MUNDOTÊXTIL - 50 YEARS

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2025

Sustainability Report 2025

Sustainability Report 2025

50 YEARS

Prepared voluntarily in accordance with the current European Sustainability Reporting Standards (ESRS), the 2025 Sustainability Report was not externally assured because the standards are under review and the additional cost was not considered justified while the framework remains under revision.

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Message from the Board of Directors

The year 2025 marks a unique moment in Mundotêxtil's history. Celebrating 50 years in business honors a journey built on resilience, vision and a sense of responsibility, but above all it reinforces our commitment to the future. This half-century represents the consolidation of the values that have underpinned our growth and continue to guide the path we have chosen to follow.

In a global context that demands ambition and action, we reaffirm sustainability as a central strategic pillar, fully integrating ESG principles into the management of the business. Alignment with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) reflects our commitment to ensuring transparency, rigor and an increasingly robust approach to environmental, social and governance performance. This process has challenged Mundotêxtil to evolve, strengthen internal systems, deepen its assessment of risks and opportunities, and foster more consistent dialogue with all stakeholders.

Our environmental commitment is reflected in accelerating decarbonization, continuously improving energy efficiency, investing in renewable sources, managing water responsibly, and applying circularity as a guiding principle in product development. Under the social pillar, we are strengthening investment in the well-being, safety and development of our people, recognizing that their talent and dedication are fundamental to the competitiveness and innovation that set us apart. In governance, we continue to consolidate transparent and ethical decision-making structures aligned with international best practices, ensuring the creation of sustainable value for all stakeholders.

Celebrating 50 years is not merely about looking back at what we have accomplished. It means embracing, with conviction, the legacy we want to leave. Innovation will continue to be an essential driver for anticipating trends, developing high-quality textile solutions and responding responsibly to the economic, environmental and social challenges of the years ahead.

We express our deepest appreciation to everyone who has contributed to this journey—workers, customers, suppliers, institutional partners and the community. The trust they place in us is the foundation on which we are building the future.

With the same entrepreneurial spirit that has defined Mundotêxtil since its founding, we reaffirm our commitment to continuing to grow responsibly, ethically and sustainably, contributing to a more innovative, circular and competitive textile sector aligned with the needs of future generations.



José Pinheiro, Ana Pinheiro, Helena Pinheiro, José Coelho Lima
Board of Directors of Mundotêxtil

01

General Information

General **Information**

ESRS 2 - General Disclosures

BP-1 General basis for preparation of sustainability statements

Mundotêxtil's sustainability statement continues to be prepared on an individual basis, separately from the scope of the consolidated financial statements. In 2025, reporting continued the alignment process initiated in the prior year with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). Although progress has been made, some disclosure requirements are not yet fully met, and actions are being implemented to improve the quality and scope of the information. It is also important to note, however, that the revision of the ESRS may simplify this process; an analysis of that revision will therefore be conducted in the 2026 reporting period.

The material matters identified remain unchanged and result from the double materiality assessment, which incorporates the assessment of impacts, risks and opportunities, as well as ongoing stakeholder engagement.

The scope of the statement continues to cover the entire value chain, including the impacts, risks and opportunities (IROs) associated with upstream and downstream operations. Beginning this year, only data for the reporting year and the prior year are presented for comparative purposes, as historical information was already disclosed in the 2024 Sustainability Report.

Despite advances in data collection and consolidation, limitations remain in accessing certain information, particularly information from the value chain, which constrains full compliance with ESRS requirements. Measures are underway to strengthen internal processes and collaboration with value chain partners, with a view to progressively improving the reliability and completeness of reporting.



BP-2 Disclosures in relation to specific circumstances

The time horizons considered in the reporting exercise remain aligned with those used in the financial statements: short term (up to 1 year), medium term (1 to 5 years) and long term (more than 5 years).

Throughout the report, the assumptions, estimates and methodologies used to derive non-financial indicators are disclosed, ensuring the consistency and transparency of the reporting process.

The following significant changes are noted in comparison with previously published sustainability reports:

- In 2025, Mundotérmica - Sociedade Térmica, S.A. was merged into Mundotêxtil - Indústrias Têxteis, S.A. The draft merger was filed on June 20, 2025, and was definitively registered on October 14, 2025 (with publication occurring on December 11, 2025). It was also in October 2025 that Mundotérmica effectively ceased to exist and became integrated into Mundotêxtil.

Under Article 112 of the Portuguese Companies Code, which establishes the effects of registering a corporate merger, registration of the merger with the commercial registry (October 2025) results in the dissolution of the merged entities and the transfer of their rights and obligations to the surviving entity. Accordingly, for tax purposes, Mundotérmica is deemed to have ceased operations on October 14, 2025. In addition, this merger was carried out under the tax neutrality regime provided for in Article 73 et seq. of the Portuguese Corporate Income Tax Code, with accounting and tax effects retroactive to January 1, 2025. Consequently, in practical terms, Mundotérmica had no separate operations in 2025.

In addition, at the time of the merger, Mundotérmica had no employees, bank debt or real estate.

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

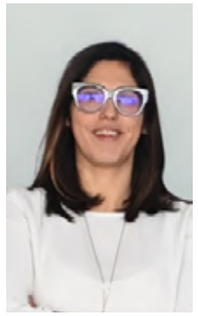
The shareholders of the Pininvest Group remain Mundotêxtil's highest governing body, exercising their rights at the Annual General Meeting, where they deliberate on matters such as the election of corporate bodies and approval of the articles of association and annual report. Decisions are generally adopted by a simple majority, except for special matters that require a qualified two-thirds majority, as provided by applicable law.

Mundotêxtil maintains a single-tier governance model comprising the Board of Directors, whose responsibilities are defined in its Internal Regulations. The body consists of four executive members, with equal gender representation (50% women and 50% men).

The Board of Directors is responsible for guiding the sustainability strategy, approving policies and targets, monitoring performance, and overseeing the management of impacts, risks and opportunities. Expertise in this area is strengthened through training, meetings and workshops with external entities.



Board of Directors Profile



MEMBERS	GENDER
4 Executive members 0 Non-executive members	50% (2) Female 50% (2) Male

NATIONALITY	AVERAGE AGE
100% Portuguese	54 years

INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

100% (4) Independent

AVERAGE LENGTH OF SERVICE

4 members with more than 10 years of service

REPRESENTATION OF EMPLOYEES AND OTHER WORKERS

Mundotêxtil does not have a workers' committee.

The administrative bodies attend and regularly monitor trade fairs, conferences and initiatives directly related to sustainability.

The supervisory bodies are included in the training plan and participate in and monitor training activities conducted internally.



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

During the reporting period, the administrative bodies monitored sustainability matters through Sustainability Committee meetings and their respective minutes, ensuring effective oversight and contributing to the preparation of the company's strategic documents. Although the Committee meets at least semiannually, the Board of Directors reviews the sustainability statement in full before publication and proposes improvements whenever necessary.

The Head of Sustainability also organized monthly working meetings involving external consultants and key employees, focused on operationalizing CSRD requirements.

The Board of Directors oversees the management of sustainability-related impacts, risks and opportunities, led by the Head of Sustainability, who coordinates and monitors these matters.

Main responsibilities of the Head of Sustainability:

- Coordinate sustainability initiatives across departments and ensure compliance with applicable regulations;
- Support implementation of the sustainability strategy and the identification and management of impacts, risks and opportunities;
- Prepare the sustainability report and ensure the quality, consistency and transparency of internal and external communications;
- Promote workers' awareness of and engagement in sustainability matters;
- Ensure stakeholder dialogue and integrate stakeholder expectations into strategy and decision-making;
- Represent the company at sustainability events and initiatives;
- Report regularly to the administrative bodies on performance and progress against established targets;
- Foster innovative practices that support sustainability objectives.

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

The incentive scheme for the Board of Directors does not currently include specific components linked to sustainability targets or indicators.

GOV-4 Statement on due diligence

The following is a summary of the stages of the due diligence process and the chapters of the Sustainability Statement that address each stage.

STAGE OF THE DUE DILIGENCE PROCESS	CHAPTER OF THE SUSTAINABILITY STATEMENT ADDRESSING THE STAGE
Embedding due diligence in governance, strategy and the business model	GOV 1 – Role of the administrative, management and supervisory bodies GOV 2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies SBM 3 – Material impacts, risks and opportunities and their interaction with the strategy and business model
Engaging with affected stakeholders	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies SBM 2 – Interests and views of stakeholders IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities
Identifying and assessing adverse impacts on people and the environment	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities SBM 3 – Material impacts, risks and opportunities and their interaction with the strategy and business model
Taking action to address adverse impacts	E1-3 – Actions and resources in relation to climate change policies E3-2 – Actions and resources related to water and marine resources E4-3 – Actions and resources related to biodiversity and ecosystems E5-2 – Actions and resources related to resource use and the circular economy S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
Tracking the effectiveness of actions	E1-4 – Targets related to climate change mitigation E3-3 – Targets related to water and marine resources E4-4 – Targets related to biodiversity and ecosystems E5-3 – Targets related to resource use and the circular economy S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

GOV-5 Risk management and internal controls over sustainability reporting

Within its integrated management system, which encompasses quality, the environment and innovation, Mundotêxtil has a risk management methodology that considers probability and severity parameters. In 2025, risks were identified in connection with the availability of data and information for the required metrics. Treatment and control measures were defined for these risks to ensure the integrity of the sustainability reporting process.

Mundotêxtil recognizes the importance of ensuring the reliability, consistency and timeliness of disclosed sustainability information and has identified the unavailability or delayed collection of ESG data as the principal risk.

To mitigate this risk, internal actions have been implemented to strengthen information control and validation mechanisms, including:

- Assigning internal owners for each sustainability indicator, ensuring clear allocation of responsibilities in the data collection process;
- Implementing structured templates to standardize reported data;
- Establishing a reporting calendar with specific deadlines for submitting and validating information;
- Conducting internal review processes to ensure data coherence and consistency before disclosure.

Overall oversight of the sustainability reporting process is provided by the Head of Sustainability, with final validation of the information performed by top management.

Mundotêxtil is developing its internal control systems for ESG information and plans to progressively strengthen these mechanisms, particularly by improving data collection processes and potentially adopting technology solutions to support sustainability reporting.



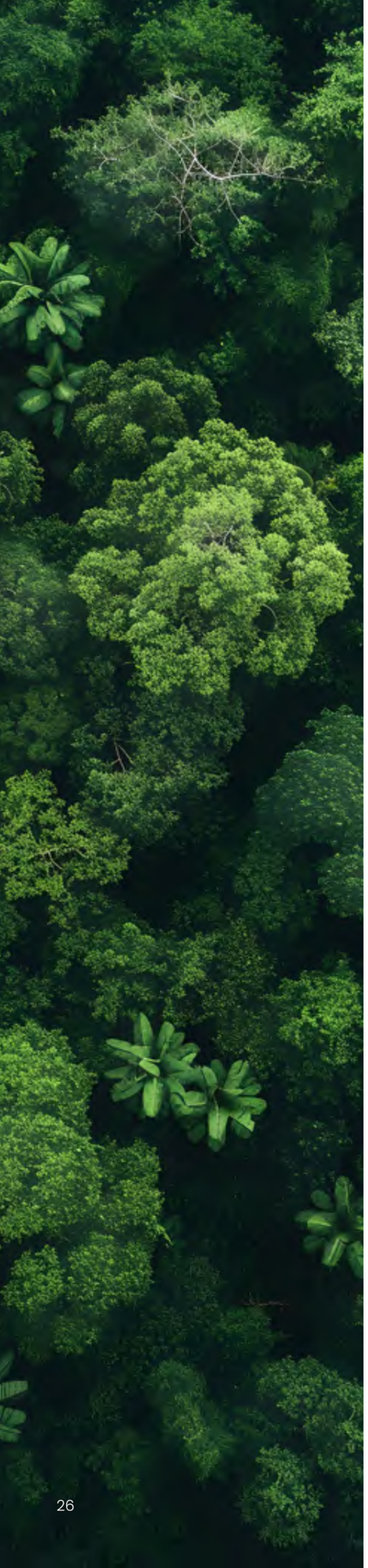
SBM-1 Strategy, business model and value chain

In recent years, Mundotêxtil has directed its strategy toward transitioning from a linear model based on production and disposal to a circular economy model focused on responsible resource management and waste reduction.

Since 2021, the company has reported on its sustainability strategy—Part of Me | Part of Our People | Part of Our Nature—which establishes the main areas of action based on the matters with the greatest impact. These matters were identified through an internal assessment involving workers and top management. Some have already been implemented, while others continue to be developed and are presented in this report.

In 2024, the assessment was updated in accordance with the ESRS and aligned with CSRD requirements.

MATERIAL MATTERS	STRATEGIC AREAS	COMMITMENTS UNTIL 2030
Corporate culture; Protection of whistleblowers; Management of relationships with suppliers (including payment practices); Cybersecurity.	Governance **Part Of Me**	Sustained economic growth; Promotion of sustainability in the value chain; Business transition to a circular economy; Promotion of research and innovation.
Climate change adaptation and mitigation; Energy; Water consumption; Biodiversity: land-use change; Circular economy and waste.	Environment **Part of Our Nature**	Reduction of the environmental footprint of operations; Sourcing more sustainable raw materials; Reuse of raw materials and waste; Regeneration of natural resources.
Health and safety; Secure employment; Training and skills development; Gender equality and equal pay for work of equal value; Adequate wages; Work-life balance.	Social **Part of Our People**	Development of human capital; Promotion of workers' satisfaction and well-being; Promotion of equity in the workplace; Improvement of workers' health and safety conditions; Responsible contribution to a fairer and more balanced society.



Sector of activity

Mundotêxtil produces and markets home textile products, with a particular focus on terry towels and bathrobes. These products are primarily intended for the mid-range and upper-mid-range segments and are supplied to brands and retailers that value quality, durability and sustainability attributes.

The towel range includes bath, hand and beach towels made from natural fibers and, increasingly, certified raw materials such as organic or recycled cotton. The bathrobes are designed in terry fabric, combining functional design and comfort with attention to environmental responsibility and meeting consumer expectations regarding well-being and sustainability.

Market

Mundotêxtil directs most of its production to international markets and is present in more than 40 countries. The company works with major brands and specialized textile and home goods retail chains.

In this context, our customers value high quality standards, adaptability in meeting delivery deadlines and a strong commitment to sustainability, reflected in growing requirements for compliance with environmental and social criteria throughout the value chain.

Strategic objectives for sustainability

Mundotêxtil has established strategic sustainability objectives aligned with sector challenges and the expectations of customers, markets and other stakeholders:

- Promote the circular economy;
- Ensure social well-being;
- Develop sustainable products;
- Minimize environmental impact and advance toward carbon neutrality;
- Adopt sustainable raw materials.

These objectives reflect the commitment to transition to more sustainable production models and to create long-term value. The strategy includes increasing the proportion of eco-friendly products, reducing the carbon footprint through optimization of production and logistics processes, and strengthening collaboration with clients and partners committed to ESG criteria, including sustainable product co-creation projects.

Mundotêxtil also aims to expand its presence in markets with higher sustainability maturity, such as the Nordic countries, by adapting its offer to the specific requirements of these consumers.

Purpose

#PARTEDETI embodies Mundotêxtil's commitment to fostering the growth of its customers, teams and community. With this purpose in mind, Mundotêxtil wholeheartedly contributes to the prosperity of those around it, becoming "Part of each one of them."

Mundotêxtil has long embraced sustainability as PARTEDENÓS, seeking to create value and contribute positively to improving the quality of life of present and future generations, building a sustainable future, minimizing the environmental impacts of its activities, supporting surrounding communities, achieving the best economic results, and ensuring motivated teams aligned with its objectives.

Mundotêxtil has learned from the past, improved the present and embraced an ambitious future full of challenges, always with the same focus, the same strength and the same purpose. Because Mundotêxtil is PARTEDETI.

Mission

Meet market and customer requirements through a business model based on the creation and sharing of sustainable value, supported by qualified and motivated resources capable of creating value through innovation and the development of a sustainable future.

Vision

To be a benchmark of excellence in the sector in which it operates and in the markets where it is present, reinforcing this recognition through innovation, competence and a focus on sustainability.



Values

Integrity

Our workers are deeply aligned with the company's Code of Ethics. All established relationships are based on trust and assurance that promises will be kept.

Quality

We use the best raw materials, equipment, processes and human resources in the development, production and distribution of our products.

Sustainability

We have fulfilled and exceeded all legal obligations, and we are certified by the most demanding standards of social conduct and environmental responsibility. We seek to adopt behaviors and attitudes that contribute to the improvement of society in general and of the communities surrounding us.

Innovation

We add value to our offer through a dedicated R&D department and an innovation partnership network that allows us to maintain a constant focus on innovative, sustainable and differentiated solutions.

Commitment

We are committed to planning, managing and executing all projects with the utmost rigor and precision throughout the value chain, meeting and exceeding the expectations of all stakeholders.



