decisions, operational performance and remuneration outcomes, thereby reducing transparency and accountability.

- **Motivation, retention and competitive talent market.** The Company operates in a highly competitive European market for executive and senior management talent. Remuneration practices in this market typically rely on annual or short-term variable incentive plans, supplemented where appropriate by long-term incentives of a different nature (e.g. share-based remuneration).

  Imposing a mandatory three-year spreading of variable cash remuneration above the statutory threshold may:
  - reduce the motivational impact of performance-based pay,
  - negatively affect the Company's ability to attract and retain qualified executives, and
  - place the Company at a competitive disadvantage compared to peers operating under more flexible remuneration structures.

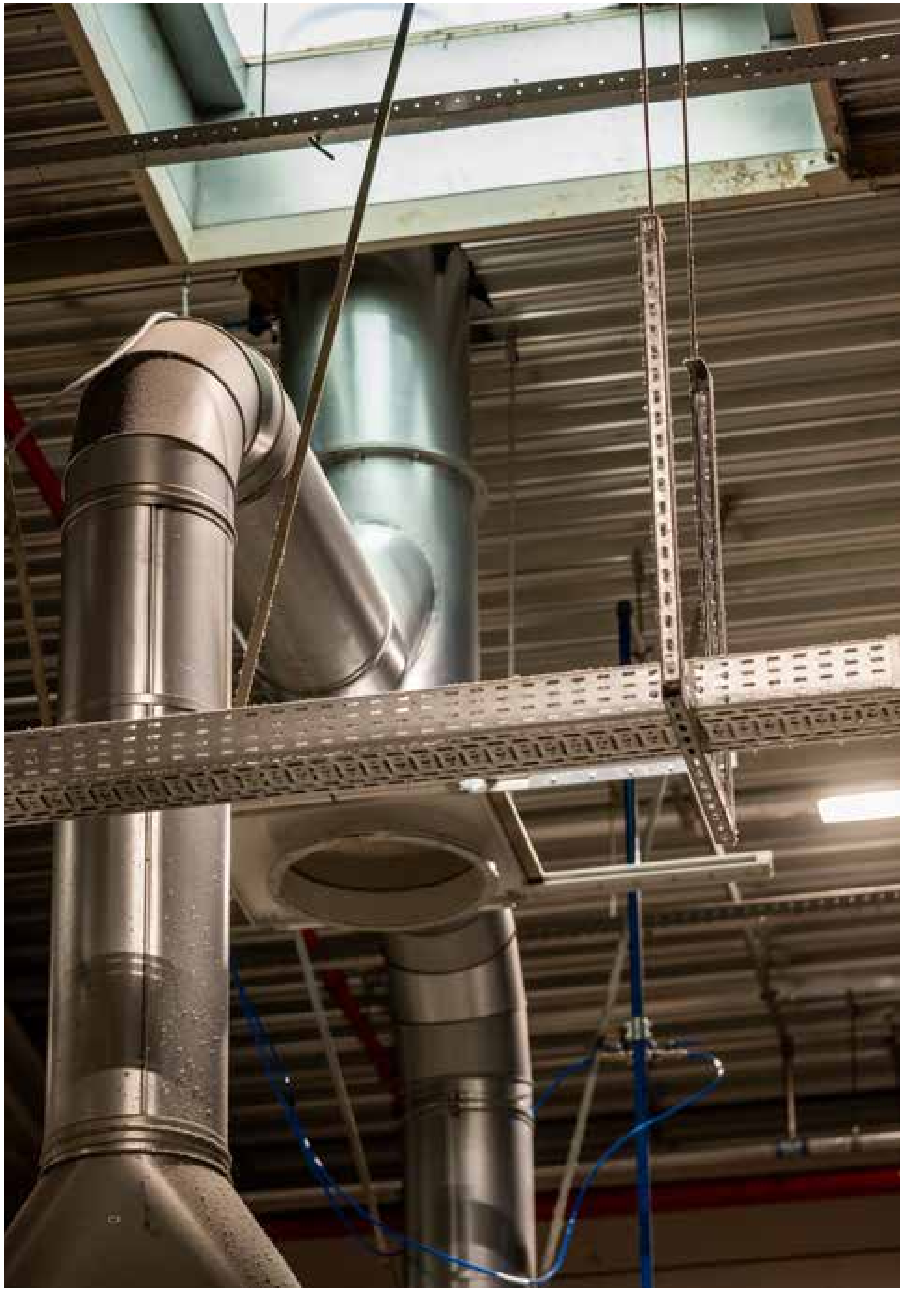
- **Risk of demotivation and distorted incentives.** The Remuneration & Nomination Committee considers that fixing performance conditions over a three year horizon, in a rapidly evolving economic and operational environment, may be perceived by executives as insufficiently controllable, disconnected from their actual sphere of influence, and exposed to external developments unrelated to their performance.

  This may lead to demotivation and unintended behaviour, which would be contrary to the objective of promoting sustainable value creation.

- **Continued alignment with long-term interests and shareholder protection.** The requested deviation does not imply any weakening of the Company's commitment to sound corporate governance, risk management or long-term value creation. The variable remuneration remains:
  - subject to strict performance criteria aligned with the Company's strategy,
  - capped at predefined levels,
  - governed by clawback and malus provisions where applicable, and
  - supervised by the Remuneration & Nomination Committee.

  Moreover, the Company continues to use other mechanisms (such as strategic KPIs, financial discipline and long-term incentive plans) to ensure alignment between executive remuneration and the long-term interests of shareholders and stakeholders.

In view of the above considerations, the Board of Directors considers that a deviation from the spreading requirement of Article 7:91 BCCA is justified, proportionate and in the best interests of the Company, and will therefore request the Annual General Meeting to approve this deviation in accordance with the law.



6.2 Our remuneration policy at a glance

This section describes the remuneration policy reviewed and validated by the Remuneration & Nomination Committee on 28 February 2024 and approved by the Board of Directors on the same day. The policy was adopted during the Annual General Meeting on 28 May 2024 and became effective as of 1 January 2024. It is available for consultation on the company website. The contents of the policy were established following the requirements of the Shareholder Rights Directive, the Belgian Code of Companies and Associations and the Belgian Corporate Governance Code.

Changes to the 2024 remuneration policy will be proposed to the Annual General Meeting in May 2026.

See section 6.1.4 for more details.

6.2.1 Directors

Per policy terms, Directors receive a fixed fee/retainer and an attendance fee, whereas Committee members receive attendance fees.

in EUR

	BOARD		COMMITTEE	
DIRECTORS	CHAIRMAN	MEMBER	CHAIRMAN	MEMBER
Fixed fee	30,000	15,000	n/a	n/a
Attendance fee	5,000	2,500	5,000	2,500

In accordance with the policy, Non-executive Board members do not receive variable and/or equity-related remuneration as referred to under Principle 7.6 of the Belgian Corporate Governance Code. Recticel Group considers that the Belgian Corporate Governance Code's goals of promoting the achievement of strategic objectives in accordance with the company's risk appetite and behavioural norms and promoting sustainable value creation are better served by remunerating the Non-executive Directors entirely in cash to avoid any conflicts of interest and guarantee their complete financial independence.

Non-executive Board members are not entitled to receive benefits. Expenses incurred when travelling abroad will be arranged for by Recticel directly.

Executive Directors are remunerated in accordance with the remuneration policy for the members of the Management Committee and any Director fees paid to the Executive Directors are deducted from the remuneration received as a member of the Management Committee.

The level and structure of remuneration paid to the Directors is regularly assessed against "BEL Mid" market practice. In February 2025, Willis Towers Watson was asked by the Remuneration & Nomination Committee to benchmark the current levels of the Board fees. The BEL Mid index then included the following 23 companies: Aperam, Ascencio, Barco, bpost, Brederode, Care Property Invest, Colruyt, DEME, EVS, Fagron, Gimv, Ion Beam Applications, Kinepolis, Montea, Bekaert, Ontex, Proximus, Retail Estates, Shurgard, Tessenderlo, TINC, VGP and Xior. As a result, the Committee recommended that the fee levels remain unchanged.

6.2.2 Management Committee

The level and structure of the Management Committee members' remuneration is reviewed annually by the Remuneration & Nomination Committee, which subsequently presents a proposal to the Board of Directors for approval. When determining the remuneration levels for the members of the Management Committee, Recticel Group considers a Belgian frame of reference comprising companies similar in size (compared on the basis of revenues) and exclusive of the financial sector. The objective is to establish target remuneration levels that are generally at or around the median market level, taking into account the Company's performance and financial capacity.

The last benchmarking study prepared by Willis Towers Watson ahead of the 2023 remuneration review cycle included 15 companies in Belgium: Agfa-Gevaert, Aliaxis, Allnex, Azelis, Barco, Carmeuse, Deceuninck, Etex, H. Essers, Lhoist, Lotus, Ontex, Tessenderlo, Umicore and Vandemoortele. They were selected on the basis of the relevance of their activities for the Recticel Group and their relative size.

The total remuneration package of the Management Committee members consists of the following elements.

Base pay
The individual's role, experience, performance and market practice are considered when determining salary levels.

Any Director fees paid to Executive Directors are deducted from the remuneration received as a member of the Management Committee.

Other benefits
The Management Committee members receive benefits in line with the Recticel Group's remuneration policy, which states that benefits and perquisites are provided in line with competitive practices in the market where the Executive in question is based and mainly include hospitalisation coverage, disability coverage and a company car. Members operating through a management company do not receive perquisites and benefits, although certain costs may be invoiced separately.

Short-Term Incentive (one-year variable)
The bonus is expressed as a percentage of the base remuneration. The payout depends on the achievement of predetermined collective and personal objectives, as follows:
- For threshold performance: the bonus payout will be nil.
- For target performance: the bonus payout will be 100% of base pay for the CEO and 37.50% for the other Management Committee members.
- For maximum performance: the bonus payout will be 150% of base pay for the CEO. For the other Management Committee members, it is 62.50%.
- No deferral policy is applicable.

Long-Term Incentive (Multi-Year Variable)
The Long-Term Incentive plan is granted by means of stock options. It is designed to align executives' and key employees' interests with the long-term interests of shareholders, while fully reflecting the specific legal, tax and market environment in Belgium.

The Long-Term Incentive plan at Recticel Group is designed to align executives' and key employees' interests with the long-term interests of shareholders, while fully reflecting the specific legal, tax and market environment in Belgium.

Stock options inherently create a direct and sustained alignment with shareholder value creation. Beneficiaries can only realise value if the company's share price appreciates above the exercise price over time. If the share price does not increase, the options remain "out of the money" and deliver no benefit whatsoever. This structure ensures that participants are economically aligned with shareholders and exposed to the same downside risk. The plan therefore embeds a market-based performance condition: sustainable share price growth over the long term. This is a widely accepted mechanism in the Belgian market and differs conceptually from short-term or guaranteed incentive outcomes.

In Belgium, stock options are subject to taxation at grant, rather than at vesting or exercise, which is distinct from many other jurisdictions. As a consequence, attaching additional internal financial or non-financial performance conditions to stock options significantly reduces their effectiveness as a long-term incentive. Participants pay taxes at grant and bear an immediate personal financial risk, regardless of future company performance. The economic outcome for participants remains entirely dependent on long-term share price appreciation. In addition, unlike shareholders, participants are not entitled to any dividend until they exercise their options, nor are they entitled to any form of compensation.

The tax regime explains why the vast majority of Belgian listed companies grant stock options without additional performance vesting conditions. In this context, time-based vesting combined with a market-driven outcome is considered an appropriate and proportionate incentive structure. The Long-Term Incentive plan is consistent with Belgian market practice and tax realities.

The Long-Term Incentive plan fully complies with the Belgian Code of Companies and Associations, the Belgian Corporate Governance Code and the statutory minimum three-year vesting period applicable to equity-based incentives. The plan does not seek any waiver of legal vesting requirements and has been designed with a clear long-term horizon, supporting retention of key executive talents, continuity and sustained value creation. The stock option plan is not intended to reward short-term performance or provide guaranteed outcomes. Instead, it incentivises participants to contribute to the company's long-term success, knowing that personal financial gain is only possible if shareholders themselves benefit from sustained share price appreciation. Options granted in 2025 cannot be exercised before 1 January 2029, nor can they be exercised later than 15 June 2032.

Every year, the Board of Directors seeks authorisation from the AGM to issue a certain number of stock options. This pool is distributed between the CEO, the other members of the Management Committee, selected members of the divisional leadership teams and a selection of high performance/high potential employees, in accordance with a schedule proposed by the Remuneration & Nomination Committee and validated by the Board of Directors. The details of the individual allocation of the foreseen 2026 grant is provided in section 6.1, Looking ahead. The individual details of past grants made to the CEO and the other members of the Management Committee are disclosed in section 6.5, Share-based remuneration.

Recticel does not express the stock options entitlement as a percentage of the base salary due to the rather theoretical and volatile nature of the valuation exercise. Recticel prefers to express the entitlement as a predetermined number of stock options per beneficiary, depending on his/her contribution to the Group as explained above. This approach is also best to understand how any future grant will impact dilution. When entitlement is expressed as a percentage of salary, the actual number of stock options to be granted depends on the assumptions used to value the stock options at the time of the grant. Their number is therefore unpredictable and may vary substantially year on year. This is not the case when the grants are expressed in the form of a predetermined number of stock options per category of beneficiary. Recticel Group also regularly benchmarks the remuneration packages of the CEO and the other Members of the Management Committee to ensure that the size of the grants remains market compliant and that their proportion remains meaningful in relation to the base remuneration and the Short-Term Incentive. The theoretical Black-Scholes value of the grant made during the reporting year is disclosed in section 6.4.3.2. The total value of the stock option plans is published in the annual financial report in section 7.2.6.2.

Pension
Benefits are provided to salaried members of the Management Committee in line with competitive practices in the market where the executives are based. Salaried members of the Management Committee employed in Belgium before 2003 are included in the Recticel Defined Benefit Plan; salaried members hired externally since 2003 are included in the Recticel Defined Contribution Plan. Benefits are not provided to Management Committee members operating through a management company.

Dismissal period or severance pay
On termination of the employment of a member of the Management Committee by the company, Recticel Group will apply a notice of 12 months, unless other applicable legally mandatory provisions require it to apply a higher number of months.

Contract
In 2025, the CEO and three other members of the Management Committee provided services through a management company. The other members are salaried employees.

Clawback
No clawback provisions are in place for the annual bonus plan, in deviation from Principle 7.12 of the Belgian Corporate Governance Code. Recticel Group considers that, based on general principles of law, the company can recover payments (1) if they were undue or (2) in case of fraud. The company does not wish to renegotiate existing agreements with Management Committee members to provide for additional clawback possibilities.

As explained in section 6.1.4, Looking ahead, the Board of Directors will propose during the Annual General Meeting in May 2026 to include a clawback clause in the Short-Term Incentive plan of the newly appointed CEO and the other members of the Management Committee.

Shareholding guidelines
The members of the Management Committee are encouraged to build stock ownership in the company up to an amount equivalent to 50% of their annual gross base pay over a period of five years, preferably by keeping part of the stocks that they purchase under the existing stock option plan.

6.3 Remuneration of the Non-executive Directors

The following table sets out the total remuneration for each Non-executive Director in 2025.

in EUR

Name	FIXED FEE	ATTENDANCE FEE
D.A.S.T. BV, represented by Wim Dejonghe	30,000.0	55,000
BALTISSE NV, represented by Filip Balcaen	15,000.0	17,500
IMRADA BV, represented by Ingrid Merckx [1]	6,099.0	5,000
FOXFIN BV, represented by Barbara De Saedeleer [2]	8,942.3	17,500
IRIDI BV, represented by Frank Coenen	15,000.0	17,500
LUBIS BV, represented by Luc Missorten	15,000.0	42,500
MOROXCO BV, represented by Elisa Vlerick	15,000.0	25,000
REF.LEX BV, represented by Astrid Rahn [2]	8,942.3	15,000

[1] until 27/05/2025
[2] from 27/05/2025

6.4 Remuneration of the Management Committee members

6.4.1 Total remuneration

An overview of the total remuneration of the CEO and the other members of the Management Committee in 2025 can be found in the table below.

in EUR

	FIXED REMUNERATION		VARIABLE REMUNERATION		EXTRAORDINARY ITEMS [c]	PENSION EXPENSE	TOTAL REMUNERATION (1+2+3+4)	PROPORTION OF FIXED AND VARIABLE REMUNERATION	
	BASE PAY	OTHER BENEFITS	ONE-YEAR VARIABLE [d]	MULTI-YEAR VARIABLE				FIXED	VARIABLE
Incumbent name	1		2		3	4	5	(1+4)/(5-3)	(2)/(5-3)
CORAL & WALLACE BV, represented by Jan Vergote (CEO) (a)	671,360	0	468,959	0	0	0	1,140,319	59%	41%
Other members of the Management Committee (b)	1,983,039	76,544	646,713	0	125,000	98,524	2,929,820	77%	23%

(a) *Only the CEO receives fees as Executive Director. These are included in the base remuneration and they are therefore not presented in a separate column in the table above.*

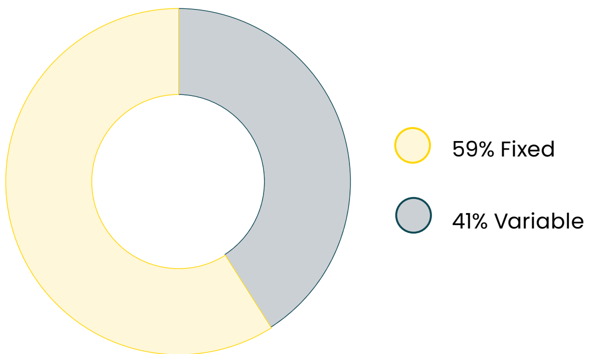
(b) *The table includes the remuneration actually earned or paid to the other members of the Management Committee, including*
- » *Betty Bogaert, Chief Information & Digitalisation Officer, for the full year,*
- » *Stefaan Debusschere, CEO Boards Division, since 1 March 2025,*
- » *Rob Nijskens, Chief HR Officer, for the full year,*
- » *Nay Tawile, CEO Panels Division, since 2 June 2025,*
- » *Bart Van den Eede, Chief Finance Officer, for the full year, and*
- » *Stijn Vermeulen, Chief Operations Officer, for the full year.*

The remuneration of the CHRO includes two months garden leave. Following the end of the working relationship by mutual consent, no severance or termination indemnity was due (see also section 6.1.2).

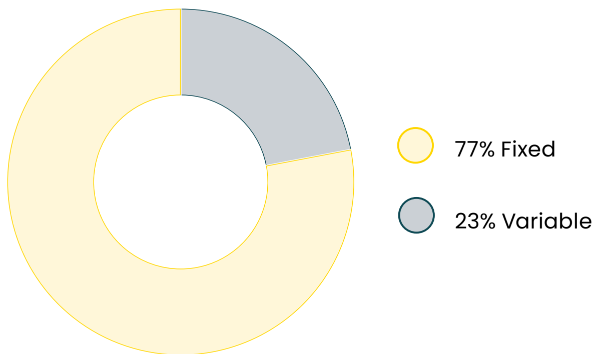
(c) *The total remuneration of the other members of the Management Committee does not include the additional fee invoiced by the CFO to Ascorium GmbH, a non consolidated joint venture of the Recticel Group, for his services as Geschäftsführer in 2025.*

Proportion of fixed and variable remuneration

CEO



Other members of the Management Committee



6.4.2 Fixed remuneration

BASE PAY	+	OTHER BENEFITS
	= FIXED REMUNERATION	

6.4.2.1 Base pay

The table below shows the base pay actually paid in 2025 to the CEO and the other members of the Management Committee and how it compares to 2024.

	2024	2025	2025 VS. 2024
CORAL & WALLACE BV, represented by Jan Vergote (CEO) [a]	671,360	671,360	0%
Other members of the Management Committee [b]	1,278,738	1,983,039	55%

(a) The base pay levels for CORAL & WALACE BV include the fees received as a member of the Board of Directors (EUR 30,000 in 2025).
(b) The year-on-year increase of the remuneration reported for the other members of the Management Committee is explained by the addition of two new members in the course of the year: Stefaan Debusschere, CEO Insulation Boards division, and Nay Tawile, CEO Insulated Panels division.

6.4.2.2 Other benefits

The amount mentioned in the column "Other benefits" in the total remuneration table in section 6.4.1 relates to the following benefits: insurances (death, disability, medical), company car costs and mobile phone costs. It excludes pension (which is reported separately under "pension expenses").

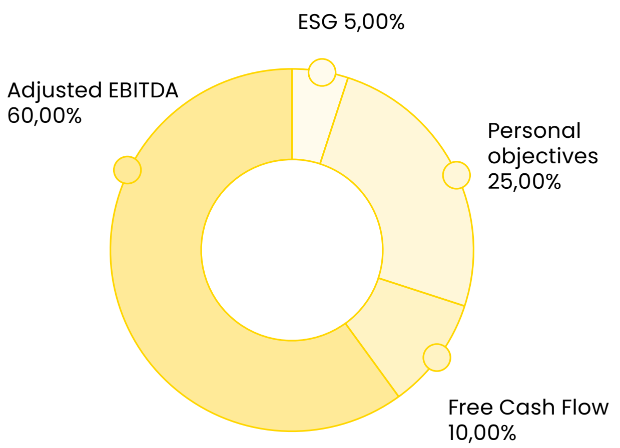
6.4.3 Variable remuneration

ONE-YEAR VARIABLE	+	MULTI-YEAR VARIABLE
	= VARIABLE REMUNERATION	

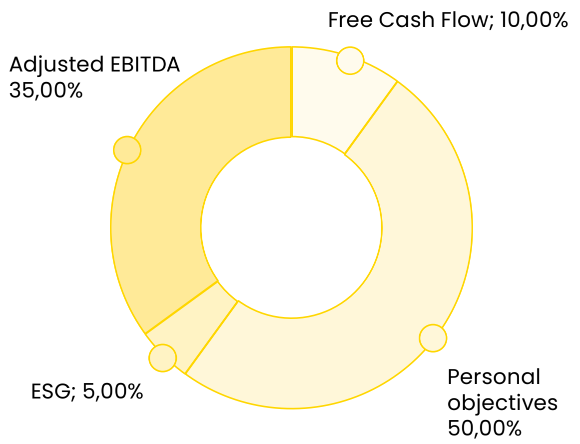
6.4.3.1 Short-Term Incentive (one-year variable)

2025 Performance against targets
The Short-Term Incentive depends on the achievement of predetermined collective and personal objectives.

CEO



Other members of the Management Committee



For the **CEO**, for performance year 2025, the collective objectives are determined at the level of the Group and consist of Group adjusted EBITDA (60% weight), Group Free Cash Flow (10% weight) and Group Carbon Intensity (5% weight). The bonus payout is calculated for each objective independently. The payout progression always foresees minimum, target and maximum achievement levels with corresponding payout levels determined along a straight line between each control point. As a general rule, for all collective objectives, achieving budget delivers 100% of the bonus payout opportunity. No payment is due if the level of adjusted EBITDA achieved during 2025 is less than or equal to 85% of the budgeted level (80% for Free Cash Flow). The maximum payout (150%) is reached if the achieved level of adjusted EBITDA is 115% of the budget (140% for Free Cash Flow). For the ESG objective, a year-on-year decrease of 10% of the Carbon Intensity delivers a payout of 100%. No payment is due if the decrease is 5% or less. The maximum payout (150%) is reached if the decrease is 15% or more. Personal objectives (25% weight) consist of a selection of three to five SMART targets. The personal objectives focus mainly on M&A, business growth and operational excellence. The payout ranges from 0% to 150% depending on their achievement and comes in addition to the payout of the Collective Objectives.

For the **other members of the Management Committee**, the collective objectives in 2025 are Free Cash Flow (10% weight), adjusted EBITDA (35% weight) and Carbon Intensity (5% weight). For the Group Function Heads (Chief Financial Officer, Chief Operations Officer, Chief Human Resources Officer, Chief Information & Digitalisation Officer), the collective objectives are determined at the level of the Group. For the division CEOs, they are determined at the level of their respective division (Insulation Boards or Insulated Panels). The bonus payout is calculated for each objective independently. The payout progression always foresees minimum, target and maximum achievement levels with corresponding payout levels determined along a straight line between each control point. As a general rule, for all collective objectives, achieving budget delivers 75% of the bonus payout opportunity. No payment is due if the level of adjusted EBITDA achieved during 2025 is less than or equal to 85% of the budgeted level (80% for Free Cash Flow). The maximum payout (125%) is reached if the achieved level of adjusted EBITDA is

115% of the budget (140% for Free Cash Flow). For the ESG objective, a year-on-year decrease of 10% of the Carbon Intensity delivers a payout of 75%. No payment is due if the decrease is 5% or less. The maximum payout (125%) is reached if the decrease is 15% or more. Personal objectives (50% weight) consist of a selection of three to five SMART targets. The personal objectives focus mainly on M&A, business growth and operational excellence. The payout ranges from 0% to 125% depending on their achievement and comes in addition to the payout of the Collective Objectives.

2025 payout progression

CEO

WEIGHT	ACHIEVEMENT LEVEL	MINIMUM	TARGET	MAXIMUM
10.00%	Free Cash Flow (% budget)	80.00%	100.00%	140.00%
60.00%	Adjusted EBITDA (% budget)	85.00%	100.00%	115.00%
5.00%	Carbon intensity	-5.00%	-10.00%	-15.00%
25.00%	Personal objectives	0.00%	100.00%	150.00%
WEIGHT	**CORRESPONDING PAYOUT (% BASE PAY)**	**MINIMUM**	**TARGET**	**MAXIMUM**
10.00%	Free Cash Flow	0.00%	10.00%	15.00%
60.00%	Adjusted EBITDA	0.00%	60.00%	90.00%
5.00%	Carbon intensity	0.00%	5.00%	7.50%
25.00%	Personal objectives	0.00%	25.00%	37.50%
100.00%	**Total**	**0.00%**	**100.00%**	**150.00%**

Other members of the Management Committee

WEIGHT	ACHIEVEMENT LEVEL	MINIMUM	TARGET	MAXIMUM
10.00%	Free Cash Flow (% budget)	80.00%	100.00%	140.00%
35.00%	Adjusted EBITDA (% budget)	85.00%	100.00%	115.00%
5.00%	Carbon intensity (vs. previous year)	-5.00%	-10.00%	-15.00%
50.00%	Personal objectives	0.00%	75.00%	125.00%
WEIGHT	**CORRESPONDING PAYOUT (% BASE PAY)**	**MINIMUM**	**TARGET**	**MAXIMUM**
10.00%	Free Cash Flow	0.00%	3.75%	6.25%
35.00%	Adjusted EBITDA	0.00%	13.12%	21.87%
5.00%	Carbon intensity	0.00%	1.88%	3.13%
50.00%	Personal objectives	0.00%	18.75%	31.25%
100.00%	**Total**	**0.00%**	**37.50%**	**62.50%**

Article 7:91 of the Belgian Code of Companies and Associations prescribes the need to spread variable remuneration payments over a three year period if certain thresholds are passed. The 25% threshold was passed in the cases of the CEO and all the other members of the Management Committee. Hence the Board of Directors proposed to the 2025 Annual General Meeting to approve a deviation from the said rule in line with the possibility offered by the legislation. This proposal was approved during the 2025 Annual General Meeting.

Short-Term Incentive payout for the performance year 2025

The achievement of the performance targets was measured during the time period starting on 1 January 2025 and ending on 31 December 2025. As per our remuneration policy, the evaluation of the CEO's performance was done by the Remuneration & Nomination Committee on the basis of audited company results before presenting a proposal to the Board of Directors. The evaluation of the other Management Committee members was done by the CEO on the basis of audited company results. The CEO then discussed this with the Remuneration & Nomination Committee before presenting a proposal to the Board of Directors.

The Company believes that transparent and meaningful remuneration disclosure is a cornerstone of sound corporate governance and shareholder engagement. In this context, the Company provides comprehensive disclosure on the overall design, performance metrics, weighting, governance safeguards, and outcomes of its annual incentive plan, enabling shareholders to assess the alignment between pay and performance.

However, the Company has determined that it is not in shareholders' best interests to disclose discrete quantitative bonus targets, including on a retroactive basis, due to the commercially sensitive nature of this information.

The annual bonus targets are directly derived from the Company's short-term operational priorities, strategic growth ambitions, pricing assumptions, margin objectives, capital allocation plans and specific (sometimes multi-year) projects and sales objectives. Disclosure of these targets - even after the close of the financial year - would:

- reveal confidential strategic benchmarks and internal performance thresholds;
- provide competitors and other market participants with insight into management's expectations, planning assumptions, and execution levers;
- potentially weaken the Company's competitive positioning and negotiating stance with customers, suppliers, and other stakeholders.

The Company considers that the risk of competitive disadvantage outweighs the incremental benefit of disclosing precise target levels, particularly in a dynamic and competitive market environment.

In line with market practice recognised by leading proxy advisors, the Company emphasises that effective incentive disclosure should enable shareholders to assess whether:

- performance conditions are rigorous and relevant;
- payouts are clearly linked to achieved performance;
- the remuneration outcomes are consistent with the Company's financial, operational, and strategic results during the reporting period.

Accordingly, the Company discloses:

- the key performance indicators used in the annual bonus (financial and non-financial);
- the relative weighting of each component;
- the performance assessment framework, including threshold, target and maximum payout opportunities;
- a qualitative explanation of year-on-year performance against objectives;
- the actual bonus outcomes awarded and the rationale underpinning those outcomes;
- the application of Remuneration & Nomination Committee discretion, where relevant.

The Board of Directors considers that this level of disclosure provides shareholders with a clear and proportionate understanding of pay-for-performance alignment, without exposing the Company to undue commercial risk.

The Remuneration & Nomination Committee retains full oversight of incentive target setting, calibration, and outcome determination. Targets are set in advance of the performance year, are appropriately challenging, and are independently reviewed within the governance framework.

The Company remains committed to ongoing dialogue with shareholders and proxy advisors and regularly reviews its disclosure approach against evolving best practice. The Board of Directors will continue to reassess the extent of target disclosure in light of changes in competitive circumstances, regulatory guidance and investor expectations.

Beneficiary	SHORT TERM INCENTIVE OBJECTIVES		WEIGHT	ACTUAL PAY OUT (% BASE SALARY)	ACTUAL AMOUNT (IN EUR)
CORAL & WALLACE BV, represented by Jan Vergote (CEO)	Collective Objectives	Free Cash Flow (Group)	10.00%	4.46%	29,930
		Adjusted EBITDA (Group)	60.00%	35.77%	240,138
		Carbon intensity (Group)	5.00%	7.50%	50,352
	Personal objectives		25.00%	22.13%	148,538
	Total		100.00%	69.85%	468,959
Other members of the Management Committee	Collective Objectives	Free Cash Flow (Group or Division depending on position)	10.00%	1.42%	26,941
		Adjusted EBITDA (Group or Division depending on position)	35.00%	9.60%	182,265
		Carbon intensity (Group or Division depending on position)	5.00%	3.13%	59,347
	Personal objectives		50.00%	19.91%	378,159
	Total		100.00%	34.06%	646,713

6.4.3.2 Long-Term Incentive (multi-year variable)

Grant made in 2025

Recticel Group provides a Long-Term Incentive (LTI) to its executive management through annual grants of stock options. The LTI plan is designed to promote sustainable value creation, strengthen alignment between executives and shareholders, and support the retention of key leadership over the long term.

