

ANNUAL REPORT
FREUDENBERG Group

2025

HIGHLIGHTS

[€ million]	2021	2022	2023	2024	2025
Sales					
Germany	1,584	1,736	1,761	1,720	1,716
EU (excluding Germany)	2,411	2,706	2,753	2,723	2,738
Other European countries	743	797	910	933	946
North America	2,599	3,458	3,515	3,650	3,467
South/Central America	247	333	360	341	331
Asian	2,244	2,481	2,380	2,361	2,325
Africa/Australia	211	242	224	219	209
Total sales	10,039	11,753	11,903	11,947	11,732
Consolidated profit	587	640	831	725	362
Cash flow from operating activities	862	608	1,404	1,289	974
Cash flow from investing activities	-534	-434	-515	-524	-1,100
Balance sheet total	12,921	13,151	13,439	14,316	13,899
Equity	6,491	7,108	7,536	8,133	7,930
Equity ratio	50 %	54 %	56 %	57 %	57 %
Workforce (as at Dec. 31)	49,836	51,462	52,241	52,104	50,968
Workforce (annual average)	48,787	50,598	52,035	51,974	51,376

2025 FREUDENBERG ANNUAL REPORT

CONTENTS

COMPANY BOARDS

Supervisory Board	2
Board of Management	3
Executive Council	4
Management of the Business Groups	5

REPORT OF THE SUPERVISORY BOARD 6

FOREWORD OF THE BOARD OF MANAGEMENT 8

COMBINED MANAGEMENT REPORT

Fundamental Information

Business Model	14
Research and Development	18

Report on Economic Conditions

Macroeconomic Environment	21
Business Development and Position	24
Earnings Position	26
Financial Position	27

Review of Operations by Business Area 31

Report on Events after the Date of the Statement of Financial Position 42

Report on Opportunities and Risks 43

Report on Expected Developments 53

Freudenberg SE (HGB) 55

FREUDENBERG TAKES RESPONSIBILITY (We're not letting up on climate protection) 58

CONSOLIDATED FINANCIAL STATEMENTS OF FREUDENBERG SE

Consolidated Statement of Financial Position	102
Consolidated Statement of Profit or Loss	104
Consolidated Statement of Comprehensive Income	105
Consolidated Statement of Cash Flows	106
Consolidated Statement of Changes in Equity	107
Notes to the Consolidated Financial Statements	108
Shareholdings	165
Independent Auditor's Report	175

COMPANY BOARDS

SUPERVISORY BOARD



1st row from left:
Thielen, Pott, Beecroft, Braun, Favoccia

2nd row from left:
Freudenberg-Beetz, Haas-Wittmüß, Holsten, Kairisto, Schildhauer

3rd row from left:
Towfigh, Zeschky, Zhang

Mathias Thielen (Zurich, Switzerland)
Chairman of the Supervisory Board, Freudenberg SE; Attorney

Dr. Richard Pott (Leverkusen)
Deputy Chairman of the Supervisory Board, Freudenberg SE; former Chairman of the Supervisory Board, Covestro AG

Dr. Richard Beecroft (Bruchsal)
Sustainability Scientist, Karlsruhe Institute of Technology

Anna Maria Braun LL.M. (Melsungen)
Chief Executive Officer, B. Braun SE

Dr. Daniela Favoccia (Frankfurt/Main)
Attorney (Partner) at Hengeler Mueller and Member of the Supervisory Board of Sartorius AG

Dr. Maria Freudenberg-Beetz (Weinheim)
Biologist

Martin Haas-Wittmüß (Dreieich)
Vice President, Springer Nature AG & Co. KGaA

Dr. Anne Holsten (Berlin)
Senior Researcher, Bauhaus der Erde gGmbH

Essimari Kairisto (Korschenbroich)
Member of the Supervisory Boards of Fugro N.V., Huhtamäki Oyj, Iveco Group N.V., MCF Corporate Finance GmbH, Neste Oyj and TenneT Holding BV.

Walter Schildhauer (Stuttgart)
Managing Partner, speedwave GmbH

Professor Dr. Emanuel V. Towfigh (Bad Soden)
University Professor, EBS University Law School

Dr. Jürgen Zeschky (Bellwald, Switzerland)
Member of the Supervisory Board at Enercon; Board member of the Aloys Wobben Foundation; Member of the Shareholders' Committee of Messer Investment Holding

Zhiqiang Zhang (Beijing, China)
Non-Executive Director of BlueScope Steel; President of Fortescue Energy; President of Swiss Chamber of Commerce in Beijing; Operating Partner of CITIC Capital

BOARD OF MANAGEMENT



From left: Heislitz, Möhlenkamp, Loidl and Herr

Claus Möhlenkamp,
Neustadt an der Weinstraße
Chief Executive Officer

Dr. Frank Heislitz,
Hofheim am Taunus
Member of the Board, CTO

Thomas Herr,
Alsbach-Hähnlein
Member of the Board, CFO

Esther Maria Loidl,
Heidelberg
Member of the Board, CHRO

As at December 31, 2025

EXECUTIVE COUNCIL

Members	Business Groups
Dr. Matthias Sckuhr (CEO)	Freudenberg Sealing Technologies
Babak Khodadadibashbolagh (CEO)	Freudenberg Flow Technologies
Frank Müller (CEO)	Vibracoustic
Dr. Andreas Raps (CEO)	Freudenberg Performance Materials
Dr. Alexander Rozmán (CEO)	Freudenberg Filtration Technologies
Takuya Yakata (CEO)	Japan Vilene Company
Karin Overbeck (CEO)	Freudenberg Home and Cleaning Solutions
Filip Krulis (CEO)	Freudenberg Chemical Specialities
Michael McGee (CEO)	Freudenberg Medical
Dr. Jan Kuiken (CEO)	Freudenberg e-Power Systems
and the Board of Management	
Membership of the above-mentioned ten senior executives in the Executive Council takes stronger account of the perspectives of the Business Groups with regard to overarching issues.	

MANAGEMENT OF THE BUSINESS GROUPS

Management	Business Groups
Dr. Matthias Sckuhr (CEO and Member of the Executive Council), Kerstin Borrs (CFO), Gary VanWambeke (CTO)	Freudenberg Sealing Technologies
Babak Khodadadibashbolagh (CEO and Member of the Executive Council), Bozidar Grcevic (CFO), Dr. Kai Ziegler (CTO)	Freudenberg Flow Technologies
Frank Müller (CEO and Member of the Executive Council), Dr. Jörg Böcking (CTO), Marina Cacciutti (CFO), Axel Wersel (COO)	Vibracoustic
Dr. Andreas Raps (CEO and Member of the Executive Council), John McNabb (CTO), Jens Reinig (CFO)	Freudenberg Performance Materials
Dr. Alexander Rozmán (CEO and Member of the Executive Council), Dr. Matthias Götzfried (COO), Christian Ott (CFO)	Freudenberg Filtration Technologies
Takuya Yakata (CEO and Member of the Executive Council), Yukiyasu Izuta (CFO), Tatsuo Nakamura (CTO)	Japan Vilene Company
Karin Overbeck (CEO and Member of the Executive Council), Alexander Thoma (CTO), Dominik Thoma (CFO)	Freudenberg Home and Cleaning Solutions
Filip Krulis (CEO and Member of the Executive Council), Dr. Sebastian Weiß (CFO)	Freudenberg Chemical Specialities
Michael McGee (CEO and Member of the Executive Council), David Balcom (COO), Kurt Ziminski (CFO)	Freudenberg Medical
Dr. Jan Kuiken (CEO and Member of the Executive Council), Don Kleist (CFO)	Freudenberg e-Power Systems

REPORT OF THE SUPERVISORY BOARD



Mathias Thielen (Chairman)

2025 was a year shaped by global and technological changes, economic uncertainty and geopolitical tensions. Customs tariffs were increasingly used not merely as an instrument of economic policy, but also to serve general political purposes. The imposition of such measures at short notice significantly disrupted planning certainty and impacted international supply chains. Furthermore, higher exchange rate volatility – in particular the marked depreciation of the US dollar against the euro – brought challenges. The Freudenberg Group responded flexibly to these and other external factors while continuing to implement the overarching strategic objectives. These include a strong balance sheet with a high equity ratio, liquidity and cash flow. The prudent continuation of internationalization is becoming increasingly important. We must also accelerate the pace of our progress along our chosen portfolio development path. In this context, we must achieve even broader diversification and further realign the intensity of business in certain industries. To reduce the portfolio risk and following extensive analysis and discussion, the Board of Management took the decision in the 2025 financial year to shut down the battery and fuel cell systems business and dismantle the Freudenberg e-Power Systems Business Group. The Supervisory Board was closely involved in these activities and kept updated on major developments by the Board of Management. There was close, mutually trustful coordination between the CEO and the Chairman of the Board of Partners. In addition, the Supervisory Board advised the Board of Management in the management of the Group and oversaw and monitored the conduct of business. Furthermore, the Chairmen of the Supervisory Board and the Audit Committee, together

with the Board member responsible for Finance, exchanged information on a regular basis.

The year under review was marked by important changes in the Board of Management and the Supervisory Board of Freudenberg SE: Claus Möhlenkamp took over from Dr. Mohsen Sohi to **lead the Board of Management** with effect from July 1, 2025. Dr. Mohsen Sohi served as CEO from 2012 and retired when his employment contract expired at the end of June 2025. The Supervisory Board expresses its special gratitude for his successful tenure. The carefully planned transition to Claus Möhlenkamp ensured a smooth knowledge transfer and stability in corporate governance. Anna Maria Braun and Dr. Richard Pott were reelected to the **Supervisory Board** in 2025. Dr. Daniela Favoccia and Zhiqiang Zhang were elected as new Supervisory Board members. Dr. Christoph Schücking retired from the Supervisory Board after serving for many years, and Carlos M. Cardoso also stepped down. The Supervisory Board thanks them for their expertise and their commitment on behalf of the company. Dr. Richard Pott is the new Deputy Chairman of the Supervisory Board.

The **Supervisory Board held eight meetings** in 2025, one of them at our Regional Corporate Center in Shanghai, China. The markets, sales and earnings development, the financial situation, the strategy, and the risk management of the Group were analyzed and discussed at the ordinary meetings.

The Supervisory Board consulted on **investments, portfolio development and acquisitions** designed to strengthen key areas of business and lay the basis for sustainable growth. Examples include the acquisitions made by Freudenberg Chemical Specialities and Freudenberg Sealing Technologies. Moreover, Freudenberg Home and Cleaning Solutions is seeking the takeover of Nilfisk Holding A/S, Copenhagen, Denmark, a leading provider of professional cleaning products.

2025 was also characterized by the discussion on whether, in view of geopolitical developments, Freudenberg should make adjustments to its value system, in particular with reference to participating in armaments activities. The Supervisory Board and the Board of Management – with the involvement of the Freudenberg family as owners – unanimously decided to **maintain the existing values**.

The **Audit Committee** met six times in the year under review. In the first two meetings, the Audit Committee consulted on the annual financial statements and consolidated annual financial statements as at December 31, 2024, and the report concerning these annual financial statements prepared by the auditor. The auditor also presented its opinion on the standard internal controls applied by Freudenberg. Other issues addressed by the Audit Committee were risk management in the Group, the management of cybersecurity risks, the work of the Ethics Office, the status of work on EU sustainability reporting, and the compliance management system. Corporate Audit reported on the internal audits at the ordinary meetings of the Audit Committee.

The **Personnel Committee** met four times. One key topic was the leadership transition from Dr. Mohsen Sohi to Claus Möhlenkamp. The Committee also gave guidance on personnel decisions at Business Group and Corporate Function level and addressed the talent management process.

The **Innovation and Technology Committee** held four meetings. Items on the agenda included innovation key performance indicators, patent protection, and digitalization. One subject discussed at particular length was the use of artificial intelligence, that brings with it both major challenges – for example with regard to regulation and qualification – and significant opportunities in terms of efficiency improvements and new business models. The Committee also addressed sustainability targets, in particular with reference to CO₂ reduction.

The annual financial statements, the consolidated financial statements compiled pursuant to IFRS, the combined management report for Freudenberg SE and the Group as well as the dependent company report for 2025 for Freudenberg SE were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Germany, and were approved without reservation. All Supervisory Board members were provided with the documentation for the annual financial statements and the audit reports in due time. The Supervisory Board approved the consolidated financial statements and the combined management report of Freudenberg SE and the Group as well as the annual financial statements of Freudenberg SE and, following examination, concurred with the auditor's findings. The annual financial statements of Freudenberg SE as at December 31, 2025 are therefore adopted. The report drafted by the Freudenberg SE Board of Management in

compliance with Section 312 AktG (German Stock Corporation Act) regarding relations with affiliated companies (dependent company report) was audited by the auditor, who issued the following opinion: "Pursuant to Section 313 AktG, we have been engaged to audit the report of the Board of Management on relations with affiliated companies for the financial year from January 1 to December 31, 2025, prepared in accordance with the provisions of Section 312 AktG. Based on the results of our audit, the dependent company report does not give rise to any reservations. In accordance with Section 313 (3) 1st sentence AktG., we have therefore issued the following opinion:

Based on our audit and assessment which were carried out in accordance with professional standards, we confirm that:

1. The factual statements made in the report are correct,
2. The payments made by the company in connection with legal transactions detailed in the report were not unreasonably high,
3. There are no circumstances in favor of a significantly different assessment than that made by the Board of Management in regard to the measures listed in the report."

The Supervisory Board examined and approved the report on relations with affiliated companies and signed off on the auditor's report. The Supervisory Board's examination of the report on relations with affiliated companies did not result in any objections to the concluding statement by the Board of Management in the dependent company report.

The Supervisory Board expresses its **thanks** to the Business Group managing bodies and the Board of Management for successfully overcoming the numerous challenges in the year under review, for their prudent and decisive actions and successful management of business. Special thanks go to all Freudenberg employees for their tremendous effort and successful commitment during another challenging year.

Weinheim, March 20, 2026
For the Supervisory Board



Mathias Thielen
Chairman

FOREWORD OF THE BOARD OF MANAGEMENT

The Freudenberg Group stayed committed to its path in 2025 – with confidence, courage and a clear, forward-looking perspective. Conditions proved taxing: we faced multiple challenges in the form of global upheavals, economic uncertainty, new regulatory requirements, as well as rapid advances in digitalization and artificial intelligence. These difficulties were compounded by weak demand in key markets such as the automotive industry. Nevertheless, we did not slacken our pace – on the contrary: we recognized opportunities and broke new ground. We look to the future with considerable optimism. Our foundation is solid: financial strength, an innovative spirit and a corporate culture shaped by trust and cooperation.



Claus Möhlenkamp (CEO)

Investments in our future viability

The whole world is currently undergoing a period of profound change – technological, economic and political. The pace of many of these changes is at times breathtaking.

Through its 177-year history, Freudenberg has already often proved its ability to shape change. The company is adept at productively combining aspects such as “stability”, “adaptability” and “consistent further development”. The result is a broad portfolio of high-performance products.

For this to remain the case, we cannot afford to rest on our laurels: time and again, we must ask ourselves whether we have laid the right foundations for the future. Are we maximizing our potential? Are our products and services helping our customers to succeed?

Acquisitions strengthen our Business Groups

At Freudenberg, customer centricity is the responsibility of the Business Groups. They are the core of our company, take charge of operational business and have a free hand in designing their operations to suit their particular market and technology environment. Acquisitions in the year under review totaled some €800 million – aimed at strengthening our Business Groups and driving sustainable growth. Examples include the acquisition of Fuji Seiko in the medical technology sector, the purchases in the food industry sector for the Freudenberg Chemical Specialities Capol brand, and the takeover of the DMH Group by Freudenberg Sealing Technologies, thus strategically developing its service business.

Moreover, Freudenberg Home and Cleaning Solutions submitted a takeover bid to acquire all the shares of Nilfisk Holding A/S, Copenhagen, Denmark. Nilfisk is a leading provider of professional cleaning products. Among other advantages, the transaction would expand our growth potential in the field of autonomous mobile cleaning robots.

Continued investment in research and development

Our high level of investment in research and development continues in these economically challenging times: in the year under review alone, investments ran at some €580 million. This represents 4.9 percent of sales. We are investing some €214 million in AI-enabled research through 2028 – supported by the European Investment Bank. Artificial intelligence will be a crucial success factor for the future: it can improve efficiency and quality and can unlock new innovation potential in all our businesses.

Financial KPIs

Sales

11,731.9

Previous year: 11,947.5
(€ million)

In a challenging environment Freudenberg could not quite match the record figures of the previous year. Exchange rate effects in the amount of €281.6 million had a negative impact on sales and prevented sales from topping the €12 billion mark.

Operating result

1,092.7

Previous year: 1,132.4
(€ million)

Productivity improvements and positive pricing effects largely offset lower sales volume, wage and salary increases and negative exchange rate and customs tariff effects. However, targeted expenses for forward-looking acquisitions adversely affected earnings.

Return on sales

9.3%

Previous year: 9.5%

Consolidated profit

361.9

Previous year: 724.8
(€ million)

Equity ratio

57.1%

Previous year: 56.8%

CAPEX

456.0

Previous year: 501.5
(€ million)
(investments in property, plant and equipment, inter alia)

Research and development

Investments

579.5

Previous year: 604.4
(€ million)

R&D ratio

4.9%

Previous year: 5.1%
(share of R&D investment in sales)

New products

31.5%

Previous year: 30.8%
(share of sales in products introduced less than four years ago)

New sites worldwide

We have also invested in sites, machinery and equipment worldwide. In Germany, EagleBurgmann opened the new Innovation Center in Wolfratshausen, and Corteco, our specialist for the independent automotive aftermarket, commissioned its new warehouse in Weinheim. In addition, Freudenberg Sealing Technologies and Vibracoustic each invested in a new facility in Querétaro, Mexico. Freudenberg Medical expanded its presence in Costa Rica, opening a second facility in Coyoil. Furthermore, Freudenberg Filtration Technologies strengthened its residential filter business with a new facility in Lebanon, Indiana, USA.

