

Mölnlycke® annual report 2025



176 years of driving innovation to improve lives

Mölnlycke has been at the forefront of change since 1849, pioneering innovations that improve the quality of life for patients and those who care for them. The company draws upon its proud legacy as it continues to revolutionise care for people and planet.



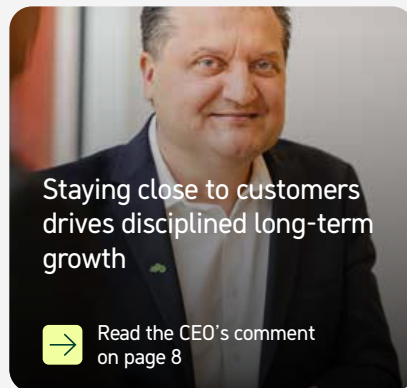
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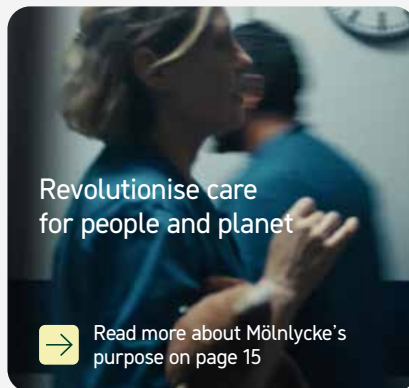


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The Mölnlycke annual report 2025 covers the year ended 31 December 2025. The audited consolidated financial statements for Mölnlycke Holding AB are prepared in accordance with IFRS and are presented on pages 125-162.

The sustainability reporting is prepared in accordance with the Swedish Annual Accounts Act, according to the previous version applied before 1 July 2024, in line with the EU Directive on non-financial reporting. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, applying the reporting principles outlined in GRI 1: Foundation (2021) and is presented on page 60-124.

For any questions regarding this report, please contact: Sara Ehinger, VP Group Brand and Communications, sara.ehinger@molnlycke.com

A close-up photograph of a woman's face, looking upwards and to the right. She is wearing a blue surgical mask. A vibrant rainbow light effect is projected onto her face, starting from her forehead and extending down to her chin. The background is a plain, light-colored wall.

At Mölnlycke, we revolutionise care for people and planet

That is why we go to work in the morning,
and why our customers choose us over the competition.

This is Mölnlycke®

Mölnlycke Health Care is a world-leading MedTech company that specialises in innovative solutions for wound care and surgical procedures. Mölnlycke products and solutions are used daily by hospitals, healthcare providers and patients in over 100 countries around the world. Founded in 1849 and headquartered in Sweden, Mölnlycke is owned by Investor AB, listed on NASDAQ OMX Stockholm.



Business areas



Wound Care

Innovative and intuitive solutions for wound prevention and management.



OR Solutions

Sustainable solutions and services for improved operating room efficiency.



Gloves

State-of-the-art solutions for hand health and improved surgical performance.



Antiseptics

Infection prevention across the patient journey.

Key facts and figures

1849

Mölnlycke AB
is founded

8,510

Employees

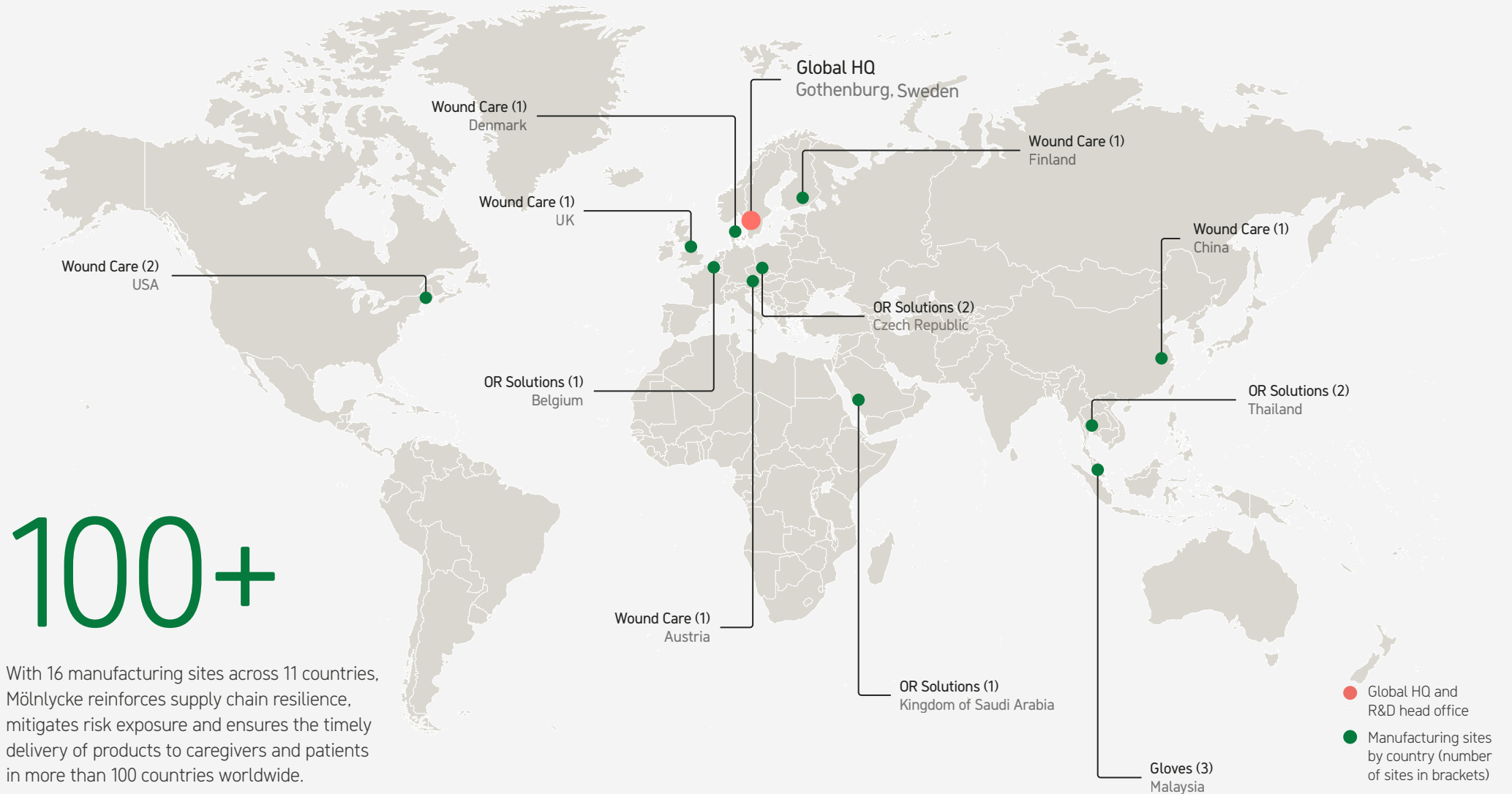
2,104

Annual sales
(EUR million)

18%

GHG emission
reduction across
the entire value
chain, compared to
2021 baseline

Making a difference around the world



100+

With 16 manufacturing sites across 11 countries, Mölnlycke reinforces supply chain resilience, mitigates risk exposure and ensures the timely delivery of products to caregivers and patients in more than 100 countries worldwide.

2025 highlights

Growth journey

Mölnlycke delivered stable organic growth, reinforced positions - especially in wound care - and accelerated in key markets including the U.S., China and Middle East.

€115 million US expansion

Investment initiated in Brunswick, Maine, to expand wound care manufacturing capacity to meet growing U.S. demand.

First wound care manufacturing site in China

New facility in Changshu to meet rising demand in growing MedTech market.

ProcedurePak® tray production began in Saudi Arabia and Thailand

Strengthening the ability to meet local and regional customer demand through newly launched tray assembly operations.

EcoVadis platinum rating

Mölnlycke earned EcoVadis platinum for the second consecutive year, ranking in the top 1% globally for sustainability performance.

Net Zero targets validated by SBTi

Science Based Targets Initiative (SBTi) validated Mölnlycke long-term, Net Zero greenhouse gas emission targets.

Launched iMPact30+

Company-wide transformation programme to protect profitability long-term, improve efficiency and build capacity for future investments.

LinkedIn top company 2025

Mölnlycke featured on LinkedIn's list of best workplaces to grow careers in Sweden.



People

8,510

Employees

94%

Response rate to employee engagement survey

47%

People leaders globally are female

141

Graduates from Mölnlycke's internal leadership programmes

Planet

Net Zero across the full value chain by latest 2050

Scope 1 and 2 GHG emissions

-52%

Outcome 2025 compared to the 2021 baseline

-50%

Target 2030

Scope 3 GHG emissions*

-24%

Outcome 2025 compared to the 2021 baseline

-20%

Target 2028

* Scope 3 GHG emissions from the relevant categories (1,3,4,5), as validated by SBTi for near-term targets.

Financial

2,104

Annual sales 2025, million EUR

4%

Organic sales growth

596

EBITDA, million EUR

28%

EBITDA margin

CEO comment

“

Today's world is shifting faster and more unpredictably than many of us have experienced before. This makes focused execution more critical than ever. We succeed by staying close to our customers, making selective and disciplined choices and acting with immediate clarity and long-term commitment.

Zlatko Rihter, CEO



Healthcare continues to face significant pressure – financially, operationally and environmentally. For Mölnlycke, 2025 was about responding with focus and discipline, while continuing to invest in what truly matters for long-term success: patients, healthcare professionals and more sustainable healthcare systems. In this context, Mölnlycke continued to defend its core positions, advance growth priorities and strengthen the foundations for future performance. Mölnlycke’s CEO, Zlatko Rihter, reflects on the past year’s achievements and the journey to come.

What were the greatest achievements in 2025, and what were the enabling factors?

“Despite a turbulent external environment, Mölnlycke delivered stable organic growth, strong profitability and made tangible progress against our longer-term ambitions. We strengthened our positions, particularly within wound care and across our sustainability agenda, and continued to build market presence globally.

We introduced our next strategic cycle, with focus on three critical areas; to defend and grow our core business, to conquer new markets and segments and to protect profitability. The latter mainly builds on our transformation programme, iM pact30+, which will help us improve both profitability and efficiency over time, creating capacity to invest in future sustainable growth.

Other major achievements included delivering on our localisation strategy by starting production in our joint venture Tamer Mölnlycke Care in the Kingdom of Saudi Arabia, making a significant expansion investment at our

Brunswick production site in the US and initiating our first manufacturing site in China – a market where we also achieved double-digit growth through online sales.

Our strategic direction is anchored in deep customer insight – identifying key pain points and responding to real needs driven by long-term healthcare trends. Staying on track has been our focus, even as volatility has increased, and this has enabled us to translate strategy into actions and results.”

How did external factors shape Mölnlycke’s priorities in 2025?

“The macro environment in 2025 was marked by sustained pressure on healthcare budgets, financial uncertainty, increased climate change focus, geopolitical volatility, demanding compliance landscape and intensified competition across markets. US tariffs and fluctuating exchange rates added further complexity.

Uncertainty is the new normal. In response, we have sharpened our focus on areas within our control and initiated iM pact30+ to enhance our long-term resilience. Apart from protecting profitability, ensuring reliable delivery to customers became even more important.”

What pressures are customers facing and what are you doing to support them?

“Healthcare providers are operating under unprecedented strain. They face staff shortages, increasing patient volumes, constrained budgets and rising expectations around quality, outcomes and sustainability - while constantly being asked to do more with less.

Our role is to help customers address these challenges through prevention, efficiencies and improved outcomes. We design solutions to reduce complications, minimise avoidable interventions and save time for healthcare professionals, enabling them to focus more on patient care.

Through close partnerships, clinical insight and co-creation, combined with a robust sustainability agenda, we support healthcare customers to operate more efficiently and sustainably. This outside-in approach ensures that we remain relevant and that we create value beyond products alone.”

What key strategic initiatives did you drive in 2025?

“We evolved our strategy, introducing three interconnected focus areas to grow, capture market opportunities and maintain high profitability by transforming how we operate through iM pact30+. Together, these areas are designed to deliver profitable growth today and build resilience for tomorrow.

Important initiatives included accelerating growth in selected geographies such as the U.S., China, and parts of the Middle East, as well as advancing projects to improve cost competitiveness and increasing our efforts in the fast-growing out-of-hospital care segment. We also made strong progress on our sustainability agenda, delivering an 18% reduction in greenhouse gas emissions across the value chain – in line with our science-based climate targets and enabled by focused work in our own organisation and through close supplier collaborations.

Moreover, we advanced our circularity initiatives and strengthened our strategic partnerships, such as with Ondine, manufacturer of Steriwave, nasal decolonisation.”

How do people and culture enable your strategy?

“We have an engaged organisation with a strong sense of purpose and that is essential for execution, especially in times of change. These qualities, combined with our values: Be bold, Lead with passion and Embrace partnerships, have guided the teams through a complex year.

At the same time, the current environment demands even greater leadership discipline. We are raising expectations around focus, accountability and results.

Our success will depend on leaders reducing complexity, setting clear direction and taking responsibility for results across functions and geographies.”

What will matter most for Mölnlycke in 2026, and what is the long-term ambition?

“Looking ahead to 2026 and beyond, execution will matter more than ambition alone. We will continue to sharpen focus, strengthen profitability and invest selectively in innovation, sustainability and growth opportunities. Running all dimensions of the strategy in parallel – core performance, sustainable growth, and transformation – will be essential to our future.

Mölnlycke aims to be the undisputed leader in sustainable healthcare, delivering improved outcomes for patients and healthcare professionals, while minimising environmental impact. Our purpose – to revolutionise care for people and planet – continues to be our north star. I am confident in our ability to succeed, driven by the strength, commitment and dedication of our global team.”



Zlatko Rihter*
CEO, Mölnlycke

* On 24 March 2026, Zlatko Rihter, CEO, informed the Mölnlycke Board of Directors of his decision to resign. Following his decision, Guillaume Joucla, Chief Financial Officer, was appointed interim CEO. Mölnlycke’s Board has initiated the recruitment process for a permanent CEO.



A new headquarters for sustainable growth and collaboration

In May 2025, Mölnlycke inaugurated its new global headquarters at GoCo Health Innovation City in Gothenburg, Sweden. The sustainable, purpose-built workplace strengthens collaboration, employee wellbeing and talent attraction.

The new HQ and its location bring people together in a modern environment that supports Mölnlycke’s strategic priorities to advance customer-centric innovation, digital transformation and sustainability commitments.

Partners and thought leaders attended the HQ grand opening.



Read more at
molnlycke.com

New HQ at a glance

- Located at GoCo Health Innovation City, Gothenburg, Sweden.
- 18,000 m² sustainable workspace.
- Capacity: 920 employees.
- LEED Platinum and WELL Gold certified, focusing on energy efficiency, indoor climate and human health.
- Ranked number one workplace in Sweden and top 20 worldwide in Leesman workplace experience survey, measuring employee experience and workplace effectiveness.

Read more at
molnlycke.com

“

The new HQ reflects Mölnlycke’s ambition to grow sustainably and shape better healthcare together with our partners.

Kristin Hedlund
EVP Legal,
General Counsel



Strategy

Mölnlycke's purpose to revolutionise care for people and planet is central to the strategy to be a MedTech industry leader in customer-centricity, sustainability and digitalisation.

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External environment and macro trends



Increased geopolitical tensions

Current geopolitical dynamics are driving protectionism and regionalisation, creating supply chain challenges for global businesses in the form of trade restrictions, tariffs and regulatory changes. Shifting defence priorities, especially in Europe, are diverting spending from healthcare. Currency fluctuations are adding uncertainty. These factors negatively impact market access, as well as critical supplies and equipment - posing significant risks to global healthcare operations, and ultimately to patients.



Digital transformation, new operating and business models

Healthcare is rapidly embracing digital transformation, with the digital health market set for major growth. Providers are adopting software, hardware and services, reshaping business models as chronic disease and affordable care initiatives fuel demand. Yet many systems are not ready. Interoperability gaps, outdated infrastructure and fragmented processes hinder integration and limit the benefits of digital innovation.

Tremendous pressure on healthcare systems

Global healthcare systems face mounting pressure from resource constraints, cost saving measures and staff shortages, leading to task delegation to less qualified workers and a shift from hospital to community care. Aging populations intensify demand, with WHO projecting one in six people will be aged over 60 by 2030, and those over 80 will increase threefold by 2050. Innovative, efficient solutions are essential to sustain care quality and efficiency, and to support customers, patients, healthcare professionals and healthcare systems.







Greater focus on sustainable healthcare

The global focus on sustainable healthcare is accelerating. Sustainable healthcare goes beyond environmental performance alone. It brings together climate action, patient and clinician wellbeing and long-term system efficiency. Rising demand is leaving clinicians overstretched and vulnerable to burnout, reinforcing the need for solutions that support safer, more sustainable ways of working. These challenges are driving innovation and more holistic solutions designed to balance sustainability with improved quality of life, better patient outcomes, and greater efficiency across healthcare systems.



Business model

Mölnlycke is organised around four business areas with end-to-end responsibility for executing strategy and creating stakeholder value, supported by corporate functions that enable effective operations. The company's strategy is grounded in ethnographic studies conducted in the daily environments of healthcare professionals, identifying customer pain points that shape each business area's individual strategy.

	Main customer pain point	Vision	Mission
 <p>Wound Care</p>	7 out of 10 patients get the wrong diagnosis when visiting a health care professional with a hard-to-heal wound.	Free patients, caregivers and healthcare systems from the burden of wounds.	Deliver innovative and intuitive solutions for prevention, faster healing and better quality of life.
 <p>OR Solutions</p>	A typical operating room has 1,200 hours of standstill per year, which equates to EUR 2.5 million in unnecessary costs.	An operating room in frictionless flow.	Create an ecosystem of solutions and services that assures a frictionless flow in the operating room.
 <p>Gloves</p>	Surgeons ask for surgical gloves that are both safe and tactile.	Hands deserve better.	Deliver innovative and sustainable solutions to enable hands to perform at their best.
 <p>Antiseptics</p>	4 out of 10 nurses have not followed the disinfection protocol when entering an operating room.	A world without healthcare-acquired infections.	Prevent infections across the patient journey.

Value creation

Key stakeholders

Mölnlycke is committed to creating long-term value for all stakeholders by achieving growth in a sustainable way.

Value creation



Customers

By centering its philosophy, strategy and operations around customer needs, Mölnlycke creates value by enhancing patient care and contributing to sustainable healthcare.



Employees

Mölnlycke invests in the development of its employees to enable them to thrive, grow and bring value to themselves, the company, owners, customers and society.

Partners

Mölnlycke builds partnerships to create value beyond its own operations, also ensuring partners uphold high environmental standards, strong business practices and ethical principles.



Owners

Mölnlycke is owned by Patricia Industries, a part of Investor AB which acquired Mölnlycke in 2007. Investor's purpose is to create value for people and society by building strong and sustainable businesses.



Creditors

Creditors form an important stakeholder group, ensuring the company has access to competitive and flexible financing that underpins both ongoing and future growth.



Society

Mölnlycke contributes to society through innovations that improve patient and clinician lives while minimising environmental impact. The company invests in local communities and supports charities aligned with our goals.

Purpose

Mölnlycke drives change that improves the health and wellbeing of patients and those who care for them, while reducing the environmental footprint of healthcare.

From digital systems that keep operating rooms in frictionless flow to infection prevention solutions and advanced wound care that reduce complications and speed up recovery, Mölnlycke enables healthcare systems to achieve better clinical outcomes with greater resource efficiency.

Through responsible sourcing, product design and manufacturing, the company continuously advances innovations that deliver measurable value for patients, clinicians and society.

Trusted by clinicians and patients worldwide, Mölnlycke delivers meaningful solutions that allow healthcare professionals to focus on putting patients first.



Revolutionise care for people and planet

Mölnlycke strategy

The Mölnlycke growth journey is rooted in customer-centered innovation, an evidence-based portfolio and strong partnerships with healthcare professionals. The long-term focus of Investor AB, combined with operational excellence and disciplined global expansion, has enabled continued investment in R&D, manufacturing and acquisitions. Leadership in sustainability and quality has strengthened stakeholder trust, while strategic investments in digitalisation, advanced manufacturing and infection prevention solutions have supported scalable and sustainable, growth. The company continues to gain market share globally and sees significant potential in helping relieve pressure on strained healthcare systems.

Looking ahead to 2030 and beyond, Mölnlycke has introduced its next strategic cycle, with ambitious plans to renew the innovation pipeline, reinforce a resilient core business, expand geographically and advance bold bets. These efforts further strengthen the company's purpose to revolutionise care for people and planet.

Strategy 2030

Defend and grow

market position with a renewed strategic portfolio led by the four business areas.

Conquer new markets and segments

via radical innovation, geographical expansion and bold initiatives to capture growth.

Protect profitability

through implementing a long-term company-wide transformation programme called iMPact30+.



Strategy framework

Mölnlycke follows an annual strategy cycle to ensure continuous progress towards its long-term objectives.

The strategy update is conducted annually and approved by the Board of Directors.

Mölnlycke uses a scorecard that translates the strategy into prioritised activities and relevant performance indicators for its business areas and corporate functions.

The scorecard serves several purposes, including:

Defining priorities and clarifying how these are connected to the overall strategy.

Improving understanding of the priorities and activities throughout the organisation.

Balancing short- and long-term ambitions and supporting strategy execution.



“ iMPact30+ is a cornerstone of Mölnlycke's strategy and its long-term, data-driven transformation approach to future proof the company and fuel future investments; setting new standards for business efficiency and how the organisation operates.

Ania Gasior, EVP
CEO Office & Transformation

Strategic priorities

The Mölnlycke strategy is underpinned by three strategic priorities: customer-centricity, sustainability and digitalisation, with Mölnlycke aspiring to become the undisputed industry leader.

By embedding strategic plans and priorities across business areas and corporate functions, Mölnlycke is dedicated to creating long-term value for its customers, owners, healthcare systems and the communities it serves.

Sustainable growth is achieved by translating customer needs into solutions that improve patient outcomes, support healthcare professionals and reduce environmental impact, contributing to more resilient and sustainable healthcare systems.

Customer-centricity

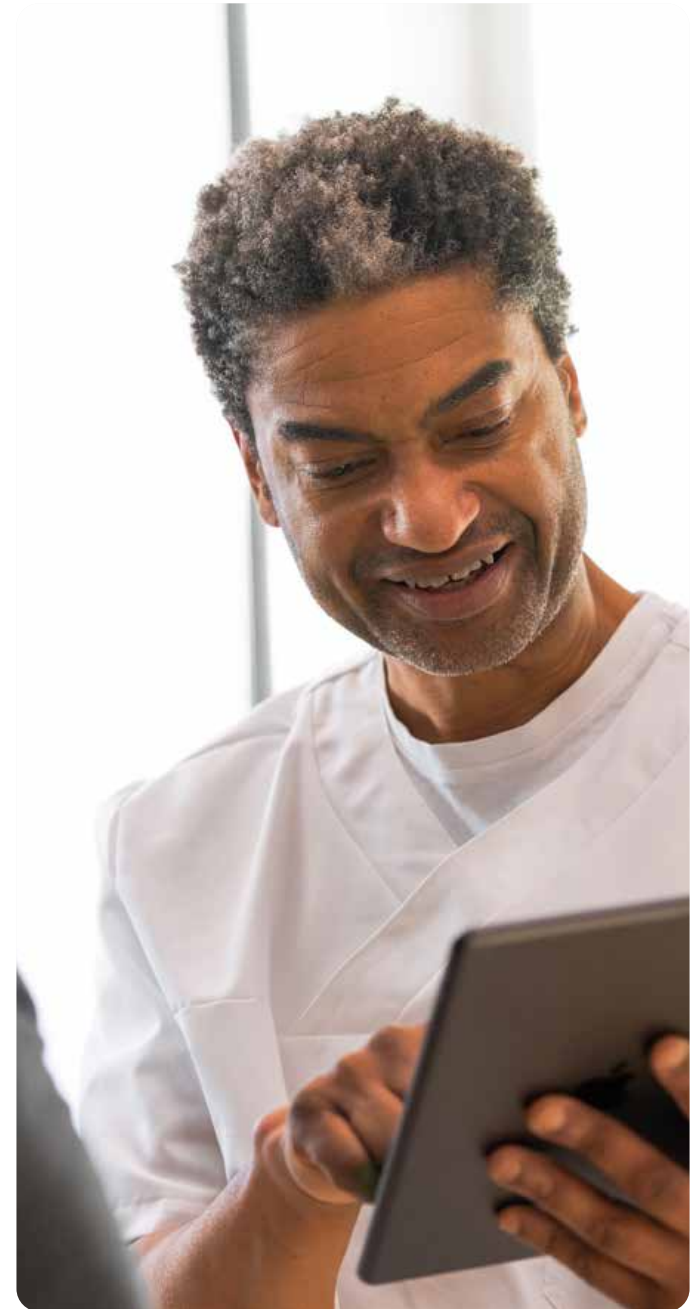
Sustainability

Digitalisation



“ Our three strategic priorities are not just about future-proofing Mölnlycke, they are about shaping the future of healthcare itself. We are committed to creating lasting value for stakeholders by reimagining care through customer-centricity, sustainability and digitalisation with innovation as our catalyst.

Moatassem Bassiouni
EVP Corporate Strategy, Business Development and Mergers & Acquisitions



Customer-centricity

Customer-centricity has been the foundation of the Mölnlycke business for 176 years and sits at the core of the company's approach to sustainable, value-based healthcare. Mölnlycke's ethnographic approach involves spending time in patients' and customers' environments to observe and understand their experiences, in addition to listening. Developing long-term and trust-based



partnerships gives Mölnlycke unique insights into clinical needs, operational pressures and sustainability goals across the entire care pathway.

By integrating customer insights into all four business areas, Mölnlycke develops sustainable, insight-driven innovations that enhance the customer experience, from procurement and delivery to product performance and digital customer engagement. This enables the organisation to be agile and responsive in a rapidly changing healthcare environment.

Customer-centricity also underpins the company's commitment to value-based and sustainable healthcare: improving outcomes, optimising total cost of care, reducing waste and supporting environmentally responsible practices. By staying close to customers, the company can co-create sustainable healthcare solutions that deliver meaningful value for stakeholders.

[Read more about the Mölnlycke customer-centric approach at molnlycke.com](#)

Wound Care for All

Launched in May 2025, Wound Care for All is a programme supporting nurses, patients and non-medical caregivers outside the hospital setting. It complements Mölnlycke's portfolio and education offering, creating value beyond products and positioning Mölnlycke as a partner in care. The first campaign, Partnering for Better Healing, conducted in the UK, generated 800+ qualified leads. It was powered by the Skin Tone I.D., a tool co-developed with Luxmi Dhoonmoon, Tissue Viability Nurse Consultant at London North West University Healthcare Trust, and designed to support inclusive skin assessment and reduce skin-tone bias in wound care.



Shine a light and inspire

In 2025, Mölnlycke introduced the Silent Hero Awards to celebrate individuals or teams making a meaningful impact in preventative care. By highlighting their work and sharing their stories, the aim is to inspire and motivate others to begin or accelerate their own prevention journey.

[Read more about The Silent Hero Awards at molnlycke.com](#)

Sustainability

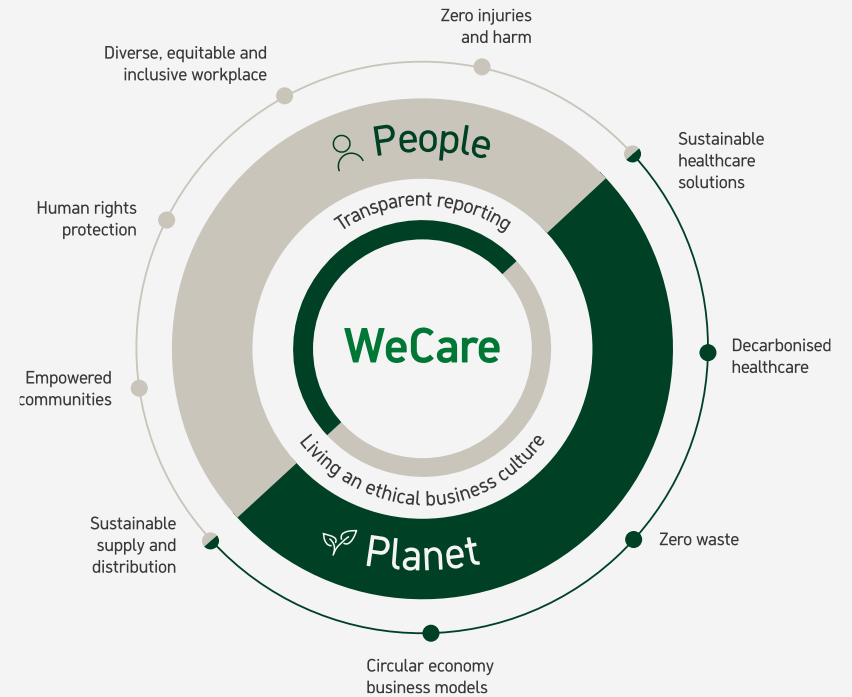
Sustainability is a core driver of Mölnlycke's competitiveness, resilience and long-term growth. Through WeCare, Mölnlycke's sustainability roadmap to 2030, the company creates long-term value for its stakeholders. Near- and long-term Net Zero targets are aligned with the Paris Agreement and validated by the Science Based Targets initiative (SBTi), reinforcing the company's commitment to climate action.

To support this ambition, Mölnlycke continues to strengthen the foundations for sustainable operations across its value chain. This includes advancing decarbonisation, circularity and waste reduction, while reinforcing safety, human rights and due diligence across environmental, social and

governance aspects of Mölnlycke's operations, supply chain and business relations. Together with regulatory readiness, these efforts underpin a resilient organisation equipped to meet evolving expectations and requirements.

Innovation and collaboration are central to the company's approach. By working closely with customers and partners across the healthcare ecosystem, the company develops sustainable solutions, increases transparency, and explores circular business models. This not only differentiates Mölnlycke's offering and strengthens customer partnerships, but also contributes to lower environmental impact and improved outcomes for patients and healthcare providers.

WeCare integrates material sustainability topics for people and the planet across the value chain, supported by strong governance and transparent reporting, to drive the transition to more resilient and sustainable healthcare systems.



“ Sustainability is central to Mölnlycke's competitiveness, resilience and long-term growth. With WeCare, we embed sustainability across the business to strengthen operational performance, support customer value and accelerate the transition to more sustainable healthcare.

Caterina Camerani,
VP Sustainability



Ratings

Commitments

Partnerships

Key UN SDGs

→ Read Mölnlycke's sustainability report 2025

Digitalisation

Mölnlycke aims to lead in digital healthcare solutions, partnering with suppliers, customers and academia to develop innovative solutions that improve outcomes, boost efficiency and reduce costs amid growing global demand for accessible and sustainable healthcare.

Mölnlycke's digital transformation is built on four pillars:

Digitalising operations

Centered on using digital tools to interact with customers and drive sales by investing in capturing clean data, artificial intelligence, and omnichannel presence.

Digital customer engagement

Optimising existing processes using digital and artificial intelligence (AI) tools, to streamline business growth.

IT foundation

Modernising the company's information technology infrastructure, mobile systems, data lakes, AI infrastructure and cloud capabilities.

New ventures

Exploring new opportunities in digital and AI for growth and innovation, requiring significant investments, agility and experimentation.



Harnessing AI in life science

Mölnlycke co-hosted the AI in Life Science event at its global headquarters in GoCo Health Innovation City, uniting experts to explore how artificial intelligence (AI) can accelerate innovation and advance life science, MedTech and pharma.

New enterprise resource planning (ERP)

In 2025, Mölnlycke launched its cloud-based ERP platform, SAP S/4 HANA. Handling over 500,000 daily transactions, the upgrade boosts efficiency, scalability and data-driven decision-making, reinforcing the company's commitment to innovation and sustainable growth.

Strengthening AI literacy

Around 1,800 employees participated in the Mölnlycke AI Power Hours, a series of learning sessions designed to build understanding of how artificial intelligence (AI) works and how it can be applied responsibly. The sessions covered topics such as clinical applications, innovation opportunities and ethical considerations, helping colleagues develop the skills needed to navigate an increasingly digital and AI-driven world.

Mölnlycke continues to invest in digital and AI-enabled solutions to accelerate growth, foster innovation and deliver sustainable value in healthcare.

Strategic priorities in action



Closed loop recycling pilot concluded

In collaboration with Zuyderland Medical Center in the Netherlands and other partners in the healthcare value chain, Mölnlycke successfully set a precedent for a circular ecosystem where non-contaminated plastic, post-consumer waste from the operating room was chemically recycled to produce BARRIER® drapes with 49% ISCC-certified recycled plastic (mass balance).

The Patent Bay

In 2025, Mölnlycke became the first company to donate a patent to SKF's open-access platform, The Patent Bay, to drive sustainable healthcare innovation. The patent, enabling patient risk assessment through data-driven models, is now freely available to researchers and caregivers. This initiative embraces partnerships and open innovation, with the ultimate aim to accelerate sustainability-focused technologies and improve patient outcomes.



Partnering for progress

Supplier engagement is a key lever in the company's decarbonisation and ethical standards efforts. In 2025, the company hosted a webinar for suppliers, sharing insights on human rights due diligence and decarbonisation levers, such as increased renewable electricity sourcing. As Mölnlycke advances its sustainability journey, it continues to clarify requirements and share best practices in line with its WeCare roadmap. This collaborative approach enhances transparency, drives positive impact, and accelerates progress toward shared sustainability goals.

Six years injury free

Mölnlycke's Anderson Distribution Centre in the US has reached an impressive milestone: six years without a lost time injury (LTI). Through a strong safety culture and targeted improvements, from standardised personal protective equipment (PPE) and upgraded lighting to enhanced air quality monitoring and safer infrastructure, the team has created a healthier, more sustainable workplace. Anderson's achievement shows what is possible when everyone contributes to a safe and responsible working environment.

Values

Mölnlycke takes pride in its legacy of care. The company's employees bring that care to life every day, driving forward ideas that improve healthcare.

Together with its purpose to revolutionise care for people and planet, three values shape the company's collaborative work culture.

These values are deeply embedded and guide behaviour and decision-making at every level of the organisation. They represent what the company lives and breathes as a business.

The Mölnlycke values support the company's strategy and influence the company culture:

- Embedded in onboarding process
- Integrated in leadership development
- Built into performance reviews
- Included in the code of conduct
- Translated into operational routines

Be bold

- Focus on the big bets
- Challenge beliefs
- Act decisively

Lead with passion

- Invest yourself
- Experiment and learn
- Celebrate success

Embrace partnerships

- Collaborate
- Keep an open mind
- Leverage diversity

“Being bold means tackling challenges with confidence, exploring new ideas and trusting that purposeful, courageous actions drive progress; an approach that guides our work in LATAM.”

Rodrigo Pavan
LATAM Logistic Manager
Brazil



“Leading with passion means being truly authentic to build trust and inspire others. Combining this with a commitment to solving real needs, creates win-wins for customers and Mölnlycke.”

Alice Hardie
Senior Account Manager
New Zealand



“Embracing partnerships is about trust, open-minded teamwork and respectful dialogue; knowing that enduring relationships grow through patience, transparency and shared purpose.”

Cecilia Hu
Contract Manufacturing Manager
Sweden



Meet M., the spirit of Mölnlycke

During 2025, Mölnlycke introduced its new employee value proposition: “M., the spirit of Mölnlycke,” celebrating collaboration, care and purpose-driven innovation to create meaningful impact for people and the planet.

Read more about M., the spirit of Mölnlycke at molnlycke.com

Strategy overview

Purpose

Revolutionise care for people and planet

Strategy 2030

Defend and grow

Conquer new markets and segments

Protect profitability

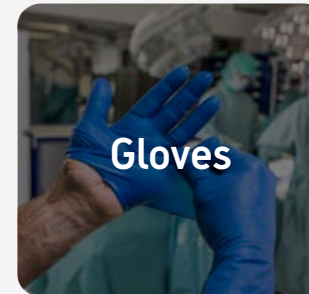
Strategic priorities

Customer-centricity

Sustainability

Digitalisation

Business areas



supported by corporate functions

Values

Be bold

Lead with passion

Embrace partnerships

Business areas

Mölnlycke's four business areas have end-to-end responsibility for delivering all operational and business-specific functions in their areas: from strategy implementation and research & development through to manufacturing, procurement, marketing and sales.

Wound Care

25

OR Solutions

30

Gloves

35

Antiseptics

40

Wound Care

Every day, patients around the world suffer physically and emotionally from acute and chronic wounds. These wounds can be persistent, difficult to treat and costly to manage. Mölnlycke works with patients, caregivers and healthcare systems to reduce the burden of wounds through innovative solutions for prevention, faster healing and better quality of life.

Vision

Free patients, caregivers and healthcare systems from the burden of wounds.

Mission

Deliver innovative and intuitive solutions for prevention, faster healing and better quality of life.

Solutions



Incision care



Venous leg ulcer management



Diabetic foot ulcer management



Pressure injury management

Market trends

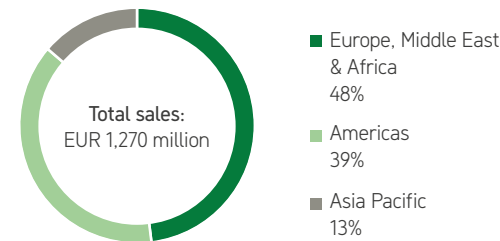
The healthcare sector is undergoing significant change, driven by structural and economic pressures. Key trends include:

- Staff shortages and a less experienced workforce impacting care delivery.
- Budget constraints increasing focus on cost efficiency.
- Shift in wound care from hospital settings to home care.

- Growing adoption of digital solutions and digital medicine to improve outcomes and efficiency.
- Procurement gaining influence in decision-making processes.

Mölnlycke addresses these trends by delivering solutions that provide high-value clinical and economic outcomes, ensuring the best possible care for patients while supporting healthcare systems under pressure.

Sales per region



Core markets

The EMEA (Europe, Middle East and Africa) and Americas regions are core markets for the Wound Care business.

Major product brands

Mepilex®, Mepitel®, Exufiber®, Avance® Solo, Granudacyn®, Granulox®, Epaderm, Mepiform® and Mepore®.

Production

The vast majority of products are manufactured in the company's own factories in the US, the UK, Thailand, Finland, Denmark and Austria.

Wound Care strategy

Mölnlycke's vision in wound care is to free patients, caregivers and healthcare systems from the burden of wounds. The business area supports patients, clinicians, at-home caregivers and non-clinical decision-makers in patient care, by delivering easy-to-use and effective solutions for prevention, diagnosis and treatment.

Mölnlycke prioritises:

- Improving patients' quality of life through prevention and faster healing.
- Enhancing product intuitiveness and provide education for relevant target groups.
- Diversifying the portfolio across the patient journey.
- Expanding presence in underserved markets and strengthening global go-to-market strategy.
- Ensuring reliable supply and service for customers.

“ Our purpose drives us to transform wound care and improve lives through innovative, sustainable solutions. We aim to move beyond products to create real value, achieving better outcomes for health care. Our commitment remains unwavering: to free patients from the burden of wounds.

Anders Andersson,
EVP Wound Care



2025 highlights



Despite tariffs, currency fluctuations and slowing market growth, Wound Care remained committed to its customer-centric approach and outperformed the market achieving sales growth of 6.5%.



Continued growth in China, strengthened by local partnerships, online sales and investment in Mölnlycke's first manufacturing site in Changshu.



100% of waste from the manufacturing sites in the U.S. was diverted from landfill in 2025.



Launch of Mepilex® Up in EMEA, Canada and Asia Pacific, following the launch in US in 2023. Designed to minimise the risk of leakage, Mepilex Up is expanding solutions for leg ulcer management.



Significant investment initiated to expand manufacturing capacity in Brunswick, US. A well-attended groundbreaking ceremony included the Governor of Maine, a US Senator for Maine and other distinguished guests.



Mölnlycke reinforced its role as a knowledge leader by educating healthcare professionals and sharing evidence-based practices.



Case story

Expanding access to advanced wound care solutions

To meet growing global demand for high-quality wound care solutions and to strengthen supply chain resilience, Mölnlycke announced during 2025 an expansion of its manufacturing footprint in two strategically important regions: Brunswick, Maine, USA and Changshu, China.

Closer to customers

Localised manufacturing enables faster delivery, improved reliability and better support for hospitals, distributors and healthcare providers in key markets.

Strengthen resilience

Expanding manufacturing capacity reduces supply-chain risks, increases operational flexibility and helps to ensure continuity even during periods of global instability.

Support sustainable growth

Modern, efficient facilities contribute to WeCare 2030 ambitions and long-term sustainability agenda.

Brunswick, Maine, USA

The €115 million expansion in Brunswick will significantly increase Mölnlycke’s capacity to serve the increasing US customer demand.

Changshu, China

The new manufacturing site in Changshu marks a milestone in Mölnlycke’s growth journey and the beginning of localised manufacturing in one of the world’s fastest-growing MedTech markets.

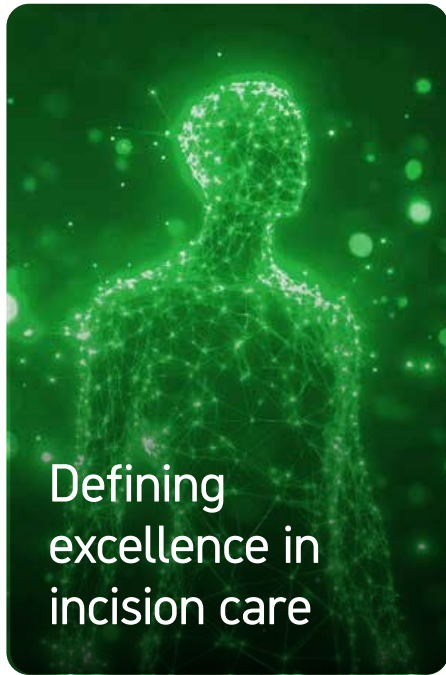


“

By manufacturing our products closer to the people who rely on them, we reinforce our mission to free patients and caregivers from the burden of wounds, now and for the long-term.

David Butler
Global VP Operations,
Wound Care





2025 Future Summit

In October, Mölnlycke gathered over 130 international healthcare professionals in the Netherlands to explore smarter incision care against surgical site infections.

Led by experts and key opinion leaders from 12 countries, discussions centered on reducing healthcare-associated infections and improving postoperative outcomes, with strong support for undisturbed wound healing over frequent dressing changes.

Mölnlycke showcased innovations such as Avance® Solo, Mepilex® Border Post-Op and Granudacyn®, reinforcing its commitment to better protocols, patient quality of life and sustainable healthcare. The summit highlighted innovation, education and partnerships to advance surgical care globally.

Global consensus report

Published in Global Wound Care Journal, a global consensus of over 100 surgeons, based on numerous meetings held between 2019 and 2025, identifies undisturbed wound healing as essential for post-surgical incision care.

Experts agree dressings should remain in place until clinical indications,

like saturation, bleeding or infection, necessitate changes, rather than following routine schedules.

An ideal dressing is flexible, comfortable, adhesive, absorbent, waterproof, protective and able to eliminate dead space. Additional desirable features include ease of use, infection prevention, comfort, cost-effectiveness and scar reduction.

Granudacyn receives FDA clearance

In July 2025, Mölnlycke achieved FDA 510(k) clearance for Granudacyn® Wound Irrigation Solution, a major step towards improving patient outcomes in the U.S. Granudacyn® is designed to gently cleanse and irrigate wounds, removing debris and microorganisms, while supporting a moist environment that promotes natural healing.

Granudacyn® helps reduce infection risk and discomfort during treatment, and is indicated for a wide range of wounds, from surgical incisions to chronic ulcers and burns.



Shaping wound care policy across Europe

Mölnlycke has been elected one of the organisations leading the Wound Care Sector Working Group at MedTech Europe, the industry association representing medical technology across the continent. This leadership role reflects Mölnlycke's commitment to driving meaningful change in wound care policy.

Isabella Notarangelo, Mölnlycke's Global Governmental Affairs and Policy Manager, has been elected Co-Vice-Chair of the Wound Care Sector Working Group.



OR Solutions

In the operating room, healthcare professionals need innovative solutions that are tailored for efficiency, personalised to their needs and designed for safety. Mölnlycke is their trusted partner in optimising efficiency before, during and after surgical care, helping them achieve better health economics and improved patient outcomes.

Vision

An operating room in frictionless flow.

Mission

Create an ecosystem of solutions and services that assures a frictionless flow in the operating room.

Solutions



BARRIER® drapes
and staff clothing



ProcedurePak®
customised trays



EasyWarm® patient warming



Surgical instruments



Digital services

Market trends

Staff shortages and surgical backlogs continue to pressure operating-room efficiency and capacity.

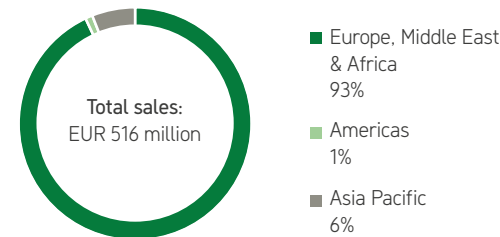
Hospitals need solutions that optimise workflows, reduce preparation time and increase throughput with existing resources.

Regulatory, public and sustainability expectations are accelerating demand for lower environmental impact products and solutions.

In response to these trends:

- Mölnlycke is integrating sustainability across sourcing, product development and logistics, supporting climate ambitions without compromising clinical performance or patient safety.
- Digital tools are enabling smarter operating rooms, data-driven workflows and improved planning, supporting Mölnlycke's vision of operating rooms in frictionless flow.

Sales per region



Core markets

The EMEA region (Europe, Middle East and Africa) is the main market for the Operating Room Solutions (ORS) business. Asia Pacific includes several strategically important markets where notable growth has been recorded in recent years.

Major product brands

BARRIER®, ProcedurePak® and EasyWarm®.

Production

Most of Mölnlycke's drapes, staff clothing and customised trays are manufactured in Mölnlycke's factories in Belgium, the Czech Republic, Saudi Arabia and Thailand, while other devices, e.g. for the customised trays, largely come from third party manufacturing.

OR Solutions strategy

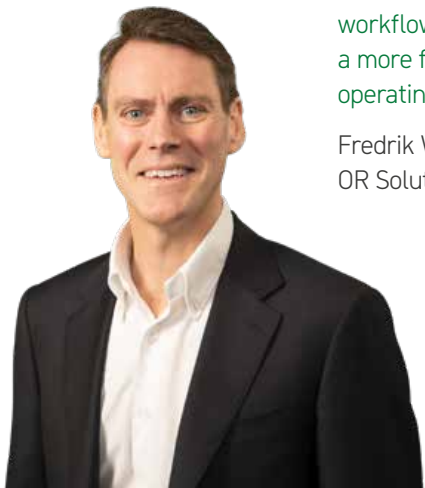
Efficiency remains at the core of the Mölnlycke business area for operating room solutions (OR Solutions). In close collaboration with healthcare providers, Mölnlycke strives to eliminate non-value-adding tasks, streamline workflows and support hospitals in increasing surgical capacity and improving outcomes.

As Mölnlycke advances its ecosystem approach, the focus is on creating measurable value before, during and after surgical procedures. The objective is a frictionless flow in the operating room that reduces waste, supports staff and delivers better healthcare economics.

Mölnlycke OR Solutions continues its transition from product supplier to solutions provider. This evolution is driven by tray development, expanded service offerings and a growing digital ecosystem.

“ Healthcare demands solutions that are efficient, resilient and sustainable. Our broad portfolio and expertise enable hospitals to reduce environmental impact, secure reliable supply and optimise workflows, all supporting a more frictionless flow in the operating room.

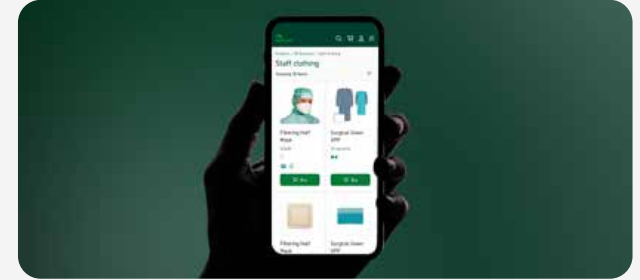
Fredrik Wallefors, EVP
OR Solutions



2025 highlights



Mölnlycke celebrated the production of 100 million ProcedurePak® trays at the production sites in the Czech Republic. This achievement represents a meaningful contribution to many millions of procedures in operating rooms worldwide.



The B2B e-commerce capability was launched in the Mölnlycke Portal, giving customers access to the full product portfolio with contracted prices and enabling the shift away from manual order processes. The Mölnlycke Portal was further enhanced with new features, including a CO₂e calculator, clear visibility of sustainable components and an updated orders section.



The 2025 Non-Value Report, based on insights from 200+ OR nurses, revealed how inefficiencies impact care and staff wellbeing. Based on this, the “Make room for what matters” campaign facilitated valuable interactions with healthcare professionals in more than 20 markets.



In 2025, Mölnlycke began tray assembly at Tamer Mölnlycke Care in Saudi Arabia and at the Amata plant in Thailand. These strategic expansions strengthen supply resilience, cut lead times and support growth in markets across the Middle East and Asia Pacific.



Case story

Non-Value Report sparks global dialogue on operating room efficiency

The 2025 Non-Value Report reveals how inefficiencies in hospital operating rooms (OR) impact patient safety, staff wellbeing and hospital performance worldwide.

Operating rooms are at the heart of hospital productivity, yet they are often hampered by inefficiencies that hinder care delivery and escalate staff burnout.

The Non-Value Report identifies critical challenges, including:

- 73% of surveyed nurses fear time pressures compromise patient outcomes.
- 56% have considered leaving the profession due to high workloads.
- 60% skip breaks, undermining both morale and performance.

To address these challenges, the report provides actionable solutions inspired by lean management to streamline operations, digital tools to reduce manual tasks and the use of customisable surgical trays, like ProcedurePak®, to save time and reduce waste.

Based on insights from a survey of over 200 OR nurses across Europe and expert recommendations, the report offers a roadmap to optimise workflows, reduce non-value-adding activities and foster better outcomes for patients and healthcare teams.

[Read more about the Non-Value Report at molnlycke.com](#)

By partnering with OR nurses, surgeons and hospital managers through the Non-Value Report, Mölnlycke aims to spotlight the human impact of inefficiencies and champion solutions that restore time for patient care, collaboration and wellbeing.

This initiative is not only driving awareness but also creating a platform to engage key opinion leaders, ensuring their voices shape the future of surgical care.

The report outlines five key recommendations:

- Embrace Lean management
- Leverage digital tools and AI
- Standardise with flexibility
- Prioritise staff wellbeing
- Foster communication and training

“

By addressing inefficiencies in operating rooms, we can empower healthcare teams to focus on their primary mission: improving lives.

Jaideep Pandit, Professor,
Clinical Director, Oxford
University Hospitals, UK





Case story

How tray assembly was established in Thailand

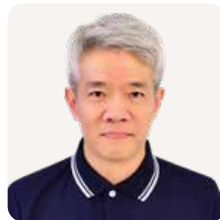
To better serve the Asia Pacific market, Mölnlycke established local production of ProcedurePak® trays at the Amata plant in Thailand, reducing lead times, improving sustainability, and strengthening supply resilience.

Setting up a new production line is a complex process requiring cross-functional collaboration and regulatory precision. For this specific project, steps included planning, adapting factory flows, implementing new quality systems, validating sterilisation processes and securing over 200 import registrations. The go-live happened in October 2025 and further strengthens Mölnlycke's presence in APAC and sets the stage for sustainable growth in one of the world's most dynamic healthcare regions.

“

For us, this milestone is more than a technical achievement, it's a transformation. Every tray we assemble now contributes to faster delivery and improved sustainability. It's about pride and ownership. Our teams have shown incredible resilience and teamwork to make this happen.

Anon
Thaweewansodsai,
Operations Director
at the Amata site



Case story

Mölnlycke advocates a holistic approach to healthcare sustainability

In June 2025, Mölnlycke released a white paper advocating for a holistic sustainability framework in healthcare, emphasising that current assessments address only a limited set of environmental aspects and largely overlook human and economic factors.

Presented at CleanMed Europe, the paper argues that this limited approach may inadvertently compromise patient safety, workforce wellbeing, finances and the broader environmental performance of healthcare.

[Read the full white paper at molnlycke.com](#)

Key recommendations:

- Creating a unified EU framework to assess medical technology across environmental, human and economic dimensions.
- Promoting data-sharing to support evidence-based decisions and harmonise sustainability metrics.
- Enhancing training for procurement professionals to adopt holistic evaluation methods.
- Valuing the wellbeing, working conditions and retention of healthcare staff.
- Transitioning from price-based procurement to value-based healthcare to ensure patient-centred outcomes.

Mölnlycke positions this initiative as part of its purpose to revolutionise care for people and planet, aligning with the European Green Deal and EU Health Union objectives.

Gloves

Surgical gloves are essential for enabling clinicians to perform at their best. Mölnlycke collaborates closely with clinical experts and R&D teams to design gloves that deliver optimal fit, exceptional comfort and unmatched safety. Thanks to patented indicator technology, Mölnlycke gloves provide reliable protection for both surgical staff and patients, helping ensure confidence in every procedure.

Vision

Hands deserve better.

Mission

To deliver innovative and sustainable solutions to enable hands to perform at their best.