Stock options are particularly suitable in the Belgian landscape. Under Belgium's favorable tax regime, stock options are taxed at grant rather than at exercise, provided certain conditions are met. Stock options are an appropriate LTI vehicle in this context, as their value is directly linked to the development of the Company's share price over time. Executives only realise value to the extent that shareholders benefit from share price appreciation, thereby reinforcing a strong alignment of interests. The plan also promotes a long-term focus, as options vest over time and remain subject to continued employment.

The size of the annual authorisation is determined based on two key principles:

- an annual dilution guideline of maximum 1% per annum; and
- an allocation schedule proposed by the Remuneration & Nomination Committee and approved by the Board of Directors, taking into account the role, Scope of responsibilities and market positioning of the beneficiaries.

Under current practice, annual grants amount to 125,000 stock options for the CEO and 30,000 stock options for each other Management Committee member (five beneficiaries in 2025). Exceptionally, the Board of Directors, upon recommendation of the Remuneration & Nomination Committee, agreed to grant an additional 20,000 stock options to the newly appointed CEO of the Board division to secure his recruitment. Members of the divisional leadership teams are entitled to grants of 15,000 stock options each (seven beneficiaries in 2025). A selection of high performance/high potential employees may receive 10,000 stock options each (two beneficiaries in 2025). In total, the plan included 15 executives in 2025.

In line with prior years, the Annual General Meeting held in May 2025 authorised the issuance of up to 450,000 warrants under the annual stock option plan. The grant was made in June 2025 and corresponded to 0.72% of the outstanding shares and a voting dilution rate (audited) of 4.55% (all plans together) which remains within generally accepted market standards.

The Board of Directors considers the overall level of equity incentives to be balanced and proportionate. The LTI plan ensures that total executive remuneration remains competitive in the relevant labour markets, supports the retention of key talent, and aligns long-term executive rewards with shareholder value creation, while remaining consistent with sound governance standards and the Company's commitment to responsible pay practices.

The table below shows the grants made to the CEO and the other members of the Management Committee in June 2025. The theoretical value of the options at grant is calculated by applying the Black-Scholes formula, taking into account certain assumptions regarding dividend payment (dividend yield: 2.89%, interest rate: 2.5550% and volatility: 38.3%). For the grant in June 2025, the value amounted to EUR 3.0820 per warrant. Section 6.5, Share-based remuneration, includes the details of the grants made to the CEO and the other members of the Management Committee.

Incumbent name	NUMBER OF OPTIONS GRANTED	STRIKE PRICE OF THE OPTION (IN EUR)	TOTAL THEORETICAL VALUE AT GRANT (IN EUR)
Jan Vergote (Chief Executive Officer)	125,000	10.74	385,250
Betty Bogaert (Chief Information & Digitalisation Officer)	30,000	10.74	92,460
Stefaan Debusschere (Chief Executive Officer Insulation Boards)	50,000	10.74	154,100
Rob Nijskens (Chief Human Resources Officer)	30,000	10.74	92,460
Bart Van den Eede (Chief Financial Officer)	30,000	10.74	92,460
Stijn Vermeulen (Chief Operations Officer)	30,000	10.74	92,460

2025 Vesting

The following stock options, relating to the April 2021 grant, vested on 1 January 2025. The value at vesting corresponds to the difference between the share price at vesting and the strike price of the option.

Incumbent name	NUMBER OF OPTIONS VESTED	STRIKE PRICE OF THE OPTION (IN EUR)	SHARE PRICE AT VESTING (IN EUR)	VALUE AT VESTING (IN EUR)
Betty Bogaert (Chief Information & Digitalisation Officer)	30,000	12.44	10.48	0
Rob Nijskens (Chief Human Resources Officer)	30,000	12.44	10.48	0

6.4.4 Extraordinary items

Extraordinary items consist of the payment of a sign-on bonus to the CEO of the Insulation Boards division for a total of EUR 125,000 paid in two equal instalments, the first one month after joining and the second six months after joining, on condition that the service provider was still working for the Company on those dates.

The sign-on bonus was provided as a replacement award to compensate for any forfeited compensation when accepting the new role at Recticel Group.

The Board of Directors determined that the award was warranted in light of the need to secure the services of a highly qualified executive within a competitive timeframe. The executive's proven track record in leading complex business transformations within the construction industry is considered critical to the delivery of the Company's strategic growth objectives.

In addition, the Board of Directors recognised that participation in the Company's Long-Term Incentive arrangements requires the completion of multi-year vesting, which may result in a timing gap for newly appointed executives. The sign-on bonus was therefore intended to partially bridge this transition period.

The Board emphasises that the sign-on bonus was granted in exceptional recruitment circumstances, is strictly non-recurring and does not form part of the executive's ongoing remuneration structure. It does not structurally increase fixed pay, nor does it alter the design or quantum of variable incentive opportunities, ensuring continued alignment with the Company's long-term performance and shareholder interests.

In the same train of thoughts, the Board of Directors agreed to grant the CEO of the Insulation Boards division an additional 20,000 stock options in 2025, in addition to the 30,000 stock options usually foreseen for each of the members of the Management Committee.

6.4.5 Pension expenses

in EUR

Incumbent name	PENSION EXPENSES
CORAL & WALLACE BV, represented by Jan Vergote (CEO)	Included in fee
Other members of the Management Committee	98,524

For salaried members of the Management Committee in Belgium, Recticel Group reports

- the actual contributions paid into the plan for beneficiaries of the Defined Contribution plan,
- the service cost for beneficiaries of the Defined Benefit plan, as the plan is a collective plan.

6.4.6 Additional disclosure

Recticel Group did not apply any clawback provisions during the year under review.

The level of shareholdership of the Non-executive Directors on 31 December 2025 is displayed in the table hereafter.

Level of shareholdership of the Non-executive Directors

Director	NUMBER OF SHARES
Wim Dejonghe	20,000
Filip Balcaen	0
Spring Holdco BV (Group Baltisse)	16,403,132
Frank Coenen	0
Luc Missorten	0
Elisa Vlerick	6,000
Astrid Rahn	0
Barbara De Saedeleer	0

The following table shows the level of shareholdership of the CEO and the other members of the Management Committee on 31 December 2025. It shows that the actual level of shareholdership was above the policy requirement for the CEO on that date. One out of the other four members of the Management Committee was meeting the policy requirement.

Level of shareholdership of the Management Committee members

	NUMBER OF SHARES HELD ON 31 DECEMBER 2025	VALUE OF THE STOCK ON 31 DECEMBER 2025 (IN EUR)	TOTAL VALUE OF SHARES HELD (IN EUR)	ACTUAL LEVEL OF SHAREHOLDERSHIP (% BASE PAY)	TARGET LEVEL OF SHAREHOLDERSHIP (% BASE PAY)
CEO	120,000	9.80	1,176,000	175%	50%
Other members of the Management Committee	92,165	9.80	903,217	64% on average	50%

The fulfilment of the shareholding guideline by the CEO and each other member of the Management Committee is determined by comparing the value of the number of shares held on 31 December 2025 to 50% of their annual base pay on 31 December 2025. The value of the shares held is obtained by multiplying the number of shares held on 31 December 2025 by the closing price of the stock on that date (EUR 9.80).

6.5 Share-based remuneration

The table below details the opening and closing balance, as well as movements during the year in terms of share-based remuneration for each of the Management Committee members. In line with the information presented in previous tables, shares have been valued at fair value at grant and at market value at vesting.

Incumbent name	MAIN CONDITIONS OF THE SHARE OPTION PLANS					INFORMATION REGARDING THE REPORTED FINANCIAL YEAR							
						OPENING BALANCE	DURING THE YEAR					CLOSING BALANCE	
	SPECIFICATION OF THE PLAN	AWARD DATE	VESTING DATE	EXERCISE PERIOD	STRIKE PRICE OF THE OPTION (IN EUR)	SHARE OPTIONS OUTSTANDING AT THE BEGINNING OF THE YEAR	SHARE OPTIONS AWARDED		SHARE OPTIONS VESTED		SHARE OPTIONS EXERCISED	SHARE OPTIONS AWARDED AND UNVESTED	SHARE OPTIONS VESTED BUT UNEXERCISED
							NUMBER	VALUE (IN EUR)	NUMBER	VALUE (IN EUR)			
Jan Vergote (Chief Executive Officer)	2024 grant	17/06/2024	01/01/2028	01/01/2028 – 16/06/2031	12.92	125,000						125,000	0
	2025 grant	16/06/2025	01/01/2029	01/01/2029 – 15/06/2032	10.74		125,000	385,250				125,000	0
											Total	250,000	0
Betty Bogaert (Chief Information & Digitalisation Officer)	2019 grant	28/06/2019	01/01/2023	01/01/2023 – 27/06/2026	7.90	180,000					30,000	0	0
	2020 grant	03/03/2020	01/01/2024	01/01/2024 – 02/03/2027	6.70							0	30,000
	2021 grant	12/05/2021	01/01/2025	01/01/2025 – 11/05/2028	12.44				30,000	0		0	30,000
	2022 grant	13/05/2022	01/01/2026	01/01/2026 – 12/05/2029	17.74							30,000	0
	2023 grant	30/06/2023	01/01/2027	01/01/2027 – 29/06/2030	10.80							30,000	0
	2024 grant	17/06/2024	01/01/2028	01/01/2028 – 16/06/2031	12.92							30,000	0
	2025 grant	16/06/2025	01/01/2029	01/01/2029 – 15/06/2032	10.74		30,000	92,460				30,000	0
											Total	120,000	60,000
Rob Nijskens (Chief Human Resources Officer), until 31/10/2025	2019 grant	28/06/2019	01/01/2023	01/01/2023 – 27/06/2026	7.90	130,000					5,000	0	0
	2020 grant	03/03/2020	01/01/2024	01/01/2024 – 02/03/2027	6.70						5,000	0	0
	2021 grant	12/05/2021	01/01/2025	01/01/2025 – 11/05/2028	12.44				30,000	0		0	30,000
	2022 grant	13/05/2022	01/01/2026	01/01/2026 – 12/05/2029	17.74							30,000	0
	2023 grant	30/06/2023	01/01/2027	01/01/2027 – 29/06/2030	10.80							30,000	0
	2024 grant	17/06/2024	01/01/2028	01/01/2028 – 16/06/2031	12.92							30,000	0
	2025 grant	16/06/2025	01/01/2029	01/01/2029 – 15/06/2032	10.74		30,000	92,460				30,000	0
											Total	120,000	30,000
Stijn Vermeulen (Chief Operations Officer)	2024 grant	17/06/2024	01/01/2028	01/01/2028 – 16/06/2031	12.92	15,000						15,000	0
	2025 grant	16/06/2025	01/01/2029	01/01/2029 – 15/06/2032	10.74		30,000	92,460				30,000	0
											Total	45,000	0
Bart Van den Eede (Chief Financial Officer)	2025 grant	16/06/2025	01/01/2029	01/01/2029 – 15/06/2032	10.74	0	30,000	92,460				30,000	0
											Total	30,000	0
Stefaan Debusschere (Chief Executive Officer Boards)	2025 grant	16/06/2025	01/01/2029	01/01/2029 – 15/06/2032	10.74	0	50,000	154,100				50,000	0
											Total	50,000	0

6.6 Termination indemnities

No termination indemnities were paid in the course of 2025.

6.7 Derogations

There are no derogations to report for the year 2025.

6.8 Annual change in remuneration and pay ratio

6.8.1 Annual change in remuneration of Directors versus the wider workforce & company performance

The following table displays the variation of the remuneration of the CEO and the other members of the Management Committee between 31 December 2021 and 31 December 2025 against the evolution of key financial metrics.

	2021	2022	2023	2024	2025	2022 VS. 2021	2023 VS. 2022	2024 VS. 2023	2025 VS. 2024
Total remuneration of the CEO (in EUR) [a]	1.507.415	1.633.933	1.317.559	-	-	108%	81%	-	-
Total remuneration of the CEO (in EUR) [b]	-	-	437.445	1.168.787	1.140.319	-	-	267%	98%
Average total remuneration of the other members of the Management Committee (in EUR)	589.632	642.020	592.505	513.776	539,884	109%	92%	87%	105%
Average total remuneration of the other employees (in EUR) [c]	59.876	54.667	54.407	76.181	74.174	91%	100%	140%	97%
Net Cash Flow before dividends (in million EUR)	54,9	-	-	-		-	-	-	-
Free Cash Flow (in million EUR)	-	50,7	12,3	6,7	6,2	-	24%	55%	92%
Adjusted EBITDA (in million EUR) [d]	118,6	62,2	39,2	49,6	55.8	52%	63%	127%	108%
Net Profit (share of the Group) (in million EUR)	53,5	63,2	3,3	18,1	10,2	118%	5%	548%	56%
Sustainability KPIs									

(a,b) For the performance year 2023, the total remuneration of the CEO consists of the remuneration earned in 2023 by Olivier Chapelle until 31 August 2023 and by the newly appointed CEO, Jan Vergote as of 1 September 2023.
(c) The average total remuneration of the other employees corresponds to the average remuneration of employees in Belgium and is determined on the basis of the social statement ("sociale balans"/ "bilan social") of Recticel NV applicable in the related year.
(d) For 2025: including Kuras and Miclar Group

6.8.2 Pay ratio

The pay ratio compares the highest remuneration of the Management Committee (that is the remuneration of the CEO, expressed on an annual basis) with the lowest remuneration at Recticel NV in Belgium. On 31 December 2025, the highest remuneration was 19 times the lowest remuneration; this is a pay ratio of 19:1.

07 Financial Report

PART 4 | FINANCIAL STATEMENT

7

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7.5 Declaration by the responsible Officers

[1]Kuras BV (Insulated Panels) is fully consolidated as from 1 November 2025 and Miclar Group (Insulated Panels) is fully consolidated as from 1 December 2025.
[2]Income from other associates = income from associates not considered as being part of the Group's core business are not integrated in Operating profit (loss); i.e. Ascorium Holding GmbH (formerly TEMDA2).

7.1 Consolidated financial statements

The consolidated financial statements were authorised for issue by the Board of Directors on 20 April 2026. They have been prepared in accordance with IFRS accounting policies, details of which are given below.

7.1.1 Consolidated income statement

in thousand EUR

	NOTES*	2024	2025 [1]
Sales	**7.2.3**	**610,196**	**655,075**
Cost of sales		(505,647)	(541,110)
Gross profit	**7.2.4.1**	**104,549**	**113,964**
General and administrative expenses		(43,306)	(46,941)
Sales and marketing expenses	7.2.4.2	(30,367)	(32,010)
Research and development expenses	7.2.4.2	(4,894)	(3,993)
Impairment of goodwill, intangible and tangible assets	7.2.1.4	(394)	(134)
Other operating revenues	7.2.4.3	6,366	6,301
Other operating expenses	7.2.4.3	(20,465)	(17,273)
Income from associates	7.2.5.7	0	0 [2]
Operating profit (loss)	**7.2.4.4**	**11,489**	**19,914**
Interest income		3,980	1,719
Interest expenses		(1,580)	(1,903)
Other financial income		3,338	3,196
Other financial expenses		(2,359)	(6,481)
Financial result	**7.2.4.5**	**3,380**	**(3,470)**
Income from other associates		0	0 [2]
Impairment other associates		0	(11,524)
Change in fair value of option structures		0	0
Result of the period before taxes		**14,868**	**4,920**
Income taxes	7.2.4.7	1,476	645
Result of the period after taxes - continuing operations		**16,345**	**5,566**
Result of discontinued operations	7.2.4.7	1,613	5,047
Result of the period after taxes - continuing and discontinued operations		**17,957**	**10,613**
of which share of the Group		18,132	10,199
of which non-controlling interests		(174)	414

** The accompanying notes are an integral part of this income statement.*

7.1.2 Earnings per share

	NOTES*	2024	2025
Number of shares outstanding (including treasury shares)		56,605,920	56,752,920
Weighted average number of shares outstanding (before dilution effect)		56,067,538	56,339,332
Weighted average number of shares outstanding (after dilution effect)		56,475,310	56,541,062

in EUR

Earnings per share			
Earnings per share - continuing operations		0.29	0.10
Earnings per share - discontinued operations		0.03	0.09
Earnings per share of continuing and discontinued operations		**0.32**	**0.19**
Earnings per share from continuing operations			
Earnings per share from continuing operations - Basic	7.2.4.10	0.29	0.10
Earnings per share from continuing operations - Diluted	7.2.4.11	0.29	0.10
Earnings per share from discontinued operations			
Earnings per share from discontinued operations - Basic	7.2.4.10	0.03	0.09
Earnings per share from discontinued operations - Diluted	7.2.4.11	0.03	0.09
Net book value		**7.86**	**7.58**

The basic earnings per share are calculated on the basis of the weighted average number of shares outstanding during the period.

The diluted earnings per share are calculated on the basis of the weighted average number of shares outstanding during the period, adjusted for dilutive subscription rights.

7.1.3 Consolidated statement of comprehensive income

in thousand EUR

	NOTES*	2024	2025
Result for the period after taxes		**17,957**	**10,613**
Other comprehensive income			
Actuarial gains (losses) on employee benefits recognised in equity		839	(164)
Deferred taxes on actuarial gains (losses) on employee benefits		(492)	(22)
Currency translation differences that will not subsequently be recycled to profit and loss		(7)	11
Share in other comprehensive income in joint ventures & associates that will not subsequently be recycled to profit and loss	7.2.5.6	0	0
Items that will not subsequently be recycled to profit and loss		**339**	**(175)**
Hedging reserves		0	0
Currency translation differences that subsequently may be recycled to profit and loss		2,034	(2,474)
Foreign currency translation reserve difference recycled in the income statement		0	0
Deferred taxes on retained earnings		0	3
Share in other comprehensive income in joint ventures & associates that subsequently may be recycled to profit and loss	7.2.5.6	0	0
Items that subsequently may be recycled to profit and loss		**2,034**	**(2,471)**
Other comprehensive income net of tax		**2,374**	**(2,647)**
Total comprehensive income for the period		**20,331**	**7,966**
Total comprehensive income for the period		**20,331**	**7,966**
Total comprehensive income for the period attributable to the owners of the parent		20,505	7,560
Total comprehensive income for the period attributable to non-controlling interests		(174)	407
Total comprehensive income for the period attributable to the owners of the parent		**20,505**	**7,560**
Total comprehensive income for the period attributable to the owners of the parent - Continuing operations		18,892	2,512
Total comprehensive income for the period attributable to the owners of the parent - Discontinued operations		1,613	5,047

** The accompanying notes are an integral part of this statement of comprehensive income.*

7.1.4 Consolidated statement of financial position

in thousand EUR

	NOTES*	31 DEC 2024	31 DEC 2025
Intangible assets	7.2.5.1	76,549	73,657
Goodwill	7.2.5.2	76,467	94,509
Property, plant & equipment	7.2.5.3	160,763	182,764
Right-of-use assets	7.2.5.4	39,903	27,299
Non-current receivables	7.2.5.7	13,795	9,659
Deferred tax assets	7.2.4.6	27,396	30,135
Non-current assets		**394,872**	**418,022**
Inventories	7.2.5.8	55,075	57,441
Trade receivables	7.2.5.10	101,925	110,993
Deferred receivable for share investments/divestment		864	172
Other receivables and other financial assets	7.2.5.10	12,119	12,130
Income tax receivables		4,098	4,552
Cash and cash equivalents	7.2.5.11	132,717	82,251
Current assets		**306,799**	**267,540**
TOTAL ASSETS		**701,670**	**685,562**
Capital	7.2.5.13	141,515	141,882
Share premium		135,696	136,380
Share capital		**277,211**	**278,262**
Treasury shares		(1,450)	(1,450)
Other reserves		(1,338)	(167)
Retained earnings		162,491	155,144
Equity adjustment - NCI put option		0	(8,937)
Hedging and translation reserves		6,689	4,230
Equity (share of the Group)		**443,602**	**427,083**
Equity attributable to non-controlling interests		1,531	3,360
Total equity		**445,133**	**430,443**

in thousand EUR

	NOTES*	31 DEC 2024	31 DEC 2025
Employee benefit liabilities	7.2.5.14	10,996	11,049
Provisions	7.2.5.15	28,479	21,185
Deferred tax liabilities	7.2.4.6	25,377	23,927
Financial liabilities	7.2.5.16	46,218	44,035
Other amounts payable		972	134
Deferred payables for share investments		0	8,937
Non-current liabilities		**112,044**	**109,267**
Provisions	7.2.5.15	1,252	2
Financial liabilities	7.2.5.16	12,116	10,800
Trade payables	7.2.5.17	87,844	94,023
Current contract liabilities	7.2.5.9	9,577	9,778
Income tax payables		1,522	2,258
Other amounts payable	7.2.5.17	32,181	28,992
Current liabilities		**144,493**	**145,852**
TOTAL EQUITY AND LIABILITIES	**7.2.5.1**	**701,670**	**685,562**

** The accompanying notes are an integral part of this statement of financial position. See also note 7.2.4.7, Discontinued operations.*

7.1.5 Consolidated cash flow statement

in thousand EUR

		NOTES*	2024	2025
Operating profit (loss)		**7.2.4.4**	**11,489**	**19,914**
Amortisation of intangible assets		7.2.5.1	9,727	10,062
Depreciation of tangible assets		7.2.5.3	20,952	21,230
(Reversal) Impairment losses on tangible assets		7.2.5.3	394	134
(Write-backs)/Write-offs on assets			(34)	(367)
Changes in provisions			(3,632)	(2,941)
Gain/(Loss) on disposal intangible and tangible assets			(260)	373
Other non-cash elements			1,343	1,347
GROSS OPERATING CASH FLOW BEFORE WORKING CAPITAL MOVEMENTS			**39,980**	**49,751**
Changes in inventories			(311)	(897)
Changes in trade and other receivables			(14,813)	(5,937)
Changes in trade and other payables			1,599	(1,357)
Changes in working capital			(13,525)	(8,191)
Income taxes paid			(4,354)	(5,095)
NET CASH FLOW FROM OPERATING ACTIVITIES	**(a)**		**22,102**	**36,466**
Interests received			285	54
Dividends received			20	(0)
Disposal of Bedding			13,292	0
Disposal of Engineered Foams			(9,399)	0
Disposal of Orsafoam			2,383	2,383
Acquisition Rex, net of cash acquired			(33,777)	691
Acquisition Kuras/Miclar, net of cash acquired				(23,730)
Increase of loans and receivables			(94)	(9,035)
Decrease of loans and receivables			154	818
Investments in intangible assets		7.2.5.1	(3,362)	(4,541)
Investments in property, plant and equipment		7.2.5.3	(25,143)	(29,736)
Disposals of intangible assets		7.2.5.1	0	0
Disposals of property, plant and equipment		7.2.5.3	559	836
NET CASH FLOW FROM DIVESTMENT (INVESTMENT) ACTIVITIES	**(b)**		**(55,082)**	**(62,260)**

in thousand EUR

		NOTES*	2024	2025
Interests paid on financial debt	(c)		(1,304)	(1,132)
Interests paid on lease debt	(c)		(300)	(343)
Interests received			3,556	1,665
Dividends paid			(17,344)	(17,447)
Increase/(Decrease) of capital			2,904	1,546
Increase of financial debt			8,681	5,119
Decrease of financial debt			(17,658)	(6,955)
Decrease of lease debt	(d)		(5,009)	(5,250)
NET CASH FLOW FROM FINANCING ACTIVITIES	**(e)**		**(26,475)**	**(22,796)**
Effect of exchange rate changes	(f)		780	(1,876)
CHANGES IN CASH AND CASH EQUIVALENTS	**(a)+(b)+(e)+(f)**		**(58,675)**	**(50,466)**
NET FREE CASH FLOW	**(a)+(b)+(c)+(d)**		**(39,594)**	**(32,519)**
Net cash position opening balance	(g)		191,393	132,717
Net cash position closing balance	(h)		132,717	82,251
CHANGES IN CASH AND CASH EQUIVALENTS	**(h)-(g)**		**(58,675)**	**(50,466)**

** The accompanying notes are an integral part of this cash flow statement.*

Changes in financial liabilities

For the year ending 31 December 2025

in thousand EUR

	31 DEC 2024	CASH FLOWS IN 2025	NON-CASH CHANGES										
			NEW LEASES	REASSESSMENT IFRS 16	INTERESTS ACCRUED	FAIR VALUE OF HEDGING INSTRUMENTS	ACTUALISATION	AMORTISATION	TRANSFER	EXCHANGE RATE DIFFERENCES	TRANSFER TO HELD FOR SALE	CHANGE IN SCOPE	31 DEC 2025
Long term borrowings	**24,342**	1,767	0	0	0	0	0	15	(317)	(44)	0	1,297	**27,060**
Short term borrowings	**3,661**	(1,237)	0	0	0	0	0	0	1,075	(5)	0	173	**3,667**
Lease liabilities	**30,029**	(8,525)	1,575	0	367	0	21	0	31	(698)	0	1,030	**23,831**
Accrued interest liabilities	**303**	(621)	0	0	1,470	0	0	0	(834)	(40)	0	0	**278**
Total liabilities from financing activities	58,335	**(8,615)**	**1,575**	**0**	**1,837**	**0**	**21**	**15**	**(46)**	**(786)**	**0**	**2,500**	**54,835**

See also note 7.2.4.8, Business combinations, note 7.2.5.16, Financial liabilities and note 7.2.5.4, Right-of-use assets.

For the year ending 31 December 2024

in thousand EUR

	31 DEC 2023	CASH FLOWS IN 2024	NON-CASH CHANGES										
			NEW LEASES	REASSESSMENT IFRS 16	INTERESTS ACCRUED	FAIR VALUE OF HEDGING INSTRUMENTS	ACTUALISATION	AMORTISATION	TRANSFER	EXCHANGE RATE DIFFERENCES	TRANSFER TO HELD FOR SALE	CHANGE IN SCOPE	31 DEC 2024
Long term borrowings	**10,001**	2,733	0	0	0	0	0	77	(6,942)	0	0	18,473	**24,342**
Short term borrowings	**811**	(11,650)	0	0	(0)	0	0	0	7,137	(0)	0	7,363	**3,661**
Lease liabilities	**18,326**	(9,347)	9,711	2,692	467	0	40	0	(54)	416	0	7,777	**30,029**
Accrued interest liabilities	**358**	(1,413)	0	0	1,589	0	0	0	(68)	(162)	0	0	**303**
Total liabilities from financing activities	29,497	**(19,676)**	**9,711**	**2,692**	**2,055**	**0**	**40**	**77**	**73**	**254**	**0**	**33,613**	58,335

See also note 7.2.5.16, Financial liabilities and note 7.2.5.4, Right-of-use assets.

7.1.6 Statement of changes in shareholders' equity

For the year ending 31 December 2025

in thousand EUR

2025	CAPITAL	SHARE PREMIUM	TREASURY SHARES	OTHER RESERVES	RETAINED EARNINGS	EQUITY ADJUSTMENT - NCI PUT OPTION	TRANSLATION DIFFERENCES AND HEDGING RESERVES	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL SHAREHOLDERS' EQUITY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Equity at the beginning of the period	**141,515**	**135,696**	**(1,450)**	**(1,338)**	**162,491**	**0**	**6,689**	**443,602**	**0**	**443,602**	**1,531**	**445,133**
Dividends	0	0	0	0	(17,548)	0	0	(17,548)	0	(17,548)	0	(17,548)
Stock options (IFRS 2)	0	0	0	1,347	0	0	0	1,347	0	1,347	0	1,347
Capital movements	368	684	0	0	(0)	0	0	1,052	0	1,052	442	1,494
Shareholders' movements	**368**	**684**	**0**	**1,347**	**(17,548)**	**0**	**0**	**(15,149)**	**0**	**(15,149)**	**442**	**(14,707)**
Profit (loss) of the period				**0**	**5,151**		**0**	**5,151**	**5,047**	**10,199**	**414**	**10,613**
Other comprehensive income	0	0	0	(175)	3	0	(2,467)	(2,639)	0	(2,639)	(8)	(2,647)
Total comprehensive income	**0**	**0**	**0**	**(175)**	**5,154**	**0**	**(2,467)**	**2,512**	**5,047**	**7,560**	**407**	**7,966**
Changes in Scope	(0)	0	0	0	5,047	(8,937)	8	(3,882)	(5,047)	(8,929)	980	(7,950)
Equity at the end of the period	**141,882**	**136,380**	**(1,450)**	**(167)**	**155,144**	**(8,937)**	**4,230**	**427,083**	**0**	**427,083**	**3,360**	**430,443**

[1] Note 7.2.5.13, Share capital
The item "Changes in scope" on retained earnings and discontinued operations relate to the divestment of the Recticel Engineered Foams activities, on Equity adjustment - NCI put option relates to the put-call options granted to the selling parties of Kuras (EUR 1.7 million) and Miclar (EUR 7.2 million).

For the year ending 31 December 2024

in thousand EUR

2024	CAPITAL	SHARE PREMIUM	TREASURY SHARES	OTHER RESERVES	RETAINED EARNINGS	EQUITY ADJUSTMENT - NCI PUT OPTION	TRANSLATION DIFFERENCES AND HEDGING RESERVES	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL SHAREHOLDERS' EQUITY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Equity at the beginning of the period	**140,577**	**133,729**	**(1,450)**	**(2,106)**	**160,974**	**0**	**4,556**	**436,281**	**0**	**436,281**	**1,706**	**437,987**
Dividends	0	0	0	0	(17,411)	0	0	(17,411)	0	(17,411)	0	(17,411)
Stock options (IFRS 2)	0	0	0	1,323	0	0	0	1,323	0	1,323	(0)	1,323
Capital movements	938	1,967	0	(895)	895	0	0	2,904	0	2,904	0	2,904
Shareholders' movements	**938**	**1,967**	**0**	**428**	**(16,516)**	**0**	**0**	**(13,184)**	**0**	**(13,184)**	**(0)**	**(13,184)**
Profit (loss) of the period				**0**	**16,519**		**0**	**16,519**	**1,613**	**18,132**	**(174)**	**17,957**
Other comprehensive income	0	0	0	339	0	0	2,034	2,374	0	2,374	0	2,374
Total comprehensive income	**0**	**0**	**0**	**339**	**16,519**	**0**	**2,034**	**18,892**	**1,613**	**20,505**	**(174)**	**20,331**
Changes in Scope	0	0	0	0	1,514	0	99	1,613	(1,613)	(0)	0	(0)
Equity at the end of the period	**141,515**	**135,696**	**(1,450)**	**(1,338)**	**162,491**	**0**	**6,689**	**443,602**	**0**	**443,602**	**1,531**	**445,133**

[1] Note 7.2.5.13, Share capital
The item "Changes in Scope" of discontinued operations relates to the divestment of the Recticel Engineered Foams activities.