Structural and operational realignments

At the same time, we are aware of the speed at which our environment is changing. Freudenberg has reported declining sales volume – in other words, the quantity of products sold – for the last three years, the markets remain fragile, and global trade is becoming ever more complex. The fact that our overall market share nevertheless remains stable testifies to the strength and resilience of our company. One thing is clear, however: transformation is not optional – it is imperative. That is why we are consistently realigning structures and operations, fine-tuning our portfolio, and thus shaping the company for the future.

Dismantling of Freudenberg e-Power Systems

We make fundamental changes to our structure wherever markets so require – as is currently the case for our Freudenberg e-Power Systems Business Group.

Overall, development of our battery and fuel cell systems business in recent years has been disappointing. The prospects for this business are unclear and difficult. For this reason, we dismantled the organizational structure of the Freudenberg e-Power Systems Business Group effective January 1, 2026. The Business Group's regular business activities have ceased. The only business to be conducted in 2026 will be the processing of existing orders and the settlement of existing obligations. The business with battery cells, modules and systems as well as the

fuel cell systems business will not be continued. The "Hydrogen Components" business will, however, continue and has been integrated into the Freudenberg Sealing Technologies Business Group.

Further market realignments

At Freudenberg, every business must be economically independent and contribute to the success of the entire Group. That is why we are also realigning our activities in the "Automotive" and "Textile and Apparel" segments as well as in other areas where general demand has undergone change. All Business Groups initiated restructuring programs in 2025 to specifically adapt their structures to the new market conditions and customer requirements.

This led to changes in our global footprint and our production capacities. Implemented measures included full and partial plant closures, the relocation and consolidation of production capacities and the expansion of shared service activities.

Our headcount also reflects these measures: even though new colleagues joined the Freudenberg Group in 2025, for example through acquisitions, the number of employees decreased by approximately 1,100 – partly due to restructuring. Many of the measures introduced in the year under review involve workforce reductions over several years.

Bundling expertise

In November 2025, we announced our decision to acquire all the remaining shares of Japan Vilene Company Ltd., Tokyo, Japan, from Toray Industries, Inc., Tokyo, Japan.

As the sole owner, we are now analyzing how we can integrate the activities of Japan Vilene Company with those of Freudenberg Performance Materials and Freudenberg Filtration Technologies. Findings will be forthcoming in time for the next strategy period 2027 to 2029.

People at Freudenberg

Employees worldwide

50,968

As at December 31, 2025, Freudenberg employed 50,968 people.

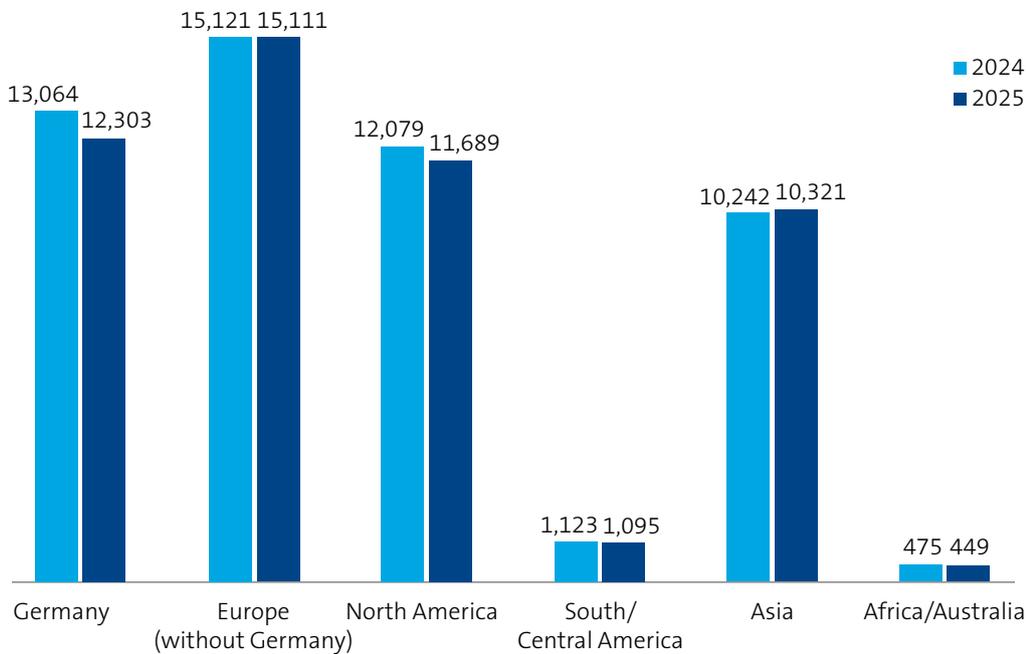
147

Freudenberg Group employees come from 147 different nations.

60

There are Freudenberg sites in some 60 countries.

Employees by regions



Employee distribution

Average length of service worldwide:

10.6
years

By age:

29% over 50 years

56% 30 - 50 years

15% under 30 years

By function:

65% production

7% research & development

17% sales

11% administration

LDIFR

(Lost Day Incident Frequency Rate)

1.6

(all accidents at work with at least one day lost per million hours worked)

CO₂ neutrality: new interim goal

Sustainability is a central theme for Freudenberg. On the one hand, our goal is for our products to help our customers operate more efficiently and sustainably. On the other, the Group is consistently driving the energy transition within the company itself. Our goal is to be CO₂ neutral by 2045 at the latest. Since 2020, we have reduced our CO₂ emissions – measured relative to sales – by 51 percent (referred to scope 1 and 2).

As a result, we are moving along the path to climate neutrality better and faster than originally expected. The initial goal was a 25 percent reduction by the end of 2025. We have therefore set ourselves an ambitious new interim goal: by 2030, we aim to reduce our CO₂ emissions by 65 percent (again compared to 2020).

Corporate citizenship

With regard to corporate citizenship, Freudenberg combines continuity and a long-term orientation with the flexibility to provide help wherever there is urgent and swift need. This combination makes the Group's commitment so diverse. For example, the Freudenberg Group expanded the training center opened in Nagapattinam, south India, in 2009.

Freudenberg also celebrated the tenth anniversary of its global program for education and environmental protection. Since this program was launched in 2015, the Group has provided a total of €24 million to fund charitable projects and already supported more than 230 projects.

Outlook

We expect technological changes, geopolitical tensions and economic uncertainty to continue. There will be challenges such as energy supply and supply chain risks, raw material bottlenecks and price increases. To handle these issues effectively, we will remain agile at all our sites throughout the world and continue to respond swiftly and flexibly to the ever-changing requirements. Customer centricity will be a permanent focus of all efforts. This principle applies for all sectors and regions. We will also continue to invest in long-term projects. Key strategic themes are the mobility transformation, digitalization and artificial intelligence, and sustainable solutions.

Through our investments, acquisitions and restructuring efforts we have laid the foundation to hold our own in what will remain a challenging environment, and to see further organic growth.

Thanks to employees and customers

On behalf of the entire Board of Management, I would like to express our sincere thanks to our managers and employees for their commitment, their creativity and their reliability. We would also like to express our appreciation to our customers and business partners for their trust and outstanding cooperation. They can continue to count on our support. Together, we will successfully master all challenges as we move into the future.

Weinheim, March 20, 2026
For the Board of Management



Claus Möhlenkamp
CEO

Sustainability at Freudenberg

In the year under review, the Group continued to reduce CO₂ emissions. In particular, the share of renewable energies increased year-on-year. Energy consumption was lower than the previous year's level. Since 2020, Freudenberg has reduced Scope 1 and 2 CO₂ intensity, i.e. CO₂ emissions (t) per million euro sales, by 51 percent to 43 tonnes. The corresponding absolute values show a reduction of some 264 kt CO₂, or 34 percent of the CO₂ emissions in the base year. At the same time, the accuracy of the KPIs has improved since 2020. Over the coming years, Freudenberg intends to confirm this trend and continue to improve.

Energy use

Energy use	2024	2025	Change in %
Total energy consumption [GWh]	2,485.2	2,395.1	-3.6
Direct energy [GWh]	880.9	853.8	-3.1
Indirect energy [GWh]	1,604.3	1,541.3	-3.9
Share of green electricity in total electricity consumption [%]	37.6	41.8	+11.2
Self-generated green electricity consumption [GWh]	7.39	14.11	+91
Energy intensity [kWh/euro sales]	0.21	0.20	-4.8

CO₂ emissions

CO ₂ emissions	2024	2025	Change in %
Total CO₂ emissions	569.2	506.2	-11.1
Scope 1 emissions [kt]	178.9	171.6	-4.1
Scope 2 emissions (market-based) [kt]	390.3	334.6	-14.3
CO₂ intensity [t/million euro sales]	47.64	43.15	-9.4

Waste

Waste generation	2024	2025	Change in %
Total waste generation [kt]	139	123	-11.1
of which hazardous waste [kt]	14	14	0
Waste intensity [t/million euro sales]	11.6	10.6	-8.7

COMBINED MANAGEMENT REPORT

FUNDAMENTAL INFORMATION

BUSINESS MODEL

Organizational structure

The Freudenberg Group (Freudenberg) is a global technology group whose goal is to strengthen its customers and society long-term through forward-looking innovations.

At year-end 2025, the number of companies in Freudenberg totaled 459 located in 55 countries. 430 of these companies were included in the

consolidation. 409 companies, including 148 sales companies and 183 production companies were fully consolidated. The remaining companies are holding or management companies.

Together with partners, customers and the world of science, Freudenberg's ten Business Groups aspire to develop cutting-edge products, excellent solutions and services for some 40 market segments and thousands of applications: seals, vibration control components, technical textiles, filters, cleaning technologies and products, specialty chemicals, medical products, and e-mobility solutions.

STRATEGIC MANAGEMENT FREUDENBERG & CO. KOMMANDITGESELLSCHAFT			
BUSINESS OPERATIONS FREUDENBERG SE			
Business Area Seals and Vibration Control Technology	Business Area Technical Textiles and Filtration	Business Area Cleaning Technologies and Products	Business Area Specialties
Business Groups	Business Groups	Business Groups	Business Groups
Freudenberg Sealing Technologies	Freudenberg Performance Materials	Freudenberg Home and Cleaning Solutions	Freudenberg Chemical Specialities
Freudenberg Flow Technologies	Freudenberg Filtration Technologies		Freudenberg Medical
Vibracoustic	Japan Vilene Company		Freudenberg e-Power Systems

As at December 31, 2025.

For further details on Freudenberg companies, please refer to the chapter entitled "Review of Operations by Business Area".

Freudenberg builds on long-term and reliable relationships with customers and partners. The partnership with NOK Corporation, Tokyo, Japan, for example, has proven itself for 65 years. Numerous activities in the Americas, Asia and Europe have been jointly established during the decades-long partnership.

Freudenberg and NOK Corporation jointly hold shares in several companies. Particularly worthy of mention are Freudenberg-NOK General Partnership, Wilmington, Delaware, USA, which is fully consolidated in the consolidated financial statements, as well as NOK-Freudenberg Singapore Pte. Ltd., Singapore, which is disclosed at-equity as a 50:50 joint venture in the consolidated financial statements.

Further details can be found under “Investments in joint ventures” and “Investments in associated companies” in the Notes to the Consolidated Financial Statements.

Across the globe, the Freudenberg Group’s products and services make a valuable contribution to the success of its customers – rarely visible, but always indispensable, in the spirit of the positioning that reads **“Freudenberg is a values-based technology group that best serves its customers and society”**.

It is Freudenberg’s goal to offer excellent technological and innovative products and services to **customers** in the passenger car and commercial vehicle industry, mechanical and plant engineering, textile and apparel industry, construction, mining and heavy industry, energy, chemical, oil and gas industry, medical technology, civil aviation and rail vehicles sectors, as well as to end users.

Innovative capability, strong customer centricity and close collaboration as well as diversity and team spirit are the cornerstones of the Group. Commitment to excellence, reliability and pro-active, responsible action have belonged to the company’s core values ever since it was founded in 1849.

Freudenberg introduced the “Strategic Guide” **leadership concept** in 2013. Based on this framework, the Board of Management concentrates on developing the Freudenberg Group strategy, approves major investments, draws up strategic guidelines, and defines strategic planning. The Business Groups are responsible for operational business.

Freudenberg has two **parent companies**: Freudenberg & Co. Kommanditgesellschaft (Freudenberg & Co. KG), Weinheim, Germany, is the strategic parent company, Freudenberg SE, Weinheim, Germany, is the parent company with responsibility for managing business operations. The corporate bodies of Freudenberg & Co. KG are the Management Board, the Board of Partners and the General Meeting. The corporate bodies of Freudenberg SE are the Board of Management, the Supervisory Board and the Shareholders Meeting. The composition of the Management Board of Freudenberg & Co. KG and the Board of Management of Freudenberg SE is identical. This also applies to the Board of Partners of Freudenberg & Co. KG and the Supervisory Board of Freudenberg SE.

Freudenberg is a **family company** owned by over 400 heirs (as at end-December 2025) to the founding father Carl Johann Freudenberg.

Organizational changes

Acquisitions and disinvestments and discontinued operations

In September 2025, Capol LLC, Wilmington, Delaware, USA, acquired all the shares of Blue Pacific Flavors, Inc., City of Industry, California, USA (“Blue Pacific Flavors”). Blue Pacific Flavors is a leading supplier of natural and organic flavors for beverages and confectionery. Blue Pacific will be integrated into the **Freudenberg Chemical Specialities** Business Group.

In December 2025, Freudenberg Italia S.a.s. di Freudenberg S.r.l., Milan, Italy, acquired all the shares of EULIP s.r.l., Parma, Italy (“Eulip”). Eulip is a leading producer of specialized plant-based oils and fats. Eulip will be integrated into the **Freudenberg Chemical Specialities** Business Group.

The following acquisitions were also made – likewise aimed at strengthening our Business Groups and driving sustainable growth. In accounting terms, however, these acquisitions are deemed “immaterial” for the purposes of the consolidated financial statements.

In August 2025, Klüber Lubrication GmbH (part of the **Freudenberg Chemical Specialities** Business Group), Weinheim, Germany, acquired all the shares of TriboServ GmbH & Co. KG, Geldersheim, Germany (“TriboServ”). TriboServ is an international supplier of automatic lubrication systems for industrial applications.

In June 2025, Capol GmbH (part of the **Freudenberg Chemical Specialities** Business Group), Elmshorn, Germany, acquired all the shares of Curt Georgi GmbH & Co. KG, Böblingen, Germany (“Curt Georgi”). Curt Georgi is a globally active supplier of natural and nature-identical flavors in the fields of confectionery, baked goods and ice cream.

In October 2025, Chem-Trend Limited Partnership (part of the **Freudenberg Chemical Specialities** Business Group), Lansing, Michigan, USA, acquired all the shares of Zander Colloids, LC, Fenton, Michigan, USA (“Zander Colloids”). Zander Colloids produces colloidal solutions, emulsions and dispersions

and offers specialized fluid processing services for a range of industries.

In October 2025, Freudenberg FST GmbH (part of the **Freudenberg Sealing Technologies** Business Group), Weinheim, Germany, acquired all the shares of DMH Dichtungs- und Maschinenhandel GmbH, Traboch, Austria, and of IIG – Industrial Investment GmbH, Traboch, Austria (“DMH Group”). The DMH Group specializes in the manufacture of customized sealing solutions from thermoplastics and elastomers, as well as metal components and tools.

In November 2025, Freudenberg-NOK General Partnership (part of the **Freudenberg Sealing Technologies** Business Group), Wilmington, Delaware, USA, acquired all the shares of Alto Products Corp. AL, Atmore, Alabama, USA (“Alto”). Alto manufactures clutch plates and automatic transmission parts.

In May 2025, Freudenberg Medical Europe GmbH (part of the **Freudenberg Medical** Business Group), Kaiserslautern, Germany, acquired all the shares of Fuji Seiko Co., Ltd., Yaita, Japan (“Fuji Seiko”). Fuji Seiko is a supplier of high-precision micro-tubing for minimally invasive devices for medical applications.

Furthermore, in the year under review the Freudenberg Group took the decision to dismantle the Freudenberg e-Power Systems Business Group with effect from January 1, 2026. The Business Group’s regular business activities have ceased. The only business to be conducted in 2026 will be the processing of existing orders and the settlement of existing obligations. The business with battery cells, modules and systems and the business with fuel cell systems will not be continued. The “Hydrogen Components” business will, however, continue as part of the Freudenberg Sealing Technologies Business Group. The decision does not represent an event within the scope of IFRS 5 as the operations do not meet the criteria for a discontinued operation within the meaning of IFRS 5.32 ff, and no assets were classed as “held for sale” as defined in IFRS 5.6 ff. The preparations made in the year under review had material effects on assets, liabilities and the consolidated profit.

Further information can be found in the chapter entitled “Acquisitions and disposals” in the Notes to the Consolidated Financial Statements.

Business processes

In the year under review, Freudenberg's Business Groups continued their intensive efforts to respond to **customers' needs** even more effectively and to optimize **business processes**.