Certifications

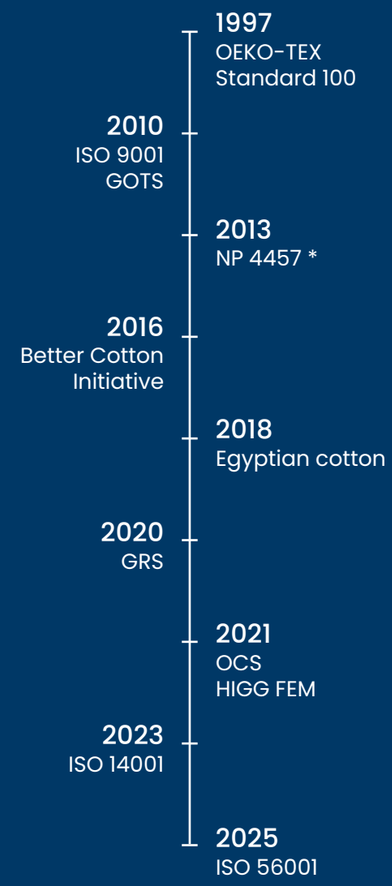
One of the ways we can ensure the quality of our products and services, as well as social and environmental responsibility, is by obtaining and maintaining nationally and internationally recognized certifications.

These certifications reinforce our commitment to quality, innovation, ethics and sustainability, while also providing a competitive advantage by increasing customer and consumer confidence.

In 2025, Mundotêxtil transitioned from NP 4457 to ISO 56001, resulting in its innovation management system being certified under an international standard. Mundotêxtil has also been a member of Sedex since 2009, reaffirming its commitment to ethical and responsible practices throughout the supply chain.

The integration of these certifications with the Sustainable Development Goals of the 2030 Agenda highlights the role of management systems in promoting sustainable business practices, from production to the life cycle of textile products.

Certification Standards Timeline



** Replaced by ISO 56001 in 2025.*

Customers

Mundotêxtil provides high-quality products with internationally recognized sustainability certifications (such as OEKO-TEX, GOTS, GRS and BCI), meeting delivery deadlines and offering flexibility in customized production.

The company continuously develops products with a lower environmental impact - including organic cotton, recycled fibers and more environmentally friendly dyeing processes - and integrates technological solutions that promote traceability and transparency along its value chain.

Financing providers

Mundotêxtil guarantees operational stability, consistent compliance with production targets and strict cost control supported by environmental and social policies that mitigate reputational and compliance risks.

Long-term value creation is enhanced by energy efficiency, carbon footprint reduction and diversification to markets that value sustainability practices.

Workers

Mundotêxtil promotes safe working conditions, continuously invests in technical training and awareness for sustainability, and involves workers in continuous improvement initiatives.

Suppliers

Mundotêxtil maintains long-term stable commercial relations and promotes the sharing of good practices and access to demanding markets based on sustainability criteria, as well as joint training to ensure compliance with environmental and social standards.

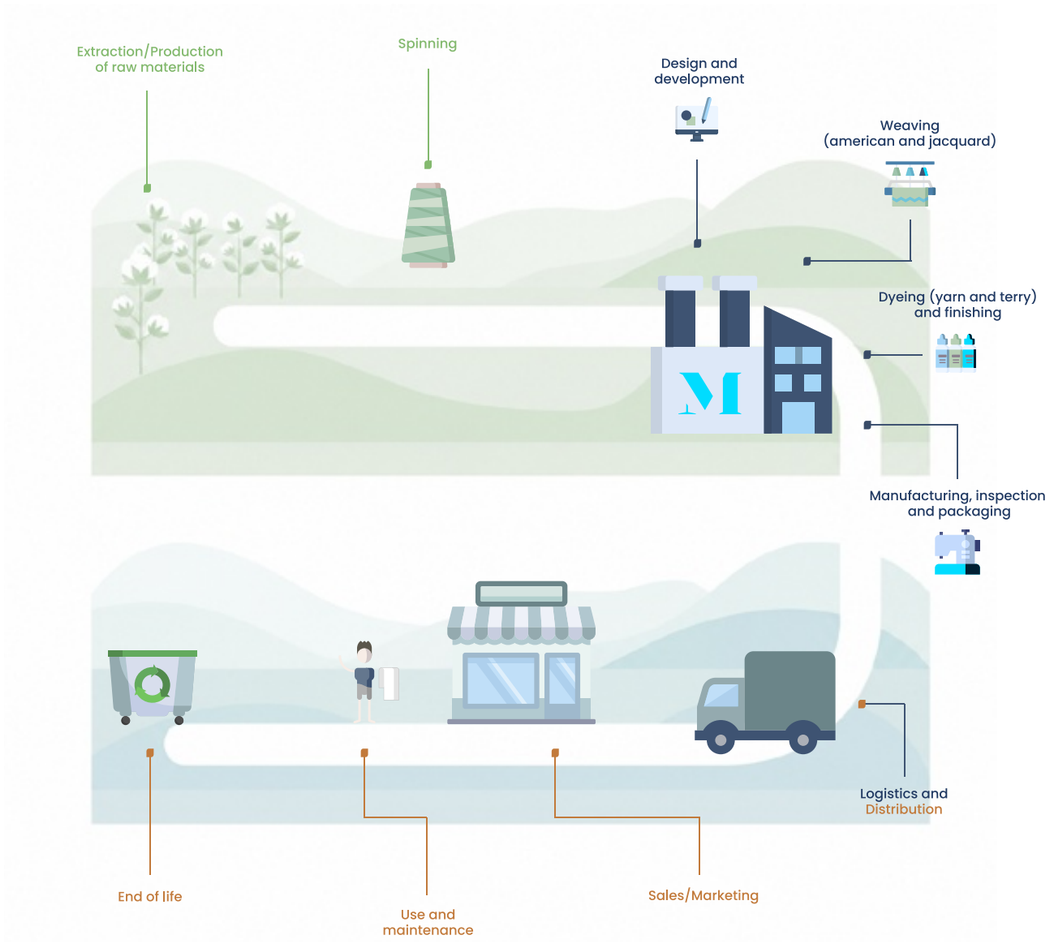

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Mundotêxtil

Community and society

Mundotêxtil contributes to the creation of local employment, supports social and environmental initiatives, and seeks to minimize the negative impacts of its industrial operations.

Value Chain

Upstream operations Own operations Downstream operations



SBM-2 Interests and views of stakeholders

The engagement policy with stakeholders reflects the commitment of Mundotêxtil to continuous dialogue, seeking to understand positions, concerns and expectations that influence strategic decisions and daily operations.

The information collected is used in due diligence processes and the assessment of double materiality. The impacts and interests of stakeholders on sustainability issues are analyzed by the Sustainability Committee at periodic meetings. At least annually, the Board of Directors is informed of the results of the evaluation, ensuring that this information guides the development of strategy and business model.

The approach to engagement varies depending on the stakeholder group, and seven relevant stakeholder groups are identified based on significance assessment.

STAKEHOLDERS	ENGAGEMENT TOOLS
Current Customers	**Purpose of Engagement** · Understand the needs and expectations of customers; · Build trust and provide transparency; · Help customers achieve their sustainability objectives. **Engagement Mechanisms** Satisfaction Questionnaire; Trade fairs; Visits; Meetings; Website; Social media; Whistleblowing channel; Sustainability Report; Newsletters. **Examples of Engagement Results** · Greater interest in products considered sustainable (organic cotton, BCI, other fibers that are not cotton); · Transparency, disclosing the company's results in the sustainability report.
Suppliers	**Purpose of Engagement** · To ensure compliance with our code of conduct; · Protection of human and labor rights of workers; · Ensuring a respectful work environment; · Understand the needs and concerns of suppliers; · Decarbonize our value chain and promote circular solutions for resource use. **Engagement Mechanisms** Website; Social media; Whistleblowing channel; Visits; Meetings; Sustainability Report; Newsletters. **Examples of Engagement Results** · Supplier improvement plans to meet the code of conduct; · Advance purchase agreements.
Public Authorities	**Purpose of Engagement** · Ensure compliance with the rules and regulatory frameworks; · Promote sustainable development; · Address the risks and opportunities related to climate. **Engagement Mechanisms** Corporate information reporting; Sustainability Report; Newsletters; Website; Social media; Whistleblowing channel. **Examples of Engagement Results** · Informed decision-making regarding green initiatives and financing.
Banks	**Purpose of Engagement** · Build trust and demonstrate financial strength, social responsibility, and environmental responsibility; · Communicate ESG performance; · Obtain funding for sustainable projects, if necessary; · Ensure transparency and compliance with financial and regulatory requirements. **Engagement Mechanisms** Corporate information reporting; Sustainability Report; Newsletters; Website; Social media; Meetings; Visits; Whistleblowing channel. **Examples of Engagement Results** · Improved ESG rating assigned by financial institutions; · Greater collaboration with banking institutions on decarbonization and circular economy projects.

STAKEHOLDERS	ENGAGEMENT TOOLS
Workers	**Purpose of Engagement** · Understand the perceptions, challenges and experiences of workers and identify suggestions for improvement; · Raise awareness of internal policies and established strategies; · Contribute to a safe, healthy and sustainable work environment; · Increase retention and attract workers. **Engagement Mechanisms** Website; Social media; Sustainability Report; Newsletters; Information boards; Occupational Health and Safety consultation questionnaire; Worker satisfaction questionnaire; Shared "Knowledge Management" folder; Celebration of special dates/events; Whistleblowing channel. **Examples of Engagement Results** · Review of human resources policies, whenever necessary; · Conducting initiatives and improvement actions related to working conditions and the well-being of workers.
Board of Directors	**Purpose of Engagement** · Build trust and demonstrate the long-term value of investments; · Discuss performance, risk management and strategic direction. **Engagement Mechanisms** Management report; Periodic meetings; Website; Social media; Sustainability Report; Newsletters; Whistleblowing channel. **Examples of Engagement Results** · Alignment of investment strategy with sustainable financing frameworks, for example, the EU Taxonomy; · Development of action plans to improve sustainability performance.
Shareholders	**Purpose of Engagement** · Build trust and demonstrate the long-term value of investments; · Discuss performance, risk management and strategic direction. **Engagement Mechanisms** Management report; Periodic meetings; Website; Social media; Sustainability Report; Newsletters; Whistleblowing channel. **Examples of Engagement Results** · Alignment of investment strategy with sustainable financing frameworks, for example, the European Union's taxonomy; · Development of action plans to improve sustainability performance.

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

Material impacts, risks and opportunities (IROs) were identified through the double materiality assessment, considering both the effects of Mundotêxtil's activity on society and environment (impact materiality) and the potential impact of ESG factors on economic and financial performance (financial materiality).

The IROs are detailed on the topics reported in this report, ensuring transparency and evidence-based reporting.

DESCRIPTION	TYPE I/R/O -/+	VALUE CHAIN: UPSTREAM	VALUE CHAIN: OWN OPERATIONS	VALUE CHAIN: DOWNSTREAM	SUSTAINABLE DEVELOPMENT GOAL (SDG)
E1 – CLIMATE CHANGE					
1. CO_2 emissions.	I-	X	X	X	
2. Decrease energy costs, increasing the production of renewable energy.	O		X		7 AFFORDABLE AND CLEAN ENERGY
3. Increase in the cost of energy from fossil fuels.	R	X	X	X	
4. Activities require intensive energy consumption.	I-	X	X		13 CLIMATE ACTION
5. Improvement of energy efficiency in internal operations.	I+		X		
E3 – WATER AND MARINE RESOURCES					
6. Intensive consumption of water from water abstraction.	I-		X		
7. Reuse rainwater for use in the production process.	I+		X		6 CLEAN WATER AND SANITATION
8. Cotton production requires a high water consumption.	I-	X			
E4 – BIODIVERSITY AND ECOSYSTEMS					
9. Intensive cotton production.	I-	X			15 LIFE ON LAND
E5 – RESOURCE USE AND CIRCULAR ECONOMY					
10. Recycled materials incorporated.	I+		X		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11. Development and production of products that include recycled materials.	I+		X	X	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
12. Reuse of waste generated.	I+		X		

DESCRIPTION	TYPE I/R/O -/+	VALUE CHAIN			SUSTAINABLE DEVELOPMENT GOAL (SDG)
		UPSTREAM	OWN OPERATIONS	DOWNSTREAM	
S1 - OWN WORKFORCE					
13. Ensure safety and health conditions.	I+		X		
14. Employment stability and security.	I+		X		
15. Promotion of gender equality and equal remuneration for work of equal value.	I+		X		
16. Adequate salaries for all workers.	I+		X		
17. Provision of employee benefits.	I+		X		
18. Investment in the training and development of workers' skills.	I+		X		

DESCRIPTION	TYPE I/R/O -/+	VALUE CHAIN			SUSTAINABLE DEVELOPMENT GOAL (SDG)
		UPSTREAM	OWN OPERATIONS	DOWNSTREAM	
G1 - BUSINESS CONDUCT					
19. Ethical and transparent conduct.	I+	X	X	X	
20. The existence of an anti-corruption policy and a whistleblowing channel promotes responsible behavior and ensures whistleblower protection.	I+	X	X	X	
21. Relationship with suppliers.	I+	X	X		
MATERIAL TOPICS NOT COVERED BY ESRS STANDARDS					
22. Cybersecurity: The company has cybersecurity initiatives to minimize the likelihood of cyber attacks occurring.	I+		X		

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

Material topics were identified in 2024 following the double materiality approach set out in ESRS 1 and remain applicable to the present report.

A set of steps were carried out that included:

01 - Analysis of the organization's context and value chain

An analysis of the organizational context and value chain of Mundotêxtil was carried out, allowing to characterize the activities associated with own operations, as well as the upstream and downstream relationships, including interactions with suppliers and customers.

02 - Identification and assessment of sustainability IROs

In order to ensure comprehensive identification of IROs, responsible personnel from different functional areas were involved in the analysis of impacts, risks and opportunities associated with the subtopics defined in the ESRS standards. The impacts generated by the company's activities, resource dependencies and interactions throughout the value chain were considered as potential sources of risks and opportunities.

This process was supported by contributions from external consultants and participation of internal experts, with the results being analyzed and discussed within the Sustainability Committee. This phase resulted in the identification of 64 IROs out of which 38 correspond to impacts, 15 to risks and 11 to opportunities.

The evaluation and prioritization of material IROs were carried out based on the criteria defined in ESRS 1, namely the severity and probability of impacts, as well as the magnitude and probability of risks and opportunities.

03 - Consultation with relevant internal and external stakeholders

Internal and external stakeholder engagement was conducted through the application of a structured questionnaire involving workers, management bodies, customers, suppliers, public entities, financial institutions and shareholders.

Prior to consulting workers, an awareness-raising session on sustainability topics was held to strengthen their knowledge of environmental, social and governance matters.

The consultation process covered the topics and subtopics of the ESRS topical standards, allowing to collect relevant contributions to the validation of the internal materiality assessment. In total, 527 stakeholders were consulted, with a response rate of 16.9%.

04 - Consolidation of the internal assessment with the consultation results

The internal assessment results were compared with the contributions collected from stakeholders, allowing to validate the consistency and coherence of the identified IROs, as well as reinforcing the robustness of the materiality assessment process.

05 - Validation of material IROs

The material IROs were presented and validated by the Sustainability Committee. This phase resulted in the validation of 22 material IROs, associated with the respective Sustainable Development Goals (SDGs). Of these, 22.7% correspond to negative impacts, 68.2% to positive impacts, 4.5% to opportunities and 4.5% to risks, reflecting a balanced approach and aligned with the sustainability strategy of Mundotêxtil.

These IROs are described in the table presented in SBM-3.

IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

The following table presents the data points required by EU legislation, according to ESRS 2, Appendix B, indicating where each data point can be found in the sustainability statement.