7.2 Notes to the consolidated financial statements for the year ending 31 December 2025

7.2.1 Summary of significant accounting policies

7.2.1.1 Statement of compliance - basis of preparation

Recticel NV (the "Company") is a public limited liability company incorporated in Belgium and listed on Euronext Brussels. The Company's consolidated financial statements include the financial statements of the Company, its subsidiaries, interests in jointly controlled entities (joint ventures) and in associates, both accounted for under the equity method (together referred to as "the Group").

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union.

The accounting standards applied in the consolidated financial statements for the year ended 31 December 2025 are consistent with those used to prepare the consolidated financial statements for the year ended 31 December 2024.

7.2.1.2 Changes in accounting policies and disclosures

The following **new standards and amendments** to standards **are mandatory** for the first time for the financial year beginning 1 January 2025 and have **been endorsed by the European Union:**

- **Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025)**. IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow Scope amendments add specific requirements on:
  - Determining when a currency is exchangeable into another and when it is not;
  - Determining the exchange rate to apply in case a currency is not exchangeable;
  - Additional disclosures to provide when a currency is not exchangeable.

There are no new standards and amendments that have been issued that are mandatory for the first time for the financial year beginning 1 January 2025 but have not been endorsed by the European Union.

The following **amendments** have been issued but are **not mandatory** for the first time for the financial year beginning 1 January 2025 and have **been endorsed by the European Union:**

- **Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026).** On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:
  - Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement environment, social and governance (ESG) targets); and
  - Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).
- **Amendments to IFRS 9 and to IFRS 7: Contracts Referencing Nature-dependent Electricity Amendments (effective on 1 January 2026).** On 18 December 2024, the IASB issued amendments to IFRS 9 and IFRS 7:
  - clarify the application of the 'own-use' requirements;
  - permit hedge accounting if these contracts are used as hedging instruments; and
  - new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The following Standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2025 and have not been endorsed by the European Union:

- **IFRS 18 Presentation and Disclosure in Financial Statements (effective on 1 January 2027)**. The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The changes in presentation and disclosure required by IFRS 18 might require system and process changes.

The Group has initiated its assessment of the expected impact of IFRS18 on its financial reporting. As of the reporting date, the impact is not yet known or reasonably estimable. The Group expects to further progress its assessment during 2026 and intends to provide updated disclosures in the 2026 financial statements. The Group plans to apply IFRS 18 from 1 January 2027, in line with the mandatory effective date.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on 1 January 2027).** The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 'Subsidiaries without Public Accountability: Disclosures' permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements.
- **Amendments to IAS 21 'The effects of changes in foreign exchange rates: Translation to a hyperinflationary presentation currency (effective 1 January 2027)**. The IASB has issued amendments to IAS 21 to specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:
  - its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
  - it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.
- **Annual improvements Volume 11 (effective 1 January 2026)**. The amended Standards are:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

7.2.1.3 General principles

Currency of accounts
The financial statements are presented in thousand euro (EUR) (unless specified otherwise), which is the currency of the primary economic environment in which the Group operates. The financial statements of foreign operations are translated in accordance with the policies set out below under 'Foreign currencies'.

Foreign currencies
Foreign currency transactions - Transactions in currencies other than EUR are accounted for at the exchange rates prevailing at the date of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at closing rate. Non-monetary assets and liabilities carried at fair value and denominated in foreign currencies are translated at the exchange rates prevailing at the date the fair value was determined. Gains and losses resulting from such translations are recognised in the financial result of the income statement.

Translation from functional currency to the presentation currency - For purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at closing rate. Income and expenses are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Resulting exchange differences are recognised in other comprehensive income and accumulated in equity (attributable to non-controlling interests as appropriate). On disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), exchange differences accumulated in equity are recognised in the income statement.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributable to non-controlling interests and is not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities (joint ventures) that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Consolidation principles
Consolidated financial statements include subsidiaries and interests in jointly controlled entities (joint ventures) and associates accounted for under the equity method.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group transactions, balances, income and expenses are eliminated in consolidation.

- **Subsidiaries**
  Subsidiaries are entities that are controlled directly or indirectly. Control is the power to govern the financial and operating policies

of an entity to obtain benefits from its activities. Consolidation of subsidiaries starts from the date Recticel controls the entity until the date such control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

However, when the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

- **Joint Ventures and Associates**
The results and assets and liabilities of joint ventures and associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in a joint venture and an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the venture and the associate. When the Group's share of losses of a venture and an associate exceeds the Group's interest in that joint venture and associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture and associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture and associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of a joint venture and an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture and an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of fair value and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Upon disposal of a joint venture and an associate that results in the Group losing significant influence over that joint venture and associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with IFRS 9. The difference between the previous carrying amount of the joint venture and associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the joint venture and associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture and associate on the same basis as would be required if that joint venture and associate had directly disposed of the related assets or liabilities.

Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture and associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that joint venture and associate.

Investments accounted for using the equity method are currently only consisting of associates. In the income statement, the results from associates are split between 'Associates' and 'Other associates'. As such, 'Associates' are considered as being part of the Group's core business and are integrated in Operating profit (loss) whereas 'Other associates' are not considered as being part of the Group's core business and are not integrated in Operating profit (loss); i.e. Ascorium Holding GmbH (formerly TEMDA2 GmbH).

- **Discontinued operations**
A discontinued operation is a component of the group that either has been disposed of or is classified as held for sale and represents a business line for which there is a plan to dispose of. Recticel classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use if all of the conditions of IFRS 5 are met. A disposal group is defined as a group of assets to be disposed of and liabilities directly associated with those assets that will be transferred. Immediately before classification as held for sale, the company measures the carrying amount of the asset (or all the assets and liabilities in the disposal group) in accordance with applicable IFRS. On initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are included in profit or loss. The same applies to gains and losses

on subsequent re-measurement. Non-current assets classified as held for sale are no longer depreciated or amortised.

- **Business combinations**
Acquisitions of businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

When Recticel acquires an entity or business, the identifiable assets and liabilities of the acquiree are recognised at their fair value at acquisition date, with the following exceptions:
- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with IFRS 2 Share-based Payment at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Where such a difference is negative, the excess is, after a reassessment of the values, recognised as income immediately as a bargain purchase gain.

Non-controlling interests (minority shareholders) that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If Recticel increases its interest in an entity or business over which it did not yet exercise control (in principle increasing its interest up to and including 50% to 51% or more) (a business combination achieved in stages), the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (maximum one year after acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Intangible assets acquired separately
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally generated intangible assets - research and development expenditure
Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

After initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Goodwill
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

Goodwill is reviewed for impairment at least annually. Any impairment loss is recognised immediately in the income statement and is not subsequently reversed.

On disposal of a subsidiary, associate or jointly controlled entity, the related goodwill is included in the determination of the profit or loss on disposal.

Property, plant and equipment
An item of property, plant and equipment is recognised if it is probable that associated future economic benefits will flow to the Group and if its cost can be measured reliably. After initial recognition, all items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, except for land which is not depreciated. Cost includes all direct costs and all expenditure incurred to bring the asset to its working condition and location for its intended use.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent expenditure related to an item of property, plant and equipment is expensed as incurred.

Depreciation is provided over the estimated useful lives of the various classes of property, plant and equipment using the straight-line method. Depreciation starts when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Project-related assets are depreciated over the production period of the project. In case of reallocation of fully depreciated assets, the latter might require a reconditioning. These reconditioning costs are amortised over the term of the new project, without additional revaluation or reversal of any impairments.

The estimated useful lives of the most significant items of property, plant and equipment are within the following ranges:

Land improvements	25 years
Offices	25 to 40 years
Industrial buildings	25 years
Development costs	Max 5 years
Plants	10 to 15 years
Machinery (Heavy)	11 to 15 years
Machinery (Medium)	8 to 10 years
Machinery (Light)	5 to 7 years
Pre-operating costs	4 years
Equipment	5 to 10 years
Furniture	5 to 10 years
Hardware	3 to 10 years
Vehicle fleet (Cars)	4 years
Vehicle fleet (Trucks)	7 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Leases
The Group has several leases for properties, machinery and equipment and cars and the rental contracts are typically closed for a fixed period. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and corresponding liability at the date of commencement of the lease, i.e. when the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis if the lease does not include a purchase option. If a purchase option is available and the Group judges that it is reasonably certain to be exercised, the right-of-use asset is depreciated over its useful life. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate; and
- purchase option, if any - if the lessee is reasonably certain to exercise that option.

The lease payments are discounted using the Group's incremental borrowing rate (note 7.2.5.4, Right-of-use assets).

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs (except for the leases already existing at transition date) and
- dismantling costs.

Right-of-use assets are presented separately and lease liabilities as part of financial liabilities in the statement of financial position. All lease payments that are due within 12 months are classified as current liabilities. All lease payments that are due at least 12 months after the reporting date are classified as non-current liabilities.

Lease payments related to short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise mainly IT-equipment (laptops, tablets, mobile phones, PCs) and small items of office equipment and furniture.

Some leases contain variable lease payments. Payments that vary due to the use of the underlying asset are variable lease payments (e.g. lease of property based on the number of square metres used). These variable lease payments are recognised as expense as incurred.

There are no material lease agreements whereby the Group is lessor; except for one building rented to the Eurofoam group.

Impairment of tangible and intangible assets
Except for goodwill and intangible assets with an indefinite useful life which are tested for impairment at least annually, other tangible and intangible fixed assets are reviewed for impairment when there is an indication that their carrying amount will not be recoverable through use or sale. If an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell or value-in-use and the carrying amount. In assessing the fair value or value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in previous years. However, impairment losses on goodwill are never reversed.

Non-current assets held for sale
Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Investment property
Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Financial assets
Financial assets are recognised or derecognised on the trade date which is the date the Group undertakes to purchase or sell the asset. Financial assets are initially measured at fair value, except for trade receivables. Trade receivables are measures at their transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets are added to the fair value of the financial assets on initial recognition, except for financial assets at fair value through profit or loss, where the transaction costs are recognised immediately in profit or loss.

After initial recognition, financial assets are measured at either amortised cost or fair value, based on the classification of the financial assets.

- **Classification of financial assets**
  The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

  Debt instruments (such as loans, trade and other receivables, cash and cash equivalents) are subsequently measured at amortised cost using the effective interest method, less any impairment if they are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and margin points paid or received) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

  Financial investments (equity investments) are normally measured in the consolidated statement of financial position at fair value through profit or loss. However, the Company can make an irrevocable election at initial recognition to measure the investment at fair value through other comprehensive income ("FVTOCI"), with dividend income recognised in profit or loss. Equity investments in non-listed companies are designated as financial assets at FVTOCI.

- **Impairment of financial assets**
  IFRS 9 requires a forward-looking expected credit loss ("ECL") approach to assess impairments of financial assets. As such, the Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

  IFRS 9 provides a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables without a significant financing component (short-term trade receivables). These credit losses are the expected credit losses that result from all possible default events over the expected life of those trade receivables, using a provision matrix that considers historical information on defaults adjusted for forward-looking information.

  For long-term loans to related parties the general impairment assessment model is applied. IFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. On the other hand, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Group is required to measure the loss allowance for that financial instrument at an amount equal to 12 months expected credit loss.

Management has concluded that it would require undue cost and effort to determine the credit risk of each loan on their respective dates of initial recognition. Accordingly, the Group recognises lifetime expected credit losses for these loans until they are derecognised.

IFRS 9 applies the same measurement approach to loan commitments and financial guarantee contracts (other than measured at fair value through profit or loss).

- **Derecognition of financial assets**
  The Group derecognises a financial asset only when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay.

  If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

  On the entire derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, is recognised in profit or loss.

  On the partial derecognition of a financial asset other than its entirety (i.e. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer.

  The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration is recognised in profit or loss.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Financial liabilities and equity instruments
An instrument is classified as a financial liability or as an equity instrument according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issuance costs.

Financial liabilities
Financial liabilities (including interest-bearing borrowings and trade payables) are initially measured at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Subsequently, they are measured at amortised cost, except for derivative instruments.

- **Interest-bearing borrowings and payables**
  Interest-bearing borrowings are recorded at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value (including premiums payable on settlement or redemption) is recognised in the income statement over the period of the borrowing.

  Trade payables which are not interest-bearing are stated at cost, being the fair value of the consideration to be paid.

- **Derivative financial instruments**
  Derivative instruments with a negative fair value are classified at fair value through profit and loss ("FVTPL"), unless they are designated and effective as hedges.

Employee benefit liabilities
- **Post-employment benefits**
  In accordance with the laws and practices of each country, the affiliated companies of the Group operate defined benefit and defined contribution retirement benefit plans. It is Group policy to operate defined contribution plans for newly hired employees where this is possible and appropriate.

  Contributions payable to defined contribution plans are recognised as an expense in the period in which the related employees' service is rendered.

  For defined benefit plans, the amount recognised in the statement of financial position is the present value of the defined benefit obligation less the fair value of any plan assets.

  If the amount to be recognised in the statement of financial position is an asset, the asset recognised is restricted to the asset ceiling, which is defined as the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

  For funded plans subject to a minimum funding requirement, where contributions payable to cover an existing shortfall on the minimum funding basis in respect of service already received are not available as a refund or reduction in future contributions after they are paid into the plan, an additional liability is recognised, where necessary, in accordance with IFRIC 14.

  In the income statement, current and past service costs (including curtailments), settlement costs and administration expenses are charged in ''other operating revenues & expenses'', while the net interest cost is booked in ''other financial income & expenses''.

  The present value of the defined benefit obligation and the related current and past service costs are calculated by qualified actuaries using the projected unit credit method. The discount rate is based on the prevailing yields of high-quality corporate bonds with a currency and term consistent with the currency and term of the benefit obligations. For currencies for which there is no deep market in such bonds, government bonds are taken into account. No provision for death in service is included in the defined-benefit obligations as it is fully insured, and the Group has no intention not to continue this insurance policy.

As there is no market price available for group insurance contracts, the fair value of such contracts is estimated by discounting the expected future cash flows (i.e. the amounts guaranteed by the insurer) using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets. The risk associated with these assets is based on the market situation at the reporting date.

Remeasurements include:
- actuarial gains and losses resulting from differences between previous actuarial assumptions and actual experience, and from changes in actuarial assumptions;
- the return on plan assets; and
- any changes in the effect of the asset ceiling or additional liability recognised under IFRIC 14, excluding amounts included in net interest.

Such remeasurements are recognised in other comprehensive income. Past service costs, arising from plan amendments, are recognised immediately as an expense.
Defined contribution pension plans in Belgium are 'hybrid' pension plans that qualify as defined benefit plans for IFRS purposes, because they are by law subject to minimum guaranteed rates of return and have to guarantee minimum annuity conversion rates. There is therefore a risk that the Company may have to pay additional contributions related to past service. Any such additional contributions will depend on the actual investment returns and the future evolution of the minimum guarantees.

- **Termination benefits**
  A liability and expense for termination benefits is recognised at the earlier of (a) the date when the offer of those benefits can no longer be withdrawn, and (b) the date when costs are recognised for a restructuring that is within the Scope of IAS 37 and involves the payment of termination benefits.

Share-based payments
Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of a Black-Scholes model. Further details on how the fair value of equity-settled share-based transactions has been determined can be found in note 7.2.6.2, Share-based payments.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that eventually will be vested.

The above policy is applied to all equity-settled share-based payments that were granted after 7 November 2002 and that vested after 01 January 2005. No amount has been recognised in the financial statements in respect of the other equity-settled shared-based payments.

Provisions
- **General**
  Provisions are recognised when (i) the Group has a present obligation (legal or constructive) as a result of a past event, (ii) it is probable that the Group will be required to settle the obligation, and (iii) a reliable estimate can be made of the amount of the obligation.

  The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount is the present value of expenditures required to settle the obligation. Impacts of changes in discount rates are generally recognised in the financial result.

  When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received if the Group settles the obligation.

- **Onerous contracts**
  An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Present obligations arising from onerous contracts are recognised and measured as provisions.

- **Restructurings**
  A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has, by starting to implement the plan or announcing its main features to those affected by it, raised a valid expectation with those affected that it will carry out the restructuring. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

- **Environmental liabilities**
  Recticel analyses all its environmental risks and the corresponding provisions twice a year. The Group measures these provisions to the best of its knowledge of applicable regulations, the nature and extent of pollution, clean-up techniques and other available information.

Revenue recognition
IFRS 15 establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer. Applying IFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Customers obtain control of products when the goods are delivered to and have been accepted at their premises. Invoices are generated and revenue is recognised at that point in time.

To recognise revenue, IFRS 15 applies a "five steps" model:
1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to each performance obligation.
5. Recognise revenue when a performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service).

- **Transaction price**
  The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer.

  The most common types of variable consideration that can be identified are:
  - Volume discounts
  - Year-end rebates
  - Adjustments to cope with changes in raw material prices on a prospective basis.

  It is not unusual to agree on yearly supply agreements with the customer which fix the selling prices of the goods for the relevant year. These agreements do not include any commitments to volumes made by the customer. The amount of revenue recognised is adjusted for expected rebates and discounts. A contract liability is being recognised upon selling the goods to the customer and released when the credit note is issued.

  If a credit note is issued to the customer to compensate for quality claims, this shall be recognised as a reduction of the revenues.

  The most common types of considerations paid to the customer relate to:
  - Participation in flyers
  - Participation in advertising campaigns
  - Promotional in-store activities

  The considerations paid to participate in the customer's flyers shall be deducted from revenue as the services provided by the customer to the Group can generally not be considered as being distinct.

Interest income & expenses
Interest income/expenses are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts/outflows throughout the expected life of the financial asset/liability to that asset/liability's net carrying amount.

Dividend income
Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Government grants
Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants relating to staff training costs are recognised as income over the periods required to match them with the related costs and are deducted from the related expense.

Government grants relating to property, plant & equipment are treated by deducting the received grants from the carrying amount of the related assets. These grants are recognised as income over the useful life of the depreciable assets.

Income taxes
The tax expense represents the sum of the current tax expense and deferred tax expense.

The current tax expense is based on the taxable profit for the year. The taxable profit differs from the result of the period before taxes as reported in the income statement because it excludes items of income or expenditure that are taxable or deductible in other years and items that will never become taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and when it is probable that the temporary difference will not reverse in the foreseeable future. No deferred tax liabilities have been recognised on undistributed retained earnings of subsidiaries, associates and joint ventures, as the impact is not material.

The carrying amount of deferred tax assets is reviewed at least at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, or indirectly via other comprehensive income, in which case the deferred tax is also dealt with in equity.

Put/call options
Put and/or call options are being granted to or to be held by non-controlling shareholders as part of a business combination, where the Group has acquired control but less than 100% of the equity interest in a subsidiary.

The Group having a present obligation to purchase the shares for cash or another financial asset, a financial liability is recognised on the acquisition date in accordance with IAS 32. The liability is measured at the expected exercise price when the amount is variable. Upon recognition of the liability an equal Equity adjustment - NCI put option reserve is recognised.

In accordance with IFRS 10 and after performing a risk and reward analysis Non controlling interests continue to be presented within equity until settlement. Also under IFRS 10.23 Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions — i.e. transactions with owners in their capacity as owners.

After initial recognition, the NCI put liability is subsequently measured in accordance with the applicable financial instruments measurement requirements (typically IFRS 9) as a financial liability (e.g., at amortised cost using the effective interest method, or at fair value if required by the specific terms).

7.2.1.4 Major sources of estimation uncertainty and key judgements

No key judgements were made in the preparation of the financials and there were no major sources of estimation uncertainty. All other items noted below are related to normal judgements and estimates.

Drawing up the annual accounts in accordance with IFRS requires management to make the necessary judgments, estimates and assumptions. The management bases its estimates and assumptions on past experience and other reasonable assessment criteria. These are reviewed periodically, and the effects of such reviews are taken into account in the annual accounts of the period concerned. Future events which may have a financial impact on the Group are also included in this.

The estimated results of such possible future events may consequently diverge from the actual impact on results. Judgments and estimates were made, inter alia, regarding:
- impairments of goodwill, intangible assets, property, plant and equipment and right-of-use assets;
- determination of loss allowances for expected credit losses;
- determination of write-downs on inventories;
- determination of provisions for restructurings;
- determination of provisions for onerous contracts;
- determination of provisions for contingent liabilities, litigations and other exposures;
- determination of provisions for indemnities related to divestments;
- valuation of post-employment defined benefit obligations, other long-term employee benefits and termination benefits;
- the recoverability of deferred tax assets and;
- the assessment of the lease term is used as judgement within IFRS 16;
- business combinations including fair value accounting and goodwill determination.

It is not excluded that future revisions of such estimates and judgments could trigger an adjustment in the value of the assets and liabilities in future financial years.

Impairments on goodwill, intangible assets and property, plant and equipment and right-of-use assets

For amortizable term assets, an impairment assessment will in first place be made at the level of the individual asset. Only when it is not possible to estimate a recoverable value on an individual level, the evaluation will be made at the level of the cash generating unit (hereafter "CGU") to which the asset belongs. For amortizable long-term assets, an impairment analysis should be performed in case of impairment indicators. If such indicators exist, an impairment analysis shall be performed at the CGU level.

For **goodwill** (and other not depreciated long term assets) an impairment test is performed at least annually. The carrying amount can be allocated on a reasonable and consistent basis. The allocation of goodwill to a CGU or a group of CGUs also takes account of the synergies of the business combination expected by the decision maker. Goodwill can be allocated for impairment testing to a group of CGUs, if the chief operating decision maker considers this as the most appropriate allocation. There is a link between the level at which goodwill is tested for impairment and the level of internal reporting that reflects the way the entity manages its operations and with which the goodwill is associated (as such it cannot exceed the level of the reported segments as defined by IFRS 8).

The CGU level is defined following the market and production capacities. This approach leads to the determination of 5 CGUs in Insulation:
- CGU "United Kingdom";
- CGU "Continental Europe";
- CGU "Scandinavia";
- CGU "Insulated Panels";
- CGU "Downstream offerings".

An impairment analysis was performed for the following CGU:
- CGU "Insulated Panels"

considering the majority of the Recticel goodwill is allocated to the CGU "Insulated Panels".

For the other CGUs, the amount of goodwill is immaterial compared to the total amount of goodwill or the goodwill related to recent business combinations and hence does not necessitate further impairment testing.

The majority of the net book value of total goodwill was subject to impairment testing, and is composed as follows:

in thousand EUR

	INSULATED PANELS	OTHER	TOTAL
Goodwill	74,097	20,412	94,509
Other intangible assets	61,558	12,099	73,657
Property, plant & equipment	64,705	88,354	153,059
Assets under construction	1,333	28,372	29,705
Right-of-use assets	8,855	18,444	27,299
Total net book value	**210,548**	**167,681**	**378,228**
of which impairments recognised during the period	0	(134)	(134)

For **2025**:

Impairment charges are not linked to the general impairment analysis.

For the impairment test of the items included in the table above, certain assumptions were made. The impairment tests have been applied on the "cash-generating units" ("CGU") on the basis of the principles set out above. The recoverable amount of the total CGU is determined on the basis of the value-in-use model.

When determining its expected future cash flows, the Group takes into account prudent, though realistic, assumptions regarding the evolution of its markets, its sales, the raw materials prices, the impact of past restructurings and the gross margins, which are (i) based on the past experiences of the management and/or (ii) in line with trustworthy external information sources. It can not be excluded, however that a future reassessment of assumptions and/or market analysis induced by future developments in the economic environment might lead to the recognition of additional impairments.

For the discounting of the future cash flows, a uniform overall Group-based pre-tax discount rate of 8.69% is used for all CGUs (9.35% in 2024). This pre-tax discount rate is based on a (long-term) weighted average cost of capital based on the current market expectations of the time value of money and risks for which future cash flows must be adjusted; the risks being implicit in the cash flows.

The pre-tax discount rate for impairment testing is based on the following assumptions (EUR based):

Group target ratios:	**2024**	**2025**
Gearing: net financial debt/total equity	50%	50%
% net financial debt	33%	33%
% total equity	67%	67%
Pre-tax cost of debt	**1.25%**	**1.00%**
Pre-tax cost of equity		
= (Rf + (Em * Beta)+ Sp)/(1-T)	9.99%	9.49%
Risk free interest rate = Rf	3.46%	4.08%
Beta	1.26	0.90
Market equity risk premium = Em	5.00%	5.50%
Small cap premium = Sp	1.65%	1.65%
Corporate tax rate = T	**23.9%**	**25.0%**
Assumed inflation rate	1.90%	1.80%
Pre-tax WACC (weighted average cost of capital)	**9.4%**	**8.7%**

The discount factors are reviewed at least annually.

Key assumptions

The dynamics of the business model, budgets and projected cash flows are based on stable cost structures which reflect inflation rates on labour and other costs, stable fixed costs and capital expenditure. Gross margins and operating results are sensitive to the volatility of raw material costs, which are unpredictable. Therefore, the budgets assume that increases or decreases in material costs are compensated through adaptations of the sales prices.

For the CGU “Insulated Panels” the value-in-use model projections are based on budgets and financial plans covering in total a three-year period. After this three-year period, a perpetuity value is taken into account without growth rate.

On this basis, the value-in-use of the CGU “Insulated Panels” amounts to 1.37 times the net asset book value.

Sensitivity analysis

A first sensitivity analysis (A) is performed to measure the impact of a changing WACC rate (+1%) on the outcome of the impairment tests (see overview table below).

A second sensitivity analysis (B) is performed to measure the impact of a changing gross margin on sales (-1%) on the outcome of the impairment tests – applied on the business plan 2026-2030 and the perpetuity (see overview table below).

A third sensitivity analysis (C) is performed to measure the impact of a changing sales volume level (-5% as from 2027) on the outcome of the impairment tests (see overview table below).

A fourth sensitivity analysis is performed to measure the combined impact of the above sensitivity analyses.

For the sensitivity analyses it is assumed that all other parameters of the underlying assumptions, such as market evolution, sales, raw materials prices, impact of past restructurings and gross margins, operating charges, working capital needs, capital expenditure, etc, remain unchanged.

in thousand EUR

Sensitivity	DISCOUNTED CASH FLOW / NET ASSET BASE (INCLUDING RIGHT-OF-USE ASSETS)				
	BASE CASE	1% INCREASE OF WACC (A)	1% DECREASE OF GROSS MARGIN ON SALES (B)	5% DECREASE OF NET SALES (C)	COMBINATION OF (A), (B) AND (C)
Insulated Panels	1.37 times book value	1.22 times book value	1.19 times book value	1.08 times book value	0.80 times book value

Loss allowances for expected credit losses

A loss allowance for expected credit losses is recognised for trade debtors for which a risk of total or partial non-recovery of outstanding receivables exists due to the debtor’s poor financial condition or for economic, legal or political reasons. The decision to classify a receivable as doubtful will be made by the management on the basis of all information available to them at any time. In line with the Group accounting principles, details on the amounts of the loss allowance for expected credit losses can be found in note 7.2.5.10, Trade receivables, other receivables and other financial assets.

The Group’s credit management processes continue to prove their effectiveness, resulting in no significant credit losses. No market evolutions lead to an increase of the default rates used to calculate the expected credit losses.

The amount of expected credit losses on external guarantees is assessed at each reporting date to reflect changes in credit risk since the guarantee was granted. When determining whether the credit risk of a guarantee has increased significantly since the issuance and when estimating expected credit losses, Recticel considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

Loans granted to Associates included a subordinated vendor loan of EUR 10 million (maturity 2027) granted on 30 June 2021 to Ascorium Holding GmbH, the Automotive joint venture which acquired the Automotive Interiors activities, note 7.2.4.7, Discontinued operations. On the basis of the assessment performed by the management, the vendor loan and accumulated interest for a total amount of EUR 12.524 million was impaired.

Put/call options on Kuras / Miclar Group

KURAS

On 28 October 2025, Recticel acquired 70% of the shares of Kuras BV, a leading Dutch distributor of roof, wall and façade materials. The SPA includes a put–call option under which the put may be exercised after five years at a variable price. Under IAS 32, a variable exercise price requires recognition of a deferred payable for share investments with a corresponding offset to a put option reserve (equity) estimated at EUR 1.7 million for the remaining shares (30%).

MICLAR GROUP

On 28 November 2025, Recticel acquired 76% of the shares of Miclar Group, a leading Belgian specialist in industrial façade and roof cladding, light structural steel, and finishing components. The SPA includes a put–call option under which the put may be exercised after five years at a variable price. Under IAS 32, a variable exercise price requires recognition of a deferred payable for share investments with a corresponding offset to a put option reserve (equity) estimated at EUR 7.2 million for the remaining shares (24%).

Provisions for restructurings and onerous contracts

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has, by starting to implement the plan or announcing its main features to those affected by it, raised a valid expectation in those affected that it will carry out the restructuring.

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

In line with the Group accounting principles, details on the amounts of provisions for restructurings and onerous contracts can be found in note 7.2.4.3, Other operating revenues and expenses and note 7.2.5.15, Provisions.

Provisions for indemnities related to divestments

At the moment of a divestment the divestment agreement stipulates certain indemnity clauses. These indemnity clauses are reviewed by Recticel's in-house lawyers with the support, when appropriate, of external counsels at least every half-year. This review includes an assessment of the need to recognise provisions and/or to re-measure existing provisions together with the Finance department and the Insurance department.

Provisions for contingent liabilities, litigations and other exposures

Any significant litigation (tax and other, including threat of litigation) is reviewed by Recticel's in-house lawyers with the support, when appropriate, of external counsels at least every half-year. This review includes an assessment of the need to recognise provisions and/or to re-measure existing provisions together with the Finance department and the Insurance department. Further details are provided in note 7.2.6.9, Contingent assets and liabilities.

Valuation of post-employment defined benefit obligations, other long-term employee benefits and termination benefits

The actuarial assumptions used in determining the defined benefit obligations at December 31, and the annual cost, can be found in note 7.2.5.14, Employee benefit liabilities. All main employee benefit plans are assessed annually by independent actuaries. Discount rates and inflation rates are defined centrally by management. Other assumptions (such as future salary increases and demographic assumptions) are defined at a local level. All plans are supervised by the Group's central Human Resources department with the help of a central actuary to check the acceptability of the results and ensure consistency in reporting.

Current and deferred tax

All tax returns are prepared in good faith based on the available information, often with the assistance of external tax advisors. There are several tax audits ongoing in the Group, notably in Belgium and Poland. While the ultimate outcome of these tax audits is not certain, the Group has considered the merits of its filing positions in the overall evaluation of potential tax liabilities and believes that adequate liabilities are recorded in the consolidated financial statements. However, important tax corrections can never be excluded. In such case, Recticel will defend its position, always in full collaboration with the tax authorities.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and other tax attributes to the extent that future taxable profits are expected to be available against which they can be used. For this purpose, management reviews the recognition of deferred tax assets based on the business plans of the entities concerned.

The total net deferred tax assets increased from EUR 2.0 million at 31 December 2024 to total net deferred tax assets of EUR 6.2 million at 31 December 2025 mainly due to an increase of deferred tax assets in the Netherlands (EUR 1.7 million) and in Finland (EUR 2.8 million).