Freudenberg recognized early that **digitalization** is a decisive factor for long-term competitiveness. More specifically, the use of **artificial intelligence** makes digitalization one of the most important technology drivers of our time. It is one key to increasing efficiency and creating added value for customers. Freudenberg makes use of digitalization in order to optimize processes, analyze data better, and develop new products as well as innovative business models. Digitalization is intended to help the Group to respond more swiftly to market changes and to drive innovation. Technologies such as machine vision, for example, can improve process parameters and automate production workflows, and can thus contribute to reducing defects and increasing product quality. Furthermore, digital tools already offer functions such as real-time monitoring and predictive maintenance. These can reduce downtimes and therefore lower operating costs, thus further enhancing both efficiency and competitiveness.

Numerous cross-functional Operational Excellence activities were implemented in 2025. This approach describes the quest for continuous and systematic improvement in productivity aimed at eliminating redundant process steps and reducing complexity. Operational Excellence underscores Freudenberg's ambition as a technology group to continuously enhance both the quality of its products and the efficiency of processes and services. The Group's ambition is to improve both cost efficiency and earnings quality in all divisions. A key factor for Operational Excellence is the targeted development of employees and corporate culture.

Further information on business processes can be found in the chapter entitled "Report on Opportunities and Risks".

RESEARCH AND DEVELOPMENT

Freudenberg continuously strengthens its technological expertise and purposefully develops its ability to innovate. The company seeks to ensure that its products and services consistently meet the highest standards of quality and reliability by systematically promoting the relevant technologies and innovation processes within the individual Business Groups. Freudenberg constantly delivers on its claim of “Innovating Together” through close cooperation with customers, scientific institutions and further partners.

A total of €579.5 million (previous year: €604.4 million) was expensed for research and development activities by the Freudenberg Group in the 2025 financial year. This represents 4.9 percent of sales (previous year: 5.1 percent). Research and development activities also include development expenses for customer-specific development projects disclosed under cost of sales in the consolidated statement of profit or loss. The figure does not include research and development expenses in the year under review arising in connection with the dismantling of the Freudenberg e-Power Systems Business Group. For further information, please refer to the section on “Earnings position”. The Business Groups account for the largest share of funds for research and development activities.

The Freudenberg Group measures the effectiveness of its research and development activities as the share of new products (products less than four years old) in total sales. In 2025, this share was 31.5 percent (previous year: 30.8 percent).

Twin-track innovation strategy as engine for sustainable growth

Freudenberg’s innovation performance is based on a clear strategic orientation aimed at closely interconnecting market knowledge and technological excellence. At the core is a twin-track innovation strategy: a forward-looking market and trend analysis intended to enable the early identification of new growth areas and seize strategic growth opportunities, coupled with the targeted use of new technologies – particularly artificial intelligence (AI) – to enable the entire innovation value chain to progress.

This approach underlines the claim that material and component innovations are always at the forefront of technology while also precisely aligning with the evolving requirements of the global economy.

Significant milestones in the year under review included embedding the “Foresight” approach in the organizational structure, the successful deployment of AI in research and development, production and the protection of intellectual property, and strengthening the Group-wide innovation network through the Global Innovation Forum.

Market trends as a foundation

Innovation at Freudenberg is based on a sound and thorough understanding of the global megatrends with a view to identifying opportunities and developing business areas. The aim is not merely to respond to existing demand, but also to proactively shape new growth areas, particularly those areas where the company's material and engineering expertise offer a sustainable competitive advantage.

“Freudenberg Foresight”, a structured, cross-Business Group process designed to systematically link long-term market visions with focused research and development investments, was implemented with this aim in mind. The Freudenberg Technology Innovation Corporate Function and the Business Groups collaborate closely to develop future scenarios and analyze possible disruptive changes in order to identify concrete requirements for materials, components and systems. This approach is firmly anchored in the innovation pipeline and forms the basis for strategic investment decisions.

The “Foresight” process serves the identification of several prioritized growth platforms where Freudenberg's core competences – particularly in specialty chemicals and materials, sealing technology and filtration – play a key role. The strategic focus in this context is on high-growth markets such as advanced robotics and autonomous systems, the food and health industry, data centers and semiconductor technology as well as heat pumps and sustainable energy solutions. In all these areas, Freudenberg delivers high-performance components that enable precision, reliability, energy efficiency and longevity, and are thus intended to contribute significantly to technological transformations.

Artificial intelligence as an enabler

The second innovation strategy engine is the systematic deployment of artificial intelligence in the early stages of value creation. AI can speed up development processes, shorten the time to market and take the performance of materials and products to a new level.

In the context of research and development, AI brings fundamental change, especially in material development. Large data sets on material properties, process

parameters and performance results can be analyzed with the help of materials informatics and data-driven models. As a result, new material compositions can be identified faster and their behavior in applications predicted with greater precision. For example, the properties and processability of advanced thermal barrier mats can already be predicted prior to laboratory synthesis. AI also opens up new avenues in lubricant development by converting desired performance properties direct into optimal formulations, thus dispensing with complex iterative test series.

Furthermore, AI is already in use in the product development process; at the same time, it is Freudenberg's objective to expand the use of AI. Generative design approaches and simulation-based optimizations enable highly-complex, customer-tailored solutions in shorter development cycles. Applications range from optimization of the ribbed structure of high-speed dry gas seals through to the development of precision components for minimally invasive medical devices where flexibility, torque transmission and buckling strength can be optimized virtually.

AI in production and virtual manufacturing

In production, too, AI is used to support selected operational processes. AI-enabled machine vision systems facilitate virtually flawless quality control in real time. Utilizing synthetic image data also improves the detection of rare or complex defects. Digital twins of production lines are also deployed. These virtual replicas enable the simulation and fine-tuning of production layouts, materials flows and human-robot interactions even before actual implementation. The objective is to further increase throughput, energy efficiency and the use of resources, as well as accelerating the path to industrial maturity for new production concepts.

AI-supported protection of intellectual property

In parallel with these efforts, Freudenberg makes targeted use of AI to protect its intellectual property. Development and IP teams establish transparency regarding state of the art and relevant activities on the part of competitors at an early stage through the automated analysis of the global patent landscape, technical documentation and scientific publications. This

is intended to shorten innovation cycles, reduce development and intellectual property rights risks and support the targeted identification of new technological scope for patents and other intellectual property rights.

Collaborative innovation culture

A central prerequisite for sustained innovativeness is a vibrant collaborative culture. In the year under review, the Global Innovation Forum brought together more than 300 managers and innovators from all over the world of Freudenberg. The exchange on strategic issues and concrete examples of AI applications throughout the innovation chain was instrumental in scaling successful approaches and anchoring them throughout the company.

On the occasion of the Global Innovation Forum, Freudenberg presented the Freudenberg Innovation Award – an innovation prize honoring outstanding innovation achievements presented every two years – to the Freudenberg Medical Business Group. Hemoteq, a company belonging to the Business Group, developed and marketed a drug-coated balloon catheter in close collaboration with a leading global medical device company.

Prizes and awards

Freudenberg also regularly recognizes outstanding innovation achievements outside the company in the form of external science prizes. For the first time, three different external prizes and awards were conferred in 2025:

The Karl Freudenberg Prize, presented in close collaboration with Heidelberg Academy of Sciences, is awarded every year in recognition of outstanding scientific achievements.

The Freudenberg Award – Digital Science was awarded for the second time in 2025 for outstanding academic theses from the Technical University of Darmstadt in the field of digitalization. The prize was set up to mark Freudenberg's 175th anniversary in 2024.

Furthermore, the Freudenberg Award – Mobility was presented in November 2025. Every two years, the company recognizes doctoral students from Karlsruhe Institute of Technology (KIT) for their work in the field of mobility systems.

All prizes and awards underscore Freudenberg's commitment to supporting young talent and innovative solutions at the interface between research and practice.

REPORT ON ECONOMIC CONDITIONS

MACROECONOMIC ENVIRONMENT

In 2025, development in global gross domestic product (GDP) lost momentum year-on-year. At 2.7 percent, the growth rate was 0.1 percentage points lower than 2024 (source: World Bank). As the year got underway, the success of central banks' monetary policy – in many cases in the form of a contractionary monetary tool – was obvious. Barring a few exceptions, inflation rates returned to within, or only slightly above, target corridors. However, (geo)political crises continued to impact investment activity. The higher import tariffs announced by the USA in April and the subsequent transition period with bilateral negotiations were an additional source of uncertainty for economic players. Although key interest rates in 2025 were well below the prior-year level, they were nevertheless still higher than the long-term lows in the period prior to the Corona pandemic.

In the USA, the new import tariffs caused prices to rise, although the impact of these increases on the inflation rate remained moderate. In the manufacturing sector, momentum picked up during the course of the year, albeit at a low level. Investments in artificial intelligence (AG) and the necessary data centers provided important economic stimuli.

The eurozone economy remained subdued. A high level of bureaucracy and comparatively expensive cost structures continued to impact international competitiveness. This was particularly evident in Germany. The eurozone's largest economy recorded no significant growth for the third successive year.

China maintained the previous year's growth rate despite weak domestic consumption and significant overcapacity. The effects of the trade conflict with the USA were offset by higher exports to other target regions, primarily ASEAN member states (Association of Southeast Asian Nations), but also countries in Europe and Africa.

India was again the world's fastest-growing major economy. Key drivers were the all-important agricultural sector, as well as investments, particularly from foreign investors.

EUROPE – GDP GROWTH		
Region	GDP growth 2024	GDP growth 2025
Eurozone	0.7 %	1.5 %
Germany	-0.2 %	0.2 %
France	1.1 %	0.9 %
Greece	2.3 %	2.0 %
Ireland	-0.5 %	12.6 %
Italy	0.5 %	0.7 %
Portugal	1.7 %	1.9 %
Spain	3.2 %	2.8 %
United Kingdom	0.9 %	1.3 %

Sources: Consensus Inc., national statistical offices
GDP growth 2025: as at February 2026
GDP growth 2024: as at date reported in previous year

WORLD REGIONS – GDP GROWTH		
Region	GDP growth 2024	GDP growth 2025
Argentina	-2.7 %	4.3 %
Brazil	3.3 %	2.3 %
China	5.0 %	5.0 %
India	6.3 %	7.3 %
Japan	-0.1 %	1.2 %
Mexico	1.6 %	0.4 %
Russia	3.4 %	1.4 %
Taiwan	4.3 %	8.6 %
USA	2.8 %	2.2 %

Sources: Consensus Inc., national statistical offices
GDP growth 2025: as at February 2026
GDP growth 2024: as at date reported in previous year

Sector-specific environment

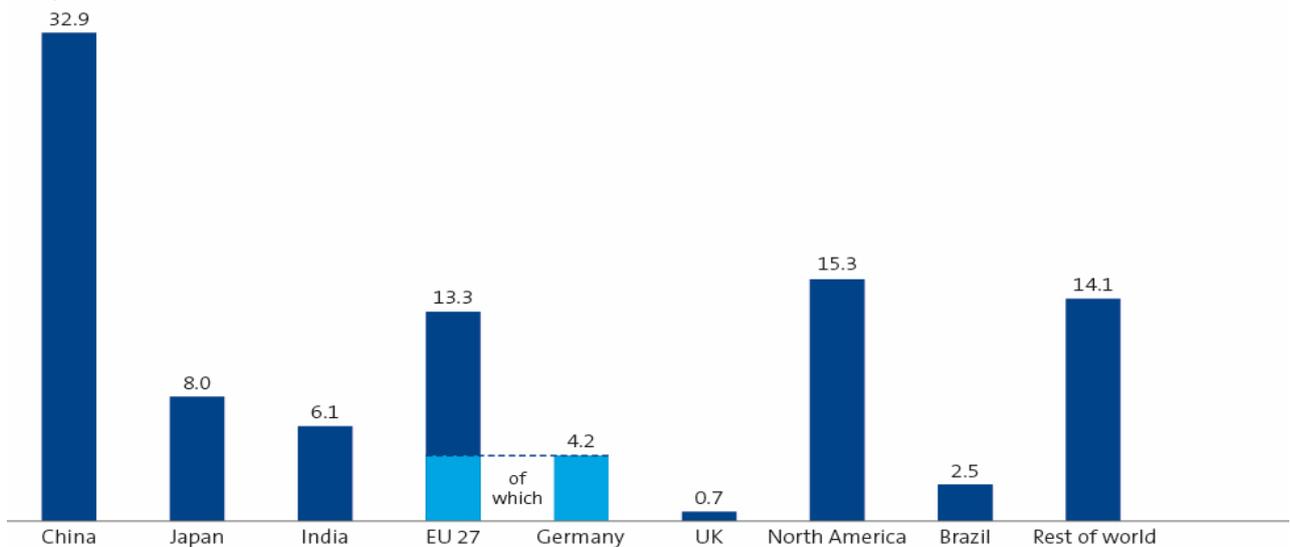
The changes in the macroeconomic environment also had an impact on the Freudenberg Group’s main sales markets.

Once again, the global **automotive industry** showed clear regional differences in 2025. Overall, global production of light vehicles grew 3.7 percent to 92.9 million units. China further extended its global market leadership with growth of 10.4 percent. India also reported a robust 7.2 percent increase. Brazil recorded growth of 3.1 percent, and Japan 1.3 percent. In contrast, fewer vehicles were produced in North America (-1.0 percent), the EU (-1.2 percent) and the United Kingdom (-16.3 percent). The share of all-electric vehicles (BEV) in global production rose to 15.8 percent, the share of high-voltage hybrid vehicles (PHEV, FHEV and REEV) grew to 16.3 percent (source: GlobalData, Marklines).

Starting from a weak prior-year level, the **mechanical engineering industry** saw production increase slightly by a global average of 1 percent. Once again, emerging economies were key growth drivers: China reported an increase of 5 percent, India 7 percent and Brazil 4 percent. In contrast, development in traditional industrial regions lagged significantly behind. The EU27 recorded a downturn of 3 percent, Japan saw a decrease of 1 percent and the USA reported stagnation (0 percent) (source: VDMA, national statistical offices).

The picture in the **textile and apparel industry** in 2025 was similar. Production grew further in China (3 percent), India (1 percent) and Brazil (6 percent). The decline in production continued in the EU27 (-4 percent) and Japan (-4 percent). The USA saw a positive trend reversal, with production increasing slightly by 1 percent (source: national statistical offices).

LIGHT VEHICLE DOMESTIC PRODUCTION
2025 production in million units (93 million units worldwide)



Source: IHS Markit, February 2026

Lower interest rates improved financing conditions for the **construction industry**. Uncertain employment prospects, however, along with tight budgets for commercial and public-sector construction projects, prevented a strong recovery. Production grew by just short of 1 percent in the EU27. The USA reported a decrease of 1 percent. In China, the negative trend quickened to -17 percent. In India, the robust upswing continued with growth of 9 percent (source: national statistical offices).

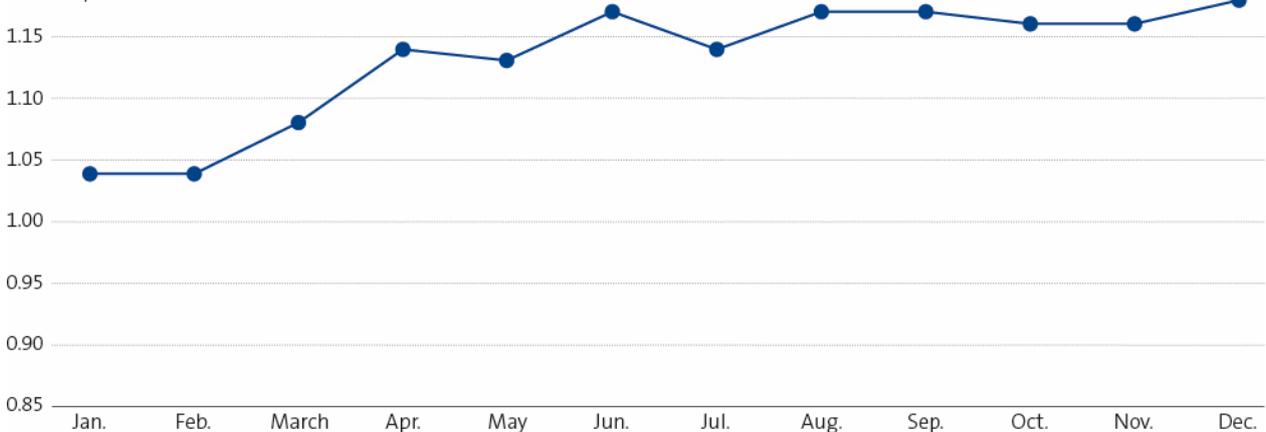
In the **chemical industry**, demand in many sales markets remained weak, often resulting in production downturns. The decline in the EU27 was 4 percent, with Japan and India each reporting a decrease of 1 percent. In contrast, production grew 4 percent in the USA and 8 percent in China (source: VCI, national statistical offices).

Owing to high levels of uncertainty concerning future income prospects and in light of persistently high prices due to inflation rates in the recent past, **private consumption** often recorded only modest growth rates, including 1.3 percent in the eurozone (source: national statistical offices).

The **oil price** was affected by weaker demand, primarily due to economic factors, in 2025, and followed a clear downward trend. The average annual price was US\$ 65.4 per barrel WTI, 15 percent lower than the previous year (source: EIA).

The **euro exchange rate** underwent a noticeable appreciation during the course of the year. At US\$ 1.13 per euro, the annual average was 4.6 percent higher than the previous year (source: Deutsche Bundesbank / European Central Bank).

EURO EXCHANGE RATE DEVELOPMENT IN 2025
US dollar per euro



Source: European Central Bank; month-end rates

BUSINESS DEVELOPMENT AND POSITION

For Freudenberg, sales, operating result and return on sales are the key financial performance indicators. The key performance indicator of operating result describes the result before income tax without special effects (for example, significant restructuring expenses), the profit or loss on disposals of assets, impairment of goodwill, or results of major associated companies. The return on sales is calculated from the two key performance indicators of sales and operating result.