			LEGISLATION *				
DISCLOSURE REQUIREMENT	DATAPOINT		SFDR	PILLAR 3	BENCHMARK REGULATION	EU CLIMATE LAW	PAGE
ESRS 2 GOV-1	21 (d)	Board's gender diversity	X		X		16
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			X		16
ESRS 2 GOV-4	30	Statement on due diligence	X				21
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	X	X	X		NM
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	X		X		NM
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	X		X		NM
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			X		NM
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				X	57
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		X	X		57
ESRS E1-4	34	GHG emission reduction targets	X	X	X		60
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	X				64
ESRS E1-5	37	Energy consumption and mix	X				64
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	X				64
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	X	X	X		66
ESRS E1-6	53-55	Gross GHG emissions intensity	X	X	X		66
ESRS E1-7	56	GHG removals and carbon credits				X	NM
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			X		ND
ESRS E1-9	66 (a)	Breakdown of monetary amounts by acute and chronic physical risk		X			ND
ESRS E1-9	66 (c)	Location of significant assets at material physical risk		X			ND
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		X			ND
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			X		ND
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	X				NM
ESRS E3-1	9	Water and marine resources	X				73
ESRS E3-1	13	Dedicated policy	X				73
ESRS E3-1	14	Sustainable oceans and seas	X				NM
ESRS E3-4	28 (c)	Total water recycled and reused	X				76
ESRS E3-4	29	Total water consumption in m³ per net revenue on own operations	X				76
ESRS 2 SBM-3 – E4	16 (a) i	Sensitive biodiversity areas	X				80
ESRS 2 SBM-3 – E4	16 (b)	Impact on soils	X				80
ESRS 2 SBM-3 – E4	16 (c)	Endangered species	X				NM
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	X				82

DISCLOSURE REQUIREMENT	DATAPOINT		LEGISLATION *				PAGE
			SFDR	PILLAR 3	BENCHMARK REGULATION	EU CLIMATE LAW	
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	X				NM
ESRS E4-2	24 (d)	Policies to address deforestation	X				NM
ESRS E5-5	37 (d)	Non-recycled waste	X				97
ESRS E5-5	39	Hazardous waste and radioactive waste	X				97
ESRS 2 SBM-3 – S1	14 (f)	Risk of incidents of forced labor	X				104
ESRS 2 SBM-3 – S1	14 (g)	Risk of incidents of child labor	X				104
ESRS S1-1	20	Human rights policy commitments	X				108
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8			X		108
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	X				108
ESRS S1-1	23	Workplace accident prevention policy or management system	X				108
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	X				111
ESRS S1-14	88 (b), (c)	Number of fatalities and number and rate of work-related accidents	X		X		128
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	X				128
ESRS S1-16	97 (a)	Unadjusted gender pay gap	X		X		131
ESRS S1-16	97 (b)	Excessive CEO pay ratio	X				131
ESRS S1-17	103 (a)	Incidents of discrimination	X				132
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	X		X		132

DISCLOSURE REQUIREMENT	DATAPOINT		LEGISLATION *				PAGE
			SFDR	PILLAR 3	BENCHMARK REGULATION	EU CLIMATE LAW	
ESRS 2 SBM-3 – S2	11 (b)	Significant risk of child labor or forced labor in the value chain	X				NM
ESRS S2-1	17	Human rights policy commitments	X				NM
ESRS S2-1	18	Policies related to value chain workers	X				NM
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	X		X		NM
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8			X		NM
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	X				NM
ESRS S3-1	16	Human rights policy commitments	X				NM
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	X		X		NM
ESRS S3-4	36	Human rights issues and incidents	X				NM
ESRS S4-1	16	Policies related to consumers and end-users	X				NM
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles and OECD guidelines	X		X		NM
ESRS S4-4	35	Human rights issues and incidents	X				NM
ESRS G1-1	10 (b)	United Nations Convention against Corruption	X				138
ESRS G1-1	10 (d)	Protection of whistleblowers	X				138
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	X		X		NM
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	X				NM

NM: Not Material.
ND: Not disclosed - progressive application.

***Legislation:**

- **SFDR:** Sustainable Finance Disclosure Regulation - Regulation (EU) 2019/2088 of the European Parliament and of the Council, of 27 November 2019, on the dissemination of information related to sustainability in the financial services sector (OJ L 317 of 9.12.2019, p. 1).

- **Pillar 3:** Regulation (EU) No 575/2013 of the European Parliament and of the Council, of 26 June 2013, concerning the prudential requirements of credit institutions and which amends Regulation (EU) No 648/2012 (Regulation Requirements of Own Funds) (OJ L 176 of 27.6.2013, p. 1).

- **Benchmarks Regulation:** Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

- **European Climate Law:** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing a framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (OJ L 243, 9.7.2021, p. 1).



02

Environmental Information

Environmental **Information**

ESRS E1 – Climate Change

Mundotêxtil assumes the responsibility of mitigating its climate impact, recognizing the urgency of the crisis and the high energy demand of the textile sector, in line with the target of 1.5°C of the Paris Agreement.

Our commitment is validated by ISO 14001 certification (obtained in 2023), and it is formally integrated into our Strategic Map under the pillar "Trust and Credibility", aiming for carbon neutrality.

The materiality analysis identified potential positive impacts and real negative impacts as well as transition risks and opportunities, with the main focus on the risk of increased fossil fuel costs and the opportunity to reduce costs through investments in renewable energy. No material climate-related physical risks or opportunities were identified.

E1 SBM-3 Material impacts, risks and opportunities and their interaction with the strategy and business model

Our initial double-materiality assessment (conducted in 2024 and maintained for the present reporting period) identified a set of impacts, risks and opportunities as described below.

In relation to the risks and opportunities related to climate, the following were considered:

- Climate-related transition risk: The increase in the cost of energy from fossil fuels.
- Climate-related transition opportunity: Reducing energy costs through increasing renewable energy production.

Currently, we have limited information on the climate risks that may indirectly affect our value chain. We will continue to develop efforts to fill this informational gap in the future, although we believe that at present, these risks represent a lower probability of significant impact on our finances.

ENVIRONMENT	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
ESRS E1 CLIMATE CHANGE					
CLIMATE CHANGE MITIGATION					
CO_2 emissions production.	I	-	r	UVC | OP | DVC	--
Decrease energy costs, increase the production of renewable energy.	O			OP	MT
ADAPTATION TO CLIMATE CHANGE					
Increase in the cost of energy from fossil fuels.	R			UVC | OP | DVC	MT
ENERGY					
Activities developed require intensive energy consumption.	I	-	r	UVC | OP	--
Improvement of energy efficiency of internal operations.	I	+	p	OP	MT

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.



E1-1 Transition plan for climate change mitigation

Currently, Mundotêxtil does not have a formalized transition plan for climate change mitigation, however, the company assumes a firm commitment to the transition to a sustainable economy and the development of efforts to limit global warming to 1.5°C, in line with the Paris Agreement.

Our mitigation path began in 2013, with voluntary adherence to the Energy Consumption Rationalisation Agreement (ARCE). Since then, we have systematically calculated GHG emissions, aiming to comply with legal and normative requirements and the progressive reduction of our carbon footprint.

Since 2021, Mundotêxtil has implemented a robust set of operational and investment measures aimed at minimizing GHG emissions, details of which are presented in topic E1-3 (Mitigation and Adaptation Actions).

E1-2 Policies related to climate change mitigation and adaptation

Mundotêxtil's environmental commitment is validated by the ISO 14001 certification. This certification reflects our Policy of the Integrated Management System, which aims to ensure the efficient use of resources, the minimization of environmental impacts and the reduction of GHG emissions. The responsibility for this Policy, which covers all own operations, lies with the Board of Directors and the Integrated Management System Manager.

In 2026, the Policy will be reevaluated to strengthen our commitment to addressing climate change.

We prioritize investment in infrastructure and operational routines focused on energy efficiency, being active participants in the Energy Consumption Rationalisation Agreement (ARCE).

E1-3 Actions and resources related to climate change policies

The following table presents the actions adopted and planned in 2025.

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS
Installation of a biomass boiler	Adopted	Own operations	2024-2025	Installation of the biomass boiler began in 2024 and was completed in 2025. The boiler became operational in July.
Installation of a photovoltaic power plant for self-consumption	Adopted	Own operations	2025	The replacement of the roof was completed in 2025 and, as a result, the installation of UPAC (Production Unit for Self-Consumption), was also completed in 2025, with start-up planned for the beginning of 2026.
Installation of a heat recovery unit in the exhaust stacks of finishing equipment	Adopted	Own operations	2025	The action was completed in 2025, with a start date expected for the beginning of 2026.
Purchase guarantees of origin for our electricity delivery points	Adopted	Own operations	2025	In 2025, GDOs were purchased for all PTs of Mundotêxtil, which allowed to prove the renewable origin of the energy consumed. This will be a ongoing action.

A set of ongoing actions already mentioned in the previous report was also carried out during 2025, including the following:

Optimization of energy planning to adjust consumption to periods with the lowest cost of energy:

A daily alert is sent to all department heads containing the prices of energy for the different time intervals of the following day. The planning of sections with the highest energy consumption is then adjusted based on this information.

Development and use of an algorithm to assess the relationship between energy intensity, production efficiency and production planning as operating conditions change (energy intensity vs. productive efficiency vs. work plan):

Considering empirically that "time is money", we sought to increase the productivity efficiency of our process, resulting in a direct increase of energy intensity. In some specific cases, and depending on the work plan, it became evident that we can compromise the efficiency at the expense of reducing the energy intensity.

Review of production processes to optimize process efficiency:

Production processes have been reviewed in order to maximize energy efficiency. An example of this is the continuous work of dyeing departments to optimize their processes through temperature and time adjustments, aiming at improving the energy performance of the company.

E1-4 Targets related to climate change mitigation and adaptation

Mundotêxtil targets related to climate change mitigation and adaptation are established based on the continuous monitoring of our Integrated Management System, namely in the environmental aspect in accordance with the ISO 14001 standard, and on the Analysis of the Environmental Aspects Identification and Assessment Matrix (IAAA Matrix).

Our climate commitment is integrated in the Strategic Map of Mundotêxtil, in the pillar "Trust and Credibility". One of the strategic objectives in this pillar is to reinforce the commitment to carbon neutrality, through the minimization of our environmental impact.

The main monitoring points for the fulfillment of this objective are:

- Investments at the level of energy efficiency;
- Increase operational energy efficiency;
- Achievement and maintenance of carbon neutrality.

			PERFORMANCE				
DESCRIPTION	**METRIC**	**REFERENCE VALUE 2021**	**2025**	**2024**	**VARIATION (%2025 /2024)**	**2025 TARGET**	**2030 TARGET**
Investment in the area of energy efficiency (1)	The amount invested	-	€995,997.08	€980,939.40	1.5%	-	€3,024,311.15*
Carbon neutrality (2)	Carbon consumption/ Quantity of terry produced	3.02 $kgCO_2$/kg terry	2.15 $kgCO_2$/ kg terry	2.52 $kgCO_2$/ kg terry	- 14.7%	< 3.0 $kgCO_2$/kg terry	< 2.5 $kgCO_2$/ kg terry
	Carbon consumption/ Energy consumed	2,494.6 $kgCO_2$/tep	1,065.5 $kgCO_2$/tep	2,444 $kgCO_2$/tep	- 56.4%	< 2,500 $kgCO_2$/tep	< 2,400 $kgCO_2$/tep
Reduce specific energy consumption by about 10% compared to the year 2021. (3)	(kWh of energy consumed/ Quantity of terry produced) x 100	11.72 kWh/kg	9.28 kWh/kg -21% kWh/ kg	9.55 kWh/kg -19% kWh/ kg	- 2.8%	-10% kWh/ kg	-20% kWh/ kg
Reduce CO_2 emissions production (4)	$tonCo_2$	13,432	7,358	8,165	- 9.9%	-	4,954 $tonCo_2$
Reduce energy costs, increase renewable energy production (5)	€	0	0	0	-	-	Annual savings €200,000.00

* The difference between the value approved under the PRR (€5,936,760.36) and the value currently considered (€3,024,311.15) is due to the decision not to advance with the battery module, taking into account that the associated technology has not proved to be sufficiently mature to ensure the technical and economic viability of the investment at this stage.

The fields filled in with hyphens (-) correspond to information that was not available for reporting at the time of drafting this document.

Calculation assumptions:

(1) The value of the KPI related to investment in energy efficiency for the 2024–2026 period was defined based on the application submitted under the PRR – Decarbonization of Industry. The target considers the investments planned for the biomass boiler, the heat recovery system for the finishing department, the eMundo digital platform, and the solar self-consumption production unit (UPAC).
The 2025 value includes the investments already made/invoiced by Mundotêxtil during that year, namely the biomass boiler, the heat recovery system, the UPAC, and the eMundo platform. The 2030 target is based on the total estimated value set out in the PRR application document, consolidating the investments referred to above.

(2) The quantity of carbon consumed is calculated from the annual electricity consumption of 2 delivery points (CPEs) related to production, multiplied by a $kgCO_2$ emission factor (value taken directly from ARCE, which in turn uses the emission factors of SGCIE), divided by the amount of terry fabric produced (total terry fabric output from the terry dyeing department), based on data extracted from our ERP.

(3) The amount of energy consumed is calculated based on energy supplier invoices, while the amount of terry fabric produced (the total output of the terry dyeing department) is based on data extracted from our ERP.

(4) The value corresponds to the mandatory target defined in the PRR acceptance document and is taken directly from ARCE, based on the energy consumption of two electricity delivery points (CPEs) serving production.

(5) The value refers to the estimated production of the UPAC solar to be installed. The installation will have dedicated counting systems that, together with the algorithm of the eMundo platform, will enable the precise measurement of the actual energy savings, both in kWh and in monetary terms (€).

This indicator demonstrates our replacement trajectory and our lasting commitment to reducing the operational carbon footprint.

Mundotêxtil has a firm strategic commitment to decarbonization and energy efficiency. To this end, our actions have focused on two main investment and operation pillars: the fleet renewal and self-sufficiency through renewable sources.

The transition to more sustainable mobility began in 2017 with the acquisition of the first electric vehicle. Since then, we have been consistently renewing our fleet, prioritizing the replacement of internal combustion models with electric vehicles.

Ongoing investment is reflected in the current composition of the fleet. Although no vehicles were acquired in 2025, low-emission vehicles (electric and hybrid) now account for 60% of the total fleet.



E1-5 Energy consumption and mix

SOURCE	2025	2024
1) Fuel consumption from coal and coal products (MWh)	0	0
2) Consumption of crude petroleum and petroleum products in MWh (Megawatt-hours)	181.956	186.765
3) Fuel consumption from natural gas (MWh)	16,429.225	21,910.380
4) Fuel consumption from other fossil sources (MWh)	0	0
5) Electricity, heat, steam and cooling consumption purchased or acquired from fossil fuel sources (MWh)	6.899	1,726.834
6) Total consumption of non-renewable energy (MWh) (calculated as the sum of rows 1 to 5)	16,618.08	23,823.979
Percentage of fossil fuels in total energy consumption	53.7%	80.1%
7) Nuclear sources consumption (MWh)	0	0
Percentage of consumption from nuclear energy sources in the total energy consumption	0%	0%
8) Fuel consumption from renewable sources, including biomass (also including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	5,564.82	0
9) Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh)	8,274.82	0
10) Consumption of renewable energy not from fuels generated by the company itself (MWh)	462.43	5,928.778
11) Total renewable energy consumption (MWh) (calculated as the sum of rows 8 to 10)	14,302.08	5,928.778
Percentage of renewable sources in total energy consumption	46.3%	19.9%
Annual energy consumption (MWh) (calculated as the sum of rows 6, 7 and 11)	30,920.16	29,752.757

Calculation assumptions:

- Annual energy consumption is calculated based on energy supplier invoices.
- The annual consumption of natural gas fuel is accounted for through the supplier's invoices.
- The amount of biomass consumed (in MWh) was determined using FC of 5,000 kWh/ton pellet.
- The consumption of fossil fuel was calculated from the consumption in liters of diesel from road mobile equipment, converted into mass based on the density of the fuel, available at the Directorate-General of Energy and Geology (DGEG). The conversion to energy was performed using a lower calorific value (PCI) of 43.3 MJ/kg, as established in Table 1 of Dispatch 17313/2008, of 26 June, followed by the direct conversion of Megajoule (MJ) to Megawatt-hour (MWh).

In 2025 there was a slight increase (≈ 3.9%) in annual energy consumption compared to 2024. Despite this increase, the non-renewable energy consumption changed from 23,823.979 MWh in 2024 to 16,618.08 MWh in 2025, an approximate reduction of 30.3%. This reduction demonstrates a consistent effort in the transition to more sustainable energy sources, since in 2025 there was an increase in their consumption, which represented 46.3% of the total energy consumption of the year, signaling an important step toward the diversification of the energy mix of Mundotêxtil.

The evolution demonstrated in recent years reveals a positive trajectory toward decarbonization and sustainable energy transition. The increase in the incorporation of renewable sources in 2025 is an important milestone, reinforcing the commitment of Mundotêxtil to responsible environmental practices. Mundotêxtil recognizes the importance of continuing along this path, increasing the participation of clean energy sources and progressively reducing the dependence on fossil energy sources.

ENERGY PRODUCTION	UNIT	2025
Non-renewable energy production	MWh	0.00
Renewable energy production	MWh	6,027.25

Energy intensity per net revenue:

ENERGY INTENSITY PER NET REVENUE	UNITS	2025	% 2025/2024	2024
Total energy consumption from activities in sectors with high climate impact by net activity revenue in sectors with high climate impact	MWh/k€	0.827	-3.84%	0.860

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

GREENHOUSE GASES (GHG), TCO_2EQ	2025 ($t CO_2$ eq)	2024* ($t CO_2$ eq)
Scope 1 gross GHG emissions	2,667.38	3,519.60
Scope 2 gross GHG emissions, based on location	885.41	290.92
Scope 2 gross GHG emissions, based on market	0.00	191.60
Scope 3 gross GHG emissions	30,996.35	9,959.89
Category 1: Purchased goods and services	30,181.23	8,600.00
Category 4: Upstream transportation and distribution	652.24	1,009.54
Category 5: Waste generated in operations	24.93	167.00
Category 6: Business travel	2.20	131.76
Category 7: Employee commuting	135.75	51.59
Total gross GHG emissions (based on location)	34,549.13	13,770.41
Total gross GHG emissions (market-based)	33,663.73	13,671.09

* After the calculation of 2025 carbon footprint and comparison with 2024, a very significant variation in values was noted that promoted the review of the methodology used in 2024. After a technical analysis, it was found that the inventory of 2024 contained methodological inconsistencies that prevented a direct comparison. To ensure the integrity of the data and the comparability between the periods, the 2024 values were reviewed and recalculated, ensuring that the annual reporting accurately reflects the evolution of the environmental performance of Mundotêxtil.