At 31 December 2025 deferred tax assets of EUR 30.1 million are recognised mainly in Belgium (EUR 18.6 million), in Germany (EUR 3.1 million), in Finland (EUR 5.0 million) and in Slovenia (EUR 0.4 million).

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the reporting date. This gain, arising from the change in the fair value of investment property, is included in profit or loss for the period.

7.2.1.5 Climate change

In preparing its financial statements, Recticel Group has assessed the implications of climate change. This assessment includes the disclosures presented in section 4.3, Navigating the Landscape of Risk and Opportunity, as well as the Group's progress toward its near-term objectives under the Science Based Targets initiative (SBTi). These targets aim to reduce Scope 1 and Scope 2 emissions by 90% and Scope 3 emissions by 25% by 2030, with the ultimate ambition of achieving net-zero emissions across all Scopes by 2050, in line with the Paris Agreement's objective of limiting global warming to 1.5°C.

The Recticel Group SBTi commitments, validated in February 2024, form an integral part of its long-standing sustainability strategy. The Group is taking concrete actions to support the transition to a low-carbon and circular economy. These actions are detailed in the climate action plan, Our Race to Net-Zero, presented in section 2.3.5. The Group's initiatives focus on responsible raw material selection, the implementation of sustainable and energy-efficient processes, and the adoption of eco-design principles.

Key elements of the Recticel Group's climate action plan include:

1. **Energy efficiency initiatives:** Measures to reduce energy consumption, improve operational efficiency, and minimise the carbon footprint. Since 2021, the energy consumption has been reduced by 21% whilst the production has been increased.
2. **Renewable energy transition:** A shift toward renewable energy sources, such as solar power, to electrify operations and reduce reliance on fossil fuels.
3. **Supply chain collaboration:** Engagement with suppliers to address emissions across the value chain, promote sustainable practices, and drive positive environmental outcomes. This includes the integration of a sustainability scorecard into procurement processes and ongoing supplier engagement.
4. **Innovation:** R&D investments toward innovative solutions that support climate mitigation and circularity. This includes partnerships with research institutions to explore bio-based raw materials and recycling solutions for construction and end-of-life waste. In 2026 an industrial-scale polyol recycling plant will be operational (see section 5.3.3.1).

Recticel Group is not a high energy-intensive company, as reflected in its relatively low Scope 1 and Scope 2 greenhouse gas emissions. Furthermore, given the limited water usage in its manufacturing processes, water scarcity is not considered a material risk.

As Recticel Group invests in achieving its near-term and net-zero SBTi targets, it assesses the useful lives of replaced assets and adjusts estimates where appropriate. The Group's commitment to renewable energy sourcing includes purchasing Renewable Energy Certificates where relevant to meet its SBTi commitments. These considerations have been reflected in the financial statements.

To strengthen the long-term resilience of its operations, Recticel Group is deepening its understanding and management of physical climate risks across its production footprint. Through climate scenario analysis and targeted site assessments, the Group is identifying potential vulnerabilities to implement appropriate adaptation measures.

In summary, climate change considerations have not had a material impact on the Group's financial reporting judgements and estimates.

7.2.1.6 Geopolitical conflicts

War in Ukraine
Currently, Recticel has no local operations in Russia, Ukraine or the Middle East (Gaza/Israel). Neither does Recticel export to Russia, Ukraine or Gaza/Israel. Consequently, there is no direct impact observed nor to be expected.

However, it is not excluded that future operations and business may be affected indirectly by the conflicts. These indirect impacts may come from supply issues, an inflationary macro-economic environment, credit risks on customers and increasing financing costs. Currently there is no impact and it is expected that these eventual future impacts on operations and financial position should remain limited for the Group.

US trade tariffs
Recticel's operations both in the United States and in Europe primarily source their raw materials regionally. Hence the direct impact of the US trade tariffs on the operations seems to be limited. The investment in the new US plant is impacted because the equipment is mainly sourced from EU suppliers.

On the medium term the US trade tariffs could result in an inflationary raw material trend which Recticel would manage in the same way as it is currently managing its material sourcing.

7.2.2 Changes in Scope of consolidation

The following changes in the scope of consolidation took place during the year 2025:

On 28 October 2025, the acquisition of Kuras BV (70%).

On 28 November 2025, the acquisition of Miclar Group (76%).

The following changes in the scope of consolidation took place during the year 2024:

On 10 January 2024, the acquisition of Rex Panels & Profiles NV (100%).

7.2.3 Business and geographical segments

7.2.3.1 Geographical repartition and disaggregation of sales

The Group's operations are mainly located in the European Union.

Sales (by destination)
The following tables provide an analysis of the Group's sales and fixed assets by geographical market.

in thousand EUR

	2024	2025
Belgium	94,414	104,794
France	96,932	94,964
The Netherlands	65,994	77,491
Germany	22,609	25,170
Slovenia	16,786	14,811
Other EU countries	100,423	93,787
European Union	**397,158**	**411,018**
United Kingdom	162,959	177,577
United States of America	24,774	29,227
Other	25,305	37,253
TOTAL	**610,196**	**655,075**

Reliance on major customers
In 2025, none of the customers represented more than 10% of total sales.
The top 10 customers of the Group represent 25.69% (2024: 20.31%) of total consolidated sales.

Intangible assets – Property, plant & equipment – Right-of-use assets – Investment property

in thousand EUR

			ACQUISITIONS, INCLUDING OWN PRODUCTION	
	31 DEC 2024	31 DEC 2025	2024	2025
Belgium	96,122	100,615	16,583	14,651
France	21,216	21,835	4,293	3,382
Germany	2,473	2,390	21	0
Slovenia	100,571	92,960	9,559	3,080
Other EU countries	18,429	20,921	458	437
European Union	**238,812**	**238,721**	**30,914**	**21,550**
China	0	0	0	0
Switzerland	0	0	0	0
United Kingdom	25,672	23,840	1,404	2,263
United States of America	7,014	15,509	1,487	11,773
Other	5,717	5,650	281	222
TOTAL	**277,214**	**283,719**	**34,085**	**35,809**

7.2.4 Income statement

7.2.4.1 Gross profit

The gross profit increased by 9.0% from EUR 104.5 million to EUR 114 million.

7.2.4.2 General and administrative expenses – Sales and marketing expenses – Research and development expenses

General and administrative expenses increased by EUR 3.6 million to EUR 46.9 million.

Sales and marketing expenses increased by EUR 1.6 million to EUR 32.0 million. Research and development expenses decreased from EUR 4.9 million to EUR 4.0 million.

7.2.4.3 Other operating revenues and expenses

in thousand EUR

	2024	2025
Other operating revenues	6,366	6,301
Other operating expenses	(20,465)	(17,273)
TOTAL	**(14,099)**	**(10,972)**

Restructuring charges (including site closure, onerous contracts and clean-up costs)	(7,876)	(3,241)
Gain (Loss) on disposal of intangible, tangible and right-of-use assets	260	(252)
Gain (Loss) on investment operations	0	0
IAS 19 Pensions and other similar obligations	(337)	(546)
Provisions	1,071	763
Fees consultancy and subcontractors	(430)	(698)
Other expenses	(10,417)	(12,889)
Other revenues	3,631	5,890
TOTAL	**(14,099)**	**(10,972)**

Other operating revenues
In 2025, other operating revenues mainly consist of third-party cost reinvoicing, guarantee fees, insurance premiums at Recticel's insurance captive, subventions and indemnities and building rental income.

Restructuring
In 2025, reorganisation charges (EUR -3.2 million) relate to restructuring measures in Ascorium and the plant closure of Recticel in Angers (France).

Fees consultancy and subcontractors
In 2025, this item relates to legal and advisory fees.

Other expenses
In 2025, the other expenses mainly relate to the intangible and tangible assets amortisation of the business combination Rex Panels & Profiles NV and Trimo and costs related to stock options.

7.2.4.4 Operating profit (loss)

The components (by nature) of the Operating profit (loss) are as follows:

in thousand EUR

	2024	2025
Sales	610,196	655,075
Purchases and changes in inventories	(386,546)	(412,399)
Other goods and services	(95,193)	(108,603)
Labour costs	(91,675)	(90,054)
Amortisation and depreciation on non-current assets	(30,679)	(31,291)
Impairments on non-current assets	(394)	(134)
Amounts written back/(off) on affiliated investments	0	0
Amounts written back/(off) on inventories	(184)	232
Amounts written back/(off) on receivables	218	135
Provisions	(54)	805
Gain/(Loss) on disposal intangible and tangible assets	260	(252)
Gain/(Loss) on disposal on investments	0	(33)
Gain/(Loss) on trade receivables	(178)	(121)
Gain on divestment	0	0
Operating taxes	(2,582)	(2,552)
Other operating expenses	(2,725)	(5,451)
Own production	793	2,149
Operating subsidies	114	110
Commissions and royalty income	(57)	(35)
Operating lease income	1,290	1,041
Dividends	0	(0)
Revaluation investment property	0	0
Service fees	1,018	88
Other operating income	7,869	11,204
Income from associates	0	0
Operating profit (loss)	**11,489**	**19,914**

Sales: Sales increased by 7.4% from EUR 610.2 million to EUR 655.1 million.
The sales increase was driven by higher volumes.

Purchases and changes in inventories increased as a result of higher sales.

Other goods and services comprises mainly transportation costs (EUR 51.3 million versus EUR 44.3 million in 2024), operating lease expenses (EUR 1.4 million versus EUR 1.2 million in 2024), supplies (EUR 7.8 million versus EUR 7.0 million in 2024), fees (EUR 14.7 million versus EUR 12.2 million in 2024), repair and maintenance costs (EUR 4.7 million versus EUR 6.4 million in 2024), advertising/fairs/exhibition costs (EUR 1.9 million versus EUR 2.5 million in 2024), travel expenses (EUR 3.2 million versus EUR 3.4 million in 2024), administrative expenses (EUR 4.5 million versus EUR 4.0 million in 2024), insurance expenses (EUR 5.8 million versus EUR 6.7 million in 2024) and quality claims (EUR 0.1 million versus EUR -3.0 million in 2024).

Labour costs decreased (EUR 90.0 million versus EUR 91.7 million in 2024) mainly due to continued cost measures.

Amortisation and depreciation on non-current assets increased (EUR 31.3 million versus EUR 30.7 million in 2024).

Other operating expenses increased (EUR 5.4 million versus EUR 2.7 million in 2024).

Other operating income increased (EUR 11.2 million versus EUR 7.9 million in 2024) and mainly consisted of third-party cost reinvoicing, guarantee fees, insurance premiums at Recticel's insurance captive, subventions and indemnities.

7.2.4.5 Financial result

in thousand EUR

	2024	2025
Interest on lease liabilities	(867)	(735)
Interest on long-term bank loans	(295)	(1,130)
Interest on short-term bank loans & overdraft	(789)	(19)
Net interest charges on Interest Rate Swaps and Foreign Currency Swaps	22	0
Total borrowing cost	**(1,930)**	**(1,885)**
Interest income from bank deposits	429	754
Interest income from financial receivables	3,525	682
Interest income from financial receivables and cash	**3,955**	**1,436**
Interest charges on other debts	(124)	(133)
Interest income on other receivables	386	2
Total other interest	**262**	**(131)**
Interest income and expenses	**2,287**	**(580)**
Exchange rate differences	1,282	(2,619)
Net interest cost IAS 19	(339)	(380)
Other financial result	149	109
Total other financial result	**1,092**	**(2,890)**
Financial result	**3,380**	**(3,470)**

Interest costs on long and short-term bank loans have remained stable at EUR -1.9 million. The interest income on cash decreased from EUR +3.9 million to EUR +1.4 million due to the reduced cash amount.

The exchange rate loss stems from both realised and unrealised exchange losses on trade receivables EUR -1.5 million and on financial receivables EUR -1.3 million.

7.2.4.6 Income taxes

1. Income tax charges

in thousand EUR

	2024	2025
Recognised in the income statement		
Current tax expense:		
Current year	(4,139)	(5,605)
Adjustments in respect of prior year	(1,794)	1,373
Total current tax expense[1]	**(5,933)**	**(4,231)**
Deferred tax expense:		
Origination and reversal of temporary differences and tax losses	163	(151)
Unrecognised deferred tax assets on current year's losses	(740)	(783)
Recognition of deferred tax assets previously not recognised	4,962	3,403
Derecognition of previously recognised deferred tax assets	(94)	(0)
Effect of changes in tax rates on deferred taxes	426	(101)
Adjustments for prior periods	2,708	2,491
Other deferred tax expenses	(16)	18
Total deferred tax expense[2]	**7,409**	**4,876**
Total tax expense on continuing operations	**1,476**	**645**

[1] The current tax expenses decreased in 2025 compared to 2024 primarily as a result of the regularization of taxes due in the Netherlands with respect to financial year 2022.
[2] The deferred tax income was higher in 2024 compared to 2025 thanks to the higher one-time positive impact of the recognition of deferred tax assets.

in thousand EUR

	2024	2025
Reconciliation of effective tax rate		
Profit (loss) before taxes - continuing operations	14,868	4,920
Minus income from associates	0	0
Minus income from other associates	0	0
Minus impairment other associates	0	11,524
Result before tax and income from (other) associates	**14,868**	**16,445**
Group's domestic tax rate	**25.00%**	**25.00%**
Tax at the Group's domestic income tax rate	**(3,717)**	**(4,111)**
Effect of different tax rates of subsidiaries operating in different jurisdictions	(70)	(19)
Tax effect of non-deductible expenses	(1,336)	(1,195)
Tax effect of non-taxable income	917	119
Tax effect of tax incentives	292	136
Unrecognised deferred tax assets on current year's losses	(740)	(783)
Recognition of deferred tax assets previously not recognised[1]	4,962	3,403
Derecognition of deferred tax assets previously recognised	(94)	(0)
Effect of changes in tax rates on deferred taxes	426	(101)
Tax effect of current and deferred tax adjustments related to prior years [2]	914	3,864
Other	(76)	(668)
Tax expense for the year - continuing operations	**1,476**	**645**

[1] Additional deferred tax assets have been recognised in Finland (EUR 2.3 million), in Belgium (EUR 0.6 million) and in Luxembourg (EUR 0.4 million) as a result of increased profit expectations.
[2] The adjustments on prior years recorded in 2025 mainly relate to the Netherlands and include the regularisation of current taxes due (EUR 1.3 million) and the deferred tax impact on the adjustment of losses carried forward (EUR 1.7 million) further to the filing of the corporate tax return for financial years 2021 and 2022 which included the carve-out transactions of the Engineered Foams and Bedding activities.

in thousand EUR

	2024	2025
Deferred tax charged or (credited) directly to equity		
Impact of IAS 19R in other comprehensive income	(492)	(22)
Total	**(492)**	**(22)**

2. Deferred tax assets and liabilities

in thousand EUR

	31 DEC 2024			31 DEC 2025								
	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	NET	RECOGNISED IN THE INCOME STATEMENT	RECOGNISED IN OTHER COMPREHENSIVE INCOME	ACQUIRED IN BUSINESS COMBINATIONS	TRANSFER TO DISCONTINUED OPERATIONS	TRANSLATION DIFFERENCES	OTHER	NET	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
Recognised deferred tax assets and liabilities												
Intangible assets	2,046	(14,572)	(12,525)	1,178	0	(675)	0	0	(2)	(12,025)	1,575	(13,600)
Property, plant & equipment[1]	10	(10,705)	(10,695)	2,745	0	0	0	218	(22)	(7,755)	2,300	(10,054)
Investments	146	0	146	(119)	0	0	0	0	0	26	26	0
Receivables	1,115	(17)	1,098	(282)	0	0	0	2	0	818	884	(66)
Inventories	163	0	163	(75)	0	0	0	(10)	0	78	78	0
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0	0	0
Tax-free reserves	0	(178)	(178)	(22)	0	0	0	(0)	0	(200)	0	(201)
Early retirements and defined benefits	1,915	(90)	1,825	(118)	(35)	0	0	(13)	(53)	1,606	1,697	(90)
Provisions for other risks and charges[2]	5,487	(9,560)	(4,073)	(1,329)	7	0	0	(11)	(3)	(5,409)	3,962	(9,372)
Interest-bearing borrowings and loans[3]	2,924	(6)	2,918	(720)	0	0	0	(155)	23	2,067	2,080	(13)
Other liabilities	361	(303)	57	350	(0)	0	0	(12)	58	453	453	(0)
Tax loss carry-forwards/Tax credits[4]	16,713	0	16,713	3,854	0	0	0	(2)		20,566	20,566	(0)
Other tax attributes	6,570	(0)	6,570	(585)	0	0	0	(2)		5,983	5,983	(0)
Total	**37,450**	**(35,432)**	**2,018**	**4,877**	**(28)**	**(675)**	**0**	**16**	**(0)**	**6,208**	**39,605**	**(33,397)**
Set-off	(10,055)	10,055	0							0	(9,470)	9,470
Total (as provided in the statement of financial position)	**27,396**	**(25,377)**	**2,018**	**4,877**	**(28)**	**(675)**	**0**	**16**	**(0)**	**6,208**	**30,135**	**(23,927)**

[1] A decrease of net deferred tax liabilities on property, plant and equipment as a result of the recognition in 2025 of previously unrecognised deferred tax assets on deferred tax depreciations in Finland (impact of EUR 2.3 million at Recticel Insulation Oy).
[2] An increase of net deferred tax liabilities on provisions for other risks and charges due to the decrease of deferred tax assets relating to the release of provisions in Belgium (EUR 1.5 million).
[3] A decrease of deferred tax assets on interest-bearing borrowings due to the reduction of lease liabilities as a result of disposals in Belgium and the US (deferred tax impact of EUR 0.6 million).
[4] An increase of deferred tax assets on tax losses carried forward primarily due to losses incurred in Belgium in 2025 (additional recognised deferred tax assets of EUR 1.3 million at Rex Panels & Profiles NV) and losses carried forward adjusted in the Netherlands further to the filing of the corporate tax return for financial years 2021 and 2022 which included the carve-out transactions of the Engineered Foams and Bedding activities (additional recognised deferred tax assets of EUR 1.7 million at Recticel Insulation Netherlands BV).

Tax loss carry-forwards – amounts by expiration date:

in thousand EUR

	2024[1,2]	2025[1,2]
One year	0	0
Two years	0	0
Three years	0	391
Four years	1,781	3,055
Five years and thereafter	12,034	9,217
Without time limit	253,761	264,508
Total	**267,576**	**277,171**

[1] The increase of the amount of tax losses carried forward per 31 December 2025 compared to 31 December 2024 is primarily due to losses incurred in Belgium in 2025 (Rex Panels & Profiles NV - EUR 7.2 million)) and losses carried forward adjusted in the Netherlands further to the filing of the corporate tax return for financial years 2021 and 2022 which included the carve-out transactions of the Engineered Foams and Bedding activities (Recticel Insulation Netherlands BV - EUR 6.5 million). This increase is partly offset by the use of tax losses in Luxembourg (Recticel Luxembourg SA - EUR 1.5 million) and in Slovenia (Trimo MSS d.d. - EUR 1.7 million).
[2] At 31 December 2025, EUR 20.6 million of deferred tax assets are recognised in respect of tax losses, representing EUR 82.8 million of tax losses carried forward out of a total amount of tax losses carried forward of EUR 277.2 million. Deferred tax assets in relation to losses which are not recognised related mainly to Germany (Recticel Verwaltung GmbH & Co. KG - EUR 155.8 million) and Belgium (Recticel NV - EUR 35.2 million).

Deferred tax assets recognised and unrecognised by the Group apply to the following elements as at 31 December 2025:

in thousand EUR

	TOTAL POTENTIAL DEFERRED TAX ASSETS[1]	RECOGNISED DEFERRED TAX ASSETS[1,3]	NOT RECOGNISED DEFERRED TAX ASSETS[2]
Temporary differences	16,740	13,353	3,387
Tax losses carried forward	77,993	20,566	57,427
Other tax attributes	5,685	5,685	0
Total before set-off	**100,418**	**39,605**	**60,814**

[1] The decrease in total potential deferred tax assets in 2025 compared to 2024 mainly relates to the release of provisions for risks and charges in Belgium for which the tax deduction was deferred (reduction of potential and recognised deferred tax assets of EUR 1.5 million at Recticel NV) and the reduction of lease liabilities as a result of disposals in Belgium and the US (reduction of potential and recognised deferred tax assets of EUR 0.6 million).
[2] The non-recognised deferred tax assets decreased in 2025 compared to 2024 mainly as a result of the recognition of previously unrecognised deferred tax assets on temporary differences in Finland (EUR 2.3 million at Recticel Insulation Oy) and the remeasurement, following to the reduction of the corporate tax rate as from 2028, of non-recognised deferred tax assets on losses in Germany (impact of EUR 2.3 million at Recticel Verwaltung GmbH & Co. KG).
[3] At 31 December 2025 deferred tax assets of EUR 39.6 million are recognised mainly in Belgium (EUR 24.5 million), in Finland (EUR 5 million), in Germany (EUR 3.1 million) and in the Netherlands (EUR 2.4 million) These deferred tax assets have been recognised as it is expected that future taxable profit will be available against which the related deductible temporary differences, unused tax losses and other tax attributes can be utilised.

Deferred tax assets recognised and unrecognised by the Group apply to the following elements as at 31 December 2024:

in thousand EUR

	TOTAL POTENTIAL DEFERRED TAX ASSETS	RECOGNISED DEFERRED TAX ASSETS	NOT RECOGNISED DEFERRED TAX ASSETS
Temporary differences	19,777	14,369	5,408
Tax losses carried forward	77,286	16,713	60,573
Other tax attributes	6,368	6,368	0
Total before set-off	**103,431**	**37,450**	**65,981**

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and when it is probable that the temporary difference will not reverse in the foreseeable future. No deferred tax liabilities have been recognised on undistributed retained earnings of subsidiaries.

3. Pillar 2

Pillar 2 legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates, including in Belgium, where the Group is headquartered. The legislation is effective for the Group's financial year beginning 1 January 2024.

The Group is in scope of the enacted or substantively enacted legislation and has performed an impact assessment of the Group's potential future exposure to Pillar 2 income taxes. The assessment of the potential exposure to Pillar 2 income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on this impact assessment, it is expected that the Group will qualify for the Transitional CbCR Safe Harbours tests or meet an effective tax rate of at least 15% in nearly all jurisdictions. The Group does not expect to have a material exposure to Pillar 2 income taxes in any of the jurisdictions where it is present. The Group continues to closely monitor the legislative and administrative progress in the various countries in which it is currently present.

IAS 12 includes a temporary exception to the requirement to recognise and disclose information about deferred tax assets and liabilities that are related to tax law that is enacted or substantively enacted to implement the Pillar 2 legislation. The Group applies this temporary exception.

7.2.4.7 Discontinued operations

For the period ending 31 December 2025
Result from discontinued operations: from EUR 1.6 million in 2024 to EUR 5.0 million in 2025.

The result from discontinued operations in 2025 mainly represents:
- the release of indemnity provisions on the divestment of Recticel Engineered Foams to Carpenter Co. for EUR 5.0 million;
- the release of indemnity provisions on the divestment of Bedding to Aquinos for EUR 1.1 million;
- offset by direct attributable costs to discontinued operations of EUR -1.0 million.

The result from discontinued operations in 2024 mainly represents the net capital gain as a result of the final agreement and settlement of the Completion Accounts on 5 July 2024 on the disposal of the Engineered Foams activities sold to Carpenter Co. amounting to EUR +2.0 million and composed of the following items:

- gain on the divestment of Engineered Foams: EUR +2.3 million;
- direct attributable transaction costs: EUR -0.3 million;
- direct attributable costs to discontinued operations: EUR -0.4 million.

- **Ascorium Holding GmbH (formerly TEMDA2 GmbH)**

On 31 December 2025 Recticel's investment in Ascorium Holding GmbH (Investment in other associates) amounted to zero.

The vendor loan (receivable) including accumulated interest amounting to EUR 11.5 million, due date 2027 (see also note 7.2.1.3, General Principles) was fully impaired.

7.2.4.8 Business combinations

For the period ending 31 December 2025

KURAS BV
On 28 October 2025, Recticel acquired 70% of the shares of Kuras BV, a leading Dutch distributor of roof, wall and façade materials for an enterprise value of EUR 5.5 million.

The acquisition of Kuras BV strengthens Recticel's further expansion in the Dutch insulated panels market and accelerates the development of its Rex Panels & Profiles NV business.

The acquisition price was paid in cash.

Founded over 15 years ago and based in Barneveld, Kuras BV has earned a strong reputation as a trusted partner in industrial, residential, agricultural and utility construction.

Kuras BV is consolidated in Recticel's financial statements as from 1 November 2025.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

in thousand EUR

PURCHASE CONSIDERATION	KURAS BV
Purchase consideration	5,456
Net financial debt including future debt financed capex	0
Net cash	0
Working capital adjustments	0
Total purchase consideration	**5,456**
Total purchase consideration 70%	**3,820**

The enterprise value of EUR 5.5 million, can be reconciled as follows to the cash flow from investment activities on 31 December 2025:

in thousand EUR

CONSIDERATION PAID	KURAS BV
Total purchase consideration	**5,456**
Net cash	0
Debt-like items and working capital adjustments	0
Consideration paid	**5,456**
Consideration paid 70%	**3,820**

The assets and liabilities recognised as a result of the acquisition are as follows:

in thousand EUR

ASSETS AND LIABILITIES	KURAS BV
Customer list	1,285
Other intangible assets	1,378
Property, plant & equipment	1,287
Inventories	1,101
Receivables	5,201
Cash and cash equivalents	75
Provisions	
Financial liabilities	(1,030)
Trade and other payables	(5,039)
Income tax payables	
Net deferred taxes	(675)
Net identifiable assets acquired	**3,582**
Net identifiable assets acquired 70%	**2,508**
Goodwill	**1,312**
Total purchase consideration 70%	**3,820**

The provisional goodwill has been allocated to the cash generating unit of "Downstream offerings". None of the goodwill is expected to be deductible for tax purposes. See note 7.2.5.2 for the changes in goodwill as a result of the acquisition.

The fair value of the acquired assets has been finalised on 31 December 2025. Fair value adjustment relates to customer list and customer contracts (EUR 1.3 million) and Tradenames related intangible assets (EUR 1.3 million). Deferred tax liabilities of EUR -0.7 million have been recognised in relation to fair value adjustments.

Securities
Kuras BV has provided no pledges and mortgages as security towards the banks.

Acquisition-related costs
Acquisition-related costs of EUR 0.05 million related to advisor fees are included in other operating expenses in the income statement on 31 December 2025.

Revenue and profit contribution
The acquired business contributed revenues of EUR 2.6 million and a net result of EUR 0.5 million to the Group for the period from 1 November 2025 to 31 December 2025.

If the acquisition had occurred on 1 January 2025, consolidated revenue, consolidated adjusted operating profit and consolidated net result (attributable to the owners of the parent) for the year-ended 31 December 2025 would have been EUR 672.1 million, EUR 20.5 million and EUR 11.0 million respectively.

As a result of the acquisition of Kuras BV, the average number of people employed increased by 16.25 full-time equivalents.

Put-call option
The SPA includes a put–call option under which the put may be exercised after five years at a variable price. Under IAS 32, a variable exercise price requires recognition of a deferred payable for share investments with a corresponding offset to a put option reserve (equity) estimated at EUR 1.7 million for the remaining shares (30%).

MICLAR GROUP
On 28 November 2025, Recticel acquired 76% of the shares of Miclar Group, a leading Belgian specialist in industrial façade and roof cladding, light structural steel, and finishing components, for an enterprise value of EUR 25.9 million (100%).

Miclar Group is consolidated in Recticel's financial statements as from 1 December 2025.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

in thousand EUR

PURCHASE CONSIDERATION	MICLAR GROUP
Purchase consideration	25,854
Net financial debt including future debt financed capex	(1,551)
Net cash	2,671
Working capital adjustments	
Total purchase consideration	**26,974**
Total purchase consideration 76%	**20,650**

The enterprise value of EUR 25.9 million (100%), can be reconciled as follows to the cash flow from investment activities on 31 December 2025:

in thousand EUR

CONSIDERATION PAID	MICLAR GROUP
Total purchase consideration	**25,854**
Net cash	2,671
Debt-like items and working capital adjustments	(1,551)
Consideration paid	26,974
Consideration paid 76%	**20,650**

The assets and liabilities recognised as a result of the acquisition are as follows:

in thousand EUR

ASSETS AND LIABILITIES	MICLAR GROUP
Customer list	
Other intangible assets	
Property, plant & equipment	1,892
Inventories	1,079
Receivables	4,194
Cash and cash equivalents	2,671
Provisions	(127)
Financial liabilities	(1,551)
Trade and other payables	(2,356)
Income tax payables	
Net deferred taxes	
Net identifiable assets acquired	**5,803**
Net identifiable assets acquired 76%	**4,410**
Goodwill	16,240
Total purchase consideration 76%	**20,650**

Miclar Group is a Belgian specialist in industrial façade and roof cladding, light structural steel, and finishing components.

The provisional goodwill has been allocated to the cash generating unit of "Downstream offerings". The PPA exercise is expected to allocate part of the goodwill to customer list and customer contracts and Tradenames related intangible assets.

None of the goodwill is expected to be deductible for tax purposes. See note 7.2.5.2 for the changes in goodwill as a result of the acquisition.

Securities
Miclar Group has provided pledges and mortgages as security towards the banks for an amount of EUR 3.1 million.

Acquisition-related costs
Acquisition-related costs of EUR 0.1 million related to advisor fees are included in other operating expenses in the income statement on 31 December 2025.

Revenue and profit contribution
The acquired business contributed revenues of EUR 3.9 million and a net result of EUR 1.3 million to the Group for the period from 1 December 2025 to 31 December 2025.

If the acquisition had occurred on 1 January 2025, consolidated revenue, consolidated adjusted operating profit and consolidated net result (attributable to the owners of the parent) for the year-ended 31 December 2025 would have been EUR 675.1 million, EUR 23.1 million and EUR 13.0 million respectively.

As a result of the acquisition of Miclar Group, the average number of people employed increased by 26 full-time equivalents.

Put-call option
The SPA includes a put–call option under which the put may be exercised after five years at a variable price. Under IAS 32, a variable exercise price requires recognition of a deferred payable for share investments with a corresponding offset to a put option reserve (equity) estimated at EUR 7.2 million for the remaining shares (24%).

7.2.4.9 Dividends

Amounts recognised as distributions to equity holders in the period.

Dividend for the period ending 31 December 2024 of EUR 0.31 per share.

Proposed stable dividend for the period ending 31 December 2025 of EUR 0.31 per share, leading to a total pay-out of EUR 17,593,405 (2024: EUR 17,547,835), including the portion attributable to the treasury shares (326,800 in total on 31 December 2025).