Solutions



Biogel® surgical gloves



Biogel® Tech gloves
for critical environments

Market trends

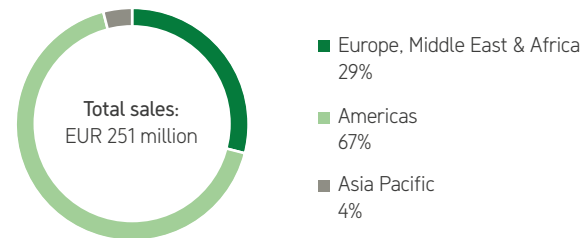
Hospitals worldwide continue to face financial challenges. Staffing shortages affect both healthcare professionals and administrative staff.

Some surgical activities are moving from hospital settings to day-surgery centres, which is fragmenting Mölnlycke's customer base and call points. Distribution models and price pressure drive commoditisation. Political and

economic instability with tariff implementation is driving uncertainties.

In response to these market trends, the Mölnlycke business area for gloves focuses on stakeholder-valued differentiation through evidence-based product innovation.

Sales per region



Core markets

The US is the main market for Mölnlycke's Gloves Business Area, followed by the UK and the Nordic countries.

Major product brands

Biogel®

Production

All Biogel gloves are manufactured in Mölnlycke's own factories in Malaysia.

Gloves strategy

Mölnlycke helps hands perform so clinicians can perform at their best. The Gloves Business Area prioritises three strategic focus areas: fit for performance, hand health and hand protection.

Gloves R&D initiatives are centred on innovation based on customers' needs. For example, MyFit is a new glove sizing tool to meet the needs of more clinicians in finding the perfect-fitting surgical glove.

Mölnlycke targets expansion in the clean room segment, which is implemented through high-quality gloves and breach indication technology for pharma safety.

Sustainability efforts include decarbonising factories by improving production efficiencies and using FSC-certified packaging.

Biogel® Indicator System remains central to product differentiation and global growth strategy.

“ Grounded in robust clinical evidence, we refine fit and ergonomics to help clinicians achieve better surgical outcomes. Our commitment is clear: to lead innovation that transforms surgical performance.

Katriina Öberg,
EVP Gloves



2025 highlights



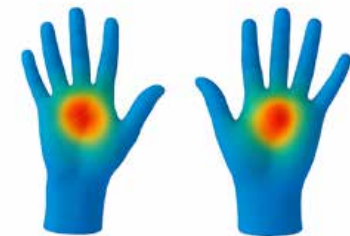
Mölnlycke's Biogel surgical and clean room gloves lead and exceed industry standards with Acceptable Quality Levels (AQL) of 0.4 (freedom from holes) for excellent and reliable performance.



To provide customers with intuitive digital tools to tackle their challenges related to GHG emissions and waste, Mölnlycke launched a CO2e calculator in north European markets. Customers can now compare environmental impact of different Mölnlycke products and take evidence-based decisions.



In an effort to reduce waste to landfill, Mölnlycke glove factories have implemented a circular practice of downcycling scrapped gloves and remanufacturing them into sandals. These are donated to factory employees.



By integrating virtual modelling, machine learning, 3D measurement, and additive manufacturing, Gloves R&D has significantly streamlined the journey from clinician hand measurements to design, prototype evaluation and final product delivery. This digital transformation also strengthens Mölnlycke's ability to meet and exceed customer expectations.



Case story

Improving outcomes for mothers while supporting maternity teams

Read the full consensus document at molnlycke.com

The moments immediately after birth are critical for early bonding. Yet, for many mothers these can be disrupted by medical complications. Caesarean births (CBs) accounted for 21% of global births in 2021 and are forecast to reach 29% by 2030¹. Though often life-saving, CBs carry risks of their own, the most common of which is Surgical Site Infection (SSI)².

There are evidence-based interventions that not only reduce the incidence rate of SSI but also have significant health economic benefits and relieve the already strained maternity services.

The cost of post-CB infection

Surgical Site Infections don't just delay recovery – they steal life's most precious moments.

Even superficial post-CB infections entail additional cost on the healthcare system related to extended midwife's or doctor's visits or antibiotic prescriptions³.

More severe infections require readmission increasing the burden on hospital maternity wards and incurring more costs⁴.

Low-cost intervention with high impact

Research demonstrates that changing gloves after delivery of the placenta and before final abdominal closure reduces infection risk by 59%, based on evidence from multiple randomised controlled trials⁵.

The budget impact analysis of adopting this simple procedure across National Health

Services in the UK could save £45.1 million over five years, while freeing up healthcare professionals' time and hospital bed days⁶.

Shaping and standardising clinical practice

Mölnlycke acknowledges the impact that standardising gloving practice might have for patients' and healthcare professionals' health outcomes. A link to the world's first consensus report on surgical gloving best practice based on a systematic review of 4,000 clinical papers is available on the left-hand side of this page.



We want to make that change easy and practical, and our Biogel® Indicator® System is designed to support clinicians in adopting best practice without disruption – so they can focus on what matters most: caring for patients.

Monika Petty,
Marketing Manager,
Gloves, UK



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Case story

Continuous improvement in Gloves operations to reduce GHG emissions

Mölnlycke is committed to advancing sustainable healthcare by reducing the environmental impact associated with healthcare delivery. The company also supports customers in making informed choices that help meet their sustainability goals.

Following the first cradle-to-grave Life Cycle Assessment (LCA) conducted in 2022, Mölnlycke's Gloves business area implemented process improvements that addressed key hotspots related to greenhouse gas (GHG) emissions.

In 2025, a third-party verified LCA, conducted in line with ISO 14040 and ISO 14044, showed that the improvements in the Biogel® factories contributed to a reduction of up to 23% in the Global Warming Potential (GWP) of all assessed surgical Biogel® gloves. The reduction was primarily driven

by 100% renewable electricity use and decreased consumption of production chemicals and energy. A similar cradle-to-grave assessment was also carried out for Mölnlycke's range of gloves for critical environments. The insights gained will guide targeted improvements to further reduce the GHG emissions of glove manufacturing.



With the most recent LCA findings, we are proud to turn these freshly acquired insights to valuable knowledge necessary for healthcare professionals to make evidence-based decisions in selection of sustainable products.

Caren Lee, Global Sustainability and Portfolio Manager, Gloves



Case story

Setting new standard for endotoxin levels in critical environments with Biogel® Tech

Endotoxins pose a serious contamination risk in critical environments, such as in the manufacturing of pharmaceuticals. They can compromise product sterility and lead to severe health consequences for patients, including life-threatening conditions, especially in patients with weakened immune systems. Even trace amounts may trigger immune responses, making stringent endotoxin control essential for patient safety and regulatory compliance.

Regulatory guidelines from FDA and EMA allow endotoxin limits of <math><0.5\text{ EU/mL}</math>, but stricter control is needed for high-risk pharmaceutical applications. Leveraging cutting-edge endotoxin detection systems, Mölnlycke is manufacturing Biogel® Tech gloves to a tenfold lower endotoxin specification of <math><0.05\text{ EU/mL}</math>. This new industry standard has been accredited by Department of Standards Malaysia (DSM)

to ISO/IEC 17025. The endotoxin testing method used for Biogel® Tech complies with ASTM D7102-17, EN 455-3 and ISO 11737-3 requirements for evaluating endotoxin levels in medical gloves.

As such, aligned with EU GMP Annex 1 expectations, Biogel® Tech gloves deliver industry-leading low endotoxin levels to reduce pyrogen risk and strengthen clean-room contamination control during aseptic operations.



Antiseptics

Preventing healthcare-associated infections is one of the most pressing challenges in pre- and post-operative care. Mölnlycke is committed to patient safety and infection prevention is a core priority. Through elevated hygiene measures and proven antibacterial skin protection, Mölnlycke antiseptic solutions help reduce the risk of complications and improve outcomes for patients worldwide.

Vision

A world without healthcare-acquired infections.

Mission

Preventing infections across the patient's journey.

Solutions



Hibiclens® and Hibi®
Universal Bathing
System (HUBS)



Hibiscrub®



Antiseptic
wound cleansers



Hibi® Liquid
Hand Rub+



Hibiwash®



Steriwave®

Market trends

Infection prevention is essential but complex, requiring a balance between compliance and usability to avoid unintended risks.

Staff turnover, time pressure and cross-functional workflows continue to challenge consistent implementation across healthcare settings.

Ongoing price sensitivity in the U.S. is driven by hospital executives to increase revenue amid rising labour and technology costs.

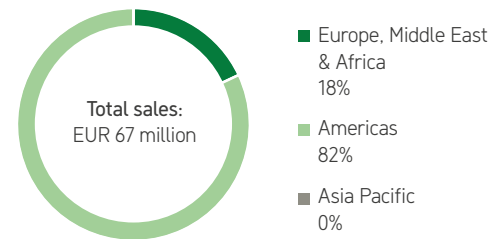
In Europe, despite continued price pressure,

there is a shift toward investing in infection prevention (e.g. reducing surgical site infections) rather than absorbing treatment costs.

Raw material and component availability has stabilised.

The Antiseptics Business Area continues to focus on making infection prevention as easy as possible for all stakeholders, including providers and patients, ensuring safe, efficient care while eliminating extra work and costs.

Sales per region



Core markets

The main market is the U.S. followed by the U.K. and Benelux.

Major product brands

Hibiscrub®, Hibi® Liquid Hand Rub, HibiClens®, Hibi® Universal Bathing System, Hibiwash®, Hibidil® and Steriwave®.

Production

Products are contract manufactured to Mölnlycke's formulations. Manufacturing takes place in the US, Belgium and Germany. Production is located close to the markets where the products are sold.

Antiseptics strategy

Mölnlycke aims to lead in patient decolonisation across the patient journey, in hospital and home settings, to reduce infection risk and improve outcomes. The company strengthens hospital relationships as the primary sales channel and leverages infection preventionists as key influencers while expanding patient engagement in their own care.

Mölnlycke embeds sustainability in the innovation process by prioritising recyclable materials, reduced environmental impact and responsible manufacturing partnerships

The company is accelerating digital communications and e-commerce by expanding its platforms, optimising pricing discipline and enhancing brand presence online. Mölnlycke also champions clinical evidence leadership through education, research and strategic partnerships that reinforce its credibility in infection prevention.

“ Our purpose is to protect lives by reducing the risks of preventable infections and antimicrobial resistance through proven antiseptic protocols. With broad-spectrum antimicrobial solutions, we work tirelessly to ensure every step of the patient journey is safeguarded – because health and healing should never be compromised.

Lina Karlsson,
EVP Antiseptics



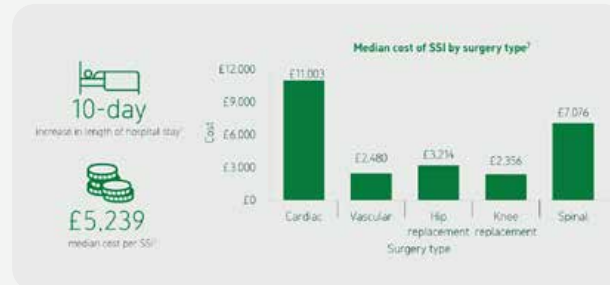
2025 highlights



Hibiwash® has launched across Europe, now approved for whole body washing in every market. Reformulated without colour, fragrance and soya oil, Hibi can support customers' sustainability goals.



U.S. growth accelerated through customer-focused improvements to the retail portfolio, including wider distribution of Hibiclens® 8oz foam and a new 32oz e-commerce offering.



A dedicated U.K. team has created interest in Steriwave, stimulating pilots in leading NHS trusts by having value-based discussions and using key assets like Mölnlycke's Health Economics Calculator.



Qualification activities to maintain wound irrigation product, Hibidil®, moved at pace. All production will be on one site, while changes made to the formulation will remove a Substance of Very High Concern⁷, supporting customers in fulfilling their climate change commitments.

7. Chemical identified under EU regulation as posing serious risks to human health or the environment.

Case story

Safeguarding quality and expanding patient access through a resilient e-commerce strategy



Mölnlycke is entering the next phase of its strategic journey with ambitious goals for sustainable growth in a rapidly changing marketplace. Achieving these objectives requires focused contributions across all teams, and the Mölnlycke's Antiseptics business area is leading the way by transforming its U.S. business model through a quality-driven, patient-centric e-commerce strategy.

Preventing healthcare-associated infections remains a critical priority in pre- and post-operative care. Mölnlycke's innovative antiseptic solutions, including the trusted Hibiclens® brand, help patients and providers reduce bacteria on the skin, supporting safer outcomes worldwide.

The U.S. is the largest market for Mölnlycke's antiseptics portfolio, with the retail channel playing an increasingly important role. In recent years, the channel has also seen a rise in unauthorised third party resellers sourcing products from lower margin acute care channels, creating risks to product integrity and brand trust.

To address this, Mölnlycke's sales and marketing team in the US launched a new e-commerce strategy last year focused on:

- Ensuring quality for the end buyer
- Adapting to meet evolving customer needs.
- Making sure customers are accessing the right price points.

- Expanding the official Hibiclens® Amazon brand store.
- Securing exclusivity for Amazon's top Hibiclens® item.

This reset strengthens product integrity, patient trust, and long-term retail channel resilience. Early results showed significant Amazon sales gains in 2025. The antiseptics team is advancing Mölnlycke's profitable growth while ensuring reliable access to high-quality antiseptic solutions that improve outcomes worldwide.



Case story

Steriwave® exclusive distributor partnership in the UK

In 2025, Mölnlycke strengthened its commitment to infection prevention through a strategic partnership with Ondine Biomedical Inc., introducing Steriwave nasal decolonisation technology to healthcare providers in the U.K. as an exclusive distributor.

Steriwave is a clinically proven, light-activated antimicrobial solution that eliminates harmful pathogens in the nasal cavity, reducing the risk of surgical site and healthcare-associated infections. This non-antibiotic, resistance-free technology supports global antimicrobial stewardship goals and enhances patient safety.

[More on nasal decolonisation with Steriwave at molnlycke.com](#)

The collaboration reinforces Mölnlycke's leadership in infection prevention, expands its portfolio with innovative solutions for preoperative and critical care protocols, and provides valuable insights into adoption trends and clinical outcomes. Together with Ondine, Mölnlycke is redefining infection prevention, delivering advanced solutions that protect patients and empower healthcare professionals worldwide.

Case story

Elevating infection prevention standards with APIC

Mölnlycke has partnered with the Association for Professionals in Infection Control and Epidemiology (APIC) to improve patient safety through infection prevention.

APIC is a leading professional association for infection preventionists with more than 15,000 members. Together, Mölnlycke and APIC work to advance the science and practice of infection prevention, ensuring healthcare professionals have access to the latest evidence-based tools and education.

Through this collaboration, Mölnlycke supports APIC's educational programmes and key initiatives that help hospitals and

health systems reduce healthcare-associated infections, improve compliance with national guidelines, and enhance patient outcomes. The benefits of this partnership extend beyond advocacy. The partnership fosters dialogue with infection prevention leaders, providing valuable insights into emerging trends and evolving clinical needs, knowledge that informs the development of future solutions.

United by a shared vision of a world without healthcare-associated infections, Mölnlycke and APIC are driving measurable improvements in infection prevention and empowering healthcare professionals to protect patients more effectively.

Corporate governance

Mölnlycke has robust governance processes that ensure transparency, accountability and ethical decision-making, aligned with a commitment to long-term sustainability and stakeholder trust. The company's risk management involves identifying, assessing and mitigating potential threats to its objectives and assets, ensuring proactive measures are in place to navigate uncertainties and enhance overall resilience.

Governance structures and controls 46

Risk management 51

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Executive Leadership Team 58

Governance structures and controls

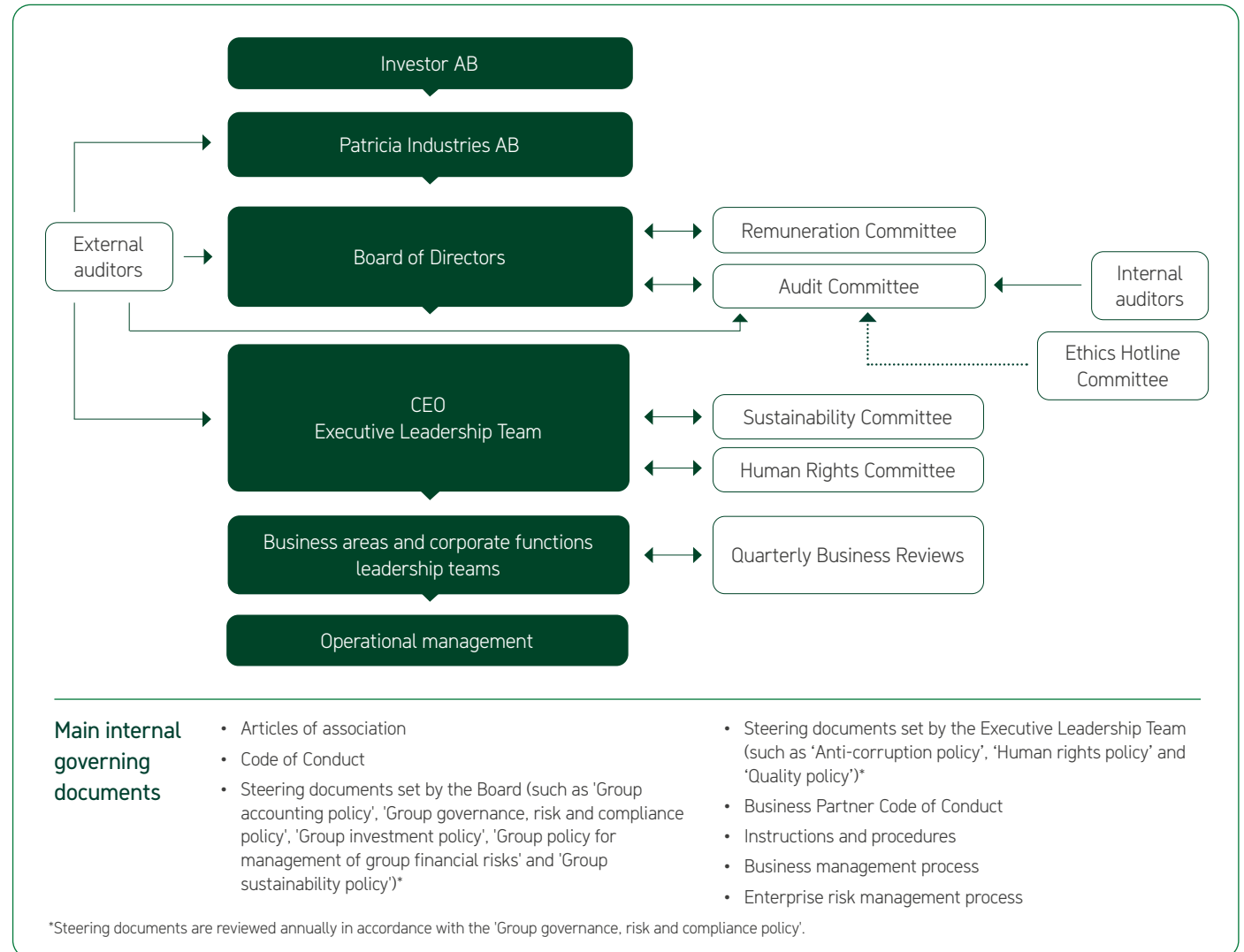
Governance and division of responsibilities

Mölnlycke maintains a comprehensive governance framework designed to safeguard compliance, uphold high ethical standards and ensure effective execution of the company's strategy. This framework is built on a structured system of policies, procedures and codes that guide sound decision-making, reinforce accountability and promote responsible conduct across all operations.

A clear division of responsibilities is a cornerstone of the governance model. Segregation of duties, strong internal controls and proactive risk management processes are embedded throughout the organisation to ensure that the company meets its obligations to employees, customers, patients, suppliers, shareholders and other stakeholders. These measures also support adherence to applicable legislation, internal policies and industry standards.

The corporate governance structure (see diagram) continued to play a central role in 2025 by enabling effective management, control and oversight.

The structure ensures that responsibilities are appropriately allocated and monitored, supporting robust governance. The company continuously evaluates and develops its governance practices to respond to regulatory developments and evolving business needs, ensuring alignment with long-term strategic objectives.



Ownership structure

Mölnlycke AB is 99% owned by Patricia Industries AB – a part of the Investor AB group, which is listed on the Nasdaq OMX stock exchange in Stockholm. The remaining 1% is owned by Mölnlycke employees and Board members. Mölnlycke is the largest subsidiary within Patricia Industries' group of companies. Mölnlycke AB owns 100% of Mölnlycke Holding AB. For more details about the ownership structure, see note 3 in the financial report on page 135.

The Board of Directors

Mölnlycke's Board of Directors holds ultimate responsibility for the company and its operations. They work in accordance with written rules of procedures and are assisted by the Audit Committee and the Remuneration Committee, which perform delegated oversight responsibilities and preparatory and advisory tasks within their respective areas. The Board oversees Mölnlycke's strategy, objectives, policies and plans. It also monitors the implementation of these plans, as defined by the Executive Leadership Team (ELT) and driven by stakeholders' needs. The owner, Patricia Industries, determines the overall direction of their portfolio investments, including Mölnlycke. The Board is responsible for monitoring how the company identifies and manages risks as part of its enterprise risk management process. They also monitor the actions implemented to ensure Mölnlycke meets its operational and financial objectives in compliance with applicable laws and regulations. Sustainability is integrated across Mölnlycke, guided by the company's double materiality assessment (DMA). The Board annually reviews and approves the company's list of impacts, risks and opportunities (IROs), identified through the DMA process, in line with CSRD requirements and recommendations from the ELT.



As of 22 May 2025, Mölnlycke's Board of Directors consists of eleven members and one deputy, with nine members considered independent from the owners.

The Board has convened for eight regular meetings and no extra meetings in 2025 to discuss key issues, including:

- the development and implementation of the strategy.
- the progress of the sustainability roadmap and the digital transformation.
- macroeconomic conditions including the impact of tariffs, increased supply costs and lead time constraints.
- financial performance compared to strategy and mitigating actions when deviations are identified.
- investment and valuation considerations and decisions.

Chair of the Board

The Chair's primary responsibility is to oversee and guide the activities of the Board, ensuring they are carried out in an orderly and effective manner. This includes ensuring that the Board fulfills its duties, keeping a vigilant eye on the company's progress and consistently obtaining the necessary information needed for the Board to perform its functions at a high standard while complying with relevant regulations.

Since September 2022, Karl-Henrik Sundström has been the Chair of the Board at Mölnlycke. The other Board members are Christian Cederholm, Aashima Gupta, Sharon James, Johan Malmquist, Leslie McDonnell, David Perez, Zlatko Rihter (until 24 March 2026), Kristina Willgård, Lars Axelsson, Beatrice Tabell and Filippa Stenberg (deputy).

Evaluation of the Board's work

Every year, the members of the Board evaluate their work through a survey. The survey assesses various aspects, such as meetings, materials and the performance of the Chair and Board members in their respective roles set out in the rules of procedure. The Chair oversees this survey and the results are presented to and discussed by the Board. The survey serves as the basis for continuous improvement in the Board's functioning as well as the foundation for the owners to suggest any proposals concerning the Board.

Board committees

During 2025, the Board had two committees: the Audit Committee and the Remuneration Committee.

Audit Committee

The Audit Committee is responsible for preparing and reviewing financial and compliance matters. It also ensures a smooth communication channel between the Board and the auditors. As set out in its rules of procedure, the committee has a duty to act on behalf of the Board of Directors to ensure that:

- accounting, reporting and financial statements are accurate and present a true and fair view of performance.
- audit, audit-related services, audit plan and audit independence are properly managed.
- financial internal controls and priorities are upheld.
- corporate business ethics and priorities are complied with.
- financial and valuation risks are considered and safeguarding funds are available for operational and strategic development.

Following the 2025 statutory Board meeting held on 22 May 2025, the Audit Committee consisted of Kristina Willgård (Chair), Leslie McDonnell and Filippa Stenberg (deputy) representing the Board of Directors. Representatives from the company's executive management (Guillaume Joucla (CFO & EVP IT & GBS) and Kristin Hedlund (EVP Legal General Counsel) attend the Audit Committee meetings to present information.

During 2025, the Committee had five meetings and the company's auditors participated in all meetings. The company's auditors also attended one Board meeting to present an overview of the audit for the fiscal year.

Remuneration Committee

Mölnlycke's Remuneration Committee is dedicated to thoroughly reviewing the company's executive remuneration policies and packages. It aims to attract and retain key individuals at Mölnlycke, while promoting desirable behaviours in a cost-effective way.

As outlined in the Remuneration Committee's rules of procedure, the committee performs these tasks on behalf of the Board:

- submitting proposals on reward philosophy for the company, supporting the achievement of long-term business strategy.
- submitting proposals on a remuneration framework for the CEO and ELT.
- proposing remuneration packages to the ELT members.
- submitting proposals on the structure of all long-term incentive programmes in the company.
- recommending the structure of the short-term incentive programme to the ELT and respective business area and corporate function leadership team.

Following the 2025 statutory Board meeting held on 22 May 2025, the Remuneration Committee consisted of Chair Karl-Henrik Sundström, Johan Malmqvist, Christian Cederholm, David Perez and Filippa Stenberg (deputy) representing the Board. Zlatko Rihter (CEO until 24 March 2026) and Maria Morin (Chief People Officer) attend the meetings representing management.

During 2025, the Committee held five meetings. Among other topics, it discussed compensation for executive leaders, salary increases and global short-term incentives for all employees.

External auditors

Each year, Mölnlycke elects auditors at its Annual General Meeting. On 22 May 2025, Deloitte was re-elected, with Hans Warén serving as the auditor in charge. The auditors present their audit plans, status of ongoing work and findings to the Audit Committee and the Board. In addition to their standard duties, Deloitte undertakes advisory and investigative assignments. These assignments do not jeopardise the auditors' independence.

Internal auditors

Mölnlycke has established an internal audit function as an integral part of its internal control and risk management framework. The internal audit function is externally outsourced to an independent service provider and operates as the third line of defense within the Group's internal control environment. Its work focuses on evaluating the effectiveness of governance, risk management and internal controls. The internal audit function reports directly to the Audit Committee, which approves the internal audit

plan, receives reports on audit findings, and monitors the implementation of agreed actions. This reporting structure ensures the internal audit function's independence from operational management and supports effective oversight by the Board.

CEO

Mölnlycke's Board of Directors appoints the Chief Executive Officer (CEO), who is responsible for executing the strategies, business plans, and operational activities approved by the Board. The CEO keeps the Board updated on the company's financial status and performance, provides necessary information and presents reports at Board meetings. All work must align with the Board's directives. Zlatko Rihter has served as CEO of Mölnlycke since 30 November 2020 until 24 March 2026. Guillaume Joucla was appointed interim-CEO as of 24 March 2026.

Executive Leadership Team

The CEO is supported by the Executive Leadership Team (ELT), which consists of the CEO and the ten Executive Vice Presidents leading the company's business areas and corporate functions. Together, the ELT defines and implements the company's corporate strategy while managing daily operations of their relevant areas. In 2025, the ELT held 12 meetings that mainly centered on the execution of customer-centric strategies, tackling macro-economic challenges and mitigating their effect on the business and its financial performance, while also navigating the dynamic sustainability landscape and addressing day-to-day operational issues. Ania Gasior, VP CEO Office and Transformation was co-opted to the ELT as of 1 July 2025 to oversee the implementation of the iMpact30+ transformation programme.

Business areas and corporate functions leadership teams

The company's four business areas have end-to-end responsibility for all operational and business-related aspects, including strategy, research and development, sustainability, manufacturing, procurement, marketing and sales. The leader of each business area is a member of the ELT.

Each business area is supported by a dedicated leadership team, comprised of the head of the unit and the critical function heads. The leadership teams manage their relevant business area, oversee daily operations, and are responsible for implementing strategies, operational management and decision-making oversight.

During 2025, focus for all business area leadership teams has been to continue implementing their respective customer-centric strategies. While each business area has end-to-end responsibility, the company has identified certain areas where it would be beneficial to maintain a cross-functional overview of the company's activities.

These corporate functions are:

- People/HR, including Brand and Communications
- Finance, including IT and Global Business Services
- Operations, including Logistics, Supply Chain and Operational Excellence, Customer Experience, Quality, Regulatory, Indirect Procurement and Corporate Sustainability
- Chief Medical Officer, including Global Governmental Affairs
- Corporate Strategy, Business Development and M&A
- Legal Affairs, including Business Ethics and Governance, IP, Privacy and AI Compliance

The functions at Mölnlycke are accountable for developing and executing relevant company-wide strategies, plans, processes and policies in their functional areas. They drive and support the company's growth based on their individual areas of expertise, while maintaining control over processes. In 2025, the corporate functions have concentrated on both effectively managing their functions and aligning their strategic priorities to support the business areas.

To ensure alignment of priorities within each business area, and between business areas and corporate functions, the business areas and corporate functions have developed a Mölnlycke Scorecard, which is used to guide actions, track progress and monitor performance.

Following the end of the financial year, as of 19 March 2026, the Chief Medical Officer (CMO) function is no longer part of the company's organisational design. The capabilities built under the CMO function are now embedded across the organisation.

Sustainability governance

A detailed description of Sustainability governance is covered in the Sustainability report on page 63.

Internal controls over financial reporting

Introduction

Mölnlycke provides fair representation of financial and sustainability reporting in a timely manner, and protects the company from potential losses or risks through implementation of reasonable safeguarding controls and compliance with applicable financial laws and regulations.

The Board sets the tone at the top regarding the importance of internal control over financial reporting. It is also ultimately accountable for risk management and ensuring adequate and effective internal controls within the company. The Audit Committee safeguards the internal financial controls on behalf of the Board and oversees the annual reassessment to ensure the internal financial control procedures work properly.

The company's internal control over financial reporting is based on five essential components of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework.

Control environment

Mölnlycke fosters a robust governance structure through clear roles and responsibilities in the Board, Audit Committee, group management and operational management. Mölnlycke communicates and trains employees on the company's Code of Conduct.

Global and local policies and guidelines are established and reviewed annually or when needed to provide company directives. Applied accounting frameworks, reporting requirements and responsibilities are documented in the Group accounting policy.

Risk assessment

Mölnlycke adopts an enterprise risk management framework to identify the company's top risks. Read more about the approach and key risk area in the risk management section.

Control activities

The internal financial control function, entity management and other functions, work closely to ensure that adequate controls over process, people and technology are implemented and maintained to mitigate identified risks. Control activities are built into the company's core business processes to ensure fair presentation of financial reporting. This includes segregation of duties, approval of business transactions by authorised personnel, reconciliations and analytical reviews.

Controls over Mölnlycke operating systems, platforms and applications include, but are not limited to, access controls, incident and change management, data backup and recovery and application controls.

Approved policies and guidelines are made available to all employees on the company's intranet. Training and communication are conducted through various forums to emphasise the importance of internal controls over financial reporting. These forums are tailored to targeted audiences and provide opportunities for feedback.

Continuous communication among group finance, entity finance and global business services is maintained via monthly closing instructions, business performance reviews and process improvement. This ensures fair representation and timely financial reporting both internally and externally.

Monitoring

Entity management is responsible for reviewing any control deficiency with control owners, implementing remediation

actions and formally endorsing the annual control self-assessment questionnaire.

The internal financial control function, in collaboration with group accounting and other functions, conducts risk-based reviews to assess control effectiveness. Remediation of identified control deficiencies are systematically tracked until completion within the remediation action dashboard. This dashboard is used by action owners to provide regular status updates and by the internal control function to provide supervisory oversight.

A summary of identified control deficiencies and action plans to address underlying causes and remediation status are reported to the Audit Committee.

The Audit Committee also reviews the reporting from the external and internal auditors.

Risk management

Mölnlycke proactively manages a broad range of strategic, operational, regulatory, financial and sustainability risks by developing mitigation measures aimed at reducing both their likelihood and impact.

Risk management is embedded across the organisation and forms an integral part of daily operations at both the enterprise level and within the individual business areas. The Board holds overall responsibility for ensuring effective risk management and sets the company's risk levels and limits through established policies.

Each business area and corporate function submits periodic enterprise risk management (ERM) reports to the Board, providing updates on risk exposure and mitigation progress. As part of this process, a comprehensive annual risk and mitigation assessment is conducted. This assessment identifies and evaluates current and emerging risks across five categories: strategic, operational, legal and compliance, sustainability and financial. It also includes black swan scenarios to ensure preparedness for low-probability but high-impact events.

All material risks are consolidated into a company-wide risk map, which serves as the foundation for developing and implementing targeted action plans. These plans are

designed to minimise the probability and potential impact of risks and are reviewed and confirmed by both the ELT and the Board. Given the potential for these risks to adversely affect the business if left unaddressed, timely and effective mitigation actions are critical to Mölnlycke's continued success. As a result, risk management remains fully integrated into the company's governance processes and operational practices.

Uncertainty factors

Geopolitical tension, trade barriers and market trends continue to represent the most significant uncertainty factors for Mölnlycke. Broader industry changes, evolving customer needs and risks linked to strategy execution and innovation, also contribute to the company's overall risk exposure. In particular, insufficient progress in radical innovation or digital transformation could limit Mölnlycke's ability to respond to a rapidly evolving market landscape, including trends emerging outside the acute healthcare sector.

Ongoing geopolitical developments are driving increased protectionism and regionalisation, resulting in supply chain complexities for global businesses. Trade restrictions, tariffs and regulatory changes introduce further uncertainty and

can impact both cost structures and operational continuity. Currency fluctuations add an additional layer of volatility. Meanwhile, shifting defence priorities, most notably in Europe, have the potential to divert public spending away from healthcare, influencing market conditions and customer behaviour.

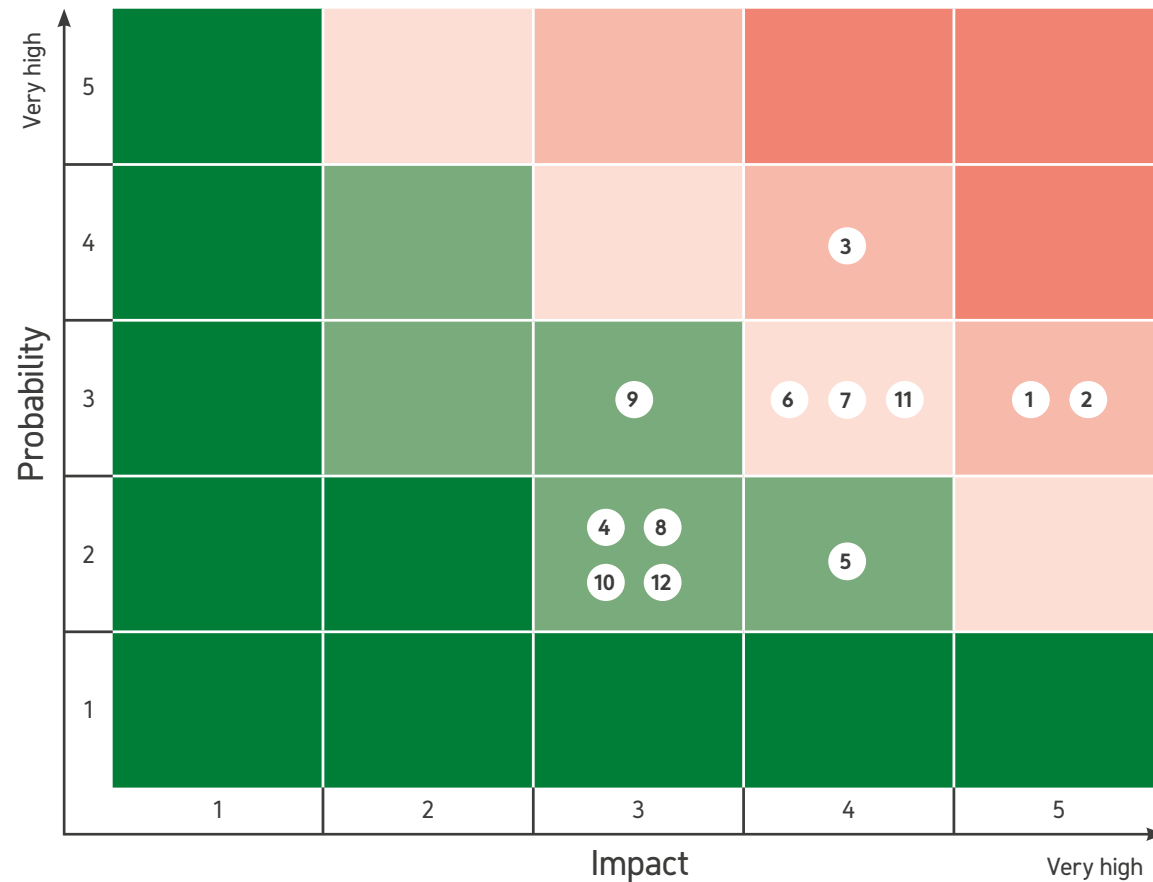
These combined factors reinforce the importance of proactive risk management, strategic agility and continued investment in innovation to ensure that Mölnlycke remains resilient and competitive in a dynamic global environment.

Strategic risks	Strategic risks	Strategic risks	Legal and compliance risks
Strategy and innovation	Risk related to industry shifts and market trends	Geopolitical tension, trade barriers and market access	Regulatory
Risks	Risks	Risks	Risks
<p>Mölnlycke faces increasing competitive pressure and must transform to future-proof its business. The main risks relate to the current business model and strategy, driving the need for innovation and digital transformation.</p>	<p>The healthcare sector is rapidly evolving, and Mölnlycke risks falling behind if it doesn't capture key industry shifts. There is also an increasing threat of commoditisation of the products currently offered by Mölnlycke.</p>	<p>Global polarisation, particularly between the US, China and the EU, intensified in 2025, reshaping trade through rising barriers, tariffs, protectionism, and stricter origin-tracing. In Europe, increased defence spending is also putting pressure on healthcare budgets. These trends threaten free trade and could limit Mölnlycke's ability to operate profitably across markets.</p>	<p>Mölnlycke and its product portfolio are subject to rigorous regulatory oversight in all operating markets. Breaches of regulatory legislation may lead to enforcement actions such as import stops, fines, or reputational damage. The risk is that increased regulatory scrutiny, or new or amended requirements, if not properly identified and implemented, could negatively impact the business, financial position, and earnings.</p>
Risk mitigating actions	Risk mitigating actions	Risk mitigating actions	Risk mitigating actions
<p>Following the strategy update in 2025, Mölnlycke is establishing short- and mid-term roadmaps to renew our innovation pipeline and address digital transformation needs, as well as gain access to new technologies through business development and partnerships.</p>	<p>Mölnlycke has clear priorities to address shifting industry needs and market trends. A key focus is redefining its role both within and beyond current segments. Rising commoditisation requires new approaches across product, digital, and service offerings. Despite market pressures, healthcare remains relatively stable due to consistent demand and increasing global life expectancy.</p>	<p>In 2025, Mölnlycke established a tariff task force to mitigate the impact of US tariffs. Localisation and regionalisation remain core to the company's strategy. Mölnlycke announced a EUR 115 million expansion of the Brunswick, US, manufacturing site to increase "US-for-US" manufacturing capacity. Work is also progressing on a new China facility for converting and packaging. A recently established converting and packaging factory is now operational in the Kingdom of Saudi Arabia. Mölnlycke continues to closely monitor global developments and adapts rapidly to changes affecting its business.</p>	<p>Mölnlycke maintains compliance with current regulatory legislation and proactively monitors legislative changes that may affect the company and its products. Regulatory intelligence supports understanding local requirements and their impact. Regulatory Affairs is represented in all business areas, and the company aims to remain compliant with laws and regulations in every country where it operates. This also applies to geographical expansions.</p>

Regulatory risks	Regulatory risks	Operational risks	Operational risks
Third party management, distributors, suppliers, joint ventures and other third parties	Business ethics	Portfolio diversification	Supply continuity and resilience
Risks	Risks	Risks	Risks
<p>If any of the company's business partners fails to uphold equivalent standards to those held by Mölnlycke on business ethics, human rights and compliance, it can expose the company to several significant risks. These include reputational damage stemming from perceived association with unethical or unlawful practices, potential legal or financial liability and a reduced ability to qualify for or participate in public or private tenders where strict compliance with ethical, social, and governance criteria is a prerequisite.</p>	<p>Unethical behaviour within the company's organisation or value chain, (such as bribery, corruption, antitrust violations, human rights abuses or unfair competition) may result in fines, legal sanctions and significant damage to the company's brand and credibility. Expansion into new markets and new partnerships may heighten exposure to such risks. Periods of financial stress may also increase pressure on individuals or partners to deviate from expected ethical standards.</p>	<p>Wound Care represents more than half of Mölnlycke's total revenue, making the company vulnerable to fluctuations within this single segment. The concentration of sales in key markets further heightens risk, as any economic slowdown or regulatory change in those markets could have a significant impact on overall financial performance.</p>	<p>Mölnlycke relies on specific suppliers for crucial materials and any disruption or quality issues could adversely impact manufacturing. Dependence on a particular country or region also poses risks. The worldwide logistics chain is vulnerable to disturbances potentially causing a decline in customer confidence and revenue loss.</p>
Risk mitigating actions	Risk mitigating actions	Risk mitigating actions	Risk mitigating actions
<p>Mölnlycke requires all relevant business partners to adhere to its Business Partner Code of Conduct or equivalent standards. In addition, Mölnlycke conducts due diligence on relevant upstream business partners through sustainability risk screenings and Sedex Member Ethical Trade Audits (SMETA) on high-risk direct material suppliers. Mölnlycke conducts due diligence on relevant downstream business partners through assessments of distributors with extended services, including screening distributors in high risk countries and an established due diligence process for all such distributors. To ensure compliance, sanctions training has been conducted to increase internal awareness of requirements. Mölnlycke expects its joint venture partners to adhere to the same ethical standards as Mölnlycke, which is enforced through relevant agreements.</p>	<p>Mölnlycke has established comprehensive procedures to prevent, detect, report, and address corruption and bribery as part of its business ethics and compliance programme. This includes robust policies, training and controls, with particular emphasis on high-risk interactions. For example, all Mölnlycke employees including Board members are trained on the Code of Conduct annually and relevant employees in high-risk roles are trained specifically on anti-corruption. Regular risk assessments, audits and ongoing monitoring help ensure that potential issues are identified and mitigated in a timely manner. These efforts are supported by an external Ethics Hotline available to both employees and external partners, reinforcing a culture of transparency and accountability across the organisation and the Mölnlycke value chain.</p>	<p>Mölnlycke continues to strengthen its Wound Care portfolio to maintain its premium market position. The market is expanding, driven by rising life expectancy and global population growth. The company's innovation pipeline focuses on targeted business development, a structured internal development roadmap and digital solutions that enhance clinical efficacy, patient engagement and wound assessment. Geographic expansion, including China and the Middle East, is also a priority. A recently initiated re-organisation and capability shift within R&D will help balance incremental innovation in the core portfolio with increased focus on breakthrough innovations and solutions tailored to local market needs.</p>	<p>To minimise the risk of supply disruptions, Mölnlycke has in recent years focused on implementing a dual sourcing strategy and continually seeks alternative materials from suppliers. Mölnlycke monitors supplier presence in different locations and regularly reassesses safety stock levels. The company has a strong logistics network for global distribution and collaborates with suppliers during difficult times. Precise volume forecasts are generated to ensure efficiency.</p>

Operational risks	Operational risks	Sustainability risks	Financial risks
Cyber and IT security	Talent and capability alignment	Delivering on key commitments and increasing reporting requirements	Currency
Risks	Risks	Risks	Risks
<p>Mölnlycke depends on IT systems for its operations. With the increasing frequency and complexity of IT security threats, the risk of security breaches such as hacking, cyber-attacks or data leakage has become higher. Any disruptions or glitches in crucial systems could have a direct impact on the company's business processes, such as halted production and possible data loss.</p>	<p>Mölnlycke needs to attract and retain skilled and dedicated employees to maintain its competitive edge. Robust succession planning, talent pipelining and people leadership development are essential. A misalignment between workforce capabilities and future business needs, shaped by rapid technological change, digital transformation and an updated business strategy, could negatively affect the company's competitiveness.</p>	<p>Delays in key sustainability initiatives pose regulatory, reputational and commercial risks. Non-compliance with requirements such as EUDR, PPWR, CSRD, EU Taxonomy and CS3D could restrict market access, while slow progress on SBTi-validated targets may erode stakeholder trust. With sustainability now increasingly important in tenders, insufficient delivery heightens regulatory scrutiny and weakens long-term competitiveness.</p>	<p>Mölnlycke's currency exposure is the risk that fluctuations in exchange rates may negatively impact Mölnlycke's cash flow, income statement and balance sheet. Currency exposure can arise from payment flows (transaction exposure), the valuation of foreign currency balance sheet items (balance sheet exposure) and translation during consolidation of foreign subsidiary income statements and balance sheets into EUR (translation exposure).</p>
Risk mitigating actions	Risk mitigating actions	Risk mitigating actions	Risk mitigating actions
<p>Mölnlycke prioritises IT security and invests resources in proactive measures. Working with partners, the company follows established processes to ensure IT systems are stable and secure, including monitoring services and measures to prevent cyber incidents and reduce vulnerabilities in company devices. The company's security programme aims to increase employee awareness, protect data and enhance the efficiency of Mölnlycke's security processes and controls in line with an established ISO 27001 based ISMS (Information Security Management System). During 2025 Mölnlycke registered as an NIS2 entity and improved IT operating technology in factories.</p>	<p>Mölnlycke has a capability framework and assessments at the business area and corporate function level to ensure the company both upskills its workforce and attracts the right external capabilities. A new employee value proposition is being launched internally, with the ambition to leverage it externally to position Mölnlycke as an employer of choice. Mölnlycke invests in long-term career development, offering learning and development programmes and clear opportunities for progression. In 2025, 58% of positions at manager-level and above were filled internally. The graduate programme continued in 2025, focusing on young talents with a particular emphasis on digital and R&D.</p>	<p>Mölnlycke is proactively addressing evolving sustainability demands by embedding sustainability at the core of its strategy. The company remains committed to its SBTi-validated near-term greenhouse gas reduction targets and its goal of reaching Net Zero by 2050, supported by dedicated Net Zero roadmaps across all business areas and global functions. To reduce the risk of delays, Mölnlycke is strengthening governance, accountability and cross-functional coordination for key initiatives, including circular economy pilots, product design changes and readiness for new regulations such as EUDR, PPWR and CSRD. Dedicated resources and subject-matter expertise are in place to support regulatory implementation and innovation timelines. Mölnlycke also actively engages customers and stakeholders to maintain trust, align expectations and support their evolving sustainability and reporting needs. Transparency is ensured through external validation and robust reporting aligned with SBTi, GRI, CSRD and EcoVadis, providing credible and consistent information to all stakeholders.</p>	<p>Based on the assumption that hedging has no significant long-term impact on group results, currency exposure is not hedged on an ongoing basis. 2025 has seen substantial currency fluctuations, and Mölnlycke has been negatively affected by a depreciating USD and a strengthening SEK. As mitigation, Mölnlycke matches USD funding with earnings (USD debt) and uses natural hedges to reduce USD exposure, such as increasing purchases in USD.</p>

The current risk landscape



Strategic risks

1. Strategy and innovation
2. Risk related to industry shifts and market trends
3. Geopolitical tension, trade barriers and market access

Legal and compliance risks

4. Regulatory
5. Business ethics
6. Distributors, suppliers, joint ventures and third parties

Operational risks

7. Portfolio diversification
8. Supply continuity and resilience
9. Cyber and IT security
10. Talent and capability alignment

Sustainability risks

11. Delivering on key commitments and increasing reporting requirements

Financial risks

12. Currency

Board of Directors



Karl-Henrik Sundström
Chairman of the Board,
 elected 2022 (Board member
 since 2018)

Born: 1960
Nationality: Swedish
Education: Bachelor of
 Economics
Board assignments: Chairman
 of the Board of Boliden and
 the Finnish-Swedish Chamber
 of Commerce. Deputy
 Chairman of the Board of
 Vestas A/S. Board member
 of NXP Semiconductors,
 and Marcus Wallenberg
 Foundation.
**Professional experience
 and previous assignments:**
 CEO of Stora Enso 2014–2019.
 Former leadership positions
 include, among others,
 CFO & Executive Vice
 President of Stora Enso, NXP
 Semiconductors and Ericsson.



Christian Cederholm
Board Member, elected 2020

Born: 1978
Nationality: Swedish
Education: Master of Science
 in Economics and Business
 Administration
Board assignments: Board
 member of Hi3G Scandinavia.
**Professional experience
 and previous assignments:**
 President and CEO of Investor
 AB since May 2024 and part of
 Investor since 2001. Previously
 Head of Patricia Industries, a
 part of Investor AB, since 2021.



Aashima Gupta
Board Member, elected 2023

Born: 1970
Nationality: American
Education: Master of Science
 in Computer Science,
Board assignments: Board
 member of Neogen, Member
 of the HIMSS NA and GRAIL
 Advisory Boards.
**Professional experience
 and previous assignments:**
 Currently holds the position
 as Global Director of
 Healthcare Industry Solutions
 at Google Cloud. Former
 Executive leadership roles
 driving digital strategy for
 Kaiser Permanente, an
 integrated health system and
 senior leadership roles in
 software development at J.P
 Morgan Chase and Fidelity
 Investments.



Sharon James
Board Member, elected 2018

Born: 1961
Nationality: British
Education: Doctor of
 Philosophy in Neurobiology
Board assignments: Board
 member of Novozymes.
**Professional experience and
 previous assignments:** Senior
 advisor to Bain & Company.
 Former R&D leadership
 roles within Bayer Consumer
 Health, Reckitt Benckiser,
 PepsiCo and GlaxoSmithKline.



Johan Malmquist
Board Member, elected 2015

Born: 1961
Nationality: Swedish
Education: Bachelor of Science
 in Business Administration
Board assignments: Chairman
 of the Board of Getinge,
 Arjo and Trelleborg. Board
 member of Stena Adactum
 and Chalmers University of
 Technology Foundation.
**Professional experience
 and previous assignments:**
 President and CEO of Getinge
 1997–2015. Previous leadership
 positions within Getinge and
 the Electrolux Group.



Leslie McDonnell
Board Member, elected 2023

Born: 1972
Nationality: American
Education: Master of Business
 Administration, Bachelor of
 Science in Business
Board assignments: Board
 member of Laborie Medical
 Technologies.
**Professional experience
 and previous assignments:**
 Previous executive leadership
 roles in MedTech at
 Medtronic, 3M Healthcare
 and Natus Medical. Most
 recently, President, CEO and
 Board Member of IRadimed
 Corporation.

Board of Directors



David Perez
Board Member, elected 2019

Born: 1959
Nationality: American
Education: Bachelor of Arts
Board assignments: Chairman of the Board of Nova Biomedical and Laborie. Board member of NeoGenomics, Changent (formerly Nurse Family Partnership) and Bridge Entrepreneurs Network.
Professional experience and previous assignments: President and CEO of Terumo BCT (and its predecessor companies Cobe BCT, Gambro BCT and CaridianBCT) 1999–2019. Former board member of Terumo Corporation, Ortho Clinical Diagnostics, Mesa Labs and Sarnova.



Zlatko Rihter*
Board Member, elected 2020

Born: 1970
Nationality: Swedish
Education: Master of Science, Mechanical Engineering
Board assignments: Board member of Sobi AB.
Professional experience and previous assignments: President and CEO of Mölnlycke. Former CEO of CellaVision, 2015-2020. Previous positions include Executive Vice President Global Sales and Marketing at Cooper Companies, President Chronic Dialysis and EMEA Commercial at Gambro and VP Patient Handling Product Division at Arjo.



Kristina Willgård
Board Member, elected 2021

Born: 1965
Nationality: Swedish
Education: Bachelor of Economics
Board assignments: Chairman of the Board of C-RAD. Board member of Addnode Group AB, Ernströmgruppen AB, InArea Group AB, Permobil AB and Sinch AB.
Professional experience and previous assignments: CEO of AddLife 2015-2022. Previous senior positions include CFO of Addtech and Finance Director at Ericsson.



Filippa Stenberg
Deputy Board member, elected 2025

Born: 1985
Nationality: Swedish
Education: Master of Science in Business and Economics
Board assignments: Board member of Sobi AB and Affibody Medical.
Professional experience and previous assignments: Managing Director at Patricia Industries. Investment professional at Investor since 2012. Previously, Chief Strategy Officer at Atlas Antibodies and analyst at Swedbank.



Lars Axelsson
Employee representative, elected 2021

Born: 1961
Nationality: Swedish
Education: Master of Science in Engineering Physics, Master of Business Administration
Board assignments: N/A
Professional experience and previous assignments: Project Manager, R&D, OR Solutions.



Beatrice Tabell
Employee representative, elected 2025

Born: 1993
Nationality: Swedish
Education: Master of Science in Business and Economics
Board assignments: N/A
Professional experience and previous assignments: Global Marketing Associate, Wound Care.

* On 24 March 2026, Zlatko Rihter, CEO, informed the Mölnlycke Board of Directors of his decision to resign. Following his decision, Guillaume Joucla, Chief Financial Officer, was appointed interim CEO. Mölnlycke's Board has initiated the recruitment process for a permanent CEO.

Executive Leadership Team



Zlatko Rihter*
President and CEO

Born: 1970
Nationality: Swedish
Employed since: 2020
Education: Master of Science, Mechanical Engineering
Board assignments: Board member of Sobi AB.
Previous experience: President and CEO of CellaVision, 2015–2020. Previous positions include Executive Vice President Global Sales and Marketing at Cooper Companies, President Chronic Dialysis and EMEA Commercial at Gambro and VP Patient Handling Product Division at Arjo.



Guillaume Joucla*
CFO and EVP IT and Global Business Services

Born: 1973
Nationality: French
Employed since: 2002
Education: Postgraduate degree in Finance and Management, Master of Science in Applied mathematics
Board assignments: -
Previous experience: Various senior leadership roles in Global Finance and Strategic projects and local operations at Mölnlycke. Prior positions include senior management roles at ProxiMed Services and BioSteril.