Calculation assumptions:

Scope 1 Emissions

Scope 1 emissions from Mundotêxtil's operations include fossil fuel combustion by the vehicle fleet, natural gas and biomass combustion, and fugitive emissions of fluorinated gases.

The main sources of information and emission factors used for each energy vector are: tools provided by GHG Protocol - Greenhouse Gases, NID - National Inventory Document 2025 Portugal; and APA – Portuguese Environment Agency – Fluorinated gas database.

The reported GHG emissions were calculated based on the data reported in ESRS E1-5. For emissions associated with leaks of fluorinated gases, they were calculated considering the quantity of gas purchased for recharging existing equipment.

Scope 2 Emissions

Mundotêxtil calculated location-based and market-based Scope 2 emissions, and the applied emission factors are public and are available in the following sources: Electricity Emission Factor – 2025 APA; and information provided by Galp Power (https://www.galp.com/pt/pt/empresas/eletricidade-e-gas/Apoio-ao-Cliente/Centro-de-Informacao/Eletricidade-e-Gas-Natural-da-Galp).

Scope 3 emissions

For indirect emissions calculation, the organization identified significant categories of scope 3 based on preliminary and sectoral analyses, which suggest that Category 1 - Purchased goods and services and Category 4 Transport and distribution upstream are the most significant for its activity. 2024 was the first year in which indirect emissions from the company's activities were inventoried.

For the calculation of category 1, estimated emissions were considered, associated with the acquisition of goods, from the origin of raw materials necessary for their production, using the SimaPro calculation tool database and considering materials by categories of priority, relevant and measurable by weight. The considered emission factors were global and the emissions associated with acquired services are not included.

Under category 4, the emission factors were extracted from the Greenhouse Gas (GHGs) Protocol database. For road transport, a heavy goods vehicle (medium truck) powered by diesel was adopted as a parameter, while for maritime transport, the reference of a medium-sized container ship carrier was used.

The emissions related to the Category 5 were estimated from the information collected from the e-GARs, grouped by LER code, by weight, of the waste generated by Mundotêxtil throughout the year 2025. The emission factors applied were based on the Ecoinvent v3.10 database of the SimaPro calculation tool and on the emission factors provided by DEFRA (Department for Environment, Food and Rural Affairs).

To estimate emissions in category 6, all information related to international air travel was collected by applying the mobile combustion emission factor - public available from the GHG Protocol.

Category 7 emissions were calculated based on the majority transport of workers carried out by private or through public transport, obtaining the distances traveled through a questionnaire. The main sources of information and emission factors used for each energy vector were: tools provided by GHG Protocol – Greenhouse Gases and NID – National Inventory Document 2025 Portugal.

SCOPE 1, 2 AND 3 GHG EMISSIONS INTENSITY	2025	2024
Location-based GHG emissions intensity ($tCO_2eq/K€$)	0.925	0.398
Market-based GHG emissions intensity ($tCO_2eq/K€$)	0.901	0.395
Net revenue to calculate GHG intensity (k€)	37,362.76	34,594.10
Net revenue not used to calculate the GHG intensity (k€)	0	0
Total net revenue (in the financial statements) (k€)	37,362.76	34,594.10

Methodological notes:

All Mundotêxtil activities were identified as a sector with high climate impact, and are considered to be the NACE Code C13 - *Manufacture of textiles.*

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

Mundotêxtil does not finance or develop projects to remove greenhouse gases (GHG) through the acquisition of carbon credits; thus it does not use carbon credits for offsetting its emissions nor for the fulfillment of climate targets. The company's climate strategy is based primarily on the direct reduction of emissions in its operations and value chain.

E1-8 Internal carbon pricing

As in the previous year, Mundotêxtil does not currently use internal carbon pricing schemes.

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

According to the European Commission's Appendix C of ESRS 1 and the European Commission's Delegated Regulation (EU) 2025/1416, Mundotêxtil chose not to disclose information on the financial effects foreseen for the impacts, risks and opportunities associated with climate change.



ESRS E3 - Water and Marine Resources

E3 IRO-1 Material impacts, risks and opportunities and their interaction with strategy and business model.

Water remains an essential natural resource for the functioning of Mundotêxtil, particularly in dyeing and finishing processes. Recognizing the critical importance of the preservation of water and aquatic ecosystems, Mundotêxtil maintains the sustainable management of water resources as a strategic pillar of its environmental policy.

The theme of water and marine resources remains a priority in European policies, having an essential role in environmental resilience and mitigation of emissions that intensify climate change. Thus, the commitment of Mundotêxtil contributes to the implementation of the European Strategy for Carbon Neutrality up to 2050, through the promotion of efficient use of water and the protection of aquatic ecosystems.

Mundotêxtil operations depend on the capture of water from public water supplies and groundwater sources in the region where the company operates. This resource is used mainly in the dyeing and finishing processes as well as in the industrial cooling systems. After its use, all wastewater is treated at Mundotêxtil's own wastewater treatment plant (WWTP), ensuring compliance with all legal requirements before it is returned to the environment.

In 2025, no new materiality analysis was conducted. Therefore, Mundotêxtil maintained the evaluation conducted in 2024 according to the process described in section IRO-1 of the ESRS 2.

ENVIRONMENT	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
ESRS E3 WATER AND MARINE RESOURCES					
WATER CONSUMPTION AND ABSTRACTION					
Intensive water consumption from catchments.	I	-	r	OP	--
Reuse rainwater for use in the production process.	I	+	r	OP	--
Cotton production requires a high water consumption.	I	-	r	UVC	--

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.

No material risks or opportunities were identified.

To assess the exposure of its operations to water scarcity situations, Mundotêxtil has again turned to the Water Risk Atlas (AQUEDUCT). The results confirm that it is located in an area classified as having high water stress (40–80%), as illustrated in the following image.



Source:
https://www.wri.org/applications/aqueduct/water-risk-atlas/#/?advanced=false&basemap=hydro&indicator=bws_cat&lat=41.328615397472284&lng=-8.650360107421877&mapMode=view&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&timeScale=annual&year=baseline&zoom=11
accessed on 13 February 2026.

E3-1 Policies related to water and marine resources

Mundotêxtil is certified by ISO 14001 and the maintenance of this certification demonstrates the company's commitment to environmental protection, including the reduction of water consumption and the safe return of this resource to the water environment through its wastewater treatment plant (WWTP).

The Integrated Management System Policy establishes a set of commitments oriented toward the efficient and conscious use of resources, promoting the optimization of consumption and the prevention, elimination or minimization of environmental impacts. This Policy also identifies the main areas of environmental concern, allowing efforts to be concentrated on reducing waste production and water and energy consumption.

The scope of this Policy covers all the operations of Mundotêxtil, with its implementation being ensured by the Board of Directors and the Integrated Management System Manager.

To ensure responsible water use, Mundotêxtil has mechanisms and monitoring procedures in place. The installation of flowmeters in production equipment from the most relevant sectors, such as dyeing plants, is highlighted, as well as the monthly monitoring of consumption, analyzed in relation to the quantity of terry fabric produced.

Mundotêxtil water management practices are based on the following principles:

- Reduction of consumption: investment in dyeing technologies with lower water consumption, implementation of recirculation systems and continuous optimization of internal processes.
- Treatment and reuse: operation of a wastewater treatment plant that allows treated water to be returned to the environment and reuse part of this water in the cooling of machines.
- Conformity and continuous improvement: regular monitoring of water quality and implementation of improvements resulting from environmental audits, whenever applicable.
- Response to leaks: any water leaks are recorded in the corrective and remedial maintenance software and immediately corrected.

In 2025, there was no record of any anomaly/non-compliance related to the use of water.

E3-2 Actions and resources related to water and marine resources

The following table presents the actions that Mundotêxtil has planned.

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS
Reuse of treated water *in-situ*	Planned	Own operations	2035	Reuse 50% of the water treated at the wastewater treatment plant in our production process.

In 2025, a set of actions were also maintained, highlighting:

Rainwater harvesting from building roofs:

The system enables direct use of rainwater in more than 1/3 of the operating volume during winter, allowing us to reduce the use of chemical products and enhance overall energy efficiency of the production cycle.

Continuous optimization of dyeing processes for reduced water consumption:

We have been implementing systematic changes in dyeing processes with the aim of reducing environmental impact and increasing operational efficiency.

Environmental certification:

Mundotêxtil operates an Environmental Management System certified to ISO 14001 standard, which contributes to strengthening the concept of sustainability already integrated in the Mundotêxtil strategy.

E3-3 Targets related to water and marine resources

To respond to our strategic map, under the pillar "Trust and Credibility", Mundotêxtil assumes as its strategic objective the commitment to carbon neutrality and the minimization of environmental impact. In this context, the reduction of water consumption is one of the key indicators for monitoring the environmental performance of the company.

			PERFORMANCE				
DESCRIPTION	METRIC	REFERENCE VALUE 2021	2025	2024	VARIATION (%2025 /2024)	2025 TARGET	2030 TARGET
Reduce water consumption	Industrial water consumed/ Amount of terry produced	112.5 L/kg	81.6 L/kg	79.4 L/kg	2.8%	≤ 88	≤ 75
	Treated effluent/ Quantity of terry produced	98.7 L/kg	75.0 L/kg	75.3 L/kg	- 0.4%	≤ 80	≤ 75

Calculation assumptions:

- Terry fabric output from the terry dyeing facility is considered as the quantity of terry fabric produced. Specific industrial water consumption is calculated using meter readings from the Vizela River and Ribeiro de Sá abstraction points, while specific treated effluent production is calculated using discharge meter readings for the Vizela River and TRATAVE.
- The amount of industrial water consumed is accounted for through invoices from water suppliers, and the amount of terry produced is accounted for by data extracted from our ERP.
- The amount of treated effluents is counted by counting the discharge counters in the watercourse (Vizela River) and at the municipal collector (TRATAVE).

E3-4 Water consumption

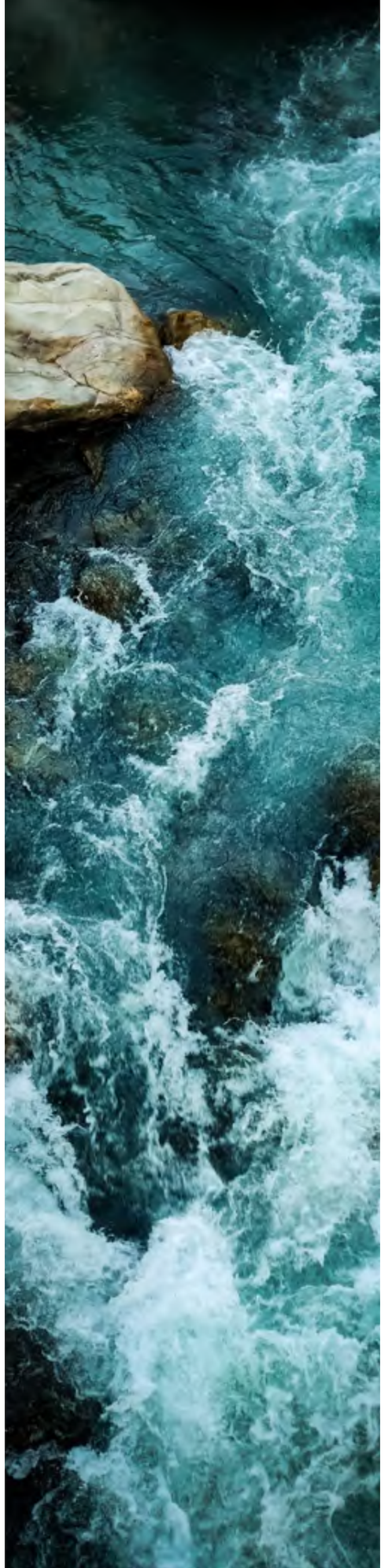
The main performance indicators related to water management are presented below.

	UNIT	2025	2024
Total water consumption	m^3	279,186	257,124
Total water consumption in areas of water stress	m^3	279,186	257,124
Total amount of recycled/reused water	m^3	60,067	46,197
Total of water stored	m^3	3,200	3,200
Changes in water storage	m^3	-	-
Water intensity	m^3/€M	7,472.3	7,432.6

Calculation assumptions:

- Total water consumption is calculated using readings from the water intake meters (Vizela River and Ribeiro de Sá).
- Total water consumption in areas of water stress is calculated using meter readings from water intakes (Vizela River and Ribeiro de Sá).
- The total amount of recycled/reused water is calculated according to the water meter used for cooling.
- The total amount of water stored is calculated based on the volume of the tanks.
- Water intensity is calculated based on total water consumption in m^3 per million euros of net revenue.

In 2025, Mundotêxtil remained in compliance with the legislation in force, without any record of infringements, non-compliance processes or associated fines.



E3-5 Anticipated financial effects of risks and opportunities related to water resources and marine resources

No material risks or opportunities related to water and marine resources were identified.



ESRS E4 - Biodiversity and Ecosystems

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

The production of cotton used in Mundotêxtil's terry products generates a material upstream impact, placing pressure on biodiversity through a combination of intensive chemical use, high water consumption and the conversion of natural habitats into monocultures. Given that this impact is located exclusively in the value chain and not in its own operations, the company does not have a formal transition plan. However, we mitigate these risks through an active strategy of substitution and awareness, namely:

- Promotion of sustainable fibers: We encourage our customers and partners to adopt certified raw materials (GOTS, BCI, GRS) or alternatives (bamboo, hemp, etc.). These certifications guarantee agricultural practices that regenerate the health of the soil, protect water resources and eliminate the use of synthetic pesticides, reducing the indirect footprint of our activity.

- Transparency and dialogue: We maintain open channels with suppliers and external entities to align environmental expectations and increase fiber traceability, promoting fairer and more responsible social practices at the source.

However, despite these efforts, Mundotêxtil has not yet defined formal transition targets, given that these largely depend on the decisions of customers and not only our offer. Nevertheless, the company is committed to continuing to promote sustainable fiber acquisition practices, to strengthen traceability and to encourage suppliers and customers to align their actions with the global and European objectives in this matter.

E4 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The production of cotton, the main raw material for our products, is associated with relevant environmental impacts, especially intensive water consumption and soil degradation, which occurs mostly upstream in the value chain, in regions with less environmental regulation.

Although these impacts are not the result of Mundotêxtil's own operations, they were considered as material in the analysis of double materiality, however Mundotêxtil does not yet have sufficiently detailed data to present quantitative indicators, but recognizes the importance of this theme and maintains its commitment:

- Strengthen traceability of the supply chain;
- Incorporate more robust environmental criteria in the selection and monitoring of suppliers.

In 2025, Portugal was the country from which we purchased the largest share of yarn (44%), followed by Turkey (19%) and Pakistan (18%). In 2026, we will strengthen our actions to identify the origin of the purchased yarn.



E4 IRO-1 Description of the processes for identifying and evaluating the material impacts, risks and opportunities related to biodiversity and ecosystems

Under the double materiality approach (as per ESRS 2, IRO-1), Mundotêxtil involved internal and external stakeholders to identify and map their IROs. This process confirmed the central importance of the topic "land, freshwater and sea-use change", which is directly related to our main raw material.

ENVIRONMENT	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
ESRS E4 BIODIVERSITY AND ECOSYSTEMS					
IMPACTS ON THE EXTENT AND CONDITION OF ECOSYSTEMS					
Intensive cotton production.	**I**	**-**	**r**	**UVC**	**--**

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.

Although the analysis has not evidenced immediate financial risks or material opportunities, the identified environmental impacts are real and persistent in all time horizons (short, medium, and long term). Consequently, this theme is a pillar of our procurement strategy, guiding us in the selection of certified suppliers and investment in fibers with less impact, such as organic and recycled cotton, ensuring a preventive and resilient approach.

It should be noted that the company's own operations are not located in or near biodiversity-sensitive areas.

E4-2 Policies related to biodiversity and ecosystems

Mundotêxtil is certified by ISO 14001, which reinforces its commitment to environmental management and ecosystem protection. This certification guides Mundotêxtil toward the efficient use of natural resources and the prevention or reduction of environmental impacts, as defined in the Integrated Management System Policy, applicable to own operations and under the responsibility of the Board of Directors and the Integrated Management System Manager.

Although Mundotêxtil does not currently have a specific policy dedicated to biodiversity, this topic will be further strengthened as part of the revision of the Integrated Management System Policy planned for 2026 and is already integrated into Mundotêxtil's environmental practices. Whenever possible, purchases are made from certified suppliers, ensuring access to more sustainable raw materials, such as organic, Better Cotton (BCI) or recycled cotton.

Mundotêxtil recognizes the importance of addressing impacts occurring upstream in the value chain and is reinforcing supplier awareness of the protection of biodiversity, notably through review of the declaration of commitment. The use of certified cotton depends, however, on customers' preferences and requirements for selected materials.