In its internal reporting, Freudenberg uses the LDIFR (Lost Day Incident Frequency Rate) as a non-financial key performance indicator. This rate measures all accidents at work with at least one day of work lost per million hours worked. The indicator also includes data for temporary employees and agency staff.

The forecasts made at the beginning of the year with respect to the financial and non-financial key performance indicators are regularly reviewed and updated during the course of the year. The financial and non-financial key performance indicators shown are reported to the Board of Management on a monthly basis. This allows trends and changes to be identified in good time so that measures can be taken to counteract any detrimental developments.

The key financial performance indicators are used for assessing business success, the position and development of the Group, and focus on sustainable growth and a continuous increase in enterprise value as indicators for steering future, value-driven success.

Our performance indicators developed as follows:

FORECAST/ACTUAL COMPARISON FREUDENBERG				
	ACTUAL 2024	Forecast for 2025	Change	ACTUAL 2025
Sales [€ million]	11,947.5	slightly above prior-year level	-1.8 %	11,731.9
Operating result [€ million]	1,132.4	slightly increased	-3.5 %	1,092.7
Return on sales [percent]	9.5	slightly below prior-year level	-0.2 % points	9.3
LDIFR [LDI per million hours worked]	1.5	at prior-year level	+0.1	1.6

At €11,731.9 million, sales were slightly lower than the prior-year level of €11,947.5 million, and as a result, the forecast development was not fully met. This is mainly attributable to negative exchange rate effects and a decrease in sales volume despite positive effects from acquisitions and sales prices.

At €1,092.7 million, the operating result was also slightly lower than the prior-year level of €1,132.4 million and thus did not meet forecast development. The decrease is in particular attributable to lower sales as well as further negative exchange rate effects and due diligence costs for acquisitions with an adverse impact on earnings.

Once again, many occupational safety programs and initiatives were implemented at the individual sites of all Business Groups in the 2025 financial year. These

focused on designing safe work systems and the further development of safety culture at the sites.

The LDIFR in the 2025 financial year was 1.6 (previous year: 1.5), and as a result forecast development was not fully met. This is due to the slight rise in the number of accidents with more than one day of work lost in combination with the slight decrease in the number of hours worked. In contrast, there was a small decrease in the number of incidents without a lost-time injury requiring first aid treatment.

Sales

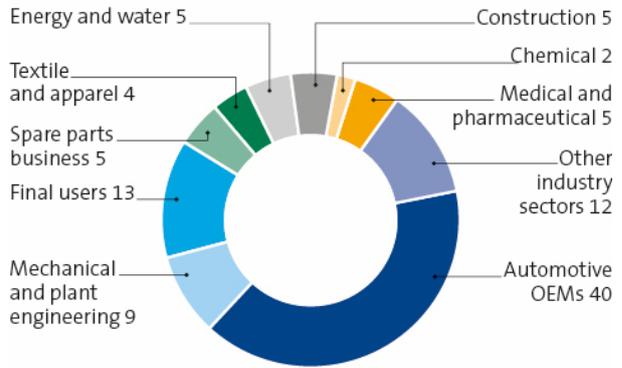
Freudenberg aims for profitable growth achieved both through its own efforts (organic) and through acquisitions (external). Key success factors are, in particular, the innovative product range, customer-centric and flexible solutions to problems in the different sectors of industry, and structured expansion into attractive markets and strategic business areas.

In the 2025 financial year, Freudenberg generated sales of €11,731.9 million (previous year: €11,947.5 million). Exchange rate effects totaling €281.6 million had a negative impact on sales. These effects were primarily characterized by developments in the exchange rates of the American dollar and the Chinese renminbi. Positive development in the exchange rate of the Polish Złoty had an offsetting effect. Acquisitions in the year under review accounted for sales of some €160.1 million. Disinvestment effects amounted to some €12.1 million. This includes sales of acquired or disinvested companies for the period until they are included or not included, as the case may be, in the consolidation of the Freudenberg Group for a full twelve months.

Sectors and regions

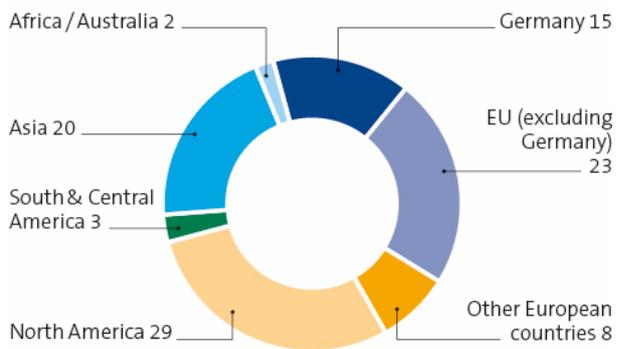
Sales distribution by sectors remained stable overall in the 2025 financial year. The share of sales to automotive OEMs decreased slightly to 40 percent (previous year: 41 percent). The share of sales to the construction sector also decreased slightly from 6 percent in the previous year to 5 percent in the year under review. There was a small increase in the share of sales to final users, which rose to 13 percent (previous year: 12 percent), as well as sales to other industry sectors, which went up to 12 percent (previous year: 11 percent). There was no change in the share of total sales compared with the previous year for the remaining sectors.

SALES BY SECTOR [in %]



The North America region accounted for 29 percent of total sales (previous year: 30 percent). Freudenberg generated a share of 23 percent (previous year: 23 percent) of total sales in the European Union, excluding Germany. The Asia region accounted for 20 percent (previous year: 20 percent) of total sales.

SALES BY REGION [in %]



Earnings position

[€ million]	2024	2025
Sales	11,947.5	11,731.9
Cost of sales	-8,134.6	-8,240.6
Gross profit	3,812.9	3,491.3
Selling expenses	-1,679.1	-1,691.5
Administrative expenses	-755.6	-768.4
Research and development expenses	-534.4	-632.5
Other income and expenses	105.8	55.3
Income from participation in joint ventures	23.1	23.9
Profit from operations	972.7	478.1
Financial result	44.7	-7.6
Profit before income taxes	1,017.4	470.5
Income taxes	-292.6	-108.6
Consolidated profit	724.8	361.9

In the year under review, the Freudenberg Group took the decision to dismantle the Freudenberg e-Power Systems Business Group effective January 1, 2026. This decision was made as a result of unfulfilled and changed expectations concerning the development of battery and fuel cell business. The decision does not represent an event within the scope of IFRS 5 as the operations do not meet the criteria for a discontinued operation within the meaning of IFRS 5.32 ff, and no assets were classed as “held for sale” as defined in IFRS 5.6 ff.

At €11,731.9 million, sales in 2025 were slightly below the level of the previous year. The related cost ratios were increased by the not insignificant negative impact of the dismantling of the Freudenberg e-Power Systems Business Group, explained in further detail below. The cost of sales ratio increased by 1.3 percent compared with the previous year, while the selling expenses ratio rose to 14.4 percent (previous year: 14.1 percent) and the administrative expenses ratio to 6.5 percent (previous year: 6.3 percent).

The ratio of research and development expenses to sales rose by 0.9 percentage points compared with the previous year, to 5.4 percent. The research and development expenses reflect effects from the dismantling of the Freudenberg e-Power Systems Business Group. On the other hand, the figure for research and

development activities was adjusted. The adjusted ratio of research and development activities to sales was 4.9 percent (see under “Research and development” above).

The regular business activities of the Freudenberg e-Power Systems Business Group have ceased. In 2026, only existing orders will be completed and existing obligations performed. Business with battery cells, modules and systems as well as fuel cell systems business will not be continued. The “Hydrogen Components” business unit will be continued and integrated in the Freudenberg Sealing Technologies Business Group. The measures taken in the year under review with respect to these changes had a significant impact, which is summarized below.

The effects arising in connection with the dismantling will concern the statement of profit and loss, especially:

- Impairments
- Expenses in connection with contract terminations and restructuring
- Effects of the disposal of non-current assets on the statement of profit and loss
- Effects from customer and supplier agreements

For greater transparency, these effects are presented by functional areas in the table below:

Functional areas	Effect from the dismantling of Freudenberg e-Power Systems
Cost of sales	-291.4
Selling expenses	-6.3
Administrative expenses	-14.2
Research and development expenses	-112.0
Other expenses	-21.7
Total	-445.6

The financial result declined by €52.3 million compared with the previous year, mainly due to net negative interest and exchange rate effects of €-40.6 million and the development of the Group’s share in the results of associated companies of €-17.7 million.

Overall, consolidated profit was €362.9 million below the prior-year level.

Financial position

Financing management

Freudenberg SE and the central financing company Externa Handels- und Beteiligungsgesellschaft mit beschränkter Haftung, Weinheim, Germany, manage all the financing activities of Freudenberg, thus ensuring that Freudenberg has sufficient liquid funds. As a general principle, companies obtain the financing they require via cash pool agreements or internal loans – for legal, fiscal and other reasons, financing in some countries also takes the form of bank loans guaranteed by Freudenberg SE.

Freudenberg does not engage in speculative financial risk-taking using derivative financial instruments, but uses such instruments exclusively for hedging purposes and thus to reduce risks arising from underlying transactions and existing positions. Future transactions are only hedged if there is a high probability of occurrence. In order to ensure the identification and management of all financing risks, the Freudenberg Group pursues a holistic approach to financial risk management. The existing financial risks are identified and limited in an institutionalized control loop.

Exchange rate risks on currency markets remain high. In addition, there continues to be volatility on the credit and capital markets. This also impacts the financing conditions for industrial companies. In the opinion of the Board of Management, Freudenberg is in a good position to tackle these challenges thanks to its conservative finance policy. Liquidity measures

include high reserves of liquid funds and committed credit lines with core banks. Liquid funds are always invested on the basis of internal directives. These call for the risk-based, limit-oriented diversification of financial investments between issuers with an investment grade rating and for investment only for short terms.

A key element in external borrowing is a long-term shareholder loan where the interest payable is oriented towards market interest rates for the same terms plus a premium.

As at December 31, 2025, Freudenberg had undrawn committed credit lines amounting to about €950 million. The interest payable on the certificates of indebtedness (“Schuldscheindarlehen”) included in the liabilities to banks is based on variable and fixed components. Further details on interest rate structure can be found in the section on interest rate risks in the Notes to the Consolidated Financial Statements.

In the year under review, Moody’s Deutschland GmbH, Frankfurt am Main, Germany, rated Freudenberg SE, Weinheim, as in the previous year, at “A3”, with a stable outlook. The Group therefore continues to hold a single-A rating. This gives Freudenberg very good creditworthiness at investment grade level.

STATEMENT OF FINANCIAL POSITION STRUCTURE				
	Dec. 31, 2024	Dec. 31, 2025	Change	
	[€ million]	[€ million]	[percent]	[€ million]
Assets structure				
Non-current assets	7,615.7	7,909.2	3.9%	293.5
Current assets	6,700.0	5,990.1	-10.6%	-709.9
Assets	14,315.7	13,899.3	-2.9%	-416.4
Capital structure				
Equity	8,132.9	7,929.7	-2.5%	-203.2
Non-current liabilities	2,242.0	1,929.8	-13.9%	-312.2
Current liabilities	3,940.8	4,039.8	2.5%	99.0
Equity and liabilities	14,315.7	13,899.3	-2.9%	-416.4

Capital structure

In the 2025 financial year, the statement of financial position total decreased by €416.4 million. The **equity ratio rose** from 56.8 percent to 57.1 percent. **Equity** fell by €203.2 million. This decrease is chiefly due to the negative exchange rate developments and the dividend payments made to the parent company Freudenberg & Co. KG and holders of noncontrolling interests. The decrease was partly offset by the positive consolidated result.

Non-current liabilities amounted to €1,929.8 million (previous year: €2,242.0 million). This development was mainly due to lower pension provisions and the reclassification of a parent-company loan to short-term financial debt.

The increase of €99.0 million in **current liabilities** to €4,039.8 million was chiefly due to higher other current liabilities and short-term financial debt. This development runs counter to the development in long-term financial debt as a result of the change in repayment terms.

Adjusted for exchange rate effects, non-current liabilities fell by 12.7 percent and current liabilities rose by 5.5 percent. As regards the currency structure, reference is made to the currency risk section of the Notes to the Consolidated Financial Statements.

Investments

Adjusted for acquisitions, investments in intangible assets, tangible assets and investment properties in the year under review amounted to €456.0 million (previous year: €501.5 million).

The Freudenberg Group invested worldwide. Freudenberg Medical invested in the new production facility for catheters and thermoplastic injection molded components in Costa Rica. Freudenberg Sealing Technologies made investments in machinery and technical equipment for the new facility for seals in Querétaro, Mexico, as well as an automated central warehouse for Corteco in Milan, USA.

Investments in Germany totaled €142.9 million (previous year: €181.2 million). Freudenberg Medical continued to invest in the development of the new production facility for Hemoteq in Alsdorf. In Weinheim, Freudenberg Sealing Technologies commissioned the completed new automated central warehouse for Corteco and started work on the construction of a new mixing plant for elastomers for the automotive and general industry sectors.

Investments planned for 2026 are likely to be financed from cash flow from operating activities and to have no major effect on net assets.

Liquidity

Cash flow from operating activities in the 2025 financial year amounted to €974.2 million, corresponding to a decrease of €314.7 million compared with the previous year. This fall was chiefly due to the lower profit before tax and was significantly affected by the dismantling of the Freudenberg e-Power Systems Business Group.

On balance, the large number of acquisitions completed in the year under review corresponded to a high outflow of liquid funds. As a result, the **cash flow from investing activities** reached €-1,099.6 million (previous year: €-524.1 million)

Cash flow from financing activities in the year under review was €-483.6 million (previous year: €-400.5 million). The cash outflows mainly concerned the repayment of financial debts.

On the basis of the assessment of the Board of Management, the Group can meet all of its payment obligations without any restrictions.

Assets

The total assets of Freudenberg decreased by €416.4 million to €13,899.3 million (previous year: €14,315.7 million).

Non-current assets rose from €7,615.7 million to €7,909.2 million. This development was chiefly due to a rise in intangible assets. The increase was partly offset by the fall in tangible assets and financial assets. Adjusted for exchange rate effects and changes in the consolidated group, non-current assets decreased by €77.1 million.

Current assets declined by €709.9 million to €5,990.1 million. This decrease was mainly due to a €672.5 million reduction in cash and cash equivalents, partially offset by an increase of €52.6 million in current income tax receivables. Adjusted for exchange rate effects and changes in the consolidated group, current assets fell by a total of €590.7 million.

Overall assessment

The 2025 financial year was shaped by a difficult economic and geopolitical environment affected by uncertain developments in global tariff policies, regional differences in the development of automobile production and continuing high price levels. The sales and the operating result of the Freudenberg Group were below the level of the previous year. While the Business Groups benefited from higher sales prices, exchange rate effects in particular had a negative impact.

As in previous years, Freudenberg continued to invest in the future viability of the Group in 2025. In addition to customer orientation, key strategic topics were the transformation in mobility, digitalization and sustainability. In the year under review, it was decided to organizationally dismantle the Freudenberg e-Power Systems Business Group with effect from January 1, 2026. The focus will be on the continuation of components business in the hydrogen field. Fuel cell systems business and the production of battery cells, modules and packs will cease. The measures taken in the year under review with respect to these changes had significant impact on the assets, liabilities and results of operations. Freudenberg continues to aim for profitable growth which may come both from its own resources and from acquisitions. In a volatile environment and especially in times of crisis, it is beneficial to be a broadly diversified company. We continue to aim for a balanced portfolio of cyclical and non-cyclical business with sales distributed evenly between North and South America, Europe and Asia. Against this backdrop, we further strengthened various Business Groups through acquisitions in the year under review. The liquidity situation of Freudenberg remains solid.

Furthermore, occupational safety continued to be one of the main focuses of the Group in the 2025 financial year. Nevertheless, there was a slight increase in the number of accidents with more than one last day. The non-financial performance indicator LDIFR was 1.6 in the year under review (previous year: 1.5).

Against the backdrop of our solid net assets and financial position and our high-earnings business, our overall assessment of the economic position of the Group is positive.

REVIEW OF OPERATIONS BY BUSINESS AREA

The Freudenberg Group's ten Business Groups are divided into four Business Areas: "Seals and Vibration Control Technology", "Technical Textiles and Filtration", "Cleaning Technologies and Products", and "Specialties". They focus on long-term, sustainable and profitable growth.

Together with its partners, customers and the world of science, the Freudenberg Group aspires to develop cutting-edge products, excellent solutions and services for some 40 market segments and thousands of applications in the spirit of the positioning that reads "Freudenberg is a values-based technology group that best serves its customers and society".

Seals and Vibration Control Business Area

In the year under review, the Seals and Vibration Control Technology Business Area comprised the following Business Groups:

- Freudenberg Sealing Technologies (page 32)
- Freudenberg Flow Technologies (page 33)
- Vibracoustic (page 34)

Sales in this Business Area mounted to €6,008.6 million (previous year: €6,166.1 million). The headcount at the close of the financial year was 28,742 (previous year: 29,546).

Technical Textiles and Filtration Business Area

In the year under review, the Technical Textiles and Filtration Business Area comprised the following Business Groups:

- Freudenberg Performance Materials (page 35)
- Freudenberg Filtration Technologies (page 36)
- Japan Vilene Company (page 37)

In total, the Business Area generated sales of €2,550.4 million (previous year: €2,617.4 million). At year-end 2025, the headcount was 10,314, compared with 10,858 at year-end 2024.