Anders Andersson
EVP Wound Care

Born: 1971
Nationality: Swedish
Employed since: 2000
Education: Master of Science in Business and Economics
Board assignments: N/A
Previous experience: Various senior leadership roles in Operations, Commercial and R&D at Mölnlycke. Before taking on his current role Anders served as EVP OR Solutions.



Fredrik Wallefors
EVP OR Solutions

Born: 1975
Nationality: Swedish
Employed since: 2002
Education: Master of Science in Industrial Engineering and Innovation Management
Board assignments: N/A
Previous experience: Various senior leadership roles in R&D, Marketing and Commercial at Mölnlycke. Prior to his current role, Fredrik served as the Global Vice President of Commercial OR Solutions.



Katriina Öberg
EVP Gloves

Born: 1966
Nationality: Finnish
Employed since: 1999
Education: Master of Science in Business and Economics
Board assignments: N/A
Previous experience: Various senior leadership roles at Mölnlycke. Most recently Regional Vice President Asia-Pacific and before that General Manager Region North.



Lina Karlsson
EVP Antiseptics

Born: 1973
Nationality: Swedish
Employed since: 2019
Education: Master of Science in Chemical Engineering, Doctor of Philosophy in Polymer Science, Executive Master of Business Administration
Board assignments: -
Previous experience: Head of OR Solutions R&D at Mölnlycke 2019–2021. Previously senior global positions in R&D and Operations at Gambro and Baxter.

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Executive Leadership Team



Moatassem Bassiouni
EVP Corporate Strategy,
Business Development
and M&A

Born: 1973
Nationality: Egyptian
Employed since: 2015
Education: Pharmaceutical
Science, Associate degree in
Advance Management
Board assignments: N/A
Previous experience:
Several senior commercial
leadership roles such as
General Manager Turkey,
MEA & South Africa and Vice
President EMEA Wound Care
at Mölnlycke. Prior experience
includes positions at Johnson
& Johnson Medical.



Eric De Kesel
Chief Operations Officer and
EVP Sustainability

Born: 1965
Nationality: Belgian
Employed since: 2002
Education: Master of Applied
Science, Electromechanical
Engineering
Board assignments: Board
member of Rosti Group AB.
Previous experience:
Various senior roles at
Mölnlycke, such as head of
Global Business Units and
President of the Surgical
Division. Most recently EVP,
Global Operations, Regulatory
Affairs and Quality Assurance.



Kristin Hedlund
EVP Legal, Compliance and IP

Born: 1968
Nationality: Swedish
Employed since: 2018
Education: Master of Laws,
Political Science
Board assignments:
Board member of Swecare
foundation.
Previous experience:
A number of positions within
DB Schenker, serving as
General Counsel and member
of the Board at Schenker AB.
Kristin has a background as
a judge in the Swedish court
system.



Maria Morin
Chief People Officer and
EVP Group Brand and
Communications

Born: 1974
Nationality: Swedish
Employed since: 2023
Education: Bachelor of
Business Administration
and Bachelor of Science
HR Management
Board assignments: N/A
Previous experience:
Senior positions within human
resources development and
communication from among
others CellaVision AB. Most
recently served as Group
CHRO at BHG Group, leading
HR, communications and
ESG functions.



Emma Wright
EVP Chief Medical Officer*

Born: 1973
Nationality: British
Employed since: 2018
Education: Doctor of
Philosophy, Bachelor of
Science (Hons)
Board assignments: Board
member of Wound Care
Collaborative Community and
Siren Care, Trustee for Insignis
Academy Trust
Previous experience:
Career spent entirely in
medical devices, particularly
in the wound care and
surgical implant space. Emma
has worked across various
markets, for a range of
MedTech businesses, from
start-ups to large global
companies.



Ania Gasior
VP CEO Office and
Transformation**

Born: 1986
Nationality: Swiss
Employed since: 2020
Education: Master Degree
in Finance and Human
Resources
Board assignments: N/A
Previous experience:
Senior positions in HR and in
transformation across multiple
industries with companies
such as Medtronic and SC
Johnson. Most recently VP,
CEO Office and Transformation
supporting Mölnlycke 2030
strategy.

* Emma Wright served as Executive Vice President Chief Medical Officer during the 2025 financial year and stepped down from her role on 19 March 2026.

** Ania Gasior was co-opted as an ELT member as of 1 July 2025. She became a formal member of the ELT as Executive Vice President, CEO Office & Transformation as of 19 March 2026.

Sustainability report

The sustainability report highlights how Mölnlycke identifies, evaluates and manages sustainability-related impacts, risks and opportunities across the value chain. The report provides a detailed overview of Mölnlycke's sustainability actions, including progress on environmental, social and governance aspects.

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GRI Index	119

General information

At Mölnlycke, sustainability is embedded in the company's business strategy as a key driver of long-term success. The company's approach to risk management and internal controls ensures the accuracy, reliability and integrity of sustainability reporting, reflecting Mölnlycke's commitment to transparency and alignment with regulatory requirements.

Basis for preparation

Frameworks and data selection

This sustainability report ("the report") for the Mölnlycke Holding AB Group ("Mölnlycke") has been prepared in accordance with the Swedish Annual Accounts Act, according to the previous version applied before 1 July 2024. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, applying the reporting principles outlined in GRI 1: Foundation (2021). Additionally, the Sustainability report has been structured in accordance with the requirements set out in the Corporate Sustainability Reporting Directive (CSRD), article 29(a) of EU Directive 2013/34/ EU and the Taxonomy Regulation, Article 8 of EU Regulation 2020/852, though full alignment with the European Sustainability Reporting Standards (ESRS) has not been achieved. The report also aligns with the UN Guiding Principles on Business and Human Rights reporting framework. Mölnlycke is part of the Investor AB Group, which prepares a statutory sustainability report including Mölnlycke. As a supplement, a GRI content index is provided on page 119 of this report.

Reporting time horizons

The reporting period for the sustainability report aligns with Mölnlycke's financial statements, i.e. from 1 January to 31 December and includes data from Mölnlycke Holding AB and its subsidiaries.

Scope of reporting and boundaries

The sustainability report is prepared on a consolidated basis, with the scope of consolidation aligned with that of the financial statements. Acquisitions, divestments and other similar transactions are reported from the transaction date. For target setting, baselines are recalculated if mergers, acquisitions or divestments significantly impact key performance indicators. In other cases, prior period data remains unchanged unless stated otherwise. Any restatements are disclosed within the report on page 62.

The report also includes information on Mölnlycke's value chain, covering suppliers, distributors, customers, and other business partners. While efforts are made to ensure accuracy, inherent uncertainties exist regarding performance data from areas beyond the company's direct control.

External review

Mölnlycke's sustainability information has been included in Investor AB Group's statutory sustainability statement which has undergone limited assurance. Mölnlycke has also undergone additional assurance on selected metrics. The indicators that fall within the scope of limited assurance by the external auditor for 2025 are selected sustainability data. This includes metrics such as energy consumption, Scope 1, Scope 2 and Scope 3 GHG emissions. The Limited Assurance Report of the independent auditor, detailing the scope and outcomes, is available on page 118 of this report.

Disclosures in relation to specific circumstances

Sources of estimation and outcome uncertainty

Mölnlycke makes assessments and estimates for the reporting of certain data points using indirect sources, including sector-average data and proxies. This approach applies to energy and resource inflow metrics. For Scope 3 GHG emissions reporting, Mölnlycke uses estimates by combining activity data with emissions factors. Mölnlycke strives to include supplier-specific data and emissions factors in its Scope 3 GHG emissions reporting whenever such data can be obtained. On some occasions, more generic activity data or emissions factors are occasionally used and extrapolated to address data gaps. The basis for preparation of these estimates are described in the footnotes in topic specific sections.

Estimates and judgements are regularly reassessed based on experience, developments in sustainability reporting, and other relevant factors. Changes in estimates are recognised in the period during which the revision occurs.

Changes in preparation or presentation of sustainability information

The following information in the sustainability report has been restated:

Information in the Climate change and energy section of Mölnlycke's annual report, about Purchased or acquired heat from fossil fuel sources for the year 2024 and 2023, have been restated following the identification of a renewable certificate purchased by one site. As such, 2,346 of the 9,211 Purchased or acquired heat from fossil fuel sources reported in 2024 was reallocated to Purchased or acquired heat from renewable sources. In 2023, 2,826 of the 9,972 has been reallocated from fossil fuel sources to renewable sources.

Information in the Climate change and energy section of Mölnlycke's annual report, about Scope 2 GHG emissions for the year 2024 and 2023, has been restated following the correction of an erroneous emission factor previously applied for district heating at sites in the Czech Republic, where the Category 3 of Scope 3 factor was mistakenly applied to Scope 2 calculations and vice versa. Further, additional errors in emission factors for renewable electricity were identified in Category 3 of Scope 3 (Fuel- and energy-related activities).

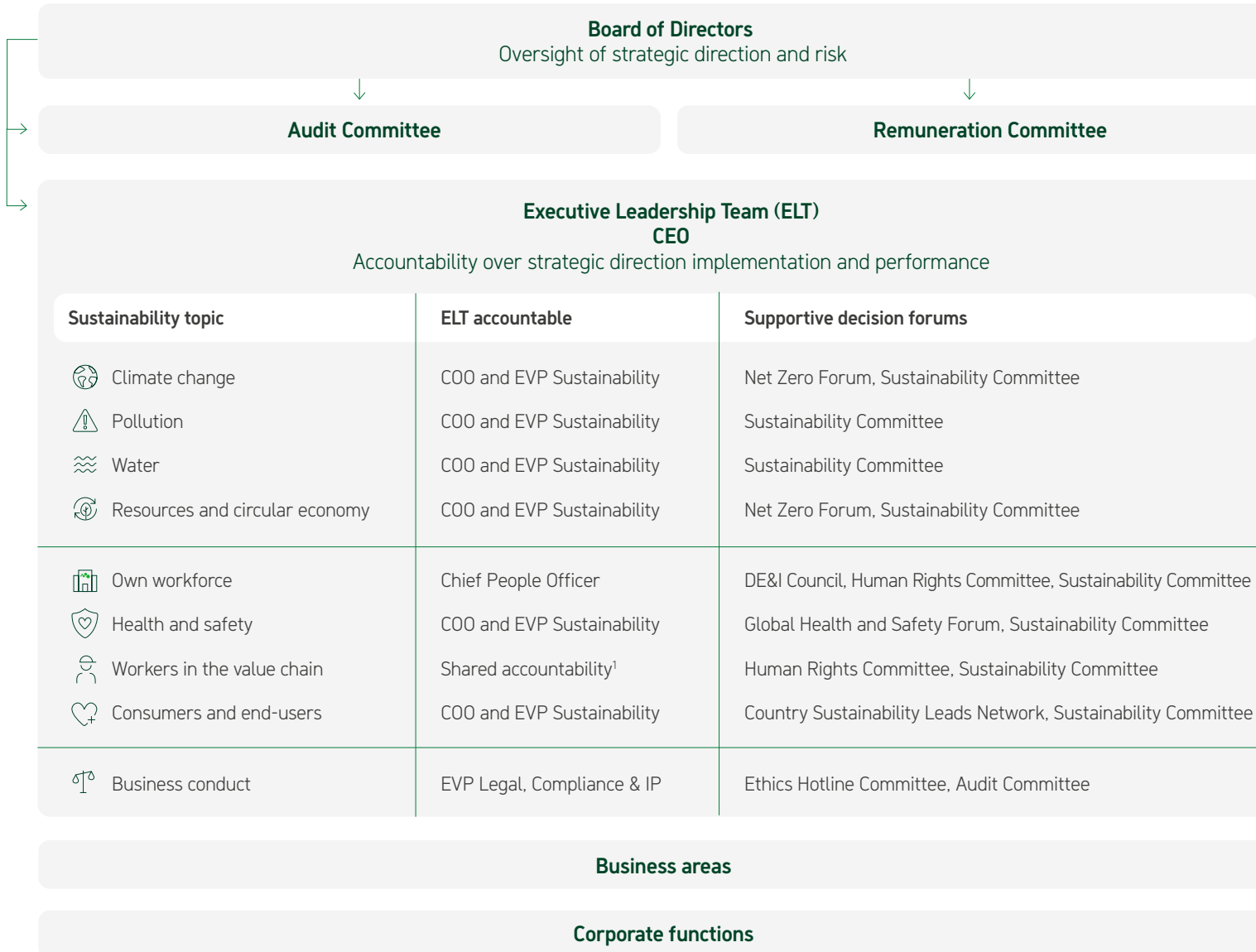
Information in the Water section of Mölnlycke's annual report, about water discharge and total consumption for the year 2024 and 2023, has been restated following the correction of unreported domestic wastewater discharge at sites in Malaysia.

Energy consumption in own operations (MWh)	After restatement		Prior to restatement	
	2024	2023	2024	2023
Purchased or acquired heat from fossil sources	6,865	7,146	9,211	9,972
Purchased or acquired heat from renewable sources	2,346	2,826	0	0

GHG emissions (tCO ₂ e)	After restatement			Prior to restatement		
	2024	2023	2022	2024	2023	2022
Scope 2 location-based emissions	53,109	53,517	-	49,506	51,898	-
Scope 2 market-based emissions	11,333	21,137	-	10,513	20,276	-
Scope 3 Category 3 (Fuel- and energy-related activities)	13,554	16,264	17,143	14,692	18,202	18,830

Water (thousand m ³)	After restatement		Prior to restatement	
	2024	2023	2024	2023
Water discharge	2,219	2,050	2,118	1,938
Total water consumption	20	13	123	125

Sustainability governance



At Mölnlycke, sustainability information flows from operational management and dedicated committees to the Executive Leadership Team (ELT) and Board of Directors through structured reporting processes, ensuring that strategic decisions are informed by up-to-date sustainability performance and risk assessments. Conversely, sustainability priorities and the overarching vision are cascaded from the Board of Directors and the ELT down to operational management and committees.

Board of Directors

Mölnlycke’s Board of Directors is the highest governing body for sustainability, holding ultimate responsibility for approving the strategic direction, targets and the policies and risk management processes. The Board of Directors oversees performance on material sustainability impacts, risks and opportunities, and annually reviews and approves the results of the double materiality assessment.

The Board of Directors evaluates the effectiveness of sustainability policies, metrics, and targets, including progress towards Mölnlycke’s sustainability goals. Performance is reported twice a year and the outcomes are used to guide strategic decision-making and adjustments to the sustainability roadmap.

The Board of Directors is supported by its designated committees, the Audit Committee and the Remuneration Committee, as well as by operational management, including the CEO, ELT and Corporate functions. The Audit Committee monitors sustainability reporting processes, including the plans for improvements,

1. Accountability is shared between the COO and EVP Sustainability and the EVP Legal, Compliance & IP, depending on the matter.

risks, internal controls, and their operating effectiveness.

Please refer to page 47 for more information on Mölnlycke's Board of Directors.

Executive Leadership Team

The ELT steers and approves the strategic direction on sustainability and is accountable for oversight and performance on material sustainability impacts, risks and opportunities (IROs). The CEO is responsible for defining Mölnlycke's operating model, including governance of sustainability, while ELT members implement it within their organisations.

Mölnlycke's Chief Operating Officer & EVP Sustainability holds overall responsibility for ensuring that the business delivers on sustainability targets and actions are in line with its sustainability ambition. The Chief Financial Officer is responsible for sustainability reporting, including compliance with the Corporate Sustainability Reporting Directive (CSRD) to Investor AB.

Sustainability Committee

The Sustainability Committee, composed of senior leaders from key corporate functions and business areas, serves as Mölnlycke's decision-making forum for WeCare, the company's sustainability roadmap. This committee drives a unified, strategic approach to achieving Mölnlycke's sustainability goals while fostering cross-functional collaboration, knowledge exchange, and up-to-date sustainability expertise. The Committee meets monthly to review ongoing sustainability initiatives and on a quarterly basis, it evaluates progress against established KPIs,

taking into account emerging market trends, evolving customer expectations, and relevant legislative and regulatory developments. Any deviations are addressed and resources are reallocated as needed to stay aligned with the company's targets. In-depth sustainability performance reviews occur twice a year and are presented during Sustainability Strategy Reviews to the ELT and to the Board of Directors. These reviews encompass key achievements, challenges and emerging risks and opportunities. To drive sustainability forward, Mölnlycke has established various dedicated working groups, including:

- **Net Zero Forum:** a cross-functional forum focused on managing and minimising Mölnlycke's Scope 1, 2 and 3 GHG emissions and coordinating efforts to achieve Net Zero by 2050. The forum is central to Mölnlycke's commitment to the Science Based Targets initiative (SBTi) and to contributing meaningfully to global climate goals.
- **Diversity, Equity and Inclusion Council:** a forum consisting of ELT members and senior management, which shapes and oversees Mölnlycke's diversity, equity and inclusion agenda, ensuring that progress is monitored and achieved.
- **Human Rights Committee:** a decision-making body, with several ELT members involved, responsible for taking decisions relating to Mölnlycke's human rights programme. This includes relevant decisions on remedy for any actual impacts identified.

- **Country Sustainability Leads Network:** a network connecting one representative per market to global priorities, insights and tools, supporting local ownership of the WeCare strategic framework. It helps improve reporting, shares best practices and drives impact in areas such as Circular Economy, sustainable solutions and offerings as well as CSRD reporting.

Corporate functions and business areas

Business areas are responsible for executing controls and mitigating risks, supported by corporate oversight functions such as Corporate Sustainability, Risk Management, Business Ethics & Governance, Quality and Regulatory Assurance and others. External certification bodies are engaged for selected risks, including Environmental, Health, Safety and Security (EHS&S), to provide independent verification of controls and compliance. The externally-sourced Internal Audit function provides an additional independent assessment of the effectiveness of governance and sustainability-related risk management. The Business areas are accountable for managing material sustainability impacts, risks and opportunities (IROs) and embedding them into daily operations, ensuring progress towards Mölnlycke's targets through effective risk management, execution and performance tracking.

Risk management and internal controls over sustainability reporting

Mölnlycke's Board of Directors holds overall responsibility for the internal control environment governing sustainability reporting, delegating operational oversight to the CEO and ELT, with the Audit Committee monitoring control effectiveness. Sustainability reporting is guided by the Group Sustainability policy and by global and site-level procedures that define clear mandates, responsibilities and validation processes to ensure data quality. Risk assessments are conducted through structured processes, beginning with working group identification, prioritised by the Sustainability Committee, and reviewed by the ELT. Results are reported to the Board of Directors, supporting informed oversight. A control framework is in place to meet CSRD requirements, combining internal validation, independent assurance, digital tools, and standardised reporting protocols. Frequent data reviews and continuous improvements through external audit feedback ensure the accuracy, reliability and alignment of sustainability disclosures with regulatory and stakeholder expectations.

Strategy and business model

Strategy

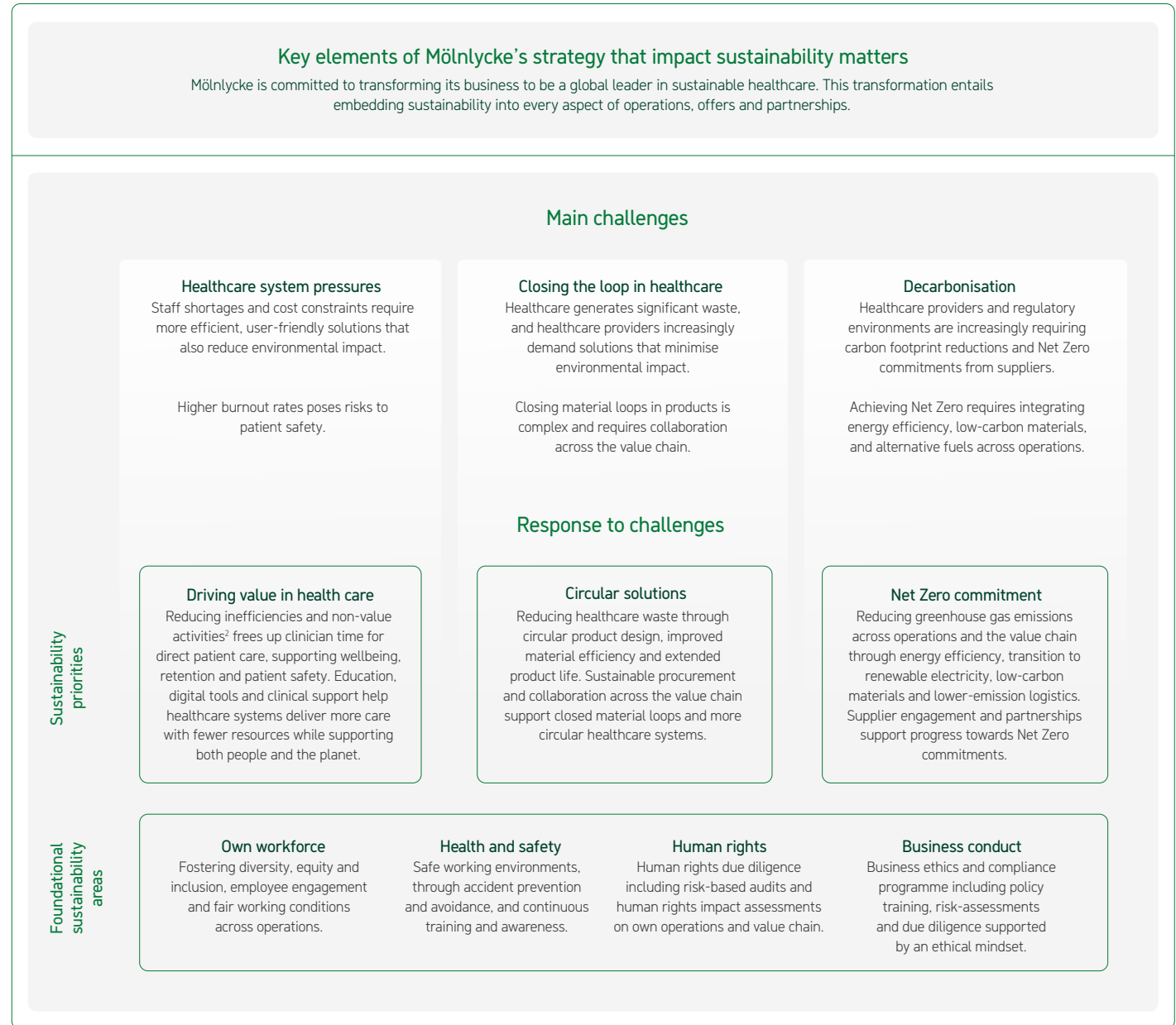
Sustainable growth is driven through continuous improvement of existing products, innovation in new or adjacent areas, and adoption of new technologies that enhance patient outcomes and healthcare efficiency, while reducing its environmental impact. Sustainability is integrated into Mölnlycke’s overall strategy. Please refer to page 16 for more information on Mölnlycke’s strategy.

Business model

Mölnlycke’s business model is built around delivering high-quality, innovative medical technology solutions that enable healthcare providers to improve patient outcomes, while contributing to reducing the environmental impact of healthcare. The company’s value chain encompasses the entire product life cycle, from sourcing and manufacturing to distribution, end-use, responsible disposal, ensuring quality, efficiency and sustainability at every stage.

Mölnlycke’s products and services enhance patient outcomes, streamline healthcare operations while strengthening sustainability performance. By integrating quality, innovation and environmental responsibility across the value chain, the company supports healthcare organisations in achieving both clinical and sustainability objectives while meeting regulatory and ethical expectations.

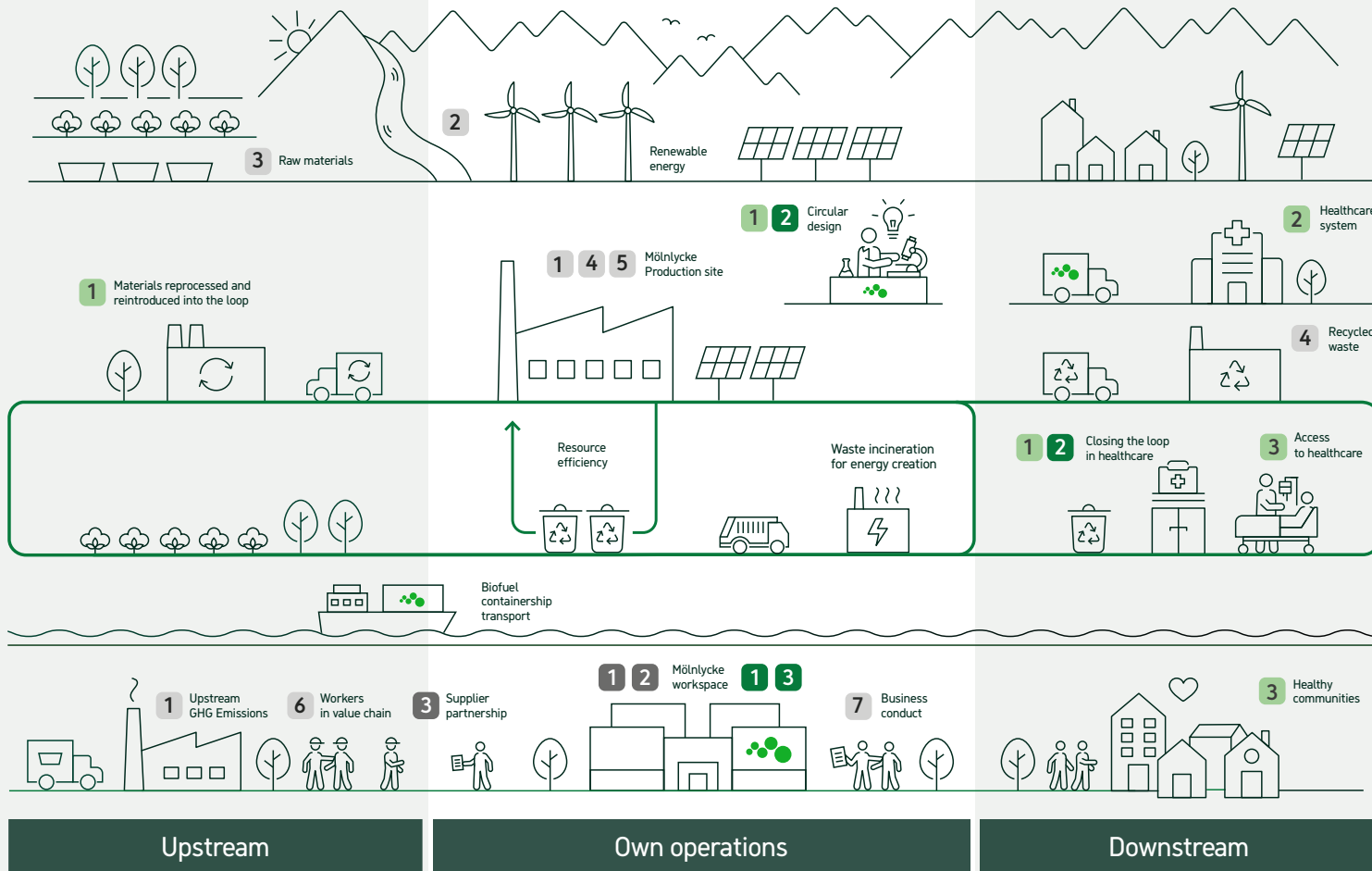
Please refer to page 13 for more information on Mölnlycke’s business model.



2. Non-value activities are defined as activities that do not require specialist clinical expertise and could be handled by non-specialist staff or technology. Please refer to page 33 for more information on the 2025 Non-Value Report.

Value chain overview

An overview of Mölnlycke's selected Impacts, Risks and Opportunities (IROs) across its value chain³.



Positive impacts

- 1 Development of circular designs increasing resource efficiency
- 2 Enhanced customer access to quality information
- 3 Improved access to healthcare and social inclusion

Negative impacts

- 1 GHG emissions
- 2 Water consumption impacts
- 3 Raw material procurement impacting environment and stakeholders
- 4 Waste generation impacting environment and stakeholders
- 5 Work-related injuries and employee safety and well-being
- 6 Working conditions in the value chain
- 7 Speak up culture, ethical mindset and business integrity

Sustainability-related risks

- 1 Risk of delays to deliver on decarbonisation commitments
- 2 Delays in transitioning to renewable materials affecting market position
- 3 Possible supplier misconduct concerning human rights

Sustainability-related opportunities

- 1 Resilience and compliance benefits from climate commitments
- 2 Circular product offerings meeting customer and market expectations
- 3 Innovation and digital transformation strengthening market position

3. Please refer to page 71 for a comprehensive overview of IROs identified in the 2025 Double Materiality Assessment.

Sustainability targets overview

Overview of 2025 performance towards targets

Target name	Unit	Target year ⁴	Target	2025 Progress ⁵	2025	2024	Base year (2021) ⁶
Scope 1 and 2 GHG emissions near-term	tCO ₂ e	2030	-50%	■	49,831	63,700	104,426
Scope 1 and 2 GHG emissions Net Zero	tCO ₂ e	2050	-90%	■	49,831	63,700	104,426
Scope 3 GHG emissions near-term ⁷	tCO ₂ e	2028	-20%	■	344,542	368,889	454,737
Scope 3 GHG emissions intensity Net Zero	tCO ₂ e/t sold	2050	-97%	■	7.08	6.76	7.74
Energy intensity	MWh/t produced	YoY	-2%	■	5.74	5.64	n.a
Renewable electricity	%	YoY	100%	■	100%	100%	n.a
Supplier engagement with SBTi	%	2028	63%	■	39%	38%	12%
Waste diverted from landfill	%	2030	100%	■	96%	83%	84%
Waste intensity	t waste/t produced	YoY	-2%	■	0.26	0.24	n.a
Packaging recyclability	%	2030	95%	■	89%	90%	91%*
Packaging consisting of recycled and/or renewable content	%	2030	80%	■	77%	75%	72%*
Gender balance people leaders	%	YoY	50%	■	47%	48%	n.a
Executive Leadership Team nationality diversity	number	YoY	>5	■	7	5	n.a
Employee engagement survey score	number	YoY	>4	■	3.9	3.9	n.a
DE&I employee score	number	YoY	>4	■	3.9	3.9	n.a
Unconscious bias training completion	%	YoY	80%	■	99%	88%	n.a
Fatalities	number	YoY	0	■	0	0	n.a
Lost time injuries rate	ppm	2030	<0.5	■	2.6	2.1	2.1*
Ill health cases	number	2030	<5	■	14	24	24*
Employees feel safe to report concerns without fear of retaliation	%	2022	100%	■	71%	70%	75%*
Employees to receive a training or awareness session on ethics and compliance	%	2025	100%	■	99.6%	99.5%	98.3%*

4. YoY designates targets that must be achieved on a year-over-year basis.

5. Progress colour scheme: green reflects performance that is on track, yellow reflects marginal or temporary underperformance and red reflects the need for corrective action to address the performance trend.

6. Figures identified with an asterisk (*) have 2022 as base year. Otherwise, base year is 2021.




7. Scope 3 near-term target categories respectively correspond to: Purchased goods and services, Fuel- and energy-related activities, Upstream transportation, and Waste generated in operations.

Stakeholder input




Mölnlycke integrates stakeholder engagement as a fundamental component of its due diligence and materiality assessment processes. Insights from key stakeholder groups including employees, customers, owners, suppliers, distributors, industry organisations and local communities inform strategic decision-making, ensuring alignment with regulatory requirements, industry best practices and sustainability objectives.

The company's materiality assessment identifies and prioritises key environmental, social and governance issues, reinforcing the connection between stakeholder expectations and Mölnlycke's business strategy.




Interests and views of stakeholders

 Employees	 Customers	 Owners
Examples of engagements		
<ul style="list-style-type: none"> Employee surveys Employee resource groups Dialogues with union representatives Training and awareness initiatives Concerns received through the Ethics Hotline 	<ul style="list-style-type: none"> Customer meetings and dialogues Customer ESG assessments Joint research and development projects 	<ul style="list-style-type: none"> Board of Directors, Audit Committee and Remuneration Committee regular meetings throughout the year Sustainability half-yearly review meetings
Main concerns raised		
<ul style="list-style-type: none"> Health, safety and well-being of workforce Diversity, equity and inclusion Business ethics and compliance Employee rights, fair wages and working conditions 	<ul style="list-style-type: none"> Portfolio GHG emissions performance Circularity e.g. waste, single use vs. multi-use Product safety and quality features Role of digitalisation in medtech Supplier management with a focus on labour rights and working conditions Stress in operating rooms and high workload for hospital personnel 	<ul style="list-style-type: none"> Strategies, objectives, policies and plans Financial and sustainability performance Risk management ESG ratings Science Based Targets initiative commitments Sustainable product innovation Workplace health and safety Corporate governance and ethical business conduct Human rights due diligence programme
Purpose of engagements		
<ul style="list-style-type: none"> Promote transparency and inclusion Enable employee input in policies and strategies Encourage employees to raise concern 	<ul style="list-style-type: none"> Involve customers in shaping products and services Understand customer needs, expectations and rights Use feedback to drive sustainable innovation, product safety and ethical practices 	<ul style="list-style-type: none"> Align company strategy with owners' long-term vision Ensure transparent communication and responsible governance Create sustainable value through innovation and growth
Expected outcomes		
<ul style="list-style-type: none"> Meaningful employee engagement Uphold human rights Support sustainable growth Enhance employer reputation Promote ethical mindset 	<ul style="list-style-type: none"> Enhance customer trust and loyalty Deliver safer and more sustainable products Align offerings with consumer expectations, human rights and long-term strategy 	<ul style="list-style-type: none"> Support strategic clarity and long-term competitiveness Deliver sustainable business performance

Interests and views of stakeholders




 Suppliers	 Workers in the value chain	 Governments, regulators and policy-makers
Examples of engagements		
<ul style="list-style-type: none"> • Supplier events • Individual supplier's quarterly meetings • Supplier assessments and audits • Supplier training, seminars and workshops 	<ul style="list-style-type: none"> • Supplier audits, visits and factory tours • Interviews with workers in the value chain • Concerns received through the Ethics Hotline 	<ul style="list-style-type: none"> • Policy advocacy on a continuous basis via MedTech Europe or directly during public consultations
Main concerns raised		
<ul style="list-style-type: none"> • Climate change impact reduction and energy efficiency • Bio-based/recycled materials • Business ethics and anti-corruption • Labour rights, fair wages and working conditions • Responsible sourcing standards (e.g. SEDEX membership) • Product traceability and due diligence 	<ul style="list-style-type: none"> • Working conditions • Compliance with labour rights standards • Health and safety • Business ethics concerns 	<ul style="list-style-type: none"> • Compliance with EUDR, EUFLR and packaging/waste regulations • Sustainable healthcare policies • Transparency in reporting and supply chain due diligence
Purpose of engagements		
<ul style="list-style-type: none"> • Build strong, collaborative supplier relationships • Align operations with sustainability objectives • Ensure ethical sourcing, innovation and high environmental/product standards 	<ul style="list-style-type: none"> • Monitor and verify implementation of suppliers' policies and procedures • Ensure fair working conditions and ethical conduct aligned with Business Partner Code of Conduct 	<ul style="list-style-type: none"> • Influence policy development and ensure regulatory compliance • Address key sustainability and healthcare challenges • Compliance with evolving regulations at EU or local site level, relating to country legislation, on a continuous basis
Expected outcomes		
<ul style="list-style-type: none"> • Develop a resilient and responsible supply chain • Reduce environmental impact and improve social responsibility • Achieve sustained business excellence through trusted, transparent partnerships 	<ul style="list-style-type: none"> • Improve working conditions and human rights across the supply chain • Foster accountability and ethical business conduct • Strengthen reputation for responsible and sustainable operations 	<ul style="list-style-type: none"> • Ensure continuous compliance with legal and regulatory requirements • Promote collaborative progress towards sustainable healthcare and supply chain practices

Interests and views of stakeholders

 Academia and business	 Local communities	 Civil society, NGOs and other organisations
Examples of engagements		
<ul style="list-style-type: none"> • Joint research and funding initiatives • Development of sustainable healthcare solutions • Standardisation and best practice collaborations 	<ul style="list-style-type: none"> • Healthcare accessibility programmes • Infection prevention training • Sustainability partnerships 	<ul style="list-style-type: none"> • Participation in global sustainability initiatives • Partnerships with non-profits and advocacy groups
Main concerns raised		
<ul style="list-style-type: none"> • Environmental impact of medical supply chains • Digitalisation and innovation in medtech • Circular economy and material efficiency • Enablement of sustainability in healthcare operations 	<ul style="list-style-type: none"> • Access to essential medical supplies • Education and health care training • Reducing medical waste and improving local healthcare sustainability • Social impact and community resilience 	<ul style="list-style-type: none"> • Collective climate action • Protection of human rights and labour conditions • Digital inclusion and education • Addressing healthcare inequities in vulnerable regions
Purpose of engagements		
<ul style="list-style-type: none"> • Collaborate on research, innovation and best practices • Advance sustainable and efficient healthcare solutions 	<ul style="list-style-type: none"> • Collaborate to improve healthcare access, education and wellbeing • Foster dialogue to inform company strategies and support community health initiatives 	<ul style="list-style-type: none"> • Advance sustainability, human rights and equitable healthcare • Address societal challenges through partnerships and advocacy
Expected outcomes		
<ul style="list-style-type: none"> • Develop innovative, environmentally responsible healthcare solutions • Promote sustainability, digitalisation and material efficiency in the medtech sector 	<ul style="list-style-type: none"> • Strengthen local healthcare capabilities • Enhance community well-being • Deliver sustainable, community-focused initiatives aligned with Mölnlycke's mission 	<ul style="list-style-type: none"> • Progress on collective climate action • Improve human rights and labour practices • Reduce healthcare inequities in vulnerable communities

Material impacts, risks and opportunities

Overview of material IROs



Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain	Read more
 Climate change					
Climate change adaptation					
1. Climate-related physical risks (chronic and acute)	I	-	P	VC	Page 75
2. Climate-related physical risks disrupting supply chains	R			OO	Page 76
Climate change mitigation					
3. Scope 1 and 2 GHG emissions from own operations	I	-	A	OO	Page 79
4. Scope 3 GHG emissions from supplier	I	-	A	UP	Page 80
5. Scope 3 GHG emissions from downstream value chain	I	-	A	D	Page 80
6. Risk of delays to deliver on decarbonisation commitments	R			OO	Page 79
7. Resilience and compliance benefits from climate commitments	O			VC	Page 76
Energy consumption					
8. Energy consumption and energy mix	I	-	A	VC	Page 78
9. Increased costs and regulatory pressure from energy use	R			OO	Page 78
 Pollution					
Substances of concern					
1. Substances of concern (and very high concern) affecting safety	I	-	A	UP/OO	Page 88
2. Regulatory risks linked to substances of concern	R			OO	Page 88
 Water					
Water					
1. Water consumption impacts	I	-	A	UP/OO	Page 91
2. Water shortages disrupting operations and supply chain	R			OO	Page 91

I Impact
R Risk
O Opportunity

A Actual material impact
P Potential material impact



+ Positive
- Negative

UP Upstream
D Downstream
OO Own Operations
VC Entire Value Chain

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain	Read more
 Resource use and circular economy					
Resources inflows, including resource use					
1. Raw material procurement impacting environment and stakeholders	I	-	A	UP/OO	Page 94
2. Delays in transitioning to renewable materials affecting market position	R			OO	Page 94
Resource outflows related to products and services					
3. Development of circular designs increasing resource efficiency	I	+	P	VC	Page 95
4. Circular product offerings meeting customer and market expectations	O			OO	Page 95
5. Customer demands regarding circular products not met	R			OO	Page 95
Waste					
6. Waste generation impacting environment and stakeholders	I	-	A	VC	Page 98
 Own workforce					
Working conditions					
1. Secure employment and freedom of association	I	+	A	OO	Page 100
2. Working hours	I	-	A	OO	Page 99
3. Adequate wages	I	-	P	OO	Page 99
4. Work-related injuries and employee safety	I, R	-	A	OO	Page 99
5. Employee engagement from good working conditions, inclusivity and diversity	O			OO	Page 100
Equal treatment and opportunities for all					
6. Inclusive and equitable workforce development	I	+	P	OO	Page 101

Material impacts, risks and opportunities

Overview of material IROs


Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain	Read more
 Workers in the value chain					
Working conditions					
1. Working conditions in the value chain	I	-	A, P	UP/D	Page 106
2. Reputational risks from supplier non-compliance	R			OO	Page 106
Equal treatment and opportunities for all					
3. Inclusive and equitable workforce development	I	-	P	UP/D	Page 106
Other work-related rights					
4. Human rights protection	I	-	P	UP/D	Page 106
5. Risk of supplier misconduct concerning human rights	R			OO	Page 106
 Consumers and end-users					
Information-related impacts					
1. Enhanced customer access to quality information	I	+	P	D	Page 110
2. Risk of insufficient product information and guidance	I	-	P	D	Page 110
Personal safety of consumers and end-users					
3. Misuse of products leading to safety incidents	I	-	P	D	Page 110
4. Innovation and digital transformation strengthening market position	O			OO	Page 111
5. Risk of safety incidents from product misuse	R			OO	Page 110
Social inclusions of consumers and end-users					
6. Improved access to healthcare and social inclusion	I	+	P	D	Page 111

I Impact
R Risk
O Opportunity

A Actual material impact
P Potential material impact

+ Positive
- Negative

UP Upstream
D Downstream
OO Own Operations
VC Entire Value Chain

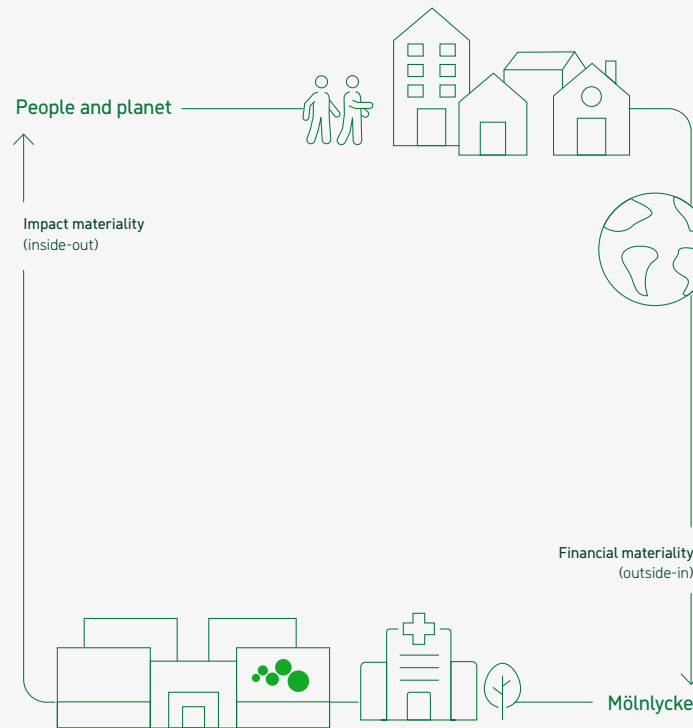
Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain	Read more
 Business conduct					
Corporate culture					
1. Speak up culture, ethical mindset and business integrity	I	-	P	OO	Page 113
2. Risk of unethical business conduct	R			OO	Page 113
Protection of whistleblowers					
3. Trust in grievance mechanisms impacting business integrity	I	-	P	VC	Page 115
4. Non-compliance with whistleblower policies	R			OO	Page 115
Management of relationships with suppliers					
5. Management of relationships with suppliers	I	-	P	UP/OO	Page 115
6. Risks from misaligned supplier conduct and third-party practices	R			OO	Page 115
Corruption and bribery					
7. Prevention and detection of corruption and bribery	I	-	P	OO	Page 114
8. Risk of bribery and corruption incidents	R			OO	Page 114

Materiality assessment process and approach

Double materiality assessment process

- 1 Review of stakeholder engagement across the value chain.
- 2 Review of Mölnlycke's current and prospective context including changes in the business model, strategy, regulatory landscape and stakeholder expectations.
- 3 Identify and describe actual and potential Impacts, Risks and Opportunities (IROs).
- 4 Assess Impact and Financial materiality and determine topics above materiality thresholds.
- 5 Review and approval by ELT and Board.
- 6 Control, manage and monitor IROs.

Double materiality approach



Methodology and assumptions

Scope

The double materiality assessment covers the full operational footprint of Mölnlycke, including its upstream and downstream value chain. Particular attention is given to the healthcare manufacturing supply chain, where sustainability risks and opportunities require closer oversight. The assessment is global in scope, with a focus on regions where Mölnlycke has a significant presence, whether through employees, suppliers or customers and in geographies identified as having elevated sustainability risks. The topics assessed are aligned with the Corporate Sustainability Reporting Directive (CSRD), relevant frameworks (such as the ESRS, GRI, GHG Protocol, UNGPs and OECD Guidelines) and are informed by peer benchmarking, ESG rating methodologies and stakeholder input.

Time horizons

Potential impacts, risks and opportunities were assessed across three time horizons: short-term, covering the current reporting year and the following year; medium-term, extending from the end of the short-term period up to five years; and long-term, referring to impacts expected to materialise beyond five years. This structured approach ensures that both immediate and emerging sustainability issues are captured, enabling Mölnlycke to proactively manage risks and seize opportunities over time.

Stakeholder engagement

Stakeholder engagement is a foundational element of Mölnlycke's materiality process. The company engages a broad range of internal and external stakeholders, including employees, customers, suppliers, distributors, regulators, NGOs and the Board of Directors. Engagement methods include surveys, interviews and focus groups, with an emphasis on inclusivity and representation across all business areas. Stakeholder input is gathered on an ongoing basis and is used to inform the identification and prioritisation of material sustainability topics. Mölnlycke has a clear overview of its current stakeholder engagements. This ensures that the assessment reflects the expectations and concerns of the stakeholder groups most affected by or those capable of influencing the company.

Identification and assessment of material impacts

Material impacts are identified using an inside-out perspective, focusing on how Mölnlycke's operations affect people, the environment and society. This includes upstream, operational and downstream activities, with downstream impacts considered only when they are directly linked to Mölnlycke's products or services. Impacts are assessed based on their severity, measured by scale, scope and irremediability, as well as the likelihood of occurrence. The aim is to provide a comprehensive understanding of the company's sustainability footprint and informs the prioritisation of topics for disclosure and action.

Identification and assessment of material risks and opportunities

Financially material risks and opportunities are assessed using an outside-in perspective, evaluating how external sustainability factors may affect Mölnlycke's financial performance. This includes potential impacts on revenues, costs, asset values, as well as reputational costs. The assessment considers a range of scenarios and uses qualitative and quantitative data to estimate the likelihood and magnitude of financial effects. Topics are prioritised based on their potential to influence the company's value creation over the short-, medium- and long-term.

Scoring

Each identified impact is scored using four defined criteria: scale (the severity of the impact), scope (how widespread the impact is), irremediability (the difficulty of remedying the impact) and likelihood (the probability of the impact occurring). Negative impacts are prioritised based on their severity and likelihood, while positive impacts are assessed for their potential to contribute to long-term value creation. Impacts that score above the threshold are considered material. This threshold reflects the point at which an impact warrants disclosure and action, based on both qualitative and quantitative considerations.

For financial materiality, Mölnlycke uses its Enterprise Risk Management (ERM) framework to assess sustainability-related risks and opportunities that could influence the company's

financial performance, position or enterprise value. This includes evaluating the magnitude and likelihood of financial effects across several dimensions: financial impact, regulatory impact (from minor breaches to major litigation or licence suspensions), reputational impact (from local media coverage to national brand crises) and likelihood (based on event frequency, from more than once per year to once in 30 years). This integrated scoring approach ensures that sustainability-related risks and opportunities are prioritised alongside other business risks and embedded into the company's broader risk management processes.

Both assessments are validated by internal subject matter experts, reviewed by the ELT and approved by the Board of Directors every year. The scoring process is updated to reflect changes in the business context, stakeholder expectations and emerging sustainability risks and opportunities.

Environmental information



Climate change

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Climate change adaptation				
1. Climate-related physical risks (chronic and acute)	I	-	P	VC
2. Climate-related physical risks disrupting supply chains	R			OO
Climate change mitigation				
3. Scope 1 and 2 GHG emissions from own operations	I	-	A	OO
4. Scope 3 GHG emissions from supplier	I	-	A	UP
5. Scope 3 GHG emissions from downstream value chain	I	-	A	D
6. Risk of delays to deliver on decarbonisation commitments	R			OO
7. Resilience and compliance benefits from climate commitments	O			VC
Energy consumption				
8. Energy consumption and energy mix	I	-	A	VC
9. Increased costs and regulatory pressure from energy use	R			OO

Mölnlycke is committed to mitigating climate change and aligning its business strategy with the goals of the Paris Agreement. The company's decarbonisation pathway is guided by Science Based Targets initiative (SBTi) validated commitments, with a near-term target validated in 2024 and a Net Zero target in 2025, reflecting the ambition to limit global warming to 1.5°C. Mölnlycke's transition plan for climate change mitigation integrates energy efficiency,

renewable energy, sustainable transportation, and low-carbon sourcing as key enablers. These elements help reduce greenhouse gas emissions across its operations and value chain.

Impacts, risks and opportunities

Mölnlycke has identified material impacts related to climate change across its value chain, including upstream activities, downstream impacts and its own operations. Upstream, GHG

emissions originate primarily from raw material production and energy-intensive manufacturing. These emissions not only contribute to regulatory and decarbonisation pressures but also create potential financial risks, such as higher input costs and supply chain disruptions. Downstream, emissions and waste from product use and end-of-life treatment affect customers' sustainability targets and regulatory compliance, creating reputational and market access risks for the company. Physical climate risks, such as floods and storms, can disrupt operations and logistics, affecting costs, deliveries and revenues, while also impacting the broader environmental and social system.

Climate change also creates opportunities for Mölnlycke. Initiatives such as adopting renewable energy, implementing energy-efficient practices, developing low-carbon offers and optimising logistics can reduce emissions, enhance operational resilience, improve customer satisfaction and increase competitiveness by meeting customer and market sustainability requirements.

By proactively addressing these risks and opportunities, Mölnlycke aims to advance the sustainability of its operations while supporting the decarbonisation of the healthcare sector.

Processes to identify and assess material climate-related impacts, risks and opportunities

Impacts on climate change

Mölnlycke's process to identify and assess impacts on climate change is integrated within the enterprise risk management (ERM) framework and sustainability governance structure. The primary focus is on GHG emissions across Scope 1, 2, and relevant Scope 3 categories, measured annually and third-party verified. Trends in energy consumption, process emissions, transport and purchased goods are analysed to determine key drivers, informing investment decisions, product development strategies, and supplier engagement, particularly with SBTi-committed suppliers, to reduce climate impacts in line with Net Zero targets.

Physical risks

Climate-related physical risks are identified through a combination of third-party climate scenario modelling and internal risk and insurance assessments. Hazards considered include flooding, extreme weather events, droughts and heat waves, modelled under at least one high-emission scenario (>4°C warming). Site-specific exposure and sensitivity

are assessed to determine gross physical risks, including potential operational disruptions and supply chain interruptions. Mitigation measures, such as flood defences at high-risk facilities, are implemented, with risk evaluations extended upstream to critical suppliers and downstream to distribution networks.

Transition risks and opportunities

Mölnlycke identifies and assesses transition risks and opportunities by evaluating regulatory changes (e.g. carbon pricing and product standards), market shifts, technological developments and evolving customer expectations. Assessments are conducted using at least one climate scenario aligned with limiting global warming to 1.5°C, ensuring that both financial and environmental impacts are considered. Transition opportunities include growing demand for low-carbon offers and operational efficiencies through energy and material savings. Since 2022, all major capital projects undergo sustainability assessments and apply an internal carbon price to capture potential regulatory costs and guide low-carbon investment decisions, supporting the company's broader transition strategy.

Scenario analysis

Climate-related scenario analysis incorporates both high-emission physical risk scenarios and 1.5°C-aligned transition scenarios, covering short-, medium-, and long-term horizons across operations and the upstream and downstream value chain. Results inform the Double Materiality Assessment (DMA), priority setting, and resource allocation for mitigation and adaptation measures, with outputs integrated into strategic planning cycles.

Mölnlycke's climate resilience analysis evaluates all production sites for physical risks and the full value chain for transition risks, including suppliers and distribution. The assessment addresses extreme weather events, energy price volatility, carbon pricing and regulatory changes. Conducted by a third party in 2025, the analysis considers multiple temperature and policy pathways, impacts on energy consumption, supply chain continuity, and regulatory compliance. Assumptions include the pace of the low-carbon transition, energy mix changes, and deployment of energy and water efficiency technologies. Financial implications are assessed alongside mitigation actions and investment plans.

In the short term, focus is placed on operational efficiency, energy transition and water management. Actions include maintaining 100% renewable electricity at all sites, expanding on-site solar capacity, optimising water use at high-risk sites and implementing building protections in flood-prone areas. Sustainability assessments, including carbon pricing, are integrated into investment requests and linked to performance metrics. Critical suppliers are engaged to enhance resilience.

Medium-term actions emphasise sustainable product development, extended supply chain engagement and operational improvements. The Product Sustainability Matrix guides low-carbon product development, while suppliers are expected to align with SBTi targets. Investments in energy efficiency, circular practices and water stewardship strengthen operational and supply chain resilience.

Long-term resilience focuses on achieving Net Zero emissions by 2050. High-emission products are phased out, low-carbon medical

solutions are developed and circular business models are adopted. Measures such as renewable energy transition, energy and water efficiency, closed-loop systems and low-carbon product innovation are embedded in strategic and operational decisions, enabling adaptation of the business model, asset upgrades, product portfolio adjustments, and continued access to finance over the short-, medium- and long-term.