E4-3 Actions and resources related to biodiversity and ecosystems

The table below shows the actions taken and planned in relation to this topic.

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS
Identify and engage suppliers that provide transparency regarding the location where cotton is grown.	Planned	Upstream	2026	Mundotêxtil aims to promote the demand and awareness of suppliers that are transparent about the cotton cultivation site used in their products. This action is aimed at improving the traceability of raw materials, strengthening the management of environmental and reputational risks, as well as encouraging more sustainable practices in the value chain. With this initiative, Mundotêxtil reinforces its commitment to transparency, the protection of natural resources, and continuous improvement in sustainability, aligning with the expectations of its customers and other stakeholders. The implementation of this action will begin with the review of the declaration of commitment.
Review of the Integrated Management System Policy and Supplier Declarations of Commitment	Planned	Own operations	2026	During 2026, an evaluation of the Policy of Integrated Management System and Supplier Declaration Statements will be carried out, with the objective of reinforcing the explicit integration of the principles of biodiversity, habitats and ecosystems, still not very evident in the current version.

E4-4 Targets related to biodiversity and ecosystems

Currently, the origin of cotton used by Mundotêxtil is determined mainly by the preferences and requirements of customers, and consequently by the demands of end consumers. For this reason, the company does not set specific targets in this regard.

Even so, Mundotêxtil recognizes the importance of this theme and maintains continuous monitoring of initiatives that promote greater transparency and sustainability in the value chain. In this context, the company seeks to support and align its practices with the expectations and commitments of its partners.

E4-5 Impact metrics related to biodiversity and ecosystems change

Mundotêxtil monitors a set of metrics associated with the acquisition of cotton from more sustainable sources, demonstrating its continuous commitment to responsible purchasing practices and transparency in communication with its stakeholders.

			PERFORMANCE				
DESCRIPTION	METRIC	REFERENCE VALUE 2024	2025	2024	VARIATION (%2025 /2024)	2025 TARGET	2030 TARGET
Sustainable purchasing	Percentage of certified cotton purchased (GOTS, OCS, GRS and BCI)	-	16.1%	20.9%	- 23.0%	*	*
Certified suppliers according to environmental standard	Percentage of yarn suppliers certified to ISO 14001	-	7%	15%	- 53.3%	*	*
Certified yarn purchases	Percentage of purchased GOTS-certified yarn	-	9.6%	11.7%	- 18.0%	*	*
	Percentage of purchased OCS-certified yarn	-	0.9%	0.5%	80.0%	*	*
	Percentage of purchased GRS-certified yarn	-	0.1%	1.2%	- 91.7%	*	*
	Percentage of purchased BCI-certified yarn	-	5.5%	7.5%	- 26.7%	*	*

* Although Mundotêxtil is committed to promoting more sustainable raw materials such as certified cotton, the definition of specific quantitative targets is conditioned by market evolution and customer acceptance of these alternatives. In this context, we have chosen not to establish a formal target at this stage but to maintain our commitment to increase traceability and the proportion of sustainable cotton used, while following market trends and encouraging our commercial partners to adopt more responsible practices.

The fields filled in with hyphens (-) correspond to information that was not available for reporting at the time of drafting this document.

We observed a reduction in the volume of sustainable purchases justified primarily by a decline in market demand. Despite maintaining our capacity and supply of sustainable products, the actual consumption of these fibers was conditioned by the options and orders of our customers during the last period.

E4-6 Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities

No material risks or opportunities related to biodiversity and ecosystems were identified.





ESRS E5 - Resource Use and Circular Economy

E5 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

As already mentioned under General Disclosures, IRO-1, and in accordance with the principle of proportionality set out in the ESRS, Mundotêxtil considered appropriate to maintain the evaluation of the existing materiality, ensuring consistency and comparability of the reported information.

Mundotêxtil considers resource efficiency and the promotion of circular practices to be fundamental strategic pillars in our sector, directly influencing economic activity, value chain resilience and opportunities for sustainable development.

Regarding the E5 topic of ESRS - Resource utilization and circular economy, we considered the following positive impacts: incorporation of recycled materials, development of circular products, and reuse of waste.

ENVIRONMENT	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY					
RESOURCE INFLOWS					
Incorporation of recycled materials.	I	+	p	OP	--
RESOURCE OUTFLOWS					
Development and production of products that include recycled materials.	I	+	p	OP | DVC	--
WASTE					
Reuse of the waste generated.	I	+	r	OP	--

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.

No material risks or opportunities were identified.

E5-1 Policies related to resource use and circular economy

Mundotêxtil is certified by ISO 14001, reinforcing its commitment to environmental management, notably in waste reduction, efficient use of resources and minimization of the impacts of its operations. The Policy of the Integrated Management System guides these practices, applying to all own operations and being implemented by the Board of Directors and the Integrated Management System Manager.

During 2026, an evaluation of this Policy will be carried out with the objective of reinforcing the explicit integration of the principles of resource efficiency and circular economy, still not very evident in the current version.

Mundotêxtil is also governed by the ISO 9001 and ISO 56001 certifications, reflected in the commitments required of its suppliers. From 2023, all suppliers (including accessories, packaging, yarn, maintenance, chemicals, subcontractors and transporters) receive a commitment declaration with environmental and social requirements applicable to the products and services provided. It is also intended to review this document in 2026.

E5-2 Actions and resources related to resource use and circular economy

In 2025, Mundotêxtil implemented specific actions to optimize raw material consumption and reduce waste throughout the production cycle, namely:

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS
Optimization of the waste management system through reorganization and expansion of the network of waste parks (+3), supplemented by an integral review of the disposal points. This action included standardisation of signage, ensuring clear identification of waste flows, their origin and respective LER codes.	Adopted	Own operations	2025	Improved waste segregation and recovery, contributing to the increase of recycling rate.
Implementation of specific measures for the management and valorization of textile waste, with special emphasis on the “textile waste” flow.	Adopted	Own operations	2025	This action introduced operational segregation between waste generated by the garment-making and weaving processes, as well as the reclassification of textile offcuts, which are now treated as by-products/ recoverable items and are no longer considered waste.
Review of the Integrated Management System Policy and Supplier Declarations of Commitment	Planned	Own operations	2026	During 2026, an evaluation of the Policy of the Integrated Management System and Supplier Declaration of Commitment will be carried out with the objective of reinforcing the explicit integration of the principles of efficient resource use and circular economy, still not very evident in the current version.

A set of actions has also been in place since 2022, as described below.

Reduction of dyed yarn stock (0.2% lower than in 2024):

Reduction of waste by disuse and improvement of inventory management. Analyzing the stock held for more than a year, in 2025 there was a reduction of around 9%.

Reduction in first-piece cutting for ongoing product lines:

This action aims to reduce waste of raw material and increase productive efficiency. In 2025 it was not possible to monitor this indicator. However, an action has been implemented to ensure its accounting from 2026 onwards, allowing for the presentation of concrete data in the next report.

Awareness-raising and internal training on circular economy:

This action aims to increase the environmental awareness of workers and improve adherence to sustainable practices. In 2025, two training sessions were held on this topic, totaling 5.5 hours and involving two workers.

E5-3 Targets related to resource use and circular economy

Mundotêxtil has defined targets aligned with its sustainability strategy and the principles of the circular economy, aimed at improving resource efficiency and reducing environmental impacts. These targets apply to its own operations, and progress is monitored and reported annually in the Sustainability Report

			PERFORMANCE				
DESCRIPTION	METRIC	REFERENCE VALUE 2024	2025	2024	VARIATION (%2025 /2024)	2025 TARGET	2030 TARGET
Reduce specific textile waste production	(Quantity of textile waste generated/ Quantity of terry fabric produced)	0.04	0.05	0.04	25.0%	≤ 0.04	≤ 0.04
	(kg of recovered waste/ quantity of terry fabric produced)	0.15	0.12	0.15	- 20.0%	> 0.15	> 0.15
Monitor the quantity of paper, cardboard and plastic waste	(Quantity of paper and cardboard waste generated/ Quantity of terry fabric produced)	0.06	0.05	0.06	- 16.7%	< 0.05 (1)	< 0.05 (1)
	(Quantity of plastic waste generated/ Quantity of terry fabric produced)	0.009	0.009	0.009	0.0%	< 0.009	< 0.009
Sustainable purchasing	Percentage of certified cotton purchased (GOTS, OCS, GRS and BCI)	-	16.1%	20.9%	- 23.0%	*	*
Suppliers certified to an environmental standard	Percentage of yarn suppliers certified to ISO 14001	-	7%	15%	- 53.3%	*	*

DESCRIPTION	METRIC	REFERENCE VALUE 2024	PERFORMANCE 2025	PERFORMANCE 2024	VARIATION (%2025 /2024)	2025 TARGET	2030 TARGET
Certified yarn purchases	Percentage of purchased GOTS-certified yarn	-	9.6%	11.7%	- 18.0%	*	*
	Percentage of purchased OCS-certified yarn	-	0.9%	0.5%	80.0%	*	*
	Percentage of purchased GRS-certified yarn	-	0.1%	1.2%	- 91.7%	*	*
	Percentage of purchased BCI-certified yarn	-	5.5%	7.5%	- 26.7%	*	*
Development of sustainable products (with reduced environmental footprint)	Number of sustainable products developed	-	0	2	- 100.0%	*	*
Share of sales from sustainable fibers	Percentage of sales related to sustainable products (hemp, flax, recycled fibers, naia, etc.)	-	7.8%	12.7%	- 38.6%	*	*

(1) The generation of cardboard and plastic waste is an environmental aspect that Mundotêxtil can influence but does not control, as it is primarily associated with the raw materials consumed.

* Mundotêxtil promotes the use of more sustainable raw materials, such as certified cotton, but does not set formal quantitative targets due to market developments and customer uptake. Nevertheless, it remains committed to gradually increasing traceability and the proportion of sustainable cotton used.

The fields filled in with hyphens (-) correspond to information that was not available for reporting at the time of drafting this document.

As we did not meet the targets set for 2025 and given the short monitoring period, we decided to redefine them for 2030.

E5-4 Resource inflows

According to the materiality analysis carried out, Mundotêxtil's main inputs are: fibers, cardboard and plastic.

		2025 t	2025 %	2024 t	2024 %
Total global weight of products and technical and biological materials used during the reporting period.		4,049.9	100%	4,119.1	100%
Biological raw materials	Cotton	3,651.0	90.15%	3,497.7	84.91%
	Man-made cellulosic fibers (viscose, modal, lyocell, etc.)	35.2	0.87%	105.2	2.55%
	Bamboo	38.5	0.95%	56.1	1.36%
	Others (1)	2.8	0.07%	14.5	0.35%
Technical raw materials	Polyester	1.5	0.04%	66.7	1.62%
	Others (2)	320.9	7.92%	379.0	9.2%
Percentage of biological materials (and biofuels used for non-energy purposes) utilized in the production and services of the company		580.3	16.0%	690.6	19.7%
GOTS		350.4	9.6%	412.1	11.7%
OCS		31.3	0.9%	16.2	0.5%
BCI		198.6	5.5%	262.3	7.5%
Absolute weight of reused or recycled secondary components, intermediate products or secondary materials used to manufacture the company's products and services		4.8	0.1%	41.9	1.2%
GRS		4.8	0.1%	41.9	1.2%

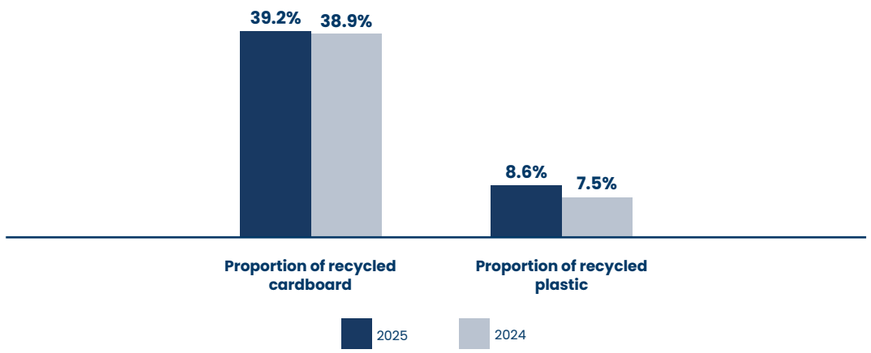
The category of biological raw materials, other (1), includes fibers such as flax, hemp, among others, while the category of technical raw materials, other (2), covers materials such as PVA and lurex. The division into biological and technical was adjusted for this report in accordance with the ESRS.

Calculation assumptions:

- These data were extracted from the purchasing module of the Multi ERP system, based on information entered by the Purchasing Department from invoices received.

In 2025, 0.2% of yarn purchases consisted of recycled yarn.

In 2025, 39.2% of cardboard purchases contained recycled material, representing an increase of approximately 0.7% compared with 2024 and demonstrating stronger sustainable purchasing and circular economy practices. For plastic, 8.6% of purchases contained recycled material, an increase of approximately 14% compared with 2024, reflecting the continued commitment to lower-impact solutions.



The recycled origin of the cardboard and plastic purchased is supported by certificates provided by suppliers.

E5-5 Resource outflows

Mundotêxtil adopts a proactive approach to the circular economy, incorporating sustainable practices into its collections. Products are designed for greater durability and recyclability and to incorporate more responsible raw materials, including recycled fibers.

Mundotêxtil maximizes material recirculation by sending textile waste for recycling and promoting appropriate segregation through internal training and good reuse practices.

Waste

In 2025, the amount of waste generated by Mundotêxtil recorded a reduction of around 14% compared to 2024.

	UNIT	2025	2024
Total amount of waste generated	kg	413,548.15	480,965.2

The following tables present the hazardous waste (HW) and non-hazardous waste (NHW) classified, detailing the types of recovery operations and their respective treatments.

Total weight of waste diverted from disposal, broken down between hazardous and non-hazardous waste and by the following recovery operations.

RECOVERY	UNIT	HW 2025	NHW 2025	HW 2024	NHW 2024
Preparation for reuse	kg	0.0	0.0	0.0	0.0
Recycling		0.0	368,971.0	35.5	430,149.0
Other recovery operations		0.0	0.0	0.0	0.0
Total		0.0	368,971.0	35.5	430,149.0

Quantity destined for disposal by type of waste treatment and the total quantity that groups the three types, with a distribution between hazardous and non-hazardous waste.

DISPOSAL	UNIT	HW 2025	NHW 2025	HW 2024	NHW 2024
Incineration	kg	0.0	0.0	0.0	0.0
Landfill		15.9	44,561.2	19.5	50,761.2
Other disposal operations		0.0	0.0	0.0	0.0
Total		15.9	44,561.2	19.5	50,761.2

	UNIT	2025	2024
Total quantity of non-recycled waste	kg	44,577.1	50,780.7
Percentage of non-recycled waste	%	10.8%	10.6%

In 2025, the total non-recycled waste was 44,577.1 kg, corresponding to 10.8% of the total.

The main categories of waste include textile waste, paper/cardboard, plastic and wooden pallets.

All generated waste is weighed, recorded and monitored through Electronic Waste Tracking Documents (e-GARs) and the Integrated Waste Registration Report (MIRR), ensuring traceability and legal compliance.

In terms of products, the average recycled fibers incorporated into a towel is approximately 20%, considering customer demand for more sustainable solutions.

Calculation assumptions:

- All waste generated in Mundotêxtil's operations is weighed and recorded systematically. All waste flows are monitored and documented using Electronic Waste Tracking Documents (e-GARs) and the Integrated Waste Registration Report (MIRR), ensuring traceability and compliance with applicable legislation.

E5-6 Anticipated financial effects from material resource use and circular economy-related risks and opportunities.

No material risks or opportunities related to resource use and the circular economy were identified.

03

Social
Information



Social
Information

ESRS S1 - Own Workforce

In this section, we address the working conditions of Mundotêxtil's workers and reaffirm our commitment to ensuring equal treatment and opportunities for all.

S1 SBM-2 Interests and views of stakeholders

Mundotêxtil recognizes that its workers are a fundamental group of stakeholders, their well-being, engagement and satisfaction being the determining factors for the company's success and long-term sustainability. In this context, the interests and perspectives of workers are considered through a set of practices and participation mechanisms, both formal and informal, including:

- Employment contracts, which establish reciprocal rights, duties and guarantees;
- Annual questionnaires to gather information on organizational climate and levels of worker engagement;
- Regular team meetings, which encourage direct dialogue and alignment of objectives;
- Internal communication channels, such as information boards and e-mail;
- Whistleblowing mechanisms, which ensure anonymity and protection against any form of retaliation;
- Performance evaluation processes, which promote alignment and everyone's contribution to the company's objectives.

These practices have a direct impact on Mundotêxtil's strategy and business model, contributing to talent retention, increased productivity, greater innovation, and a stronger corporate reputation.

S1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Our material IROs (Impacts, Risks and Opportunities) address a set of sustainability matters related to the company's own workforce which, if not properly managed, may give rise to risks for the company, including increased employee turnover, disengagement and loss of productivity. Among these issues are safe and healthy working conditions, equal opportunities, development of competencies, work-life balance and respect for human rights in the workplace, according to the principles of the Universal Declaration of Human Rights, adopted by the United Nations.