The proposed dividend is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

7.2.4.10 Basic earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

in thousand EUR

	2024	2025
Net profit (loss) for the period	**17,957**	**10,613**
Net profit (loss) from continuing operations	16,345	5,566
Net profit (loss) from discontinued operations	1,613	5,047
Weighted average shares outstanding		
Ordinary shares on 01 January (excluding treasury shares*)	55,904,120	56,279,120
Exercised subscription rights	375,000	147,000
Ordinary shares on 31 December (excluding treasury shares*)	56,279,120	56,426,120
Weighted average shares outstanding	**56,067,538**	**56,339,332**
* Number of treasury shares held on 31 December	326,800	326,800

in EUR

	2024	2025
Basic earnings per share	**0.32**	**0.19**
Basic earnings per share from continuing operations	0.29	0.10
Basic earnings per share from discontinued operations	0.03	0.09

7.2.4.11 Diluted earnings per share

Computation of the diluted earnings per share:

in thousand EUR

	2024	2025
Dilutive elements		
Net profit (loss) from continuing operations	16,345	5,566
Net profit (loss) from discontinued operations	1,613	5,047
Profit (loss) attributable to ordinary equity holders of the parent entity including assumed conversions	**17,957**	**10,613**
Weighted average ordinary shares outstanding	**56,067,538**	**56,339,332**
Stock option plans - subscription rights[1]	407,772	201,731
Weighted average shares for diluted earnings per share	**56,475,310**	**56,541,062**

in EUR

	2024	2025
Diluted earnings per share	**0.32**	**0.19**
Diluted earnings per share from continuing operations	0.29	0.10
Diluted earnings per share from discontinued operations	0.03	0.09

[1] *On 31 December 2025, only the outstanding subscription right plans of June 2019 and March 2020 are in-the-money. The outstanding subscription right plans which are out-of-the-money are disclosed as anti-dilutive.*

7.2.5 Statement of financial position

7.2.5.1 Intangible assets

For the year ending 31 December 2025

in thousand EUR

	DEVELOPMENT COSTS	TRADEMARKS, PATENTS & LICENCES	CLIENT PORTFOLIO GOODWILL	OTHER INTANGIBLE ASSETS	ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS	TOTAL
At the end of the preceding period						
Gross book value	0	69,097	47,545	13,683	2,586	132,912
Accumulated amortisation	0	(25,018)	(13,718)	(10,477)	(53)	(49,266)
Accumulated impairment	0	(6,300)	0	0	(797)	(7,097)
Net book value at the end of the preceding period	**0**	**37,779**	**33,827**	**3,206**	**1,737**	**76,549**
Movements during the period						
Business combinations	0	1,378	1,285	0	0	2,663
Acquisitions	69	875	0	0	3,597	4,541
Amortisation	0	(5,445)	(3,815)	(797)	0	(10,056)
Impairments	0	(21)	0	0	(1)	(22)
Sales and scrapped	0	0	0	0	0	0
Transfers from one heading to another	0	990	0	281	(1,280)	(8)
Transfer to discontinued operations	0	0	0	0	0	0
Exchange rate differences	(3)	(8)	2	(0)	0	(8)
At the end of the current period	**66**	**35,547**	**31,300**	**2,690**	**4,053**	**73,657**
Gross book value	66	72,211	48,834	13,964	4,851	139,925
Accumulated amortisation	0	(30,363)	(17,534)	(11,274)	0	(59,171)
Accumulated impairment	0	(6,300)	0	0	(798)	(7,098)
Net book value at the end of the period	**66**	**35,547**	**31,300**	**2,690**	**4,053**	**73,657**
Useful life (in years)	3-5	3-10	5-10	5 maximum	n.a.	

Reference is also made to note 7.2.1.4, Major sources of estimation uncertainty and key judgements.

In 2025, the item 'Business combinations' relates to the acquisition of Kuras BV. Total acquisition of intangible assets amounted to EUR 4.5 million, mainly related to Biobased R&D and IT projects, compared to EUR 3.4 million in 2024.

For the year ending 31 December 2024

in thousand EUR

	DEVELOPMENT COSTS	TRADEMARKS, PATENTS & LICENCES	CLIENT PORTFOLIO GOODWILL	OTHER INTANGIBLE ASSETS	ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS	TOTAL
At the end of the preceding period						
Gross book value	0	62,712	38,668	13,122	2,510	117,011
Accumulated amortisation	0	(21,090)	(8,875)	(9,798)	(53)	(39,816)
Accumulated impairment	0	(6,304)	0	0	(797)	(7,101)
Net book value at the end of the preceding period	**0**	**35,317**	**29,792**	**3,324**	**1,660**	**70,094**
Movements during the period						
Business combinations	0	4,904	7,850	0	0	12,754
Acquisitions	0	363	2	1	2,997	3,362
Amortisation	0	(5,151)	(3,821)	(755)	0	(9,727)
Impairments	0	0	0	0	0	0
Sales and scrapped	0	0	0	0	0	0
Transfers from one heading to another	0	2,336	0	636	(2,920)	52
Transfer to discontinued operations	0	0	0	0	0	0
Exchange rate differences	0	9	3	0	0	13
At the end of the current period	**0**	**37,779**	**33,827**	**3,206**	**1,737**	**76,549**
Gross book value	0	69,097	47,545	13,683	2,586	132,912
Accumulated amortisation	0	(25,018)	(13,718)	(10,477)	(53)	(49,266)
Accumulated impairment	0	(6,300)	0	0	(797)	(7,097)
Net book value at the end of the period	**0**	**37,779**	**33,827**	**3,206**	**1,737**	**76,549**
Useful life (in years)	3-5	3-10	5-10	5 maximum	n.a.	

Reference is also made to note 7.2.1.4, Major sources of estimation uncertainty and key judgements.

7.2.5.2 Goodwill

For the year ending 31 December 2025

in thousand EUR

	GOODWILL
At the end of the period	
Gross book value	91,680
Accumulated impairment	(15,214)
Net book value at the end of the preceding period	**76,467**
Movements during the period	
Business combinations	18,042
Impairments	0
Sales and scrapped	0
Transfers from one heading to another	0
Transfer to discontinued operations	0
Exchange rate differences	0
At the end of the current period	**94,509**
Gross book value	108,291
Accumulated impairment	(13,781)
Net book value at the end of the period	**94,509**

In 2025, the item 'Business combinations' relates to the acquisition of Kuras BV EUR 1.3 million, Miclar Group EUR 16.2 million and Turvac EUR 0.5 million.

For the year ending 31 December 2024

in thousand EUR

	GOODWILL
At the end of the preceding period	
Gross book value	76,883
Accumulated impairment	(14,474)
Net book value at the end of the preceding period	**62,409**
Movements during the period	
Business combinations	14,058
Impairments	0
Sales and scrapped	0
Transfers from one heading to another	0
Transfer to discontinued operations	0
Exchange rate differences	0
At the end of the current period	**76,467**
Gross book value	91,680
Accumulated impairment	(15,214)
Net book value at the end of the period	**76,467**

7.2.5.3 Property, plant & equipment

For the year ending 31 December 2025

in thousand EUR

	LAND AND BUILDINGS	PLANT, MACHINERY & EQUIPMENT	FURNITURE AND VEHICLES	LEASES AND SIMILAR RIGHTS	OTHER TANGIBLE ASSETS	ASSETS UNDER CONSTRUCTION	TOTAL
At the end of the preceding period							
Gross value	143,905	167,839	11,630	0	111	9,517	333,639
Accumulated depreciation	(42,751)	(119,345)	(8,974)	0	(89)	(67)	(171,863)
Accumulated impairments	(314)	(181)	0	0	0	(517)	(1,012)
Net book value at the end of the preceding period	**100,840**	**48,313**	**2,656**	**0**	**22**	**8,933**	**160,763**
Movements during the year							
Business combinations	850	634	690	0	13	0	2,187
Acquisitions	311	2,622	262	40	0	26,522	29,756
Depreciation	(4,992)	(8,396)	(1,019)	0	(2)	0	(14,409)
Impairments	(50)	(51)	(1)	0	0	(14)	(117)
Sales and scrapped	0	(951)	(170)	0	0	0	(1,121)
Transfers from one heading to another	8,360	4,181	235	(20)	0	(5,281)	7,488
Transfer to discontinued operations	0	0	0	0	0	0	0
Changes in Scope	0	0	0	0	0	0	0
Exchange rate differences	(960)	(331)	(37)	0	0	(455)	(1,783)
At the end of the current period	**104,358**	**46,020**	**2,616**	**20**	**32**	**29,705**	**182,764**
Gross value	159,253	170,940	12,509	20	189	30,303	373,865
Accumulated depreciation	(54,594)	(124,751)	(9,894)	0	(157)	(67)	(190,101)
Accumulated impairments	(301)	(169)	0	0	0	(531)	(1,001)
Net book value at the end of the period	**104,358**	**46,020**	**2,616**	**20**	**32**	**29,705**	**182,764**

On 31 December 2025, Assets under construction mainly relate to the new recycling polyol plant in Belgium, the capacity extension in Bourges and the US Panels plant, “Transfers from one heading to another” relate to the purchase of the end of lease building in Bourges.

On 31 December 2025, the Group had entered into contractual commitments for the acquisition of property, plant & equipment, mainly in US, amounting to EUR 50 million (2024: EUR 7.3 million).

For the year ending 31 December 2024

in thousand EUR

	LAND AND BUILDINGS	PLANT, MACHINERY & EQUIPMENT	FURNITURE AND VEHICLES	LEASES AND SIMILAR RIGHTS	OTHER TANGIBLE ASSETS	ASSETS UNDER CONSTRUCTION	TOTAL
At the end of the preceding period							
Gross value	101,445	144,479	13,648	0	116	13,069	272,758
Accumulated depreciation	(32,875)	(107,441)	(11,152)	0	(92)	0	(151,560)
Accumulated impairments	(328)	(183)	0	0	0	0	(511)
Net book value at the end of the preceding period	**68,242**	**36,856**	**2,496**	**0**	**24**	**13,069**	**120,687**
Movements during the year							
Business combinations	23,522	8,745	313	0	0	0	32,580
Acquisitions	2,561	3,469	544	0	0	14,438	21,012
Depreciation	(4,566)	(8,377)	(1,188)	0	(2)	0	(14,134)
Impairments	0	(0)	0	0	0	(517)	(517)
Sales and scrapped	(10)	(376)	(13)	0	0	8	(391)
Transfers from one heading to another	10,167	7,792	482	0	0	(18,078)	364
Transfer to discontinued operations	0	0	0	0	0	0	0
Exchange rate differences	924	204	21	0	0	12	1,161
At the end of the current period	**100,840**	**48,313**	**2,656**	**0**	**22**	**8,933**	**160,763**
Gross value	143,905	168,476	11,630	0	111	9,517	333,639
Accumulated depreciation	(42,751)	(119,982)	(8,974)	0	(89)	(67)	(171,863)
Accumulated impairments	(314)	(181)	0	0	0	(517)	(1,012)
Net book value at the end of the period	**100,840**	**48,313**	**2,656**	**0**	**22**	**8,933**	**160,763**

Reference is also made to note 7.2.1.4, Major sources of estimation uncertainty and key judgements and note 7.2.4.7, Discontinued operations.

On 31 December 2024, Assets under construction mainly relate to Recticel Insulation France and Trimo.

On 31 December 2024, the Group had entered into contractual commitments for the acquisition of property, plant & equipment, mainly in France, amounting to EUR 7.3 million (2023: EUR 2.1 million).

7.2.5.4 Right-of-use assets

For the year ending 31 December 2025

in thousand EUR

	LAND AND BUILDINGS	PLANT, MACHINERY & EQUIPMENT	FURNITURE AND VEHICLES	TOTAL
At the end of the preceding period				
Gross value	53,950	19,033	4,766	77,749
Accumulated depreciation	(27,160)	(8,231)	(1,891)	(37,283)
Accumulated impairments	(564)	0	0	(564)
Net book value at the end of the preceding period	**26,227**	**10,802**	**2,874**	**39,903**
Movements during the year				
Business combinations	993	0	0	993
New leases	0	134	1,364	1,498
Adjustment for reassessment of assumptions on dismantling and restoration costs	0	0	(19)	(19)
Depreciation	(3,437)	(2,289)	(1,094)	(6,820)
Impairments	0	0	0	0
Ended contracts	0	0	0	0
Transfers from one heading to another	(7,393)	(251)	49	(7,595)
Transfer to discontinued operations	0	0	0	0
Changes in scope	0	0	0	0
Exchange rate differences	(598)	(30)	(33)	(661)
At the end of the period	**15,791**	**8,366**	**3,142**	**27,299**
Gross value	38,571	18,452	5,478	62,501
Accumulated depreciation	(22,346)	(10,087)	(2,336)	(34,769)
Accumulated impairments	(434)	0	0	(434)
Net book value at the end of the period	**15,791**	**8,366**	**3,142**	**27,299**
Contractual tenor (in years)	6 - 12	3 - 12	4	

On 31 December 2025, the “new leases” are mainly comprised of the increase/renewal of company cars throughout the group and “Transfers from one heading to another” relate to the purchase of the end of lease building in Bourges.

The weighted average underlying incremental borrowing rate of the right-of-use asset agreements on 31 December 2025 was 3.96% (3.32% on 31 December 2024).

For the year ending 31 December 2024

in thousand EUR

	LAND AND BUILDINGS	PLANT, MACHINERY & EQUIPMENT	FURNITURE AND VEHICLES	TOTAL
At the end of the preceding period				
Gross value	50,599	995	2,977	54,571
Accumulated depreciation	(23,582)	(650)	(1,686)	(25,917)
Accumulated impairments	(883)	0	0	(883)
Net book value at the end of the preceding period	**26,135**	**345**	**1,291**	**27,771**
Movements during the year				
Business combinations	0	6,545	0	6,545
New leases	169	6,455	3,082	9,705
Adjustment for reassessment of assumptions on dismantling and restoration costs	2,924	0	(167)	2,756
Depreciation	(3,538)	(1,945)	(1,336)	(6,818)
Impairments	123	0	0	123
Ended contracts	46	0	(48)	(2)
Transfers from one heading to another	(0)	(611)	33	(577)
Transfer to discontinued operations	0	0	0	0
Changes in Scope	0	0	0	0
Exchange rate differences	369	13	19	400
At the end of the period	**26,227**	**10,802**	**2,874**	**39,903**
Gross value	53,950	19,033	4,766	77,749
Accumulated depreciation	(27,160)	(8,231)	(1,891)	(37,283)
Accumulated impairments	(564)	0	0	(564)
Net book value at the end of the period	**26,227**	**10,802**	**2,874**	**39,903**
Contractual tenor (in years)	6 - 12	3 - 12	4	

Reference is also made to note 7.2.4.7, Discontinued operations.

The new leases are comprised of an additional production line at Rex Panels & Profiles NV, new forklifts in Slovenia and the increase/renewal of company cars throughout the group.

The weighted average underlying incremental borrowing rate of the right-of-use asset agreements on 31 December 2024 was 3.32% (3.16% on 31 December 2023).

The below table comprises the recognised lease charge during the financial period.

in thousand EUR

	2024	2025
Low value leases	1	576
Short term leases	128	881
Services under leases	469	429
Other considerations		
Total leases	**598**	**1,886**

7.2.5.5 Subsidiaries, joint ventures, associates and other associates

Unless otherwise indicated, the percentage shareholdings shown below are identical to the percentage voting rights.

1. Subsidiaries consolidated according to the full consolidation method

		% shareholding in	
		31 DEC 2024	31 DEC 2025
Belgium			
Balim NV	Bourgetlaan 42 - 1130 Haren	100.00	100.00
Finapal NV	Bourgetlaan 42 - 1130 Haren	100.00	100.00
Recticel International Services NV	Bourgetlaan 42 - 1130 Haren	100.00	100.00
Rex Panels & Profiles NV	Rue du Mont des Carliers (BL) - 7522 Blandain	100.00	100.00
Recticel US Investments BV (11/03/2025)	Bourgetlaan 42 - 1130 Haren	-	100.00
Miclar BV (28/11/2025)	Goudberg 13/A - 9290 Berlare	-	76.00 (b)
Proclar BV (28/11/2025)	Goudberg 13/A - 9290 Berlare	-	76.00 (b)
Verhoye NV (28/11/2025)	Elbestraat 12 - 8760 Tielt	-	76.00 (b)
Vacu-Service BV (28/11/2025)	Elbestraat 12 - 8760 Tielt	-	76.00 (b)
Finland			
Recticel Insulation OY	Gneissitie 2 - 04600 Mäntsälä	100.00	100.00
France			
Recticel Insulation SAS	1, rue Ferdinand de Lesseps - 18000 Bourges	100.00	100.00
Frina Mousse France SARL	1 Rue Jasmin - 68270 Wittenheim	100.00	100.00
Germany			
Recticel Deutschland Beteiligungs GmbH	Adolfstrasse 1 - 65185 Wiesbaden	100.00	100.00
Recticel Grundstücksverwaltung GmbH	Adolfstrasse 1 - 65185 Wiesbaden	100.00	100.00
Recticel Verwaltung GmbH & Co. KG	Adolfstrasse 1 - 65185 Wiesbaden	100.00	100.00
Trimo DE GmbH	The Square Business Center, Am Flughafen 12, 5th Floor - 60549 Frankfurt Am Main	100.00	100.00
Luxembourg			
Recticel RE SA	22 boulevard des Scillas - 2529 Howald	100.00	100.00
Recticel Luxembourg SA	22 boulevard des Scillas - 2529 Howald	100.00	100.00
Macedonia			
Trimo Makedonija DOOEL	Londonska 19/15 – DTC Olimpiko - 1000 Skopje	100.00	100.00

		% shareholding in	
		31 DEC 2024	31 DEC 2025
The Netherlands			
Kuras BV (28/10/2025)	Deventerweg 9 - 3771 NP Deventer	-	70.02 [a]
Recticel BV	Wanraaij 4 - 6673 DN Andelst	100.00	100.00
Recticel International BV	Wanraaij 4 - 6673 DN Andelst	100.00	100.00
Trimo Benelux BV	Dorpstraat 63 - 5761 BM Bakel	100.00	100.00
Poland			
Recticel Insulation Materials sp. z o.o.	ul. Lakowa 29 - 90-554 Lodz	100.00	100.00
Trimo Polska sp. z o.o.	ul. Obrzezna 5 - 02-691 Warsaw	100.00	100.00
Serbia			
Trimo Inženjering d.o.o.	Novo naselje 9 - 22310 Simanovci	100.00	100.00
Slovakia			
Trimo Slovakia spol s.r.o.	Lovinského 4653 - 81104 Bratislava	25.00	25.00
Slovenia			
Trimo d.o.o.	Prijateljeva cesta 12 - 8210 Trebnje	100.00	100.00
Trimo MSS d.d.	Prijateljeva cesta 12 - 8210 Trebnje	100.00	100.00
Tinde d.o.o.	Prijateljeva cesta 12 - 8210 Trebnje	100.00	100.00
Turvac d.o.o.	Primorska 6b - 3325 Šoštanj	74.00	100.00
Sweden			
Recticel Insulation Sweden AB	Torsgatan 7c - 111 23 Stockholm	100.00	100.00
United Kingdom			
Recticel Insulation UK Limited	Enterprise way Whittle Road, Meir Park - Stoke-on-Trent ST37UN	100.00	100.00
Trimo UK Limited	Highview House 1st Floor, Tottenham Cresent, Epson - Surrey KT185QJ	100.00	100.00
United States of America			
The Soundcoat Company, Inc	Burt Drive 1 - Deer Park, New York 11729 Deer Park, County of Suffolk	100.00	100.00
Recticel North America, Inc (01/04/2025)	Corporation Trust Center, Orange Street 1209 - Wilmington, Delaware 19801, New Castle County		100.00
Recticel Insulated Panels, LLC (18/04/2025)	Corporation Trust Center, Orange Street 1209 - Wilmington, Delaware 19801, New Castle County		95.24
United Arab Emirates			
Trimo DCS FZE	Fujairah Free Zone 2 - Fujairah	100.00	100.00

[a] *Kuras BV*
[b] *Miclar Group*

Significant restrictions to realise assets or settle liabilities

Recticel NV or some of its subsidiaries have provided guarantees for (i) an aggregate amount of EUR 1.2 million in favour of OVAM regarding the sanitation and rehabilitation projects on some of its sites and/or sites of its subsidiaries, (ii) an aggregate amount of EUR 0.8 million in favour of the Walloon Département du Sol et des Déchets – DSD, (iii) an aggregate amount of EUR 3.0 million in favour of the insurer HDI Global and (iv) an aggregate amount of EUR 2.2 million towards suppliers.

Recticel NV also provides guarantees and comfort letters (for a total amount of EUR 20.5 million) to and/or on behalf of various direct or indirect subsidiaries, of which the material (> EUR 1 million) ones are:

- on behalf of Recticel Verwaltung GmbH & Co. KG: EUR 5.0 million;
- on behalf of Recticel Insulation OY: EUR 15.5 million in the framework of a real estate investment loan.

2. Associates accounted for using the equity method

		% shareholding in 31 DEC 2024	31 DEC 2025
Germany			
Ascorium Holding GmbH	Gut Hochschloss 1 82396 Pähl	49.00	49.00

Apart from having the approval of the controlling shareholder(s) to distribute dividends, there are no specific restrictions on the ability of associates to transfer funds to Recticel in the form of cash dividends, or to repay loans or advances made by Recticel.

3. Non-consolidated entities
Some subsidiaries that are more than 50% controlled are not consolidated because they are (still) non-material. As soon as they have reached a sufficient size, however, they will be included in the scope of consolidation.

7.2.5.6 Interests in joint ventures, associates and other associates

A list of the significant investments in joint ventures and associates is included in note 7.2.5.5, Subsidiaries, joint ventures, associates and other associates.

A distinction has been made between associates (income included in operating profit/(loss)) and other associates – (income excluded from operating profit/(loss)).

Other associates not considered as being part of the Group's core business are not integrated in Operating profit/(loss) i.e. Ascorium Holding GmbH (formerly TEMDA2 GmbH).

in thousand EUR

	JOINT VENTURES	ASSOCIATES	OTHER ASSOCIATES	31 DEC 2024	JOINT VENTURES	ASSOCIATES	OTHER ASSOCIATES	31 DEC 2025
At the end of the preceding period	**0**	**0**	**(0)**	**0**	**0**	**0**	**(0)**	**0**
Movements during the year								
Capital increase	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Remeasurement gains/losses on defined benefit plans	0	0	0	0	0	0	0	0
Income tax relating to components of other comprehensive income	0	0	0	0	0	0	0	0
Other comprehensive income net of tax	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Group's share in the result for the period	0	0	0	0	0	0	0	0
Translation differences	0	0	0	0	0	0	0	0
Comprehensive income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Dividends distributed	0	0	0	0	0	0	0	0
Change in Scope	0	0	0	0	0	0	0	0
Reclassification to assets held for sale	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
At the end of the period	**0**	**0**	**(0)**	**0**	**0**	**0**	**(0)**	**0**

In **2025**, considering the relevant considerations that there are no contractual or constructive obligations covering for unlimited losses, the recognition of the Group's share of the results of the joint venture is limited to the extent of the original recognised amount of the investment. All subsequent Group's shares of the profits are not recognised by the Group until the historically non-recognised Group's share of the results of the joint venture are covered.

In **2024**, considering the relevant considerations that there are no contractual or constructive obligations covering for unlimited losses, the recognition of the Group's share of the results of the joint venture is limited to the extent of the original recognised amount of the investment. All subsequent Group's shares of the profits are not recognised by the Group until the historically non-recognised Group's share of the results of the joint venture are covered.

Pro forma key figures for associates and other associates (on a 100% basis):

in thousand EUR

	OTHER ASSOCIATES	
	ASCORIUM HOLDING GMBH	
	31 DEC 2024	31 DEC 2025
Aggregated figures (sum of individual company ledgers before eliminations)		
Non-current assets	52,778	47,688
Current assets	59,864	54,640
Total assets	**112,642**	**102,328**
Non-current liabilities	(11,848)	(16,781)
Current liabilities	(92,752)	(91,161)
Total liabilities	**(104,600)**	**(107,942)**
Net equity	**8,042**	**(5,614)**
Revenue	**104,451**	**89,590**
Profit (loss) of the period	**(5,834)**	**(11,918)**

in thousand EUR

	ASCORIUM HOLDING GMBH	
	31 DEC 2024	31 DEC 2025
Net equity (Group share)	**0**	**0**
Reversal of real estate revaluation	0	0
Corrections on opening balance	0	0
Impairment	0	0
Other	0	0
Carrying amount of interests in associate	**0**	**0**

On 1 July 2020, Recticel NV announced the closing of the divestment of its Automotive Interiors business to Ascorium Holding GmbH, a joint venture set up between the German private equity player Admetos (51%) and Recticel NV (49%).

The joint venture shareholder agreement contained reciprocal call/put options - for Admetos to acquire, or Recticel to sell its remaining 49% share -, which were exercisable as from March 2024.

At the time of the divestment on 30 June 2020, Recticel NV granted a subordinated vendor loan of EUR 10 million (maturity 2027) to Ascorium Holding GmbH. On 31 December 2024, the Ascorium Holding GmbH vendor loan (receivable) included accumulated interest and amounted to EUR 11.5 million.

Furthermore, Recticel also provided corporate guarantees on first demand towards KBC Bank and BNP Paribas Bank which had provided Ascorium Holding GmbH with an acquisition loan of EUR 25 million and Ascorium Group with a revolving credit facility of EUR 20 million with a duration of five years. A further corporate guarantee was provided towards KBC Bank in 2022 for an amount of EUR 2.75 million to finance a sprinkler system for one of Ascorium's production sites in Czech Republic.

Given the economic consequences of the Ukraine crisis in 2022 and 2023, leading to increased financing costs and reduced automotive business prospects, Ascorium requested an extension of the KBC Bank and BNP Paribas Bank financings and the accompanying Recticel corporate guarantees.

In the course of 2024, Admetos and Recticel have renegotiated their respective agreements, whereby Recticel agreed to extend its corporate guarantees, and whereby the reciprocal call/put options were abolished, and the parties would work together towards a joint divestment at the appropriate time. Changes were also made in the corporate governance structure, providing more governance rights to Recticel.

Despite the overall negative evolution in the automotive sector over the past year, the Ascorium business continues to generate a positive recurring EBITDA, but negative EAT due to the increased financing and financing costs. At the same time, Ascorium has been successful in obtaining new projects allowing to grow the business again as of 2027, while requiring at the same time substantial capex and working capital investments, for which additional financing may be required.

Given the continuing uncertainty in the automotive market, Recticel impaired the above mentioned vendor loan having performed a recoverability analysis taking into account the existing exposure. Nor can it exclude that at some point, the above mentioned corporate guarantees towards KBC Bank and BNP Paribas Bank will be partly or fully called upon. The maximum risk exposure for Recticel NV in this context amounts to EUR 52.8 million. The Group did not incur significant contingent liabilities for its interests in associates or other associates.

On 28 February 2026, with the aim of unrestrained decision making during the strategic exercise with regard to the automotive operations, Temda 1 and Recticel signed a share purchase agreement under which Recticel will obtain 100% control of Ascorium Holding GmbH for a purchase price of EUR 1.0 million.

Subsequently the divestment process of the participation was started and hence Ascorium Holding GmbH will be reported under discontinued operations and assets/liabilities held for sale.

7.2.5.7 Other financial assets

in thousand EUR

	31 DEC 2024	31 DEC 2025
Financial investments	**500**	**500**
Loans to affiliates	11,522	0
Other loans	449	387
Non-current financial receivables	**11,971**	**387**
Cash advances and deposits	323	478
Other receivables	0	7,770
Non-current other receivables	**323**	**8,248**
Derivatives - Option valuation	0	0
Total	**12,794**	**9,136**

The item ‘Loans to affiliates’ relates mainly to a loan to Ascorium Holding GmbH (EUR 11.5 million) that was fully impaired in 2025. The item ‘Other loans’ relates to loans granted by Recticel Insulation SAS, France (EUR 0.2 million) to some of its employees.

The item ‘Other receivables’ relates to asset-backed leasing agreements with a few entities of Ascorium Group (EUR 7.8 million).

The carrying amounts of these non-current receivables approximate the fair value since the interest rate is a variable rate in line with market conditions.

The maximum exposure to credit risk equals to the carrying amounts of these assets as recognised on the statement of financial position.

There are no due but unpaid receivables, nor impairments on the outstanding receivables. There are no specific guarantees offered for the outstanding receivables.

The item ‘Cash advances and deposits’ mainly relates to guarantees provided for rents and supplies (water, electricity, telecom, waste treatment, etc.).

7.2.5.8 Inventories

in thousand EUR

	31 DEC 2024	31 DEC 2025
Raw materials & supplies - Gross	41,802	38,713
Raw materials & supplies - Amounts written off	(2,381)	(2,105)
Raw materials & supplies	**39,422**	**36,607**
Work in progress - Gross	1,523	1,176
Work in progress - Amounts written off	(2)	0
Work in progress	**1,521**	**1,176**
Finished goods - Gross	13,085	14,672
Finished goods - Amounts written off	(64)	(7)
Finished goods	**13,021**	**14,665**
Traded goods - Gross	1,144	3,617
Traded goods - Amounts written off	(221)	(264)
Traded goods	**923**	**3,354**
Down payments - Gross	189	1,638
Down payments - Amounts written off	0	0
Down payments	**189**	**1,638**
Contracts in progress - Gross	0	0
Contracts in progress - Gross - Moulds	0	0
Contracts in progress	**0**	**0**
Total inventories	**55,075**	**57,441**
Amounts written-off on inventories during the period	(961)	(287)
Amounts written-back on inventories during the period	777	519

Total inventories in 2025 increased due to higher activities.

7.2.5.9 Contract assets and contract liabilities

The following schedule presents the overview of contract assets and liabilities following the application of IFRS 15 in 2025 and includes both the impact of the opening balance and the movements of the period.

For the year ending 31 December 2025

in thousand EUR

	OPENING BALANCE	BUSINESS COMBINATIONS	CONSIDERATION PAYABLE TO CUSTOMERS	RELEASE TO INCOME STATEMENT	RECLASSIFICATION	EXCHANGE RATE DIFFERENCES	TRANSFER TO DISCONTINUED OPERATIONS	CHANGE IN SCOPE	CLOSING BALANCE AT THE END OF THE PERIOD
Non-current contract assets - Consideration payable to a customer	0	0	0	0	0	0	0	0	0
Non-current contract assets - Contracts in progress Moulds	0	0	0	0	0	0	0	0	0
Non-current contract assets - Contracts in progress Tooling & Packaging	0	0	0	0	0	0	0	0	0
Non-current contract assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Current contract assets - Consideration payable to a customer	0	0	0	0	0	0	0	0	0
Current contract assets - Contracts in progress Moulds	0	0	0	0	0	0	0	0	0
Current contract assets - Contracts in progress Tooling & Packaging	0	0	0	0	0	0	0	0	0
Current contract assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total contract assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Non-current contract liabilities - Mould revenue recognition before SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities - Mould revenue recognition after SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities - Tooling & Packaging revenue recognition before SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities - Tooling & Packaging revenue recognition after SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Contract liabilities - Expected rebates and volume discounts	9,577	0	0	1,887	(1,303)	(384)	0	0	9,778
Contract liabilities - Long term agreements	0	0	0	0	0	0	0	0	0
Contract liabilities - Moulds revenue recognition	0	0	0	0	0	0	0	0	0
Contract liabilities - Tooling & Packaging revenue recognition	0	0	0	0	0	0	0	0	0
Current contract liabilities	**9,577**	**0**	**0**	**1,887**	**(1,303)**	**(384)**	**0**	**0**	**9,778**
Total contract liabilities	**9,577**	**0**	**0**	**1,887**	**(1,303)**	**(384)**	**0**	**0**	**9,778**

In 2025 the rebate contract liabilities increased in line with increased sales.