Transition plan for climate change mitigation

Mölnlycke's climate transition plan sets out concrete actions to achieve near-term GHG reduction targets and the long-term goal of Net Zero by 2050. The plan is fully integrated into strategic and financial planning, embedding sustainability considerations in all major investment decisions. The plan is regularly reviewed and updated to reflect emerging innovations and evolving policy developments, ensuring a credible pathway to Net Zero.

Strategic and financial alignment of the transition plan

Mölnlycke reviews progress towards its climate targets at least twice per year to enable timely corrective actions and maintain alignment with its decarbonisation pathway. Sustainability criteria are integrated into capital allocation decisions, ensuring that assets are assessed for both financial return and environmental performance. The internal carbon price supports this integration by guiding investments towards low-carbon alternatives and preventing long-term carbon lock-in.

52%

Reduction of Scope 1 and 2 emissions relative to the 2021 baseline

11%

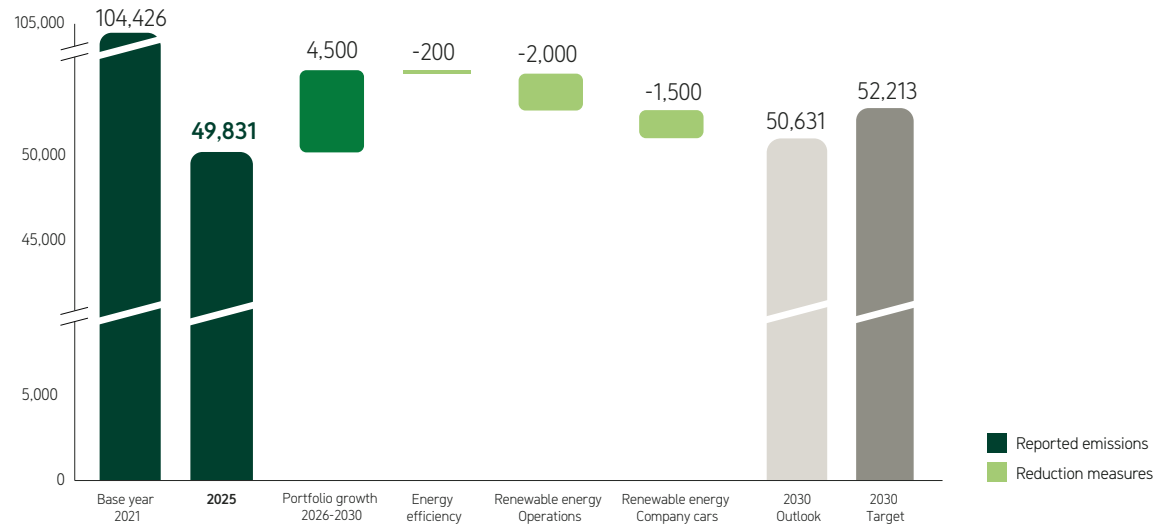
Reduction of Scope 3 total emissions relative to the 2021 baseline

39%

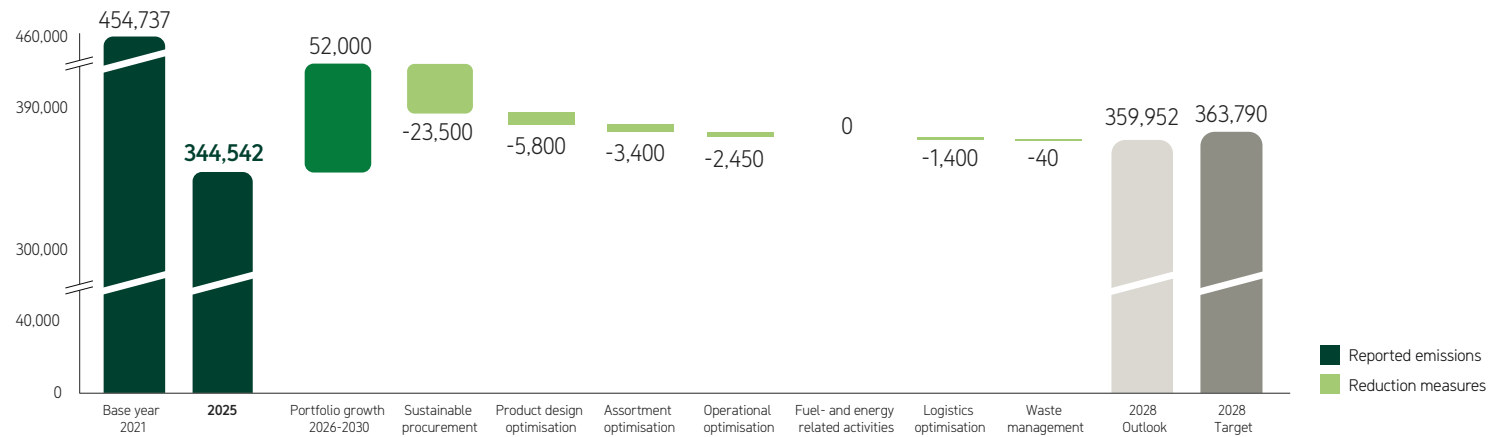
Share of suppliers by Scope 3 emissions committed to SBTi

During 2025, Mölnlycke has strengthened the integration of sustainability across its product portfolio through a Product Sustainability Matrix that embeds sustainability early in development and informs portfolio and investment decisions. By aligning innovation priorities with its climate transition plan, the company continues to transform its portfolio towards more sustainable solutions.

Scope 1 and 2 emission transition plan



Scope 3 emission transition plan⁸



8. Scope 3 near-term target categories in scope for transition plan correspond to: Purchased goods and services, Fuel- and energy-related activities, Upstream transportation, and Waste generated in operations.

Decarbonisation levers and mitigation actions

Energy efficiency

Energy audits, upgrading machinery, lighting, heat, ventilation and air conditioning, waste-heat recovery and digital energy management, contribute directly to Mölnlycke's 2% annual energy-reduction target, supporting Scope 1 and Scope 2 decarbonisation. Employee engagement initiatives cover 100% of the workforce, providing training in energy-saving practices contributing to a strong culture of sustainability.

Renewable energy transition

The transition to renewable energy is a central component of Mölnlycke's decarbonisation strategy. Key initiatives include expanding on-site renewable electricity generation, such as solar installations, and securing long-term Power Purchase Agreements (PPAs) with renewable electricity providers to ensure a reliable and sustainable energy supply. All manufacturing sites and headquarters continue to operate with 100% renewable electricity since the end of 2024. Mölnlycke is advancing the electrification of processes currently reliant on fossil fuels across sites in the US, Finland, Denmark and Malaysia, supporting the transition to low-carbon operations and reducing Scope 1 emissions. Engagement with local governments, particularly in regions such as Malaysia, supports renewable energy initiatives and the availability of clean energy resources. These actions are central to achieving the company's SBTi-validated near-term targets for Scope 1 and 2.

Sustainable transportation

Upstream logistics are significant contributors to Mölnlycke's Scope 3 emissions. To address this, the company is optimising its logistics and supply chain operations to improve efficiency and reduce emissions related to transportation and distribution. This includes improving supply-chain planning, optimising operations footprint and prioritising low-carbon transport options. These actions support the Scope 3 decarbonisation pathway and SBTi targets.

In addition, Mölnlycke is transitioning its company vehicle fleet to electric alternatives, prioritising regions with low grid mix emissions and well-developed charging infrastructure. Fleet electrification plays an important role in reducing direct operational emissions and supports delivering on SBTi targets.

Sustainable sourcing and product life cycle management

Mölnlycke uses Life Cycle Assessment (LCA) methodologies, consistent with ISO 14040 and 14044 standards in product design, including material substitution, down-gauging and packaging optimisation. Suppliers with strong environmental practices are prioritised, logistics are streamlined, waste is minimised and energy-efficiency improvements at production sites further contribute to reductions. Please refer to page 95 for further information on life cycle management.

Locked-in GHG emissions

Some emissions remain due to regulatory, operational and product constraints, particularly in manufacturing and single-use medical devices

required under MDR regulation. Packaging and sterilisation requirements also contribute to persistent emissions. Mitigation efforts focus on advancing sterilisation technologies, sourcing sustainable materials, and improving energy and waste efficiency.

Policies related to climate change mitigation and adaptation

Mölnlycke's Sustainability policy reflects the company's purpose to revolutionise care for people and the planet. It defines principles for stakeholder engagement, embeds sustainability into the business model and ensures that operations respect both people and the environment. The policy covers climate change mitigation, climate change adaptation, energy efficiency, renewable energy deployment and responsible resource use across all operations and applies to all Mölnlycke personnel.

Mölnlycke's revised Code of Conduct for Business Partners reinforces the company's Net Zero focus by requiring suppliers to align with the 1.5°C ambition, set emission reduction targets and publicly report progress. The Code of Conduct, based on the UN Global Compact's Ten Principles and integrated into supplier contracts, includes additional requirements for high-emission or strategic suppliers to provide GHG data in line with the GHG Protocol.

The Board of Directors approves the Sustainability policy, with implementation overseen by the CEO and the ELT. Together, they ensure integration of policy objectives into the business and enable regular tracking and reporting on GHG emissions and other key sustainability topics.

Actions and resources in relation to climate change policies

Mölnlycke has adopted a detailed action plan encompassing energy efficiency, renewable energy, product life cycle management, sustainable transportation, waste management, low-carbon sourcing, and behavioural change. Implementation of the plan requires ongoing operational and capital expenditures aligned with internal criteria for climate mitigation. Significant financial commitments have been planned through 2030, including virtual Power Purchase Agreements, Energy Attribute Certificates and the leasing of hybrid and electric vehicles.

Energy efficiency

In 2025, Mölnlycke advanced energy-efficiency initiatives to reduce consumption and improve facility performance. Actions included projects such as installing an economiser for boiler waste-heat recovery in Malaysia and improving insulation to prevent heat loss at selected sites. Planned measures will continue to strengthen energy-management systems and optimise operations to achieve efficiency gains.

Renewable energy

Investments in renewable energy increased through Power Purchase Agreements (PPA) for wind power, alongside continued expansion of on-site solar energy. Planned actions focus on securing and renewing instruments that enable maintaining 100% renewable-electricity sourcing globally and on accelerating electrification of processes currently reliant on fossil fuels across production facilities in the US, Finland, Denmark and Malaysia.

Product life cycle management

In 2025, efforts in product life cycle management focused on sustainable product design and packaging, collaborating with suppliers to provide products that use fewer materials, are more energy-efficient and are easier to recycle at the end of their life. Packaging was optimised by reducing materials and further moving towards biodegradable and recyclable solutions. Planned actions build on these initiatives, working with suppliers to boost product energy efficiency, minimise material use, improve recyclability and increase the use of sustainable packaging.

Sustainable transportation

In 2025, sustainable transportation initiatives included the continuation of company fleet electrification to reduce emissions, alongside measures to promote low-carbon commuting, such as a shuttle bus service to the headquarters and a well-equipped bicycle garage with charging facilities. Planned actions build on these efforts by further electrifying the fleet, investing in renewable electricity, optimising logistics to cut transportation emissions and enhancing incentives and infrastructure for employees to use public transport and cycle.

Waste management

In 2025, waste management initiatives focused on implementing comprehensive recycling programmes at all sites, designing products for recycling to minimise resource extraction and waste generation and advancing material circularity. For example, Mölnlycke's sites in the US achieved 100% waste diverted from landfill since early 2025. Planned actions continue

these efforts, aiming to achieve zero waste to landfill operations at all sites, expand recycling of products, components and materials, and further transition to circular economy practices.

Sustainable sourcing and supply chain optimisation

In 2025, sustainable sourcing and supply chain optimisation focused on assessing suppliers' GHG emissions and environmental practices, prioritising those with strong sustainability credentials. Planned actions include continuing these assessments, further prioritising environmentally responsible suppliers and increasing local sourcing to reduce transportation-related emissions.

Behavioural and cultural change

In 2025, behavioural and cultural change initiatives included targeted employee engagement programmes, such as interactive workshops, e-learning modules and hands-on training sessions, designed to raise awareness of sustainability practices and the importance of climate action. These programmes addressed key topics such as energy efficiency, waste reduction, sustainable commuting and responsible resource use. Planned actions will continue in 2026, aiming to educate, inspire and empower employees to integrate sustainable practices both at work and in their daily lives, reinforcing a culture of sustainability across the organisation.

Metrics and targets

Mölnlycke's carbon-transition plan continues to progress on schedule, with reductions across Scope 1, 2 and 3 compared with the 2021 baseline. As of 2025, total GHG emission reductions stand at 18% compared to the 2021 baseline. Full quantitative results, baselines and trajectories are presented in the emissions-transition charts and GHG-metrics tables.

Mölnlycke's near-term and Net Zero targets are validated by the SBTi and follow a sector-agnostic absolute-contraction approach aligned with limiting global warming to 1.5°C. The targets are informed by relevant climate and policy scenarios, including the EU Green Deal and Fit for 55.

In defining these targets, Mölnlycke has accounted for future developments that may affect emissions. Anticipated sales growth could increase absolute emissions, but the company aims to decouple growth from emissions through operational efficiency, clean technologies and supplier collaboration. Evolving customer demand for low-carbon offers are influencing product design and sourcing, while new EU and global climate regulations are integrated into planning. Investments in renewable energy, electrification and energy-efficient manufacturing remain central to Mölnlycke's decarbonisation roadmap.

Since most emissions stem from purchased goods and services, Mölnlycke collaborates with suppliers to reduce upstream emissions and increase the use of sustainable materials. Alongside this, operational efficiency and clean technology investments across production sites are key to reducing emissions and achieving Net Zero by 2050.

18%

GHG emission reduction across the entire value chain compared to 2021 baseline

Emission reductions - Near-term

Scope 1 and 2

Target: Mölnlycke aims to reduce absolute Scope 1 and Scope 2 GHG emissions by 50% by 2030, relative to the 2021 baseline.

Annual performance are shown in the climate-metrics tables.

Progress and drivers: Reductions in Scope 1 and 2 compared with the baseline reflect continued energy- and resource-efficiency improvements and clean-energy transitions.

Key contributors in 2025 included:

- Shift to 100% renewable steam in Mikkeli (Finland), eliminating the use of fuel oil
- Installation of an economiser for boiler heat recovery and improved insulation at selected sites in Malaysia to reduce heat loss
- Reduced the number of company cars and continued fleet electrification.

2025 was also the first full year with 100% renewable electricity across all operational sites and headquarters, which materially supported Scope 2 reductions.

Scope 3 – Near-term boundary (cat. 1, 3, 4 and 5)

Target: Mölnlycke aims to reduce absolute Scope 3 emissions by 20% by 2028 across categories 1, 3, 4 and 5, relative to the 2021 baseline.

Boundaries, values and annual performance are presented in the metric tables.

Progress and drivers: Emissions improved by approximately 7% compared to 2024 and by 24% compared to 2021. These reductions were driven by:

- Strengthened supplier engagement, reducing emissions in purchased goods and services
- Increased renewable-electricity use in the value chain
- Logistics optimisation, including expanded use of biofuels in sea freight
- Improved waste-handling practices at sites in the US and Czech Republic
- Enhanced data coverage and quality, resulting in more accurate reporting.

A slight reduction in production volumes within the OR Solutions Business Area also contributed to the year-on-year improvement.

Emission reductions – Net Zero

Target: Mölnlycke targets Net Zero value chain emissions by 2050, validated by SBTi, including:

- 90% absolute reduction in Scope 1 and Scope 2 emissions
- 97% reduction in the physical intensity of Scope 3 emissions.

Relative to the 2021 baseline, carbon removal and storage technologies will be utilised to address any remaining unavoidable emissions.

Progress and drivers: Performance in 2025 reflects substantial reductions in Scope 1 and Scope 2 emissions relative to the 2021 baseline, together with continued progress across the majority of Scope 3 categories.

Total Scope 3 intensity showed a 9% improvement compared with 2021, but a 5% increase relative to 2024. In absolute terms, Scope 3 emissions were nearly flat relative to 2024, while showing an 11% reduction compared with the 2021 baseline.

In comparison with the 2021 baseline, all Scope 3 categories have decreased with the exception of capital goods, business travel, downstream transportation and use of sold products.

The capital goods category increased due to significant investment activities.

Category-level performance and full intensity metrics are shown in the climate-metrics tables.

100%

renewable electricity at all sites since the end of 2024

Renewable energy

Target: Increase active annual sourcing of renewable electricity to 100% by the end of 2024 and continue active annual sourcing of 100% renewable electricity through 2030.

Progress: Since 2024, Mölnlycke has sourced 100% renewable electricity across all production sites and corporate headquarters. This milestone contributed significantly to the reduction of Scope 2 emissions, supporting progress towards both near-term and Net Zero emission targets.

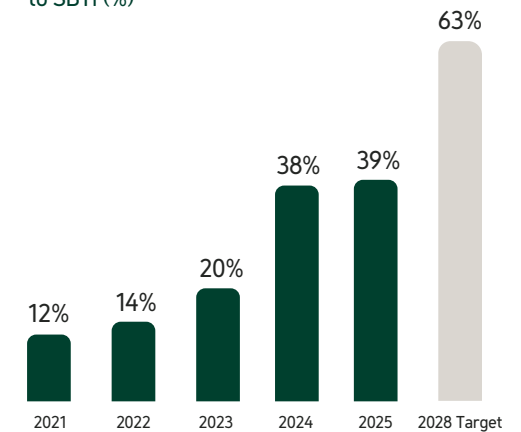
Supplier commitment

Target: Mölnlycke commits that 63% of its suppliers by emissions covering purchased goods and services, capital goods, and upstream transportation and distribution, will have science-based targets by 2028.

Progress: In 2025, Mölnlycke advanced its supplier engagement programme, focusing on collaboration with key suppliers to reduce upstream emissions and increase the use of sustainable materials. These efforts are central to reducing Scope 3 emissions and aligning supplier activities with the company’s SBTi-approved

decarbonisation pathway. In 2025, an increasing number of business partners submitted their SBTi commitments or validated targets, enabling a slight increase of the overall target performance to 39% suppliers by emissions, with the highest increase within purchased materials.

Suppliers by Scope 3 emissions* committed to SBTi (%)



*Target includes Scope 3 categories 1, 2 and 4.

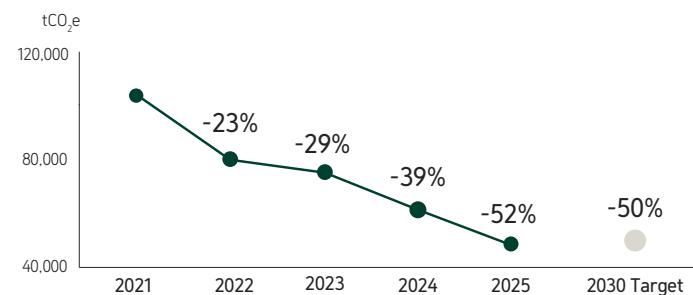
Energy intensity

Target: Reduce energy intensity per tonne of production by 2% year-over-year.

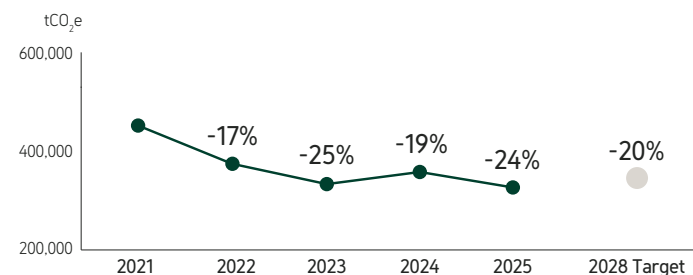
Progress: In 2025, energy intensity increased mainly due to a decline in production volumes in certain parts of the business, while energy consumption did not decline proportionately.

Performance is shown in the energy-metrics tables.

Reduction of Scope 1 and 2 GHG emissions



Reduction of Scope 3 GHG emissions (near-term SBTi target*)



*Near-term target includes Scope 3 categories 1, 3, 4 and 5.

Metrics

SBTi validated climate targets	Unit	Scope	Target value	SBTi target change	Target year	Baseline year	Baseline value	2025	2025 status (%)
Scope 1 and 2 GHG emissions	tCO ₂ e	Own operations, Market-based	52,213	-50%	2030	2021	104,426	49,831	-52%
Scope 1 and 2 GHG emissions	tCO ₂ e	Own operations, Market-based	10,443	-90%	2050	2021	104,426	49,831	-52%
Scope 3 GHG emissions	tCO ₂ e	Value chain, Categories ⁹ 1, 3, 4 and 5	363,790	-20%	2028	2021	454,737	344,542	-24%
Scope 3 GHG emissions intensity	tCO ₂ e/t sold	Value chain	0.23	-97%	2050	2021	7.74	7.08	-9%
Energy intensity ¹⁰	MWh/t produced	Own operations	5.53	-2%	2025	2024	5.64	5.74	2%
Renewable electricity	%	Own operations	100%	+77%	2024	2021	23%	100%	77%
Supplier engagement with SBTi	%	Value chain, Categories ¹¹ 1, 2 and 4	63%	+50%	2028	2021	12%	39%	27%

9. Scope 3 near-term target categories respectively correspond to: Purchased goods and services, Fuel- and energy-related activities, Upstream transportation, and Waste generated in operations.

10. Energy intensity target is not validated by SBTi.

11. Supplier engagement target categories respectively correspond to: Purchased goods and services, Capital goods, and Upstream transportation.

Metrics

Energy consumption ¹² in own operations (MWh)	2025	2024	2023	2022	2021 ¹³
Fossil sources¹⁴	225,489	258,241	263,556	280,441	321,416
Fuel consumption from coal and coal products	38	55	55	52	52
Fuel consumption from oil and petroleum products	10,112	34,227	74,240	54,650	55,382
Fuel consumption from natural gas	198,470	191,351	140,690	164,127	168,395
Fuel consumption from other fossil sources	6,499	6,212	6,282	4,746	4,956
Purchased or acquired electricity from fossil sources	1,505	16,258	30,686	41,388	73,599
Purchased or acquired heat from fossil sources	7,614	6,865	7,146	3,731	7,259
Purchased or acquired steam from fossil sources	1,251	3,273	4,457	11,747	11,773
Share of fossil sources in total energy consumption (%)	68%	74%	78%	82%	92%
Share of fossil sources in total electricity consumption (%)	2%	16%	31%	40%	71%
Nuclear sources	376	3,268	9,279	9,342	9,927
Fuel consumption from nuclear sources	-	-	-	-	-
Purchased or acquired electricity from nuclear sources	376	3,268	9,279	9,342	9,927
Share of nuclear sources in total energy consumption (%)	0.1%	1%	3%	3%	3%
Share of nuclear sources in total electricity consumption (%)	0.4%	3%	9%	9%	10%
Renewable sources¹⁵	106,674	87,476	64,585	51,514	19,818
Fuel consumption from renewable sources	-	-	-	-	-
Purchased or acquired electricity from renewable sources	98,017	81,307	60,021	51,514	19,818
Purchased or acquired heat from renewable sources	1,873	2,346	2,826	-	-
Consumption of self-generated non-fuel renewable energy	6,784	3,823	1,738	-	-
Share of renewable sources in total energy consumption (%)	32%	25%	19%	15%	6%
Share of renewable sources in total electricity consumption (%)	98%	82%	62%	50%	19%
Total energy consumption	332,539	348,985	337,420	341,297	351,161
Energy intensity					
MWh/net sales MEUR	158.0	169.1	175.4	186.7	208.3
MWh/t of production	5.74	5.64	5.49	5.71	6.08

12. Data on energy consumption in own operations is gathered from internal environmental reporting systems. Data is collected and aggregated by the environmental management responsible on the sites.

The data covers fuel and other energy use in MWh, broken down by energy type and source. Primary data is gathered on self-generated electricity. When data is not available, which is predominantly the case for small sales offices, estimations are made for energy demand based on the floor area and the region of operation with the use of literature and publicly available statistics.

13. Mölnlycke's base year is 2021. Base year energy consumption will be recalculated in the event of significant structural changes (including acquisitions, divestments, mergers, or changes in operational control), material changes in calculation methodology, discovery of significant errors, or any other change that results in a material impact on reported energy consumption.

14. Mölnlycke does not purchase or acquire cooling from non-renewable sources.

15. Energy consumptions is only considered as deriving from renewable sources if the origin of the purchased energy is clearly defined in the contractual arrangements with the suppliers (e.g. renewable power purchasing agreement, Guarantee of Origin or Renewable Energy Certificates). Mölnlycke does not purchase or acquire steam or cooling from renewable sources.

Metrics

GHG emissions by scope and category	2025	2024	2023	2022	2021
Scope 1 direct GHG emissions (tCO₂e)					
Total gross Scope 1 emissions	47,896	52,367	52,788	51,113	51,822
Consolidated Accounting Group	47,891	52,356	52,788	51,113	51,822
Investees and Joint Arrangements	5	0.5	-	-	-
<i>Scope 1 emissions under regulated ETS (%)</i>	-	-	-	-	-
Scope 2 indirect GHG emissions (tCO₂e)					
Total gross Scope 2 emissions (location-based)	49,115	53,109	53,517	54,422	55,603
Consolidated Accounting Group purchased energy	45,746	51,029	53,517	54,422	55,603
Investees and Joint Arrangements purchased energy	3,369	2,080	-	-	-
Total gross Scope 2 emissions (market-based)	1,935	11,333	21,137	29,027	52,605
Consolidated Accounting Group purchased energy	1,935	10,083	21,137	29,027	52,605
Investees and Joint Arrangements purchased energy	-	1,250	-	-	-
Scope 3 other indirect GHG emissions (tCO₂e)					
Upstream					
Purchased goods and services	295,119	312,323	282,583	312,913	376,780
Capital goods	78,101	49,979	40,708	62,776	43,226
Fuel- and energy-related activities	10,134	13,554	16,264	17,143	19,459
Upstream transportation and distribution	38,710	41,254	39,488	45,848	56,914
Waste generated in operations	577	1,756	1,639	1,510	1,584
Business travel	23,625	28,333	24,612	24,654	8,006
Employee commuting	11,554	11,797	11,349	11,436	11,906
Upstream leased assets	-	950	807	759	678
Downstream					
Downstream transportation and distribution	3,336	3,510	3,174	3,043	3,152
Use of sold products	897	670	743	556	703
End-of-life treatment of sold products	21,212	20,995	22,748	21,756	22,089
Total gross Scope 3 emissions	483,265	485,123	444,115	502,394	544,497
Scope 1, 2 and 3 total GHG emissions					
Total gross GHG emissions (location-based)	580,276	590,598	550,420	606,929	651,922
Total gross GHG emissions (market-based)	533,096	548,822	518,040	581,534	648,924

GHG emissions by scope and category	2025	2024	2023	2022	2021
Share of GHG emissions by scope (%)					
Scope 1	9%	10%	10%	9%	8%
Scope 2 (market-based)	0%	2%	4%	5%	8%
Scope 3	91%	88%	86%	86%	84%
GHG intensity based on net revenue (tCO₂e/net sales MEUR)					
Scope 1	22.8	25.4	27.4	28.0	30.7
Scope 2 (location-based)	23.3	25.7	27.8	29.8	33.0
Scope 2 (market-based)	0.9	5.5	11.0	15.9	31.2
Scope 3 upstream categories	217.6	222.8	217.0	261.0	307.6
Scope 3 downstream categories	12.1	12.2	13.9	13.9	15.4
All scopes (market-based)	253.4	265.9	269.3	318.7	385.0
GHG intensity based on sold products (tCO₂e/t products sold)					
Scope 3	7.08	6.76	6.45	7.27	7.74
Suppliers by emission committed to SBTi (%)					
Suppliers	39	38	20	14	12

GHG accounting methodology

Greenhouse gas emissions are reported according to the GHG Protocol Corporate Standard, using operational control as the basis for consolidation. Emissions are reported in CO₂e and include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorochemicals (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). Included greenhouse gases are defined by the AR6 methodology, based on a 100-year timeframe. Mölnlycke does not have any biogenic CO₂ emissions. As per SBTi targets, Mölnlycke's base year is 2021. Base year emissions will be recalculated in the event of significant structural changes (including acquisitions, divestments, mergers, or changes in operational control), material changes in calculation methodology or emission factors, discovery of significant errors, or any other change that results in a material impact on reported emissions.

Significant assumptions

To ensure accurate emission calculations, the following key assumptions were made:

- geographical relevance: emission factors were carefully selected based on the specific locations of operations to account for regional variations
- activity data: for smaller sales offices where actual data was unavailable, estimations were made using floor area and regional operational context as the basis
- data quality and supplier data: In cases where actual emissions or supplier-specific data could not be obtained, reliable industry-standard emission factors from sources such as Ecoinvent and Defra were used. When necessary, global averages from databases like Exiobase and Ecoinvent were applied to ensure consistency and credibility in the calculations

GHG accounting methodologies

Scope	Methodology
Scope 1	Calculation of Scope 1 emissions is based on fuel consumption and refrigerant leakages from facilities, equipment and vehicles under Mölnlycke's control. Fuel consumption is converted into energy using lower heating value factors. Refrigerant leakage is reported per type. Emissions from internal sterilisation using EtO are calculated stoichiometrically assuming complete combustion.
Scope 2	Calculation of Scope 2 emissions includes all purchased energy used within Mölnlycke's facilities, equipment and vehicles. Amount of energy used is reported using primary data from energy providers, bills or metering. Purchased energy volumes are multiplied by country average emission factors for location-based emissions. For market-based emissions, supplier-specific emission factors are used (must be proven by contractual instruments) or, for sites that do not have any contract that meets the Scope 2 Quality Criteria, residual mix is used (or the grid mix if no residual mix is available).
Scope 3	Calculation of emissions from purchased goods (raw materials, components, spare parts) is based on primary procurement data. Masses and materials of the articles are retrieved manually or from internal systems, and validated by business area representatives. Supplier-specific emission factors are used, where available. Otherwise, secondary database emission factors are retrieved from LCI databases (aggregated or composite) and used to calculate the emissions. Calculation of emissions from external sterilisation is based on primary data on the weight of sterilised products and expert assumptions on the emissions and energy consumption per batch of processing. Calculation of emissions from withdrawn water is based on the primary reported data on water consumption from the sites. When data is not available (predominantly for small sales offices), estimations are made based on the floor area of the offices. Calculation of emissions associated with purchased services is based on the primary data on the spent financial resources per service type.
1. Purchased goods and services	
2. Capital goods	Calculation of emissions associated with capital goods is based on the primary data on spent financial resources per type of capital goods. Internal expert judgements are applied to define the shares of personnel and project management costs per spent category, to exclude these from the calculations.
3. Fuel- and energy-related activities	Calculation of emissions associated with fuel- and energy-related activities not included in Scope 1 or Scope 2 are based on the primary reported data on energy consumption from the sites. When data on the consumed amounts is not available (predominantly for small sales offices), estimations are made based on the floor area of the offices and region of operation. When primary data on the energy source is not available, assumptions are made based on the region of operation.
4. Upstream transportation and distribution	Calculation of emissions associated with the transport of raw materials to the production sites and intracompany transport is based on the primary logistics data on the transported masses, distances and modes of transportation. Calculation of emissions associated with purchased warehousing services is based on the primary data on the leased warehousing capacities in pallets by type, and primary data or expert assumptions, cooling share and energy consumption. Calculation of emissions associated with logistics of the products to processing and first tier customer is based on the aggregation of the emissions reported by the logistics services providers.
5. Waste generated in operations	Calculation of emissions from treatment of operational waste is based on the primary data from the sites on generated operational waste per fraction, destination and treatment type. Transportation of the waste to waste treatment is included, with assumptions on distances and modes of transport. Calculations of emissions from wastewater treatment is based on the primary data on water discharge. When data on water discharge is not available, conservative assumption of equivalence of water withdrawal and discharge is taken. When waste data is not available (predominantly for small sales offices), estimations are made based on the floor area of the offices.
6. Business travel	Calculation of emissions associated with business travel is based on the primary data on the spent financial resources in business travelling, including transport by mode and accommodation.
7. Employee commuting	Calculation of emissions associated with employee commuting is based on the primary data on the number of employees and the regional expert estimation of the average distances and modes of commute of the employees.
8. Upstream leased assets	Mölnlycke does not have any upstream leased assets.
9. Downstream transportation	Calculation of emissions associated with the transport of sold products from the customer to the final user is based on the primary data on the volumes of sales and assumptions on the transportation modes and distances (local supply chain assumed).
10. Processing of sold products	Mölnlycke does not have any processing of sold products.

GHG accounting methodologies

Scope	Methodology
Scope 3	
11. Use of sold products	Calculation of emissions associated with the use of products is based on the primary data on sales of the products expected to have considerable energy and material inputs in use, or generating emissions. Energy consumption of products in use is estimated with conservative assumption of full power capacity use, with global average electricity mix. Emissions of products in use are estimated based on provided formulations and relevant substances content.
12. End-of-life treatment of sold products	Calculation of emissions associated with the end of life of sold products is based on the primary data on sales of products by region. Material composition of the products is assumed analogous to the procurement of goods. End-of-life scenario assumes incineration with energy recovery for products sold in EMEA region, and incineration without energy recovery for products sold elsewhere. Transportation of the waste to waste treatment is included, with assumptions on distances and modes of transport.
13. Downstream leased assets	Mölnlycke does not lease assets to third parties.
14. Franchises	No franchises are issued by Mölnlycke.
15. Investments	Mölnlycke does not act as an investor (excluding operational investments considered in other scopes and categories), nor provides financial services.

GHG accounting sources

Scope	Accounting method	Emission factor source
Scope 1		
Fuels	Consumed amounts	DESNZ, Ecoinvent
Refrigerants	Leakages/refilled amounts	DESNZ
Scope 2		
Purchased electricity	Market-based	PPA, RECs, IRECs, GO, Supplier specific, IEA, eGRID, AIB
Purchased heat and steam	Purchased amounts	DESNZ, Ecoinvent, GO
Scope 3		
Purchased goods and services	Supplier-specific, Average data and Spend-based	LCA, Ecoinvent and Exiobase
Capital goods	Spend-based	Exiobase
Fuel- and energy-related activities	Average data	DESNZ
Upstream transportation and distribution	Distance-based and Average data	GLEC, Ecoinvent
Waste generated in operations	Waste-type-specific	Ecoinvent
Business travel	Spend-based	Exiobase
Employee commuting	Distance-based	Ecoinvent
Upstream leased assets	Spend-based	Exiobase
Downstream transportation	Distance-based	Ecoinvent
Use of sold products	Average data	Ecoinvent
End-of-life treatment of sold products	Average data	Ecoinvent

Carbon removals

As part of its commitment to Net Zero, Mölnlycke plans to explore the use of carbon removal technologies, such as carbon capture and storage, to neutralise the unavoidable portion of value chain emissions. In line with its sustainability principles, Mölnlycke will ensure that any carbon removal technologies employed meet the highest standards of effectiveness, transparency and accountability to preserve the integrity of Mölnlycke's Net Zero commitment.

Internal carbon pricing

Mölnlycke applies a static internal carbon price of EUR 100 per tonne of CO₂e to Scope 1 and Scope 2 emissions in major investment decisions. The shadow price is integrated into the investment-evaluation process to guide climate-aligned capital allocation, avoid long-term carbon lock-in and support progress towards the company's Net Zero pathway. The price level reflects prevailing carbon-market benchmarks such as the EU Emissions Trading System (EU ETS). Mölnlycke reviews its internal carbon-pricing approach regularly to ensure alignment with evolving scientific guidance, carbon-market developments and policy expectations.

Awareness and training

Climate action is a central part of Mölnlycke's sustainability roadmap. To equip employees with the knowledge and skills needed to contribute to the 2050 Net Zero goal, the company operates a framework for climate awareness and training across the organisation. In 2025, dedicated

climate training was delivered across business areas to build foundational understanding of GHG emissions, why the company's climate targets matter, and how individual roles can integrate sustainability into day-to-day work. Please refer to page 79 for a full description of employee programmes.

Another key initiative in Mölnlycke's engagement with its suppliers is the Partnering for Progress webinar series described in detail on page 107.

Executive variable remuneration

Mölnlycke's Long-Term Incentive (LTI) plan incorporates sustainability as a key performance measure, aligning employee rewards with measurable environmental outcomes. This approach reinforces the company's commitment to reducing GHG emissions and motivates leaders to drive decarbonisation efforts throughout the organisation. A key element of the LTI plan is the inclusion of Scope 3 absolute GHG emission reductions, which represent more than 90% of Mölnlycke's total emissions. This ensures focus on reducing emissions from purchased goods and services, energy use, upstream transport and waste. Leaders across functions, from supply chain to R&D, are incentivised to implement innovative, low-carbon solutions that support Mölnlycke's sustainability objectives. By setting clear targets and linking rewards to performance, the LTI plan fosters accountability, collaboration and lasting systemic change, encouraging employees to align their success with Mölnlycke's mission to transform care for both people and the planet.

Digitalisation

Digitalisation is a key enabler of Mölnlycke's decarbonisation strategy, driving efficiency across operations and customer solutions. Advanced analytics and real-time monitoring optimise energy use in manufacturing, while digital platforms improve supply chain visibility, enabling smarter transport and inventory management. Life Cycle Assessment tools support sustainable product design and virtual collaboration reduces travel-related emissions. Customer-facing solutions such as ProcedurePak® online, e-learning platforms, and supply management systems help reduce waste, optimise resources and lower emissions. Mölnlycke continues to explore digital innovations aligned with best practices and scientific methodologies.

Circular economy business models as enabler of decarbonisation

Circular economy business models support Mölnlycke's climate transition by reducing GHG emissions across the value chain, particularly within Scope 3. Through circular design, material efficiency and increased use of renewable and recycled materials, circular initiatives help reduce emissions from raw materials, production, transport and end-of-life treatment. Circularity is integrated into product development, operational decision-making and investment processes, complementing decarbonisation actions and supporting the management of climate-related risks.

EU Taxonomy

The Taxonomy Regulation establishes the framework for the EU Taxonomy by setting out four conditions that an economic activity must meet in order to qualify as environmentally sustainable.

A qualifying activity must:

1. Contribute substantially to one or more of six environmental objectives, being:
 - climate change mitigation
 - climate change adaptation
 - sustainable use and protection of water and marine resources
 - transition to a circular economy
 - pollution prevention and control
 - protection and restoration of biodiversity and ecosystems.
2. Do no significant harm to any of the other environmental objectives.
3. Be carried out in compliance with minimum (social) safeguards.
4. Comply with technical screening criteria. The technical screening criteria specify the performance requirements for any economic activity that determine under what conditions that activity makes a substantial contribution to a given environmental objective and does not significantly harm the other objectives.

Companies are required to report on the proportion of turnover, capital expenditures and operating expenditures that are associated with environmentally sustainable economic activities (eligible activities), and to what extent these activities are aligned (i.e. contributing to one or more environmental objectives). For the purpose of reporting according to Article 8 of the taxonomy, turnover, capital expenditure ("CapEx") and operational expenditure ("OpEx") are identified as follows in accordance with the taxonomy:

- The Group's total turnover corresponds to Revenue in the Consolidated Income Statement
- Total CapEx equals the additions as specified in note 8 "Property, plant and equipment", note 9 "Goodwill and other intangible assets" and note 15 "Leases" in the Financial report. Goodwill is not included in the CapEx definition for intangible assets
- Total OpEx in the Taxonomy corresponds to non-capitalised research and development costs, building renovation costs, short-term leases, maintenance and repair costs and other indirect costs for the day-to-day servicing of assets of property, plant and equipment and are not separately disclosed in the consolidated financial statement.

Mölnlycke has performed the following activities in 2025 in relation to the EU Taxonomy regulation:

- In accordance with the updated criteria outlined in the EU Taxonomy, the review has addressed eligibility and calculated alignment against all six environmental objectives.
- Eligible and aligned CapEx has decreased in 2025. This decrease is primarily attributable to the comparison with the significant capital expenditure related to the acquisition of the new headquarters in GoCo in 2024.
- The assessment identified that aligned capital expenditure in 2025 includes activities such as the installation of a boiler economiser at one production facility, the installation of electric vehicle charging infrastructure at another production facility, the installation of energy-efficient lighting at two facilities. Further, machinery installations and replacements resulting in increased electrical efficiency at two factories and an investment in a new steam boiler operating on renewable electricity.

The outcomes of the EU Taxonomy reporting for 2025 is disclosed in the table below:

EU Taxonomy (%)	Turnover	CapEx	OpEx
Eligibility	3%	25%	2%
Alignment	0%	4%	0%



Pollution

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Substances of concern				
1. Substances of concern (and very high concern) affecting safety	I	-	A	UP/00
2. Regulatory risks linked to substances of concern	R			00

Mölnlycke is committed to preventing and reducing pollution across its operations and value chain, ensuring full compliance with environmental regulations. The company's pollution prevention strategy focuses on minimising air, water and soil contamination through improved process efficiency, responsible chemical management and waste reduction initiatives. Mölnlycke's approach applies best practices in emissions control, wastewater management and circular resource use to protect ecosystems, ensure safe operations for people, protect human health and reduce the environmental impact of the company's activities.

Impacts, risks and opportunities

Mölnlycke has identified material risks related to pollution across its value chain, particularly concerning the use of substances of concern (SoC) and substances of very high concern (SVHC). These risks extend across upstream activities and own operations.

Upstream, sourcing raw materials that contain or rely on hazardous chemicals poses potential

environmental and health risks. Potential non-compliance by suppliers with chemical-safety regulations could lead to regulatory penalties, product recalls, or reputational damage.

Within its own operations, manufacturing and packaging processes may generate pollutants or hazardous waste, creating potential environmental liabilities and increasing costs associated with waste management and remediation. The continued use or dependence on substances of concern within Mölnlycke's own operations and its supply chain may expose the company to regulatory restrictions, higher compliance costs and loss of customer confidence.

By addressing these risks through safer material substitution, improved chemical management and supplier engagement, Mölnlycke aims to minimise pollution impacts, protect the environment and strengthen the resilience and sustainability of its operations, while enhancing brand reputation and maintaining a competitive advantage in sustainable healthcare solutions.

Process to identify and assess material pollution-related impacts, risks and opportunities

Mölnlycke focuses on substances that are hazardous or may potentially become reclassified in the future, aiming to minimise and replace them wherever possible. This is supported by rigorous review and rating systems as well as portfolio-level analysis to continuously remove hazardous substances from the value chain.

The process includes ongoing research, development and active supplier engagement to identify and implement safer technologies as alternatives to hazardous substances.

When replacement is not feasible, hazardous substances are used only if their safe use and adequate controls can be demonstrated, ensuring protection of Mölnlycke's employees, stakeholders and the environment.

Careful handling of hazardous substances and preventing their release into the environment are requirements of the ISO 45001 standard for occupational health and safety management and the ISO 14001 standard for environmental management. Mölnlycke is globally certified to these standards and regularly audited by an accredited body to ensure conformity. Mölnlycke proactively aligns with these two standards in the prevention of incidents and emergency situations, as well as limiting possible impacts on people and the environment.

Policies related to pollution

The Sustainability policy governs areas related to pollution prevention and substances of concern. As part of a continually improving ISO 14001 certified environmental management system, the company implements structured processes, monitoring and controls to ensure compliance, drive continual improvement and maintain high environmental performance across all operations. These policies are designed to ensure compliance, accountability and continuous alignment with international environmental standards.

Actions and resources related to pollution

Substances of concern and very high concern

In 2025, Mölnlycke continued to enforce the avoidance of substances of concern. For example, within Mölnlycke's Antiseptics assortment, significant progress has been made in eliminating substances of very high concern (SVHC) from the entire product range. Hibidil has been successfully reformulated to remove the SVHC and was launched in the last quarter of 2025. The final batches of SVHC-containing Hibidil were manufactured in 2024 and released to the market during 2025, marking the near completion of this substitution effort.

Emissions to air, land and water

In addition to managing substances of concern, Mölnlycke closely monitors and mitigates emissions to air, land and water to limit environmental impact. The company tracks and reports emissions such as VOCs, CO₂, ethylene oxide (EtO) and both hazardous and non-hazardous waste to the relevant authorities. While overall impact remains limited, Mölnlycke regularly monitors EtO usage at its production sites in Havířov, Czech Republic, and Mikkeli, Finland, as well as by external partners during product sterilisation prior to customer delivery.

In 2025, EtO emissions from combustion leakage in sterilisation processes totalled 90 kg, reflecting a 55% increase compared with 2024.

The main increase can be attributed to a one off-event resulting in a process evacuation. Air quality is measured as part of the environmental permitting requirements at these sites.

As part of Mölnlycke's ongoing pollution prevention efforts, the company is implementing further measures to minimise the environmental impact of its sterilisation processes. At the Havířov factory, a project to maximise capacity per pallet has been implemented, resulting in more products sterilised per cycle. At the Mikkeli facility, an EtO sterilisation expansion project will double sterilisation capacity and introduce best available technology, including improved sterilisation cycles that reduce EtO use per pallet by approximately 40%. The new process will employ energy-efficient systems such as heat pump-based process heating and renewable electricity-powered catalysts, while a new pallet automation system will further enhance operator safety and reduce exposure risk. The extensive project is ongoing and will be implemented in phases through to 2028. Products from the Oldham factory in the UK, sterilised by a third party, will begin to be sterilised using a new cycle consuming less EtO during 2026.

Emissions to air ¹⁷ (EtO)	kg
2025	90
2024	58
2023	90

Environmental Management System

Mölnlycke's Sustainability policy serves as the foundation for its environmental management approach. The policy outlines key commitments, including the application of Life Cycle Assessment (LCA) methodology to evaluate significant environmental aspects and reduce the environmental footprint of operations and products. Mölnlycke takes a precautionary approach to environmental challenges, integrating sustainable design principles to drive continuous improvements with a life cycle perspective.

In line with this policy, Mölnlycke is committed to minimising negative environmental impacts across its operations. The company's Environmental Management System (EMS) is certified to ISO 14001:2015, covering all relevant areas, including manufacturing, product development, supply chain and facility management. The EMS is embedded within Mölnlycke's broader management system, ensuring alignment with group-wide processes such as audits, assessments and management reviews. In 2025, 100% of Mölnlycke's established manufacturing sites and headquarters were certified to ISO 14001 and ISO 45001, with plans to extend ISO 45001 certification to the recently acquired manufacturing facility in Salzburg, during 2026. An achievement this year was the successful certification to both standards for the joint venture in Saudi Arabia, Tamer Mölnlycke Arabia.

Environmental aspects are regularly assessed to identify significant risks and opportunities, forming the basis for setting measurable targets. Compliance with environmental regulations is closely monitored at a country level to ensure Mölnlycke meets all legal and regulatory requirements.

Environmental risks are integrated into Mölnlycke's Enterprise Risk Management (ERM) framework, ensuring they are systematically identified, assessed and managed as part of the company's overall risk management approach.

Mölnlycke maintains an incident reporting system, encouraging employees to report environmental incidents.

Significant environmental incidents ¹⁶	
2025	0
2024	0
2023	0
2022	0
2021	0

In 2025, no instances of non-compliance with environmental laws and regulations were identified.

Biodiversity

While biodiversity and land use may not currently be classified as primary material topics for Mölnlycke, the company recognises that healthy societies, resilient economies and thriving

16. A significant environmental incident is defined as an unplanned event that has resulted in, or may result in, severe long-term negative environmental impact, including impact on air, water, land, natural resources, flora and/or fauna.

17. Emissions of ethylene oxide (EtO) in sterilisation are based on a calculation formula (mass flow x operating hours or EtO consumption x catalyst process efficiency), in compliance with environmental permits.

businesses depend on nature. Acknowledging this, since 2023, Mölnlycke has joined over 1,500 companies in signing the Business for Nature call for action, urging governments to implement policies to reverse nature loss this decade.

As part of its materiality assessment, Mölnlycke has evaluated its biodiversity and ecosystem impacts across its value chain. The company identifies climate change, resource use and pollution as key drivers of biodiversity loss and prioritises efforts to mitigate these impacts. Other drivers, such as land and sea use changes and invasive species, were not found to be material to Mölnlycke's value chain or the medtech industry in general.

Mölnlycke integrates biodiversity considerations into its business practices across four key areas: own operations, supply chain, product life cycle and community engagement.

Own operations

Mölnlycke's facilities, including offices and production sites, are primarily located in urban or semi-urban areas with limited impact on land use and surrounding ecosystems. However, the company's gloves production sites in Malaysia are situated in a region of significant biodiversity value, as recognised by the International Union for Conservation of Nature (IUCN). Given the ecological importance of these areas, Mölnlycke has assessed the materiality of biodiversity and land use impacts within these operations.

To minimise its ecological footprint, Mölnlycke applies resource-efficient practices across its operations, including water reuse and continued progress towards its zero waste to landfill target.

Biodiversity considerations are also incorporated into site planning and development to reduce environmental impacts associated with land use.

Supply chain

Mölnlycke promotes responsible sourcing practices to ensure procurement aligns with biodiversity and resource conservation goals. Supplier sustainability performance is managed through SEDEX assessments and on-site audits, with high-risk suppliers identified based on country and category risks. The company also engages its top suppliers in Scope 3 upstream emission reduction initiatives, reinforcing its commitment to sustainable supply chains.

Biodiversity considerations are embedded in Mölnlycke's material transition strategy. When selecting renewable and bio-based materials, the company prioritises options that minimise ecosystem disruption and habitat loss, supported by recognised certification schemes such as the Forest Stewardship Council (FSC®) and the International Sustainability and Carbon Certification (ISCC).

Product life cycle

Mölnlycke recognises the connection between climate change, resource use and biodiversity loss. The company's Net Zero commitment informs product and packaging development, supporting efforts to lower greenhouse gas emissions, reduce waste and improve circularity. These actions indirectly help protect ecosystems by reducing pressure on natural resources and the environmental footprint across the product life cycle.

Community engagement

As part of its societal responsibility, Mölnlycke actively participates in community initiatives supporting biodiversity conservation, particularly in Malaysia.

Mölnlycke addresses biodiversity-related impacts through its climate change mitigation efforts, pollution reduction initiatives, and circular economy transition. Consequently, biodiversity, including ecosystems, is integrated into broader sustainability efforts rather than managed as a standalone matter.



Water

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Water				
1. Water consumption impacts	I	-	A	UP/00
2. Water shortages disrupting operations and supply chain	R			00

Mölnlycke is committed to responsible water stewardship and aligning its practices with global sustainability goals. The company’s water strategy focuses on minimising water-related impacts across operations and the value chain, ensuring resilience in regions facing water stress. Mölnlycke applies a risk-based approach to identify high-risk sites and implements measures such as water efficiency improvements, recycling and responsible discharge practices. These actions are integrated into the company’s broader sustainability strategic roadmap, supporting long-term resource conservation.

Impacts, risks and opportunities

Mölnlycke has identified material risks associated with water use across its value chain.

Upstream, suppliers operating in water-stressed regions face challenges related to water availability, while raw material extraction and component manufacturing can contribute to high water consumption and environmental degradation. Such constraints may disrupt supply continuity, increase procurement costs and heighten exposure to regulatory pressures.

Within Mölnlycke’s own operations, water-intensive activities, including foam

manufacturing, cooling, cleaning, sanitation and textile processing, drive significant water use and wastewater generation. This can impact local ecosystems and create operational, regulatory and reputational risks.

From a financial perspective, the risk is assessed as moderate, as water availability is critical to manufacturing and supply chain stability. Water scarcity or quality issues in key regions may result in increased operational costs or production interruptions.

Process to identify and assess material water-related impacts, risks and opportunities

Mölnlycke identifies and assesses water-related impacts, risks, and opportunities through a structured process integrated into the broader sustainability risk management framework. Manufacturing sites are screened for dependency on water availability and exposure to physical and regulatory water risks, with prioritisation given to facilities located in areas of medium to high water stress.

This assessment combines internal data on water withdrawals, consumption and discharge with recognised external tools, including the WRI

Aqueduct Water Risk Atlas, to evaluate basin-level conditions, potential ecosystem impacts and future water challenges. Sites identified as hotspots undergo deeper analysis to determine operational impacts, supply chain vulnerabilities and opportunities for efficiency improvements and water circularity measures.

Climate-scenario analysis outcomes are incorporated to capture forward-looking risks, including potential constraints on water availability at current and future sites. Water considerations are systematically evaluated in decisions regarding geographic expansion, major capital investments and strategic partnerships.

Consultation with local site management and, where applicable, municipal water authorities or affected communities ensures that mitigation measures, such as increased water recycling, process optimisation, and enhanced wastewater treatment, are aligned with regulatory expectations and local stakeholder needs.

Policies related to water

Mölnlycke’s Sustainability policy applies to all global operations and the entire value chain, embedding environmental responsibility into daily business conduct. The policy includes water-related commitments focused on reducing water use, improving wastewater quality and preventing harmful discharges into the environment.

These commitments are operationalised through the company’s ISO 14001-certified environmental management system, which establishes processes for monitoring water performance, minimising hazardous substances

and ensuring continuous improvement in resource efficiency.

The Sustainability policy also supports circularity initiatives aimed at reducing water dependency through material efficiency, increased recycling and waste prevention. Together, these frameworks help address water-related impacts, risks and opportunities while strengthening compliance, ecosystem protection and long-term business resilience.

Actions and resources related to water

Mölnlycke is committed to responsible water management across all production sites and offices, recognising the critical role of a sustainable water supply for operations and communities. Water is essential for raw material production, manufacturing processes (such as foam production), cleaning, cooling and sanitation.