When effectively managed, these matters help strengthen talent retention, increase engagement, and promote a positive organizational culture, contributing to Mundotêxtil's competitiveness.

By considering these matters in its sustainability strategy and in the way it conducts its business, Mundotêxtil ensures that workforce management contributes to creating long-term value for both the company and its workers.

SOCIAL	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
ESRS S1 OWN WORKFORCE					
WORKING CONDITIONS					
Health and safety Ensure safety and health conditions.	I	+	r	OP	--
- Secure employment Employment stability and security.	I	+	r	OP	--
- Adequate wages Adequate wages for all workers.	I	+	r	OP	--
- Work-life balance Assignment of social benefits.	I	+	r	OP	--
EQUALITY OF TREATMENT AND OPPORTUNITY FOR ALL					
- Training and skills development Investment in workers' training and skills development	I	+	r	OP	--
- Promotion of gender equality and equal remuneration for work of equal value.	I	+	r	OP	--

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.

No material risks or opportunities were identified.

As of December 31, 2025, Mundotêxtil had a total of 479 employees, of whom 468 had permanent contracts and 11 had fixed-term contracts. Mundotêxtil also hosted one professional intern and one academic intern.

The activities developed by Mundotêxtil in this context generate significant positive impacts for the workers and for the company, namely:

- Cost Reduction: The use of own labor reduces the cost of temporary workers, increasing efficiency;
- Rapidity and flexibility: internal teams adapt quickly to changes and facilitate the implementation of improvements;
- Strengthening organizational culture: identification with the company increases commitment and productivity, as reflected in an average length of service of 23 years;
- Involvement and motivation: the perception of belonging reinforces interest in collective success;
- Local job creation: direct hiring contributes to the local economy, with 71% of workers residing in Vizela.

We comply with European and national legislation to ensure that there are no activities or operations involving child, forced or compulsory labor.



S1-1 Policies related to own workforce

Currently, Mundotêxtil has the following policies:

POLICY	MAIN CONTENTS	SCOPE OF THE POLICY	RESPONSIBLE FOR IMPLEMENTATION	AVAILABILITY
Integrated Management System Policy	Includes Mundotêxtil's commitment to quality, innovation, the environment, safety and health at work, ethics and social responsibility.	Own operations	Board of Directors Integrated Management System Manager	Company website Informative posters at the company Shared folder "Knowledge Management" Onboarding Manual
Code of Ethics and Business Conduct	It establishes guidelines of an ethical business nature that must be followed by the Board of Directors, workers and all those who carry out activities on behalf of Mundotêxtil, during the performance of their respective functions.	Own operations	Board of Directors Head of the Human Resources Department	Company website Informative posters at the company Shared folder "Knowledge Management" Onboarding Manual
Social Commitment Criteria	Formalize commitments to promote ethical and responsible labor practices, including respect for freedom of association, the prohibition of child and forced labor, non-discrimination, and compliance with legislation on working hours and remuneration.	Global	Board of Directors Head of the Human Resources Department	Company website Informative posters at the company Shared folder "Knowledge Management"
Human Rights	Formalizes a set of principles enshrined in the Universal Declaration of Human Rights, adopted by the United Nations, which sets out fundamental human rights.	Own operations	Board of Directors Head of the Human Resources Department	Company website Informative posters at the company Shared folder "Knowledge Management"
Internal Safety Instructions Manual	Describe general safety procedures to ensure a safe and healthy work environment.	Own operations	Board of Directors Integrated Management System Manager	Shared folder "Knowledge Management"
Anti-Corruption Policy	Mundotêxtil reinforces its commitment to maintaining standards of integrity and ethics in the conduct of its business by establishing anti-corruption guidelines.	Global	Board of Directors Head of the Human Resources Department	Company website Informative posters at the company Shared folder "Knowledge Management"
Social Responsibility Policy	Commitment to the principles of sustainable management, conducting its activities in a manner that contributes to the economic and social progress of the community in which it operates.	Global	Board of Directors Head of the Human Resources Department	Company website Informative posters at the company Shared folder "Knowledge Management"
Onboarding Manual	Establishes guidelines for new employees in the company through a set of information about the company, its history, objectives, rights and duties of its employees, and a set of rules that define the norms of coexistence within the company.	Own operations	Board of Directors Head of the Human Resources Department	Provided to employees upon hiring Shared folder "Knowledge Management"

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

Mundotêxtil ensures the systematic participation of its workers through formal communication and consultation mechanisms designed to gather expectations, identify concerns and integrate relevant input into the definition and monitoring of its impacts. These mechanisms guarantee transparency, accessibility, and alignment with best ESG governance and management practices.

In addition to the involvement channels mentioned in the general disclosures, SBM-2 also uses:

- Worker Portal (PPL): A platform where workers can consult agreements, update personal data and access documents such as payslips and tax statements.
- Suggestion boxes: A mechanism that allows workers and service providers to communicate suggestions clearly and objectively. Suggestions and comments can be deposited in the physical boxes existing at the facilities or sent by email to sugestoes@mundotextil.pt. Upon receipt, the Human Resources Department analyses the suggestion or comment, responds to the worker and triggers improvement actions, if applicable.

The team includes Ukrainian workers and, to ensure full integration and understanding of the information, all admission documents have been translated and all relevant communications are explained individually and, where necessary, are translated.

There is no representative of Mundotêxtil's workers, so the dialogue is conducted directly with all workers, and it is conducted as needed. The HR Manager is responsible for ensuring that this dialogue takes place.

The effectiveness of the dialogue is ensured through the workers' satisfaction questionnaire.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

Mundotêxtil has formal complaint and reporting mechanisms that allow workers to express concerns, present needs and share suggestions. These instruments are integrated into a structured system for managing potential incidents, ensuring the implementation of appropriate corrective and compensatory measures whenever applicable.

The white suggestion boxes located throughout the premises constitute the main means of receiving suggestions, reports, claims and requests for clarification. They are available continuously to all workers and ensure the confidentiality of the sender, offering a discreet, safe and accessible channel to communicate ideas or concerns related to the working environment.

The receipt and processing of suggestions follow a structured internal procedure, which includes:

- The weekly verification of the physical box and the email dedicated to this purpose;
- The record of all suggestions by the Human Resources Department, in a separate internal document;
- The referral to the competent department.

Each suggestion is analyzed and addressed; whenever the matter involves greater sensitivity, it is presented to the Board of Directors within a maximum period of five working days, accompanied by a status update and the measures proposed by the responsible technical department. All generated documentation is recorded and archived, allowing for the creation of a historical record and statistical analysis on the number, typology and treatment of suggestions.

Mundotêxtil's whistleblowing channel, established in accordance with Law No. 93/2021, is available on the company's website and is also publicized on internal notice boards and in the onboarding manual provided to new employees. The platform allows anonymous reports to be submitted.

Reports are received by the HR Manager, who processes them and, when necessary, consults the legal department of the group. Receipt is acknowledged within a maximum period of five working days, and then internal procedures are activated,

which include investigation, cessation of the unlawful practice and, where applicable, communication to competent authorities.

The whistleblower receives a response within the maximum time of two months, with substantiated information on the measures adopted, and may request the final result within fifteen days after the completion of the analysis. All complaints are recorded and documented, ensuring impartiality, and information is preserved for a minimum period of two years or for as long as necessary for the conduct of any administrative or judicial proceedings. Whistleblowers are protected against any form of retaliation and, if retaliation is established, are entitled to compensation for the damage suffered.

In addition, workers can also report concerns or suggestions through the annual satisfaction questionnaire, contributing to the continuous improvement of internal practices.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Mundotêxtil adopts management policies and practices oriented toward maximizing positive impacts and mitigating negative ones, focusing its actions on improving the experience of its workers, promoting internal talent, balancing personal and professional life, and occupational health and safety.

These measures aim not only to reduce occupational risks, but also to create a safer, healthier and motivating work environment. In parallel, Mundotêxtil implements initiatives that enhance positive impacts, reinforcing the commitment to the well-being and development of its people. This commitment translates into well-being programs, career opportunities and benefits that contribute to a better quality of life and greater professional satisfaction.

Among the main areas of action, the following stand out:

- Social benefits and work-life balance;
- Equal opportunities;
- Occupational health and safety;
- Volunteer Program.

To identify and evaluate positive and negative impacts that can affect workers, Mundotêxtil uses a combination of methods and analysis tools, focused on four major dimensions: psychosocial risks, physical working conditions, well-being and organizational culture, and health.

- Psychosocial risk assessment: conducted through questionnaires measuring factors such as workload, interpersonal conflicts and job insecurity;
- Physical and ergonomic conditions assessment: based on the identification of physical, chemical, biological and ergonomic hazards, in accordance with the National Occupational Health and Safety Program standards and professional risk management practices;
- Well-being, health and culture monitoring: conducted through the analysis of indicators such as absenteeism, turnover, mental health incidents and satisfaction survey results.

In order to prevent potential negative impacts and generate positive and lasting effects for its workers, over 2025 Mundotêxtil implemented several social and organizational actions and programs, reinforcing its commitment to a sustainable and people-centered corporate culture.

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS
Review of the rules governing the award of social benefits	Adopted	Own operations	2025	In 2025, as planned, the scholarship regulations were revised. The main changes introduced were the following: • Adjust the application rules for social support scholarships, stipulating that employees who receive a scholarship in a given year may not apply again for the following two years; • Increase in the total number of scholarships allocated, from 14 to 16. This change was possible by updating the value of secondary education scholarships, which went from €500.00 to €250.00; • We are reinforcing the promotion of merit by providing two merit scholarships for each level of education instead of just one; • Strengthening of the assessment criteria for social support scholarships, introducing two complementary filters: first, the 10 candidates with the lowest per capita income are selected; then, among these, the 6 that present the best school grades are chosen. • Global investment increase, which registered a growth of 2.8% compared to 2024. These changes aim to strengthen the fairness, meritocracy and positive social impact of the scholarship program.
"Pink October" workshop	Adopted	Own operations	2025	As part of the Pink October campaign, a session dedicated to breast cancer prevention and care was held to raise awareness among workers of the importance of early diagnosis and the adoption of healthy habits. Through this initiative, we reinforced our commitment to the health and well-being of our workers. 113 workers participated.

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS
Acquisition of new safety footwear	Planned	Own operations	2026	The implementation of the new safety footwear planned for 2025 was not completed due to the prolongation of the internal process of analysis and selection of the personal protective equipment most appropriate to operational needs. The action is in an advanced phase and will be resumed in 2026.
Training/Awareness-Raising on the Safe Use of Compressed Air	Planned	Own operations	2026	The training/awareness-raising initiative on compressed air use was scheduled for 2025, however due to the need to prioritize critical operational activities during that period it was not possible to ensure its completion. The action will be rescheduled for the next cycle while maintaining the commitment to continuous improvement in operational safety.
Review all policies related to own workforce	Planned	Own operations	2026	Unify the documents related to social responsibility (notably the criteria for social commitment, human rights and the social responsibility policy), as they present very similar content. Make available only one document that contains all the scattered information in the three existing ones.
Reduce the incidence of accidents by reinforcing organizational safety and a culture of safety.	Planned	Own operations	2026	Update the Safety Manual, ensuring its practical application to Mundotêxtil's current and specific production processes. An active policy of proximity and monitoring of practices will also be promoted, together with continued employee training and information, particularly in the areas of ergonomics and mindfulness.

Since 2018, a set of ongoing initiatives has been implemented, namely:

Worker consultation questionnaire on occupational health and safety, including questions related to psychosocial risks:

In the 2025 assessment, most workers continued to report that they were not exposed to any psychosocial risk factors. Despite this positive result, psychological and osteopathic consultations remain available to workers through an agreement with a psychology clinic and a health insurance provider.

Ergonomics training:

In terms of ergonomic risk management, the year 2025 was marked by targeted and corrective awareness interventions with workers with a history of musculoskeletal injuries. In 2026, ergonomics training will be reinforced for all workers. It is also planned to introduce workplace exercise sessions at the company.

Training and awareness-raising on occupational risks:

These trainings aim to reduce work accidents and promote the safety culture in Mundotêxtil. In 2025, 217 workers participated in specific training on the occupational risks associated with their workstations. In addition, several awareness actions were carried out and the following topics were addressed: Occupational risks (ergonomic, chemical, physical, electrical, fire and mechanical), occupational noise (exposure values and health effects) and awareness-raising on the use of personal protective equipment.

People Plan:

In 2025, information was collected for the performance assessment of 96% of workers, and it is estimated that all workers (100%) will be covered in 2026.

Increase safety and health training and awareness:

The Work Injury Report for the 2021–2025 period was shared with all workers to raise awareness of this topic. It is also intended to strengthen the company's safety culture through a proximity policy, with frequent presence on work sites. In 2025, 42 training sessions were held, involving 681 workers and totaling 1,259 training hours.

Investment in safer equipment:

In 2025 an investment of €6,732.95 was made, very similar to the investment made in 2024.

Maintain internal health benefits (medical care, nursing and osteopathy):

Promotion of workers' health and well-being. We offer 3 hours of nutrition consultations every month; 6 hours of psychology consultations; 12 hours of medical consultations; 20 hours of occupational medicine consultations; 28 hours of nursing; and 12 hours of osteopathy consultations.

These initiatives were implemented with the purpose of preventing and mitigating possible negative impacts, as well as enhancing the positive effects on workers and Mundotêxtil. Through an integrated and proactive approach, Mundotêxtil seeks to promote the well-being, professional development and continuous involvement of its teams.

To ensure the effectiveness and strategic alignment of implemented measures, Mundotêxtil continuously monitors and evaluates the measures implemented using different control mechanisms and follow-up reports. This practice allows us to evaluate the consistency of initiatives with Mundotêxtil's strategy, understand the generated impacts and continuously improve its effectiveness. All training actions presuppose an evaluation of effectiveness six months after their completion.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The definition of targets also allows Mundotêxtil to monitor the evolution of its performance and the effectiveness of the actions implemented, enabling the adjustment of adopted strategies. A set of targets related to material topics is presented below.

DESCRIPTION	METRIC	REFERENCE VALUE 2022	PERFORMANCE 2025	PERFORMANCE 2024	VARIATION (%2025 /2024)	2025 TARGET	2030 TARGET
Reduce absenteeism rate	[(Number of absences/Total employees) x (Number of days worked x 8)] x 100	5.9% [1]	7.4%	6.4%	15.6%	Reduce compared to the average of the previous year (< 6.4%)	≤ 6.0%
Maintain retention rates of employees	[(Number of workers at the beginning of the period – Number of hirings in the period) / Number of workers at the end of the period] x 100	96%	98%	100%	- 2.0%	95%	≥ 98%
Increase the number of training hours	Number of training hours	2,779 h	4,157 h	2,698 h	54.1%	Ensure 3,000 hours annually	3,500 hours annually
Stabilize the annual turnover rate	[((Number of hires + Number of departures) / 2) / Number of workers in the period] × 100	4.44% [1]	4%	5%	- 20.0%	4.44%	3%
Reduce the number of work-related accidents	Number of work-related accidents that occurred in the reference year	24	23	15	53.3%	< 15	≤ 14
Reduce the time lost due to injuries	Number of working days lost as a result of accidents at work in the reference year	629	587	237	147.7%	< 237	< 150
Maintain the percentage of women in the workforce	(Average annual number of employed women / Average annual total of employees) × 100	45.9%	47.4%	47.2%	0.4%	Maintain at least 46% of women in the workforce	50%
Maintain a percentage of women in senior management positions	(Women in leadership positions / Total of leadership positions) × 100	58.3%	62.5%	62.5%	0.0%	Maintain the proportion of women in senior management at 62%	60%
Reduce the gender pay gap	[(average gross hourly pay level of male employees - Average gross hourly pay level of female employees) / Average gross hourly pay level of male employees] * 100	25.4% *	22.0% *	22.8% *	- 3.5%	Reduce to 23%	20%
Percentage of employees who participated in regular performance reviews	–	-	96%	58%	65.9%	Ensure that 80% of the company's employees participate in performance reviews	Ensure that 100% of the company's employees participate in performance reviews

[1] Reference year: 2023.
* The following components were included: base salary, shift allowance and night work hours, role-related bonuses, other bonuses, and productivity bonuses.

The fields filled in with hyphens (-) correspond to information that was not available for reporting at the time of drafting this document.

In 2025, the target for absenteeism rate reduction was not achieved, largely due to an increase in absences for health reasons, including prolonged medical absences and seasonal illness incidence. Nevertheless, the human resources department closely followed up with a continuous approach toward the sustained improvement of this indicator.

The increase in the number of work-related accidents resulted from:

- Behavioral and psychosocial risks: The return of "distraction" as the main cause and an increase in work-related accidents on specific days, such as Fridays point to possible high levels of fatigue, stress or a possible decrease in workers' perception of risk. The consistent reduction in accidents until 2024 may have generated a sense of overconfidence.

- Ergonomic risks: The predominance of back and spinal injuries resulting from overexertion and improper posture indicates that the previously implemented ergonomic measures may not be being applied correctly in light of current requirements.