Cleaning Technologies and Products Business Area

In the year under review, the Cleaning Technologies and Products Business Area comprised the following Business Group:

- Freudenberg Home and Cleaning Solutions (page 38)

Sales in this Business Area amounted to €1,352.9 million (previous year: €1,342.0 million). The headcount at the close of the financial year was 3,879 (previous year: 3,803).

Specialties Business Area

In the year under review, the Specialties Business Area comprised the following Business Groups:

- Freudenberg Chemical Specialties (page 39)
- Freudenberg Medical (page 40)
- Freudenberg e-Power Systems (page 41)

Overall, the companies in this Business Area generated sales of €2,083.6 million (previous year: €2,085.1 million) in the 2025 financial year. At year-end 2025, the headcount was 8,033, compared with 7,897 at year-end 2024.

FREUDENBERG SEALING TECHNOLOGIES



	2024	2025
Sales [€ million]	2,485.9	2,395.6
Workforce	13,010	12,539

Freudenberg Sealing Technologies offers customized sealing solutions for various market segments.

Business Group profile

Freudenberg Sealing Technologies is a global leader in the development of high-quality sealing solutions and components for a wide range of industrial applications. The company has always focused on technological excellence and continuous innovation. With its long-established materials and technology expertise, Freudenberg Sealing Technologies is a supplier for customers in the automotive industry and in general industry. The Corteco brand is a specialist for the independent automotive aftermarket.

The company also turns to progress through innovation in future-oriented industries such as e-mobility and renewable energies. Research, development and sustainability are key drivers – with the ambition to create high-performance solutions.

As a reliable development and service partner, Freudenberg Sealing Technologies offers its customers worldwide high-quality support and a focus on innovation, thus creating a steady stream of new solutions such as the DIAvent pressure equalization element, thermal barriers and cell caps for batteries as well as busbars and battery cell sealing materials.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Regional differences in automotive market: central issues are geopolitical risks, structural change, shifts in market share and high investments in battery-electric vehicle (BEV) market; low-level growth in general industry market
- Acquisition of DMH Group and Alto Products Corp.; new central warehouse in Weinheim; move to new location in Hamburg; new site in Querétaro, Mexico; first orders for cell caps, busbar solutions and thermal barriers
- Single-digit percentage year-on-year decline in sales; lower volumes and negative currency effects override acquisition effects
- Sales in Europe, North America and China lower than previous year; slight growth in South America
- Business Group's sales in automotive business lower than previous year; general industry business sales stable

FREUDENBERG FLOW TECHNOLOGIES



	2024	2025
Sales [€ million]	1,045.5	1,050.1
Workforce	6,185	6,089

Freudenberg Flow Technologies develops, manufactures and markets a broad range of high-quality sealing products.

Business Group profile

Freudenberg Flow Technologies is a leading international manufacturer of industrial sealing solutions. The Business Group with the EagleBurgmann brand develops, manufactures and markets a broad range of technologically high-quality products for pumps, compressors, agitators and special machines. The sealing systems are used where safety and reliability are paramount, for example in renewable and alternative energies, in the (petro-)chemical industry and refineries, in pharmaceuticals and food production, in power plants or water applications.

Freudenberg Flow Technologies offers its customers worldwide sealing solutions that enable entire branches of industry to operate more sustainably.

A close-knit sales and service network ensures excellent customer proximity and is complemented by digital offerings.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Healthy market growth in original equipment for pumps and in special applications such as marine, energy storage and mining; stable market conditions for spare parts in target segments such as oil & gas and (petro-)chemical
- Business Group presence expanded in key growth markets with new sites opened and existing locations expanded in Saudi Arabia, Qatar and Argentina
- Stable year-on-year sales development for Freudenberg Flow Technologies
- Stable sales growth, especially in the Middle East, Central Asia and Europe; sales decrease in Central America, India and Japan
- Growth for Business Group in original equipment for pumps and special solutions; positive trend in oil & gas segment; stable sales in (petro-)chemical and special applications

VIBRACOUSTIC



	2024	2025
Sales [€ million]	2,634.7	2,562.9
Workforce	10,351	10,114

At Vibracoustic, digitalization focuses on driving customer value creation and realizing internal efficiencies.

Business Group profile

Vibracoustic is a global leading NVH (noise, vibration, harshness) expert for the automotive industry and provides customized solutions that offer increased comfort, while contributing to efficiency, safety and the operating life of vehicles. With its know-how throughout the entire product life cycle and for all vehicle systems as well as its broad product portfolio, Vibracoustic focuses on solutions for current and future NVH challenges in all vehicle segments.

With a global network of development and production sites, the Business Group supplies components to almost all relevant light vehicle manufacturers as well as their direct suppliers worldwide.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Market environment influenced by declining vehicle production in Europe and North America, significant growth in China, geopolitical uncertainty, trade restrictions, delays in battery-electric vehicle (BEV) transformation, more intense competition and supply chain disruptions
- Production capacities in North America and Europe consolidated; AI projects launched; automation accelerated
- Adjusted for currency effects, sales slightly below the previous year, negatively effected by lower vehicle production in Europe and North America
- Stable sales trend in Vibracoustic product sales with slight organic growth in all regions except Europe; product sales development in Europe exceeds vehicle production trend
- Adjusted for currency effects, positive sales development in rubber and metal business; passenger car air springs business lower than previous year

FREUDENBERG PERFORMANCE MATERIALS



	2024	2025
Sales [€ million]	1,432.1	1,419.8
Workforce	5,366	5,149

The Business Group offers a broad portfolio of products – including advanced wound care solutions.

Business Group profile

Freudenberg Performance Materials is a leading global supplier of innovative technical textiles. Solutions from the Business Group are available in numerous markets and applications such as apparel and shoes, construction, coated technical textiles, energy, filter media, healthcare, household and outdoor, manufacturing and industry, mobility and transport.

Freudenberg Performance Materials customers benefit from a broad portfolio of materials and technologies, the manufacture of mass customization products, and an in-depth understanding of the industry.

The broad-based range of solutions used in many different sectors highlights the diversity of the Business Group’s portfolio. For the company, strong customer focus and a global presence that enables a flexible, market-oriented approach are key success factors.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Weak global demand and downturns in core markets; market environment impacted by geopolitical conflicts, economic uncertainty and tariffs
- Integration of the core business of the Heytex Group acquired in December 2024 and closure of the site in Fulda, Germany, in the “Coated Technical Textiles” Division; Apparel production location in Chennai, India, expanded
- Slight year-on-year decrease in Freudenberg Performance Materials sales
- Business Group’s organic sales in Asia-Pacific, Europe and North America lower than the previous year
- Positive development, e.g. in “Healthcare” and “Energy & Specialties”; downward trend in the automotive sector, in construction and in apparel

FREUDENBERG FILTRATION TECHNOLOGIES



	2024	2025
Sales [€ million]	664.4	634.6
Workforce	3,222	3,010

The Business Group's portfolio comprises filter elements and systems, technical services and digital applications.

Business Group profile

As one of the world's leading providers, Freudenberg Filtration Technologies develops and produces innovative filtration solutions designed to significantly improve the efficiency and operational safety of industrial processes and support a healthy indoor environment – at home, on the move and at the workplace.

The portfolio comprises filter elements and systems, technical services and digital applications – for optimal air quality management in the fields of mobility, energy, living, health, production, and building services engineering as well as demanding specialized applications.

With modern production facilities and development and test centers in all regions of the world, together with a sales network of approximately 30 locations, the Business Group has a global presence and can deliver on its commitment to customer proximity.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Challenging market environment shaped by macroeconomic and geopolitical risks; regional differences in automotive production; subdued consumer sentiment; mixed market trends in industrial applications
- Measures to secure competitiveness: site consolidation in the USA, reorganizational measures in China, Europe and the USA, LEAN roll-out to improve efficiency, investments in Germany and the USA
- Year-on-year decrease in sales mainly due to negative currency effects
- Strong sales growth in India; in North America higher sales in industrial and automotive filters largely offset decrease in residential filters; sales in Asia-Pacific and EMEA (Europe, Middle East and Africa) lower than previous year
- Slight increase in industrial filtration sales; demand-driven decrease in automotive filters, residential filters and air filters for end-user applications

JAPAN VILENE COMPANY



	2024	2025
Sales [€ million]	520.9	496.0
Workforce	2,270	2,155

The broad portfolio of products from nonwovens manufacturer Japan Vilene Company is used in many applications.

Business Group profile

Since it was established in 1960, Japan Vilene Company has been one of the leading nonwoven manufacturers on the Japanese market. The company offers a broad portfolio of products for a wide range of “Automotive”, “Medical”, “Electrical” and “Industrial” applications. Business in automotive floor mats underwent global expansion.

Japan Vilene Company operates 15 production sites worldwide, including two main sites in Japan.

Working in close cooperation with Freudenberg Performance Materials and Freudenberg Filtration Technologies, Japan Vilene Company operates a network of production and sales centers throughout Asia.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Market environment for Japan Vilene Company shaped by slowly recovering Japanese economy, supply chain uncertainty and higher raw material and energy prices
- Delivery of automotive floor mats began following expansion of production in El Llano, Mexico
- Total Business Group sales in euros slightly down year-on-year; negative exchange rate effects overcompensated for stable organic sales trend
- Lower sales in North America due to weaker demand and tariff effects; business in Japan grew, partly driven by strong demand for filters related to new data center construction; strong transdermal materials sales growth in China
- Automotive floor mat sales down year-on-year; industrial materials sales slightly higher than previous year; rising demand for battery separators for hybrid vehicles

FREUDENBERG HOME AND CLEANING SOLUTIONS



	2024	2025
Sales [€ million]	1,342.0	1,352.9
Workforce	3,803	3,879

Freudenberg Home and Cleaning Solutions has innovation centers and production facilities in all regions of the world.

Business Group profile

Freudenberg Home and Cleaning Solutions is a leading international company for branded cleaning products and household items. The products are sold inter alia under the brand names of Vileda, Vileda Professional, O-Cedar, Gimi, Oates, Gala, Wettex, Marigold and Vermop.

The Business Group is characterized by detailed market expertise among its employees, strong innovative capabilities, effective new products and a high level of customer focus. Added to these factors are international market and customer research, innovation centers and production facilities in all regions of the world, as well as a dedicated sales network in more than 35 countries.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Dull consumer climate in 2025 due to high price level triggered by inflation of recent years
- Expansion of production and admin facilities in Adas, India, reflecting rise in market demand; Takeover offer for Nilfisk Holding A/S submitted
- Single-digit percentage year-on-year sales growth for Freudenberg Home and Cleaning Solutions; in part attributable to product innovations in the “Floor Cleaning” segment
- Core market of EMEA (European economic area, Middle East and Africa) largest sales driver; slight positive trend in distributor markets; lower sales in America due to tariff policy, currency effects and higher price level; sales in Asia-Pacific region also slightly lower
- Despite adverse currency effects: sales increase in “Consumer” division; slight decrease in “Professional” business

FREUDENBERG CHEMICAL SPECIALITIES



	2024	2025
Sales [€ million]	1,491.2	1,509.2
Workforce	4,014	4,289

Products from SurTec, a Freudenberg company, are also used in aerospace applications.

Business Group profile

Freudenberg Chemical Specialities operates in several specialty segments such as lubricants, surface treatment technologies and release agents. To deliver the best possible value to customers in these segments Freudenberg Chemical Specialities is made up of specialized business units and brands – Klüber Lubrication, Chem-Trend, SurTec, OKS and CAPOL – each with specific market, technology and process expertise.

Klüber Lubrication is a globally active manufacturer of specialty lubricants. Chem-Trend is a globally active supplier of release agents, purging compounds, paper impregnation chemicals, additives and other process chemical specialties. SurTec is a globally active manufacturer of chemical specialties for surface treatment, electroplating and functional coatings. OKS is a specialist provider of high-performance lubricants and repair and maintenance products. CAPOL is a specialist provider of confectionery coatings, pigments, bio-based oils and fats, flavors and natural aromas for the food and beverage industry.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Volatility on Freudenberg Chemical Specialities global markets; demand in high-performance segments and for sustainable applications remains important growth drivers
- Focused strengthening of technology, market and production expertise through strategic acquisitions in Europe, North America and Asia to expand portfolio and unlock additional growth potential
- Single-digit percentage year-on-year growth in Freudenberg Chemical Specialities sales; chiefly attributable to increased demand for premium solutions in key markets
- Strong growth in sales in Asia, improved sales in North America; stable business in Europe and South America
- Higher sales in renewable energies, food industry and e-commerce; automotive business weaker overall

FREUDENBERG MEDICAL



	2024	2025
Sales [€ million]	378.9	393.7
Workforce	2,751	2,732

Electrophysiology catheters from Freudenberg Medical are used in the treatment of patients with atrial fibrillation.

Business Group profile

Freudenberg Medical is the global partner for the design, development and production of innovative medical devices that play a critical role in a variety of medical and pharmaceutical applications, thereby aiming to help improve people's health.

The portfolio includes complex catheter solutions, hypotubes, specialty needles, medical balloons and coatings for minimally invasive surgery, as well as precision-molded parts and custom tubing made of silicone and thermoplastic for the medical device and pharmaceutical industry.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Solid growth in the medical technology industry in year under review, with the exception of the market for medical and pharmaceutical tubing
- Opening of the second production facility in Coyol, Costa Rica, expands capacity for the production of medical devices on a large scale and strengthens near-shoring capability for North American customer base
- Slight year-on-year sales growth for Freudenberg Medical
- North America remains region with the strongest sales; acquisition of Fuji Seiko, a Japanese manufacturer of high-precision microtubing for minimally invasive devices, increased sales in Asia
- Strong customer demand for minimally invasive devices, coatings and metals; solid growth in the silicone business; decrease in thermoplastic sales

FREUDENBERG E-POWER SYSTEMS



	2024	2025
Sales [€ million]	82.4	37.6
Workforce	768	608

The Freudenberg e-Power Systems Business Group was dismantled with effect from January 1, 2026.

Business Group profile

Freudenberg e-Power Systems was a supplier of energy systems (battery and fuel cell technology) for heavy-duty applications.

The Business Group was dismantled with effect from January 1, 2026. This decision was made as a result of the unfulfilled and changed expectations concerning the development of battery and fuel cell business. The Business Group's regular business activities have ceased. The only business to be conducted in 2026 will be the processing of existing orders and the settlement of existing obligations. The business with battery cells, modules and systems as well as the fuel cell systems business will not be continued. The "Hydrogen Components" business will, however, continue and has been integrated into the Freudenberg Sealing Technologies Business Group.

Business development with statements on market environment, important topics and sales (total, regional, sectoral):

- Difficult market situation: declining battery market in the USA, fuel cell market also failed to meet expectations; investments and projects with customers delayed
- Freudenberg e-Power Systems Business Group dismantled effective January 1, 2026: "Hydrogen Components" unit transferred to Freudenberg Sealing Technologies; no continuation of business with battery cells, modules and systems or fuel cell systems
- Significant year-on-year decline in Business Group sales
- Sharp downturn in sales in North America due to market slowdown and delayed new products; negligible sales in Europe
- Large drop in battery system sales; negligible sales in fuel cells business

REPORT ON EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITION

Major events after the date of the statement of financial position which are not included either in the statement of profit or loss or the statement of financial position are explained in the Notes to the Consolidated Financial Statements under the section “Major events after the date of the statement of financial position”.

REPORT ON OPPORTUNITIES AND RISKS

Freudenberg is exposed to numerous opportunities and risks inseparably associated with business activities. Monitoring technological, political and social changes in particular is part of proactive entrepreneurship. This often generates opportunities to be harnessed in order to secure and specifically improve the company's competitiveness. Opportunities are addressed, pursued and reported throughout the year in the context of the annual planning process. Long-term opportunities for profitable growth are, inter alia, identified as part of the strategy process. Freudenberg operates a Group-wide risk management system to identify risks in a timely fashion and respond to them appropriately. Newly-acquired companies can temporarily increase the Group's risk profile as described below until the integration process has been completed. The following presentation is in line with the assessment of the Board of Management.

Opportunities

Global presence

Due to its global presence, Freudenberg has for many years been able to offer products and services at uniform worldwide standards. As a result, Freudenberg can keep pace with the international strategies of its customers, for example in production or research and development. Freudenberg has a tradition of leveraging this expertise in trusting working relationships with many customers from Europe or North America, and also in other continents. Vice versa, Freudenberg also successfully supports the international strategy of customers from emerging economies in Europe or North America.

Investments in strategic growth areas and regions

The Freudenberg Group's strategy envisages the continuous evolution of existing business through product and process innovations with the aim of achieving profitable growth at a rate exceeding that of the market in existing business areas. This is accomplished, inter alia, by expanding the portfolio through selective, targeted acquisitions, closing identified technology gaps and gaining access to new markets, thereby continuing the successful growth strategy in the defined areas. Examples in 2025 are the acquisition of Eulip Srl, Parma, Italy, or Blue Pacific Flavors, Inc., California, USA. Options to acquire new areas of business that complement Freudenberg's existing activities are also examined. In the long term, Freudenberg's goal is a strategically balanced portfolio of cyclical and noncyclical businesses with sales distributed evenly among the regions of North and South America, Europe and Asia.

Forward-looking product development

Social trends, ecological imperatives and the regulatory environment require constant change. Consumer behavior changes and growing expectations of products and services, for example with regard to the sustainability of products and their manufacture, are key drivers in the search for innovative solutions, new raw

materials and recycling opportunities. Significant market potential and opportunities for the future lie in the systematic focus on such changes and the Group's ensuing innovation activities at as early a stage as possible. Numerous product developments are to incorporate sustainability criteria such as material consumption, waste and energy saving, together with emissions reduction.