For the year ending 31 December 2024

in thousand EUR

	OPENING BALANCE	BUSINESS COMBINATIONS	CONSIDERATION PAYABLE TO CUSTOMERS	RELEASE TO INCOME STATEMENT	RECLASSIFICATION	EXCHANGE RATE DIFFERENCES	TRANSFER TO DISCONTINUED OPERATIONS	CHANGE IN SCOPE	CLOSING BALANCE AT THE END OF THE PERIOD
Non-current contract assets - Consideration payable to a customer	0	0	0	0	0	0	0	0	0
Non-current contract assets - Contracts in progress Moulds	0	0	0	0	0	0	0	0	0
Non-current contract assets - Contracts in progress Tooling & Packaging	0	0	0	0	0	0	0	0	0
Non-current contract assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Current contract assets - Consideration payable to a customer	0	0	0	0	0	0	0	0	0
Current contract assets - Contracts in progress Moulds	0	0	0	0	0	0	0	0	0
Current contract assets - Contracts in progress Tooling & Packaging	0	0	0	0	0	0	0	0	0
Current contract assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total contract assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Non-current contract liabilities - Mould revenue recognition before SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities - Mould revenue recognition after SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities - Tooling & Packaging revenue recognition before SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities - Tooling & Packaging revenue recognition after SOP (start of production)	0	0	0	0	0	0	0	0	0
Non-current contract liabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Contract liabilities - Expected rebates and volume discounts	8,037	0	0	2,024	(803)	320	0	0	9,577
Contract liabilities - Long term agreements	0	0	0	0	0	0	0	0	0
Contract liabilities - Moulds revenue recognition	0	0	0	0	0	0	0	0	0
Contract liabilities - Tooling & Packaging revenue recognition	0	0	0	0	0	0	0	0	0
Current contract liabilities	**8,037**	**0**	**0**	**2,024**	**(803)**	**320**	**0**	**0**	**9,577**
Total contract liabilities	**8,037**	**0**	**0**	**2,024**	**(803)**	**320**	**0**	**0**	**9,577**

7.2.5.10 Trade receivables, other receivables and other financial assets

in thousand EUR

	31 DEC 2024	31 DEC 2025
Trade receivables	106,319	115,420
Loss allowance for expected credit losses	(4,394)	(4,426)
Total trade receivables	**101,925**	**110,993**
Other receivables (1)	**9,494**	**12,009**
Derivatives (forward exchange contracts)	0	0
Loans carried at amortised cost	2,626	122
Other financial assets (2)	**2,626**	**122**
Other receivables and other financial assets (1+2)	**12,119**	**12,130**

Trade receivables at reporting date 2025 comprise amounts receivable from the sale of goods and services for EUR 111 million (2024: EUR 101.9 million). The increase is partly related to the business combinations Kuras BV and Miclar Group.

In 2025, other receivables amounting to EUR 12.0 million relate to (i) VAT receivable (EUR 3.5 million), (ii) advances paid to third parties for operating costs spread over several financial years (EUR 3.2 million), (iii) prepayments, tax credits and subsidies, and contractual commitments with co-contractors (EUR 5.4 million).

In 2024, other receivables amounting to EUR 9.5 million relate to (i) VAT receivable (EUR 1.8 million), (ii) advances paid to third parties for operating costs spread over several financial years (EUR 3.5 million), (iii) prepayments, tax credits and subsidies, and contractual commitments with co-contractors (EUR 4.2 million).

In 2024, other financial assets (EUR 2.7 million) mainly consist of the receivable of EUR 2.4 million (i.e. current portion of the loan payable in 2025) to Orsa Foam related to the payment plan linked to the sale of the participation.

Factoring

Although the factoring credit lines are still available, due to the cash in from the divestment of Recticel Engineered Foams to Carpenter Co. no amounts were drawn on 31 December 2025.

in thousand EUR

	31 DEC 2024	31 DEC 2025
Factoring without recourse		
Gross amount	0	0
Continuing involvement	0	0
Net amount	**0**	**0**
Retention amount recognised in debt	(0)	(0)
Total amount factoring without recourse	**(0)**	**(0)**

The average outstanding amounts of receivables vary between 10% and 15% of total sales. A strict credit follow-up is organised through a centralised credit management organisation.

The continuing involvement represents the part of the receivables that was not transferred to the factoring company as specified in the terms and conditions under the factoring agreement. The retention amount represents the amount that is deducted from the gross (invoice) amount, taking into account the limitation of the amount that can be included in the factoring agreement per customer. Recticel does not include this retention amount in debt. These outstanding receivables ("retention amount") are permanently presented on the balance sheet.

Movement in loss allowance for expected credit losses:

in thousand EUR

	31 DEC 2024	31 DEC 2025
At the end of the preceding period	**(3,330)**	**(4,394)**
Business combinations	(1,199)	(365)
Additions	(833)	(833)
Reversals	1,050	967
Non-recoverable amounts	0	0
Reclassification	(208)	219
Exchange rate differences	125	(21)
Change in Scope	0	0
Transfer to assets held for sale	0	0
Total at the end of the period	**(4,394)**	**(4,426)**

The non-recoverable amounts refer to trade receivable balances which have been written off as the Group considers that these are not recoverable.

7.2.5.11 Cash and cash equivalents

Cash and cash equivalents include cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value. There are no specific restrictions that apply to cash and cash equivalents.

7.2.5.12 Assets and Liabilities held for sale and discontinued operations

In 2025, there are no Assets and Liabilities held for sale and no discontinued operations.

7.2.5.13 Share capital

in thousand EUR

	2024	2025
Number of shares		
Number of shares issued and fully paid at 01 January	56,230,920	56,605,920
Number of shares issued and fully paid at 31 December	56,605,920	56,752,920
of which number of treasury shares at 31 December	326,800	326,800

in thousand EUR

	31 DEC 2024	31 DEC 2025
Issued and fully paid shares	141,515	141,882

The change in share capital is explained by the exercise of subscription rights in 2025.

Recticel manages its share capital, without any corrections or adjustments. There are no external capital restrictions applicable on the share capital, since the syndicated revolving credit financing facility ended at the end of 2025.

7.2.5.14 Employee benefit liabilities

in thousand EUR

	31 DEC 2024	31 DEC 2025
Post-employment benefits: defined benefit plans	10,487	10,520
Other long-term benefits and termination benefits	510	529
Net liabilities at 31 December	**10,996**	**11,049**

POST-EMPLOYMENT BENEFITS: DEFINED BENEFIT PLANS

97.0% of the defined benefit obligation is concentrated in three countries: Belgium (55.1%), United Kingdom (35.8%) and Germany (6.1%). Within these three countries Recticel operates funded defined benefit retirement plans. This includes hybrid defined contribution plans, which are treated as defined benefit plans because of the guarantee obligations of the employer. These plans typically provide retirement benefits related to remuneration and period of service.

The following information describes the retirement plans in Belgium and the United Kingdom, which make up 90.9% of the total defined benefit obligation.

in thousand EUR

	DEFINED BENEFIT OBLIGATION	ASSETS	FUNDED STATUS DEFICIT/ (SURPLUS)	ADJUSTMENT DUE TO ASSET CEILING/ ADDITIONAL LIABILITY UNDER IFRIC 14	NET LIABILITY/ (ASSET)
Belgium	35,862	(31,919)	3,943		3,943
United Kingdom	23,297	(26,152)	(2,855)	3,857	1,002
Germany	3,944	(330)	3,614		3,614
Other countries	1,962		1,962		1,962
Total	**65,064**	**(58,401)**	**6,663**	**3,857**	**10,520**

Belgium
Recticel operates defined benefit and hybrid defined contribution pension plans in Belgium. These plans are funded through group insurances, and contributions are payable only by the employer. The defined benefit plans have been closed to new employees since 2003; most hybrid plans are still open to new employees. The plans function in, and comply with, a regulatory framework and comply with the local minimum funding requirements. Plan participants are entitled to salary-related benefits on retirement at age 65, and in case of death in service. The usual, and assumed, form of benefit payment is in all cases a lump sum, but the plans foresee the option to convert to annuity.

United Kingdom
Recticel sponsors one funded defined benefit plan in the United Kingdom, which is closed to new entrants and to further accrual of benefits for existing members. The plan is governed via a trust which is legally separate from Recticel and is administered by a board of Trustees composed of both employer-appointed

and member-nominated Trustees. The Trustees are required by law to act in the interest of the beneficiaries of the plan, and are responsible for the investment policy in respect of plan assets and for the day-to-day administration of the benefits. The plan functions in, and complies with, a regulatory framework, and is subject to minimum funding requirements. Under the plan, members are entitled to annual pensions on retirement at age 60 or 65, based on final pensionable salary and years of pensionable service.

UK legislation requires that the liabilities of defined benefit pension schemes are calculated for funding purposes on a prudent basis. The last funding valuation of the plan was carried out as at 31 December 2022 and showed a deficit of GBP 2.5 million. A recovery plan was agreed in July 2024 under which Recticel agreed to pay an amount of GBP 1.0 million on 31 December 2027.

Recticel has agreed with the trustees of the plan to fund the cost of transferring the plan to an insurance company in due course. At 31 December 2025, the estimated cost in excess of the employee benefit liability recognised under IAS 19 was GBP 0.8 million, and this amount has been recognised in provisions for other risks.

RISKS ASSOCIATED WITH DEFINED BENEFIT PENSION PLANS

The most significant risks associated with Recticel's defined benefit plans are:

Changes in bond yields	Benefit obligations are calculated using a discount rate typically set with reference to corporate or government bond yields. A decrease in bond yields will therefore increase the value of the benefit obligations, although this will be partially offset by an increase in the value of those assets held in bonds.
Asset volatility	If asset portfolios underperform bond yields overall, the net liability will increase. Some plans hold a proportion of equities which, though expected to outperform corporate bonds in the long term, carry the risk of volatility in the short term. The allocation to equities is monitored to ensure it remains appropriate.
Inflation risk	Increases in benefits, and in the underlying salaries on which some benefits are based, are linked to inflation, so that higher inflation will lead to higher benefit obligations. Most plan assets are either unaffected by or only loosely correlated with inflation, so that higher inflation will increase the net liability. For some plans, this risk is mitigated by caps on the level of benefit increases, which protects against extreme inflation.
Life expectancy	Some plans provide benefits for the life of the member, so that increases in life expectancy will result in an increase in the defined benefit obligation.
Currency risk	Currency risk arises principally from fluctuations in the Euro value of net liabilities of plans denominated in other currencies.

in thousand EUR

	31 DEC 2024	31 DEC 2025
Evolution of the net liability during the year is as follows:		
Net liability at 01 January	**11,947**	**10,487**
Changes in Scope of consolidation	0	0
Expense recognised in the income statement	1,614	2,715
Employer contributions	(2,289)	(2,795)
Amount recognised in other comprehensive income	(839)	165
Exchange rate differences	53	(50)
Discontinued net liability	0	0
Net liability at 31 December	**10,487**	**10,520**

in thousand EUR

	31 DEC 2024	31 DEC 2025
Pension costs recognised in profit and loss and other comprehensive income:		
Service cost:		
Current service cost	(1,298)	(1,725)
Employee contributions	0	0
Past service cost (including curtailments)	100	(518)
Cost or gain on settlement	0	0
Administration expenses	(91)	(107)
Net interest cost:		
Interest cost	(2,391)	(2,626)
Interest income	2,326	2,476
Interest on asset ceiling/ additional liability recognised under IFRIC 14	(260)	(214)
Pension expense recognised in profit and loss	**(1,614)**	**(2,715)**
Remeasurements in other comprehensive income		
Return on plan assets (in excess of)/below that recognised in net interest	(3,052)	(1,195)
Actuarial (gains)/losses due to changes in financial assumptions	2,483	1,656
Actuarial (gains)/losses due to changes in demographic assumptions	276	(314)
Actuarial (gains)/losses due to experience	(354)	(494)
Changes in the asset ceiling/additional liability under IFRIC 14, excluding amounts recognised in net interest cost	1,486	182
Total amount recognised in other comprehensive income	**839**	**(164)**
Total amount recognised in profit and loss and other comprehensive income	**(775)**	**(2,879)**

In 2025, amounts for past service costs and curtailments relate mainly to a change in plan ceiling in Belgium applicable retro-actively as from 1 January 2024.

in thousand EUR

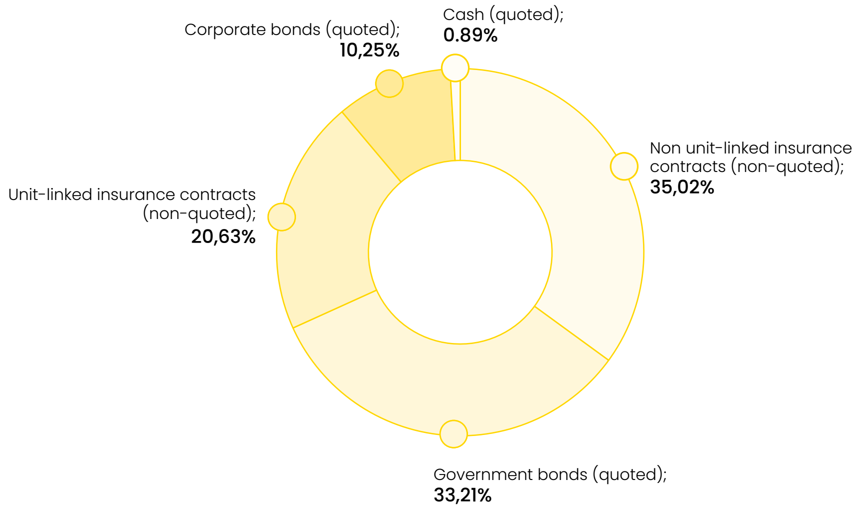
	31 DEC 2024	31 DEC 2025
Amounts recorded in the statement of financial position in respect of the defined benefit plans are:		
Defined benefit obligations for funded plans	64,730	63,103
Fair value of plan assets	(60,287)	(58,401)
Funded status for funded plans deficit/(surplus)	**4,443**	**4,701**
Defined benefit obligations for unfunded plans	2,018	1,962
Total funded status at 31 December deficit/(surplus)	**6,461**	**6,663**
Effect of the asset ceiling/ additional liability recognised under IFRIC 14	4,026	3,857
Net liabilities at 31 December	**10,487**	**10,520**
The key actuarial assumptions used at 31 December (weighted averages) are:		
Discount rate	2.95%	4.06%
Future pension increases	2.36%	2.56%
Expected rate of salary increases	3.05%	3.05%
Inflation	2.27%	2.15%

The mortality assumptions are based on recent mortality tables. The mortality tables of the United Kingdom and Germany assume that life expectancies will increase in future years.

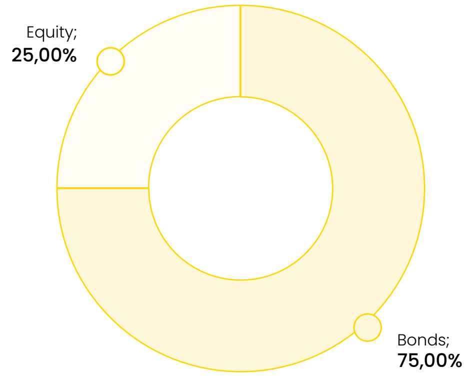
Movement of the plan assets		
Fair value of plan assets at 01 January	60,334	60,287
Changes in Scope of consolidation	0	0
Interest income	2,326	2,476
Employer contributions	2,289	2,795
Employee contributions	0	0
Benefits paid (direct & indirect, including taxes on contributions paid)	(2,910)	(4,455)
Return on plan assets in excess of/(below) that recognised in net interest, excl. interest income	(3,052)	(1,195)
Settlement gains/(losses)	0	0
Administration expenses	(91)	(107)
Exchange rate differences	1,392	(1,401)
Discontinued plan assets	(0)	0
Fair value of plan assets at 31 December	**60,287**	**58,401**

The funded plans' assets are invested in mixed portfolios of shares and bonds, or insurance contracts. The plan assets do not include direct investments in Recticel shares, Recticel bonds or any property used by Recticel companies.

Plan assets portfolio mix on 31 December 2025



Assets classes of unit-linked insurance contracts



Unit-linked insurance contracts are investments in debt and equity instruments managed by an insurance company in which Recticel holds a specific number of fund units, and for which the unit value is declared on a regular basis.

Non-unit-linked insurance contracts are pure insurance policies with only limited financial investment risk.

in thousand EUR

	31 DEC 2024	31 DEC 2025
Movement of the defined benefit obligation		
Defined benefit obligation at 01 January	**67,260**	**66,749**
Changes in Scope of consolidation	0	0
Current service cost	1,298	1,725
Interest cost	2,391	2,626
Benefits paid (direct & indirect, including taxes on contributions paid)	(2,910)	(4,455)
Actuarial (gains)/losses on liabilities arising from changes in financial assumptions	(2,483)	(1,656)
Actuarial (gains)/losses on liabilities arising from changes in demographic assumptions	(276)	314
Actuarial (gains)/losses on liabilities arising from experience	354	494
Past service cost (including curtailments)	(100)	518
Settlement (gains)/losses	0	0
Exchange rate differences	1,215	(1,250)
Discontinued defined benefit obligation	0	
Defined benefit obligation at 31 December	**66,749**	**65,065**
Split of the defined benefit obligation per population		
Active members	16,636	18,740
Members with deferred benefit entitlements	29,662	27,366
Pensioners/Beneficiaries	20,450	18,959
Total defined benefit obligation at 31 December	**66,748**	**65,064**
Changes in the effect of the asset ceiling/ additional liability under IFRIC 14		
Asset ceiling/additional liability impact at 01 January	5,021	4,025
Interest on asset ceiling/additional liability	260	214
Changes in the asset ceiling/additional liability, excluding amounts recognised in net interest cost	(1,486)	(182)
Exchange rate differences	230	(201)
Discontinued asset ceiling/additional liability	0	0
Asset ceiling/additional liability impact at 31 December	**4,025**	**3,857**
Weighted average duration of the defined benefit obligation on 31 December	**9,23 years**	**8,75 years**
Sensitivity of defined benefit obligation to key assumptions at 31 December		
% increase in defined benefit obligation following a 0.25% decrease in the discount rate	2.40%	2.23%
% decrease in defined benefit obligation following a 0.25% increase in the discount rate	-2.31%	-2.23%
% decrease in defined benefit obligation following a 0.25% decrease in the inflation rate	-0.51%	-0.86%
% increase in defined benefit obligation following a 0.25% increase in the inflation rate	0.51%	0.78%

For plans where a full valuation has been performed, the sensitivity information shown above is exact and based on the results of this full valuation. For plans where results have been rolled forward from the last full actuarial valuation, the sensitivity information above is approximate and takes into account the duration of the liabilities and the overall profile of the plan membership.

in thousand EUR

	2026
Estimated contributions for the coming year	
Expected employer contributions for defined benefit plans	1,633

POST-EMPLOYMENT BENEFITS: DEFINED CONTRIBUTION PLANS

The amount recognised as an expense for defined contribution plans in respect of continuing operations was EUR 1,300,526 (2024: EUR 1,722,000).

7.2.5.15 Provisions

For the year ending 31 December 2025

in thousand EUR

	LITIGATIONS	DEFECTIVE PRODUCTS	ENVIRONMENTAL RISKS	RESTRUCTURING	PROVISIONS FOR ONEROUS CONTRACTS AND DILAPIDATION COSTS	OTHER RISKS	TOTAL
At the end of the preceding year	**0**	**1,674**	**2,678**	**1,252**	**569**	**23,559**	**29,732**
Movements during the year							
Business combinations	0	127	0	0	0	0	127
Increases	0	508	0	0	0	0	508
Actualisation	0	0	0	0	0	0	0
Utilisations	0	(371)	0	(1,229)	0	(433)	(2,033)
Write-backs	0	(100)	(763)	(22)	(21)	(6,170)	(7,075)
Transfer from one heading to another	0	0	0	0	0	0	0
Transfer to discontinued operations	0	0	0	0	0	0	0
Change in Scope	0	0	0	0	0	0	0
Exchange rate differences	(0)	(0)	0	0	(28)	(44)	(72)
At year-end	**0**	**1,838**	**1,915**	**2**	**520**	**16,911**	**21,186**
Non-current provisions (more than one year)	0	1,838	1,915	(0)	520	16,911	21,185
Current provisions (less than one year)	0	0	0	2	0	0	2
Total	**0**	**1,838**	**1,915**	**2**	**520**	**16,911**	**21,186**

Provisions for defective products are generally calculated on the basis of 1% of yearly turnover, which corresponds to the management's best estimate of the risk under 12-month warranties. When historical data are unavailable, the level of the provisions is compared to the yearly effective rate of liabilities, and if necessary, the amount of provision is adjusted. The increase mainly relates to Rex Panels & Profiles NV and Trimo d.o.o.

Provisions for environmental risks cover primarily pollution risks in Belgium (Wetteren/Balen).

Provisions for onerous contracts relate mainly to the buildings in the United Kingdom (EUR 0.5 million).

Provisions for restructuring (utilisations) relate to the payout of the Ascorium Holding GmbH restructuring provision.

Provisions for other risks relate mainly to legal costs and fees for legacy remediation and litigations (note 7.2.6.9, Contingent assets and liabilities) as well as management assessments with regards to post-closing settlements. The utilisation relates mainly to the Ascorium Holding GmbH IT and insurance provision.

The write-backs relate mainly to:
- Based on the available information Recticel has reevaluated the risks for indemnities in this regard, which relate mainly to HSE risks, and has reduced with EUR 5.0 million the provisioned amount from EUR 14.0 million to EUR 9.0 million.
- As a result of time barred indemnities Recticel has reevaluated the risks for the remaining indemnities and has reduced with EUR 1.1 million the provisioned amount from EUR 4.6 million to EUR 3.5 million.

The provision for other risks mainly relates to the divestment of Recticel Engineered Foams activities (EUR 8.0 million related to environmental risks, EUR 1.0 million to litigation/non-compliance matters, legal proceedings and lawyer costs and EUR 1.8 million to a lease guarantee indemnity) (note 7.2.4.7, Discontinued operations) and a UK pension buyout provision.

For the major risks (i.e. environmental, reorganisation and other risks) the cash outflow is expected to occur within a three-year horizon.

7.2.5.16 Financial liabilities

Financial liabilities carried at amortised cost include mainly interest-bearing borrowings

in thousand EUR

	NON-CURRENT LIABILITIES		CURRENT LIABILITIES	
	31 DEC 2024	31 DEC 2025	31 DEC 2024	31 DEC 2025
Secured				
Lease liabilities	21,876	16,971	8,152	6,860
Bank loans	19,853	23,558	2,358	2,473
Factoring with recourse	0	0	0	0
Total secured	**41,730**	**40,529**	**10,511**	**9,333**
Unsecured				
Non-current bank loans with current portion	0		0	
Subordinated loans	4,490	3,507	1,227	1,147
Other loans	(0)	0	0	0
Current bank loans	0	0	(0)	(0)
Commercial paper	0	0	0	0
Bank overdrafts	0	0	72	0
Other financial liabilities	0	0	307	320
Total unsecured	**4,490**	**3,507**	**1,606**	**1,467**
Total liabilities carried at amortised cost	**46,219**	**44,035**	**12,116**	**10,800**

Gross financial debt: interest-bearing borrowings, including continuing involvement of off-balance sheet non-recourse factoring programmes

in thousand EUR

	31 DEC 2024	31 DEC 2025
Drawn amounts under the various available interest-bearing borrowing facilities		
Outstanding amounts under syndicated credit facility	0	0
Outstanding amounts under lease liabilities	21,876	16,971
Outstanding amounts under subordinated loans	4,490	3,507
Outstanding amounts under other non-current loans	19,852	23,558
Outstanding amounts under non-current gross interest-bearing borrowing facilities (a)	**46,218**	**44,035**
Outstanding amounts under bank overdrafts	72	0
Outstanding amounts under current bank loans	2,358	2,473
Outstanding amounts under lease liabilities	8,152	6,860
Outstanding amounts under factoring programmes - retention amount	0	0
Outstanding amounts under commercial paper programmes[1]	0	0
Outstanding amounts under subordinated loans	1,227	1,147
Outstanding amounts under other current loans	0	0
Outstanding amounts under other financial liabilities	307	320
Outstanding amounts under current gross interest-bearing borrowing facilities (b)	**12,116**	**10,800**
Total outstanding amounts under gross interest-bearing borrowings (c)=(a)+(b)	**58,334**	**54,835**
Outstanding amounts under non-recourse factoring programmes (d)	0	0
Total outstanding amounts under gross interest-bearing borrowings and factoring programmes (e)=(c)+(d)	**58,334**	**54,835**
Weighted average lifetime of non-current interest-bearing borrowings (in years)	**5.26**	**4.35**
Weighted average interest rate of gross financial debt at fixed interest rate	2.60%	2.58%
Interest rate range of gross financial debt at fixed interest rate	0.62% - 3.86%	1.47% - 4.99%
Weighted average interest rate of gross financial debt at variable interest rate	4.00%	3.00%
Interest rate range of gross financial debt at variable interest rate	4.00% - 4.00%	3.00% - 3.00%
Weighted average interest rate of total gross financial debt	**2.60%**	**2.58%**
Percentage of gross financial debt at fixed interest rate	100.0%	100.0%
Percentage of gross financial debt at variable interest rate	0.0%	0.0%

[1] The amount drawn under the commercial paper programme is to be covered at any time by the undrawn amount under the syndicated credit facility. Therefore the reported unused amount under the EUR 100 million revolving syndicated credit facility is after deduction of the issued amounts under the commercial paper programme.

The majority of the Group's financial debt is centrally contracted and managed through Recticel International Services NV, which acts as the Group's internal bank.

(i) Lease liabilities
Lease liabilities comprise (i) following the application of IFRS 16, the leases for property, plant and equipment, furniture and vehicles, and (ii) leases formerly classified as 'finance leases'.

These finance leases consist mainly of the following leases:
- the additional lease to finance the extension of the insulation plant in Wevelgem (Belgium) in 2017, with an outstanding amount of EUR 4.4 million as of 31 December 2025, at a fixed rate.
- the lease financing of Rex Panels & Profiles NV equipment, with an outstanding amount of EUR 6.8 million as of 31 December 2025, at a fixed rate.

(ii) Bank loans – "syndicated credit facility"
With the proceeds from the divestment of Recticel Engineered Foams to Carpenter Co. the syndicated credit facility was repaid.

The facility has a three-year tenor with two one-year extension options and has been arranged and underwritten by KBC Bank. The participating banks are Belfius Bank, BNP Paribas Fortis, Commerzbank and LCL. This EUR 100 million syndicated revolving credit facility has been extended over a period of two years and ended at the end of 2025.

Negotiations with the banks regarding the renewal via new multi-lateral credit facilities are in the process of being finalised.

(iii) Subordinated loans
Subordinated loans of Rex Panels & Profiles NV with an outstanding amount of EUR 4.6 million as of 31 December 2025, at a fixed rate.

(iv) Other bank loans
In 2018, Recticel concluded a secured fixed rate bilateral bank loan of EUR 15.5 million for the financing of the new greenfield insulation plant in Finland. The tenor of this amortising bank loan is 15 years, with maturity in March 2033. The outstanding amount at 31 December 2025 is EUR 9.0 million.

(v) Other Current loans
With the proceeds from the divestment of Recticel Engineered Foams to Carpenter Co. all other current loans were repaid.

(vi) Commercial paper program
With the proceeds from the divestment of Recticel Engineered Foams to Carpenter Co. all commercial paper was repaid.

Other financial liabilities
For interest rate swaps, reference is made to note 7.2.5.18, Financial instruments and financial risks.

in thousand EUR

	31 DEC 2024	31 DEC 2025
Other financial debt	31	66
Interest accruals	275	254
Total	**307**	**320**

7.2.5.17 Trade and other payables

Trade payables principally comprise amounts outstanding for trade purchases. Trade payables increased to EUR 94.0 million (2024: EUR 87.9 million) partly due to the acquisition of Kuras BV and Miclar Group.

Other current amounts payable are composed as follows:

in thousand EUR

	31 DEC 2024	31 DEC 2025
Other non current liabilities maturing within one year	0	0
VAT payable - local and foreign	6,066	6,288
Other tax payables	141	287
Payroll, social security	10,284	9,794
Dividend payable	961	1,062
Result transfer (fiscal unit)	(0)	(0)
Other debts	4,369	2,025
Operating subsidies	0	982
Accrued liabilities - operating	9,308	7,550
Deferred income - operating	437	424
Deferred income - insurance premium	348	346
Deferred income - gain on sale and leaseback	268	235
Total	**32,181**	**28,992**

7.2.5.18 Financial instruments and financial risks

The following table presents the financial instruments by category of IFRS 9 and the fair value level for the financial assets and liabilities measured at fair value:

in thousand EUR

	CATEGORY UNDER IFRS 9	31 DEC 2024	31 DEC 2025	FAIR VALUE LEVEL
Financial assets				
Transactional hedges - operational	**FVTPL**	**0**	**0**	**2**
Derivatives not designed in a hedge relationship	FVTPL	0	0	2
Current trade receivables	**AC**	**101,925**	**110,993**	**2**
Other non-current receivables	AC	352	8,270	2
Other receivables	AC	9,494	12,009	2
Other receivables	**AC**	**9,845**	**20,279**	**2**
Loans to affiliates	AC	11,522	(9)	2
Other loans	AC	449	396	2
Non-current loans	**AC**	**11,971**	**387**	**2**
Financial receivables	AC	2,626	122	2
Loans to affiliates	**AC**	**14,596**	**509**	**2**
Cash and cash equivalents	**AC**	**132,717**	**82,251**	**2**
Other investments	**FVTOCI**	**500**	**500**	**2**
Financial liabilities				
Interest rate swaps designated as cash flow hedge relationship	**CFH**	**0**	**0**	**2**
Transactional hedges - operational	**FVTPL**	**28**	**19**	**2**
Derivatives not designated in a hedge relationship	FVTPL	0	0	2
Non-current financial liabilities at amortised cost	**AC**	**46,218**	**44,031**	**2**
Current financial liabilities at amortised cost	**AC**	**12,088**	**10,769**	**2**
Trade payables	**AC**	**87,845**	**94,039**	**2**
Other non-current payables	AC	972	134	2
Other payables	AC	32,181	28,992	2
Other payables	**AC**	**33,154**	**29,126**	**2**

AC = financial assets or liabilities at amortised cost
CFH = cash flow hedge
FVTPL = Financial assets or liabilities at fair value through profit or loss
FVTOCI = financial assets at fair value through other comprehensive income

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2 other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3 techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the reporting period ending 31 December 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

Financial risk management

- **Credit risk**
  The Group's principal current financial assets are cash and cash equivalents, trade and other receivables, and investments, which represent the Group's maximum exposure to credit risk in relation to financial assets.