While Mölnlycke’s overall water intensity is moderate, the company acknowledges the potential impacts of its operations on local water bodies through abstraction and discharge. A precautionary approach guides operational practices, supported by ongoing risk assessments, monitoring and evaluation of water-related impacts.

Key actions include implementing water efficiency measures, optimising production processes, increasing water recycling and ensuring compliance with local regulations. These efforts are supported by dedicated resources, including environmental management teams, site-level monitoring systems and

engagement with local stakeholders to mitigate operational and supply chain water risks.

Mölnlycke minimises water-related impacts through a structured approach that combines operational controls, technology and training, integrated into its ISO 14001 certified environmental management system. Key measures include:

- Implementation of water reuse and recycling technologies, such as the closed-loop system at the company's Oldham facility in the UK.
- Preventive maintenance and secondary containment measures across all manufacturing sites to minimise spills.

- Strict adherence to standard operating procedures for water and material handling.
- Continuous training and engagement for employees and suppliers on water stewardship and raw material management.

In 2025, global water risk assessments were conducted with particular focus on water-stressed regions, including Saudi Arabia. By integrating these risks into daily operations and monitoring water consumption and discharge, Mölnlycke aimed to proactively mitigated potential environmental impacts, safeguarded local ecosystems and ensured business continuity. Tailored water action plans were implemented for high-risk sites,

prioritising water capture, reuse and efficiency improvements to enhance local water security.

All sites maintained full compliance with local water discharge regulations. In countries such as the US and Malaysia, wastewater was treated and tested to meet or exceed regulatory standards. The sharing of best practices and ongoing operational monitoring optimised water use, maintained water quality and supported sustainable production processes.

Additional measures included continued expansion of closed-loop water systems at water-intensive sites and ongoing improvements in water reuse practices. These initiatives contributed to operational efficiency, reduced environmental impacts and strengthened Mölnlycke's long-term sustainability performance. In 2025, no breaches of water discharge permits were reported across any Mölnlycke manufacturing location.

with outcomes reviewed post-implementation to manage water-related impacts.

Targets:

- Water action plans: 100% of high water-stress sites to implement tailored water action plans by the end of 2026.
- Wastewater compliance: Zero breaches of wastewater discharge permits annually.

Water withdrawal

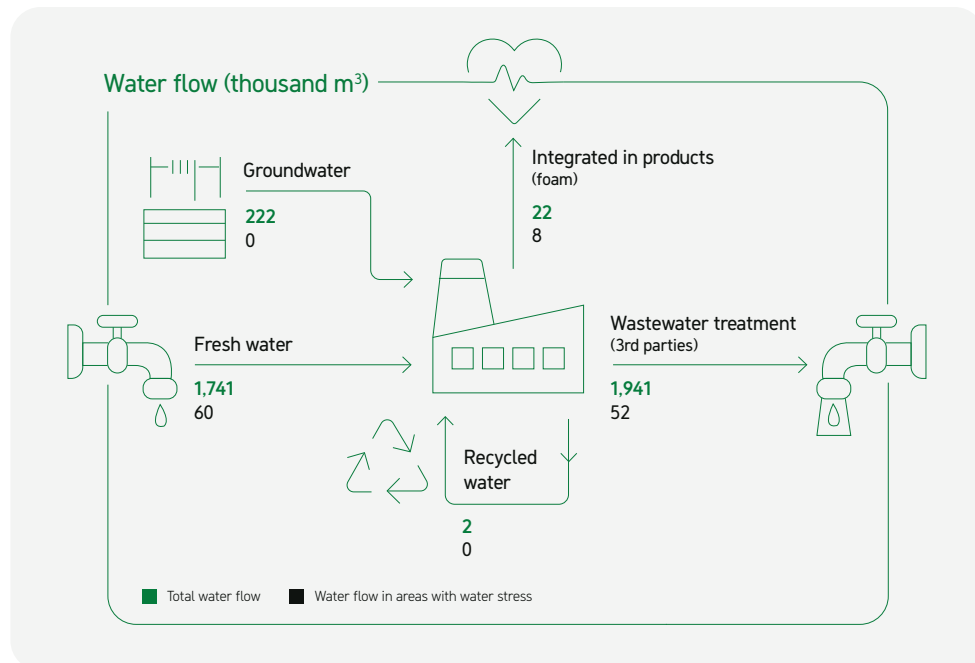
In 2025, the company saw a 12% decrease in total water intake compared to 2024, primarily driven by lower production volumes in some parts of the business in 2025, combined with the closure of the Batang Kali site in Malaysia, mid-2024. The majority of this water is sourced from third-party providers, with municipal water supplies being the main source. All withdrawn water (own withdrawn groundwater and the water from municipal or other external water supplies) is categorised as fresh water. Water withdrawal volumes are tracked through the company's internal environmental reporting system, with data collected and compiled by the environmental management teams at each facility.

Water consumption

Mölnlycke's overall water consumption is estimated to be low, totaling 22,124 m³. In 2025, water consumption was restated for 2023 and 2024. Water is used as an ingredient or component in products such as foam and Epaderm®, with production occurring at three locations in the US, Finland and the UK. These sites are not located in water-stressed areas. Water is also utilised for fire suppression and

Metrics and targets

Mölnlycke monitors the effectiveness of its water-related policies and actions through its ISO 14001:2015 certified Environmental Management System. Key metrics tracked at each facility include water withdrawal, consumption, and discharge, enabling the company to assess performance, identify trends, and evaluate the effectiveness of mitigation measures. Internal and external audits, together with annual environmental reviews, verify regulatory compliance, adherence to permit conditions and implementation of site-specific water risk mitigation actions. Water discharged from all manufacturing sites is regularly tested against permit requirements to ensure environmental protection. Environmental assessments are conducted for new equipment or processes,



in humidification systems, as well as in various canteens across Mölnlycke's sites. Water storage is not applicable to Mölnlycke's operations.

Water discharge

Following usage, all Mölnlycke sites discharge water into municipal sewage systems, with limited environmental impact reported from discharge practices. In the US and Malaysia, for example, water is treated to meet regulatory standards before being released, ensuring compliance through stringent controls governed by local permits and overseen by authorities.

Regular testing is conducted as mandated by local regulations, with effluent discharge quality standards set for all industries. Mölnlycke works closely with local environmental authorities to ensure that permit requirements reflect the specific characteristics of the receiving water bodies. To the best of the company's knowledge, no priority substances of concern are released into natural systems through its water discharges.

A systematic approach, integrated into Mölnlycke's ISO 14001-certified environmental management system, is followed at all sites

to identify, document and assess risks related to water consumption and discharge. Actions are evaluated and implemented as needed to prevent negative impacts, with examples including upgrading on-site filtration systems, modifying chemical usage in production processes and developing a process to precipitate chemicals, such as silver, from wastewater to reduce the load on municipal treatment facilities. Regular follow-ups are conducted through annual reviews, internal and external audits and environmental assessments of new equipment and processes

before implementation. Wastewater discharge is measured at all manufacturing sites and water quality is consistently monitored in line with local regulations and permit requirements. Overall, Mölnlycke's assessments reflect minimal social, environmental and financial impacts from water intake and discharge.

Water reuse

Mölnlycke actively promotes water reuse across its operations to reduce overall consumption and minimise environmental impacts. Water is captured, treated, and redirected within production processes wherever feasible, supporting operational efficiency and sustainable resource management. Site-specific initiatives, such as closed-loop and process-level reuse systems, are being implemented at water-intensive facilities. At the Oldham site (UK), water reuse is currently implemented within the Epaderm production process. Through the capture and recycling of process water, approximately 2000m³ were reused during the reporting year. Water reuse initiatives are at an early stage and currently focused on selected processes.

Water (thousand m ³)	2025	2024	2023	2022	2021
Water withdrawal¹⁸	1,963	2,241	2,063	2,245	2,181
Groundwater withdrawal in areas with water stress ¹⁹	0	0	0	0	0
Third party water withdrawal in areas with water stress	60	68	53	27	31
Groundwater withdrawal in areas not at water risk	222	234	239	114	306
Third party water withdrawal in areas not at water risk	1,681	1,939	1,771	2,104	1,844
Water discharge²⁰	1,940	2,219	2,050	2,263	2,181
Discharge to third party from water-stressed areas	52	58	46	27	31
Discharge to third party water from areas not at water risk	1,889	2,161	2,003	2,235	2,150
Recycled water²¹	2	-	-	-	-
Total water consumption²²	22	20	13	-18	0
Total water consumption in areas with water stress	8	10	7	0	0
Total water consumption in areas not at water risk	14	10	6	-18	0

18. In cases where water withdrawal data is unavailable, typically for smaller sales offices, estimations are made based on the office's floor area.

All water withdrawal is from freshwater (potable) sources. Freshwater is defined as containing in total <1000 mg/L of dissolved solids.

19. Water stress is defined in terms of the ratio of total yearly water withdrawal to the amount of available renewable water supply. An area is considered a 'water stress area' when the ratio between withdrawal and supply is either high (40-80%) or extremely high (>80%), based on the data from the World Resources Institute. Baseline water-stress levels for reported locations were obtained from the Aqueduct Water Risk Atlas (World Resources Institute), retrieved on 7 January 2026.

20. Untreated wastewater is defined as water with dissolved solids greater than 1000 mg/L. For wastewater that is treated by Mölnlycke before discharge, the classification of the water type is determined based on local regulations.

21. Recycled data collection begun in the second half of 2025. Improvements are underway for 2026.

22. Water consumption relates to water integrated into Mölnlycke foam products. Water consumption is calculated as the difference between water withdrawal and water discharge.

At certain sites, process water is evaporated in cooling systems; however, it is difficult to estimate the volume of evaporated water and it has therefore, been excluded from the water consumption figures.

Resource use and circular economy

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Resources inflows, including resource use				
1. Raw material procurement impacting environment and stakeholders	I	-	A	UP/00
2. Delays in transitioning to renewable materials affecting market position	R			00
Resource outflows related to products and services				
3. Development of circular designs increasing resource efficiency	I	+	P	VC
4. Circular product offerings meeting customer and market expectations	O			00
5. Customer demands regarding circular products not met	R			00
Waste				
6. Waste generation impacting environment and stakeholders	I	-	A	VC

Guided by its Sustainability policy, Mölnlycke applies circular economy principles across the value chain to reduce resource use, minimise waste and improve operational efficiency. Circular design and efficient resource use shape how products are developed, manufactured and delivered. In 2025, Mölnlycke advanced its shift towards renewable and recycled materials, strengthened collaboration with value chain partners and expanded initiatives to recover, reuse and regenerate resources across operations. These actions support innovation and enable more sustainable healthcare solutions for customers and patients.

Impacts, risks and opportunities

Resource efficiency and waste management are material across the full value chain. Upstream, supplier practices on waste, recycling and material sourcing shape Mölnlycke's environmental footprint, particularly within Scope 3 emissions. Strengthening supplier engagement on circular practices remains essential.

Within operations, waste arises from production, packaging and site activities. Mölnlycke works to minimise waste through process optimisation, sorting, recycling and responsible treatment. Negative impacts arising from hazardous waste is mainly linked to glove production. Downstream, circular product design, durable solutions and improved packaging recyclability help customers reduce waste and

resource use. Emerging regulations on plastics and waste may affect design and sourcing, but also create opportunities for innovation and resilient supply chains.

Process to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Mölnlycke assesses its product portfolio to identify material resource use and circular economy-related impacts, risks and opportunities. Historically, this assessment has been conducted through the Sustainable Product Portfolio Assessment (SPPA), adapted from the WBCSD framework, to identify where product solutions deliver sustainability benefits and where improvements are needed.

Building on insights from the SPPA, the company is transitioning towards a Product Sustainability Matrix that strengthens decision-making by integrating resource efficiency and circular economy considerations earlier in the product development process. This shift supports a more systematic evaluation of material use, waste generation, and circular design opportunities and enables clearer prioritisation of improvement areas across the product portfolio.

The evolution from assessment to earlier-stage integration reflects a maturing approach to managing resource-related impacts and risks, while supporting more informed product design and development decisions over time.

Policies related to resource use and circular economy

The Sustainability policy covers resource use and circularity across the full life cycle, from raw materials and production to end-of-life treatment. It promotes innovation, responsible sourcing and reduced environmental impact through renewable and recycled materials, substituted substances of concern and improved waste handling. ISO 14001:2015 guides the company's resource efficiency and waste reduction practices. Mölnlycke's broader climate commitments and decarbonisation actions are described in the Climate change section starting on page 75, with circularity measures contributing to the overall transition plan.

Actions and resources related to resource use and circular economy

In 2025, Mölnlycke continued embedding circularity into product and packaging design, expanded use of renewable and recycled materials (including FSC®- and ISCC-certified inflows) and collaborated with customers and end-users to extend product lifetime thereby reducing waste at customer sites. Operational initiatives included reusing process materials, recycling latex suspension, increasing water reuse through closed-loop systems and improving product yield through process and material optimisation. Waste diversion milestones, strengthened progress towards zero waste to landfill by 2030.

Raw material procurement and usage

In line with Mölnlycke's commitment to responsible resource management, material inflows are continuously monitored to ensure that production relies on safe, high-quality and increasingly sustainable inputs. The company's approach focuses on securing resilient supply chains, increasing the share of renewable and certified materials and reducing dependency on fossil-based polymers. Efforts under the WeCare roadmap continue to guide these transitions, supporting both long-term circularity goals and compliance with evolving sustainability requirements.

Product durability

In Wound Care, the Mepilex Border Post-Op surgical dressing offers up to 14 days of wear time, compared with an industry average of around 7 days. By enabling fewer dressing changes, the product reduces material use and waste while improving both clinical outcomes and environmental performance.

Life cycle assessment

Life Cycle Assessment (LCA) is a core tool in Mölnlycke's approach to resource efficiency and circularity. In 2025, LCAs covered 43% of the product portfolio by revenue. By assessing impacts from raw materials to end-of-life in line with ISO 14040/44, LCA identifies improvement opportunities early in development and supports more resource-efficient product design. LCA results also strengthen customer engagement by demonstrating how Mölnlycke's products contribute to their sustainability goals.

Operational circularity

Mölnlycke advanced multiple initiatives to reuse materials, enhance recycling and reduce landfill waste. For example, all sites in the US achieved 100% waste diverted from landfill as of early 2025. Although most waste at the US facilities is currently routed through energy-recovery solutions, ongoing collaboration with local partners, continues to explore opportunities to further increase material recovery.

At the Havířov site, work related to EtO processes continued during the year, with validation activities still in progress. In Mikkeli, the expansion of sterilisation capacity moved forward, and while new sustainable sterilisation cycles are under development, the site has already introduced several operational improvements. These include transitioning to an in-house electric boiler and decommissioning older back-up equipment, contributing to more efficient resource use. Please refer to page 89 for more information on actions and performance related to EtO. Please refer to page 91 for more information on actions and performance related to closed-loops and water recycling.

Packaging

Mölnlycke continues its progress towards more sustainable packaging solutions by reducing the use of packaging material, improving recyclability and increasing the use of responsible sourced packaging. Key improvements implemented in 2025 focused on packaging downgauging due to reduction of packaging material or removal of secondary packaging and increased use of FSC®-certified packaging material. Many of the planned and ongoing initiatives have dual benefits since they will result in both more sustainable packaging and reduced GHG emissions.

This work is driven by long-term initiatives at various stages of development, alongside regularly planned product updates. Delivering more sustainable packaging solutions requires stringent processes to meet the regulatory requirements of the medical device sector and the rapidly emerging horizontal packaging requirements on EU and global level. Collaboration with suppliers, customers, recyclers and other partners are essential in advancing these efforts.

While FSC® certification remains a priority for Mölnlycke, another key priority in 2025 has been to reduce the packaging material consumption. For several Wound Care products, the primary packaging material has been reduced. Moreover, for selected Antiseptics products, secondary packaging components have been removed. Further activities are planned with increased focus on improved recyclability of primary packaging.

The efforts to enhance internal data handling and develop a tool for streamlined reporting and assessment continued in 2025 and was launched at the end of the year. The 2025 share of recyclability and renewable and/or recycled content in own-manufactured, contract-manufactured and distributed products (excluding trays) indicates that Mölnlycke is on the right path to achieving its 2030 packaging targets.

Pilot on closed-loop recycling

Mölnlycke conducted a pilot to explore closed-loop recycling opportunities for selected non-contaminated plastics from the operating room. The initiative assessed how non-contaminated post-consumer waste materials could be reintroduced into the value chain through certified advanced recycling processes, in collaboration with partners across the healthcare and recycling ecosystem. As part of the pilot,

43%

product portfolio by revenue covered by life cycle assessments

100%

waste diverted from landfill at US sites

89%

recyclability of product packaging

the materials were produced, demonstrating the potential for circular approaches within regulated medical environments.

The pilot provided valuable insights into operational and regulatory considerations relevant for future circularity initiatives. While additional development is required, the work supports Mölnlycke's long-term ambition to advance resource-efficient and circular solutions in its product offering.

Metrics and targets

Mölnlycke monitors key metrics on material inflows, packaging recyclability, waste generation and waste diversion.

Resource inflows

Mölnlycke's resource inflows include purchased goods and materials, such as raw materials for its manufacturing sites, as well as components and finished products. Resource inflows with a material impact are identified by assessing the mass and composition of purchased goods and evaluating their contribution to each business area's emissions from purchased goods (Scope 3, Category 1).

In 2025, Mölnlycke procured 81,203 tonnes of raw materials and components for production, of which 60,007 tonnes had a material impact, jointly representing more than 60% of the company's total emissions from purchased goods. As part of the WeCare roadmap, Mölnlycke continued to expand the use of bio-based polymers and increased volumes of ISCC-certified materials to

Targets	Unit	Scope	Target	Target year	Baseline year	Baseline value	2025	Status
Waste diverted from landfill	%	Own operations	100%	2030	2021	84%	96%	12%
Waste intensity	t waste/ t produced	Own operations	-2%	2025	2024	0.24	0.26	11%
Product portfolio ²³ : Packaging recyclability	%	Outflows	95%	2030	2022	91%	89%	-2%
Product portfolio: Packaging consisting of recycled and/or renewable content	%	Outflows	80%	2030	2022	72%	77%	5%

174 tonnes in 2025. Overall, 31% of all procured raw materials, equivalent to 24,859 tonnes, came from renewable sources, maintaining the level achieved in 2024. Of the total procurement volume, 13% (10,753 tonnes) was sourced from certified renewable streams, such as FSC® or ISCC Plus-certified materials. The majority of renewable raw materials are used in packaging, paper coatings and the supply of natural fibres and natural latex.

Resource outflows

For Mölnlycke, material resource outflows designed along circular economy principles relate primarily to the packaging materials leaving the company with its products. FSC® certification remains a key priority, as it ensures that the fibre-based packaging materials Mölnlycke

31%

of raw material inflows procured from renewable sources

places on the market originate from responsibly managed and renewable forest sources. This strengthens the sustainability of resource outflows by supporting circular economy principles of responsible sourcing, renewable material use and regenerative material cycles.

Mölnlycke aims for more than 95% of the packaging to be recyclable, in terms of weight, by 2030. Mölnlycke further aims for more than 80% of the packaging to contain recycled content by 2030. These targets span all packaging types

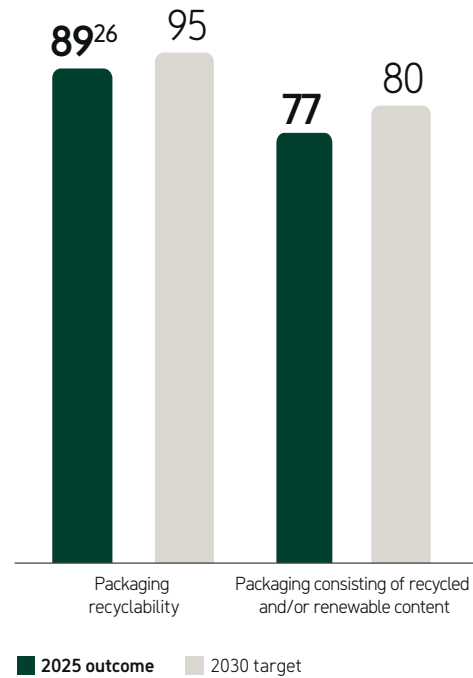
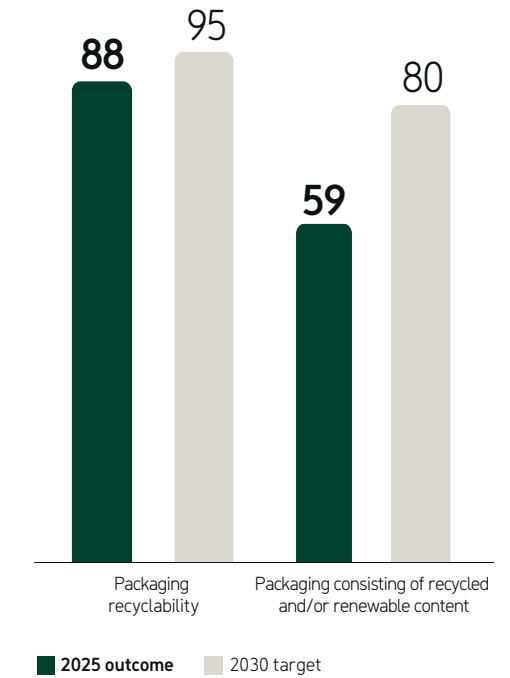
across the company's product portfolio, with the exception of ProcedurePak® trays which are tracked separately. Achieving these targets requires reducing material on all packaging levels and replacing non-recyclable materials with recyclable alternatives and ensuring FSC® certification across cardboard and corrugated boxes. These actions support circular resource use and reduce landfill-bound waste.

As of 2025, 89% of packaging was recyclable. This represents a slight decrease compared to 2024 explained by an update in the calculation method, as opposed to a reduced amount of recyclable packaging in the product portfolio. In 2025, the amount of packaging containing recycled content increased from 75 to 77%. Although improvements have been made to packaging components, part of the increase

23. Calculations based on total weights of product portfolio (own manufactured, contract manufactured and distributed products), excluding ProcedurePak® trays.

comes from the updated calculation method. The methodology change also explains the slight reduction of packaging recyclability (from 89% to 88%) and recycled content (from 60% to 59%) in the ProcedurePak trays portfolio.

Resource inflows and outflows (t)	2025	2024
Total inflows²⁷	81,203	86,503
Technical material ²⁸	56,344	64,629
Biological material ²⁹	24,859	21,874
Sustainably sourced biological material ³⁰	10,753	8,744
<i>Percentage of sustainably sourced biological material</i>	13%	10%
Total outflows	69,944	71,810
Total weight of products' packaging ³¹	25,469	21,295

Product portfolio packaging (%)²⁴ProcedurePak® trays²⁵ packaging (%)

24. Calculations based on total weights of product portfolio (own manufactured, contract manufactured and distributed products), excluding ProcedurePak® trays.

25. Calculations based on total weights of ProcedurePak® trays product portfolio.

26. Percentage reflects updated methodology during 2025.

27. Inflows are obtained through primary procurement data (raw materials, components, spare parts).

28. Technical materials refer to materials such as silicone, plastic and steel, for example.

29. Biological materials refer to materials such as cardboard, paper, wood and cotton, for example.

30. Sustainably sourced biological materials refer to FSC® or ISCC-certified inflows.

31. Packaging metrics based on total weights of the product portfolio (own manufactured, contract manufactured and distributed products).

Waste

In 2025, Mölnlycke generated 15,204 tonnes of waste across its sites, reflecting a 4% increase from 2024. The increase can be attributed mainly to higher generation of mixed residual waste, particularly at US sites. Mölnlycke diverted 6,745 tonnes of waste from disposal, primarily through reuse and recycling. The remaining 8,459 tonnes were disposed of, with the majority being incinerated with energy recovery and the rest incinerated without energy recovery or sent to landfill. All waste generated, including both hazardous and non-hazardous materials, is managed through off-site treatment by certified third-party providers.

Zero waste to landfill

The company is committed to achieving zero waste to landfill across all its owned and controlled production sites by 2030. This target ensures that operational waste is diverted through reuse, recycling, composting or energy recovery. It reinforces the company's commitment to retaining valuable materials within the healthcare ecosystem, optimising process efficiency and embedding circular practices across production and packaging operations. In 2025, 96% of Mölnlycke's operational waste was diverted from landfill, representing a significant improvement from 83% in 2024, demonstrating strong progress towards the target. This improvement was primarily driven by enhanced waste handling processes at US sites, resulting in elimination of waste to landfill

since early 2025. In addition, the waste operator in Czech Republic implemented a change in the waste treatment route during the year, resulting in waste being diverted from landfill to incineration with energy recovery.

Waste intensity reduction

Mölnlycke has also established a target to reduce waste intensity by 2% per year, measured as kilograms of waste per kilogram of product output, supporting its long-term Zero Waste to 2050 target. The target applies across all owned production sites and focuses on process optimisation, improved material efficiency and operational excellence. This approach also encourages circular product design, the use of recycled inputs, minimisation of primary raw materials and sustainable sourcing. In 2025, waste intensity increased nearly 11% compared to 2024, mainly due to a decline in total production volumes. All business areas with in-house production recorded increases in their waste intensity, highlighting the need for continued focus on material efficiency and process optimisation.

96%

of waste total diverted from landfill

Waste treatment ³² (tonnes)	2025	2024	2023
Non-hazardous waste	13,517	13,126	12,719
Preparation for reuse	85	23	146
Recycling	5,074	4,287	4,559
Other recovery operations	-	44	3
Incineration (with energy recovery)	7,782	6,251	5,704
Incineration (without energy recovery)	-	-	14
Landfilling	577	2,522	2,292
Other disposal operations	-	-	-
Hazardous waste	1,686	1,516	1,254
Preparation for reuse	-	-	-
Recycling	1,586	1,363	609
Other recovery operations	-	6	365
Incineration (with energy recovery)	99	114	230
Incineration (without energy recovery)	0	32	18
Landfilling	1	-	31
Other disposal operations	-	-	1
Total waste generated	15,204	14,642	13,973
Share of recycled waste	44%	39%	37%

32. Waste management data is collected via the company's internal environmental reporting system, with each facility's environmental management responsible for compiling the information. The data includes operational waste generation by category and classification (hazardous or non-hazardous), as well as the treatment methods and disposal destinations. For smaller sales offices, where data may not be readily available, estimates are made based on floor area, assuming all waste is general non-hazardous waste due to the limited activities at those offices.

Social

Own workforce

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Working conditions				
1. Secure employment and freedom of association	I	+	A	00
2. Working hours	I	-	A	00
3. Adequate wages	I	-	P	00
4. Work-related injuries and employee safety	I, R	-	A	00
5. Employee engagement from good working conditions, inclusivity and diversity	0			00
Equal treatment and opportunities for all				
6. Inclusive and equitable workforce development	I	+	P	00

At Mölnlycke, employees are at the heart of the company's success and the foundation of its achievements. With a global workforce of 8,557 employees (8,510 FTE) at the end of 2025, Mölnlycke is committed to fostering an inclusive, engaging and supportive work environment. Feedback gathered through the bi-annual engagement survey is systematically used to identify areas for improvement and enhance the overall employee experience. The company's core values, Be Bold, Lead with Passion, and Embrace Partnerships, shape its culture, drive innovation, and promote effective collaboration to achieve strategic objectives. Mölnlycke strives to ensure an inclusive and supportive work environment where employee safety, wellbeing, professional growth and human rights are prioritised.

Impacts, risks and opportunities

An engaged, diverse and healthy workforce is fundamental to Mölnlycke's ability to deliver on its purpose and business strategy. Workforce-related impacts, risks and opportunities are integrated into operational and strategic planning enable innovation and long-term resilience.

Human and labour rights, employee welfare, and equal opportunity are essential in sustaining a healthy and motivated workforce. Positive impacts stemming from secure employment, fair working conditions, freedom of association, diversity and inclusion, strengthen innovation, engagement and retention.

Manufacturing activities present inherent risks including extended working hours, workplace injuries and stress leading to impacts on own

workforce concerning working conditions such as excessive overtime, adequate wages as well as health and safety. Mitigation activities to address these impacts include continuous improvement in safety practices, policies and procedures, training and wellbeing initiatives. In addition, Mölnlycke invests in ongoing health and safety trainings, process optimisation and safety equipment. Mölnlycke fosters social dialogue and freedom of association through engagement with elected employee representatives and collective agreements.

The company's Diversity, Equity and Inclusion Council and roadmap guide progress towards an inclusive workplace and equitable opportunities across its global operations. Continuous feedback processes and structured career development conversations support employee engagement and alignment between business needs and individual aspirations.

Health, safety, and human rights are embedded in Mölnlycke's management systems and double materiality assessment, reinforcing a positive employee experience that drives innovation, continuity and long-term value creation.

Policies related to own workforce

Mölnlycke's approach to managing impacts, risks, and opportunities related to its own workforce is grounded in a strong policy framework approved by the Board of Directors. The Sustainability policy defines how sustainable practices are integrated within Mölnlycke's business model and stakeholder relationships, ensuring that all business activities are conducted in an ethical and transparent manner, with respect and care for people and the planet.

The Code of Conduct defines the company's ethical foundation and guides its employees in taking an ethical approach to all business activities. The policies relating to own workforce include topic-specific policies covering diversity and inclusion, health and safety, human rights and physical security. All policies are regularly updated, accessible on the intranet and communicated across the organisation. Please refer to page 114 for more information on the Code of Conduct.

DE&I, Anti-Harassment and Anti-Discrimination policies

The policies ensuring workplace integrity, inclusion and safety reflect Mölnlycke's commitment to fostering an inclusive, respectful and secure work environment that prioritises diversity, ethical conduct and employee wellbeing.

Mölnlycke remains committed to its comprehensive DE&I and Anti-Harassment and Anti-Discrimination policies to promote inclusion, ensure fair treatment of employees, and maintain a workplace free from discrimination. These policies play a critical role in mitigating legal and reputational risks associated with non-compliance.

The DE&I policy formalises Mölnlycke's commitment to diversity, equity and inclusion. It outlines a strategic approach to removing barriers, ensuring equitable treatment and providing opportunities for all employees, while fostering inclusion, belonging and participation to support engagement, retention and talent development. The policy also specifies the governance framework for DE&I, including routines and supporting bodies that oversee implementation and ongoing oversight. Mölnlycke believes in a culture where everyone can succeed based on their merit and contributions nurturing a culture of continuous learning and development.

The Anti-Harassment and Anti-Discrimination policy reinforces the company's zero tolerance stance on harassment, bullying and discrimination. It provides clear definitions and detailed guidelines for reporting actual or suspected breaches. Published on the company

intranet and communicated globally, the policy ensures awareness and enables local-level reinforcement where necessary. By embedding these principles into daily operations, Mölnlycke safeguards employees, mitigates risks of misconduct and strengthens organisational culture, fostering innovation and better meeting the diverse needs of its stakeholders.

Occupational Health and Safety policy

The Sustainability policy states that Mölnlycke is dedicated to achieving a safe, healthy and incident-free working environment across its operations and the entire value chain. Mölnlycke's approach to Occupational Health and Safety (OHS) includes a proactive commitment to eliminating hazards and reducing risks to prevent work-related injuries and ill health. The company has implemented and continuously improves a comprehensive health and safety management system that is certified with ISO 45001:2018 standards, ensuring compliance with legal and other regulatory requirements while continually improving its health and safety performance.

In addition to the overarching Sustainability policy, Mölnlycke maintains a Physical Security policy that defines the principles and mandatory requirements for physical security at all its locations. This policy includes locally adapted instructions and detailed security plans that outline working routines, security measures, and emergency response procedures. Physical security is considered a critical part of Mölnlycke's overall Environmental, Health, Safety, and Security (EHSS) framework, ensuring that employees are safeguarded in every workplace environment.

Human Rights policy

The Human Rights policy, supported by the Code of Conduct, outlines Mölnlycke's commitment to respect human rights and defines the roles and responsibilities for ensuring human rights and labour rights towards its own workforce. Mölnlycke endorses the Ten Principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The Human Rights policy demonstrates the company's commitment and efforts to respect International Human Rights and includes topics such as working conditions, working hours, fair wages, social dialogue, freedom of association, collective bargaining, health and safety, equal opportunities and modern slavery, including human trafficking, forced labour and child labour.

The Human Rights policy applies to all employees globally and was developed with employees' interests in mind, providing a clear understanding of how their rights are protected and the company's obligations towards them, making human rights tangible and relevant in their daily work.

In addition, the Human Rights policy defines the roles and responsibilities concerning Mölnlycke's human rights programme within the company's activities and operations.

Processes for engaging with own workforce and workers' representatives

Feedback and engagement surveys

Mölnlycke maintains structured processes to engage with employees on matters that affect their engagement, wellbeing, inclusion, and development. The main mechanism is an employee engagement survey completed twice a year, which gathers feedback on the overall employee experience. Onboarding and offboarding surveys provide additional insights at key transition points.

Survey results are analysed and communicated across the organisation to support dialogue between managers and employees on improvement areas. Employee surveys are open to all employees and can be reviewed by diversity characteristics such as gender and generation.

Mölnlycke has 10 Employee Resource groups (ERG) in the United States and Europe that provide additional engagement forums for specific groups. Examples of ERGs are African Americans, LGBTQ+ employees, veterans, and senior employees approaching retirement. These forums help capture diverse perspectives and ensure their inclusion in decision-making.

Employee representation and collective bargaining

Mölnlycke respects employees' rights to establish or join trade unions and representative organisations of their choice and engages constructively with these representatives. Collective bargaining agreements are in place at many sites, negotiated at the local level, while employee representatives also hold seats on

Mölnlycke's Board. This participation ensures they receive company information and can contribute to discussions on employment terms, workforce planning and other operational decisions.

These engagement processes foster mutual trust, ensure that employee perspectives inform management actions and support the company's commitment to responsible business conduct. Through continuous dialogue and feedback, Mölnlycke mitigates risks such as disengagement and reputational harm, while strengthening a culture of inclusivity, responsibility and shared value. The company's Code of Conduct and Human Rights policy both reinforce this commitment, ensuring that employees are free to establish or join trade unions and representative organisations of their choice without interference.

Occupational health and safety

Mölnlycke engages regularly with its workforce and their representatives on occupational health and safety matters through structured consultation forums and feedback mechanisms.

At all manufacturing sites and at headquarters, health and safety committees include managers, employees with safety responsibilities and employee representatives. These committees meet regularly to review performance, discuss incidents and near misses and agree on corrective actions. Changes to the work environment or equipment and ensuring employee perspectives are incorporated into safety management decisions are also part of the committee's role.

Employees are encouraged to raise safety concerns and report hazards or near misses through a global incident-reporting system. Reports are reviewed and investigated and

outcomes are communicated back to the employees involved. The increase in near-miss reporting reflects stronger workforce participation and openness in discussing safety risks.

The company also gathers employee views on health, safety and wellbeing through its twice per year, which includes specific questions on these topics. The survey results are analysed and used to inform improvements in workplace safety culture and overall wellbeing.

Employee representatives participate in relevant discussions and are informed of key performance trends and initiatives through these established channels, ensuring that feedback and insights from the workforce directly influence the company's approach to managing work-related injuries and safety.

Human rights

Mölnlycke engages with its employees on human rights as part of its efforts to identify, prevent, mitigate and remediate negative impacts on its own workers in alignment with Mölnlycke's human rights programme. As human rights include topics such as working conditions, health and safety, collective bargaining and DE&I, information from such engagement also strengthens Mölnlycke's human rights programme and allows for continuous improvement. In addition to the engagement mentioned in previous sections, Mölnlycke engaged with its workforce through assessments supported by external partners, including confidential interviews. Building on these insights, Mölnlycke plans to further engage with its workforce concerning human rights and conduct further assessments supported by external partners.

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

Grievance mechanisms

To ensure transparency, accountability and continuous dialogue between employees and the company, Mölnlycke provides several channels for employees to raise concerns or highlight negative impacts related to their working conditions or human rights.

Employees can raise questions and seek support through their regular communication structures, including employee representatives, works councils, collective bargaining processes and engagement surveys.

Mölnlycke's official grievance mechanism is the Ethics Hotline and related reporting channels where employees can report any suspected or experienced misconduct as well as potential negative human rights impacts and violations. Please refer to page 115 for more information regarding the Ethics Hotline, reporting concerns, Mölnlycke's investigation process and Anti-Retaliation policy.

Access to remedy

Mölnlycke's commitment is to address and remediate potential or actual negative impacts on its employees identified through its grievance mechanism or other processes in its human rights programme. If negative impacts are uncovered, appropriate measures are taken to prevent, mitigate and bring the negative impacts to an end, and where possible, repair any harm caused. Remediation is guided by meaningful dialogue with affected individuals or groups to ensure that corrective actions are fair and responsive to their concerns.

The Human Rights Committee is the decision body responsible for taking decisions relating to Mölnlycke's human rights programme. This includes relevant decisions on remedy for any actual impacts identified.

Taking action on material impacts on own workforce

Mölnlycke recognises that its workforce is central to the company's long-term success. The company has identified several material impacts on its employees and has established robust processes to manage risks, pursue opportunities and maintain a positive working environment. These include recurring assessments and monitoring across employee engagement, health and safety, human rights, diversity, equity and inclusion, labour relations and talent development.

To prevent negative impacts, Mölnlycke applies a comprehensive framework, conducts risk assessments, and provides training and updated work instructions when conditions, equipment, or materials change. Its human rights programme, including policies, training, and impact assessments, ensures workforce practices uphold fundamental rights, while health and safety initiatives and employee consultations safeguard wellbeing across operations.

Diversity, equity and inclusion

Mölnlycke actively promotes an inclusive and equitable workplace. The company delivers unconscious bias training to all employees and provides inclusive leadership training to people leaders to strengthen team performance and engagement. For instance, Employee Resource Groups offer targeted support and engagement. Global awareness days, such as World Day for

Cultural Diversity, Pride Month and Mental Health Day, foster a culture of inclusion. The “Ask ELT Anything” initiative allows employees to submit questions anonymously to the Executive Leadership Team, reinforcing open dialogue.

These initiatives aim to strengthen equitable treatment, enhance engagement, support talent retention and attraction and increase transparency across the organisation. Effectiveness is assessed through completion rates of unconscious bias training, participation in Employee Resource Groups and awareness days, DE&I-related survey questions, workforce composition analysis and feedback collected through internal engagement channels.

Occupational health and safety

Mölnlycke implements comprehensive global and local health and safety procedures and work instructions to prevent work-related injuries and protect employee health and wellbeing. These include ergonomics, machine safety, manual handling, fire prevention, personal protective equipment, workplace transport, noise management and emergency response. Employees receive role-specific training, with all manufacturing staff completing mandatory musculoskeletal and the global Safety Principles programmes. Contractors and site service providers follow the same standards.

A robust OHS management system, certified to ISO 45001, covers all manufacturing sites and headquarters and undergoes regular audits by internal and external parties. Risk assessments, hazard identification and a hierarchy-of-controls

approach guide continual improvement, including measures such as improved machinery guarding and safe lifting equipment.

Employees are empowered to stop work, under the “Golden Rule”, if they perceive imminent safety risks, with a strict no-retaliation policy reinforcing this responsibility. Hazards, near misses and incidents are reported through a global system, investigated using root-cause analysis and tracked with key performance indicators including lost-time injuries, ill-health cases and audit findings. The increase in reported incidents in 2025 reflects a maturing safety culture, where all potential risks are actively identified and addressed.

Health and safety committees at all sites, consisting of managers, employee representatives, and works council members, facilitate consultation and active participation. Regular communication on safety performance, targets, and initiatives is provided through the intranet, noticeboards and team meetings. Employee input is further gathered through engagement surveys twice a year.

Mölnlycke continues to develop its safety culture through initiatives such as a Behavioural-Based Safety (BBS) programme, management safety walks, and additional site-specific training. Improvements in 2025 include automation to reduce manual handling risks and enhanced training on site security. These measures collectively aim to reduce work-related injuries, promote a positive safety culture and ensure compliance with regulations, safeguarding employees while supporting business continuity.

Human rights

Mölnlycke’s human rights programme is aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. It includes a dedicated due diligence process to identify, prevent, mitigate and remediate potential or actual negative impacts on its employees.

Activities to identify potential or actual negative impacts on its employees during 2025 included impact assessments on its workforce and social audits on selected production facilities supported by external partners. The identified impacts are connected to Mölnlycke’s material impacts concerning working conditions such as excessive working hours. Activities to mitigate and remediate such impacts are underway and will continue to be carried out during 2026.

Workforce governance framework and initiatives

Governance is provided through dedicated committees and forums, including the DE&I Committee, Human Rights Committee, sites’ Health and Safety Committees and Global EHSS Network, all led by Executive Vice Presidents with senior management participation. Employee representatives participate in governance discussions and local-level collective agreements are maintained to manage labour-related risks.

This governance structure is designed to maintain constructive employer to employee dialogue, ensure compliance with labour laws, strengthen workforce capability and support retention and attraction of talent. Effectiveness

is monitored through engagement surveys, onboarding and offboarding feedback, workforce composition metrics and governance oversight.

Career development and empowerment

Mölnlycke is committed to empowering employees to achieve their full potential and create long-term value for the business. This includes understanding employee aspirations, holding meaningful discussions on career development and preparing individuals for future roles. This approach helps reduce the risks of disengagement and turnover while strengthening the company’s long-term talent pipeline.

Every year employees are invited to participate in a career and development with their managers to explore aspirations, development actions and possible next career moves. Mölnlycke delivers annual global training for people leaders to ensure alignment on talent philosophy, workforce planning and leadership expectations. In 2025, Mölnlycke had 141 graduates from its leadership programmes.

The company continues to apply the early bet approach, identifying high potential employees at an early stage of their careers and supporting their development for future leadership roles. In 2025, succession planning was completed for all manager level roles and above. Quarterly talent discussions at ELT level were also reinforced to support talent mobility, development actions and visibility of high potential employees.

Metrics and targets

Mölnlycke monitors key workforce metrics and sets clear targets to track progress on employee engagement, diversity and inclusion, health and safety, and fair compensation, supporting transparency and accountability in the management of its own workforce.

Characteristics of own workforce

This section provides an overview of Mölnlycke's workforce composition and key characteristics. Headcount is used for employee-related metrics and targets which is different from the full-time equivalent figure presented in other sections of this document. The headcount number presented refers to the headcount at the balance sheet date in line with reporting requirements for sustainability data.

Own workforce (headcount)	2025	2024	2023	2022
Employees by gender				
Male	3,323	3,333	3,116	3,176
Female	5,234	5,335	5,329	5,380
Undeclared	0	0	1	0
Total	8,557	8,668	8,446	8,556
Employees by country				
Malaysia	2,286	2,412	2,528	2,741
Thailand	909	963	962	987
Czech Republic	969	956	1005	1020
Other countries	4,393	4,337	3,951	3,808
Total	8,557	8,668	8,446	8,556

Employees by contract type and gender (headcount)	Female	Male	Undeclared	Total
Number of employees	5,234	3,323	0	8,557
Permanent employees	5,009	3,215	0	8,224
Temporary employees	225	108	0	333
Non-guaranteed hours employees	0	0	0	0
Full-time employees	5,077	3,291	0	8,368
Part-time employees	157	32	0	189

Employees by contract type and region (headcount)	EMEA	Americas	APAC	Total
Permanent employees	3,760	814	3,650	8,224
Temporary employees	314	2	17	333
Non-guaranteed hours employees	-	-	-	-
Total	4,074	816	3,667	8,557
Full-time employees	3,893	815	3,660	8,368
Part-time employees	181	1	7	189
Total	4,074	816	3,667	8,557

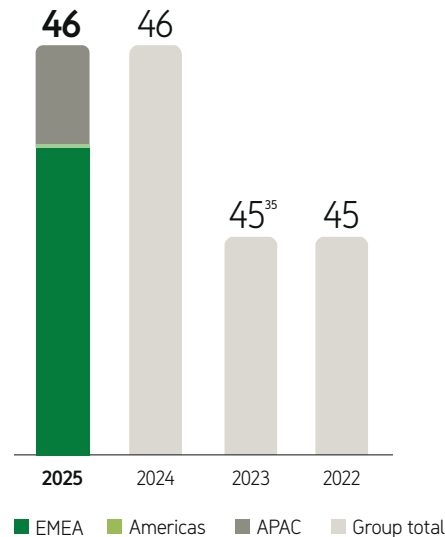
Share of women per employee category (%)	2025	2024	2023	2022
All employees	61	62	63	63
Executive Leadership Team	50	55	58	56
Executive population	40	38	42	43
Director and above	41	44	44	43
Management	50	50	50	51
Other office and field	62	62	64	63
Production Worker	64	64	65	65

Share of employees by age group (%)	2025	2024	2023	2022
<30	20	22	22	25
30-50	60	60	59	58
>50	20	19	19	17

Collective bargaining coverage and social dialogue

Mölnlycke fully respects the right of all employees to form or join independent trade unions, as well as the right to engage in collective bargaining agreements. The company engages in constructive dialogue with employee representatives, aiming to reach mutual agreements on terms and conditions of employment. This engagement also extends to addressing employees' grievances where necessary, fostering a cooperative and respectful working environment.

Collective Bargaining Agreements Employees covered³³ (%)



Diversity, equity and inclusion

Mölnlycke is committed to fostering an inclusive and equitable workplace. To advance these objectives, the company has established clear diversity and engagement targets. Looking

ahead, Mölnlycke will continue monitoring these metrics to drive progress in diversity, equity and inclusion, strengthen employee engagement and align workforce development with organisational objectives.

Diversity, equity and inclusion targets	Target	2025	2024
Gender balance people leaders ³⁴	50%	47%	48%
ELT nationality diversity	>5	7	5
Engagement survey score	>4.00	3.9	3.9
DE&I driver	>4.00	3.9	3.9
Unconscious bias training completion ³⁶	>80%	99%	88%

Coverage Rate	Collective bargaining coverage		Social dialogue
	Employees - EEA (for countries with >50 empl. representing >10% total empl.)	Employees - Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0-19%			
20-39%		Asia	
40-59%			
60-79%			
80-100%	Czech Republic		Czech Republic

33. Regions with significant employment have at least 50 employees by head count representing at least 10% of its total number of employees.

34. Performance has remained stable within a range of 45-48%, reflecting normal workforce turnover and organisational changes.

This fluctuation is considered acceptable and in line with planned progress towards maintaining gender parity.

35. In 2023, a lower number was reported due to different definition of CBA being used, which now has been amended to reflect reality.

36. Unconscious bias training includes only Office and Field employees.

Occupational health and safety

Mölnlycke remains firmly committed to strengthening its safety culture and achieving its long-term targets through enhanced training, proactive hazard management, improved incident analysis, focused training and increasing leadership engagement. A renewed focus on leading indicators should support sustained improvements in safety performance in the years ahead.

Despite a robust programme, the number of Lost Time Injuries (LTI) reported has increased this year, along with the number of observations (safe and unsafe acts and conditions) being

reported, increasing by 26% versus 2024. This is understood to be linked to a maturing safety culture where all incidents, no matter how small, are being reported and the value of taking preventative action. Additionally, the increase can be attributed to a particularly busy year with heightened operational activities, which naturally introduced more opportunities for potential risks despite ongoing safety measures. A Mölnlycke-specific training programme in Behavioural Based Safety, focusing on culture and mindset is in the process of being implemented across all manufacturing locations and will be embedded during 2026.

In 2025, the company recorded 14 ill health cases, which is above the interim 2025 target of fewer than 10 cases but demonstrating a positive 42% reduction versus 2024, and highlighting areas for continued attention and improvement in occupational health management.

In 2025, Mölnlycke received a small fine for a minor breach of health and safety legislation at one of its manufacturing facilities in Malaysia. The issue was promptly remediated by directly employing a suitably competent individual while the in-house employee completed the required qualification.

Career development and empowerment

Mölnlycke follows up on progress and targets related to leadership development, internal mobility and gender balance in succession planning.

Internal moves due to development ³⁷ (%)	2025	2024
Manager and above	58%	55%
Director and above	71%	63%

Health and safety targets	Target year	Target	2025
Fatalities (number)	2025	0	0
Lost time injuries rate (ppm) ³⁸	2030	<0.5	2.6
Ill health cases (number)	2030	<5	14

Health and safety metrics	2025	2024
Workers covered by health and safety management system	100%	100%
Workers covered by an internally audited health and safety management system (%)	74	75
Lost time injuries (employees)	46	37
Lost time injury rate (ppm)	2.6	2.1
Lost workdays	1,273	1,029
Near misses	55	61
Observations (unsafe acts and conditions)	9,529	7,554

37. Internal moves due to development is defined as the percentage of appointed internal employees, compared to external hires, into open positions within the organisation during the last 12 months.

38. Lost time injury rate refers to the rate of injuries per number of hours worked calculated on one million working hours.



Workers in the value chain

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Working conditions				
1. Working conditions in the value chain	I	-	A, P	UP/D
2. Reputational risks from supplier non-compliance	R			OO
Equal treatment and opportunities for all				
3. Inclusive and equitable workforce development	I	-	P	UP/D
Other work-related rights				
4. Human rights protection	I	-	P	UP/D
5. Risk of supplier misconduct concerning human rights	R			OO

Mölnlycke places strong emphasis on understanding and respecting the interests, views and rights of workers across its value chain, recognising that their treatment has a direct influence on the company's operational performance, resilience and reputation.

The company takes a proactive approach to upholding human rights throughout its value chain. Mölnlycke is committed to high ethical standards and expects the same from its business partners. Respect for human rights is embedded within the company's business model, strategy and operational practices through a structured due diligence process. This includes regular business partner assessments and audits to evaluate working conditions, labour rights compliance and adherence to ethical standards. These assessments aim to identify both actual and potential adverse impacts on workers in the value chain, ensuring that any identified issues

are promptly addressed. Mölnlycke recognises that its business model and sourcing decisions can influence the wellbeing of workers within its supply chain. As part of its commitment to continuous improvement and ethical business conduct, the company promotes long-term, fair and transparent relationships with business partners. Training and capacity-building initiatives are offered as needed to support business partners strengthen ethical practices and improve working conditions across their operations.

Impacts, risks and opportunities

Working conditions and the protection of workers' rights within the value chain are significant, both in the upstream activities involving suppliers and in the downstream relationships with distributors and other business partners. Ensuring that all workers throughout

the value chain are treated fairly and work under safe and decent conditions is a central part of maintaining responsible and sustainable operations.

Upstream, the adherence of suppliers to recognised labour standards remains essential. Assessments have identified opportunities for improvement, with corrective action plans addressing impacts concerning working conditions such as health and safety, excessive working hours and secure employment among some of Mölnlycke's direct suppliers. Broader reviews indicate that, beyond direct suppliers, there may be potential impacts linked to regions and sectors from which raw materials are sourced. While no direct evidence of noncompliance has been identified among this category of supplier, such impacts are recognised as inherent to global supply chains.

Downstream, the labour practices and working environments of distributors and other business partners also play a role in shaping workers' rights and wellbeing. Potential impacts in these areas may involve varying standards of workplace safety and fair treatment. Regular assessments and engagement with these business partners are carried out to further identify any impacts.

Exposure to these types of issues presents several business risks, supply chain disruption, including reputational harm, regulatory non-compliance and financial losses resulting from an inability to meet customer requirements.

Addressing both actual and potential impacts is therefore essential for ensuring that Mölnlycke operates ethically and responsibly, supporting a value chain that upholds respect for human rights and promotes sustainable growth.

Mölnlycke mitigates these risks through engagement with business partners. By fostering collaboration, providing training and supporting due diligence and fair-trade standards, the company can enhance transparency, promote continuous improvement and build a socially responsible and resilient value chain that supports strategic objectives and reinforces its reputation as a trusted business partner.

Policies related to value chain workers

Mölnlycke is committed to high ethical standards and expects the same from its business partners. To ensure the rights of its business partners' workers are protected Mölnlycke has established a policy framework including a Code of Conduct, policies and procedures. During 2025, the company strengthened and unified its approach by introducing a comprehensive Business Partner Code of Conduct, enhancing expectations on responsible business practices. Through these policies and codes, Mölnlycke seeks to foster a responsible and transparent value chain that upholds human dignity, promotes fair and safe working conditions as well as supports the company's long-term sustainability goals.

Human Rights policy

The company's Human Rights policy sets out its commitment to respect internationally recognised human rights as defined by the United Nations, the International Labour Organization (ILO), and European Union. Mölnlycke aims to identify, prevent, mitigate, and remediate potential or actual negative impacts within the company's activities and operations as well as in its relationship with business partners across its value chain.

The Human Rights policy defines the roles and responsibilities concerning Mölnlycke's human rights programme and outlines the expectations on Mölnlycke towards its value chain and thereby its value chain workers. Mölnlycke's human rights programme is aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Please refer to page 100 for more information on the Human Rights policy.

Business partner code of conduct

In 2025, Mölnlycke has introduced a new Business Partner Code of Conduct. Going forward, it replaces Mölnlycke's Supplier Standard and Supplier Code of Conduct as well as the Mölnlycke Distributor Code of Conduct. The Business Partner Code of Conduct outlines Mölnlycke's requirements on its business partners when it comes to protecting working conditions and human rights, minimising environmental impact, and doing business with integrity. It represents Mölnlycke's view on healthy business conduct and is a pre-requisite for a successful partnership with Mölnlycke.

The Code applies to Mölnlycke's agreements with certain business partners, such as

relevant purchasing agreements and distributor agreements. Mölnlycke thereby ensures its principles on sustainable and ethical business contractually applies to business relationships between the company and relevant business partners. The Code of Conduct also articulates responsibilities that aim to secure that the principles are communicated and implemented not only with Mölnlycke's business partners but also their respective business partners, to promote responsible business across the full value chain of Mölnlycke's products and services.