The Group-wide "Sustainability drives Climate Action" program bundles initiatives on saving energy, reducing CO₂ and the Group's positioning on climate protection and climate change. One focus in this context is on replacing fossil resources by sustainable materials. Several Business Groups already offer new products that are designed to meet the more stringent sustainability requirements and thus increase the process efficiency or longevity of forward-looking industrial equipment.

Mobility

Under the term "new mobility", Freudenberg offers its customers solutions covering the full spectrum of drive technologies, including optimized internal combustion engines, hybrid solutions and battery electric powertrains. Gas diffusion layers from Freudenberg are a performance-defining component in fuel cells. Traditional products such as the classic Simmerring have been further enhanced through targeted efforts to develop special conductive properties for applications in electric motors. Special seals for use in fuel cells, and components for the electromagnetic shielding of high-voltage parts in electric powertrains open up further fields of application, some of them new. New thermal barriers help reduce the risk of ignition or explosion of a battery cell in an electric vehicle. Other innovative components are designed to improve thermal management in battery cells or extend the service life of these cells. Filter systems from Freudenberg can be found in a broad range of vehicle types, including battery and fuel-cell drive systems. Freudenberg's strength as a development partner lies in its broad-based line-up, together with its industrialization know-how and its technology and materials competence.

Freudenberg considers itself well prepared for the changes in drive technologies in a range of applications, given that other components and systems

offset reductions in demand for products such as conventional seals. Going forward, Freudenberg intends to remain a competent provider of solutions for high-tech innovations for all types of drivetrains.

Digitalization

At Freudenberg, digitalization essentially centers on gaining a better understanding of customers' wishes, updating products and making them more innovative, and commercializing products faster. All efforts pursue at least one of two objectives: to enhance customer benefit or to leverage internal efficiencies.

Real-time measurement in machines ensures efficient maintenance work based on actual requirements. Examples of new digital applications include sensor technology that can continuously monitor the condition of a seal with integrated predictive spare parts management and documentation. An electrically-conductive biocompatible silicone can direct electric currents to specific areas of the body, for use in applications such as neurostimulation for pain treatment.

Freudenberg uses artificial intelligence, including agentic AI, augmented and virtual reality, as well as modern robotics to systematically evolve and optimize both material and product development and manufacturing processes. These technologies accelerate development processes, and enable simulations, data-driven decision-making and more efficient production flows. Planned production lines or entire factories, for example, can be virtually simulated and optimized. Disruptive events can therefore be tested digitally and avoided in reality in order to minimize production downtime risks.

At the same time, new requirements for sensor technology, materials, components and systems are emerging in many industries. For Freudenberg as a technology partner and acknowledged component supplier, this opens up further growth areas.

Internal working groups, known as Freudenberg technology platforms, develop the dynamically-evolving opportunities these technologies offer Group-wide in the form of scalable practical applications. In parallel, efforts focus on knowledge building and close networking with the business units to anchor new AI-based digital capabilities throughout the Group. In

addition, a cross-divisional AI project was launched in 2025: several sub-projects analyze the potential for increasing efficiency in SG&A processes with a view to developing the first scalable solutions, thereby laying further groundwork for the targeted expansion of AI-based digital capabilities within the whole Group.

Further development of strategic themes

Throughout the world regions, Freudenberg's know-how and innovative capability are used in some 40 market segments and for thousands of applications. The company engages in numerous activities specifically targeted at pooling this knowledge, because the potential generated in this regard makes a key contribution to securing the future. Synergies across the Business Groups are to be further advanced to drive key strategic themes such as digitalization and artificial intelligence in the field of automation, sustainability, material and product excellence. Joint projects and programs are always implemented with the involvement of the relevant experts and achieve concrete results.

The Freudenberg Technology Innovation corporate function focuses on the future-oriented technological development of the Group as a whole. Independently identified trends, technologies and developments, together with technology topics from within the Group, are bundled into strategic subject areas and structured for further development. This includes the ability to analyze complex data sets as the basis for developing AI models with the aim of securing and extending the competitiveness of materials, products and processes on a long-term basis. In this context, strengthening existing external and internal networks and establishing new ones is becoming increasingly important in order to identify trends promptly, evaluate them and work on solutions together with partners.

Talent management

A talent management process covering the majority of employees worldwide has been in place at Freudenberg for several years. A shared HR system landscape enables standardized assessment systems with uniform skills profiles and definitions of potential. Improved comparability of assessments, more efficient

personnel development and long-term personnel planning allow Freudenberg to take personnel decisions on the basis of sound and reliable information.

Freudenberg has engaged in diversity & inclusion initiatives for ten years and actively encourages the diversity of a corporate culture where all employees feel valued, respected and heard. By harnessing the strengths, abilities and talents of employees from all classic dimensions of diversity (age, gender, ethnic origin, sexual orientation, religion and disability) and unlocking their potential, Freudenberg anticipates a broader talent basis and a greater degree of innovation and resilience.

Corporate risk management system

The Group's risk management system is a decentralized system oriented to the organizational structure. It covers all fully-consolidated Freudenberg companies. This process in particular ensures the structured identification, assessment, control and monitoring of main risks. Furthermore, the process includes appropriate risk communication and the continuous improvement of the corporate risk management system, also allowing the mapping of sustainability risks.

The primary objective of the corporate risk management system is the early identification of risks that, individually or in combination, might jeopardize the continued existence of the Group, and the initiation of appropriate countermeasures. The intention is not to avoid all potential risks, but rather to create the leeway for taking a deliberate decision to enter into a risk backed by a comprehensive knowledge of the main factors involved.

The risk management strategy is derived from the general strategy of the Group. The risk management system is continually developed, refined and audited. Controlling, internal auditing, the compliance organization, the Code of Conduct, the internal control system, various quality assurance systems as well as several corporate functions contribute significantly to the success of the Group's risk management.

Risks

Risks are defined as all future developments, events or actions that could have a negative impact on achieving the targets and strategies of the Group.

The following section sets out the risks that are significant for Freudenberg in descending order of materiality, based on both their quantitative and qualitative impact on the Group as well as their probability of occurrence. These quantifiable and non-quantifiable risks can have very differing impacts. In principle, they may occur individually and independent of one another, or simultaneously. In all cases, they have the potential to impact the net assets, financial position or results of operations of the Group directly or indirectly in the short or long term. Quantitative data are not disclosed because qualitative factors affecting operating activities such as failure to meet non-financial corporate targets or damage to the company's reputation are included in impact classification.

Macroeconomic and sectoral risks

Freudenberg offers solutions in many customer segments and sectors and is active in more than 60 countries worldwide. The broad diversification of the Group reduces dependence on individual customers, customer groupings, suppliers, raw materials, technologies, regions and countries. Freudenberg is actively involved in the development of alternative automotive drivetrain technologies through intensified research and development activities in various product groups, and tests the findings in several cooperation projects with industrial partners. At the same time, Freudenberg remains dependent on the global economic situation, particularly with regard to the general demand for its products and services. Various geopolitical tensions and conflicts – including the ongoing Russia-Ukraine war, military conflicts in the Middle East, international trade and tariff conflicts as well as embargo measures – affect the global economic framework. They have a direct and indirect impact on supply chains, resource availability and price developments. In spite of sustained efforts to diversify further, a slump in demand in a specific region or sector or a persistent international trade dispute, for example, can lead to a substantial decline in sales and earnings for Freudenberg and thus pose a significant risk. The Group closely monitors and tracks these developments. The US Supreme Court ruling at the end of February 2026 declaring the tariffs imposed by the US government to be unconstitutional does not at present result in any fundamental change in the assessment of our risks. The same applies to the current escalation of the Iran conflict.

Freudenberg has taken measures to limit the negative consequences of demand-side risks. In particular, the company has appropriate capacity flexibility and practices active working capital management. Freudenberg regularly monitors several success indicators and can thus respond promptly to negative developments. In the context of a long-term response to demand-side risks, Freudenberg makes targeted investments, particularly in research and development as well as in selected strategic growth areas.

Legal risks and compliance

As a globally active technology group, Freudenberg is exposed to numerous legal risks resulting from the company's global activities, the different legal systems and the nature of the different business areas. The risk lies in non-compliance with applicable laws and regulations. These include in particular risks in the fields of product liability, data protection, contractual warranty risks, competition and antitrust law, tax and excise duty law, M&A transactions, willful damage to assets, corruption, money laundering, infringements of intellectual property rights (patents and brand law), export controls, chemicals regulation as well as risks in the fields of occupational health and safety and environmental protection. The consequences of breaches of law can take the form of legal, economic or reputational damage. They depend on the nature of the infringement, the field of law and the country in which the infringement was committed. In extreme cases, legal risks could have a significant impact on Freudenberg.

Freudenberg has many measures in place to respond to these legal risks. Such measures include comprehensive quality assurance mechanisms tailored to the requirements of the respective business models and value chains, product specifications, instructions, regular training for employees, documentation, and contractual solutions containing provisions limiting liability. These measures are flanked by customary insurance cover which is carefully analyzed on an annual basis and, where necessary, adapted to changed conditions.

The Group conducts its global business in many different jurisdictions under different legal and regulatory frameworks that are constantly undergoing change and becoming steadily more complex. The scale and

scope of the laws and regulations that must be observed are subject to continual changes that are sometimes difficult to predict. This calls for the monitoring of legislative trends, interdisciplinary and cross-border communication as well as an appropriately swift response and pertinent measures. The necessary structures and processes are being put in place in a timely manner to implement the Corporate Sustainability Reporting Directive (CSRD). Reducing waste, lowering CO₂ emissions, HSE and compliance with the Code of Conduct have already been focal management topics for many years.

By tradition, compliance with laws and regulations as well as internal guidelines and Freudenberg's own Guiding Principles and Business Principles has very high priority at Freudenberg. Employees are made aware of and trained in the relevant legal risks for their respective Business Group and the regions of relevance for Freudenberg; they are expected to observe and comply with these requirements. To communicate compliance content for training, dialog and discussions, Freudenberg makes use of both printed documents and in-person seminars as well as web-based trainings, e-learning tools and interactive video conferences to reach as many employees as possible.

Despite all carefully applied control and prevention mechanisms in our compliance structure and compliance measures, there is a residual risk that is unavoidable given the size and complexity of our global organization and the significant increase in regulatory density. Furthermore, the possibility that employees from Freudenberg or from our customers or suppliers infringe third-party rights, thus triggering negative judicial consequences or damage the image or reputation of Freudenberg, cannot be entirely ruled out.

Information security risk

Modern business processes are to a significant extent based on information collected, processed, exchanged and stored digitally. Potential risks caused by disruptions in these processes could impact both internal business processes and communication with customers and suppliers, and could, for example, lead to the interruption of operations at Freudenberg or at a third party. Demands on the reliability and security of IT systems and cloud services used by us, our suppliers and our customers are intensifying as a result of constant

technological progress and the persistent trend towards greater process networking.

The aim of the guideline on information security issued by the Board of Management is to preserve the confidentiality, availability and integrity of information. Freudenberg deals with the relevant information security risks by operating information security management systems oriented to international standards such as the NIST Cybersecurity Framework and ISO/IEC 27001:2022. Data protection management systems ensure the protection of personal data through the implementation of measures required by law. The Business Groups and corporate functions conduct regular risk assessments, monitor legislative activity such as the transposition of the NIS-2 Directive, and implement appropriate measures.

At Freudenberg, as elsewhere, the relevance of cyber risks is steadily growing. Freudenberg counters new, professional attack techniques, such as supply chain attacks or AI-driven cyberattacks, through measures such as internal training and communication. The same applies with regard to risks from the use of artificial intelligence. This promotes a heightened awareness on the part of employees with regard to the secure handling of information and information processing systems and processes. It is flanked by the risk-based continuous development of protection and response mechanisms, and the expansion of expert capacities, particularly as regards monitoring, and response capabilities in the event of an incident. In this context, the IT security level of IT service providers is reviewed and aligned with Freudenberg's requirements. Despite all technical, organizational and awareness measures, significant system failures and damage to Freudenberg as the result of a cyberattack cannot, however, be ruled out.

Interruptions of operations and long-term disruptions

The classic risk of unplanned interruptions of operations has several possible causes. The main ones are interruptions in production, for example due to the non-availability of specific raw materials or of energy, delays in upstream stages of the supply chain or in the Group's own supply chain levels, restricted availability of IT infrastructure, damage from natural hazards, fires or explosions, or any combination of these

causes. Possible consequences are loss of sales revenue and earnings, contract infringements, contractual penalties and claims for damages, the loss or absence of employees as well as reputational damage.

Recent years have seen an increase in natural events, probably associated with climate change. Freudenberg real estate is also affected by regional floods, heavy rainfall, fires and storms, and damage can result in an impact on sales revenue and earnings. Insurance cover has largely been arranged for actual damage and any resulting interruption of operations.

Freudenberg has taken numerous precautions to maintain and safeguard IT systems (back-up solutions, emergency data centers) as well as to meet contractual delivery obligations (dual/multi-sourcing, lead centers with interchangeable infrastructures, cross-plant tools, crisis training at relevant production locations) to ensure delivery reliability and contract compliance, to protect against fires and against the effects of natural hazards, and has also arranged insurance cover for insurable risks deemed by Freudenberg to merit cover. While not universal, these concepts and their evolution have also proved their worth in particularly demanding situations. Despite all the measures that have already been taken or will be taken in the event of an emergency, there is a residual risk of a temporary interruption in operations, for example, in the event of sudden, widescale interruptions in energy supply, with a possible impact on the sales revenue and earnings of the Group.

Freudenberg's response to demographic change and other social developments, in particular in industrialized nations, takes the form of introducing and establishing central recruiting functions in the USA, Germany, China and Costa Rica. In addition, Freudenberg invests in sound professional training to provide for the timely provision of a qualified workforce for the future. These measures are designed to recruit and retain appropriately trained and motivated employees with a view to maintaining the competitiveness and further development of the Freudenberg Group in the medium- to long-term.

Financial risks

As an internationally active company with major shareholdings in other countries, Freudenberg is

exposed to financial risks which under certain circumstances could significantly impact the net assets, financial position or results of operations of the Group. Such risks include financial risks from the Group's M&A activities arising from the potential impairment of goodwill or shareholdings or of unrecognized obligations. Furthermore, M&A transactions carry strategic and operational risks, for example, through delays in the integration process, cultural differences or failure to realize planned synergies. Such factors may detract from the expected benefits of an acquisition and generate additional costs. Freudenberg employs various measures to manage these risks. The Group has several expert groups specifically tasked with the identification, analysis and steering of Freudenberg's financial risk profile. This also includes the regular review of financial risk management methodology and steering.

Various measures to safeguard liquidity are in place which allow Freudenberg to react swiftly to unexpected liquidity-related risks. Such risks are hedged by solid bank and Partners' financing as well as high liquid reserves. Freudenberg has a high equity ratio, a stable level of Partners' reserves, and comprehensive credit lines.

In addition, Freudenberg is exposed to currency and interest rate risks. Procedures for managing these risks are set out in internal guidelines and processes and monitored by a treasury management system. In line with a central framework of regulations, currency risks are determined locally on a cause-specific basis and steered under a consultation process. Interest rate risks arise from possible changes in the market rate and can lead to changes in the market value of fixed interest investments.

Funds for subsidiaries are made available in the form of cash pool agreements, inter-company loans as well as guaranteed loans from banks. Inversely, Freudenberg companies channel surplus liquidity to the central finance department.

Binding internal guidelines for Freudenberg companies clearly specify that derivative financial instruments may not be used for speculative purposes, but only for hedging risks in connection with underlying transactions and associated financing operations.

The Group's conservative finance strategy was one of several factors that led the rating agency Moody's Deutschland GmbH, Frankfurt am Main, Germany, to confirm its Freudenberg SE "A3" rating with a long-term "stable" outlook in May 2025. This gives Freudenberg very good creditworthiness at investment grade level.

Risks from technological progress and innovations

As a widely-diversified technology company, Freudenberg is active in numerous product and market segments, some of which are widely different. Business activity is based on various business models and is conducted in a dynamic environment shaped by technological progress and continuous innovation. These developments carry the risk that present products, technologies and business models lose relevance or are displaced by new solutions.

Moreover, there is a significant pressure to adapt triggered by increasingly demanding market and customer needs. The continuous further development of products, processes and technologies this entails regularly requires significant investments along with increased manpower and financial resources. Misallocation or delays could negatively impact the competitive position.

Changes in the organizational framework, for example due to technological shifts or strategic reorientation, could necessitate complex transformational processes.

Freudenberg addresses the implications of these customary risks in its regularly updated corporate strategy and limits such risks through various measures, in particular in-house research and development and innovation. The most important pillar and key driver of innovation at Freudenberg is to be found in the Business Groups, whose research and development activities are closely geared to their customers.

With the Freudenberg Technology Innovation corporate function, the Group has an organizational unit that analyzes cross-Business Group trend scenarios and maps them to Business Group requirements. Strategically relevant future technologies are identified and further developed across organizational boundaries on this basis. At an overall 4.9 percent,

Freudenberg invested a substantial share of sales in research and development in the 2025 financial year. The share of sales attributable to new products totaled 31.5 percent.

Contractual risks

Freudenberg enters into contracts with third parties on a daily basis and constantly adjusts its portfolio through acquisitions and disinvestments of companies and business units. During the course of these activities, obligations are assumed or commitments undertaken that may change as time goes by, must be complied with over a longer period of time, or may prove impossible to meet as a consequence of unforeseen events, such as the consequence of raw material supply bottlenecks. Inversely, long-term commitments to purchase from suppliers designed to safeguard the Group's own delivery capabilities could prove disadvantageous in the event that sales planning targets cannot be met. These activities could in retrospect prove detrimental and, above all, could negatively impact the earnings situation of the Group. Freudenberg manages these significant risks with measures such as comprehensive upfront analyses and checks with regard to acquisitions in consultation with internal and external experts and advisors and, where appropriate, plausibility checks on the outcomes of the consultation process. This is complemented by interdisciplinary and supra-regional risk management resources established at both Business Group and holding company level, as well as the continuous improvement and further development of systematic contract management and contract monitoring in line with business demands. These measures significantly reduce the risk.