  The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of loss allowances for expected credit losses, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

  The risk profile of the trade receivables portfolio is based on the conditions of sale observed on the market. At the same time, it is confined by the agreed limits of the general conditions of sale and the specifically agreed conditions, adapted accordingly. The latter also depend on the degree of industrial and commercial integration of the customer, as well as on the level of market competitiveness.

  The trade receivables portfolio consists of a large number of customers distributed among various markets, for which the credit risk is assessed on an ongoing basis and based on which the commercial and financial conditions are granted. In addition, the credit risks on trade receivables are partly covered by external credit insurance policies which the Group manages centrally and harmonises and partly covered by Recticel's insurance captive. In case of transfer of these receivables to the factoring company, the latter becomes the beneficiary of these credit insurance policies. The credit risk management is also strengthened by an organisation which is to a great extent centralised and enabled by the SAP FSCM software and best practice regarding the collection of receivables.

Credit terms granted on sales vary depending on the customer credit assessment, the business line and the country of operations.

There is a limited credit risk assessment on shareholder loans granted to the other associates. Shareholder loans to other associates are provided in accordance with rules foreseen in the joint venture agreements, which are subject to the evolution of the operational business performance.

- **Interest rate risk management**
  After the sale of the Recticel Engineered Foams activities to Carpenter Co, Recticel repaid all its loans and consequently terminated the corresponding IRS.

  All financial leases (EUR 11.2 million) and a bank loan of EUR 24.4 million are at fixed rate. The undrawn syndicated revolving credit facility is contracted at floating rate.

- **Sensitivity to interest rates**
  The Group's interest rate risk exposure derives from the fact that it finances at both fixed and variable interest rates. The Group manages the risk centrally through an appropriate structure of loans at fixed and variable interest. The interest rate hedges are evaluated regularly to bring them in line with the Group's view on the trend in interest rates on the financial markets, with the aim of optimising interest charges throughout the various economic cycles. Hedge accounting in accordance with IFRS 9 is not applied.

- **Currency risk management**
  It is the Group's policy to hedge foreign exchange exposures resulting from financial and operational activities via Recticel International Services NV, which acts as the Group's internal bank. This hedging policy is mainly implemented through forward exchange contracts. Hedge accounting under IFRS 9 is not applied for currency risk management.

  In general, the Group concludes forward exchange contracts to cover currency risks on incoming and outgoing payments in foreign currency. The Group may also conclude forward exchange contracts and option contracts to cover currency risks associated with planned sales and purchases of the year, at a percentage which varies according to the predictability of the payment flows.

  At reporting date, forward exchange contracts (GBP, USD) were outstanding for a nominal amount of EUR 1.8 million.

- **Sensitivity analysis on currency risks**
  The Group deals mainly in four currencies outside the eurozone: GBP, USD, SEK and PLN.

  The following table details the sensitivity of the Group to a positive or negative variation, compared to the annual variation in the pairs of currencies during the previous financial year.

  The sensitivity analysis covers only the financial amounts in foreign currency which are recognised in the statement of financial position and which are outstanding at 31 December and determines their variations at the conversion rates based on the following assumptions: USD and GBP 10%; PLN and SEK 5%.

  The following table details the Group's sensitivity in profit or loss to a 10% increase (or decrease) of the US Dollar and Pound Sterling against the Euro, and 5% increase or decrease of the Polish Zloty and Swedish Krona against the Euro. The percentages applied in this sensitivity analysis represent the management's assessment of the volatility of these currency exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary assets and liabilities and adjusts their translation at the period end for respective 10% and 5% changes in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. It includes also the foreign exchange derivatives (not designated as hedging instruments).

  A positive number indicates an increase in profit or loss when the Euro weakens by 10% against the US Dollar or the Pound Sterling, or 5% against the Polish Zloty or Swedish Krona. For a 10% strengthening of the Euro against the US Dollar or the Pound Sterling, or 5% against the Polish Zloty or Swedish Krona, there would be a comparable opposite impact on the profit or loss (i.e. the impact would be negative).

in thousand EUR

	STRENGTHENING OF USD VERSUS EUR		STRENGTHENING OF GBP VERSUS EUR		STRENGTHENING OF SEK VERSUS EUR		STRENGTHENING OF PLN VERSUS EUR	
	2024	2025	2024	2025	2024	2025	2024	2025
Historical average variation	10%	10%	10%	10%	5%	5%	5%	5%
Profit (loss) recognised in the P&L account	167	386	1,892	2,115	163	191	(10)	20
Financial assets[1]	1,872	3,945	19,437	22,180	3,268	3,850	(199)	412
Financial liabilities[1]	(198)	(82)	(516)	(1,033)	(6)	(34)	0	(19)
Derivatives	0	0	0		0		0	
Total net exposure	**1,674**	**3,863**	**18,921**	**21,147**	**3,262**	**3,816**	**(199)**	**393**

[1] Includes trade and other receivables and trade and other payables.

Financial assets and liabilities represent the foreign currency exposure of the different subsidiaries of the Group in relation to their local currency.

- **Liquidity risk**
  The financing sources are well diversified, and the bulk of the debt is irrevocable and long-term or backed up by long-term commitments. It includes, as of 1 February 2021, a new three-year EUR 100 million syndicated revolving credit facility, which has been extended over a period of two years until end of 2025. This EUR 100 million revolving credit facility guarantees the necessary liquidity to ensure future activities and to meet short- and medium-term financial commitments.

  In June 2023, a redemption of EUR 219 million was made to the banks, thus repaying the entire facility.

  In addition to its long-term loans, the Group has a diversified range of short-term financing sources, including a commercial paper programme and non-recourse factoring facilities which have not been used after the sale of the Recticel Engineered Foams activities to Carpenter Co.

  The Group does not enter into financial instruments that require cash deposits or other guarantees (i.e. margin calls).

The new syndicated facility that replaced the former club deal facility as of 1 February 2021 is subject to bank covenants based on an adjusted leverage ratio and an adjusted interest cover, on a consolidated basis. These bank covenants will continue to be determined on the basis of the generally accepted accounting principles that were in place at the moment of the closing of the club deal agreement ("frozen GAAP"). The adoption of IFRS 16 has no impact on the measurement of these covenants. All conditions under the financial arrangements with its banks are respected. At 31 December 2025, due to the net cash position, the covenant calculation was not applicable.

The following table presents the unused credit facilities available to the Group

in thousand EUR

	31 DEC 2024	31 DEC 2025
Unused amounts under non-current financing facilities		
Undrawn available commitments under the club deal facility[1]	105,000	105,000
Total available under non-current facilities	**105,000**	**105,000**
Unused amounts under current financing facilities		
Undrawn under current on-balance facilities	16,000	16,000
Undrawn under off-balance factoring programs	8,400	20,663
Total available under current facilities	**24,400**	**36,663**
Total unused amounts under financing facilities	**129,400**	**141,663**

[1] The amount drawn under the commercial paper programme is to be covered at any time by the undrawn amount under the syndicated credit facility. At 31 December 2025 no amounts are drawn under the commercial paper programme or under the syndicated credit facility.

Maturity analysis of financial liabilities

For the year ending 31 December 2025

in thousand EUR

	MATURING WITHIN 1 YEAR (A)	MATURING BETWEEN 1 AND 5 YEARS (B)	MATURING AFTER 5 YEARS (C)	TOTAL (A)+(B)+(C)	FUTURE FINANCIAL CHARGES	CARRYING AMOUNT
Lease liabilities	5,902	16,972	1,500	**24,374**	543	**23,831**
Bank loans	2,025	15,788	10,793	**28,606**	2,574	**26,032**
Other loans	1,258	3,706	15	**4,979**	325	**4,654**
Interest-bearing borrowings - long term	**9,186**	**36,465**	**12,307**	**57,959**	**3,442**	**54,516**
Interest-bearing borrowings - short term						**300**
Other financial liabilities - non-derivative						
Other financial liabilities - derivative						**19**
Total						**54,835**
Non-current financial liabilities						44,035
Current financial liabilities						10,800
Total						**54,835**

For the year ending 31 December 2024

in thousand EUR

	MATURING WITHIN 1 YEAR (A)	MATURING BETWEEN 1 AND 5 YEARS (B)	MATURING AFTER 5 YEARS (C)	TOTAL (A)+(B)+(C)	FUTURE FINANCIAL CHARGES	CARRYING AMOUNT
Lease liabilities	8,590	20,279	3,102	31,971	1,942	30,029
Bank loans	2,891	10,763	11,567	25,221	3,010	22,210
Other loans	1,359	3,792	1,022	6,174	457	5,717
Interest-bearing borrowings - long term	**12,840**	**34,835**	**15,691**	**63,366**	**5,410**	**57,956**
Interest-bearing borrowings - short term						**12**
Other financial liabilities - non-derivative						**280**
Other financial liabilities - derivative						**52**
Total						**58,300**
Non-current financial liabilities						46,218
Current financial liabilities						12,116
Total						**58,334**

Reference is also made to notes 7.2.1.5, Climate change and 7.2.1.6, Geopolitical conflicts.

7.2.5.19 Business combinations and disposals

On 28 October 2025 Recticel acquired 70% of the shares of Kuras BV for an enterprise value of EUR 5.5 million.

On 28 November 2025 Recticel acquired 76% of the shares of Miclar Group for an enterprise value of EUR 25.9 million.

Reference is also made to notes 7.2.4.8, Business combinations.

7.2.5.20 Capital management

The overview below defines the capital components which management considers key in order to realise its capital structure target ratio (i.e. Total net financial debt/Total equity) of less than 50%.

in thousand EUR

	31 DEC 2024	31 DEC 2025
Hedging liabilities	28	19
Non-current financial liabilities	46,218	44,035
Current portion of non-current financial liabilities	11,738	10,480
Current financial liabilities	74	34
Interest accruals	277	267
Gross financial debt	**58,334**	**54,835**
Cash and cash equivalents	(132,717)	(82,251)
Deferred interest	(110)	(32)
Hedging assets	0	0
Net financial debt	**(74,493)**	**(27,448)**
Drawn amounts under off-balance non-recourse factoring programmes	(0)	(0)
Total net financial debt	**(74,493)**	**(27,449)**
Total equity	**445,133**	**430,443**
Ratios		
Net financial debt / Total equity	N/A	N/A
Total net financial debt / Total equity	N/A	N/A

7.2.6 Miscellaneous

7.2.6.1 Off-balance sheet items

Recticel NV or some of its subsidiaries have provided various parental corporate guarantees and comfort letters for commercial and/or financial commitments towards third parties.

Compared to the situation on 31 December 2024, most outstanding guarantees and/or comfort letters remained in place; except for the guarantees towards Carpenter Co. for an amount of EUR 35.1 million which were released.

in thousand EUR

	31 DEC 2024	31 DEC 2025
Guarantees given or irrevocably promised by Recticel NV as security for debts and commitments of companies	128,488	81,206

These guarantees mainly include parental corporate guarantees and letters of comfort for commitments contracted by subsidiaries with banks (EUR 20.5 million), governmental institutions (EUR 2 million), other third parties (EUR 5.9 million), corporate guarantees related to Ascorium Holding GmbH and various Automotive Interiors companies (EUR 52.8 million).

The amount of expected credit losses on external guarantees is assessed at each reporting date to reflect changes in credit risk since the guarantee was granted. When determining whether the credit risk of a guarantee has increased significantly since the issuance and when estimating expected credit losses, Recticel considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

7.2.6.2 Share-based payments

Following the decision of the Board of Directors of 3 March 2025, a new edition of the stock option plan was launched in favour of leading staff members of the Group. A total of 412,500 options were attributed with an exercise price of EUR 10.74. The exercise period runs - after a vesting period of three years - from 1 January 2029 till 15 June 2032. Fair value of this option series amounts to EUR 1.31 million.

295,000 out of the 412,500 options were allocated to the current members of the Management Committee.

Recticel has implemented a warrant plan for its leading managers.

The table below gives the overview of all outstanding subscription rights on 31 December 2025:

in thousand EUR

Issue	NUMBER OF WARRANTS ISSUED	NUMBER OF SUBSCRIPTION RIGHTS OUTSTANDING	EXERCISE PRICE IN EUR	EXERCISE PERIOD	FAIR VALUE OF SUBSCRIPTION RIGHTS AT MOMENT OF ISSUE IN EUR
April 2016	317,500	0	5.73	01/01/2020 - 28/04/2025	0.786
June 2017	410,000	0	7.00	01/01/2021 - 29/06/2024	0.928
April 2018	460,000	0	10.21	01/01/2022 - 24/04/2025	1.572
June 2019	500,000	315,500	7.90	01/01/2023 - 27/06/2026	1.181
March 2020	505,000	415,000	6.70	01/01/2024 - 02/03/2027	1.466
May 2021	475,000	440,000	12.44	01/01/2025 - 11/05/2028	2.290
May 2022	320,000	290,000	17.74	01/01/2026 - 12/05/2029	5.741
June 2023	350,000	350,000	10.80	01/01/2027 - 29/06/2030	3.231
June 2024	492,500	402,500	12.92	01/01/2028 - 16/06/2031	3.976
June 2025	412,500	412,500	10.74	01/01/2029 - 15/06/2032	2.742
Total	**3,830,000**	**2,625,500**			

All subscription rights have a vesting period of three years. Beneficiaries can lose the right to exercise their subscription rights in cases of voluntary leave or dismissal for misconduct.

The expense recognised for the year for the share-based payments amounts to EUR 1.3 million (2024: EUR 1.3 million).

The plan of June 2025 was approved and formalised appropriately.

A more general overview showing the trend during 2025 is given below:

in units

	2024	2025
Total number of subscription rights outstanding on 31 December	2,552,500	2,625,500
Weighted average exercise price (in EUR)	10.93	11.16
Weighted average remaining contractual life (in years)	3.48	3.46
Movements in number of subscription rights		
Subscription rights outstanding at the beginning of the period	2,525,000	2,552,500
New subscription rights granted during the period	492,500	412,500
Subscription rights forfeited and expired during the period	(90,000)	(147,000)
Subscription rights exercised during the period	(375,000)	(192,500)
Subscription rights outstanding at the end of the period	2,552,500	2,625,500
Status of subscription rights outstanding		
Closing share price at end of period (in EUR)	10.48	9.80
Total number of subscription rights exercisable at the end of the period	1,070,000	1,170,500
Total number of subscription rights that are 'in-the-money' at the end of the period[1]	1,420,000	730,500
Total number of subscription rights that are exercisable and 'in-the-money' at the end of the period[1]	1,070,000	730,500

[1] In comparison with the average daily closing price over the period

The table below provides an overview of all subscription rights exercised during the period:

in units

	2024	2025
Total number of subscription rights exercised	375,000	192,500
Weighted average exercise price	7.74	7.15
Period during which these subscription rights were exercised	29/3 - 20/12	22/4-22/12
Average closing price of period during which these subscription rights were exercised	12.33	9.86
Average daily closing price for full year	11.92	9.97

To date, the Group has not issued share appreciation rights to any of its managers or employees, nor has it implemented any share purchase plan.

The theoretical value of the subscription rights at issuance is calculated by applying the Black-Scholes formula and taking into account certain assumptions regarding dividend payment (last dividend compared to share price - dividend yield: 2.89%), interest rate (Euribor 5 years: 2.4%) and volatility (stock market data on the Recticel share: 38.3%). For the issue of June 2025, the fair value amounted to EUR 3.082 per subscription right.

Overview of the outstanding subscription rights held by the members of the current Management Committee (on 31 December 2025):

in thousand EUR

Issue [1]	NUMBER OF SUBSCRIPTION RIGHTS HELD BY THE MEMBERS OF THE CURRENT MANAGEMENT COMMITTEE
April 2016	0
June 2017	0
April 2018	0
June 2019	0
March 2020	30,000
May 2021	60,000
May 2022	60,000
June 2023	60,000
June 2024	200,000
June 2025	295,000
Total	**705,000**

[1] The conditions of the various issues are reflected in the global overview table above

Members of the Management Committee received the following subscription rights for the 2025 series:

in EUR

Name	TOTAL NUMBER OF SUBSCRIPTION RIGHTS	TOTAL THEORETICAL VALUE OF SUBSCRIPTION RIGHTS AT ISSUANCE[1]
Jan Vergote	125,000	385,250
Bart Van den Eede	30,000	92,460
Betty Bogaert	30,000	92,460
Rob Nijskens	30,000	92,460
Stefaan Debusschere	50,000	92,460
Stijn Vermeulen	30,000	92,460
Total	**295,000**	**847,550**

1 The theoretical value is calculated by using the Black-Scholes formula and taken into account certain assumptions regarding dividend yield, interest rate and volatility.

7.2.6.3 Events after the reporting date

Change in scope

On 27 February 2026, with the aim of unrestrained decision making during the strategic exercise with regard to the automotive operations, Temda 1 and Recticel executed a share purchase agreement under which Recticel obtained 100% control of Ascorium Holdig GmbH for a purchase price of EUR 1.0 million.

Due to the start of the divestment process of the participation, Ascorium Holdig GmbH will be reported under discontinued operations and assets/liabilities held for sale.

7.2.6.4 Related party transactions

Transactions between Recticel NV and its subsidiaries, which are related parties, have been eliminated from the consolidation and are not disclosed in this note. Transactions with other related parties are disclosed below and primarily concern commercial transactions done at prevailing market conditions. The tables below only include transactions considered to be material, i.e. exceeding a total of EUR 1 million.

Transactions with joint ventures and associates: 2025

in thousand EUR

	NON-CURRENT RECEIVABLES	TRADE RECEIVABLES	OTHER CURRENT RECEIVABLES	FINANCIAL LIABILITIES	TRADE PAYABLES	OTHER PAYABLES	REVENUE	COST OF SALES
Total Ascorium Holding GmbH companies	7,770	2,838	0	0	2,045	0	0	0
TOTAL	**7,770**	**2,838**	**0**	**0**	**2,045**	**0**	**0**	**0**

Transactions with joint ventures and associates: 2024

in thousand EUR

	NON-CURRENT RECEIVABLES	TRADE RECEIVABLES	OTHER CURRENT RECEIVABLES	FINANCIAL LIABILITIES	TRADE PAYABLES	OTHER PAYABLES	REVENUE	COST OF SALES
Total Ascorium Holding GmbH companies	11,524	356	0	0	0	0	0	0
TOTAL	**11,524**	**356**	**0**	**0**	**0**	**0**	**0**	**0**

7.2.6.5 Remuneration of the Board of Directors and of the Management Committee

The remuneration of the members of the Board of Directors and of the Management Committee is included in this note. For more information, reference is made to the Remuneration report in the Chapter 6 of this annual report.

Total gross remuneration for the members of the Board of Directors:

in EUR

	2024	2025
Director fees	113,860	113,984
Attendance fees Board of Directors	147,500	105,000
Attendance fees Audit & Sustainability Committee	50,000	52,500
Attendance fees Remuneration and Nomination Committee	50,000	37,500
Attendance fees Strategy Committee	0	0
TOTAL	**361,360**	**308,984**

In 2025 the Board remuneration stayed at the same level. The decrease in the total cost is due to the lower number of meetings than in 2024.

Total gross remuneration for the members of the Management Committee

in EUR

	2024	2025
Fixed remuneration	1,950,098	2,654,399
Variable remuneration	1,103,007	1,092,709
Pensions	69,402	98,524
Other benefits	84,515	76,544
Extraordinary items	0	125,000
TOTAL	**3,207,022**	**4,047,175**

7.2.6.6 Exchange rates

		CLOSING RATE		AVERAGE RATE	
		2024	2025	2024	2025
Swiss Franc	CHF	1.0625	1.0737	1.0497	1.0672
Euro	EUR	1.0000	1.0000	1.0000	1.0000
Pound Sterling	GBP	1.2060	1.1460	1.1812	1.1671
Norwegian Krone	NOK	0.0848	0.0844	0.0860	0.0853
Polish Zloty	PLN	0.2339	0.2369	0.2322	0.2359
Serbian Dinar	RSD	0.0085	0.0085	0.0085	0.0085
Swedish Krona	SEK	0.0873	0.0924	0.0875	0.0904
US Dollar	USD	0.9626	0.8511	0.9239	0.8850

7.2.6.7 Staff

in units

	2024	2025
Management Committee	5	7
Employees	665	626
Workers	591	645
Average number of people employed (full time equivalent) on a consolidated basis (i.e. excluding joint ventures)	**1,261**	**1,278**
Remuneration and social charges (in thousand EUR)	91,675	90,054
Average number of people employed in Belgium	309	359

7.2.6.8 Audit and non-audit services provided by the statutory auditor

The total fees in relation to services provided by the statutory auditor PwC Bedrijfsrevisoren BV and by companies related to the auditor to Recticel NV and its subsidiaries, are as follows:

in thousand EUR

	31 DEC 2024	31 DEC 2025
Audit fees	635	664
Other audit services and legal missions	129	59
Tax services	54	0
Consulting services	0	0
Total fees	**818**	**723**

Audit fees for Recticel NV and its subsidiaries are determined by the Annual General Meeting after review and approval by the company's Audit & Sustainability Committee and Board of Directors. All non-audit fees have been pre-approved by the company's Audit & Sustainability Committee.

7.2.6.9 Contingent assets and liabilities

a) Wetteren (Belgium)
In the production plant of Wetteren (Belgium), a historic asbestos pollution was found in the course of 2021. In 2022 the soil investigations and provisional remediation plans were concluded. The total provision amounted to EUR 0.3 million at the end of 2025. This site was transferred with the legal entity Recticel Engineered Foams Belgium BV to Carpenter Co. on 12 June 2023. A further small part of the site, leased out to Ascorium Belgium NV, was transferred to Carpenter Co. as well. The clean-up responsibility remains partly with Recticel and was partly transferred to Carpenter Co. The clean-up is due to start in 2026.

b) Litigations
The Recticel Group has been the subject of an antitrust investigation at European level. Recticel announced on 29 January 2014 that a settlement was reached with the European Commission in the polyurethane foam investigation. The case was closed after payment of the last instalment of the effective overall fine in April 2016.

Various claims have been issued by one or more customers, in which these entities allege harm with regard to the conduct covered by the European Commission's cartel decision. Only one court procedure is still ongoing, in Germany, linked to the former Eurofoam joint venture. These proceedings are very slow due to repeated changes at the court. No additional new claims can be launched as the statute of limitations has expired. Recticel has carefully reviewed the merits for this case with its legal advisors and has made a provision to cover any legal costs in this regard. Regarding the ongoing litigation, no considered judgment can be formed at this stage on the outcome of this procedure or on the amount of any potential loss for the company.

One of the former entities of the Recticel Group in Germany was sued in 2014 by a dissatisfied distributor for alleged anti-competitive behaviour, including fixed prices in 2005, 2006 and 2007-2009. The cases relating to 2005 and 2006 were dismissed, both in the first instance and on appeal. The case concerning 2007-2009 was initially dismissed, but was reopened by decision of 12 September 2023 of the Berlin Supreme Court and referred back to the Berlin Court of Appeal. The case has not yet been reopened for consideration. The entity in question was transferred to the Aquinos Group in 2022, but any liability that may arise from this case, as well as the costs of these proceedings, remain with Recticel. A provision has been made for this case, after consultation with the legal advisors. However, at this time, no further judgement can be given on the outcome of these proceedings for Recticel.

On 23 December 2024, the Polish owner of the production site leased by Aquinos Bedding Poland Sp. z o.o. (formerly Recticel Bedding Poland Sp.z o.o.) sent a demand for payment to Recticel NV for the amount of EUR 0.9 million based on a guarantee given by Recticel NV in 2020 (for its former subsidiary Recticel Bedding), as Aquinos Bedding Poland had not paid the rent and service costs for many months. Based on the sales agreement concluded in 2022 with Aquinos Group for the sale of the Recticel Bedding entities, Aquinos Group should have assumed this guarantee, which has not yet happened. If Recticel is obliged to pay under this guarantee, it can reclaim these sums, plus any interest and costs, from Aquinos Group on the basis of the aforementioned sales agreement of 2022. In 2025, the owner's claim was increased to EUR 6.5 million. In order to safeguard its rights, Recticel has meanwhile imposed a protective attachment against Aquinos Business & Management S.A., the Portuguese parent company of the Aquinos Group. Recticel is also considering the possibility of initiating arbitration proceedings against the parent company of the Aquinos Group.

One of the former Group's entities in France is implicated in a labour law case following the closure of a production site, whereby the former employees have launched a claim to obtain additional compensations on the basis that the economic reasons for the closure were invalid. The court proceedings have so far confirmed the position of the employees, with one procedure ongoing. A provision has been established to cover the potential negative outcome. The respective entity was transferred to Carpenter Co. on 12 June 2023, but the risk on this issue remains with Recticel and remains provisioned.

Following a fire incident in Most (Czech Republic), the Group entity involved has been temporarily unable to supply the contractually agreed quantities of products, leading to production interruptions at direct customers and car manufacturers. While the Group entity involved has claimed Force Majeure in this respect, this has been put in question and even contested by a number of customers, with indication that further claims could be raised to obtain damage compensation. While the Group is insured in this regard, in line with industrial standards, it cannot be excluded that such claims could lead to financial losses for the companies involved. One customer launched a legal proceeding in France in the course of the first semester of 2019. In 2025, a judgment was rendered in this matter, whereby the claim was dismissed in its entirety. However, the customer has filed an appeal against this judgement. The appeal proceedings are currently pending.

Recticel signed a preliminary purchase agreement with the Gór-Stal shareholders to acquire Gór-Stal's insulation board business located in Bochnia, Poland, for an enterprise value of EUR 30 million. The sale required a prior carve-out of these activities into a new legal entity. Both parties cooperated well to finalise the due diligence and to realise this carve-out by July 2021, but the sellers subsequently came back to request a price adjustment, citing changed market conditions. Recticel requested more information before considering such a request, which was contrary to the agreement. The sellers did not provide such information and, in October 2021, they informed Recticel that they no longer wanted to continue the transaction. In 2022, Recticel initiated several legal proceedings seeking interim measures to compel Gór-Stal to comply with the preliminary agreement and/or to obtain damages. However, these proceedings have not yet resulted in a decision on the merits of the case. In the autumn of 2025, several new legal proceedings were therefore brought before the court in order to compel Gór-Stal to (i) spin off its activities in Bochnia, (ii) sell these activities to Recticel, and (iii) pay damages for the delay in the sale process. Witness hearings in these cases are scheduled for the first quarter of 2026.

In 2019 and 2022, Recticel sold its interests in Proseat (Automotive Seating), in two phases (each representing 25%), to the Japanese chemical company Sekisui Plastics. On 23 and 28 October 2025, Sekisui submitted two indemnification claims relating to Proseat Poland in the amounts of EUR 0.77 million and EUR 0.06 million, respectively, in connection with the financial years 2017 and 2018. Recticel responded in November 2025 by issuing a notice of disagreement, rejecting the claims on the basis of strong legal arguments. A provision for indemnification claims continued to be recognised. The period for settlement discussions has since expired without any response or settlement initiative from Sekisui, and on 26 March 2026 Recticel issued a notice of withdrawal, as a result of which no further consequences are expected.

During 2025, a number of claims were received by Recticel NV regarding expansion of roof curbs in the case of a certain installation on flat roofs. Although the Group is insured for product liability in line with industry standards, it cannot be excluded that such claims could result in financial losses for the Group. Provisions were made for these claims. In addition, during the course of 2025, Recticel NV received several (informal) claims relating to liability for allegedly defective products supplied to various construction sites in the Netherlands. These claims have not yet been formally asserted, but are being closely monitored in coordination with the insurance company.

As of 31 December 2025, total overall provisions and accruals for other litigations, environmental risk and other risks on Recticel Group level amounted to EUR 21.2 million in the consolidated financial statements. With reference to the prejudicial exemption in IAS 37 §92, the Group will not disclose any further information about the assumptions for the provision, including any details about current and the expected number of lawsuits and claims.

The disclosure of such information is believed to be detrimental to the Group in connection with the ongoing confidential negotiations and could inflict financial losses on Recticel and its shareholders.

7.2.6.10 Reconciliation table of Alternative Performance Measures

The Group uses and publishes several Alternative Performance Measures ("APM") to provide additional valuable insight to financial analysts and investors. APMs are related to the standards used by management to monitor and measure financial performance.

The overview tables below summarise the reconciliation of these APMs in the income statement and the statement of financial position of the continuing operations.

in thousand EUR

	2024	2025
Income statement		
Sales	610,196	655,075
Gross profit	104,549	113,964
EBITDA	42,562	51,339
Operating profit (loss)	11,489	19,914
Operating profit (loss)	**11,489**	**19,914**
Amortisation of intangible assets	9,727	10,062
Depreciation of tangible assets	20,952	21,230
Amortisation deferred charges long term	0	0
Impairments on goodwill, intangible and tangible fixed assets	394	134
EBITDA	**42,562**	**51,339**
EBITDA	**42,562**	**51,339**
Restructuring charges	7,915	3,793
Other	(870)	716
Adjusted EBITDA	**49,606**	**55,848**
Operating profit (loss)	**11,489**	**19,914**
Restructuring charges	7,915	3,793
Other	(870)	716
Impairments	394	134
Adjusted operating profit (loss)	**18,928**	**24,557**

in thousand EUR

Total net financial debt	31 DEC 2024	31 DEC 2025
Non-current financial liabilities	46,218	44,035
Current financial liabilities	12,116	10,800
Cash	(132,717)	(82,251)
Other financial assets	0	0
Net financial debt on statement of financial position	**(74,383)**	**(27,416)**
Factoring programmes	0	(0)
Total net financial debt	**(74,383)**	**(27,416)**
Gearing ratio (Net financial debt / Total equity)		
Total equity	445,133	430,443
Net financial debt on statement of financial position / Total equity	N/A	N/A
Total net financial debt / Total equity	N/A	N/A
Leverage ratio (Net financial debt / EBITDA)		
Net financial debt on statement of financial position / EBITDA	N/A	N/A
Total net financial debt / EBITDA	N/A	N/A
Net working capital		
Inventories and contracts in progress	55,075	57,441
Trade receivables	101,925	110,993
Other receivables	12,983	12,303
Income tax receivables	4,098	4,552
Trade payables	(87,844)	(94,023)
Current contract liabilities	(9,577)	(9,778)
Income tax payables	(1,522)	(2,258)
Other amounts payable	(32,181)	(28,992)
Net working capital	**42,957**	**50,239**
Current ratio (= Current assets / Current liabilities)		
Current assets	306,799	267,540
Current liabilities	144,493	145,852
Current ratio (factor)	**2.1**	**1.8**

7.3 Recticel NV - General information

Recticel NV

Address

Bourgetlaan 42 avenue du Bourget
1130 Brussels
Belgium

Established: on 19 June 1896 for thirty years, later extended for an unlimited duration.