- Workforce aging: The high number of accidents in the age group above 50 suggests that working conditions and physical demands may not be suitable for the functional capacities of this demographic group.

As a part of this, the following measures will be implemented in 2026: ergonomic occupational evaluation; training in ergonomics applied to the workplace; training in stress management and mindfulness; reinforcement of safety supervision especially during critical shifts and days; mapping of commuting accidents to identify potential accident hotspots and liaise with the relevant authorities (Parish Council/Municipal Council).

The target for reducing the gender pay gap was achieved, reflecting the effective implementation of monitoring measures aligned with the equal remuneration policy. This result is due to a systematic analysis of salary practices, the review of situations identified as being out of line and the integration of equity criteria into performance management processes. The human resources department will continue to ensure continuous monitoring of this indicator, contributing to a consistent and sustained evolution in this domain.

Calculation assumptions:

- Information is reported in Annex D of the Relatório Único (annual employment report).

S1-6 Characteristics of the undertaking's employees

Information on the number of employees by gender

GENDER	NUMBER OF EMPLOYEES
Men	252
Women	227
Other	0
Not declared	0
Total Employees	479

Information on employees by contract type, broken down by gender (headcount)

YEAR 2025				
FEMALE	**MALE**	**OTHER**	**NOT REPORTED**	**TOTAL**
NUMBER OF EMPLOYEES				
227	252	0	0	479
NUMBER OF PERMANENT EMPLOYEES				
225	243	0	0	468
NUMBER OF TEMPORARY EMPLOYEES				
2	9	0	0	11
NUMBER OF EMPLOYEES WITH NON-GUARANTEED HOURS				
0	0	0	0	0
NUMBER OF FULL-TIME EMPLOYEES				
227	252	0	0	479
NUMBER OF PART-TIME EMPLOYEES				
0	0	0	0	0

In 2025, the turnover rate in Mundotêxtil was 4%, calculated based on an annual average of 481 workers. By the end of the same year, Mundotêxtil had 479 active workers in its workforce.

For the purposes of this report, all workers are employees of Mundotêxtil under an employment contract, regardless of contract type (permanent or fixed-term) or working time arrangement (full-time or part-time). The data presented refers to the end of the reporting year and is based on the total number of employees at that date.

“Full-time employees” are defined as employees who work the maximum normal working hours established by Portuguese labor law or applicable collective bargaining agreements.

Mundotêxtil maintains a strong commitment to creating stable, high-quality employment, as reflected in the fact that 97.7% of its workforce consists of employees with permanent, full-time contracts. This approach promotes job stability, motivation, and productivity, in line with Mundotêxtil’s corporate values and long-term objectives.

It is important to note that there are no employees with contracts that do not guarantee a minimum number of working hours, reinforcing Mundotêxtil’s commitment to fair and transparent employment practices.

EMPLOYEES WHO LEFT THE COMPANY	2025
Total number of employees who left the company	24
Employee turnover rate (percentage of total workforce)	4%

This table shows the total number of employee departures during the reporting period, regardless of the reason for departure.

The turnover rate is calculated as follows:

Employee turnover = [((Number of hires + Number of departures) / 2) / Number of workers in the period] × 100

S1-7 Characteristics of non-employees in the undertaking’s own workforce

At Mundotêxtil, engaging non-employee workers is not a common practice and is limited to exceptional circumstances in which temporary employment agencies may be used, where permitted by law. This type of arrangement is typically intended for short-term needs, such as replacing employees on sick leave, providing support during occasional peaks in workload, usually in administrative tasks, or carrying out specialized work required for a specific project.

In 2025, Mundotêxtil did not use temporary employment agencies, maintaining its usual practice of prioritizing employees and direct hiring.

S1-10 Adequate wages

Mundotêxtil ensures that all employees receive adequate and fair remuneration in accordance with the statutory minimum wage in force in Portugal and in line with good social and labor responsibility practices.

As a core principle of its human resources management model, Mundotêxtil promotes full respect for human and labor rights, ensuring stable employment, decent working conditions, and the physical, mental and emotional well-being of its employees.

Mundotêxtil's remuneration policy is based on equity and transparency, ensuring the payment of fair and just salaries, supplemented by benefits and social rights as provided for in applicable legislation and collective agreements.

In this way, Mundotêxtil reinforces its commitment to valuing its people and promoting responsible and sustainable working conditions throughout its entire value chain.

S1-11 Social Protection

Mundotêxtil confirms that all its employees are covered by social protection against the loss of income due to major life events. This coverage is ensured through public schemes (Portuguese Social Security System), covering the following important life events:

- Sickness;
- Unemployment, from the moment the employee starts working for the company;
- Work-related accidents and acquired incapacity;
- Parental leave;
- Retirement.

Although the totality of Mundotêxtil's workers are covered by the public social protection schemes, the company supplements the support at important moments in life through its own social benefits. With regard to parental leave, and beyond the mandatory legal regime, Mundotêxtil offers each worker (father or mother) a €50 monthly baby voucher for 12 months. This benefit is intended to support the acquisition of essential products for the baby, redeemable at a partner pharmacy.

S1-13 Training and skills development metrics

Mundotêxtil conducts annual performance and competency assessments for all employees, tailored to the professional level and responsibilities of each role. This process promotes constructive dialogue between managers and employees, while encouraging self-assessment and the joint definition of individual development plans.

In 2025, 462 employees participated in this assessment process, corresponding to 96% of the total workforce. The company intends to gradually expand the initiative to cover all employees by 2030, further strengthening a culture of continuous development, merit, and professional recognition.

Compared with 2024, coverage increased by 66% in 2025, while the target of reaching 100% by 2030 remains in place.

	MEN	WOMEN
Percentage of employees who participated in regular performance reviews	53.7%	46.3%
Average number of training hours per employee	6.5 h	12.1 h

EMPLOYEES WITH PERFORMANCE APPRAISALS – MEN (%)	
CATEGORY	**2025**
Leadership	3.6%
Qualified technicians	8.1%
Skilled employees and support staff	88.3%

EMPLOYEES WITH PERFORMANCE APPRAISALS – WOMEN (%)	
CATEGORY	**2025**
Leadership	7.0%
Qualified technicians	19.6%
Skilled employees and support staff	73.4%

Mundotêxtil recognizes that continuous training of its workers is essential to ensure the long-term sustainability of its business model and to generate a positive impact on the personal and professional development of its teams. Continuous learning not only reinforces technical and behavioral competencies but also stimulates an innovation culture, safety and shared responsibility.

The training programs are structured and adapted to the specific needs of each area, allowing teams to be prepared to respond to the operational and strategic challenges of their functions.

In 2025, the company achieved significant results in the field of training:

- Total training hours: 4,157 hours;
- Annual plan target: achieved, with 94.8% of the workers participating in training actions;
- Average hours per worker: 9.3 hours;
- Coverage of the workforce: 94.8% of workers received training during the year;
- Training catalog: 103 training actions available;
- Format: 54% in person and 46% online;
- Initial training: onboarding sessions for new employees and targeted training sessions related to changes in processes and procedures.

With this continuous learning strategy, Mundotêxtil reinforces its commitment to the development of people by promoting more qualified, motivated and aligned teams with the company's values and objectives.

The following table presents the hours of training for employees by professional category and gender.

CATEGORY	MEN 2025	WOMEN 2025	MEN 2024	WOMEN 2024	MEN 2023	WOMEN 2023
Leadership	66.5	280.5	45.5	168.0	344.5	884.5
Qualified technicians	278.0	272.5	208.0	230.5	782.0	1,044.5
Skilled employees and support staff	1,228.5	2,030.6	1,134.5	911.5	2,348.0	1,517.5
Total	1,573.0	2,583.6	1,388.0	1,310.0	3,474.5	3,446.5

The following table presents the number of employees who received training by professional category and gender.

CATEGORY	MEN 2025	WOMEN 2025	MEN 2024	WOMEN 2024	MEN 2023	WOMEN 2023
Leadership	10	18	9	18	11	18
Qualified technicians	28	43	27	41	46	44
Skilled employees and support staff	205	152	43	115	210	170
Total	243	213	79	174	267	232

S1-14 Health and safety metrics

Mundotêxtil has an Occupational Health and Safety Management System (OHS) implemented and aligned with the principles of the ISO 45001 standard, although it is not certified. This system covers all workers and visitors and aims to prevent occupational risks, promote safe working conditions and ensure full compliance with legal obligations in this area.

Occupational health and safety management is integrated, encompassing both workplace safety and occupational health.

The safety component is conducted by qualified internal technical personnel responsible for identifying and assessing risks, implementing preventive measures, providing training and awareness activities, and continuously monitoring working conditions.

The occupational health service is provided by an external specialized entity comprising an occupational physician and a nursing professional. The service includes mandatory medical examinations and the assessment of potential impacts of occupational activities on workers' health, in accordance with applicable legislation.

With this structured and collaborative approach, Mundotêxtil reinforces its commitment to the protection and well-being of workers, promoting a safe, healthy and legally compliant work environment.

WORK-RELATED HEALTH ISSUES	2025	2024
Number of deaths due to work-related injuries and health problems	0	0
• Employees	0	0
• Non-employee workers	0	0
• Workers in the value chain who work at the company's premises	0	0
Number of cases of work-related health problems subject to legal restrictions in data collection (= occupational diseases)	5	3
• Employees	5	3
• Non-employees (voluntary report)	0	0

In 2025, the diseases identified among the company's own workforce were classified into the following types:

- Carpal Tunnel Syndrome.

These occupational diseases were reported in Annex D of the Relatório Único (annual employment report).

DAYS LOST	2025	2024
Number of days lost due to work-related injuries and deaths related to accidents and work-related health problems.	587	237
• Employees	587	237
• Non-employee workers	0	0

The calculation of the number of lost days is carried out as follows:

- Number of days lost = Number of calendar days lost as a result of work-related accidents occurring during the reporting year.

CATEGORY	2025	2024
NUMBER OF WORKPLACE ACCIDENTS		
• Employees	23	15
• Non-employee workers	0	0
Work-related injury rate	28.1	17.2
THE RATE OF FATAL WORK-RELATED ACCIDENTS		
• Employees	0%	0%
• Non-employee workers	0%	0%
NUMBER OF HOURS WORKED		
• Employees	817,948.13	873,414.26
• Non-employee workers	0	0
Percentage of own workforce covered by the health and safety system	100%	100%

S1-15 Work-life balance metrics

Mundotêxtil values work-life balance and promotes a working environment that supports family and childcare responsibilities, as well as maternity, paternity, and breastfeeding-related needs.

All employees are entitled to family-related leave. In 2025, 2.7% of employees took such leave. Mundotêxtil's family-related leave provisions include maternity leave, parental leave, and leave to care for members of the same household, providing comprehensive support for different family needs.

It is important to note that 100% of Mundotêxtil's employees are eligible for these benefits, as they are covered by the applicable collective bargaining agreements. This reflects Mundotêxtil's commitment to ensuring balanced, inclusive, and sustainable working conditions.

FAMILY-RELATED LEAVE	2025	2024
Percentage of employees entitled to family-related leave	100%	100%
Percentage of employees who took family-related leave	2.70%	1.64%
PERCENTAGE OF EMPLOYEES WHO TOOK FAMILY-RELATED LEAVE, BY GENDER		
• Female	2.63%	1.74%
• Male	2.76%	1.56%
• Gender other than female and male	0%	0%
• Gender not reported	0%	0%

S1-16 Remuneration metrics (pay gap and total remuneration)

Mundotêxtil actively promotes equal opportunities and non-discrimination in the work environment, ensuring that men and women have equal conditions in terms of starting pay and professional development opportunities.

The evaluation of the gender pay gap was carried out based on the comparison between female and male wage averages. Additionally, the ratio of the total annual remuneration was calculated considering the value received by the highest-paid individual in relation to the overall median (excluding this specific case), ensuring a transparent and representative analysis of the company's wage practices.

REMUNERATION METRICS	2025	2024
Gender pay gap	22.0%	22.8%
Total annual remuneration ratio	4.4	4.7

Mundotêxtil maintains its firm commitment to equal pay, ensuring that remuneration reflects the position and competencies of each professional, regardless of gender.

Despite this effort, the gender imbalance characteristic of certain professional categories in the textile sector continues to influence average salary, resulting in slightly lower average remuneration for women than for men.

Regarding leadership and functions directly linked to the Board of Directors and respective committees, female representation remained high, with 57% of women in leadership positions at the end of 2025. This indicator reinforces the consistency of equality policies and the continuous commitment of Mundotêxtil to promote a diverse and balanced management.

S1-17 Incidents, complaints and severe human rights impacts

Mundotêxtil maintains its commitment to legal compliance and responsible business conduct, continually reinforcing ethics and integrity in all its operations.

Among the main initiatives, the following stand out:

- Code of Ethics and Business Conduct, which guides relations between employees, customers, suppliers and other stakeholders, defining clear standards of behavior and responsibility.

- Anti-Corruption Policy, aligned with the Code of Ethics and Business Conduct, which establishes preventive measures against corruption practices, bribery and fraud, applicable to the company, its partners and the supply chain.

- Whistleblowing Channel, structured to provide a secure, confidential and independent means of communication, encouraging the reporting of irregularities and ensuring the protection of the parties involved.

These mechanisms are widely communicated and reinforced through training and awareness programs, consolidating a corporate culture based on ethics, transparency and the mitigation of legal and reputational risks.

In 2025, no cases of discrimination, harassment or other human rights violations were reported within its own workforce. Also, no complaints were recorded through the whistleblowing channel nor were any sanctions, fines or compensation related to these matters imposed.



04

Governance
Information

Governance
Information

ESRS G1 - Business Conduct

At Mundotêxtil, responsible business conduct remains a structuring pillar of its strategy and a critical element for the consolidation of long-lasting trust relationships with all stakeholders, including workers, customers, suppliers, investors and local communities. In this context, the company adopts a systematic approach to ethics and integrity, ensuring not only strict compliance with applicable legislation and regulations, but also the incorporation of ethical principles in operational and strategic decisions.

G1 GOV-1 The role of the administrative, management and supervisory bodies.

This commitment is operationalized through a robust governance framework aligned with the ESRS G1 standard requirements, including formal policies of business ethics, codes of conduct, and effective compliance mechanisms. Mundotêxtil implements measures to prevent, detect and mitigate risks associated with corruption, bribery and other illicit practices, promoting an organizational culture based on responsibility and transparency.

In addition, the company ensures that due diligence processes are carried out on business partners with the objective of assessing and monitoring integrity risks along the value chain. In parallel, it provides safe, confidential and accessible reporting channels that enable potential misconduct to be reported, guaranteeing protection for the reporters against any form of retaliation.

Through these practices, Mundotêxtil reinforces its commitment to high standards of business conduct, contributing to the mitigation of non-financial risks, the strengthening of its corporate reputation and the creation of long-term sustainable value in line with European sustainability reporting benchmarks.

G1 IRO-1 Impacts, risks and opportunities

Mundotêxtil maintains the material topics identified in 2024 related to corporate conduct, highlighting ethics, transparency, and responsibility as pillars of its performance.

The double materiality assessment (IRO-1 section of ESRS 2) confirmed issues related to business culture, protection of whistleblowers and responsible supplier management.

GOVERNANCE	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
ESRS G1 BUSINESS CONDUCT					
- Business culture Ethical and transparent conduct.	I	+	r	UVC | OP | DVC	--
- Protection of whistleblowers The existence of an anti-corruption policy and a whistleblowing channel promotes responsible conduct and ensures whistleblower protection.	I	+	r	UVC | OP | DVC	--
- Management of relations with suppliers, including payment practices Partnership with suppliers.	I	+	r	UVC | OP	--

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.

No material risks or opportunities were identified.

The corruption prevention policy, the secure and anonymous reporting channel and ethical practices with suppliers contribute to strengthening the reputation of Mundotêxtil, stakeholder trust and the sustainability of the supply chain.

Continuous monitoring allows Mundotêxtil to maintain consistency between values, practices and expectations of the stakeholders.

G1-1 Business conduct policies and corporate culture

Mundotêxtil bases its conduct on high standards of business ethics, fostering proper and ethical professional conduct in all relations with its stakeholders, delivering results driven by sound management, process efficiency, innovation, team competence and the company's reputation in the market. In this sense, it assumes a set of commitments in matters of ethics, namely through the formalization of internal norms (codes, policies, regulations and procedures) coherent and comprehensive, which materialize the principles by which the Company governs its activity, fostering these principles in its sphere of influence, namely in the supply chain, requiring suppliers to adhere to the same principles.

The Code of Ethics and Business Conduct of Mundotêxtil establishes principles that guide the ethical conduct of the Organization and its workers. It aims at legal compliance, transparency, ethics, integrity and protection of human rights, stipulating rules to avoid conflicts of interest, corruption, bribery and to promote confidentiality and protection of personal data. The Code also addresses specific issues in the value chain, including commitments with suppliers and partners, respect for human rights and freely chosen employment.