Occupational safety, health protection, environmental, security and sustainability risks

Freudenberg has production sites in some 60 countries, some of which operate under very different conditions. There are operational risks with regard to production processes, in particular in terms of workflows, production equipment and the processing of hazardous materials. Freudenberg trains employees to comply with safety regulations and in the use of protective equipment, and fulfills all relevant safety requirements and guidelines.

Freudenberg locations are repeatedly exposed to natural hazards as a result of the presence in different regions and climate zones. In spite of preventive measures, natural hazards such as earthquakes, floods, tornados, forest fires, mudslides or extreme snowfall can occasionally negatively impact the business operations of the units concerned. Natural hazards are taken into consideration as part of the site selection process and for acquisition projects. By using a natural hazard database, Freudenberg can conduct portfolio analyses on natural hazards as well as medium- and long-term climate trends and take appropriate action.

Freudenberg has been monitoring the risk of a global pandemic for several years (SARS, avian influenza virus H5N1, zika virus). The precautions and measures to fight pandemics were developed further and reinforced based on the experience gathered during the course of the COVID-19 pandemic. We make sure that we stay prepared for any future pandemic.

Group-wide standards in the fields of occupational safety, health, site security, crisis management, environment and fire protection are defined, implemented and reviewed on the basis of the minimum requirements and guidelines for the Business Groups. Despite all preventive measures, significant occupational safety, preventive healthcare, security and environmental risks cannot be entirely ruled out. In the case of hazardous substances, efforts are, for example, made to identify substitutes for substances with proven, unacceptable risks before a statutory provision comes into effect, with a view to minimizing potential and customary risks arising in connection with such hazardous substances. This also forestalls undesirable effects through a possible ban on a given substance. In addition, many product developments are subject to a stage gate process which among other things helps ensure that new products have a better environmental performance than their predecessors and that certain undesirable substances are not used in the development of new products. These measures exemplify many other ideas and projects to reduce sustainability risks.

Since it was launched in 2002, the worldwide “We all take care” initiative motivates Freudenberg employees to make their work and their workplaces safer, healthier and more environmentally friendly as well as taking responsibility for society. The

initiative is supported by the Group's top management, employee representatives and senior executives in the Business Groups, and the best projects are honored each year.

Internal control and risk management system (referred to the Group financial reporting process)

The Group internal control and risk management system for the financial reporting process at Freudenberg is tasked with ensuring the functionality, compliance and effectiveness of financial reporting in the Group. The internal control system includes measures designed to ensure the complete, accurate and timely transmission and presentation of information of relevance for the preparation of the consolidated financial statements and the consolidated management report of the Group. A significant part of the internal controls relevant to Group financial reporting is formalized in the Group-wide “Catalogue of Standard Internal Controls” and implemented across the organization.

The consolidated financial statements and the consolidated management report of the Group are prepared centrally. The minimum requirements regarding reporting content submitted by the companies are defined and controlled centrally, and the time frame and process requirements are monitored. The regularly updated IFRS accounting guidelines form the basis for the IFRS reporting packages of the parent company and of all domestic and foreign subsidiaries included in the consolidation. There are binding instructions for Freudenberg's internal coordination and other preparatory work for the financial statements.

Freudenberg uses a standard software tool for the Group financial reporting process. This tool is used throughout the company worldwide and clearly defines user rights observing the principle of the separation of functions. The system covers both reporting by Freudenberg companies and the data for the consolidated financial statements. Additional controls are implemented in the consolidation process.

The consolidation process is also supported by a software tool for the automatic reconciliation of balances throughout the Group. The individual companies have a local internal control system which is the responsibility of the respective Business Group and

which must comply with uniform minimum requirements applicable throughout the Group.

The Corporate Controlling & Accounting function organizes seminars for employees involved in this process in the event of important changes in financial reporting procedures and IT applications, thereby guaranteeing a consistently high standard of reporting. Actuarial reports and evaluations are compiled by specialist service providers.

There is a clear demarcation of tasks between the corporate function and the companies. The segregation of functions and the dual control principle are systematically applied. It is standard procedure for the Freudenberg auditor and the auditors of the consolidated companies to review the functionality and compliance of the relevant reporting process. Suggestions for improvements are regularly discussed and optimized. In addition, the functionality and compliance of processes of relevance to financial reporting are reviewed regularly under an internal auditing process. The complete package of processes, systems and controls adequately ensures that the Group's reporting process is in accordance with IFRS and other regulations and laws of relevance to financial reporting and is reliable.

Overall assessment of the opportunities and risks

Freudenberg has an in-depth understanding of the short- and long-term opportunities necessary for the further development of existing business areas and the development of new activities to secure the future of the Group, and actively pursues these opportunities.

In our opinion, based on the probability of occurrence and potential impact of the risks described above, they do not individually or cumulatively present a risk to the continued existence of Freudenberg.

There have been no significant changes in the structure and assessment of the opportunities and risks for the Freudenberg Group compared with the previous year. The opportunities and risks described above continue to apply in substance. There are no new risks to the continued existence of the Group.

REPORT ON EXPECTED DEVELOPMENTS

The assumptions made in the report on expected developments are based on the operational planning of the Freudenberg Group for 2026 adopted by the Board of Management and the Supervisory Board. This planning is premised on our underlying expectations regarding macroeconomic conditions and developments in the markets of relevance to the Group. The assessments of future business development take their orientation from the targets set by our Business Groups as well as the opportunities and risks arising from expected market conditions and the competitive situation in the planning period. Set against this backdrop, we adjust our expectations for business development on a case-by-case basis in line with the latest forecasts.

We expect the generally challenging macroeconomic environment to persist in the 2026 financial year. As in 2025, we anticipate slightly weaker global economic growth for 2026.¹ Economic and geopolitical uncertainty remains high in 2026. One uncertainty factor is the threat to geopolitical and economic stability with far-reaching consequences for trade relations. Uncertainty continues in particular with regard to further developments in the conflict between Russia and Ukraine as well as global tariff policy, even though there is growing evidence of efforts and negotiation initiatives. There are signs that economic growth in the major industrialized nations will come in at up to around 3 percent.

In respect of our regional core markets, we expect the German economy to see slight growth of 1.1 percent in 2026 after a mild recession in 2023 and 2024 and a 0.2 percent return to growth in 2025.

The positive effects of increased public spending in the context of the approved 2026 Budget Act will be partly offset by US tariff policy that is likely to have a negative impact on exports. Expansionary fiscal policy, combined with lower inflation and rising real wages, will boost private consumption.

In the eurozone, which remains the Group's largest sales region, we expect 1.2 percent growth in 2026 based on 1.5 percent growth in 2025. The conditions for an expansion of economic activity remain in place despite a

difficult external environment and persistent uncertainty. Growth will be bolstered by a robust labor market, falling inflation and favorable financing conditions.

In the USA, we expect economic growth of 2.6 percent in 2026 on the back of 2.2 percent growth in 2025. Accelerated growth is driven in particular by waning restraining effects of trade policy, a supportive fiscal policy orientation and sustained business investment.

In Japan, we anticipate slight growth of 0.8 percent in 2026 after economic growth of 1.2 percent in 2025. The main growth driver will be domestic demand, while weak foreign demand, in part attributable to US tariffs, will slow the Japanese economy.

Economic development in the emerging economies will present a mixed picture. China remains one of the most important growth regions for Freudenberg. Following growth of 5.0 percent in 2025, we anticipate a growth rate of 4.6 percent in 2026. Slower growth is attributable to the fact that domestic demand is cooling down due to the downturn in the domestic real estate market, weak consumer confidence, and rising public and private debt. For India, we forecast economic growth of 6.7 percent for 2026, following on from 7.3 percent for 2025. This growth is driven by state interest rate policy designed to strengthen domestic demand as well as investments.

Against the backdrop of expected subdued global economic growth in 2026, developments in the sectors served by Freudenberg will be mixed. The automotive industry is a particularly important sector for Freudenberg. Based on growth of 3.7 percent in the automotive industry in 2025, we anticipate a marginal year-on-year decrease in production of 0.4 percent in 2026. We expect 7.8 percent growth in India and 6.2 percent in South America in 2026, offset by minus 0.1 percent growth in Japan, minus 0.4 percent in Europe, minus 1.4 percent in China, minus 2.2 percent in North America and minus 3.6 percent in Korea. Global automobile production of light vehicles amounting to 92.9 million in 2025 and an anticipated 92.6 million in 2026 still remains below the 2017 level.

¹ Sources: In this chapter, all figures related to economic developments are based on data from Consensus Economics, the European Commission, the International Monetary Fund, the World Bank, the OECD, and the marketing research and consulting company Schlegel und Partner

We expect to see growth of 2 percent in the mechanical and plant engineering sector, Freudenberg's second most important sector, in 2026.

Private consumption will see positive development. We expect up to 2.1 percent growth in the industrialized nations in 2026, while growth rates in the emerging economies will in some cases be higher, for example 4.1 percent in China and 6.8 percent in India.

In the oil and gas industry, we anticipate growth rates of between 1.5 and 5.5 percent in this sector's regions in 2026.

To manage the uncertainties outlined above, we will stay agile at each of our locations throughout the world and continue to respond swiftly and flexibly to changing requirements. Customer centricity is a main focus of all our efforts. This principle applies to all sectors and regions. We will therefore continue to invest in long-term projects. In addition to the "Odyssey" and "Janus" strategic initiatives already underway, Freudenberg is continuing with the further development of its long-term future analysis with the "Foresight" initiative. By systematically monitoring relevant trends and potential technological and market-related changes, "Foresight" helps the Business Groups derive robust future scenarios and identify opportunities for sustainable growth at an early stage. "Foresight" therefore contributes to the efforts to further sharpen the Group's strategic orientation and strengthen long-term competitiveness in an increasingly volatile environment. Our long-term goal is a balanced portfolio of cyclical and non-cyclical businesses with equal sales contributions from North and South America, Europe and Asia. The 2026 financial year will also be shaped by the integration of acquisitions. This applies in particular in the event of the successful takeover of Nilfisk Holding A/S, Copenhagen, Denmark.

In 2026, we will again continue to drive forward with our projects in the fields of sustainability, non-financial key performance indicators and corporate citizenship. As a responsible and innovative technology group, Freudenberg will once again implement numerous measures in environmental protection, occupational health and safety. As in the previous year, special attention will again be devoted to occupational safety. We expect a slight improvement in the Lost Day Incident Frequency Rate (LDIFR) in the 2026 financial year.

Given the opportunities and risks described in the previous chapter – or in the event that the expectations and assumptions referred to do not materialize – the actual development of Freudenberg may show a positive or negative deviation from this report on expected developments.

Anticipated sales developments in our Business Groups reflect the regional and sectoral developments and challenges described above. We expect Group sales in the 2026 financial year to be slightly higher than the prior-year level. Due to the effect of measures to increase efficiency and productivity already in place, we anticipate a strong rise in operating result and a moderate increase in the return on sales.

Weinheim, March 20, 2026

The Board of Management

FREUDENBERG SE (HGB)

Freudenberg SE is a wholly-owned subsidiary of Freudenberg & Co. KG, Weinheim, Germany, and is the parent company with responsibility for the operations of the Freudenberg Group.

The net assets, financial position and results of operations of Freudenberg SE are characterized by its holding function. The company holds interests in affiliated companies and it is the profit from these investments that dominates the earnings situation of Freudenberg SE.

The annual financial statements of Freudenberg SE are set up in accordance with the Handelsgesetzbuch (HGB – German Commercial Code) and the Aktiengesetz (AktG – German Stock Corporation Act).

EARNINGS SITUATION

[€ million]	2024	2025
Sales	61.2	69.6
Investment result	773.9	536.6
Other operating income	3.3	7.8
Material expenses	-45.1	-53.7
Personnel expenses	-10.2	-5.8
Other operating expenses	-102.3	-114.5
Financial result	-58.0	-47.6
Profit before taxes	622.8	392.4
Income taxes	-37.6	4.0
Profit for the year	585.2	396.4

The **sales** of Freudenberg SE largely result from the charging of services and from royalties for the “Freudenberg” global brand amounting to €15.2 million (previous year: €15.2 million).

The **investment result** decreased from €773.9 million to €536.6 million. The negative development in the results of individual affiliates had a corresponding impact on the overall result. On the other hand, dividend payments rose from €66.5 million to €120.8 million.

Other operating income rose from €3.3 million to €7.8 million.

At €53.7 million, **material expenses** were higher than the figure for the previous year (€45.1 million) and represent services purchased.

At €5.8 million (previous year: €10.2 million), **personnel expenses** were significantly below the level of the previous year. Expenses for salaries ran at €8.7 million (previous year: €12.6 million).

The **other operating expenses** rose from €102.3 million to €114.5 million. This rise was due to various factors including higher consultancy expenses and higher expenses for data processing services.

The **financial result** rose by €10.4 million to €-47.6 million and was therefore higher than the prior-year level. This increase was chiefly the result of lower interest expenses.

The **income tax** item reflects income tax income of €4.0 million, compared with income tax expenses of €37.6 million in the previous year. This change was largely the result of adjustments to provisions for taxes and lower municipal trade tax.

At €396.4 million (previous year: €585.2 million), the **profit for the year** of Freudenberg SE was below the level of the previous year.

ASSETS, LIABILITIES AND FINANCIAL POSITION

[€ million]	Dec. 31, 2024	Dec. 31, 2025
Intangible assets	2.6	0.9
Tangible assets	2.3	2.3
Financial assets	2,945.9	3,057.5
Receivables and other assets	4,303.8	4,605.2
Cash at bank and in hand	63.2	115.5
Total assets	7,317.8	7,781.4
Equity	5,349.5	5,611.2
Provisions	170.7	138.1
Liabilities	1,797.6	2,032.1
Total equity and liabilities	7,317.8	7,781.4

The assets of Freudenberg SE as the holding company chiefly consist of shares and participations in companies and amounts receivable from these companies.

As of the statement of financial position date, financial assets had risen by €111.6 million to €3,057.5 million (previous year: €2,945.9 million).

Receivables and other assets mainly include amounts receivable from affiliates. As of the statement of financial position date, these had risen by €301.4 million to €4,605.2 million (previous year: €4,303.8 million). This is mainly the result of higher cash pool receivables from Externa Handels- und Beteiligungsgesellschaft mit beschränkter Haftung, Weinheim, Germany.

Equity increased to €5,611.2 million (previous year: €5,349.5 million). The net retained profit rose by €261.8 million from €4,604.2 million to €4,866.0 million. The profit for the year decreased from €585.2 million to €396.4 million. The retained profit was reduced by dividends paid in the amount of €134.6 million (previous year: €133.9 million).

Provisions fell by €32.6 million from €170.7 million to €138.1 million and chiefly include provisions for pensions and taxes.

Liabilities increased by €234.5 million from €1,797.6 million to €2,032.1 million.

SUMMARY STATEMENT

Against the backdrop of our sound situation with respect to net assets and financial position and the high earnings of our affiliates, we assess the general economic situation of Freudenberg SE as positive. This statement is not affected by any events reported in the chapter "Report on Events after the Date of the Statement of Financial Position".

REPORT ON EXPECTED DEVELOPMENTS

As the parent company of the Freudenberg Group responsible for business operations but without its own business operations, Freudenberg SE mainly receives income from its affiliates. As a general principle, expectations concerning business developments within the Freudenberg Group therefore also have an impact on the earnings of Freudenberg SE. For this reason, the assumptions and statements made in the report on expected developments for Freudenberg are equally relevant to Freudenberg SE.

NET RETAINED PROFIT AND DIVIDEND

In December 2025, the Shareholders Meeting resolved, as proposed by the Supervisory Board and the Board of Management, to pay a dividend of €134.6 million (previous year: €133.9 million) to the sole shareholder Freudenberg & Co. KG in 2025 from the net retained profit as at December 31, 2024 of €4,604.2 million.

The Board of Management proposes that the retained profit for the 2025 financial year, amounting to €4,866.0 million, should be carried forward to new account.

SUMMARY CONCLUDING STATEMENT OF DEPENDENT COMPANY REPORT OF FREUDENBERG SE

“We hereby declare in accordance with Sec. 312, Para 3, AktG (German Stock Corporation Act) that, on the basis of the circumstances of which we were aware at the time when transactions with affiliated companies were implemented or acts or forbearances were taken, our company received consideration comparable with that obtainable from a non-affiliated company and did not suffer any disadvantage as a result of such acts or forbearances.”

Freudenberg takes responsibility.

Examples from the year 2025 can be found on the following pages:

Technology and Values	60
Sustainability	66
Employees and Diversity	74
Health, Safety and Environmental Protection	84
Corporate Citizenship	90
Compliance	94



**WE'RE NOT LETTING
UP ON CLIMATE
PROTECTION**



Technology and Values

**CREATIVE,
HIGH-QUALITY
TECHNICAL
SOLUTIONS**

Freudenberg stands for superb technologies and an extraordinary capacity to innovate. Our employees are experts in leading technical products, services and solutions used in thousands of applications and about 40 market segments. Around the world, our seals, vibration control components, technical textiles, filters, cleaning technologies, specialty chemicals, medical-technology products and e-mobility solutions make a valuable contribution to our customers' success. The company remains in family ownership today, and the values of our founder Carl Johann Freudenberg continue to anchor us. We have been true to them since 1849.