The Code establishes the minimum requirements for all business partners and is aligned with the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. It requires business partners to comply with applicable laws and regulations, prohibit child and forced labour, ensure fair treatment and non-discrimination and provide safe and healthy working conditions. It also stipulates that employees must be free to associate and engage in collective bargaining and that working hours and compensation must live up to international standards. Mölnlycke reserves the right to conduct on site audits and impact assessments on its business partners and its business partners' business partners and sub-contractors. Through the Code, Mölnlycke seeks to foster a responsible and transparent value chain that protects human dignity, promotes fair and safe working conditions and supports the company's long-term sustainability goals.

Processes for engaging with value chain workers

Mölnlycke engages with value chain workers primarily through the processes established within its supplier and distributor due diligence programmes. The process for engagement follows a risk-based approach meaning Mölnlycke focuses its engagement where the most material impacts have been identified. Oversight of human rights engagement across the value chain rests with Mölnlycke's Human Rights Committee, which serves as the decision-making body on human rights matters. The Committee provides strategic direction, oversees the global Human Rights Programme and reviews the effectiveness of engagement activities with value chain workers.

The perspectives of workers in the supply chain are taken into account when assessing potential and existing direct suppliers, particularly with respect to exposure to labour, human rights, governance and environmental risks. The assessed risk level determines whether an on-site audit is required and informs the supplier's approval and monitoring process. Independent audits gather information through both management and worker interviews, ensuring that worker representatives, such as trade union members or workers' committee representatives, are included in discussions. These interviews provide direct insight into working conditions and are essential for identifying potential or actual adverse impacts.

In addition, during 2025 Mölnlycke conducted its annual Partnering for Progress event which has become an essential part of how Mölnlycke engages with its key suppliers. The event serves as a platform to align with suppliers on strategic topics and foster open dialogue on current and

future trends, requirements, and challenges to address together. This year it also included topics such as human rights, current and upcoming regulations and the opportunity for partnership.

The engagement with distributors' workers occurs to a limited extent, depending on the nature of their relationship with Mölnlycke. The distributors in scope of the due diligence assessment are defined as distributors with extended services. Such distributors are required to complete a detailed questionnaire, including questions on labour and human rights and submit supporting documentation such as internal policies. This process does not include direct engagement with the distributors' workers it provides insight into the distributors working conditions and support in identifying potential or actual impacts.

Processes to remediate negative impacts and channels for value chain workers to raise concerns

Grievance mechanisms

Mölnlycke's official grievance mechanism is the Ethics Hotline which is available to value chain workers and other external stakeholders who wish to report any suspected or experienced misconduct as well as potential negative human rights impacts and violations. It is referenced and communicated in the Business Partner Code of Conduct, which encourages all business partners to raise concerns related to Mölnlycke or their business relationship. The code emphasises the company's strict prohibition of retaliation against anyone reporting issues in good faith. Please refer to page 115 for more information

regarding the Ethics Hotline, reporting concerns, Mölnlycke's investigation process and Anti-Retaliation policy.

Independent sustainability audits of direct suppliers also serve as a channel for workers to raise concerns. Worker interviews form a mandatory part of the audit process to ensure direct feedback on working conditions at employment sites. Business partners are also required to implement their own systems that allow for employees to raise concerns and have established processes to investigate and address concerns.

Access to remedy

Mölnlycke may identify actual impacts at a business partners' operations either through on-site sustainability audits, or assessments, or other engagement. If impacts are identified Mölnlycke expects all business partners to take part in meaningful engagement to address relevant impact through appropriate actions and ensure remediation. When an impact is identified as a non-compliance through an independent sustainability audit, only the competent auditor may assess, verify and close the issue to confirm that it has been appropriately addressed. Should a business partner fail to take appropriate corrective actions and thereby materially breach or persistently deviate from the Business Partner Code of Conduct, Mölnlycke reserves the right to terminate the business relationship.

When actual negative human rights impacts are uncovered through the Ethics Hotline it is Mölnlycke's commitment to engage in meaningful dialogue with the affected parties to enable remediation. Any issues raised shall be addressed following the established processes for internal

investigations. Actual negative human rights impacts uncovered through this process shall be remedied to prevent or terminate the violation, mitigate its impact and if possible, repair the damage caused. The Human Rights Committee is responsible for taking decisions relating to human rights at Mölnlycke. This includes relevant decisions on remedy for actual negative human rights impacts identified.

Taking action on material impacts on value chain workers

Mölnlycke's applies a risk-based human rights due diligence process to address potential or actual impacts to its value chain workers and related risks. The company identifies impacts through desktop assessments, business partner due diligence and engagement with business partners. Actions to prevent, mitigate and remediate identified impacts include due diligence assessments, commitment to the Business Partner Code of Conduct, audits and corrective action plans.

Supply chain due diligence: Sustainable procurement framework

Mölnlycke's Sustainable Procurement Framework defines the governance structure for sustainability efforts related to procurement and supplier management. It integrates sustainability criteria into key procurement processes, ensuring that environmental and social factors are treated as core business considerations alongside cost, quality and performance. Sustainability is embedded in the evaluation and approval of new suppliers, as well as in the annual performance review and management of active suppliers. All new and active suppliers are subject to a

sustainability risk screening, to identify inherent sustainability risks that suppliers might be exposed to, considering the country and sector where different commodities are sourced from. This allows Mölnlycke to engage with the most relevant suppliers for site-specific assessments, to ensure suppliers live up to requirements as communicated in the Mölnlycke Business Partner Code of Conduct.

Impacts on supplier's workforce are reflected as non-compliances, primarily identified and managed through an independent supplier sustainability audit programme. Additional channels such as the Ethics Hotline and direct engagement with suppliers, also serve as potential sources of information. Identified impacts primarily relate to aspects of labour standards, such as health and safety, working hours and regular employment. All findings are incorporated into corrective action plans, with progress monitored through supplier dialogues and business reviews to ensure effective remediation and alignment with Mölnlycke's Business Partner Code of Conduct.

Empowering sustainable supply chains with Sedex

Mölnlycke is a member of Sedex, the world's largest platform for sharing supply chain assessment data and results, enabling effective and data-driven environmental, social and governance outcomes. Mölnlycke applies the recognised auditing standards and risk screening tools offered by Sedex. The SMETA (Sedex Member Ethical Trade Audit) 4 pillar audit, is a comprehensive on-site audit conducted by accredited third-party auditors for the full sustainability scope, including human rights,

working conditions, health and safety, environment and business ethics. SMETA utilises the Ethical Trading Initiative (ETI) base code and the local law as main pillars. Supplier sustainability audits are a central mechanism for identifying and managing material impacts and risks relating to value chain workers. Mölnlycke requires selected direct suppliers in the high-risk category to undergo the SMETA audit programme or an equivalent.

Each non-compliance identified during a SMETA audit is assigned a level of criticality that determines the severity and timelines for remediation. All findings are included in corrective action plans and progress is monitored through supplier dialogues and business reviews to ensure successful implementation. Mölnlycke has the right to reduce or terminate business with suppliers unwilling to take corrective action. High-risk suppliers are audited every two years, although the timing may be adjusted as needed to ensure compliance over time.

The independent SMETA auditor verifies and closes non-compliances. Examples of supplier corrective actions implemented in 2025 include updated workplace policies, worker training, regular risk assessments, occupational hazard testing and physical safety improvements such as handrail installation.

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Sedex Member Ethical Trade Audits (SMETA) in 2025

Distributor due diligence

Mölnlycke's due diligence process for distributors follows a risk-based approach in line with the company's commitment to ethical and sustainable operations. It includes dynamic screening and monitoring of distributors operating in high-risk countries and further due diligence assessment on distributors in scope, including a detailed self-assessment and document reviews. This allows Mölnlycke to further engage with the most relevant distributors to ensure they live up to requirements as communicated in the Business Partner Code of Conduct. Should risks of violations to Mölnlycke's Business Partner Code of Conduct be identified, Mölnlycke will implement corrective action plans to ensure mitigation. Relevant employees are trained to ensure that these actions are implemented effectively, and that continuous oversight supports the prevention and mitigation of negative impacts on workers across the value chain.

Metrics and targets

Supplier sustainability risk screening	2025	2024	2023
Suppliers covered by sustainability risk screening	18,793	17,203	15,805
Suppliers with high-risk score	61	66	49
SMETA (Sedex Member Ethical Trade Audits)	64	40	n.a
Corrective action rate ³⁹ for critical and major non-conformities (%)	54	67	n.a
Good examples and best practice findings	32	36	n.a

39. The corrective action rate is calculated as the number of critical and major non-conformities from SMETA audits conducted in 2025 that have been addressed, closed and verified by the reporting year cut-off date which is 31 December, divided by the total number of identified critical and major non-conformities in the same period. The corrective action rate is calculated based on the findings identified in the reporting period and closed during the same period. For this reason, findings identified late in the reporting period may not have been addressed and closed without surpassing the recommended due date. These results indicate ongoing progress in addressing non-compliances and improving working conditions across the supply chain.

Consumers and end-users

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Information-related impacts				
1. Enhanced customer access to quality information	I	+	P	D
2. Risk of insufficient product information and guidance	I	-	P	D
Personal safety of consumers and end-users				
3. Misuse of products leading to safety incidents	I	-	P	D
4. Innovation and digital transformation strengthening market position	O			OO
5. Risk of safety incidents from product misuse	R			OO
Social inclusions of consumers and end-users				
6. Improved access to healthcare and social inclusion	I	+	P	D

Mölnlycke recognises that the interests, views and rights of consumers and end-users are central to its strategy and business model. The company actively engages with these stakeholders to ensure their needs and expectations shape product development and service offerings, fostering trust, loyalty and compliance.

Consumer feedback is integrated into strategic decision-making, with a focus on human rights and product safety. Mölnlycke conducts Human Rights impact assessments across its value chain and carries out comprehensive life cycle assessments (LCAs) to evaluate the overall footprint of its products.

The company's product portfolio is categorised into three segments, Leading Solutions, Performers and Transitioners, based on sustainability risks and benefits. This classification supports consumers in making

informed and sustainable choices and enhances transparency in product offerings. Building on the insights gained in 2025, Mölnlycke is now transitioning to a more targeted Product Sustainability Matrix, which provides clearer improvement pathways and a stronger link to customer value. This next-generation approach enables more consistent decision-making across the portfolio and supports the integration of sustainability criteria earlier in product development.

Mölnlycke's ongoing efforts to reduce hazardous substances in its products further strengthen patient and user safety and wellbeing. Through continuous monitoring and responsible material management, the company mitigates potential negative impacts and helps ensure that its products meet high safety standards throughout their use.

Impacts, risks and opportunities

Mölnlycke places the safety and wellbeing, rights and social inclusion of consumers and end-users at the core of its strategy and business model. Impacts on end-users include positive outcomes such as improved access to healthcare, enhanced social inclusion and better support for responsible product use through clear labelling, detailed user manuals, digital resources and training for health care professionals. Negative impacts may occur if products are not accompanied by sufficient instructions or guidance regarding safety precautions, proper usage, or post-use handling, which could compromise patient safety or result in environmental harm.

The potential risk for Mölnlycke arises when these negative impacts occur or could occur, such as recalls, health concerns, regulatory non-compliance, reputational damage, or reduced customer trust and loyalty. By managing these risks through Medical Device Regulation mandated testing, strict quality controls, and ongoing post-market surveillance, the company protects both end-users and its business.

Opportunities include developing safer, more inclusive and accessible healthcare products, improving customer satisfaction and strengthening brand loyalty. By aligning its product portfolio with social and environmental values, Mölnlycke can reduce potential negative impacts, generate positive outcomes for consumers and end-users, and enhance long-term business growth and market trust.

Policies related to consumers and end-users

Mölnlycke respects the rights of patients, clinicians and other end users by ensuring access to safe, effective and high-quality products, transparent information, and responsible business practices. The company's Code of Conduct, Sustainability policy and Human Rights policy form the foundation for safeguarding consumer and end-user rights, including health and safety, non-discrimination, protection of personal data and the right to clear and accurate product information.

Product safety is a central commitment, supported by robust quality management, MDR-mandated testing, clinical evaluations, post-market surveillance and robust complaint and vigilance systems. These policies ensure that any safety or performance concerns are identified and addressed promptly, protecting patient health and maintaining trust in Mölnlycke's medical solutions.

Consumer protection is further reinforced through ethical marketing standards, compliance with healthcare regulations and transparency in interactions with health care professionals and organisations. The company's adherence to international norms, including the UN Global Compact principles and the MedTech Europe Code of Ethical Business Practice, supports integrity, accountability and responsible conduct across the value chain.

Mölnlycke also provides secure, confidential channels for raising concerns through its Ethics Hotline, which is accessible to employees, business partners, consumers and end-users.

This promotes early issue detection and ensures that concerns related to product safety, information accuracy, or business integrity can be addressed without fear of retaliation.

These policies are embedded across the organisation, with clearly defined roles and responsibilities ensuring effective implementation and oversight. The Executive Leadership Team maintains ultimate accountability for upholding consumer and end-user rights and ensuring that all products and interactions reflect Mölnlycke's commitment to safety, dignity and responsible care.

Engaging with consumers and end-users

Mölnlycke places consumer needs and end-user perspectives at the heart of its strategy, driving innovation to address healthcare challenges, improve patient outcomes and contribute to a more sustainable healthcare system. Its purpose, to revolutionise care for people and the planet, is reflected in products that enhance the lives of patients and health care professionals while minimising environmental impact. Stakeholder engagement, including with consumers, patients, and health care professionals, is integral to decision-making, ensuring alignment with regulatory requirements, industry best practices and the company's materiality assessment of key environmental, social and governance issues.

In accordance with the Medical Device Regulation (MDR), the company engages with stakeholders throughout the healthcare journey, from product development to post-market surveillance, to gather insights on needs, usability and safety-related concerns. Ethnographic research, user-centred design and participatory approaches provide insight into end-user workflows and real-world care

delivery. Continuous feedback loops, including surveys, interviews, post-market surveillance and clinical evaluations, allow Mölnlycke to assess product performance, usability and unmet needs. Partnerships with healthcare providers, medical societies and patient advocacy groups integrate expert insights into product design, service improvements and educational initiatives, ensuring offerings are safe, effective and accessible.

These insights inform product improvements and training that enhance safe, effective use while reducing avoidable waste and supporting more sustainable use where applicable. They also guide the alignment of innovation and sustainability efforts with societal needs, while ongoing engagement with industry bodies and patient groups strengthens trust and reinforces Mölnlycke's social licence to operate.

Mölnlycke incorporates insights from a broad range of end-users, including patients with differing clinical needs or functional limitations, to ensure these perspectives inform product development and service delivery. The effectiveness of these engagement processes is evaluated through stakeholder feedback and outcome tracking, enabling continuous refinement in line with evolving expectations, healthcare trends and regulatory requirements.

Grievance mechanisms

Mölnlycke provides multiple channels for consumers, end-users and external partners to raise concerns and ensure the timely remediation of negative impacts.

The Ethics Hotline, operated by an independent third-party provider, allows anonymous written or phone reports and is accessible to distributors, suppliers and other external stakeholders. Please

refer to page 115 for more information regarding Mölnlycke's grievance mechanisms.

Post-market surveillance activities, carried out in accordance with the MDR, capture product-related issues, while health care professionals can provide direct feedback through structured complaint-handling procedures aligned with ISO 13485 requirements.

Taking action on material impacts on consumers and end-users

Design and development

Mölnlycke integrates consumer and end-user needs into all stages of product design, ensuring that potential negative impacts are anticipated and mitigated through structured, risk-based approach. Product development is performed according to the MDR and ISO 13485 certified quality management system. Insights from post-market surveillance, complaints and ethnographic research help identify and address safety, usability and accessibility issues. Design updates aim to enhance product safety, support correct use, improve patient outcomes and reduce environmental impact where feasible. Marketing and sales practices are reviewed to ensure transparency and accuracy in line with the MedTech Europe Code of Ethical Business Practice and emerging requirements under the EU Green Claims Directive. Where systemic issues are identified, Mölnlycke collaborates with industry associations, healthcare providers and regulators to support improvements in product safety and standards across the healthcare sector.

Corrective and preventive actions

During the reporting year, Mölnlycke did not identify any confirmed material negative impacts on consumers or end-users requiring formal remedy. Mölnlycke maintains a structured process aligned with MDR and ISO 13485 to respond to product-related complaints and incidents. Where necessary, corrective actions such as product recalls, replacements, or technical support are provided. Mölnlycke ensures that its remedy mechanisms for addressing actual material negative impacts on consumers and end-users are both accessible and effective through a combination of policy, system design, stakeholder communication and continuous evaluation.

Mölnlycke has structured processes in place to respond to negative impacts on consumers and end-users. Customer complaints are captured through multiple channels, including direct communication, email and are formally documented in the complaints management system for tracking and follow-up. Complaints are classified by severity and potential risk and an initial assessment determines their validity and relevance to the product's intended use. A detailed investigation then identifies root causes, reviewing design, manufacturing, labelling, packaging, storage, clinical feedback. When a product defect or nonconformity is substantiated, corrective actions are implemented to resolve the issue, including product recall, rework or replacement. Preventive actions are applied in parallel to avoid recurrence and may involve design modifications, updated training for users, improvements to manufacturing processes, or enhanced labelling. Customers are informed of resolutions and regulatory bodies are notified of serious adverse events when required.

Quality management

Mölnlycke's ISO 13485-certified Quality Management System underpins all activities related to product safety, performance and compliance. Processes include rigorous testing, clinical evaluations and post-market surveillance to monitor products in real-world use. Internal audits, inspections and process reviews ensure ongoing compliance with regulatory and ethical standards. Feedback loops incorporate learnings from complaints, clinical data and stakeholder input into continuous improvement of product design, manufacturing and service delivery. Employees across product development, quality control and regulatory functions receive ongoing training on regulatory requirements, ethical standards, and quality management practices. By embedding quality and risk management throughout the product life cycle, Mölnlycke aims to mitigate potential negative impacts on consumers and end-users while enhancing product safety, usability and sustainable product solutions.

Clinical and ethical oversight

Mölnlycke ensures that all clinical activities are conducted in accordance with Good Clinical Practice, with appropriate ethical review and patient safety measures in place. Post-market surveillance collects real-world data on product performance and safety, including Clinical Evaluation Reports, complaints and feedback from health care professionals. Training and educational initiatives support

safe and effective product use, empowering health care professionals and reducing the risk of misuse. Transparency is promoted through access to clinical data, product information and safety documentation, supporting informed decision-making, ethical product use and trust among end-users. Sustainability considerations, including reduced packaging and improved recyclability further ensure that products deliver positive social and environmental impacts. By combining rigorous clinical oversight, ethical practices and continuous stakeholder engagement, Mölnlycke protects consumer safety, enhances patient outcomes, and strengthens confidence in its products while advancing the company's purpose to revolutionise care for people and the planet.

Community support

Mölnlycke is committed to acting responsibly in society by actively engaging with local communities and healthcare stakeholders to create meaningful and lasting impact. Through its community support initiatives, Mölnlycke contributes to sustainable healthcare development by supporting medical advancement, strengthening patient outcomes and improving the protection and wellbeing of health care professionals.

Community support is guided by defined principles to ensure initiatives are relevant, measurable and create societal value. Mölnlycke collaborates closely with partners and stakeholders to identify community needs, address concerns, and maximise positive contributions. Support is provided through charitable donations, including financial contributions, product donations and employee engagement initiatives.

All activities are carried out in compliance with applicable ethical standards and industry codes, including AdvaMed and Eucomed guidelines, ensuring responsible engagement and transparency.

In 2025, Mölnlycke recorded no adverse effects on local communities, reinforcing the company's commitment to ethical conduct and its ambition to deliver positive social value wherever it operates.

Partnership with Operation Smile: comprehensive cleft care

A key initiative within Mölnlycke's global community support programme is its longstanding partnership with Operation Smile, supporting comprehensive cleft care for children in underserved regions. This partnership reflects Mölnlycke's commitment to raising standards of care and expanding access to quality healthcare, while generating insights that support the company's ambition to become a global leader in sustainable healthcare.

In 2024, the Cebu Comprehensive Cleft Care Centre was inaugurated as a formal Ambulatory Surgical Unit within Cebu City Medical Centre in the Philippines, providing free treatment. In its first year, the centre supported more than 500 patients through high-quality surgery and follow-up care.

Mölnlycke supported the centre through targeted financial and product donations aligned with surgical needs, and through structured knowledge exchange.

In 2025, this included an externship at Sahlgrenska University Hospital by Michelle de la Calzada, Centre Head Nurse at the Cebu Comprehensive Cleft Care Centre and internal learning sessions involving more than 300 colleagues. These activities strengthened understanding of real-world clinical challenges in resource-constrained settings and informed internal discussions on product relevance, usability and sustainable healthcare solutions.

Governance

Business conduct

Mölnlycke impact, risk and opportunity (IRO)	IRO	+/-	A/P	Value chain
Corporate culture				
1. Speak up culture, ethical mindset and business integrity	I	-	P	00
2. Risk of unethical business conduct	R			00
Protection of whistleblowers				
3. Trust in grievance mechanisms impacting business integrity	I	-	P	VC
4. Non-compliance with whistleblower policies	R			00
Management of relationships with suppliers				
5. Management of relationships with suppliers	I	-	P	UP/00
6. Risks from misaligned supplier conduct and third-party practices	R			00
Corruption and bribery				
7. Prevention and detection of corruption and bribery	I	-	P	00
8. Risk of bribery and corruption incidents	R			00

Impacts, risks and opportunities

Corruption, bribery and unethical business practices pose significant threats to economic and social development, disproportionately affecting vulnerable communities and undermining institutional trust. For Mölnlycke, operating in diverse global markets, this challenge presents both risks to manage and opportunities to lead with integrity. While exposure to areas with higher corruption risks can harm the business environment, it also presents an opportunity for Mölnlycke to lead by

example in fostering a strong culture of integrity.

Mölnlycke has invested in a robust business ethics and compliance programme to ensure risks of unethical behaviour stemming from own operations or in connection with business partners across its value chain are proactively addressed. Upstream, suppliers are expected to uphold strict ethical standards, with potential risks mainly related to the complexity of sourcing practices and ensuring full compliance. Within operations, strong governance ensures compliance with laws and regulations,

effectively managing legal risks and maintaining stakeholder trust. Downstream, transparency in communication with customers, stakeholders, and regulatory bodies is critical to preserving Mölnlycke's reputation and operational stability.

By prioritising business integrity and setting clear expectations on employees and stakeholders, Mölnlycke creates an environment where ethical behaviour is supported and any potential misconducts are addressed. This ensures potential impacts stemming from risks of unethical business are mitigated. Mölnlycke also recognises that corporate culture itself can pose a risk if not actively nurtured. A failure to uphold the company's principles of integrity could result in misconduct, reputational damage, and legal consequences. Therefore, Mölnlycke is dedicated to continuously strengthening its business ethics and compliance programme, protecting those who raise concerns, and ensuring all employees are equipped to navigate ethical challenges in their daily work. Through this ongoing commitment, Mölnlycke not only manages risks and mitigates impacts but also reinforces its ethical culture and supports long-term, sustainable growth.

Processes to identify and assess material impacts, risks and opportunities

Mölnlycke identifies and assesses business conduct risks across its operations and supply chain by considering factors such as geography, business activity, sector-specific requirements and transaction structures.

To identify risks, impacts and opportunities within Mölnlycke's own operations the company conducts several activities stemming from its business ethics and compliance programme. This includes anti-bribery and corruption risk assessments, assessments conducted through engagement with key functions, maturity assessments and internal audits, as well as reporting by employees or external parties. The results of these activities feed Mölnlycke's risk landscape and areas where mitigation activities are put in place.

Geographic risk assessments focus on regions with varying regulatory standards, legal frameworks, and governance levels. Particular attention is given to risks related to anti-corruption, human rights and labour practices. High-risk regions are identified using international benchmarks, including Transparency International's Corruption Perceptions Index and indicators from the OECD and UN Global Compact.

Operating in the healthcare sector brings additional expectations around product safety, ethics and patient protection. Compliance in these areas is guided by medical device regulations, data protection standards and principles for the ethical use of health data. The company's commitment to anti-corruption and anti-bribery is also reflected in policies and processes governing interactions with health care professionals, healthcare organisations and government officials.

Material risks are also considered in relation to mergers, acquisitions, joint ventures and major investments. Due diligence in these transactions includes reviews of ethical compliance, potential conflicts of interest and alignment with Mölnlycke's sustainability objectives.

Mölnlycke identifies risks, impacts and opportunities through its relationship with business partners such as suppliers and distributors through several activities. This includes screening of business partners located in high-risk countries, due diligence assessments on relevant distributors, sustainability risk screening of suppliers and third-party sustainability audits on high-risk suppliers. Mölnlycke ensures business partners adhere to the same standards through contractual agreements and commitments to its Business Partner Code of Conduct. Please refer to page 108 for more information regarding Mölnlycke's activities regarding its business partners.

Business conduct policies and corporate culture

Code of Conduct

Mölnlycke's Code of Conduct is a guiding document that outlines Mölnlycke's commitment to fairness, ethical behaviour and acting with integrity when conducting business. Its objective is to guide employees on daily actions and decisions, establishing the standard for expected behaviour and corporate culture. The Code of Conduct covers topics corruption and bribery, speak up culture and anti-retaliation.

In addition, the Code of Conduct reflects the company's commitment to the Ten Principles of the UN Global Compact, applicable laws and regulations, as well as industry standards such as the MedTech Europe and AdvaMed Codes of Ethical Business Practice. It is available to the company's employees in several languages and accessible on the intranet and externally on Mölnlycke's website. The principles of the Code of Conduct extend to third parties including suppliers and distributors through Mölnlycke's Business Partner Code of Conduct.

Supporting policies and procedures

For detailed information on the topics covered in the Code of Conduct employees can refer to relevant policies and procedures available on Mölnlycke's intranet. Policies such as the Anti-Corruption policy, Ethics Hotline policy, Anti-Retaliation policy and Competition Law policy establish clear roles and responsibilities to ensure

effective implementation across the organisation. When relevant, Mölnlycke provides procedures and guidance to ensure compliance with the relevant policy and process.

Prevention and detection of corruption and bribery

Business ethics and compliance programme

Mölnlycke is committed to fostering a culture of integrity by embedding ethical decision-making into every aspect of its operations. Transparency, collaboration and open dialogue are central to ensuring that ethical considerations remain integral to all business activities. Integrity and anti-corruption are promoted through strict adherence to anti-bribery laws and a comprehensive business ethics and compliance programme. Mölnlycke evaluates its corporate culture through for example investigations, maturity assessments and employee engagement surveys.

Mölnlycke has established comprehensive procedures to prevent, detect, report and address corruption and bribery through its business ethics and compliance programme. It includes robust policies and procedures with a particular focus on high-risk activities involving customers, healthcare professionals and other key stakeholders. Risk assessments, audits and monitoring are conducted regularly, complemented by reporting mechanisms available to both employees and external partners.

Communication and training

Consistent internal communication and training supports Mölnlycke's business ethics and compliance programme by helping employees understand their role and responsibilities in fostering a culture of integrity and reinforcing the company's commitment to a transparent and ethical workplace. Mölnlycke communicates its commitment regularly through different internal channels, for example articles on the intranet, face-to-face interactions and live webinars.

Mölnlycke conducts both awareness and knowledge building training programs on anti-corruption and business ethics overall. The company utilises diverse training methods and platforms to engage with employees effectively and address specific risk exposures. This includes an annual mandatory e-learning on the Code of Conduct, live gifts and hospitality sessions and role-specific trainings to provide practical guidance helping employees recognise and manage bribery and corruption risks. Mölnlycke also targets functions with higher risk exposures, i.e. sales, marketing, procurement, finance and governmental affairs, through ad hoc trainings to ensure employees conduct business with integrity when faced with ethical dilemmas. During 2025, Mölnlycke launched a year-long Business Ethics Academy training programme for the Business Ethics Representatives appointed in all local subsidiaries. The training programme contained several live training sessions covering various business ethics topics to ensure upskilling of the Business Ethics Representatives.

In addition, Mölnlycke launched a Speak Up campaign with its purpose to provide awareness on Mölnlycke's Ethics Hotline and investigation process as well as encourage employees to raise concerns without the fear of retaliation. The campaign consisted of communication materials such as articles and videos on Mölnlycke's intranet as well as physical posters at the offices and sites. Dedicated training efforts were conducted through two e-learning courses on raising and receiving concerns, and training sessions held for managers.

Reporting concerns and internal investigation process

All employees at Mölnlycke have multiple ways to raise their questions, concerns, suggestions or complaints. They can reach out to their manager, their manager's manager, their Business Ethics Representative or their People Partner. These persons are trained in receiving concerns and in providing guidance and support in how to report a concern.

Additionally, employees can report any potential misconduct through the following channels:

- **Business Ethics & Governance contacts:** employees can contact their Regional Business Ethics Officer, the Chief Business Ethics & Governance Officer, or the Director of Investigations. Reports can be made in writing, by phone or in person.

- **Ethics Hotline:** available for written (online) or phone reports. The Ethics Hotline allows for anonymous reporting and is operated by an independent third-party reporter system provider. The Ethics Hotline is also available for external stakeholders, including distributors, suppliers and other business partners.
- **Local channels (where applicable):** employees can make the relevant selection to use a local channel in the Ethics Hotline or reach out to the appointed local person by phone, email or in person.

Mölnlycke has established robust procedures to receive, assess and investigate reports of suspected misconducts, overseen by the Ethics Hotline Committee and further outlined in the Ethics Hotline Policy. All reports are thoroughly assessed and investigated by the Risk Investigation and Audit team reporting to the Chief Business Ethics & Governance Officer. To ensure impartiality, the Chief Business Ethics & Governance Officer can escalate matters to the Chairman of the Audit Committee.

In response to investigations, Mölnlycke may take several corrective actions such as changes to processes, implementation of enhanced controls, retraining of employees and disciplinary actions including dismissal. Quarterly reports are submitted to the Audit Committee, highlighting trends, lessons learned and key insights to support continuous improvement in the management of reports and investigations.

Anti-retaliation

The willingness of employees to speak up and raise their concerns is vital to ensure Mölnlycke continues to conduct business with integrity and maintains a high ethical standard in all its operations. Retaliation against employees or external stakeholders who report concerns in good faith is considered a serious violation of Mölnlycke's Code of Conduct and may result in disciplinary actions. Employees who become aware of, or suspect, any retaliation against themselves or others for raising concerns or participating in an investigation shall report it without delay.

71%

of employees feel safe to report concerns

Mölnlycke's zero tolerance for retaliation is outlined in its Anti-Retaliation policy, which is aligned with the EU Whistleblower Protection Directive and communicated through extensive information made available to employees on the intranet. In addition, Mölnlycke's zero tolerance is communicated to reporters or others taking part in an investigation during the investigation process.

Management of relationships with suppliers

Mölnlycke manages supplier relationships through structured processes covering operational efficiency, risk assessment, sustainability and climate action.

Mölnlycke maintains a global network of approximately 18,500 approved first-tier suppliers across almost 85 countries, engaged as required according to operational demand. This complexity introduces the risk that some business partners may not fully align with Mölnlycke's values, principles and standards, potentially leading to unintended sustainability impacts within the supply chain. On the other hand, a corresponding opportunity for strategic partnerships with suppliers can improve sustainability practices in the supply chain and support Mölnlycke in meeting the company's objectives and ambition to become a global leader in sustainable healthcare.

Around 430 suppliers of the total supplier base are providers of components or direct material to Mölnlycke's production. The largest portion of suppliers are indirect suppliers not critical to the finished product or to the operation of Mölnlycke. These are low-risk suppliers from a business and patient safety perspective and therefore subject to a simplified evaluation and approval procedure. While a risk-based prioritisation is necessary to make use of appropriate resources, it rules the organisation's capacity to engage with suppliers and by that its ability to capture all potential impacts. Mölnlycke also strives to have dual supply sources to strengthen supply chain



Mölnlycke's Ethics Hotline can be accessed by scanning the QR code

resilience, which adds to the number of supplier relationship to manage. Mölnlycke has, in recent years, expanded its geographical footprint and the number of local suppliers operating in higher-risk countries considering labour standards, business ethics and the environment.

High-risk countries are generally not dominant in Mölnlycke’s geographical breakdown of supplier origin and constitute approximately 4% of the total number of suppliers. The most dominant country with a high-risk country score is China. The main material impacts identified upstream in the supply chain are related to occupational health and safety, working hours, wages and environmental management.

Supplier segmentation and risk assessment

As a producer of medical devices, Mölnlycke must ensure product safety for users of the company’s products and services. Therefore, Mölnlycke applies a risk-based approach for defining the evaluation criteria and monitoring measures of its suppliers. Risk aspects formally encompassed in current supplier evaluation process include:

- quality management
- supply contingency
- sustainability risks from Sedex pre-assessment.

The evaluation is documented by the following:

- risk assessment
- documentation (such as ISO-certificates according to defined risk level)
- sustainability (Business Partner Code of Conduct, sustainability risk screening followed by an independent on-site audit if considered high risk).

Sustainability is embedded in the evaluation and approval of new suppliers, as well as in the annual performance review and management of active suppliers. Please refer to page 108 for more information regarding Mölnlycke’s sustainable procurement framework.

Supplier climate action

Recognising that the largest portion of Mölnlycke’s GHG emissions comes from the supply chain, supplier engagement is critical to achieving decarbonisation goals. The company has set a near-term Science Based Target initiative target, committing that 63% of its suppliers by emissions, will have science-based targets by 2028. Supplier commitment to SBTi is monitored continuously and factored into sourcing decisions. Please refer to page 80 for more information regarding Mölnlycke’s SBTi targets.

Metrics and targets

Mölnlycke monitors key governance metrics and sets clear targets to track progress and monitor the effectiveness of its mechanisms relating to corporate culture, ethical conduct, whistleblower protection and anti-corruption measures in order to support transparency, accountability and integrity across the organisation.

Training and awareness raising (%)	2025	2024	2023	2022
Code of Conduct e-learning⁴⁰				
Employees	99.6	99.5	98.7	98.3
Employees in high-risk roles	99.5	99.6	n.a	n.a

Training and awareness raising

Mölnlycke is committed to fostering a strong culture of ethics and compliance. The company aims for 100% of employees to complete yearly ethics and compliance training. Employees with access to the e-learning platform receive an annual mandatory e-learning, including board members. Employees without access to the platform attend awareness sessions held locally.

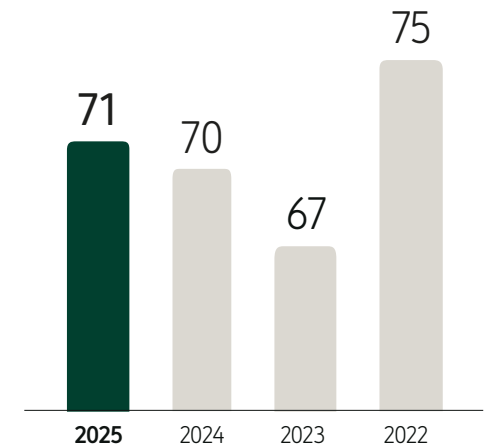
Employees feeling safe to report concerns

Mölnlycke is committed to fostering a speak-up culture where employees can raise concerns in a safe and supportive environment. To support this, the company has set the target that 100% of employees feel safe to report concerns without the fear of retaliation.

Performance is measured through the bi-annual Employee Engagement Survey, which asks employees to rate the statement: “At Mölnlycke I can raise my concerns without fear of negative consequences”.

Survey results are reviewed twice yearly and guide actions and activities to further strengthen Mölnlycke’s culture and its safe and transparent workplace ambitions.

Employees feeling safe to report concerns (%)



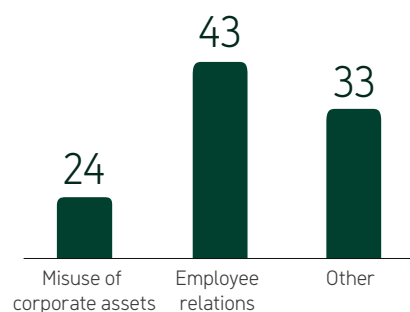
40. Code of Conduct e-learning completion rates are calculated by dividing the number of individuals having completed training at the reporting year cut-off date with the number of individuals having been assigned the same training.

Concerns reported and corrective actions

The table below provides an overview of compliance concerns reported, including: the number of cases received, those investigated, substantiated cases concluded during the reporting year and ongoing investigations at year-end. Data on reported concerns by category is also presented. No legal actions related to corruption, anti-competitive behaviour, antitrust, or monopoly practices were taken against Mölnlycke in 2025.

Compliance concerns and corrective actions	2025	2024	2023	2022
Reported	78	58	55	34
Out of scope ⁴¹	29	14	-	-
In scope investigation	49	44	-	-
Closed during the year ⁴²	43	41	-	-
Substantiation rate ⁴³	37%	44%	-	-

Report concerns by category (%)



Responsible taxation approach

Mölnlycke acknowledges taxes as an important part in its dedication to achieve sustainable and responsible growth. Mölnlycke strives to pay a proper amount of tax in relation to its profits in the countries where the value is being created. Mölnlycke's tax strategy, applicable to the entire Mölnlycke Group, aligns with Mölnlycke's overall business strategy. Mölnlycke shall manage its tax matters in the light of its commercial objectives and long-term sustainability targets. Recognising the importance of taxes as a significant part of corporate responsibility, Mölnlycke embraces its role to make a positive impact and bring value to the countries and societies where it operates by contributing with tax revenue. Mölnlycke's focus when it comes to taxes is to ensure the organisation

is compliant with tax laws and regulations in all countries where it operates and not expose the organisation to any significant tax risks or uncertainties. Mölnlycke always seeks to develop and maintain professional and transparent relationships with tax authorities in all countries where it operates. The company has established a Tax Control Framework, with its documented Tax policy as a central component. This framework provides a structured approach to tax governance and includes documented procedures for key areas such as Transfer Pricing (TP), DAC6 and Global Mobility. The Tax policy sets out clear guidelines for managing taxes across Mölnlycke's operations, ensuring both compliance and efficiency. It defines key roles and responsibilities while outlining

fundamental principles for tax compliance, risk management and governance. The policy is formally approved by the Board of Directors.

The Group Tax Director annually reports to the Audit Committee, a part of the Board of Directors, regarding Mölnlycke Tax policy matters, updates on tax regulations and the main challenges Mölnlycke might face within the tax area. In addition, the Group Tax Director reports monthly to a Tax Committee, including the CFO, Group Controller and Group Treasurer. The Tax Committee serves to update the organisation on significant tax matters as well as an internal decision forum for tax-related questions. Mölnlycke's effective tax rate in 2025 was 21.5%,⁴⁴ stated as a percentage of consolidated profit before tax.

Tax contribution (MEUR)	2025	2024
Corporate income tax	95	103
Social security	72	68

Tax distribution (MEUR)	Corporate income tax	Social security tax	Total tax
Europe/Middle East/Africa	80	58	138
Americas	8	8	16
Asia Pacific	7	6	13
Total	95	72	167

41. Out of scope cases refer to cases received but not investigated as they pertained to inquiries of a general nature or other matters not deemed to be related to misconduct or breaches of the Code of Conduct.

42. Due to the varying complexity of investigations, not all cases are concluded within the same year they are reported. Therefore, the cases closed at year end include cases from previous periods that were concluded during the reporting year.

43. Substantiation rate refers to cases closed and concluded to be substantiated during the reporting year, some of which were reported in previous reporting years.

44. Effective tax rate is adjusted for impairment of goodwill. Please refer to page 143 for more information regarding the goodwill impairment.

Independent auditor's limited assurance report on specified sustainability information

To Mölnlycke Holding AB, corporate identity number 556693-6729

Introduction

We have been engaged by the Board of Directors and Executive Management of Mölnlycke Holding AB to undertake a limited assurance engagement of selected information as presented in the annual report for 2025 consisting of energy use within the organisation and Greenhouse Gas emissions in Scope 1, 2 and 3 for the year 2025 ("Reporting"), as presented in the annual report on pages 82-85.

Responsibilities of the Board of Directors and the Executive Management for the sustainability report

The Board of Directors and the Executive Management are responsible for the preparation of the Reporting in accordance with the applicable criteria, as explained on pages 119-121 in the annual report, and are the parts of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative) related to 302-1 Energy consumption within the organisation, 305-1 Direct (Scope 1) GHG emissions and 305-2 Energy indirect (Scope 2) GHG emissions, Other indirect (Scope 3) GHG emissions, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of the Reporting that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Reporting based on the limited assurance procedures we have performed. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Reporting, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Mölnlycke Holding AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, the conclusion of the procedures performed does not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Reporting.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Reporting is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

Gothenburg, 26 March 2026
Deloitte AB

Hans Warén
Authorized Public Accountant

GRI content index

Statement of use Mölnlycke Holding AB (publ), corporate ID number 556693-6729, has reported in accordance with the GRI Standards for the period 01.01.2025–31.12.2025.
 GRI 1 used GRI 1: Foundation 2021.
 GRI Sector Standard: not applicable.

Disclosure	GRI standard	Location in report	Omission reason
General information			
2-1 Organisational details	GRI 2: General Disclosures 2021	p. 5	
2-2 Entities included in the organisation's sustainability reporting		p. 61, unless specified otherwise in the Sustainability report	
2-3 Reporting period, frequency and contact point		p. 3, p. 61	
2-4 Restatements of information		p. 62	
2-5 External assurance		p. 61, p. 118	
2-6 Activities, value chain and other business relationships		pp. 13-14, pp. 65-66	
2-7 Employees		p. 103	
2-8 Workers who are not employees		p. 103	
2-9 Governance structure and composition		p. 16, pp. 45-50, pp. 63-64	
2-10 Nomination and selection of the highest governance body		pp. 47-48	
2-11 Chair of the highest governance body		pp. 47-48	
2-12 Role of the highest governance body in overseeing the management of impacts		p. 48, pp. 63-64	
2-13 Delegation of responsibility for managing impacts		p. 48, pp. 63-64	
2-14 Role of the highest governance body in sustainability reporting		p. 48, pp. 63-64	
2-15 Conflicts of interest		pp. 47-48	
2-16 Communication of critical concerns		pp. 73-74, pp. 114-115	
2-17 Collective knowledge of the highest governance body		pp. 47-48	
2-18 Evaluation of the performance of the highest governance body		pp. 47-48	
2-19 Remuneration policies		pp. 47-48	
2-20 Process to determine remuneration		pp. 47-48	
2-21 Annual total compensation ratio			Omitted

Disclosure			
General information	GRI standard	Location in report	Omission reason
2-22 Statement on sustainable development strategy	GRI 2: General Disclosures 2021	p. 17, p. 19, p. 65	
2-23 Policy commitments		p. 19, p. 46	
2-24 Embedding policy commitments		p. 64, p. 78, p. 88, p. 91, p. 94, pp. 99-100, pp. 106-107, pp. 110-111, p. 114	
2-25 Processes to remediate negative impacts		pp. 75-78, p. 88, p. 91, p. 94, pp. 101-102, pp. 107-108, p. 111, pp. 113-115	
2-26 Mechanisms for seeking advice and raising concerns		pp. 101-102, pp. 107-108, p. 111, pp. 113-115	
2-27 Compliance with laws and regulations		pp. 113-114	
2-28 Membership associations		p. 19	
2-29 Approach to stakeholder engagement		pp. 68-74	
2-30 Collective bargaining agreements		pp. 100-101, p. 104	
Stakeholder engagement and materiality			
3-1 Process to determine material topics	GRI 3: Material Topics 2021	pp. 73-74	
3-2 List of material topics		pp. 71-72	
3-3 Management of material topics		pp. 68-75, p. 88, p. 91, p. 94, p. 99, p. 106, p. 110, p. 113	
Climate change and energy			
3-3 Management of material topics	GRI 3: Material Topics 2021	pp. 75-77	
305-1 Direct (Scope 1) GHG emissions	GRI 305: Emissions 2016	p. 83	
305-2 Energy indirect (Scope 2) GHG emissions		p. 83	
305-3 Other indirect (Scope 3) GHG emissions		p. 83	
305-4 GHG emissions intensity		p. 83	
305-5 Reduction of GHG emissions		p. 81, p. 83	
305-6 Emissions of ozone-depleting substances (ODS)		p. 89	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		p. 89	

Disclosure			
Climate change and energy	GRI standard	Location in report	Omission reason
302-1 Energy consumption within the organisation	GRI 302: Energy 2016	p. 82	
302-2 Energy consumption outside of the organisation		p. 82	
302-3 Energy intensity		p. 82	
302-5 Reductions in energy requirements of products and services		p. 82	
201-2 Financial implications and other risks and opportunities due to climate change	GRI 201: Economic Performance 2016	pp. 75-77, p. 87	
Circularity and resource efficiency – Waste			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 94	
306-1 Waste generation and significant waste-related impacts	GRI 306: Waste 2020	p. 98	
306-2 Management of significant waste-related impacts		p. 98	
306-3 Waste generated		p. 98	
306-4 Waste diverted from disposal		p. 98	
306-5 Waste directed to disposal		p. 98	
Circularity and resource efficiency – Water			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 91	
303-1 Interactions with water as a shared resource	GRI 306: Water and Effluents 2018	pp. 91-93	
303-2 Management of water discharge-related impacts		pp. 91-93	
303-3 Water withdrawal		pp. 92-93	
303-4 Water discharge		p. 93	
303-5 Water consumption		p. 93	
Circularity and resource efficiency – Raw material use			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 94	
301-1 Materials used by weight or volume	GRI 301: Materials 2016	pp. 95-97	
301-2 Recycled input materials used		pp. 95-96	
301-3 Reclaimed products and their packaging materials		pp. 95-97	

Disclosure			
Pollution prevention	GRI standard	Location in report	Omission reason
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 88	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	GRI 305: Emissions 2016	p. 89	Emissions of only ETO are reported. Other emissions metrics (NOx, SOx, POP, etc) are found not material: omission due to inapplicability
Own workforce - Diversity, equity and inclusion			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 99	
401-1 New employee hires and employee turnover	GRI 401: Employment 2016	Omitted	Disclosure omitted due to incomplete data, as large populations of production employee data are not captured in global systems. The company is investigating ways to include a larger population of employees to increase the certainty levels of the metric during 2026.
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		pp. 101-02	
405-1 Diversity of governance bodies and employees	GRI 405: Diversity and Equal Opportunity	pp. 56-59, pp. 103-104	
405-2 Ratio of basic salary and remuneration of women to men		Omitted	Disclosure omitted due to incomplete data, as large populations of production employee data are not captured in global systems. The company is investigating ways to include a larger population of employees to increase the certainty levels of the metric during 2026.
Own workforce - Health, safety, physical security and wellbeing			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 99	
403-1 Occupational health and safety management system	GRI 403: Occupational Health and Safety 2018	p. 102	
403-2 Hazard identification, risk assessment, and incident investigation		p. 102	
403-3 Occupational health services		p. 102	
403-4 Worker participation, consultation, and communication on occupational health and safety		pp. 99-101	
403-5 Worker training on occupational health and safety		p. 102	
403-6 Promotion of worker health		p. 102	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		p. 102	
403-8 Workers covered by an occupational health and safety management system		p. 102	
403-9 Work-related injuries		p. 105	
403-10 Work-related ill health		p. 105	

Disclosure			
Own workforce – Career development and empowerment	GRI standard	Location in report	Omission reason
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 99	
404-1 Average hours of training per year per employee	GRI 404: Training and Education 2016	p. 102	
404-2 Programmes for upgrading employee skills and transition assistance programmes		p. 102, p. 105	
404-3 Percentage of employees receiving regular performance and career development reviews		p. 102, p. 105	
Own workforce – Human rights			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 99, p. 106, p. 113	
406-1 Incidents of discrimination and corrective actions taken	GRI 406: Non-discrimination 2016	p. 99, pp. 101-102, p. 115	
408-1 Operations and suppliers at significant risk for incidents of child labor	GRI 408: Child Labor 2016	pp. 107-109, pp. 115-116	
409-1 Operations and supplier at significant risk for incidents of forced or compulsory labor	GRI 409: Forced or Compulsory Labor 2016	pp. 107-109, pp. 115-116	
Own workforce – Freedom of association			
3-3 Management of material topics	GRI 3: Material Topics 2021	pp. 99-100, p. 104	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GRI 407: Freedom of Association and Collective Bargaining 2016	pp. 99-100, p. 104	
Community support			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 110	
413-1 Operations with local community engagement, impact assessments, and development programmes	GRI 413: Local Communities 2016	p. 112	
413-2 Operations with significant actual and potential negative impacts on local communities		p. 112	
Healthcare compliance			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 110	
417-1 Requirements for product and service information and labeling communications	GRI 417: Marketing and Labeling 2016	pp. 110-112	
417-2 Incidents of non-compliance concerning product and service information and labeling		pp. 110-112	
417-3 Incidents of non-compliance concerning marketing		pp. 110-112	

Disclosure			
Business ethics and culture of integrity	GRI standard	Location in report	Omission reason
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 113	
205-1 Operations assessed for risks related to corruption	GRI 205: Anti-Corruption 2016	pp. 113-115	
205-2 Communication and training about anti-corruption policies and procedures		pp. 113-115	
205-3 Confirmed incidents of corruption and actions taken		p. 117	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	GRI 206: Anti-competitive Behavior 2016	pp. 116-117	
Management of relationships with suppliers			
3-3 Management of material topics	GRI 3: Material Topics 2021	pp. 115-116	
204-1 Proportion of spending on local suppliers	GRI 204: Procurement Practices 2016	pp. 108-109	
308-1 New suppliers that were screened using environmental criteria	GRI 308: Supplier Environmental Assessment 2016	pp. 108-109	
308-2 Negative environmental impacts in the supply chain and actions taken		pp. 108-109, pp. 115-116	
414-1 New suppliers that were screened using social criteria	GRI 414: Supplier Social Assessment 2016	pp. 108-109	
414-2 Negative social impacts in the supply chain and actions taken		pp. 108-109, pp. 115-116	
Data and intellectual property			
3-3 Management of material topics	GRI 3: Material Topics 2021	p. 110	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI 418: Customer Privacy 2016	pp. 110-112	
Strategic and fiscal governance			
3-3 Management of material topics	GRI 3: Material Topics 2021	pp. 71-72	
201-1 Direct economic value generated and distributed	GRI 201: Economic Performance 2016	pp. 126-131	
Responsible taxation approach			
3-3 Management of material topics	GRI 3: Material Topics 2021	Not applicable	
207-1 Approach to tax	GRI 207: Tax 2019	p. 117	
207-2 Tax governance, control, and risk management		p. 117	
207-3 Stakeholder engagement and management of concerns related to tax		p. 117	
207-4 Country-by-country reporting		Omitted	Information currently unavailable. To be submitted to the Swedish Tax Office later in 2026.

Financial report

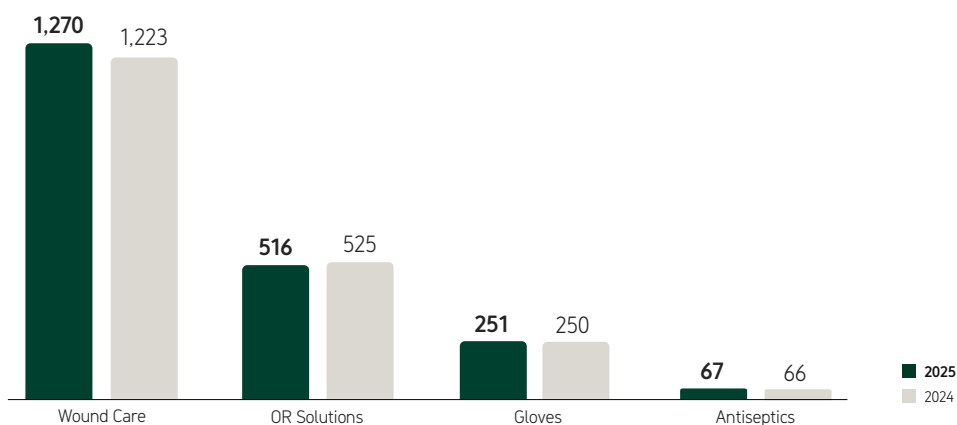
The financial report presents the consolidated financial statements for the Mölnlycke Holding AB Group prepared in accordance with IFRS as adopted by the EU. The parent company of Mölnlycke Holding AB is Mölnlycke AB which in turn is controlled by Investor AB, listed on NASDAQ OMX Stockholm.