Object: (article 3 of the Coordinated Articles) The object of the company is the development, production, conversion, trading, buying, selling and transportation, on its own account or on behalf of third parties, of all plastics, polymers, polyurethanes and other synthetic components, of natural substances, metal products, chemical or other products used by private individuals or by industry, commerce and transport, especially for furniture, bedding, insulation, the construction industry, the automotive sector, chemicals, petrochemicals, as well as products belonging to or necessary for their production or which may result or be derived from this process.

It may achieve its object in whole or in part, directly or indirectly, via subsidiaries, joint ventures, participations in other companies, partnerships or associations.

In order to achieve this object, it can carry out all actions in the industrial, property, financial or commercial field which are associated with its object directly or indirectly, in whole or in part, or which would be of a nature to promote, develop or facilitate its operation or its trade or that of the companies, partnerships or associations in which it has a participation or an interest; it can in particular develop, transfer, acquire, rent, hire out and exploit all movable and immovable goods and all intellectual property.

Legal form: naamloze vennootschap / société anonyme (limited company)

Recorded in the Brussels register of legal entities

Company number: 0405 666 668

Subscribed capital: EUR 141,882,300 (on 31 December 2025).

Type and number of shares: at 31 December 2025 there was only one type of shares, namely ordinary shares; total number of shares outstanding: 56,752,920.

Portion of the subscribed capital still to be paid up: 0 shares/EUR 0.

Nature of the shares not fully paid up: none.

Percentage fully paid up: 100%. The shares are all fully paid up.

The accounts were prepared in accordance with requirements specified by the Royal Decree of 30 January 2001.

These annual accounts comprise the balance sheet, the income statement and the notes prescribed by law. They are presented hereafter in condensed form.

In accordance with Belgian law, the management report, the annual accounts of Recticel NV and the report of the Statutory Auditor will be filed with the Belgian National Bank.

They are available on request from:

Recticel NV - Corporate Communications
Bourgetlaan 42 avenue du Bourget
1130 Brussels
Belgium
Tel.: +32 (0)2 775 18 11
E-mail: corporate@recticel.com

The notes to the annual accounts are related to the financial situation of the company as shown in the statement of financial position. The results are also commented on in the preceding annual report.

The Statutory Auditor has delivered an unqualified opinion on the statutory annual accounts of Recticel NV.

The statutory annual accounts of Recticel NV, as well as the statutory report by the Board of Directors, are freely available on the company's website https://www.recticel.com/investors/annual-half-year-reports.html.

7.4 Recticel NV - Condensed statutory accounts

The statutory statement of financial position and the statutory income statement of Recticel NV for the period ended 31 December 2025 are given below in a condensed form. The accounting principles used for the Statutory Financial Statements of Recticel NV differ from the accounting principles used for the Consolidated Financial Statements. The Statutory Financial Statements follow the Belgian legal requirements, while the Consolidated Financial Statements follow the International Financial Reporting Standards.

in thousand EUR

Recticel NV		31 DEC 2024	31 DEC 2025
ASSETS			
FIXED ASSETS		**660,800**	**703,126**
I.	Formation expenses		
II.	Intangible assets	11,106	12,783
III.	Tangible assets	32,231	37,242
IV.	Financial assets	617,464	653,100
CURRENT ASSETS		**105,091**	**43,235**
V.	Amounts receivable after one year	1,792	9,142
VI.	Inventories and contracts in progress	10,477	11,094
VII.	Amounts receivable within one year	50,551	20,064
VIII.	Cash investments	40,398	1,398
IX.	Cash	61	45
X.	Deferred charges and accrued income	1,813	1,491
TOTAL ASSETS		**765,891**	**746,361**
LIABILITIES			
I.	Capital	141,515	141,882
II.	Share premium account	135,696	136,380
III.	Revaluation surplus	2,551	2,551
IV.	Reserves	17,645	17,645
V.	Profits (losses) brought forward	375,583	357,182
VI.	Investment grants	0	
VII.	A. Provisions for liabilities and charges	19,947	13,872
	B. Deferred taxes	0	0
VIII.	Amounts payable after one year	4,376	7,482
IX.	Amounts payable within one year	67,152	68,013
X.	Accrued charges and deferred income	1,426	1,353
TOTAL EQUITY AND LIABILITIES		**765,891**	**746,361**

in thousand EUR

Recticel NV		31 DEC 2024	31 DEC 2025
PROFIT AND LOSS ACCOUNT			
I.	**Operating revenues**	**145,054**	**154,402**
II.	Operating charges	(146,649)	(146,914)
III.	Operating profit (loss)	(1,596)	7,488
IV.	Financial income	55,545	8,984
V.	Financial charges	(125,026)	(17,206)
VI.	**Profit (loss) for the year before taxes**	**(71,077)**	**(734)**
VII.	Income taxes	(729)	(74)
VIII.	Profit (loss) for the year after taxes	(71,806)	(808)
IX.	Transfer to untaxed reserves	0	0
X.	Profit (loss) for the period available for appropriation	(71,806)	(808)

The management report of the Board to the Annual General Meeting of Shareholders and the Statutory Financial Statements of Recticel NV, as well as the auditor's report, will be filed with the National Bank of Belgium within the statutory periods. The statutory annual accounts of Recticel NV and the statutory report by the Board of Directors, is freely available on the company's website www.recticel.com.

Profit appropriation policy

The Annual General Meeting decides on the appropriation of the profit available for the distribution of a dividend based upon a proposal by the Board of Directors. The Board of Directors intends to propose to pay out a stable or gradually increasing annual dividend, considering the following elements:

- proper compensation for the shareholders;
- retention of adequate self-financing capacity to enable investment in value creation opportunities.

The Board of Directors decided to present the following appropriation of the results to the Annual General Meeting:

in EUR

Recticel NV	31 DEC 2025	
Profit (loss) for the financial year	(807,927)	
Profit (loss) brought forward from previous year	375,583,314	+
Profit (loss) to be added to legal reserves		-
Profit (loss) to be added to other reserves		-
Result to be appropriated	**374,775,387**	**=**
Gross dividend[1]	17,593,405	-
Profit to be carried forward	**357,181,982**	**=**

[1] Gross dividend per share of EUR 0.31, resulting in a net dividend after tax of EUR 0.217 per ordinary share.

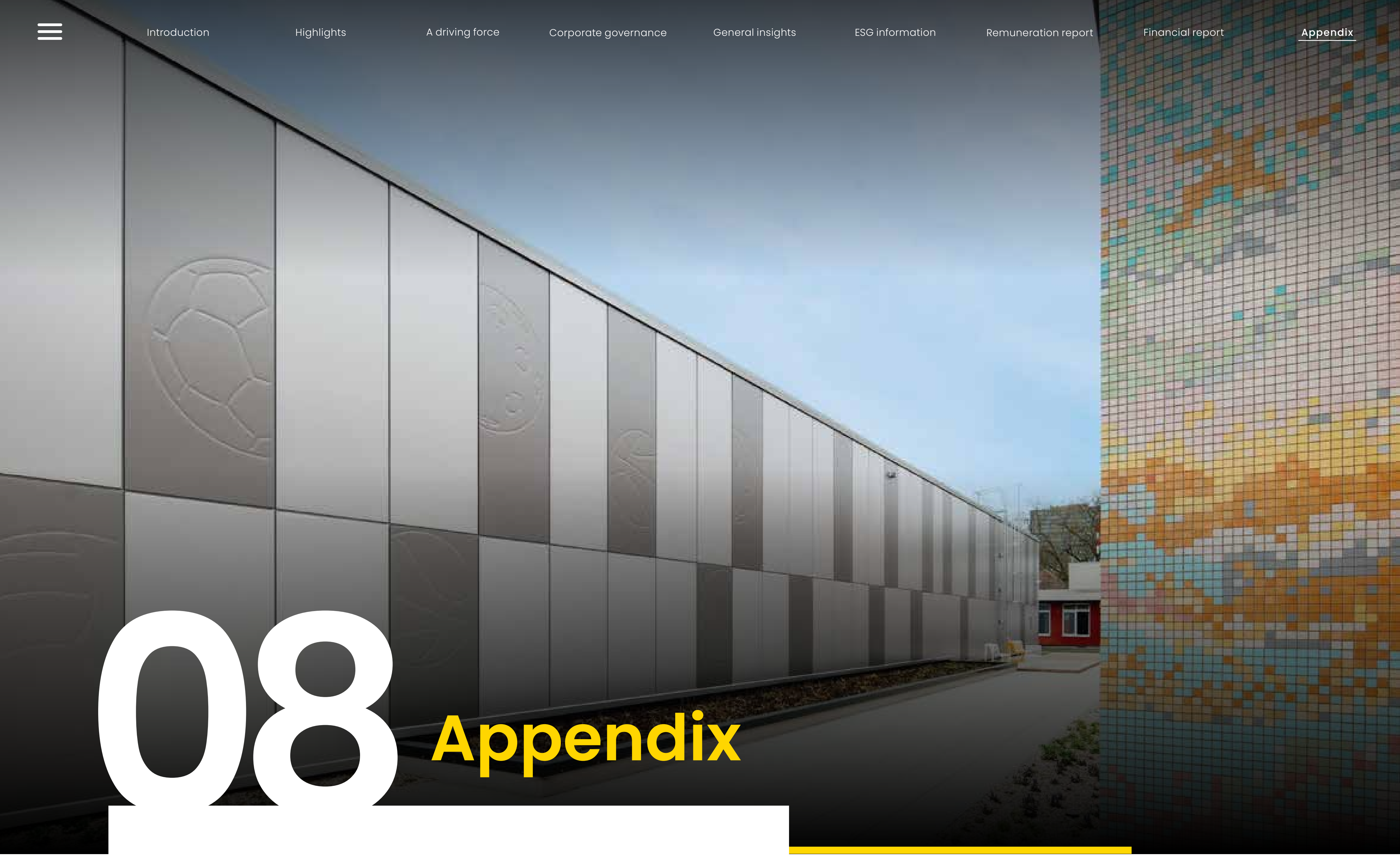
7.5 Declaration by the responsible Officers

We hereby certify that, to the best of our knowledge, the Consolidated Financial Statements as of 31 December 2025, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, and with legal requirements applicable in Belgium, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation taken as a whole, and that the management report includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Jan Vergote, representing Coral & Wallace BV, Executive Chairman of the Board of Directors

Stefaan Debusschere, representing Aventus BV, Chief Executive Officer

Bart Van den Eede, representing Pendron BV, Chief Financial Officer



08 Appendix

8.1 Auditor's reports

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Statutory auditor's report to the general shareholders' meeting of Recticel NV on the consolidated accounts for the year ended 31 December 2025

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Recticel NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 28 May 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee and the proposal formulated by the works' council. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2026. We have performed the statutory audit of the Group's consolidated accounts for 5 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in shareholders' equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR'000 685.562 and a profit of the period after taxes - continuing and discontinued operations (share of the Group) of EUR'000 10.199.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level.

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Nederlandstalige afdeling - RPM Bruxelles, division néerlandophone
ING BE43 3101 3811 9501 - BIC BBRUBEBB
BELFIUS BE92 0689 0408 8123 - BIC GKCC BEBB

Our responsibilities under those standards are further described in the "Statutory auditor's responsibilities for the audit of the consolidated accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated accounts of the current period. This matter was addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

The acquisition of Kuras BV and Miclar Group - Note 7.2.4.8

Description of the Key Audit Matter

Kuras BV

The acquisition of Kuras BV was of most significance to our audit due to the size and significant judgments and assumptions involved in the purchase price allocation of EUR 3,82 million, mainly in relation to the recognition of intangible assets such as customer list and contracts (EUR 1,3 million), tradenames (EUR 1,3 million) and deferred tax liabilities (EUR 0,7 million). As disclosed in Note 7.2.4.8 'Business Combinations' a goodwill of EUR 1,3 million has been recognised.

Miclar Group

The acquisition of the Miclar Group was of most significance to our audit due to the size and significant judgments and assumptions involved in the provisional purchase price allocation of EUR 20,65 million. As disclosed in Note 7.2.4.8 it regards a provisional purchase price allocation resulting in a provisional goodwill of EUR 16,24 million.

How our Audit addressed the Key Audit Matter

With respect to the accounting for the acquisitions, we have, amongst others,

- read the share purchase agreements, confirming the correct accounting treatment has been applied and appropriate disclosures have been made;

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assessed the valuation and accounting for the considerations payable and traced payments to bank statements;

tested the identification and valuations of the assets and liabilities Recticel acquired, including any GAAP and fair value adjustments;

assessed and challenged the valuation assumptions used in the calculations such as discount rates amongst others based on external evidence. In doing so, we have utilized valuation specialists to assist with the audit of the identification and valuations of the assets and liabilities acquired.

We assessed the adequacy of the disclosures in Note 7.2.4.8, also considering that it regards a provisional purchase price allocation for Miclar Group.

We found the methodologies and the assumptions applied to be in line with our expectations, and the acquisition accounting and related disclosures in line with the share purchase agreements.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts, including the sustainability information and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

The director's report on the consolidated accounts includes the consolidated sustainability information that is the subject of our separate report, which contains an 'Unqualified conclusion' on the limited assurance with respect to this consolidated sustainability information. This section does not concern the assurance on the consolidated sustainability information included in the directors' report on the consolidated accounts.

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts, containing:

"1. Highlights and performance indicator"

"2. A force for smarter insulation"

is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the standard on the verification of the compliance of the annual report with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation") and with the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

The board of directors is responsible for the preparation of an annual report, in accordance with ESEF requirements, including the consolidated accounts in the form of an electronic file in ESEF format (hereinafter "digital consolidated accounts").

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language XBRL of the digital consolidated financial accounts complies in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of the annual report and marking of information in the digital consolidated accounts included in the annual report of Recticel NV per 31 December 2025, and which will be available in the Belgian official mechanism for the storage of regulated information (STORI) of the FSMA, are, in all material respects, in compliance with the ESEF requirements under the Delegated Regulation and the Royal Decree of 14 November 2007.

Other statements

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Ghent, 27 April 2026

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

Wouter Coppens*
Bedrijfsrevisor/Réviseur d'Entreprises

*Acting on behalf of Wouter Coppens BV

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Limited assurance report of the statutory auditor to the general shareholders' meeting on the consolidated sustainability statement of Recticel NV for the accounting year ended on 31 December 2025

We present to you our statutory auditor's report in the context of our legal limited assurance engagement on the consolidated sustainability statement of Recticel NV (the "Company") and its subsidiaries (jointly "the Group"). The consolidated sustainability statement of the Group is included in sections "3. Corporate Governance", "4. General insights, DMA and IRO" and "5. ESG information" of the "2025 Annual Report" on 31 December 2025 and for the year then ended (hereafter "the consolidated sustainability statement").

We have been appointed by the general meeting d.d. 27 May 2025, following the proposal formulated by the board of directors and following the recommendation by the audit committee and the proposal formulated by the works' council to perform a limited assurance engagement on the consolidated sustainability statement of the Group.

Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2026. We have performed our assurance engagement on the consolidated sustainability statement for 2 consecutive years.

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of the Group.

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement of the Group, in all material respects:

- has not been prepared in accordance with the requirements of article 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable European Sustainability Reporting Standards (ESRS);
- is not in accordance with the process (the "Process") carried out by the Group, as disclosed in note "4.2.2 Our DMA process" of the consolidated sustainability statement, to identify the information reported in the consolidated sustainability statement on the basis of ESRS;

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- does not comply with the requirements of article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") disclosed in note "5.1. Environmental / EU Taxonomy" of the consolidated sustainability statement.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), as applicable in Belgium.

Our responsibilities under this standard are further described in the "Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement" section of our report.

We have complied with all ethical requirements that are relevant to assurance engagements of sustainability statements in Belgium, including those related to independence.

We apply International Standard on Quality Management 1 (ISQM 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our limited assurance engagement.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the board of directors relating to the preparation of the consolidated sustainability statement

The board of directors is responsible for designing and implementing a Process and for disclosing this Process in note "4.2.2 Our DMA process" of the consolidated sustainability statement. This responsibility includes:

- understanding the context in which the activities and business relationships of the Group take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long- term;

the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
making assumptions that are reasonable in the circumstances.

The board of directors is further responsible for the preparation of the consolidated sustainability statement, which includes the information established by the Process:

in accordance with the requirements referred to in article 3:32/2 of the Companies' and Associations' Code, including the applicable European Sustainability Reporting Standards (ESRS);
in compliance with the requirements of article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") disclosed in note "5.1 Environmental / EU Taxonomy" of the consolidated sustainability statements.

This responsibility comprises:

designing, implementing and maintaining such internal control that the board of directors determines is necessary to enable the preparation of the consolidated sustainability statement that is free from material misstatement, whether due to fraud or error; and
the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The audit committee is responsible for overseeing the Group's sustainability reporting process.

Inherent limitations in preparing the consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, the board of directors is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected and the deviation from that can be of material importance.

Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement

Our responsibility is to plan and perform the assurance engagement with the aim of obtaining a limited level of assurance about whether the consolidated sustainability statement contains no material misstatements, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we apply professional judgment and maintain professional scepticism throughout the engagement.

The work performed in an engagement aimed at obtaining a limited level of assurance, for which we refer to the section "Summary of work performed," is less in scope than in an engagement aimed at obtaining a reasonable level of assurance. Therefore, we do not express an opinion with a reasonable level of assurance as part of this engagement.

As the forward-looking information in the consolidated sustainability statement and the assumptions on which it is based, are future related, they may be affected by events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different from the assumptions, as the anticipated events frequently do not occur as expected, and the deviation from that can be of material importance. Therefore, our conclusion does not provide assurance that the reported actual outcomes will correspond with those included in the forward-looking information in the consolidated sustainability statement.

Our responsibilities regarding the consolidated sustainability statement, with respect to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- designing and performing work to evaluate whether the Process is consistent with the description of the Process by the Group, as set out in note "4.2.2 Our DMA process".

Our other responsibilities regarding the sustainability statement include:

- acquiring an understanding of the entity's control environment, the relevant processes, and information systems for preparing the sustainability information, but without assessing the design of specific control activities, obtaining supporting information about their implementation, or testing the effective operation of the established internal control measures;
- identifying where material misstatements are likely to arise, whether due to fraud or error, in the consolidated sustainability statement; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated sustainability statement.

The procedures carried out in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing, and extent of procedures selected depend on professional judgment, including the identification of areas where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or errors.

In conducting our limited assurance engagement with respect to the Process, we have:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation relating to its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in note "4.2.2 Our DMA process" of the consolidated sustainability statement.

In conducting our limited assurance engagement, with respect to the consolidated sustainability statement, we have:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its consolidated sustainability statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the consolidated sustainability statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- evaluated whether the information identified by the Process is included in the consolidated sustainability statement;
- evaluated whether the structure and the presentation of the consolidated sustainability statement is in accordance with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected information in the consolidated sustainability statement;
- performed substantive assurance procedures on selected information in the consolidated sustainability statement;
- evaluated the methods/assumptions for developing estimates and forward-looking information as described in the section 'Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement';

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- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability statement;

Statement related to independence

Our registered audit firm and our network did not provide services which are incompatible with the limited assurance engagement, and our registered audit firm remained independent of the Group in the course of our mandate.

Ghent, 27 April 2026

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

Wouter Coppens*
Bedrijfsrevisor/Réviseur d'entreprises

*Acting on behalf of Wouter Coppens BV

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8.2 ESRS list of Disclosure Requirements

ESRS 2, IRO-2 (DR 56)

LIST OF MATERIAL DISCLOSURE REQUIREMENTS	DISCLOSURE REQUIREMENT	CHAPTER	PAGE
ESRS 2	**General Disclosures**		
BP-1	General basis for preparation of the sustainability statement	4.1	73
BP-2	Disclosure in relation to specific circumstances	5.1.2	99
GOV-1	The role of the administrative, management and supervisory bodies	3.1	43
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	3.2	52
GOV-3	Integration of sustainability-related performance in incentive schemes	3.3	54
GOV-4	Statement on due diligence	3.4	56
GOV-5	Risk management and internal controls over sustainability reporting	3.5	62
SBM-1	Strategy, business model and value chain	2.3	23
SBM-2	Interests and views of the stakeholders	4.2.2	78
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	4.3.2	85
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	4.2	76
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements	4.1	73
E1	**Climate change**	**5.2**	**104**
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	3.3	54
E1-1	Transition plan for climate change mitigation	5.2.2	106
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	4.3.2	85
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	4.2	76
E1-2	Policies related to climate change mitigation	5.2.3	108
E1-3	Actions and resources in relation to climate change policies	5.2.4	110
E1-4	Targets related to climate change mitigation and adaptation	5.2.5	112
E1-5	Energy consumption, mix and intensity	5.2.6	114

LIST OF MATERIAL DISCLOSURE REQUIREMENTS	DISCLOSURE REQUIREMENT	CHAPTER	PAGE
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	5.2.7	117
E1-7	GHG removals and mitigation projects financed through carbon credits	5.2.9	125
E1-8	Internal carbon pricing	5.2.9	125
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	5.2.11	125
E5	**Resource use and circular economy**	**5.3**	**126**
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	4.3.2	85
ESRS 2 IRO-1	Description of the processes to identify and assess material resources use and circular economy-related impacts, risks and opportunities	4.2	76
E5-1	Policies related to resource use and circular economy	5.3.2	128
E5-2	Actions and resources related to resource use and circular economy	5.3.3	130
E5-3	Targets related to resource use and circular economy	5.3.4	133
E5-4	Resource inflows	5.3.5	135
E5-5	Resource outflows	5.3.6	137
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	5.3.7	141
S1	**Own workforce**	**5.4**	**142**
ESRS 2 SBM-2	Interests and views of stakeholders	4.2.2	78
ESRS 2 SBM-2	Interests and views of stakeholders	2.3.6	37
ESRS 3 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business models	4.3.2	85
ESRS 2 IRO-1	Material S1 IROs and their interaction with strategy and the business model	5.4.1	144
S1-1	Policies related to our own workforce	5.4.2	144
S1-2	Process for engaging with workers and workers' representatives about impacts	5.4.3	147

LIST OF MATERIAL DISCLOSURE REQUIREMENTS	DISCLOSURE REQUIREMENT	CHAPTER	PAGE
S1-3	Process to remediate negative impacts and channels for own workers to raise concerns	5.4.4	148
S1-4	Taking action on own workforce	5.4.5	149
S1-5	Targets and managing material impacts, risks and opportunities	5.4.6	151
S1-6	Characteristics of the undertakings' employees	5.4.7	152
S1-7	Characteristics of non-employees in the Recticel Group own workforce	5.4.8	153
S1-8	Collective bargaining coverage and social dialogue	5.4.9	153
S1-10	Adequate wages	5.4.10	154
S1-11	Social protection	5.4.11	154
S1-13	Training and skills development metrics	5.4.12	154
S1-14	Health and safety metrics	5.4.13	155
S1-17	Incidents, complaints and severe human rights impacts	5.4.14	156
G1	**Business conduct**	**5.5**	**157**
ESRS 2 SBM-3	Materials impacts, risks and opportunities and their interaction with strategy and business model	4.3.2	85
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	5.5.3	163
ESRS 2 IRO-1	Material G1 IROs and their interaction with strategy and business model	5.5.1	159
G1-1	Business conduct policies and corporate culture	5.5.2	159
G1-2	Management of relationships with suppliers and impacts on our supply chain	5.5.4	163
G1-3	Prevention and detection of corruption and bribery	5.5.5	164
G1-4	Incidents of corruption and bribery	5.5.6	165
G1-5	Political influence and lobbying activities	5.5.7	165
G1-6	Payment practices	5.5.7	165

8.3 References to other EU legislations

8.3.1 Reference table with TCFD recommendations

REFERENCE TABLE WITH TCFD RECOMMENDATIONS	CHAPTER	PAGE
Governance		
Description of Board's oversight of climate-related risks and opportunities	3.1	43
	3.1.6.1	50
Description of the management's role in assessing and managing climate-related risks and opportunities	4.2.2	78
	4.3.1	83
Strategy		
Description of the climate change risks and opportunities that the organisation has identified in the short, medium and long term	4.3.2.1	87
Description of the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning	4.3.2	85
Description of the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	5.2.2	106
Risk management		
Description of the organisation's processes for identifying and assessing climate-related risks	4.3.2.1	87
Description of the organisation's processes for managing climate-related risks	4.3.2.2	92
Description of how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	3.2	52
Metrics and targets		
Description of the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and management process	4.3.2.1	87
	5.2.5 - 5.2.9	112 - 125
	5.3.4 - 5.3.7	133 - 141
Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	5.2.7	117
Description of the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	5.2.5	112
	5.3.4	133

8.3.2 Reference table with UN Sustainable Development goals

REFERENCE TABLE WITH UN SUSTAINABLE DEVELOPMENT GOALS	CHAPTER	PAGE
SDG 7 Affordable and clean energy		
Promote energy-efficient solutions for sustainable building practices	2	14
Increase the share of renewable energy in the global energy mix	5.2	104
	5.3	126
	1.1	8
SDG 8 Decent work and economic growth		
Drive sustainable and economic growth through dignified work	5.4	142
Promote safe and secure working environment	5.5	157
SDG 9 Industry innovation and infrastructure		
Foster innovation to enhance resilient infrastructure	1.1	8
Retrofit industries to make them sustainable, with increased resource-use efficiency	5.3.3	130
SDG 11 Sustainable cities and communities		
Develop products that improve urban energy efficiency	2	14
	5.2	104
	5.3	126
	1.1	8
SDG 12 Responsible consumption and production		
Advance circular economy practices through product innovation	5.3	126
Reduce waste generation through prevention, reduction, recycling and reuse		
SDG 13 Climate action		
Commit to ambitious greenhouse gas (GHG) reduction targets and climate-aligned practices	5.2	104
SDG 17 Partnerships for the goals		
Collaborate with stakeholders to amplify positive environmental and social impacts	1.1	8
	5.3.3.1	131
	5.4	142

8.4 Glossary

IFRS MEASURES

Consolidated (data): financial data following the application of IFRS 11, whereby joint ventures and associates are integrated on the basis of the equity method.

ALTERNATIVE PERFORMANCE MEASURES

In addition, the Group uses alternative performance measures (Alternative Performance Measures or "APM") to express its underlying performance and to help the reader to better understand the results. APM are not defined performance indicators by IFRS. The Group does not present APM as an alternative to financial measures determined in accordance with IFRS and does not give more emphasis to APM than the defined IFRS financial measures.

Adjusted EBITDA: EBITDA before Adjustments (to Operating Profit)

Adjusted operating profit (loss): Operating profit (loss) + adjustments to operating profit (loss)
Adjustments to Operating profit (loss) include operating revenues, expenses and provisions that pertain to restructuring programmes (redundancy payments, closure & clean-up costs, relocation costs,…), reorganisation charges and onerous contracts, impairments on assets ((in)tangible assets and goodwill), revaluation gains or losses on investment property, gains or losses on divestments of non-operational investment property, and on the liquidation of investments in affiliated companies, revenues or charges due to important (inter)national legal issues and costs of advisory fees incurred in relation to acquisitions or business combination projects, costs of advisory fees incurred in relation to acquisitions, divestments or business combination projects, including fees incurred in connection with their financing and reversals of inventory step up values resulting from purchase price allocations under IFRS 3 Business Combinations.

Avoided emissions: Avoided emissions are emission reductions that occur outside of a product's life cycle or value chain, but as a result of the use of that product

BEIS: UK Department for Business, Energy and Industrial Strategy

BC ADEME: 'Bilan Carbone' from French 'Agence de la Transition Energétique'

CDP: Not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts

Current ratio: Current assets / Current liabilities

DEFRA: Department for Environment, Food & Rural Affairs in the UK, providing carbon conversion factors

DNSH: Do No Significant Harm principle; in the context of the EU Taxonomy, an economic activity contributing to one or more of the six environmental objectives without significantly harming any of these

EBITDA: Operating profit (loss) + depreciation, amortisation and impairment on assets; all of continuing activities

EPD: Environmental Product Declaration

ESG: Environmental, Social and Governance

ESRS: European Sustainability Reporting Standards, covering the full range of environmental, social, and governance issues, including climate change, biodiversity and human rights

EWC: European Works Council

Gearing: Net financial debt / Total equity

GHG: Greenhouse Gas

Higg: Higg Materials Sustainability Index, designed to compare the environmental impact of different materials so design and development teams can make more sustainable choices during materials selection

IEA: International Energy Agency

ILO: International Labour Organisation

Income from associates: Income considered as being part of the Group's core business are integrated in Operating profit (loss)

Income from other associates: Income from associates not considered as being part of the Group's core business are not integrated in Operating profit (loss)

ISO 14001: Internationally recognized standard for environmental management systems (EMS)

Lambda value: Measure of how efficiently a material conducts heat

LCA: Life Cycle Assessment, assessing the environmental impacts of a product or service throughout its entire life cycle, from extraction of raw materials to end-of life disposal

Leverage: Net financial debt / EBITDA (last 12 months)

Margin: EBITDA margin, Adjusted EBITDA margin, Operating Profit (loss) margin and Adjusted operating profit (loss) margin are expressed as a % on sales

Net free cash-flow: Sum of the (i) Net cash flow after tax from operating activities, (ii) the Net cash flow from investing activities, (iii) the Interest paid on financial liabilities and (iv) reimbursement of lease liabilities; as shown in the consolidated cash flow statement.

Net financial debt: Interest bearing financial liabilities and lease liabilities at more than one year + interest bearing financial liabilities and lease liabilities within maximum one year + accrued interests – cash and cash equivalents + Net marked-to-market value position of hedging derivative instruments. The interest-bearing borrowings do not include the drawn amounts under non-recourse factoring/forfeiting programs.

Net working capital: Inventories and contracts in progress + Trade receivables + Other receivables + Income tax receivables – Trade payables – Income tax payables – Other amounts payable

OECD: Organisation for Economic Co-operation and Development

Operating profit (loss): Profit before income from other associates, fair value adjustments of option structures, earnings of discontinued activities, interests and taxes. Operating profit (loss) comprises income from associates of continued activities

PIR: Polyisocyanurate

PU: Polyurethane

RSSR: Recticel Supplier Sustainability Requirements

SBTi: Science Based Targets initiative, corporate climate action organization

Scope 1: Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles)

Scope 2: Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling, for own use from a utility provider

Scope 3: Indirect GHG emissions not included in scope 2 that occur in the value chain of the company (upstream and downstream activities). The GHG Protocol separates scope 3 emissions into 15 categories

SEVESO: EU Directive on the control of major-accident hazards involving dangerous substances, applying to over 12,000 industrial installations across the EU

tCO_2e: Metric tonnes of carbon dioxide equivalent emissions

Total net financial debt: Net financial debt + the drawn amounts under off-balance sheet non-recourse factoring programs

U-value: Presents the rate of thermal transmittance through a material or building element, quantifying how well a material acts as a thermal insulator or conductor

W/m^2K: Watts per square meter Kelvin

WRI: World Resources Institute

Colofon

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