With the reinforcement of policies for protection of whistleblowers, it was initially planned to prepare a formal policy dedicated to this topic in 2025. However, it was decided to integrate this theme into the review of the Policy for the Prevention of Corruption and Related Offenses, currently under analysis and expected to be disclosed in 2026, and it is also important to mention that the company's whistleblower channel already provides mechanisms for the protection of whistleblowers.

The Anti-Corruption Policy defines guidelines to prevent corruption and bribery in the operations of the Organization and its workers, including transparency, integrity, social responsibility and conflicts of interest. This policy also covers commitments with suppliers, requiring them to adopt equivalent measures to ensure integrity along the value chain.

Taking into account the risks to which its activities and value chain are exposed, Mundotêxtil regularly reviews these matters in order to address any gaps and maintain alignment between its internal standards and international best practices.

The human rights document endorsed by the company formalizes its commitment to upholding the principles of the Universal Declaration of Human Rights, adopted by the United Nations, which establishes the rights and freedoms of individuals regardless of race, sex, nationality, ethnicity, religion or any other condition.

Scope and approval

The Code of Ethics and Business Conduct and Anti-Corruption Policy are supervised and approved by the Board of Directors, and apply to all employees of the company.

Alignment with international standards

These documents establish the principles of Mundotêxtil in relation to business ethics and professional conduct and are aligned with the main international standards applicable, namely the Principles of the Universal Declaration of Human Rights of 1948, the Fundamental Conventions of the International Labour Organization, the OECD Guidelines for Multinational Enterprises, the Ten Principles of the United Nations Global Compact.

Accessibility and availability of policies

To ensure that all recipients are aware of the content, scope and principles established, policies are made available on Mundotêxtil's website in Portuguese and English. The company regularly provides training to all employees on the Code of Ethics and Business Conduct.

Mundotêxtil has a secure and confidential whistleblowing channel, which allows employees and other stakeholders to report irregularities or unethical conduct, reinforcing the transparency and trust of employees, customers and society.

Promotion of ethical business culture is supported by continuous training, integration of new employees, internal communication, workshops,

recognition of innovative practices, career progression and volunteer initiatives. These actions contribute to the creation of a responsible, ethical and resilient environment aligned with the values of Mundotêxtil and the expectations of stakeholders.

- Code of Ethics and Business Conduct
- Anti-Corruption Policy
- Whistleblowing Channel

	2025	2024
Number of whistleblowing reports received	0	0
Number of non-compliance cases recorded	0	0

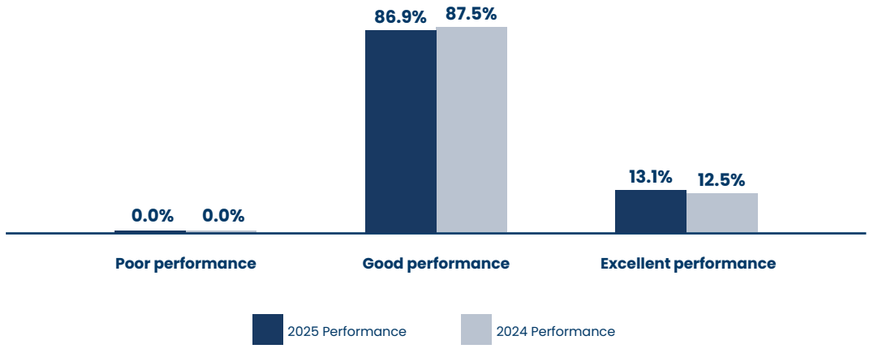
G1-2 Management of relations with suppliers

Mundotêxtil manages its relationships with suppliers in accordance with principles of ethics, responsibility and transparency, promoting a sustainable value chain. The selection and qualification of partners take into account criteria such as quality, innovation, reliability, sustainability and alignment with the ethical and environmental values of the company.

Compliance with the applicable legal requirements for chemical products is required and monitored, including REACH, recognized certifications such as GOTS, GRS, OEKO-TEX and ISO. Suppliers are evaluated annually based on a set of criteria (compliance with deadlines; quality of supply; response to complaints; legal and documentary conformity; environmental, social and innovation performance); they are scored on a scale from 1 to 10 and classified as Excellent (≥ 9), Good (≥ 5 and < 9), or Poor Performance (< 5). Whenever a supplier receives a score below 5, the need to issue a non-conformity, define an action plan and/or reassess the continuation of the business relationship must be evaluated.

Since 2023, all suppliers have been required to sign a declaration of commitment with environmental and social requirements, aligned with the company's Integrated Management System (ISO 9001, ISO 14001 and ISO 56001).

In the context of the evaluation and monitoring process of suppliers, a comparative analysis of 2025 performance against 2024 was conducted. Overall, there is a slight reduction in the total number of suppliers evaluated, from 343 in 2024 to 312 in 2025. However, there is a high proportion of suppliers classified as "Good Performance" representing the majority of cases in both periods (86.9% 2025 vs. 87.5% 2024). The category of "Excellent Performance" remained stable, showing consistency in the qualification of strategic suppliers.



G1-6 Payment practices

Mundotêxtil's payment policy is governed by the payment terms established in its procurement policy for products and/or services, which are reflected in the internal requisition system and supplier invoice approval workflow, both of which precede payment. Typically, the standard payment term varies between 30 and 120 days, depending on the type of supply and respective market practices.

However, there are exceptions that may alter this standard timeline, for example, individual agreements with suppliers adjusted to the specifics of certain contracts or partnerships, or regulatory requirements, especially in sectors or geographies where local standards must be respected.

Payment practices are generally standardized across each product and/or service category.

Payment files are generally generated in standardized formats compatible with the banking system and extracted directly from the Multi ERP, ensuring compliance with the required pre-approval workflow.

Payments are always processed through the online channels provided by banks, respecting a system of approvals aligned with the company's governance structure.

These procedures also ensure that payments are made taking into account the contractual conditions defined, reinforcing Mundotêxtil's commitment to good practices and transparency.

Mundotêxtil is not aware of any court proceedings related to non-payment or late payment on its part.

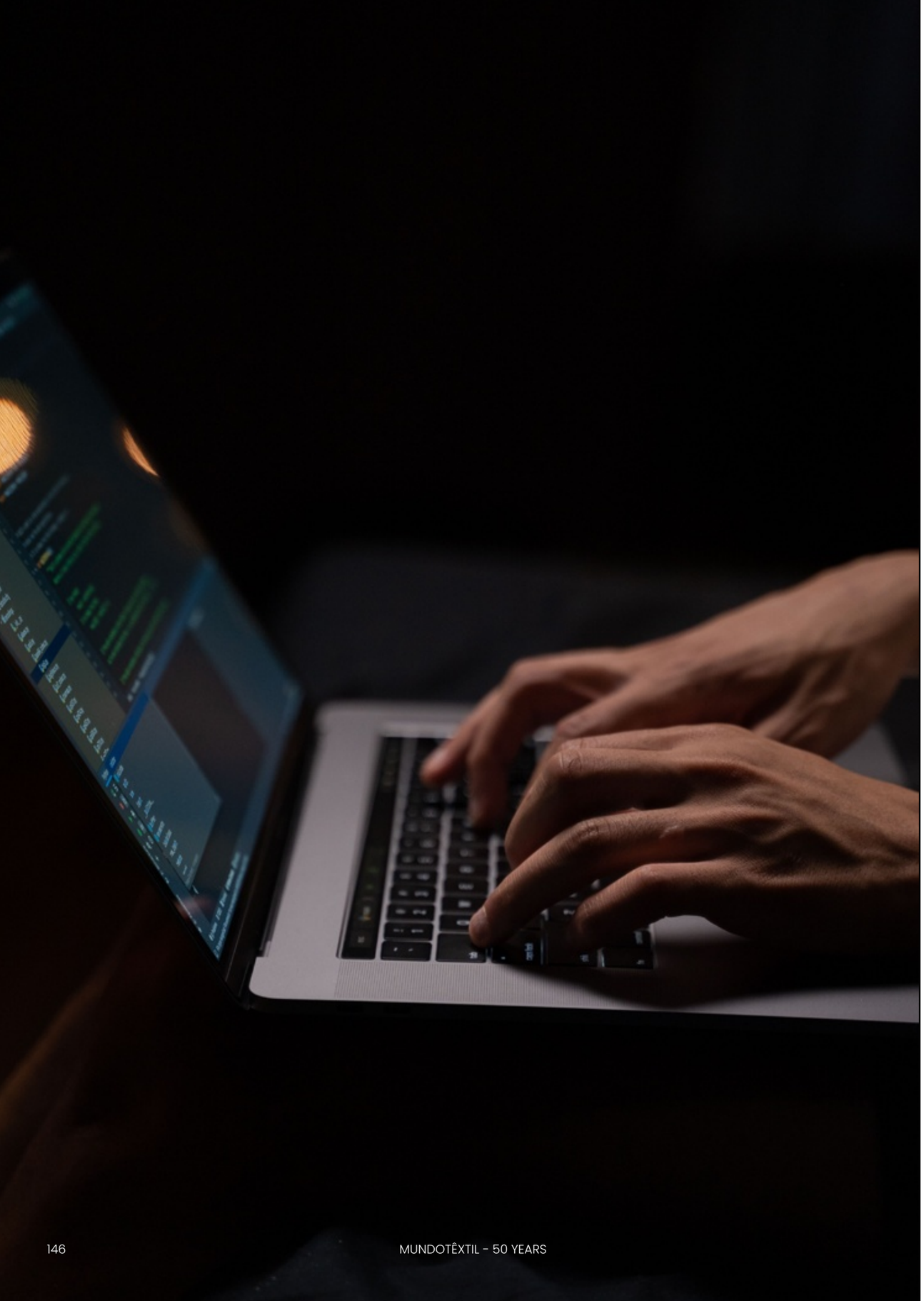
In 2025, the average payment term - calculated by the formula [(Suppliers / (Purchases + External Supplies and Services)) × 365] based on the balances at December 31 - was approximately 110 days. However, considering that a relevant part of purchases, namely those made on the national market, is subject to value added tax (VAT), we consider that this deadline is slightly overestimated/distorted by this effect.

	UNIT	2025	2024
Average number of days taken to pay suppliers from the date on which the contractual payment term begins	No.	109 days	126 days
Number of pending legal proceedings, currently ongoing for payment delays	No.	0	0



05

Material Topics Not Covered by ESRS Standards



Material Topics Not Covered by **ESRS Standards**

Although cybersecurity is not explicitly provided for in the ESRS standards, its importance was highlighted by Mundotêxtil's double materiality assessment. Thus, and given the increasing digitalization of processes, Mundotêxtil identified cybersecurity as a material topic and elected to report on it voluntarily, reinforcing the commitment to data protection, operational resilience and stakeholder trust.

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

In the context of the double materiality assessment defined in section IRO-1 of the ESRS 2, Mundotêxtil identified cybersecurity as a material topic, considering the potential impact of cyber incidents on business continuity, the protection of personal and commercial data, stakeholder trust and financial stability.

The increasing digitalization of production, administrative and logistical processes reinforces the dependence on secure and resilient information systems, which makes cybersecurity management a critical element of the risk management and business continuity strategy.

OTHER MATERIAL TOPICS THAT ARE NOT COVERED BY THE ESRS STANDARDS	IRO	+/-	r/p	OPERATIONS	TIME HORIZON
CYBERSECURITY					
The company has initiatives in place to minimize the likelihood of cyberattacks.	I	+	r	OP	--

Key:

- **I** - Impact; **R** - Risk; **O** - Opportunity.
- **+** Positive; **-** Negative.
- **r** - Actual; **p** - Potential.
- **OP** - Own operations; **UVC** - Upstream value chain; **DVC** - Downstream value chain.
- **ST** - Short term; **MT** - Medium term; **LT** - Long term.

No material risks or opportunities were identified

Policies related to material topics not covered by the ESRS Standards

Mundotêxtil has a Cybersecurity Policy that establishes the principles, responsibilities and procedures to ensure information protection, confidentiality and privacy, as well as prevention, detection and mitigation of incidents in the digital environment. The policy was updated in July 2025.

The policy is made available to internal stakeholders and communicated by email, and it is again disseminated whenever an update occurs. It covers the company's own operations, information systems, workers and third parties with access to digital infrastructures. Its implementation and compliance are the responsibility of the Board of Directors and the Information Systems Manager.

Taking action on material impacts

The measures below aim to mitigate the risks of unavailability of systems, loss or unauthorized access to information, operational interruptions and reputational damage.

MAIN ACTIONS	STATUS	SCOPE OF ACTION	TIME HORIZON	EXPECTED AND/OR ACHIEVED RESULTS	
Reporting suspicious emails	Adopted	Own operations	Since 2025 Continuity action	Anyone who receives an email they consider suspicious may flag it by clicking the "Phish Reporter Cybersecurity" button shown in the image.	

Regular backups:

Periodic copies of data are made and stored in secure locations, tested to ensure their integrity.

Access management:

Implementation of the principle of least privilege, ensuring that employees have access only to the resources necessary to perform their duties.

Firewall (Watchguard):

Perimeter protection to control network traffic and block unauthorized access.

Antivirus and antimalware (ESET):

Solutions updated regularly to detect and eliminate malicious software.

Regular updates:

Maintaining all systems and applications up to date with the latest security patches.

VPN (Watchguard):

Secure remote access to the company's internal network.

Data Encryption:

Implementation of encryption to protect sensitive data at rest and in transit.

Vulnerability assessments:

Regular analyses (biennial) are conducted to evaluate the effectiveness of the security measures implemented and identify areas for improvement.

Intrusion detection and prevention systems (IDS/IPS):

Network monitoring to identify and respond to suspicious activities.

Continuous training:

Regular awareness-raising sessions for employees focusing on cybersecurity best practices and threat identification.

Phishing simulations:

Simulated phishing emails reflecting relevant threats are sent to employees to improve their ability to identify and respond to phishing attacks.

Multi-factor Authentication (MFA):

Addition of extra layers of security to user authentication, including VPN and email access.

Strong password policies:

Establishment of strict requirements for the creation and renewal of passwords, including minimum length, complexity and periodic password-change requirements.

To date, no cyber incidents with a material impact on operations have occurred. The effectiveness of measures is monitored through periodic vulnerability tests, phishing simulations, continuous network monitoring and annual review of controls.

Targets related to the management of material negative impacts, the promotion of positive impacts and the management of material risks and opportunities

The targets were defined based on the cybersecurity risk assessment of Mundotêxtil, with the objective of reinforcing operational resilience, reducing human and technical vulnerabilities, and ensuring continuous protection of information. The performance is monitored annually.

			PERFORMANCE					
DESCRIPTION	**METRIC**	**REFERENCE VALUE 2023**	**2025**	**2024**	**VARIATION (%2025 /2024)**	**2025 TARGET**	**2030 TARGET**	**OBSERVATIONS**
	Percentage of employees who completed cybersecurity training	68.0%	62.9%	60.0%	4.8%	99.0%	≥ 90.0%	In 2025, performance declined compared with the 2023 reference value (62.9% vs. 68.0%), and was also below the target defined for 2025 (99.0%). Despite the reinforcement of awareness actions, the level of adherence remained insufficient and did not evolve at the expected pace to support the maturity of Mundotêxtil in cybersecurity. Given the significant shortfall against the target, it was replanned for 2030, reinforcing the need for continuous monitoring mechanisms and greater involvement of middle management in the promotion of training.
Training and awareness	Number of awareness actions	1	6	6	0.0%	5	6	The 2025 milestone was met (6 actions vs. a target of 5), demonstrating greater maturity and consistency in the awareness plan. The new 2030 target was adjusted to maintain the program's pace and expand its scope, integrating additional content to deepen competencies.
	Percentage of employees who clicked on phishing emails	14.0%	9.5%	13.0%	-26.9%	0.0%	< 1.0%	The result registered in 2025 (9.5%) represents an improvement compared to the reference value (14%), but remains significantly away from the 0% target defined for 2025. The reduction indicates progress, but demonstrates that the risks associated with human error remain high and that awareness is not yet producing the expected impact. The target was reprogrammed for 2030, recognizing that behavioral changes require maturation, frequency and reinforcement.
Security incidents	Number of cybersecurity incidents recorded per year	0	0	0	0.0%	0	0	No cybersecurity incidents were recorded in 2025, in line with the established target. The target remains unchanged for 2030.
Data protection	Number of personal data breaches reported to the competent authorities	0	0	0	0.0%	0	0	No personal data breaches were recorded in 2025, meeting the established target. The absence of occurrences may indicate the effectiveness of existing controls, while also reinforcing the importance of ensuring that detection and reporting mechanisms remain effective and proactive rather than merely reactive. The target remains unchanged for 2030.
Audits and testing	Number of vulnerability assessments conducted	1	1	0	100%	1 every two years	1 every two years	The biennial target had been achieved by 2025. The same frequency is maintained through 2030, reflecting the stability of the process.

Sustainability Report 2025

Mundotêxtil

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INDÚSTRIAS TÊXTEIS, S. A.
Rua da Saudade 280 - 400
4815-413 Vizela - Portugal

T: (+351) 253 489 420
F: (+351) 253 484 000

E: geral@mundotextil.pt
E. sustentabilidade@mundotextil.pt
www.mundotextil.pt