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Consolidated income statement, MEUR

	Notes	2025	2024
Revenue	4	2,104.5	2,064.2
Cost of sales	5	-960.0	-944.3
Gross profit		1,144.5	1,119.9
Selling costs	5	-413.7	-385.3
Administrative costs	5	-171.2	-174.7
Research and development costs	5	-56.7	-55.0
Share of result in associates and joint ventures	3	-	0.3
Other operating income and expenses	5	-349.2	1.8
Operating profit		153.7	507.0
Finance income	6	45.4	37.5
Finance costs	6	-69.2	-67.7
Profit before tax		129.9	476.8
Income tax expense	7	-103.1	-101.5
Profit for the year		26.8	375.3
Attributable to:			
Owners of the Company		26.6	373.3
Non-controlling interests		0.2	2.0

Segment revenue



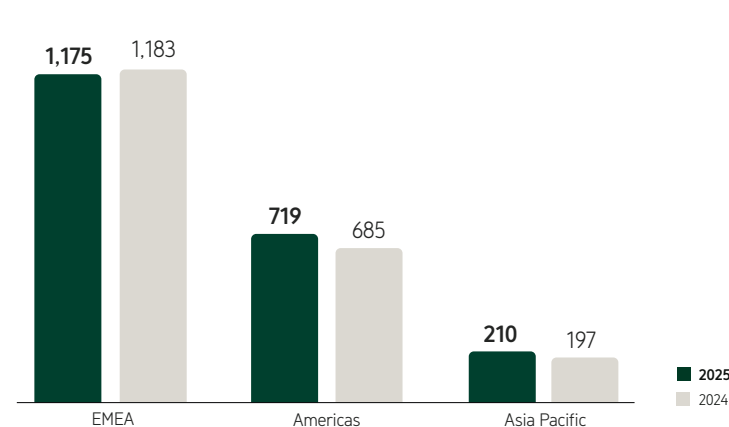
Comments on the consolidated income statement

Revenues

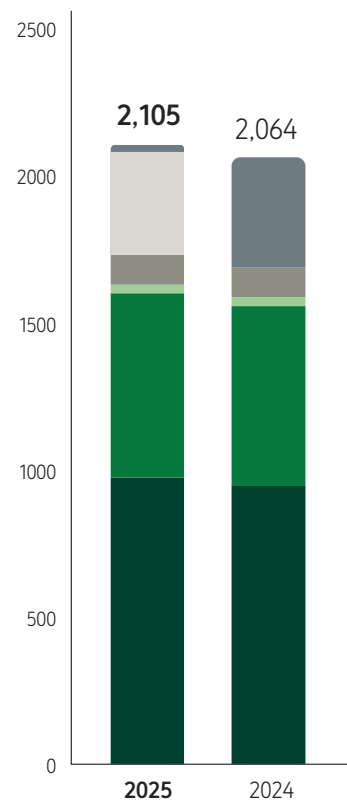
Mölnlycke reported organic sales growth of 4% excluding currency impact. From a business area perspective, Wound Care reported growth of 6%, Antiseptics 5%, Gloves 3% while ORS reported a negative growth of 2%. All business areas showed a similar geographical pattern in the sales development:

- Americas reported organic sales growth of 10% excluding currency impact. This was driven by solid growth in all present business areas with particular strong sales development within Wound Care's post operation and prevention assortment in the US.
- Asia Pacific reported organic sales growth of 12% excluding currency impact. The growth was driven by strong performance across the markets with the main contributors being Wound Care's scar management assortment in China and sales recovering in Korea from last year's disruption caused by the doctors' strike.
- EMEA reported sales in line with prior year excluding currency impact. Solid growth in several European markets was offset by more challenging markets conditions in other markets such as France and Germany. In Saudi Arabia, Wound Care reported strong growth leveraging the local investments made while ORS and Gloves declined as a result of challenging market conditions and distributor destocking.

Sales per region



Revenues



- Profit for the year
- Goodwill impairment
- Income tax expense
- Net financial expenses
- Operating expenses
- Cost of sales

Gross profit

The Group's gross profit amounted to MEUR 1,144.5 (1,119.9), corresponding to a gross margin of 54% (54%).

Operating profit

Operating profit amounted to MEUR 153.7 (507.0), corresponding to an operating profit margin of 7% (25%). Excluding the impact of goodwill impairment of MEUR 350.0 the operating profit was MEUR 503.7, corresponding to an operating profit margin of 24% which is in line with prior year. The operating profit was positively impacted by the sales growth, lowered sea freight rates and strong cost control absorbing negative impact primarily driven by currency effects but also lower manufacturing absorption and tariffs.

Finance net

The Group's net financial items amounted to MEUR -23.8 (-30.2). The increase in financial costs in 2025 relates to increased net debt and higher interest rates while the financial income was positively impacted by revaluation gains on derivative financial instruments.

Income tax expenses

The Group's income tax expenses amounted to MEUR -103.1 (-101.5), corresponding to an effective tax rate of 21% (21%), excluding the impact of non-deductible goodwill impairment. The effective tax rate is in line with prior year.

Profit for the year

The Group's profit for the year amounted MEUR 26.8 (375.3) which corresponds to a decrease of 93% (decrease 5%). The decrease is related to the impairment of goodwill of MEUR 350.0. Excluding the impairment charge the Group's profit for the year was in line with last year.

Consolidated statement of comprehensive income, MEUR

	2025	2024
Profit for the year	26.8	375.3
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising during the year on translation of foreign operations (net of tax of MEUR 2.0 (2024: MEUR 2.5))	-15.5	4.8
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Actuarial gains/(losses) on defined benefit pension plans (net of tax of MEUR -2.1 (2024: MEUR 3.1))	7.6	-11.2
Total comprehensive income for the year	18.9	368.9
Attributable to:		
Owners of the Company	19.5	366.8
Non-controlling interests	-0.6	2.1
	18.9	368.9

Comments on the consolidated statement of comprehensive income

Total other comprehensive income amounted to MEUR -7.9 (-6.4) which includes exchange differences arising during the year on translation of foreign operations and remeasurements of post-employment benefit obligations. The gain from remeasurements of post-employment benefit obligations in 2025 relates mainly to net positive changes in actuarial assumptions.

The total comprehensive income for the year amounted to MEUR 18.9 (368.9).

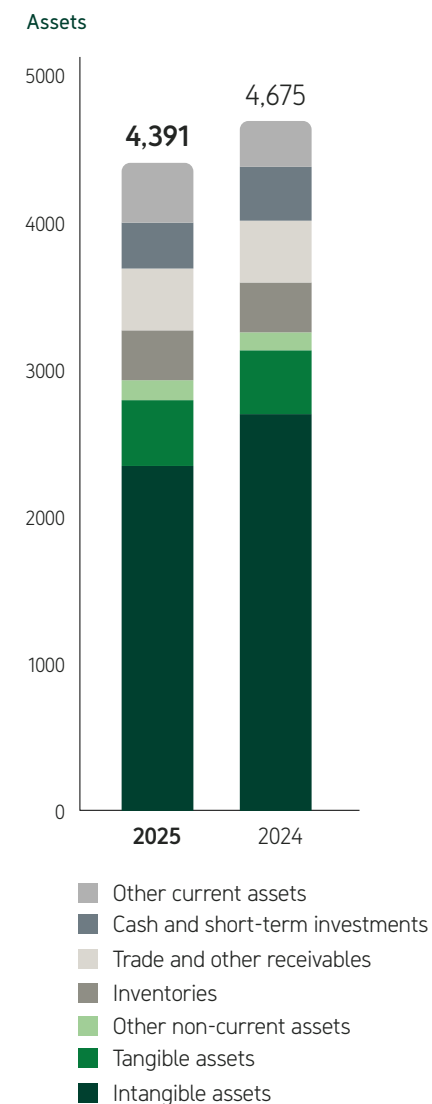
Consolidated statement of financial position, MEUR

	Notes	12/31/2025	12/31/2024
Assets			
Non-current assets			
Property, plant and equipment	8	346.5	316.1
Right-of-use assets	15	112.1	114.7
Goodwill	9	1,792.8	2,138.4
Other intangible assets	9	538.0	552.9
Other non-current assets		24.8	26.1
Deferred tax assets	7	45.1	57.9
Derivative financial instruments	19	55.9	31.6
		2,915.2	3,237.7
Current assets			
Inventories	10	346.7	343.2
Trade and other receivables	11	415.5	427.6
Receivables, parent company	13	374.9	288.9
Current tax receivables		21.5	11.0
Short-term investments	12	-	200.0
Cash and cash equivalents	12	317.6	166.4
		1,476.2	1,437.1
Total assets		4,391.4	4,674.8

Comments to the statement of financial position

Assets

Intangible assets are mainly related to goodwill and trademarks with an indefinite useful life and are not subject to amortisation. The decrease in goodwill is explained by the impairment charge of MEUR 350.0 related to the Business Area Gloves. The change in other intangible assets compared to last year is mainly related to amortisation of intangible assets with a defined useful life, such as proprietary technology, capitalised development expenditures and computer software. Investments in property, plant and equipment are mainly related to investments in the factories where the largest investments have been in Finland and in the US. Right-of-use assets are in line with prior year. Other non-current assets relate mainly to financial investments in other companies, including MediWound and Siren Care. The derivative financial instruments refer mainly to cross-currency and interest rate swaps valued at fair value. Inventories are in line with prior year. Trade receivables have increased slightly while other receivables have decreased. Short-term investments have been divested during the year and the proceeds returned to cash.



Consolidated statement of financial position, MEUR

	Notes	12/31/2025	12/31/2024
Equity and liabilities			
Capital and reserves			
Share capital		0.1	0.1
Share premium		999.9	999.9
Foreign currency translation reserve		18.9	33.6
Retained earnings		524.3	817.8
Equity attributable to equity holders of the parent	13	1,543.2	1,851.4
Non-Controlling interest		7.1	7.7
Total equity		1,550.3	1,859.1
Non-current liabilities			
Bond notes	14, 19, 20	2,131.1	1,789.7
Retirement benefit obligations	16	76.1	78.0
Deferred tax liabilities	7	143.2	143.1
Lease liabilities	14, 15	84.2	84.9
Provisions	17	-	0.9
Other interest-bearing financial liabilities	14, 19	11.6	11.4
Other liabilities		5.3	5.8
		2,451.5	2,113.8
Current liabilities			
Trade and other payables	18	350.7	388.5
Current tax liabilities		13.2	8.2
Lease liabilities	14, 15	23.7	24.2
Bond notes	14, 19, 20	-	272.7
Provisions	17	1.3	0.7
Derivatives financial instruments		0.7	-
Other interest-bearing financial liabilities	14, 19	-	7.6
		389.6	701.9
Total liabilities		2,841.1	2,815.7
Total equity and liabilities		4,391.4	4,674.8

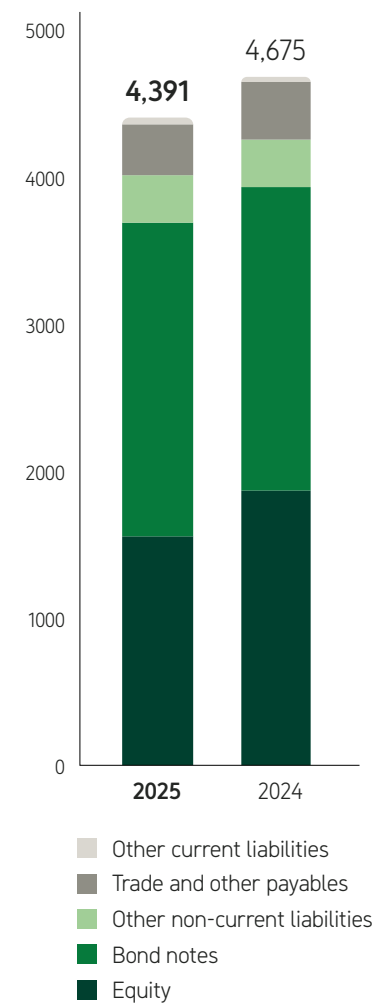
Comments to the statement of financial position

Equity and liabilities

The net result for the year was positive but equity decreased following the group contribution and the dividend made to the immediate parent company.

A new bond note of MUSD 400.0 (MEUR 340.2) has been issued and a prior bond note has been repaid by MEUR 272.7. Trade and other payables have decreased compared to last year reflecting lower outstanding payables for inventory and investments compared to last year.

Equity and liabilities



Consolidated statement of changes in equity, MEUR

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to owners of the parent	Non-controlling interest	Total equity
Balance at 31 December 2023	0.1	999.9	28.9	952.5	1,981.4	-	1,981.4
Non-controlling interest on acquisition of subsidiary						5.6	5.6
Profit or loss for the year				373.3	373.3	2.0	375.3
Other comprehensive income for the year			4.7	-11.2	-6.5	0.1	-6.4
Total comprehensive income for the year			4.7	362.1	366.8	2.1	368.9
Dividend				-400.0	-400.0		-400.0
Group contribution, net of tax				-96.8	-96.8		-96.8
Total transactions with owners				-496.8	-496.8		-496.8
Balance at 31 December 2024	0.1	999.9	33.6	817.8	1,851.4	7.7	1,859.1
Profit or loss for the year				26.6	26.6	0.2	26.8
Other comprehensive income for the year			-14.7	7.6	-7.1	-0.8	-7.9
Total comprehensive income for the year			-14.7	34.2	19.5	-0.6	18.9
Dividend				-280.0	-280.0		-280.0
Group contribution, net of tax				-47.7	-47.7		-47.7
Total transactions with owners				-327.7	-327.7		-327.7
Balance at 31 December 2025	0.1	999.9	18.9	524.3	1,543.2	7.1	1,550.3

Comments on changes in equity

Net profit for the year of MEUR 26.8 (375.3) and other comprehensive income totalling MEUR -7.9 (-6.4) increased the Group's equity while the group contribution (net of tax) and dividend to the parent company during the year of MEUR -327.7 (-496.8) reduced equity. Group contributions refer to distribution of earnings to the immediate parent company Mölnlycke AB. The non-controlling interest of 7.1 (7.7) refers to the minority holding in Tamer Mölnlycke Arabia LLC.

Consolidated statement of cash flows, MEUR

	Notes	2025	2024
Cash flow from operating activities			
Operating profit		153.7	507.0
Adjustments for:			
Depreciation, amortisation and impairment charges	5	442.1	88.4
Other items		3.5	-1.7
Operating cash flow before movements in working capital		599.3	593.7
Decrease / (increase) in inventories		-9.2	-34.2
Decrease / (increase) in trade and other receivables		-15.5	-68.1
Increase / (decrease) in trade and other payables		-25.6	43.1
Cash generated from operations		549.0	534.5
Tax paid		-103.7	-100.2
Cash flow from operating activities		445.3	434.3
Cash flow from investing activities			
Interest received		11.5	15.3
Investments in intangible assets		-10.3	-7.6
Acquisition of businesses	2	-	-11.4
Investments in property, plant and equipment		-69.8	-53.2
Short-term financial investments		200.0	-50.0
Other investments		-	-21.4
Cash flow from investing activities		131.4	-128.3
Cash flow from financing activities			
Interest paid		-64.7	-45.9
Payments of lease liabilities	14	-26.5	-25.0
Proceeds from bonds and other financial liabilities	14	352.8	502.9
Repurchase of bonds and other financial liabilities	14	-279.2	-473.3
Distribution to the owners of the Group	13	-400.0	-500.0
Cash flow from financing activities		-417.6	-541.3
Cash flow for the year			
		159.1	-235.3
Cash and cash equivalents at the beginning of the year			
		166.4	398.4
Effect of foreign exchange rate differences		-7.9	3.3
Cash and cash equivalents at the end of the year	12	317.6	166.4

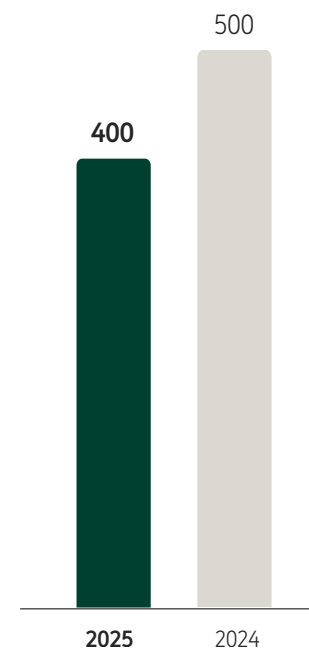
Comments on the statements of cash flows

Cash generated from operations before changes in working capital increased slightly compared to prior year. The total cash generated from operations increased due to less negative impact from working capital changes compared to prior year. The increase in cash flow from investing activities compared to prior year was mainly related to the divestment of short-term investments in bank deposits which were returned to cash. Investments in property, plant and equipment increased as investments were made in the Group's factories, mainly in Finland and in the US.

The increase in cash flow from financing activities compared to prior year was mainly related to the net increase of bond liabilities and the decreased distribution to the owners of the Group.

The Group distributed MEUR 400 (500) in cash to the owners of the parent company, Investor AB, on behalf of the immediate parent company Mölnlycke AB.

Distributions to the owners of the Group
EUR million



Notes to the consolidated financial statements

1. Basis of preparation

General information

Mölnlycke Holding AB (publ), corporate ID number 556693-6729, (the 'Company') is a public limited company incorporated in Sweden with its registered office in Mölndal. The Mölnlycke Group is a world-leading MedTech company that specialises in innovative solutions for wound care and surgical procedures. Mölnlycke products and solutions are used daily by hospitals, healthcare providers and patients in over 100 countries around the world. Founded in 1849 and headquartered in Sweden, the Company was first registered on 13 December 2005 and undertook no significant activities until it acquired MHC UK Ltd and its subsidiaries on 30 March 2007. The consolidated financial statements were approved by the Board of Directors and authorised for issue on 26 March 2026.

Basis of consolidation and accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), which includes interpretations from the IFRS Interpretations Committee (IFRIC).

The consolidated financial statements are presented in millions of euros rounded to the nearest hundred thousand and are prepared on the historical cost basis modified by the revaluation of certain financial instruments. The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and any non-controlling interests even if this results in the non-controlling interests having a deficit balance. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The consolidated financial statements of Mölnlycke Holding AB (publ) and its subsidiaries (the 'Group') cover the year ended 31 December 2025. The comparative information covers the year ended 31 December 2024. There were no material discontinued operations in either period and all the results presented refer to continuing operations.

The Company is not required to prepare consolidated financial statements under Swedish Law and these consolidated financial statements are not the Company's Swedish statutory accounts.

The Company's immediate parent company is Mölnlycke AB, corporate ID number 556723-5949, a company incorporated in Sweden, and its ultimate parent company is Investor AB, a company incorporated in Sweden and listed on Nasdaq OMX Stockholm.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Foreign currencies

All foreign subsidiaries report in their functional currency being the currency of the primary economic environment in which the subsidiary operates (its functional currency). Transactions denominated in foreign currencies during the year have been translated at the exchange rate prevailing at the respective transaction date. Trade receivables and trade payables and other receivables and payables denominated in foreign currency have been translated at the exchange rates prevailing at the balance sheet date. Such exchange rate gains and losses are included in operating profit.

Exchange rate gains and losses on translation of intra-group receivables from, or liabilities to, a foreign operation that in substance is part of the net investment in the foreign operation are reported in 'Other comprehensive income'. Other foreign currency items have been included in financial income and financial expense.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign subsidiaries are expressed in EUR, the functional currency of the parent company, using exchange rates prevailing on the balance sheet date. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as other comprehensive income and transferred to the translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Application of new and revised International Financial Reporting Standards (IFRS)

New accounting policies for 2025

There were no new or revised IFRSs or interpretations from the IFRS Interpretations Committee in 2025 that have had any effect on the profit or loss, financial position or disclosures for the Group.

New accounting policies for 2026 and later

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027) will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. IFRS 18 will not impact the recognition or measurement of items in the financial statements. Mölnlycke will finalise the analysis of the impact of IFRS 18 during 2026. Standards that are not yet effective have not been early adopted by the Group and are not expected to have a material impact on the Group in the future reporting periods or on foreseeable future transactions.

2. Business combinations

Tamer Molnlycke Arabia LLC

In 2021 the Group established a Joint Venture (JV) in Saudi Arabia, Tamer Molnlycke Arabia LLC ("TMC"), to manufacture procedure trays for the Saudi Arabian and Middle East region. The JV was governed by the Joint Venture and Shareholders' agreement ("the Agreement") between the Group, Farouk Maamoun Mohammed Said Tamer Industries Holding ("Tamer") and TMC. Mölnlycke's initial ownership and voting rights of this entity were 33.33% and was accounted for using the equity method. In 2023, the Group made an additional capital contribution to the JV of MEUR 1.8 and in total the Group has contributed MEUR 5.7 to the entity since inception. On 1 June 2024 ("the effective date") an amendment to the Agreement was effective. The amended Agreement added new business lines into TMC to include sales and manufacturing of an increased range of the Group's products in the Middle East region.

The Agreement also changed the shareholding percentage of the TMC owners where the Group is entitled to 60.00% (prior 33.33%) and Tamer is entitled to

40.00% (prior 66.67%). In connection with the change in shareholding, the Group also provided TMC with the licences to manufacture and sell the increased range of the Group's products in the region. The consolidation of TMC contributed to net sales of MEUR 36.8, EBIT of MEUR 5.1 and net income of MEUR 5.1 in 2024. The change in ownership resulted in a bargain purchase of MEUR 3.8 in 2024. TMC is operating within all business areas, except Antiseptics. The bargain purchase was not allocated to a specific business area. There have been no changes to the purchase price allocation in 2025.

P.G.F. Industry Solutions GmbH

In October 2024 the Group completed the acquisition of P.G.F. Industry Solutions GmbH ("PGF"), the Austrian manufacturer of Granudacyn wound cleansing and moistening solutions. PGF produces and sell their products to other entities in the Group and has no external sales. PGF contributed with EBIT of MEUR 0.2 and net income of MEUR 0.2 in 2024. The purchase price allocation was finalised in 2025 with no adjustments.

Purchase considerations – cash-flow, MEUR	2025	2024
Tamer Molnlycke Arabia LLC		
Net cash balance at acquisition	-	0.7
P.G.F. Industry Solutions GmbH		
Net purchase price	-	-12.1
Net cash balance at acquisition	-	0.0
Cash flow from investments in subsidiaries	-	-11.4

Accounting principles

Business combinations

All acquisitions that meet the definition in IFRS 3 of a business combination are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Transaction costs are expensed to profit or loss when incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS. For the acquisitions made in 2024, the non-controlling interests have been measured as the proportionate share of the recognised amounts of the acquiree's identifiable net assets.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is

measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised as a financial income or expense in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have

previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. Group companies

Principal subsidiaries

The Company's only directly held subsidiaries are MHC UK Ltd, (Reg. No. 5886297), Great Britain and MHC Sweden AB (Reg. No. 556716-2150), Sweden. MHC UK Ltd, Great Britain and MHC Sweden AB, Sweden owns, direct and indirect, 100% of the following companies (unless otherwise stated):

Mölnlycke Health Care Pty Ltd., Australia	Mölnlycke Health Care India Pvt Ltd, India
Mölnlycke Health Care GmbH, Austria	Mölnlycke Health Care S.r.l., Italy
P.G.F. Industry Solutions GmbH, Austria	Mölnlycke Health Care K.K., Japan
Mölnlycke Health Care N.V./S.A., Belgium	Mölnlycke Health Care Korea Co. Ltd., Korea
Mölnlycke Health Care Brazil Ltda., Brazil	Mölnlycke Health Care UAB, Lithuania
Mölnlycke Health Care Vends de Prod. Médicos Ltda., Brazil	Mölnlycke Health Care Sdn Bhd., Malaysia
Mölnlycke Health Care Inc., Canada	Mölnlycke Health Care Sales Sdn Bhd., Malaysia
Mölnlycke Health Care Chile SpA., Chile	Mölnlycke Health Care KH Property Sdn Bhd, Malaysia
Mölnlycke Healthcare (Shanghai) Co. Ltd., China	Mölnlycke Health Care B.V., Netherlands
Mölnlycke Health Care (Suzhou) Co., Ltd, China	Mölnlycke Health Care AS, Norway
Mölnlycke Health Care Adria d.o.o, Croatia	Mölnlycke Health Care Polska Sp. z o.o., Poland
Mölnlycke Health Care Klinipro s.r.o., Czech Republic	Mölnlycke Health Care LDA., Portugal
Mölnlycke Health Care s.r.o., Czech Republic	Mölnlycke Middle East & North Africa Reg HQ Ltd, Saudi Arabia
Mölnlycke Health Care ProcedurePak s.r.o., Czech Republic	Tamer Mölnlycke Arabia LLC, Saudi Arabia (60%)
Mölnlycke Health Care ApS, Denmark	Mölnlycke Health Care Asia Pacific Pte. Ltd, Singapore
M&J Airlaid Products A/S, Denmark	Mölnlycke Health Care Slovakia s.r.o. Slovakia
Mölnlycke Health Care OÜ , Estonia	Mölnlycke Health Care S.L., Spain
Mölnlycke Health Care Oy, Finland	Mölnlycke Health Care South Africa (Pty) Ltd, South Africa
Mölnlycke Health Care SAS, France	Mölnlycke Health Care AB, Sweden
Mölnlycke Health Care GmbH, Germany	Mölnlycke IP AB, Sweden
Medlock Medical Ltd, Great Britain	Mölnlycke Health Care S.A., Switzerland
Mölnlycke Health Care Ltd., Great Britain	Mölnlycke Health Care (Thailand) Ltd., Thailand
Regent Medical Holdings America Ltd, Great Britain	Mölnlycke Health Care Sales (Thailand) Co., Ltd., Thailand
Regent Medical Ltd, Great Britain	Mölnlycke Health Care Taiwan Co. Ltd., Taiwan
Regent Medical Overseas Ltd, Great Britain	Mölnlycke Health Care US LLC, USA
Mölnlycke Health Care Ltd./Kft., Hungary	Mölnlycke Manufacturing US LLC, USA
Mölnlycke Health Care Hong Kong Limited, Hong Kong	

In 2025, the company Sälöknapp AB was merged into Mölnlycke Health Care AB. There was no impact on the Group financial statements following the merger.

Interests in joint ventures

Up until 1 June 2024, the Group had a share of 33.33% in the Joint Venture Tamer Mölnlycke Arabia LLC. As of 1 June 2024, the ownership has changed to 60.00% (refer to note 2). After the change in ownership the entity is fully consolidated into the Group. The result presented below represents the result for the JV up until 1 June 2024.

MEUR	2025	2024
Interests in joint ventures		
Carrying amount	-	-
Group share of:		
Result from continuing operations	-	0.3
Other comprehensive income	-	-
Total comprehensive income	-	0.3

Accounting principles

Interests in joint ventures

Interests in joint ventures are accounted for using the equity method. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the joint ventures in profit or loss, and the Group's share of movements in other comprehensive income of the joint ventures in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount

of the investment. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. The carrying amount of equity-accounted investments is tested for impairment when indications of impairment exist. When necessary, adjustments are made to the financial statements of subsidiaries and joint ventures to bring their accounting policies into line with those used by other members of the Group.

4. Segment information and revenue recognition

Information regarding the Group's reportable segments is presented in the following tables.

MEUR	2025					
	Wound Care	OR Solutions	Gloves	Antiseptics	Unallocated	Total
Segment revenue per region						
Europe/Middle East/Africa	607.2	482.2	74.0	11.7	-	1,175.1
Americas	491.0	5.5	167.8	55.1	-	719.4
Asia Pacific	172.1	28.7	9.2	0.0	-	210.0
Total segment revenue	1,270.3	516.4	251.0	66.8	-	2,104.5
whereof through distributors	1,050.2	121.1	193.9	61.0	-	1,426.2
whereof directly to customers	220.1	395.3	57.1	5.8	-	678.3
Cost of sales and operating costs	-764.4	-474.9	-207.6	-61.8	-	-1,508.7
Share of result in associates and joint ventures	-	-	-	-	-	-
Segment EBITDA	505.9	41.5	43.4	5.0	-	595.8
Exceptional items	-	-	-	-	-	-
Depreciation, amortisation and impairment charges	-55.1	-23.2	-363.0	-0.8	-	-442.1
Operating profit	450.8	18.3	-319.6	4.2	-	153.7
Net finance costs	-	-	-	-	-23.8	-23.8
Profit before tax						129.9
Income tax	-	-	-	-	-103.1	-103.1
Profit for the year						26.8
Assets	579.4	363.1	179.2	92.9	3,176.8	4,391.4
Investments in associates and joint ventures	-	-	-	-	-	-
Additions to non-current assets*	83.1	17.8	10.1	1.1	-	112.1
Liabilities	41.3	32.0	11.8	1.7	2,754.3	2,841.1

* The amounts of additions to non-current assets, other than financial instruments and deferred tax assets.

MEUR	2024					
	Wound Care	OR Solutions	Gloves	Antiseptics	Unallocated	Total
Segment revenue per region						
Europe/Middle East/Africa	600.4	491.5	76.3	14.6	-	1,182.8
Americas	463.1	6.4	164.1	51.3	-	684.9
Asia Pacific	159.9	27.1	9.4	0.1	-	196.5
Total segment revenue	1,223.4	525.0	249.8	66.0	-	2,064.2
whereof through distributors	1,015.9	133.2	191.3	59.4	-	1,399.8
whereof directly to customers	207.5	391.8	58.5	6.6	-	664.4
Cost of sales and operating costs	-733.3	-474.9	-202.0	-62.5	-	-1,472.7
Share of result in associates and joint ventures	-	0.3	-	-	-	0.3
Segment EBITDA	490.1	49.8	47.8	3.5	-	591.2
Exceptional items	-	-	-	-	4.2	4.2
Depreciation, amortisation and impairment charges	-51.4	-19.4	-12.8	-0.7	-4.1	-88.4
Operating profit	438.7	30.4	35.0	2.8	0.1	507.0
Net finance costs	-	-	-	-	-30.2	-30.2
Profit before tax						476.8
Income tax	-	-	-	-	-101.5	-101.5
Profit for the year						375.3
Assets	513.8	390.1	186.9	87.6	3,496.4	4,674.8
Investments in associates and joint ventures	-	-	-	-	-	-
Additions to non-current assets*	82.1	27.4	15.6	2.7	-	127.8
Liabilities	51.3	52.8	11.7	3.1	2,696.8	2,815.7

Revenue from contracts with customers, MEUR	2025	2024
Geographical information		
Sweden	77.2	68.0
France	191.5	206.0
UK	149.5	149.9
Europe (excl. Sweden, France and UK), Middle East and Africa	756.9	758.9
Total Europe/Middle East/Africa	1,175.1	1,182.8
U.S.	636.5	610.0
Americas (excl U.S.)	82.9	74.9
Total Americas	719.4	684.9
Asia Pacific	210.0	196.5
Total	2,104.5	2,064.2

Segment assets are reconciled to total assets as follows	2025	2024
Segment assets for reportable assets	1,214.5	1,178.4
Unallocated:		
Goodwill	1,792.8	2,138.4
Trademark, Technology & Customer contracts	502.4	518.7
Deferred tax asset	45.1	57.9
Current tax receivables	21.5	11.0
Cash and cash equivalents	317.6	166.4
Receivables, parent company	374.9	288.9
Short-term investments	-	200.0
Other	122.6	115.1
Total assets	4,391.4	4,674.8

Segment profit (EBITDA) represents the earnings before interest, tax, depreciation, amortisation and impairment charges earned by each segment excluding exceptional items. This is the principal measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The only liability that is provided on a regular basis to the chief operating decision maker on a segment level is Trade accounts payable. The total of the reportable segments' liabilities does equal the total Trade accounts payable reported in the Group's balance sheet, please refer to note 18.

Geographical information non-current assets, MEUR	12/31/2025	12/31/2024
Sweden	89.9	87.0
Czech Republic	56.5	58.5
Finland	104.4	78.9
Malaysia	91.5	95.1
U.S.	56.0	51.0
Other countries	96.1	94.5
Total	494.4	465.0

Non-current assets included in the table above comprise property, plant and equipment, right-of-use assets, capitalised development expenditure and computer software. Goodwill and other intangible assets that have been recognised as a result of the acquisition of

geographically diverse subsidiaries (trademarks and brands, proprietary technologies and customer contracts) have not been allocated to different geographical areas and are not included in non-current assets in the above table.

Accounting principles

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer who is also the chief operating decision-maker.

Mölnlycke has a reporting structure with four decentralised, customer-centric and empowered business areas: Wound Care, OR Solutions (Operating Room Solutions), Gloves and Antiseptics supported by focused corporate functions. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is focused on these four business areas. Management has made an assessment and concluded that these business areas are the Group's reportable segments under IFRS 8.

The Wound Care product segment specialises in providing products for the treatment of acute wounds, caused by burns, trauma and surgery, and the treatment of chronic wounds, including diabetic foot

ulcers and venous leg ulcers – as well as the treatment and prevention of pressure ulcers. The ORS product segment specialises in providing single-use surgical products serving customer needs for operating room efficiency and protection of patients and health care workers. Products include drapes (patient and equipment drapes), staff clothing (gowns, headwear, facemasks, and scrub suits), surgical instruments, components and custom procedure trays.

The Gloves segment provides high quality and reliable gloves to the surgical staff. Mölnlycke gloves are designed to offer optimised comfort and fit as well as extra protection from blood-borne infection and are used as a double glove solution.

The Antiseptics segment provides antiseptic products which are used in pre- and post-operative washing and provides lasting antibacterial protection for the skin.

Revenue from contracts with customers

The Group's revenue from contracts with customers relates entirely to sale of products to external customers. For all products, control is transferred and revenue is recognised at a point in time when products are shipped to the customer and the customer obtains control of the assets. The Group derives revenue from geographical regions and sales channels. Revenue from external customers is allocated to geographical area by the location of the legal entity in which the revenue is recorded. There were no inter-segment sales in the year (2024: -).

For all products revenue is recognised at a point in time when products are shipped to the customer and the customer obtains control of the assets. The sales contracts can, to a limited extent, also include various forms of services. These services have however been concluded to not be material in relation to the overall cost of the product to the customer. As a result, no separate performance obligation for services is accounted for. The evaluations made by the Group in order to identify when a customer obtains control of promised goods is to a large extent based on the shipping terms. This is because shipping terms typically specify when title passes and will also affect when risk and rewards of ownership transfer to the customer. For the majority of the Group's sales, control is transferred when goods are delivered to the customer since, at that point of time, the customer has legal title to the asset and the significant risks and rewards have been transferred to the customer based on the shipping terms used.

The Group is determining the transaction price based on the consideration the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding sales tax. Where a contract contains elements of variable consideration such as rebates, discounts and bonuses revenue is reported

net after reporting a liability for such variable considerations. The liability is calculated based on contractual agreements and historical experience for the respective customer. When sales are made to a distributor the transaction price is reported net after considerations payable to the customer such as distributor fees. The Group's payment terms are less than one year, hence the contracts do not involve any significant financing component. The Group has elected to use the practical expedient to not adjust the amount of consideration for the effects of financing components since the period between when the Group transfer a promised good to a customer and when the customer pays for that good is expected to be one year or less at contract inception. For certain countries and customers, when deemed appropriate from a credit risk perspective, payment in advance is requested before delivery of goods. When payment in advance is requested the time from when payment is received until goods are shipped is normally short.

The Group only has very limited performance obligations for right of returns, refunds, warranties and similar obligations. The Group has not reported any significant liabilities for performance obligations that are not satisfied at the end of the reporting period. Neither have there been any material revenue recognised in the period from performance obligations satisfied in previous periods. The Group pays some sales commissions that meet the definition for a cost of obtaining a contract. The Group has elected to use the practical expedient to recognise these costs as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised is one year or less. Since all sales commissions paid would have been amortised within one year, no costs to obtain or fulfil a contract with a customer has been capitalised as an asset in the Group's balance sheet.

5. Operating costs by nature

Operating cost, MEUR	2025	2024
Raw materials and finished goods	-625.3	-675.9
Personnel costs	-566.3	-536.6
Depreciation, amortisation and impairment charges	-92.1	-88.4
Other operating expenses	-317.9	-258.4
	-1,601.6	-1,559.3

Other operating income and expenses, MEUR	2025	2024
Outcome of legal claims	1.7	-
Sales to related parties	-	1.3
Sales of intangible assets	-	5.3
Government fees	-0.5	-2.8
Impairment charges and write-downs	-350.0	-3.9
Bargain purchase	-	3.8
Other	-0.4	-2.0
	-349.2	1.8

6. Finance income and finance costs

Finance income, MEUR	2025	2024
Interest income		
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	7.1	17.1
Receivables parent company, net	12.0	13.1
	19.1	30.2
Revaluation gain - net		
<i>Other liabilities at fair value</i>		
Trade and other payables - Deferred consideration	0.4	-
	0.4	
<i>Financial assets and financial liabilities at Fair value through profit and loss</i>		
Derivative financial instruments	20.7	-
	20.7	
Other financial items		
Currency gain/loss	5.2	7.3
	5.2	7.3
Total finance income	45.4	37.5

Finance costs, MEUR	2025	2024
Interest expenses		
<i>Financial liabilities at amortised cost</i>		
Borrowings	-59.3	-42.7
Interest on derivative instruments	-1.7	-8.5
Other interest cost	-7.0	-6.8
	-68.0	-58.0
Revaluation loss - net		
<i>Financial assets and financial liabilities at Fair value through profit and loss</i>		
Derivative financial instruments	-	-12.2
Other financial investments	-	0.8
	-	-11.4
Other financial items		
Other financial items	-1.2	1.7
	-1.2	1.7
Total finance costs	-69.2	-67.7

Accounting principles

Finance income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income is recognised when the shareholders' rights to receive payment have been established.

Finance costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on

qualifying assets is deducted from the borrowing costs eligible for recognition. All other borrowing costs are recognised in profit or loss in the period in which they are incurred, using the effective interest method.

Financial instruments at fair value

For financial instruments at fair value held at both the start and end of year, the change in value consists of the difference in the market value between these dates. For financial instruments at fair value acquired during the year, the change in value consists of the difference between cost and the market value at the end of the year. For financial instruments at fair value sold during the year, the change in value consists of the difference between the sales price received and the value of investments at the start of the year. All changes in value are reported in the income statement within finance income or finance costs.

7. Income tax

MEUR	2025	2024
Income tax expense for the period		
Current tax	-95.3	-102.7
Deferred tax	-7.8	1.2
	-103.1	-101.5
Income tax recognised in other comprehensive income		
Current tax: Exchange difference on foreign operations	2.0	2.5
Deferred tax: Remeasurement of defined benefit pension plans	-2.1	3.1
	-0.1	5.6
Income tax recognised directly in equity		
Current tax: Group contribution	12.4	25.1
	12.4	25.1
Total tax for the period		
Total current tax	-80.9	-75.2
Total deferred tax	-9.9	4.3
Total	-90.8	-70.9

Numerical reconciliation of income tax expense, MEUR	2025	2024
Profit before tax	129.9	476.8
Tax at the Swedish domestic income tax rate of 20.6%	-26.8	-98.2
Tax effect of expenses that are not tax deductible (excl. goodwill)	-2.3	-2.8
Tax effect of non-deductible goodwill impairment	-72.1	-
Tax effect of income that is not taxable	0.8	2.2
Difference in tax rates in foreign subsidiaries	-5.7	-9.0
Adjustments to taxes for previous periods	2.5	1.3
Change of tax rates	0.0	-0.3
Tax effect of recognition and derecognition of tax losses and tax incentives	0.2	-1.1
Other	0.3	6.4
Income tax expense for the period	-103.1	-101.5

Movements in net deferred tax balance, MEUR	2025	2024
Net liability at the beginning of the year	85.2	89.3
Charged/(credited) to profit or loss for the year	7.8	-1.2
Charged/(credited) to other comprehensive income	2.1	-3.1
Business combinations	-	-0.1
Exchange rate differences	3.0	0.3
Net liability at the end of the year	98.1	85.2

Deferred tax assets and liabilities attributable to, MEUR	12/31/2025	12/31/2024
Deferred tax assets		
Property, plant and equipment	2.5	0.9
Goodwill	15.3	14.3
Other intangible assets	4.9	6.7
Inventories	18.4	23.0
Accounts receivable	1.4	1.1
Retirement benefit obligations	6.9	9.0
Other accruals, provisions and liabilities	9.6	11.6
Tax loss carry-forward and tax incentives	4.4	7.9
Gross total	63.4	74.5
Net of deferred tax liabilities	-18.3	-16.6
Net total	45.1	57.9
Deferred tax liabilities		
Property, plant and equipment	24.9	26.2
Goodwill	16.1	16.7
Other intangible assets	106.2	109.5
Fair value derivatives	11.5	6.1
Other	2.8	1.2
Gross total	161.5	159.7
Net of deferred tax assets	-18.3	-16.6
Net total	143.2	143.1

Tax losses, MEUR	12/31/2025	12/31/2024
Unused tax losses of which no deferred tax asset has been recognised	25.3	26.6
Potential tax benefit	6.3	6.6

No deferred tax asset has been recognised for certain subsidiaries where the uncertainty exists if the Group will have the specific type of income (such as non-trading income in specific entities) in the jurisdiction of origin that is needed to utilize these losses or if the unused tax losses being incurred by a dormant subsidiary that is not likely to generate taxable income

in the foreseeable future. The unused tax losses for these entities can be carried forward indefinitely. Tax incentives are recognised when it is probable that the entity will generate sufficient taxable profit to utilise such incentives and all other requirements to obtain the incentives are fulfilled at the closing day.

Unrecognised temporary differences, MEUR	12/31/2025	12/31/2024
Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:		
Foreign currency translation ¹⁾	229.8	278.5
	229.8	278.5
Unrecognised deferred tax liability relating to the above temporary differences	47.3	57.4

1) The Swedish Council for Advance Tax Rulings has in 2019 interpreted Swedish tax law in relation to exchange differences on EUR denominated financial assets in Swedish entities with EUR as reporting currency. Within the Group's holding structure, external funding denominated in EUR is raised in one of the holding companies and distributed to the Group's operating entities through a EUR denominated intercompany loan. According to the interpretation in the advanced tax

ruling, an unrealised taxable foreign exchange gain exists on this intercompany loan that however will be taxable, triggering a negative cash flow effect, only when the loan is close to fully repaid. The Group has the full decisive power to decide if and when to have this loan repaid and the Group has no intention to do so within a foreseeable future. In accordance with IAS 12 Income taxes the Group has therefore not reported any deferred tax liability for this temporary difference.

Accounting principles

Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (temporary differences) and it further excludes items that are never taxable or deductible (permanent differences). The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, other comprehensive income or directly to equity depending on where the item that the deferred tax relates to is recognised. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

OECD Pillar II

The Group is within the scope of the OECD Pillar II model rules. Pillar II legislation came into effect for financial years beginning from 31 December 2023 or later. The Group has reviewed the safe harbour provisions in relation to 2025 and 2024 financial years and has concluded there were no material current tax exposures in either period. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar II income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Group contributions

Group contributions are accounted for directly against equity together with the Group contributions' tax effect.

Critical accounting judgements and key sources of estimation uncertainty

Unrecognised temporary differences

The Group has recognised deferred tax assets in respect of unutilised losses, tax incentives and timing differences. The Group also has losses for which no value has been recognised for deferred tax purposes in these financial statements. These relate to loss-making subsidiaries where the future economic benefit of these timing differences is not deemed to be probable or subsidiaries where the timing differences are of such a nature that their value is dependent only on certain types of profit being earned, such as capital profits. If trading or other appropriate profits are earned in future in these companies, the timing differences may yield benefit to the Group in the form of a reduced tax charge.

In accordance with IAS 12 Income taxes an entity shall recognise a deferred tax liability for all taxable

temporary differences associated with investments in subsidiaries except to the extent that 1) the entity is able to control the timing of the reversal of the temporary difference and 2) it is probable that the temporary difference will not reverse in the foreseeable future. The accounting for such temporary differences therefore involves management's intention regarding the reversal of these temporary differences. Management's assessment is that these criteria to not report a deferred tax liability are fulfilled in relation to certain temporary differences associated with investments in subsidiaries. If these intentions are changed in the future this could result in an increased current or deferred income tax expense for the Group in the period when this occurs.

8. Property, plant and equipment

MEUR	Properties	Land and land improvements	Machinery	Equipment	Total
At 1 January 2024					
Acquisition cost	123.6	5.2	352.7	97.8	579.3
Accumulated depreciation and impairment	-45.0	0.0	-198.4	-65.2	-308.6
Net book amount	78.6	5.2	154.3	32.6	270.7
Year ended 31 December 2024					
Opening net book amount	78.6	5.2	154.3	32.6	270.7
Business combinations	27.3	-	-	0.1	27.4
Additions	6.7	-	14.9	26.2	47.8
Disposals	-0.3	-0.1	-0.1	-0.1	-0.6
Depreciations	-4.7	0.0	-22.4	-7.9	-35.0
Reclassifications	1.1	0.1	1.4	-2.6	0.0
Write-down	-1.3	-	-2.6	0.0	-3.9
Exchange differences	3.5	0.2	5.5	0.5	9.7
Closing net book amount	110.9	5.4	151.0	48.8	316.1
At 31 December 2024					
Acquisition cost	161.9	5.4	374.4	121.9	663.6
Accumulated depreciation and impairment	-51.0	0.0	-223.4	-73.1	347.5
Net book amount	110.9	5.4	151.0	48.8	316.1
Year ended 31 December 2025					
Opening net book amount	110.9	5.4	151.0	48.8	316.1
Business combinations	-	-	-	-	-
Additions	4.0	0.1	11.3	63.2	78.6
Disposals	0.0	-0.1	-0.1	-0.2	-0.4
Depreciations	-6.2	0.0	-22.9	-11.4	-40.5
Reclassifications	-14.0	-	10.5	3.5	0.0
Write-down	-	-	-	-	-
Exchange differences	-3.2	0.0	-3.1	-1.0	-7.3
Closing net book amount	91.5	5.4	146.7	102.9	346.5
At 31 December 2025					
Acquisition cost	148.7	5.4	393.0	187.4	734.5
Accumulated depreciation and impairment	-57.2	0.0	-246.3	-84.5	-388.0
Net book amount	91.5	5.4	146.7	102.9	346.5

Accounting principles

Property, plant and equipment

Land, buildings and fixed installations, as well as machinery and equipment, are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost includes acquisition price, directly related acquisition costs, and expenses to make the asset operational.

Subsequent costs are included in the carrying amount or recognised as a separate asset only when future economic benefits to the Group are probable and costs can be measured reliably.

Repairs and maintenance are expensed as incurred.

Depreciation, using the straight-line method, writes off cost over expected useful life, except for land and properties under construction.

Components with significantly different costs and useful lives than the total item are depreciated separately.

Depreciation starts when assets are ready for intended use. Useful lives are reviewed annually. Expected useful lives:

Properties	25–40 years
Land improvements	30–40 years
Heavy machines	7–15 years
Smaller machines and transport equipment	3–5 years
IT equipment and other equipment	3–10 years

Gains or losses on disposal or retirement equal the difference between sales proceeds and carrying amount, recognised in profit or loss but not included in revenue.

Impairment testing

At each balance sheet date, the Group reviews the carrying amounts of property, plant, and equipment for indications of impairment loss.

If such indications exist, the recoverable amount is estimated to determine any impairment loss.

If an individual asset's recoverable amount cannot be estimated, the Group assesses the cash-generating unit (CGU) to which the asset belongs.

Corporate assets are allocated to CGUs on a reasonable and consistent basis, or to the smallest group of CGUs where such allocation is possible.

Recoverable amount is the higher of fair value less costs to sell and value in use.

Value in use is calculated by discounting estimated future cash flows to present value using a pre-tax discount rate reflecting current market assessments and asset-specific risks.

If the recoverable amount is less than its carrying amount, the asset (or CGU) is reduced to its recoverable amount.

Any impairment loss is recognised immediately in profit or loss.

If an impairment loss is later reversed, the carrying amount is increased to the revised recoverable amount, but not above the amount that would have been determined had no impairment loss been recognised in prior years.

Impairment loss reversals are recognised immediately in profit or loss.

9. Goodwill and other intangible assets

Goodwill, MEUR	2025	2024
At the beginning of the year	2,138.4	2,129.1
Recognised on the acquisition of subsidiaries (note 3)	-	11.8
Impairment	-350.0	-
Exchange differences	4.4	-2.5
At the end of the year	1,792.8	2,138.4

Goodwill has been allocated to the Group's cash generating units (CGUs), which corresponds to the Group's four business areas, as follows:

Goodwill, MEUR	12/31/2025	12/31/2024
Wound Care	1,438.1	1,433.7
OR Solutions	91.4	91.4
Gloves	197.4	547.4
Antiseptics	65.9	65.9
	1,792.8	2,138.4

Impairment test of goodwill

The impairment testing is based on a calculation of value in use in which assumptions of future growth and operating margins are important components. The growth rates and margins used to estimate future performance are based on the Group's forecasts and strategic planning process and are consistent with past performance and experience of growth rates and margins achievable in the Group's key markets. In the Group's impairment assessment special consideration is taken to account for changes in the macroeconomic environment, changes in interest rates and inflation and other uncertainties.

The value in use calculation is based on input data where the first five years' cash flows are derived from the Group's forecasting and strategic planning process.

A growth rate of 2% (2%) has been used to extrapolate the cash flows for the years beyond this five-year period, which is considered reasonable given historical growth, geographical positioning and industry fundamentals. Estimated cash flows have been discounted using a pre-tax discount rate of 9.9% (9.6%) for Wound Care, 12.2% (11.9%) for ORS, 12.1% (9.6%) for Gloves and 13.4% (13.2%) for Antiseptics.

For Business Area Gloves, the impairment test resulted in an impairment charge of MEUR 350.0,

following changes in assumptions from the strategic planning process and increased risks resulting in a higher discount rate. No impairment requirement has been identified for the other business areas. The assessment is that no reasonable possible change in any key assumption will lead to a calculated recoverable amount that is lower than the carrying amount, except for Business Area Gloves where negative changes in any of the key assumptions would require additional impairment of goodwill.

If the forecasted EBITDA margin used in the value in use calculation for Gloves had been 1% lower than management's estimates at 31 December 2025, all else equal, the Group would have had to recognise an additional impairment against the carrying amount of goodwill for the Gloves segment of MEUR 28.

If the pre-tax discount rate used was 1% higher (13.1% instead of 12.1%), all else equal, the Group would have had to recognise an additional impairment against the carrying amount of goodwill for Gloves of MEUR 40.

These changes represent reasonably possible variations to management's forecasts. In the prior year, management's assessment was that there were no reasonably possible changes in any of the key assumptions that would have resulted in an impairment write-down for goodwill allocated to Wound Care, ORS and Antiseptics.

MEUR	Trademarks and brands	Proprietary technology	Customer contracts	Capitalised development expenditure	Computer software	Total
At 1 January 2024						
Acquisition cost	499.0	223.9	8.9	69.9	89.2	890.9
Accumulated amortisation and impairment	-16.4	-171.9	-7.8	-50.9	-69.8	-316.8
Net book amount	482.6	52.0	1.1	19.0	19.4	574.1

Year ended 31 December 2024

Opening net book amount	482.6	52.0	1.1	19.0	19.4	574.1
Additions	-	-	-	3.4	4.2	7.6
Disposals	-	-	-	-0.1	-	-0.1
Amortisations	-1.5	-14.3	-0.2	-4.9	-5.6	-26.5
Reclassifications	-	-	-	-	0.1	0.1
Exchange differences	-0.1	-0.9	-0.1	-0.6	-0.6	-2.3
Closing net book amount	481.0	36.8	0.8	16.8	17.5	552.9

At 31 December 2024

Acquisition cost	498.9	223.0	8.8	72.6	92.9	896.2
Accumulated amortisation and impairment	-17.9	-186.2	-8.0	-55.8	-75.4	-343.3
Net book amount	481.0	36.8	0.8	16.8	17.5	552.9

Year ended 31 December 2025

Opening net book amount	481.0	36.8	0.8	16.8	17.5	552.9
Additions	-	-	-	5.4	4.9	10.3
Disposals	-	-	-	0.0	-0.1	-0.1
Amortisations	-2.5	-14.7	-0.2	-4.8	-5.7	-27.9
Reclassifications	0.0	-	-	-	0.0	0.0
Exchange differences	0.1	0.9	0.0	1.0	0.8	2.8
Closing net book amount	478.6	23.0	0.6	18.4	17.4	538.0

At 31 December 2025

Acquisition cost	499.0	223.9	8.8	79.0	98.5	909.2
Accumulated amortisation and impairment	-20.4	-200.9	-8.2	-60.6	-81.1	-371.2
Net book amount	478.6	23.0	0.6	18.4	17.4	538.0

Amortisation and impairment charges are included in the following line items in the Group's Income Statement:

MEUR	Trademarks and brands	Proprietary technology	Customer contracts	Capitalised development expenditure	Computer software	Total
2025						
Cost of sales	-	-14.7	-	-	-1.7	-16.4
Selling costs	-2.5	-	-0.2	-	-1.1	-3.8
Administrative costs	-	-	-	-	-2.7	-2.7
Research and development costs	-	-	-	-4.8	-0.2	-5.0
Total	-2.5	-14.7	-0.2	-4.8	-5.7	-27.9
2024						
Cost of sales	-	-14.3	-	-	-1.7	-16.0
Selling costs	-1.5	-	-0.2	-	-1.3	-3.0
Administrative costs	-	-	-	-	-2.5	-2.5
Research and development costs	-	-	-	-4.9	-0.1	-5.0
Total	-1.5	-14.3	-0.2	-4.9	-5.6	-26.5

A trademark within OR Solutions has been reassessed to have a useful life of 15 years instead of indefinite useful life. The reassessment impacted amortisation expense in 2025 with MEUR 1.1 and will have annual amortisation impact of MEUR 4.3 per year until fully amortised. Trademarks and brands assessed as having an indefinite useful life are allocated to the Group's cash-generating units (CGUs) as follows:

MEUR	12/31/2025	12/31/2024
Wound Care	290.0	290.0
OR Solutions	52.1	116.6
Gloves	56.2	56.2
Antiseptics	4.6	4.6
	402.9	467.4

Accounting principles

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been

allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated income statement.

An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An identifiable internally-generated intangible asset arising from the Group's development projects is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

The amount initially recognised for internally-generated intangible assets is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no identifiable internally-generated intangible asset can be recognised, the development expenditure is recognised in profit or loss in the period in which it is incurred.

Capitalised development projects are amortised on a straight-line basis over their estimated useful lives, which normally is between 3 to 5 years.

Computer software

Computer software intangible assets are capitalised based on the costs incurred to acquire and bring into use the specific software. These costs are amortised over the expected useful lives, being 3-10 years. Internally developed computer software is capitalised on the same basis as for development expenditures.

Costs associated with maintaining computer software assets are recognised as an expense as incurred.

SaaS (Software-as-a-Service) costs are expensed as incurred. Configuration and customisation services for SaaS software which are performed by the SaaS provider or their subcontractors are considered non-distinct services and are recognised as prepayments which are expensed over the expected SaaS term.

Proprietary technologies

Proprietary technologies are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives from the time they are available for use. The expected useful lives are reviewed annually and the amortisation period is between 15 and 20 years.

Customer contracts

Customer contracts are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight-line basis over the estimated useful life. The estimated useful lives for customer contracts are based on the expected cash flow regarding the customer contracts acquired and are between 4 and 10 years.

Trademarks and brands

Trademarks and brands are valued independently as part of the fair value of the business acquired from third parties where the trademark has a value which is substantial and long-term and where the trademark can be sold separately from the rest of the business acquired or where it arises from contractual or legal rights.

One important element of the strong development of the Group has been the long-term brand building efforts. The trademarks and brands of the Group have a very strong position in the market and several of the Group's trademarks and brands are therefore considered to have an indefinite useful life. Trademarks and brands that are considered to have an indefinite useful life are subject to an impairment test annually or more often if there is an indication that their value might be impaired. The expected useful lives for trademarks and brands that are not considered to have an indefinite useful life are reviewed annually and the amortisation period is between 5 and 15 years.

Other intangible assets

Other intangible assets separately acquired are initially measured at purchase cost. Other intangible assets acquired as part of a business combination are initially measured at fair value.

Impairment testing

At each balance sheet date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets which are not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in

use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss. Any impairment of goodwill is never reversed.

Critical accounting judgements and key sources of estimation uncertainty

Recoverability of the carrying values of goodwill and indefinite-lived intangible assets.

Significant judgment is required to determine the extent to which goodwill and indefinite-lived intangible assets have a value that will benefit the Group over future periods. To assist in making this judgment, the Group undertakes an assessment, at least annually, of their carrying values.

Mölnlycke is organised into four decentralised, customer-centric and empowered business areas: Wound Care, Operating Room Solutions (ORS), Gloves and Antiseptics supported by focused Corporate Functions. Management has concluded that the Group's four business areas are the lowest level of assets (or groups of assets) for which there are separately identifiable cash flows whereby they meet the definition in IFRS of cash-generating units (CGU's).

10. Inventories

MEUR	12/31/2025	12/31/2024
Raw materials	87.0	92.5
Work-in-progress	20.5	22.3
Finished goods	239.6	231.9
Consumables	6.4	6.1
Inventories, gross amount	353.5	352.8
Provision for obsolescence	-6.8	-9.6
Inventories, net after provision for obsolescence	346.7	343.2

The Group reversed 0.0 (0.9) MEUR of a previous inventory write-down during the year. The amount reversed has been included in cost of sales in the statement of profit or loss.

Accounting principles

Inventories

Inventories (including raw materials, work in progress, finished goods and consumables) are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is generally determined on a first in, first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. An obsolescence reserve is recognised if the estimated net selling price is lower than the cost of acquisition. To determine any inventory obsolescence, the Group makes estimates and assumptions regarding, among other things, future market conditions and expected sales volumes.

Critical accounting judgements and key sources of estimation uncertainty

Inventory obsolescence

In accordance with IAS 2 Inventories the Group's inventory is stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution. An obsolescence reserve is recognised if the estimated net selling price is lower than the cost of acquisition. In connection therewith, the Group makes estimates and assumptions regarding, among other things, future market conditions and expected sales volumes. The risk of obsolescence arises especially in periods when there is an unexpected drop in demand.

11. Trade and other receivables

MEUR	12/31/2025	12/31/2024
Trade accounts receivable		
Accounts receivable, gross	379.8	375.0
Allowance for doubtful debts	-6.1	-4.9
	373.7	370.1
Other financial receivables		
Customer invoices to be issued	4.2	4.2
Deposits	0.3	0.1
Other current receivables	6.5	7.9
Accrued interest income	0.8	5.1
	11.8	17.3
Financial trade and other receivables	385.5	387.4
Other current receivables		
VAT	5.6	6.5
Prepaid rent	-	1.6
Other prepaid expenses	24.4	32.1
	30.0	40.2
Trade and other receivables	415.5	427.6

Trade accounts receivable do not include any debtors that have been transferred to a financial institution.

Ageing of trade receivables, MEUR:	12/31/2025			12/31/2024		
	Gross amount	Reported allowance	Net amount	Gross amount	Reported allowance	Net amount
Not past due	310.1	-0.1	310.0	300.1	-0.1	300.0
Past due 0-30 days	28.7	0.0	28.7	31.2	0.0	31.2
Past due 31-90 days	15.1	0.0	15.1	17.6	-0.3	17.3
Past due 91-180 days	10.5	0.0	10.5	10.8	-0.3	10.5
More than 180 days	15.4	-6.0	9.4	15.3	-4.2	11.1
	379.8	-6.1	373.7	375.0	-4.9	370.1

Movement in the allowance for doubtful debts, MEUR	2025	2024
At 1 January	-4.9	-4.6
Impairment losses recognised	-1.7	-0.4
Impairment losses reversed	0.4	0.1
Exchange differences	0.1	0.0
At 31 December	-6.1	-4.9

Accounting principles

Trade receivables

Trade receivables are held in a hold to collect business and are initially measured at fair value and subsequently at amortised cost using the effective interest method.

The Group applies IFRS 9's simplified approach to measure credit losses, using a lifetime expected loss allowance for all trade receivables.

Overdue receivables are assessed individually, with a loss allowance reported for the difference between the asset's carrying amount and present value of estimated future cash flows for doubtful receivables. The same principle applies to non-overdue receivables with other lagging borrower-specific factors.

For all receivables not considered doubtful, a loss allowance is based on an expected loss rate derived from historical credit losses over a period of 36 months before the balance sheet day.

As of 31 December 2025, this rate is 0.0244% (previously 0.0437%).

Separate provisions are made for markets with significantly different expected credit losses than the Group average.

Assets with no reasonable expectation of recovery are written off through profit and loss to the extent of expected loss.

12. Cash, cash equivalents and short-term investments

MEUR	12/31/2025	12/31/2024
Bank balances	317.6	166.4
Cash and cash equivalents	317.6	166.4

MEUR	12/31/2025	12/31/2024
Short-term bank deposits	-	200.0
Short-term investments	-	200.0

Cash and cash equivalents are cash and short-term bank deposits held by the Group with a maturity of less than three months at the time of acquisition.

Cash and cash equivalents as of 31 December 2025, includes MEUR 40.9 (51.9) in countries where exchange controls or other legal restrictions apply. Therefore it is not possible to immediately use these liquid funds in

other parts of the Group. However, there is normally no limitation to use them for the Group's operation in the respective country.

Short-term investments refer to short-term bank deposits with a maturity at inception of more than three months but less than 12 months. Deposits carry a fixed interest rate.

Accounting principles

Cash, cash equivalents and short-term investments

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. In order to be classified as cash and cash equivalents, the maturity of the cash and cash equivalents instruments is three months or less at the time of acquisition. The Group's cash and cash

equivalents are held in a hold to collect business and are valued at amortised cost. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. Short-term deposits with maturity at inception exceeding three months (but less than 12 months) are presented as short-term investments and not included as cash and cash equivalents.

13. Capital management

The Group considers the capital that it manages to be the equity attributable to equity holders of the parent as shown in the Group's Consolidated statement of financial position.

The Group's objectives when managing capital are to ensure that the Group has adequate funds to continue as a going concern and sufficient flexibility within the capital structure to fund the ongoing growth of the business and to take advantage of business development opportunities including acquisitions. The Group determines the amount of capital in conjunction with its borrowing requirements, taking into account changes in business risks, future funding requirements and any restrictions contained its borrowing facilities

(see note 20). The Group's overall strategy remains unchanged from prior year.

A dividend of MEUR 280.0 (400.0) was transferred to the parent company Mölnlycke AB. Reported group contribution for 2025 to the parent company Mölnlycke AB amounts to MEUR 60.1 (121.9).

In 2025 cash distributions of MEUR 400.0 (500.0) have been made by the Group to the Group's parent company Mölnlycke AB's shareholders on behalf of Mölnlycke AB. From the Group's perspective this distribution is a part of the settlement of dividends and group contributions from the Group to Mölnlycke AB. The table below presents a roll forward of the Group's net receivable/liability to its parent company Mölnlycke AB.

MEUR	12/31/2025	12/31/2024
Opening balance	288.9	258.3
Non-cash transactions		
Group contribution to parent company	-60.1	-121.9
Dividend to parent company	-280.0	-400.0
Capitalised interest	11.9	13.1
Exchange rate differences and other	-7.2	5.3
Cash transactions		
Tax paid on behalf of parent company	21.4	34.1
Distribution to the owners of the Group, on behalf of parent company	400.0	500.0
Closing balance	374.9	288.9

14. Cash flow information

The tables below detail changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

MEUR	01/01/2025	Cash flows	Non-cash changes				31/12/2025
			Acquisitions	Amortisation	Exchange differences	Other changes	
Bond notes	2,062.4	79.9		1.9	-13.1		2,131.1
Lease liabilities	109.1	-26.5	22.1		-0.8	4.0	107.9
Other interest-bearing financial liabilities	19.0	-6.4			-1.0		11.6
	2,109.5	49.0	22.1	1.9	-14.9	4.0	2,250.6

MEUR	01/01/2024	Cash flows	Non-cash changes				31/12/2024
			Acquisitions	Amortisation	Exchange differences	Other changes	
Bond notes	2,040.1	20.2		2.1			2,062.4
Lease liabilities	62.4	-25.0	68.4		0.2	3.1	109.1
Other interest-bearing financial liabilities		9.4	9.3		0.3		19.0
	2,102.5	4.6	77.7	2.1	0.5	3.1	2,190.5

Other changes include capitalised interest.

15. Leases

MEUR	12/31/2025	12/31/2024
Balance sheet items		
Right-of-use assets		
Buildings	91.6	94.6
Land	8.9	7.6
Vehicles	11.6	12.5
	112.1	114.7
Lease liabilities		
Current	23.7	24.2
Non-current	84.2	84.9
	107.9	109.1
MEUR	2025	2024
Additions to the right-of-use assets during the year		
Additions	23.2	72.4
Business combinations	-	1.6
	23.2	74.0
Amounts included in the consolidated income statement		
Depreciation charge of right-of-use assets		
Buildings	17.3	16.0
Land	0.2	0.1
Vehicles	6.2	6.9
	23.7	23.0
Interest expense on lease liabilities	3.9	3.0
Expense relating to short-term leases	1.8	0.9
Expense relating to low-value leases	1.1	0.9
	29.3	26.7
Total cash outflow for leases	29.3	26.7
Future cash outflows for committed leases not yet commenced	0.2	15.8

Please refer to note 20 for a maturity analysis of lease liabilities.

Accounting principles

Leasing

The Group has leasing agreements for company cars, office rentals, warehouses and certain factory buildings. Company cars normally have lease terms of around three years while the leasing contracts for offices, warehouses and factories have varying terms for up to 15 years. Leasing contracts for company cars do normally not include any extension options. Outstanding leasing agreements for offices, warehouses and factories include various extension and termination options as well as contracts that are automatically extended for a certain period if not actively being cancelled.

In accordance with IFRS 16, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Lease liabilities are initially measured at the net present value of the fixed payments during the contract period and periods under extension options that are deemed reasonably certain to be utilised. The Group does not have any leases involving residual value guarantees or variable lease payments. The determination of the lease term for contracts with an extension option is based on the current business plan for each location and all facts and circumstances that create an economic incentive to exercise an extension option such as the cost for moving to a new facility. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the Group's incremental borrowing rate in

a similar economic environment with similar terms, security and conditions is used. Right-of-use assets are initially measured at the amount of initial measurement of the lease liability plus any lease payments made at or before the commencement date and depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not to exercise) it. The assessment of reasonable certainty is only revised if a significant event or a change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less while all leases of office equipment are considered as being of low-value.

Leasehold improvements are capitalised as Property, plant and equipment and amortised over the shorter of their useful life or the remaining term of the lease (including lease renewal periods if the renewal is reasonably assured).

16. Retirement benefit obligations

Defined contribution plans

In many countries, the Group's employees are covered by defined contribution pension plans. The pension plans primarily entail retirement pensions. The premiums are paid continuously throughout the year by each Group company to separate legal entities, such as insurance companies. The employer's obligation is limited to the premiums the company has undertaken to pay. Under this type of plan, no liability is recognised in the balance sheet, except for accrued contributions.

In Sweden, the total retirement benefit package is a mixed solution, with some parts being defined contribution pension plans and others defined benefit pension plans. The part of the Swedish ITP2 plan (supplementary pensions for salaried employees) concerning family pension, disability pension, and employment group life insurance financed by insurance with Alecta is a defined benefit pension multi-employer plan. The Swedish Financial Accounting Standards Council's Interpretations Committee has however concluded that the information provided by Alecta is not sufficient to be able to account for the Alecta plan as a defined benefit plan. Therefore, the Alecta plan has been reported as a defined contribution plan and this means that premiums paid to Alecta will also be recognised on an ongoing basis as expenses in the period to which they pertain. Alecta's surplus can be distributed to the insurers and/or the insured. At year-end 2025, Alecta's surplus in the form of the collective consolidation level was 167% (162%). For 2026, the Group expects to pay MEUR 0.3 for premiums to Alecta.

During the period the Group expensed MEUR 30.5 (28.3) of contributions to defined contribution plans.

Defined benefit plans

Defined benefit plans are those where the Group's obligation is to provide pension and other post-retirement benefits that participating employees will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. The Group operates defined benefit pension plans for qualifying employees in Sweden, US, Belgium, Germany, Netherlands, Thailand, Italy, Saudi Arabia and France.

The defined benefit plans in Belgium, US and Netherlands are funded, the remainder is unfunded.

The Swedish plan is the most significant defined benefit plan for the Group, representing 58% of the defined benefit obligation and 75% of the net liability at 31 December 2025 (58% and 75% respectively).

The major risks associated with the defined benefit plans are as follows:

- **investment risk:** The defined benefit obligation is calculated using discount rates set with reference to corporate bond yields. If assets in funded plans underperform this yield it will increase the amount of any deficit
- **interest risk:** A decrease in corporate bond yields will increase the value of the defined benefit obligation for accounting purposes, although this would be partially offset by an increase in the value of corporate bonds held as assets
- **longevity risk:** The majority of the obligations are to provide benefits for the life of the plan member so increases in life expectancy will result in an increase in the defined benefit obligation
- **salary risk:** The majority of the obligations are to provide benefits for plan member based on annual salaries during the last few years of employment. If salaries increase faster than has been assumed this will result in an increase in the defined benefit obligation

The principal assumptions used for the purpose of the actuarial valuations used in preparing the financial statements were as follows:

	Sweden		Others (weighted average)	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Discount rate	3.8%	3.1%	3.8%	3.5%
Expected rate of salary increases	2.4%	2.5%	2.0%	2.3%
Inflation rate	1.7%	1.8%	1.9%	2.0%

The discount rate is set separately for each country and is determined, in consultation with our local actuaries, by reference to market rates on high quality corporate bonds with a duration and currency that is consistent with the duration and currency of the defined benefit obligation.

This may involve interpolation of bond yield curves where there is no direct match for duration or the market is not deep for matching bond durations.

Other assumptions are based on market conditions in each country.

The amounts recognised in profit or loss in respect of defined benefit plans are as follows:

MEUR	Sweden		Others	
	2025	2024	2025	2024
Current service cost	2.6	1.2	1.8	1.2
Past service cost and (gain) or loss from settlements	-	-	-	-
Net interest cost	2.0	1.9	0.5	0.6
	4.6	3.1	2.3	1.8

The total costs above are shown under selling costs MEUR 0.6 (0.3), administrative costs MEUR 2.6 (1.2), cost of goods sold MEUR 1.2 (0.9) and finance costs MEUR 2.5 (2.5).

The amount included in the balance sheet arising from the Group's obligations in respect of its defined benefit plans is as follows:

MEUR	Sweden		Others	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Present value of funded defined benefit obligations	-	-	23.8	24.3
Fair value of plan assets	-	-	-23.0	-23.7
Deficit	-	-	0.8	0.6
Present value of unfunded defined benefit obligations	57.2	58.8	18.1	18.6
Net liability arising from defined benefit obligations	57.2	58.8	18.9	19.2

Movements in the present value of the defined benefit obligation in the period were as follows:

MEUR	2025	2024
Opening defined benefit obligation	101.7	83.4
Current service cost	4.4	2.4
Interest cost	3.4	3.4
Contributions from plan participants	0.0	0.0
Past service costs and settlements	-	-
Actuarial losses/(gains):		
- Arising from changes in demographic assumptions	-	-0.1
- Arising from changes in financial assumptions	-13.7	15.3
- Arising from experience differences	2.8	0.8
Liabilities assumed in a business combination	-	0.3
Benefits paid	-2.3	-2.7
Exchange differences	2.8	-1.1
Closing defined benefit obligation	99.1	101.7

Movements in the present value of the plan assets in the period were as follows:

MEUR	2025	2024
Opening fair value of plan assets	23.7	21.3
Interest income	0.9	0.9
Return on plan assets, excluding interest income	-1.2	1.7
Contributions from plan sponsors	0.8	0.9
Contributions from plan participants	0.0	0.0
Settlements	-	-
Benefits paid	-0.6	-1.3
Exchange differences	-0.6	0.2
Closing fair value of plan assets	23.0	23.7

The major categories of plan assets, are as follows:

MEUR	12/31/2025	12/31/2024
Equity investments	4.3	4.4
Fixed income investments	1.2	1.3
Others investments, principally insurance contracts	17.5	18.0
Closing fair value of plan assets	23.0	23.7

In Belgium and Netherlands the liabilities are insured. No split of assets underlying the related insurance contracts is available for Belgium or Netherlands and all of the plan assets for those countries are included

against the 'other investments' caption. US plan assets are included against the relevant caption.

The actual return on plan assets was MEUR -0.3 (2.6).

Sensitivity analysis

The sensitivity analysis relating to the main actuarial assumptions used to assess the defined benefit obligation for the Group's most significant defined benefit plan (Sweden) is as follows:

	Change in DBO
Discount rate	
1% increase in the discount rate	-16%
1% decrease in the discount rate	21%
Rate of salary increase	
1% increase in the rate of salary increases	8%
1% decrease in the rate of salary increases	-6%
Inflation rate	
1% increase in the rate of inflation	15%
1% decrease in the rate of inflation	-13%
Longevity	
Plus or minus one year	+/- 3%

These sensitivities have been calculated individually while holding the other assumptions constant.

Maturity of the defined benefit obligation and cash flows expected in 2026

At 31 December 2025 the average maturity of the defined benefit obligations under the Swedish plan is 19 years and the weighted average maturity of the defined benefit obligations under the Group's other plans is estimated at 14 years.

It is estimated that Group company contributions to funded defined benefit plans in 2026 will be MEUR 1.0 (0.9) and that benefit payments from unfunded plans in 2026 will be MEUR 1.6 (1.8).

Accounting principles

Retirement benefit obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administrated funds. The Group has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement. A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with in the same way as payments to defined contribution plans where the obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out once a year. Remeasurement, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest) is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service costs, past service costs, as well as gains and losses on curtailments and settlements) – included as a cost in arriving at operating profit
- net interest cost or income – included as a net finance cost or income
- remeasurement – included as part of other comprehensive income

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises the termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value, if material.

Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses when it is contractually obliged to pay a bonus or where there is a past practice that has created a constructive obligation.

Direct pensions

Certain current and former employees of the Group have pension benefits in form of direct pensions where the Group pays premiums to capital insurances which are then used to settle the pension expense. Pension premiums to such capital insurances are expensed as the employee performs the services. Direct pensions are presented at net zero in the balance sheet since the capital insurance in full cover the liability for the pension. In case the special payroll tax is not covered by the capital insurance, the special payroll tax is accrued (refer to note 18). The capital insurances are pledged to cover the direct pension liability (refer to note 21).

Critical accounting judgements and key sources of estimation uncertainty**Retirement benefits**

Retirement benefit accounting requires a number of key assumptions to be made in order to value the Group's obligations and to determine the liabilities to be recognised and the charge to be recognised in the income statement. It is management's responsibility to set the assumptions used in determining the key elements of the costs of meeting the Group's retirement benefit obligations. These assumptions are set after consultation with qualified actuaries. While management believe that the assumptions used are appropriate, a change in the assumptions used would affect Group profit or loss and financial position.

17. Provisions

MEUR	Provision for legal cases		Other		Total	
	2025	2024	2025	2024	2025	2024
Balance at the beginning of the year	0.9	0.9	0.7	0.7	1.6	1.6
Provision made	-	-	0.6	0.1	0.6	0.1
Utilisation of provision	-	-	-	-0.1	-	-0.1
Reversals	-0.9	-	-	-	-0.9	-
Reclassifications	-	-	-	-	-	-
Exchange rate differences	-	-	-	-	-	-
Balance at the end of the year	-	0.9	1.3	0.7	1.3	1.6
Included in the balance sheet as:						
Current	-	-	1.3	0.7	1.3	0.7
Non-current	-	0.9	-	-	-	0.9
Total	-	0.9	1.3	0.7	1.3	1.6

Accounting principles**Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at

management's best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

18. Trade and other payables

MEUR	12/31/2025	12/31/2024
Trade accounts payable	86.8	118.8
Other financial payables		
Accrued interest expense	18.6	23.1
Deferred consideration	-	0.5
Goods received not invoiced	10.0	9.3
Withholding personnel tax liabilities	7.2	6.4
Other liabilities	8.7	5.3
	44.5	44.6
Financial trade and other payables	131.3	163.4
Other current liabilities		
Personnel related liabilities	140.6	111.8
Accrued customer rebates	19.9	41.0
VAT	18.7	14.6
Other accrued expenses	40.2	57.7
	219.4	225.1
Trade and other payables	350.7	388.5
Reconciliation of working capital, MEUR	2025	2024
Inventories (note 10)	346.7	343.2
Trade and other receivables (note 11)	415.5	427.6
Trade and other payables	-350.7	-388.5
Add back:		
Accrued interest expenses	18.6	23.1
Deferred consideration	-	0.5
Total working capital	430.1	405.9

Accounting principles

Trade payables and other payables

Trade payables and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

19. Financial assets and financial liabilities

The group holds the following financial instruments:

MEUR	12/31/2025	12/31/2024
Financial assets		
Financial assets at amortised cost:		
Trade and other receivables	385.5	387.4
Receivables, parent company	374.9	288.9
Short-term investments	-	200.0
Cash and cash equivalents	317.6	166.4
Other non-current assets	2.8	4.2
Financial assets at fair value through profit or loss (FVPL):		
Other non-current assets	21.9	23.2
Derivative financial instruments at FVPL	55.9	31.6
Total financial assets	1,158.6	1,101.7
Financial liabilities		
Financial liabilities at amortised cost:		
Bond notes	2,131.1	2,062.4
Trade and other payables	131.3	162.9
Other interest-bearing liabilities	11.6	19.0
Other non-current liabilities	5.3	5.8
Financial liabilities at FVPL:		
Other non-current liabilities	-	-
Trade and other payables	-	0.5
Derivative financial instruments at FVPL	0.7	-
Total financial liabilities	2,280.0	2,250.6

Fair value of outstanding bond notes amounts to MEUR 2,074.9 (1,995.5) as of 31 December 2025 considering changes in credit margins and interest rates in the market from drawdown until the balance sheet date.

For all financial instruments except bond notes fair value corresponds to book value as of 31 December 2025 and 31 December 2024.

The following section explains the judgements and estimates made in determining the fair values of the

financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table. There were no transfers between the levels for recurring fair value measurements during the year.

At 31 December 2025, MEUR	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss (FVPL):				
Listed equity securities	13.8	-	-	13.8
Unlisted financial instruments	-	-	8.1	8.1
Derivative financial instruments held for trading at FVPL	-	55.9	-	56.2
Total financial assets	13.8	55.9	8.1	77.8
Financial liabilities				
Financial liabilities at FVPL:				
Derivative financial instruments	-	-	0.7	0.7
Total financial liabilities	-	-	0.7	0.7

At 31 December 2024, MEUR	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss (FVPL):				
Listed equity securities	14.3	-	-	14.3
Unlisted financial instruments	-	-	8.9	8.9
Derivative financial instruments held for trading at FVPL	-	31.4	0.2	31.6
Total financial assets	14.3	31.4	9.1	54.8
Financial liabilities				
Financial liabilities at FVPL:				
Deferred consideration	-	-	0.5	0.5
Total financial liabilities	-	-	0.5	0.5

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2025 and 31 December 2024.

MEUR	Unlisted securities	Deferred consideration
Opening balance 1 January 2024	1.3	0.5
Acquisition	7.6	-
Revaluation gain/loss reported in financial income and expenses	0.2	-
Currency revaluation	-	-
Closing balance 31 December 2024	9.1	0.5
Revaluation gain/loss reported in financial income and expenses	-1.6	-0.5
Currency revaluation	-	-
Closing balance 31 December 2025	7.5	-

Reconciliation of net interest-bearing debt, MEUR	2025	2024
Bond notes	2,131.1	2,062.4
Lease liabilities	107.9	109.1
Other interest-bearing financial liabilities	11.6	19.0
Other liabilities considered part of net interest-bearing debt	2.8	-
Less:		
Cash and cash equivalents	-317.6	-166.4
Short-term investments	-	-200.0
Net derivative assets	-55.2	-31.6
Net interest-bearing debt	1,880.6	1,792.5

Accounting principles

Financial assets and financial liabilities

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when it is extinguished, i.e. when the debt has been paid off or the primary obligation specified in the contract is cancelled or has expired.

Bank loans and other borrowings

Interest-bearing bank loans, overdrafts and other loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings.

Derivative financial instruments

Derivatives are only used for economic hedging purposes or embedded in other agreements such as virtual power purchasing agreements (VPPA) and not used as speculative investments. Derivative financial instruments are initially measured at fair value on the contract date and are remeasured to fair value at sub-sequent reporting dates.

20. Financial risk management

All derivatives with a positive fair value are recognised as derivative financial instruments assets and all derivatives with a negative fair value are recognised as derivative financial instruments liabilities.

Changes in the fair value of derivative financial instruments that are not designated as part of a hedging relationship are recognised as operating profit or financial gain, operating loss or financial loss, depending on the objective of using the derivative and whether the derivative is attributable to operational or financial items.

There were no derivatives designated as cash flow hedges in 2025 or 2024, whereby all fair value changes of derivatives are recognised in the income statement. Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in profit or loss.

Financial instruments at fair value through profit or loss

Depending on market observable inputs, the valuation is based on either published price quotations, valuation techniques based on market observable inputs or determined by using other techniques. The instruments measured at fair value have been classified into three hierarchy levels as follows:

- Level 1 – The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

- Level 2 – The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of the Group's foreign exchange contracts is calculated as the present value of future cash flows based on the forward exchange rates at the balance sheet date. Other derivatives traded in recent arm's lengths transactions are valued at the transaction price. These instruments are included in level 2.
- Level 3 – If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for the Group's holding of unlisted financial instruments and deferred consideration liabilities related to business combinations.

The valuation of unlisted equity securities is based on the most recent share issue adjusted for significant development in the company and in the market including changes in currency rates. Deferred considerations are valued based on expected cash outflows originating from earn-out clauses in share purchase agreements. The expected cash flows are determined based on the most recent prognosis of the basis for the earn-outs, discounted with a risk-adjusted discount rate.

The Group is exposed to financial risks such as currency risk, interest rate risk, liquidity and refinancing risk as well as credit and counterparty risk. The financial policy of the Group, adopted by the Board, outlines the rules for management and mitigations of the financial risks that are generated by the Group's commercial activities. This includes written principles on the use of financial derivatives consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

Organisation and activities

The Group's treasury activities are centralised in order to capitalise on economies of scale, consolidate risk exposures and facilitate follow-up and control. Financial activities, including funding, are managed from Group Treasury, a function within Mölnlycke Health Care AB, which acts as the Group's internal bank.

The Group's executive forum for treasury matters is the Treasury Committee, which includes CFO, Group Treasurer and Treasury Manager. The Treasury Committee proposes changes to the Group's financial policy which is adopted annually by the Board. The Treasury Committee meets on a monthly basis to follow up treasury activities versus the financial policy. Any deviation to Finance Policy is reported to the Board by the CFO.

Currency exposure and risk

Through its international activities, the Group is exposed to fluctuations in exchange rates. Exchange rate fluctuations could affect the Group's reported cash flow, income statement and balance sheet negatively. Transactional exposure comes from the uncertainty in currency rates in the future business transaction (such as sales and purchase of goods and services) in a foreign currency until such transaction has been invoiced and the exposure becomes a Balance sheet exposure. Balance sheet exposure in a legal entity is the net of financial assets and liabilities denominated in a foreign currency other than respective entities

functional currency and measured at a specific occasion. Such assets and liabilities can be of both operational (receivables and payables) and financial (external funding and deposits, derivatives, cash and internal loans and deposits) nature. Translation exposure is the currency exposure related to translating the income statement in a foreign subsidiary to EUR for reporting purposes. Equity exposure is the exposure related to translating the net assets in a foreign subsidiary to EUR for reporting purposes. The currency impact on EBITDA is the main measure where the Group's management follows the currency exposure of the Group.

Currency exposure in EBITDA

Transaction exposure from commercial flows in foreign currency is generated from internal sales and purchases between manufacturing and sales companies with different functional currencies as well as external sales and purchases in foreign currency. A majority of the Group's internal transactions flows through Mölnlycke Health Care AB, a company with functional currency SEK. As a result, there is a transactional surplus in this entity of the currencies the Group has its largest sales in (EUR, USD, GBP, CHF etc.) and a transactional deficit of currencies the Group has expenses in, for example production facilities and head quarter functions (SEK, MYR, CZK, THB etc.). In general, a depreciation of the currencies that the Group has its largest sales in and an appreciation of the currencies that the Group has expenses in has a negative impact on the Group's EBITDA.

Also the Group's translation exposure from the consolidation of EBITDA in foreign subsidiaries affects reported earnings. A large portion of the Group's EBITDA is generated in Mölnlycke Health Care AB with functional currency SEK. As a result, there is a large EUR/SEK translation exposure when consolidating this entity. This exposure is to a large extent offset by the SEK/EUR transaction exposure this entity generates since the major part of EBITDA is generated from transactions in EUR or other foreign currencies.

Currency exposure in equity

Foreign currency translation exposure in equity arises when the balance sheets of foreign subsidiaries with other functional currencies are translated into EUR. The below table shows net effect on the Group's equity on the balance sheet day from a depreciation(-)/appreciation(+) of 10% of EUR against all other

MEUR	31 December 2025			31 December 2024		
	Balance sheet Shareholders' Equity	EUR -10% vs. other currencies	EUR +10% vs. other currencies	Balance sheet Shareholders' Equity	EUR -10% vs. other currencies	EUR +10% vs. other currencies
USD	180.1	18.0	-18.0	191.8	19.2	-19.2
SEK	130.0	13.0	-13.0	44.1	4.4	-4.4
EUR	796.1			1,199.0		
Other	444.1	44.4	-44.4	424.2	42.4	-42.4
Total	1,550.3	75.4	-75.4	1,859.1	66.0	-66.0

Currency risk in financial instruments

Currency risk in financial instruments exists when monetary items in foreign currencies are valued in the functional currency of each entity. The Group has a EUR/USD cross currency swap of 500 MEUR with maturity in 2029 to match the share of net transactional inflow in

currencies. The calculation is based on the equity of each legal entity in the Group split by functional currency and includes the effects from intra-group receivables and liabilities that in substance is part of the net investment in the foreign operation. In accordance with IAS 21, the exchange rate gains or losses on such receivables and liabilities are reported in Other comprehensive income.

USD with a corresponding share of USD debt exposure. Derivatives are valued at fair value through profit or loss and hedge accounting is not applied. During 2025 the Group issued a bond of 400M USD with a maturity of 10 years.

The tables below show the balance sheet exposure of financial struments in foreign currency and the net effect on the Group's consolidated income statement and equity from a depreciation(-)/appreciation(+) of 10% of EUR against SEK and USD.

At 31 December 2025, MEUR			
Financial instruments in foreign currency	EUR	SEK	USD
Trade and other receivables	3.0	0.0	11.9
Cash and cash equivalents	174.7	-	27.5
Total	177.7	0.0	39.4
Bond notes and derivative financial instruments	-	-	-839.7
Financial liabilities, trade and other payables	-10.4	-0.6	-13.5
Total	-10.4	-0.6	-853.2

Group internal receivables and payables	-16.9	184.4	-15.1
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Sensitivity

A 10% appreciation of the currency against EUR impact on the consolidated income statement:

A 10% appreciation of the currency against EUR impact directly in equity:		6.9	-84.2
		-17.1	1.3

At 31 December 2024, MEUR			
Financial instruments in foreign currency	EUR	SEK	USD
Trade and other receivables	3.7	0.0	26.6
Short-term investments	200.0	-	-
Cash and cash equivalents	37.4	0.2	28.2
Total	241.1	0.2	54.8
Bond notes and derivative financial instruments	-0.0	-0.0	-505.1
Financial liabilities, trade and other payables	-12.8	-1.6	-17.1
Total	-12.8	-1.6	-522.2

Group internal receivables and payables	-110.6	65.2	-4.5
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Sensitivity

A 10% appreciation of the currency against EUR impact on the consolidated income statement:

A 10% appreciation of the currency against EUR impact directly in equity:		-6.4	-48.7
		-17.2	1.5

Refinancing and liquidity risk

Refinancing risk and liquidity risk are referred to as the risk of being unable to meet payment obligations as a result of insufficient liquidity or difficulties in obtaining adequate financing. To manage the refinancing risk the average duration of the gross interest-bearing debt shall, according to the Group's Finance Policy, exceed three years. As at 31 December 2025 the average duration was 5.8 years (5.3 years).

The liquidity reserve, according to the Group's Finance Policy, shall at all times exceed MEUR 210 (10% of annual sales) on a consolidated level, consisting of cash, short term investments, committed undrawn

overdraft facilities and other committed credit facilities excluding trapped cash (see note 12). The liquidity reserve amounted to MEUR 626.7 (662.4) as at 31 December 2025.

The Group's main source of financing is bond notes issued in the European capital markets. Since 2020 the Group has a European Medium Term Note (EMTN) programme, which is a loan framework intended for long-term financing. The Group's outstanding bond notes are outlined in the below table. Bond notes are denominated in EUR and USD, have both fixed and floating interest, are ranked senior and are unsecured.

	Maturity date	Original facility amount	12/31/2025	12/31/2024
			Outstanding facility amount MEUR	
Bond 2025	02/28/2025	MEUR 500.0	-	272.7
Bond 2028	08/09/2028	MEUR 400.0	400.0	400.0
Bond 2029	05/09/2029	MEUR 500.0	500.0	500.0
Bond 2031	01/15/2031	MEUR 400.0	400.0	400.0
Bond 2034	06/11/2034	MEUR 500.0	500.0	500.0
Bond 2035	23/06/2035	MUSD 400.0	340.2	-
Total			2,140.2	2,072.7

The Group has a revolving credit facility provided by a syndicate of seven banks, both nordic and international. The facility amounts to MEUR 350 with an option to increase the facility with MEUR 100 to a total of MEUR 450 and a maturity in April 2030. It is ranked senior, is unsecured and can be drawn in several optional currencies and would bear interest at IBOR plus a

margin. The terms of the facility include loan market standard restrictions on the Group's ability to, among other things, create security over its assets, sell or otherwise dispose assets or incur subsidiary financial debt. The facility is not subject to any financial covenants. As of the balance sheet day the facility is undrawn.

The tables below analyse the Group's financial liabilities, lease liabilities and derivatives into relevant maturity groups based on their contractual maturities.

The amounts disclosed are the contractual undiscounted cash flows including interest.

At 31 December 2025, MEUR	0 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Bond notes	-33.4	-31.0	-64.4	-1,054.7	-1,414.3	-2,597.8	-2,131.1
Other interest-bearing liabilities	-	-	-0.5	-5.0	-10.2	-15.7	-11.6
Financial trade and other payables	-86.8	-	-	-	-	-86.8	-86.8
Lease liabilities	-12.3	-12.3	-35.6	-23.4	-40.5	-124.1	-107.8
Gross settled – swaps							
outflow	-6.3	-16.0	-22.3	-490.1	-	-534.7	
inflow	-	21.4	21.4	525.8	-	568.5	33.9
Total	-126.5	-25.6	-65.8	-1,024.0	-1,424.5	-2,666.5	-2,195.6

At 31 December 2024, MEUR	0 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Bond notes	-301.5	-21.4	-45.1	-1,018.4	-1,011.3	-2,397.6	-2,062.4
Other interest-bearing liabilities	-2.6	-5.1	-0.5	-12.2	-3.8	-24.2	-19.0
Financial trade and other payables	-118.8	-	-	-	-	-118.8	-118.8
Lease liabilities	-12.2	-12.2	-31.3	-23.6	-47.1	-126.4	-109.1
Gross settled – swaps							
outflow	-8.0	-18.8	-26.9	-565.4	-	-619.2	
inflow	-	21.4	21.4	547.1	-	589.9	31.4
Total	-443.1	-36.1	-82.4	-1,072.5	-1,062.2	-2,696.3	-2,277.9

Interest rate risk

Interest rate risk is the risk of a negative impact on the Group's income statement and cash flow due to changes in the market interest rates. To limit the effects of interest rate fluctuations, the average fixed interest term per currency, according to the Group's Finance Policy, shall be between 0,5 and 8 years.

The average interest rate on bonds by year-end 2025 was 2.93% (2.42%) and including derivatives 3.02% (2.68%). Mölnlycke has two outstanding derivatives. One EUR/USD cross currency swap with maturity 2029 and one EUR fixed to floating swap with maturity 2028. By year-end 2025 35% of Mölnlyckes outstanding debt including derivatives had floating interest rate. According to the Finance Policy the percentage of floating interest shall be 0–50%.

The Group has interest bearing financial assets and liabilities in the form of cash, cash equivalents and debt including derivatives. Based on the outstanding balances at year-end, a one percentage point increase of the interest rate would increase the Group's interest income for the next 12 months with MEUR 3.2 (3.7). A one percentage point increase of the interest rate would increase the Group's interest expenses (including impact from derivatives) with 7.4 (4.0).

Credit and counterpart risk

Credit and counterparty risk refers to the risk that a counterpart in a transaction will be unable to fulfil its obligations and that this will create a loss for the Group. The Group is exposed to credit risks primarily through its balance of cash and cash equivalents, derivative instruments and through outstanding trade accounts receivable.

In order to manage credit risks, the Group's Finance Policy states that financial transactions may only be conducted with approved counterparties having high credit worthiness. Counterparties shall have a rating equivalent to A- by Standard & Poor's, A2 by Moody's Investors Service, or better. The Finance Policy also puts limits for amounts at risk per counterparty which are monitored daily. The following table shows the credit risk exposure in cash and cash equivalents and short-term investment by Standard & Poor's rating category as of the balance sheet day.

MEUR	12/31/2025	12/31/2024
AAA	-	10.3
AA	130.5	26.0
A	182.9	326.5
Lower than A	4.2	3.5
	317.6	366.3

When trading with derivative instruments, the Group has entered into ISDA (International Swap and Derivative Association) netting agreements with its counterparties in order to further limit the counterparty exposure. ISDA agreements contain enforceable master netting arrangements which allow assets and liabilities arising on separate derivative financial instruments to be set off and settled net in certain circumstances. The Group's Finance Policy states that an ISDA must be signed with a counterpart before entering in to a derivative contract. No derivative balances have been set off in the balance sheet. If existing ISDA agreements would have been used as a basis to set off derivative assets and derivative liabilities, reported net derivative assets in the balance sheet would have amounted to MEUR 55.9 (31.6).

The commercial credit risk is limited since the main part of the Group's sales is directed towards public hospitals/institutions. Regarding sales to private hospitals/institutions, no individual customer is considered to represent a significant part of the Group's sales. The maximum exposure regarding commercial credit risk equals the book value of the trade account receivable. See note 11 for the aging of trade receivables including a specification of reported allowance.

Climate-related risks

The assessment of climate-related risks involves management judgement in determining whether such risks could have a material impact on the Group's assets, liabilities, or income, including whether they affect asset recoverability, useful lives, or the recognition of provisions. In the short term (up to 2027), climate-related risks primarily relate to regulatory compliance requirements, which may result in additional costs or investment in lower-carbon supply chains. In the medium term (2027–2030), risks such as potential supply chain disruptions, challenges in sourcing raw materials, and uncertainties associated with scaling low-carbon technologies may arise. In the long term (beyond 2030), physical climate risks, including extreme weather events and resource scarcity, may increase in severity and could impact manufacturing operations and logistics. Based on current assessments, the Group does not consider climate-related risks to give rise to a significant risk of a material adjustment to the carrying amounts of any assets or liabilities within the next financial year.

21. Pledged assets, contingent liabilities and commitments

Pledged assets

The Group has outstanding capital insurances pledged to cover direct pension liabilities to current and past employees. The value of such capital insurances corresponds to the payment to be made to each individual (with the exception of special payroll tax in some cases). The total value of such pledged capital insurances is MEUR 13.0 (12.7).

The Group has no other assets pledged as of 31 December 2025 (2024: Nil).

Contingent liabilities

The Group is involved in various legal proceedings which individually are of non-material magnitude. At 31

December 2025 the Group assesses outstanding legal proceedings to represent a contingent liability of MEUR 0.0 (2024: MEUR 3.5). The decrease since last year relates to increased clarity in certain legal cases as well as cases closed.

In one of the Group's retirement benefit plans the Group has a mutual funding responsibility representing a contingent liability of MEUR 0.9 as of 31 December 2025 (2024: 0.8).

Commitments

Commitments for the acquisition of property, plant and equipment not recognised as liabilities amount to MEUR 24.9 as of 31 December 2025 (2024: 11.6).

22. Related party transactions

The Company's immediate parent company is Mölnlycke AB. Mölnlycke AB is to 98.9% owned by Rotca AB (a company controlled by Investor AB, the Company's ultimate parent company) and 1.1% by entities facilitating management's ownership. The Company has been a subsidiary of Investor AB since 1 December 2010. Investor AB is listed on Nasdaq OMX Stockholm.

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Non-trading transactions with the parent company Mölnlycke AB are disclosed in note 13.

Trading transactions

During the year, Group entities entered into the following transactions with related parties that are not members of the Group:

MEUR	Sales of goods and services		Operating expenses and finance net	
	2025	2024	2025	2024
Parent company	-	-	11.9	13.1
Other subsidiaries of Investor AB	-	-	-	-
Associates of the Group and Investor AB	-	1.3	1.2	-3.4

The following balances were outstanding at the end of the reporting period:

MEUR	Receivables from related parties		Liabilities to related parties	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Parent company	374.9	288.9	-	-
Other subsidiaries of Investor AB	-	-	-	-
Associates of the Group and Investor AB	46.2	27.1	32.4	32.3

SEB is an associated company of Investor AB and is one of nine relationship banks participating in the financing of Mölnlycke Holding AB (publ) Group. See note 20 for further information about the Group's financing. Receivables from associates relate to a cash balance with SEB.

The lessor of the Swedish headquarters at GoCo, Steptura AB, is an associated company in the Investor AB Group. Liabilities to related parties represent the lease liability to Steptura AB, calculated in accordance with IFRS 16. Please see note 13 for an explanation to the change in receivables/liabilities from the parent company compared to prior year.

Other transactions

There have been no material transactions with related parties other than those disclosed elsewhere in these financial statements.

Compensation of key management personnel, MEUR	2025	2024
Short-term benefits	5.9	7.5
Post-employment benefits	1.4	1.0
Total	7.3	8.5

Key management personnel comprise the members of the Group's Executive Leadership Team.

23. Events after the balance sheet date

On 20 February, the U.S. Supreme Court held that the tariffs imposed pursuant to the International Emergency Economic Powers Act ("IEEPA") are illegal. Following this decision, an alternative tariff framework has been introduced under Section 122, which would authorise tariffs of up to 15% on imports into the United States for 150 days where extension is subject to Congressional approval.

The legal and procedural roadmap for the Group following the U.S. Supreme Court decision will be evaluated during 2026. The decision did not have an impact on the Group's financial statements for fiscal year 2025.

On 24 March 2026, Zlatko Rihter, CEO, informed the Mölnlycke Board of Directors of his decision to resign. Following his decision, Guillaume Joucla, Chief Financial Officer, was appointed interim CEO. Mölnlycke's Board has initiated the recruitment process for a permanent CEO.

Definitions

Cash conversion, %

Operating cash flow in relation to EBITDA.

EBITDA

Earnings before interest, tax, depreciation, amortisation and impairment charges, excluding exceptional items.

EBITDA margin, %

EBITDA in relation to revenue.

Equity/Assets ratio, %

Shareholders' equity in relation to total assets.

Working capital

Net balance of Inventory, Trade and other receivables and Trade and other payables excluding Accrued interest expenses and deferred considerations.

Net debt/EBITDA ratio

Net interest-bearing debt in relation to EBITDA.

Net debt/Equity ratio

Net interest-bearing debt in relation to equity.

Net interest-bearing debt

Interest-bearing liabilities including lease liabilities and fair value derivatives less cash, cash equivalents and short-term investments (receivables, parent company is excluded from the calculation of net interest-bearing debt).

Net interest expenses

Interest expenses less interest income.

Operating cash flow

EBITDA adjusted for changes in working capital and capital expenditures in PPE and Intangible Assets.

Operating margin, %

Operating profit in relation to revenue.

Organic sales growth, %

Net sales compared to prior year adjusted for changes in currency rates and acquired or divested businesses.

Signatures

Mölnadal, 26 March 2026

Karl-Henrik Sundström
Chairman of the Board

Guillaume Joucla
CEO

Christian Cederholm
Board member

Sharon James
Board member

Johan Malmquist
Board member

Leslie McDonnell
Board member

David Perez
Board member

Kristina Willgård
Board member

Aashima Gupta
Board member

Lars Axelsson
Employee representative

Beatrice Tabell
Employee representative

Our audit report was submitted on 26 March 2026.

Deloitte AB

Hans Warén
Authorized Public Accountant

Independent auditor's report

To the Board of Directors of Mölnlycke Holding AB, Corporate identity number 556693-6729

Opinion

We have audited the non-statutory consolidated financial statements of Mölnlycke Holding AB (the Company), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Company are included on pages 125–161 in this document.

In our opinion, the accompanying non-statutory consolidated financial statements present a true and fair view, in all material respects, of the financial position of the Company as at December 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Sweden, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the consolidated financial statements and is found on

pages 1–117, 119–124 and 163–168. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the consolidated financial statements does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the consolidated financial statements. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the consolidated financial statements and that they give a fair presentation in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors and the Managing Director are responsible for the assessment of the Company's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is

however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Gothenburg, 26 March 2026
Deloitte AB

Hans Warén
Authorized Public Accountant

Five-year overview

EUR million
(unless otherwise stated)

Income statement

	2025	2024	2023	2022	2021
Revenue ¹	2,104.5	2,064.2	1,923.5	1,827.7	1,685.6
EBITDA	595.8	591.2	545.1	476.3	485.6
Depreciation, amortisation and impairment charges	-442.1	-84.4	-81.7	-84.5	-83.5
Operating profit	153.7	507.0	463.4	391.8	402.1
Net interest expenses	-48.9	-27.8	-16.1	-34.0	-30.9
Profit before tax	129.9	476.8	487.4	359.5	364.7
Profit for the year	26.8	375.3	393.5	279.3	285.3

Balance sheet

Goodwill and other intangible assets	2,330.9	2,691.3	2,703.2	2,724.8	2,763.2
Other non-current assets	584.3	546.4	440.0	387.0	365.1
Current assets excluding cash	1,158.6	1,070.7	949.8	810.0	637.2
Cash, cash equivalents and Short term investments	317.6	366.4	548.4	343.3	541.0
Total assets	4,391.4	4,674.8	4,641.4	4,265.1	4,306.5
Equity	1,550.3	1,859.1	1,981.4	1,735.2	1,536.1
Interest-bearing liabilities, incl. lease liabilities	2,253.4	2,190.5	2,102.5	1,959.9	2,086.5
Other liabilities	590.5	625.2	557.5	570.0	683.9
Total equity and liabilities	4,391.4	4,674.8	4,641.4	4,265.1	4,306.5
Working capital	430.1	405.9	343.9	327.5	240.2
Net interest-bearing debt	1,880.6	1,792.5	1,510.1	1,620.4	1,545.5

EUR million
(unless otherwise stated)

Cash flow

EBITDA	595.8	591.2	545.1	476.3	485.6
Non-cash items in EBITDA	3.5	-1.7	0.7	-6.8	-3.3
Change in working capital	-50.3	-59.2	-21.0	-85.6	-34.0
Capital expenditures - PPE and Intangible Assets	-80.1	-60.8	-44.2	-69.9	-48.7
Operating cash flow	468.9	469.5	480.6	314.0	399.6
Acquisitions and divestments of subsidiaries	-	-11.4	-0.3	-0.6	-0.3
Paid taxes	-103.7	-100.2	-71.9	-72.4	-116.7
Distributions to the owners of the Group	-400	-500.0	-300.0	-300.0	-250.0
Other movements in Net debt, net	-53.3	-140.2	1.9	-15.9	-85.9
Increase (-)/decrease (+) in Net debt	-88.1	-282.4	110.3	-74.9	-53.3

Financial indicators

Organic sales growth ¹	4%	7%	8%	8%	-6%
Operating margin	7%	25%	24%	21%	24%
EBITDA margin	28%	29%	28%	26%	29%
Net debt/EBITDA ratio	3.2	3.0	2.8	3.4	3.2
Cash conversion	79%	79%	88%	66%	82%
Net debt/Equity ratio	1.21	0.96	0.76	0.93	1.01
Equity/Assets ratio	35%	40%	43%	41%	36%

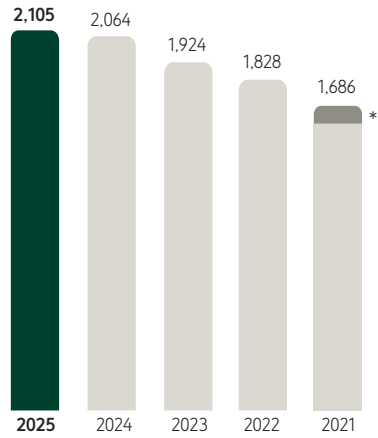
Personnel

Number of employees, FTE (full time equivalent) ²	8,510	8,617	8,427	8,775	8,315
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1. Revenue for 2021 was positively impacted by one-off orders for staff clothing and protection. Excluding these one-off orders revenue amounted to EUR 1,618 million and the organic sales growth was 4% in 2021.

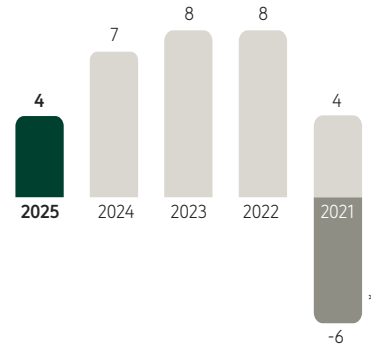
2. FTE for Mölnlycke wholly-owned companies amounts to 8,530 as per end of 2024.

Revenue EUR million



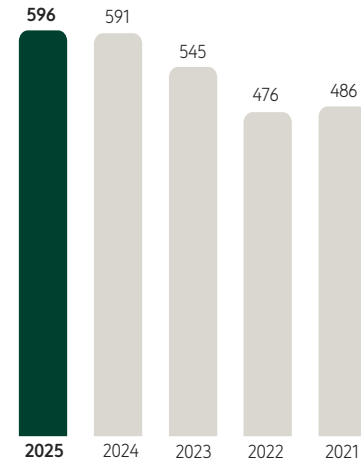
*Impact from the one-off orders for PPE sale

Organic sales growth Constant currency, %

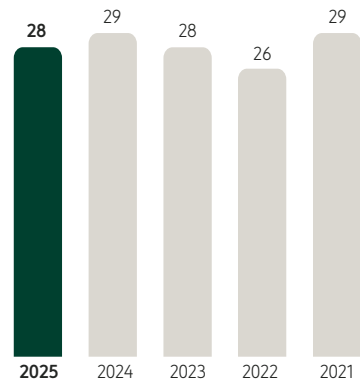


*Impact from the one-off orders for PPE sale

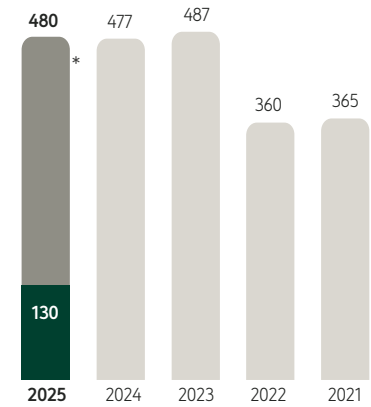
EBITDA EUR million



EBITDA margin %

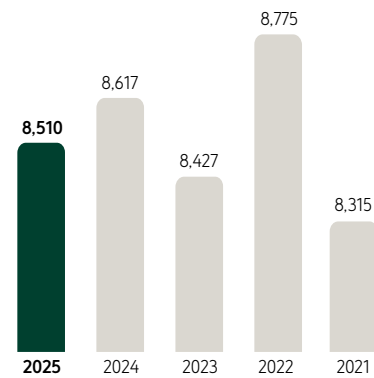


Profit before tax EUR million



*Impact from impairment of goodwill

Number of employees Full-time equivalent



Find out more at www.molnlycke.com

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