One of Freudenberg's core elements is our material competency. For more than 175 years, we have developed high-performance materials with outstanding characteristics and properties.

One of Freudenberg's core elements is our material competency. Over the years, we have developed a wide variety of high-performance and technically demanding materials to meet our customers' needs. These outstanding materials are the basis for our products and solutions. The AI-supported illustrations (below) are based on microscopic images of these materials.



MORE THAN JUST FINANCIAL SUCCESS

To Freudenberg, success means being financially successful and taking responsibility for people and the environment seriously. These objectives are linked inextricably to one another and are firmly rooted in the company's Guiding Principles.

The clear goals that Freudenberg has set on climate change mitigation are part of these efforts. By 2045, at the latest, it plans to be a CO₂-neutral company based on Scope 1 + 2. Another Freudenberg objective is to promote diversity among its employees. It stands for a company culture where all employees can contribute their strengths. Outside the company as well, Freudenberg often provides support where help is needed, for example, with a global program promoting education and environmental protection.

All of these examples show how seriously Freudenberg takes its values.

VISION

Driven by long-term continuity, we create value for customers and society worldwide and strive to be their leading partner by delivering advanced materials, innovative products and solutions that enhances everyday life.

MISSION

We innovate together driven by curiosity, responsibility and trust, along with a strong culture that values talent and collaboration. As a family-owned company, we focus on long-term success, delivering solutions that boost customer performance and ensure Freudenberg's future.



The Freudenberg Group’s Guiding Principles are devoted to the themes of value for customers, leadership, responsibility, innovation, people, and long-term orientation. The following Guiding Principle is especially relevant to the standard of “Responsibility for Society.”

RESPONSIBILITY

We are committed to the highest standards of personal behavior. Fairness and integrity guide our actions within the company and in the communities where we operate. These values govern our behavior towards customers, suppliers and other business partners.

We are committed to sustainability and responsible behavior in all the countries and communities where we operate. We are dedicated to workplace and product safety.

At Freudenberg, responsibility for society encompasses five areas: **Sustainability; Health, Safety and Environmental Protection; Corporate Citizenship; Compliance; Employees and Diversity.**

All of these themes have been traditionally important to Freudenberg and are anchored in the company’s values and principles as well as its “Code of Conduct.”

Freudenberg also continues to improve in these areas and achieve concrete goals, such as achieving CO₂ neutrality in 2045 at the latest.

Furthermore, Freudenberg has over the past few years dealt in detail with the ESG (E= Environmental, S= Social, G= Governance) regulatory requirements of the EU, and is creating the framework for reporting in line with the relevant regulations (CSRD, Taxonomy). Specifically, projects were carried out to understand and classify the reporting obligations and create the organizational framework. Another mission was to set up processes to collect the required data and information while introducing tools to identify and transmit the data – across existing processes and tools.

-  Freudenberg Values and Principles
-  Areas relevant to the “Responsibility” theme



OUR VALUES IN WORDS AND ACTION



***Sustainable Development Goals:
Freudenberg is prioritizing nine of the
17 goals to which it can make
a significant contribution.***

Freudenberg has always acted in accordance with its values. Since values are not negotiable and it is equally important to communicate its conduct to the public, Freudenberg is a member of the UN Global Compact. The company thus supports its ten principles on human rights, labor standards, anticorruption measures and environmental protection to which the United Nations has agreed.

Freudenberg is also committed to the 17 Sustainable Development Goals that were enunciated shortly after the Paris climate conference in 2016. Freudenberg is prioritizing nine of the 17 goals to which it can make a major contribution.

Freudenberg-wide Initiative

EMPLOYEES TAKE RESPONSIBILITY WORLDWIDE



We all take care!

Since its launch in 2002, the Freudenberg-wide initiative “We all take care” has honored employees and teams who are especially committed to making their work safer, healthier and more environmentally friendly. The winning teams are honored once a year with the presentation of the “We all take care” awards. With 318 projects, more teams participated during the reporting year than ever before in the award’s history.

First place went to the Freudenberg Service team based in Weinheim for its project “The employer as unexpected lifesaver?” In cooperation with the German Cancer Research Center, it carried out a multistage cancer prevention campaign offering information, education and specific checkups. The focus was on free on-site skin cancer screenings and colorectal cancer prevention with the help of an online risk assessment and home test kits.

Second-place honors were awarded twice, first of all, to Klüber Lubrication in Dottignies, Belgium, and secondly, to Freudenberg Performance Materials in Weinheim. The two teams addressed the safe shutdown of machines during maintenance work and showed how digital solutions and hands-on concepts can help to improve job safety.

The team from Vibracoustic in Cascante, Spain, took **third place**. Its members were able to reduce the amount of sludge by 80 percent by fundamentally reworking the facility’s phosphating processes and using chemicals from the Freudenberg company SurTec. The processing temperature fell 10°C, which significantly reduced energy use.



Sustainability

NEW INTERIM GOAL ON THE WAY TO CO₂ NEUTRALITY

Freudenberg has defined sustainability in much the same way as the UN's Brundtland definition does. The company wants to keep the planet livable long-term. That's why we want to play our part in producing less waste and emissions and reduce the use of water, energy and materials. We are consistently driving the energy transition forward – with products for our customers and within the company.

The Group's commitment to climate protection makes sense from a business standpoint. More and more, products must meet sustainability criteria. This requires innovation and presents a huge opportunity to Freudenberg as a technology company. Companies with a sustainability strategy are also more attractive to customers, who integrate them as suppliers into their own sustainability programs.

We are consistently driving the energy transition forward – with products for our customers and within the company.

To reduce CO₂ emissions, Freudenberg is turning to energy conservation, process electrification and "green" energy.

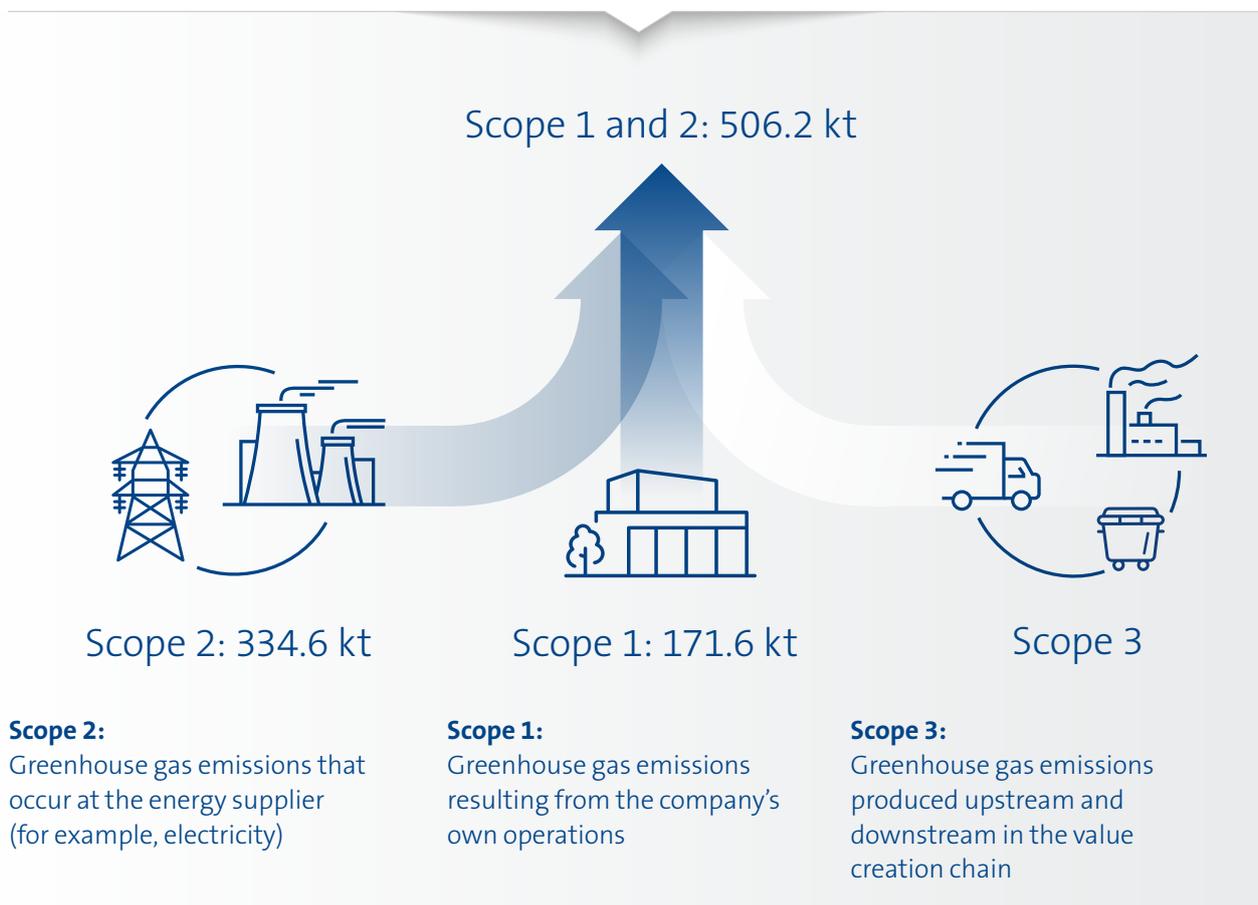


Climate change is one of the greatest challenges of our time. That's why the current focus of Freudenberg's sustainability strategy is the road to CO₂ neutrality (based on Scope 1 and 2).

Freudenberg defines objectives and the overarching path to CO₂ neutrality at the Group-level. Within this framework, the Business Groups develop their individual and industry-specific paths.

As a company with Business Groups in a range of industries and with a variety of production processes,

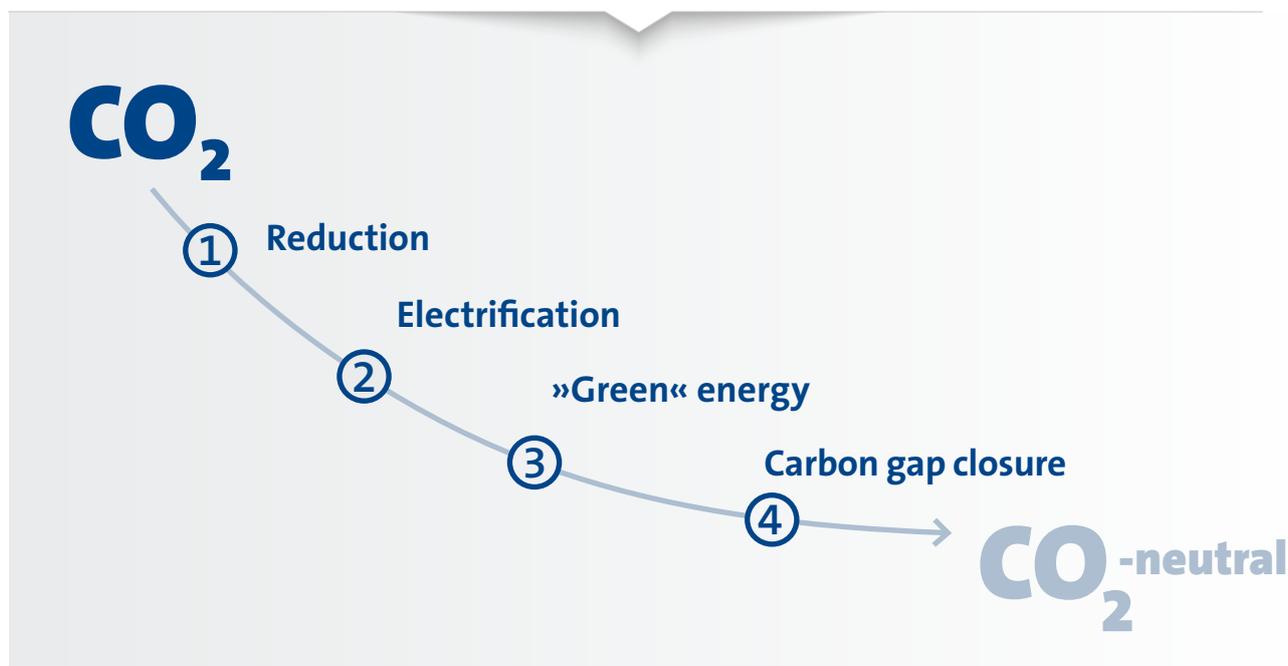
Freudenberg's CO₂ emissions 2025 (based on Scope 1 and 2)



Freudenberg's goal is to become CO₂-neutral by 2045 based on Scope 1 and 2. The company has a direct impact on these emissions through its own energy consumption and purchasing. The first milestone on the road to CO₂ neutrality was the reduction of CO₂ intensity, that is, CO₂ emissions in relation to sales, by

25 percent by the end of 2025 compared to levels in 2020. With a reduction of 51 percent, this goal was clearly achieved. In 2025, the next milestone was set: By the year 2030, the Freudenberg Group wants to achieve a reduction of 65 percent, again compared to the year 2020 and in relation to sales.

To CO₂ neutrality in 4 steps



In its first steps, the multistage strategy on the road to CO₂ neutrality consists of energy conservation, electrification, the purchasing of “green” energy, and its in-house production. With these measures, Freudenberg is pursuing the goal of reducing its CO₂ emissions as much as possible within the economic and technical possibilities. Despite these steps, a certain amount of residual emissions is expected in 2045. One reason is that not every country is likely to have 100 percent “green” electricity available for purchase since CO₂-neutrality goals vary. (For example, China’s target year is 2060.) In addition, from today’s perspective, it is neither sensible nor economical to electrify certain processes.

Today and in the near future, the only possible way to achieve neutrality is with carbon offsetting using the so-called “Voluntary Carbon Market.” In 2023, due to problems relating to quality and acceptance, Freudenberg decided not to participate in this mar-

ket in its current form. The goal of CO₂ neutrality is a long-term Freudenberg objective. By 2045, new markets and new technologies, such as carbon capturing, will open up and further develop. Freudenberg’s innovations will contribute to new, sustainable solutions. The first three steps – reduction, electrification and the use of “green” energy – are now being implemented Freudenberg-wide. The Business Groups are proceeding in different ways depending on their technologies and the local availability and pricing of energy.

The reduction in the company’s own energy use also pays off in light of trends in the energy market. It is becoming more and more volatile, making the in-house production and storage of energy as well as flexibility more rewarding. Facilities become less exposed to the risks in the energy market, such as electricity rationing, blackouts and extremely volatile energy costs.

The Freudenberg Group is making good progress on its path to CO₂ neutrality. The “Sustainability drives Climate Action” project has played a major role in these efforts. Initiated in 2020, it has developed the company’s strategic position on climate protection – against the background of rising regulatory requirements, growing expectations of stakeholders, and the ambitious climate goals of customers and competitors.

After five years of intensive work, “Sustainability drives Climate Actions” came to a successful end in 2025. The evidence: Between 2020 and 2025, CO₂ intensity – that is, CO₂ emissions in relation to sales – fell by 51 percent, a stronger performance than expected. Moreover, the path to more CO₂ reductions has been clearly defined.

As part of the project, a total of 14 workstreams dealt with the main issues surrounding climate protection and CO₂ reduction. The work not only built up wide-ranging expertise – it created key organizational structures, both at the Group level and in the Business Groups.

***By the year 2030,
the Freudenberg Group
wants to achieve a
CO₂ emissions reduction
based on Scope 1 and 2
of 65 percent, compared
to the year 2020 and in
relation to sales.***

Three measures that are highly relevant to the Freudenberg Group’s footprint are especially noteworthy:

- Consultations with the Freudenberg Service “Be Energy Efficient” team significantly boosted energy efficiency at Freudenberg facilities.
- The share of “green” electricity has nearly doubled thanks to the strategic purchase of “green” energy by Freudenberg Business Services.
- The introduction of site-based KPI reporting companywide is creating greater transparency and comparability.

Furthermore, “Sustainability drives Climate Action” has been shown to be an extremely effective project format for strategic sustainability initiatives at the Group level. The close cooperation between Business Groups, Business Divisions and Corporate Functions has led to high content quality and its firm anchoring in the organization. The exchange formats established during the project are continuing after the project’s end and will ensure Group-wide networking.

The path for the coming years is clearly marked. First of all, with the goal for CO₂ reduction established for 2030 (65 percent compared to 2020 in relation to sales); secondly, with the integration of the path to a reduction in CO₂ emissions for each Business Group into the strategic planning process. The primary challenges and opportunities relating to CO₂ reduction will be consolidated at the Group-level in 2027. This will enable Freudenberg to stay on course, make consistent contributions to climate protection, and become CO₂-neutral by 2045.

Group-wide Key Performance Indicators on Sustainability

The Group continued to reduce CO₂ emissions during the reporting year. In particular, compared to the previous year, it succeeded in increasing the share of renewable energy. Energy consumption was below the previous year's level. Since 2020, Freudenberg has reduced its CO₂ intensity, that is, CO₂ emissions in tons per 1 million euros of sales, by 51 percent to 43 tons for Scope 1 and 2. The corresponding abso-

lute values show a reduction by about 264 kt of CO₂, which corresponds to a reduction of 34 percent in the CO₂ emissions in the reference year. Since 2020, the precision of the KPIs has meanwhile improved. In the years to come, Freudenberg would like to confirm this trend and improve on it.

Energy use

Energy use	2024	2025	Change in %
Total energy consumption [GWh]	2,485.2	2,395.1	-3.6
Direct Energy [GWh]	880.9	853.8	-3.1
Indirect Energy [GWh]	1,604.3	1,541.3	-3.9
Share of green electricity out of overall electricity consumption [%]	37.6	41.8	+11.2
Self-generated green electricity consumption [GWh]	7.39	14.11	+91
Energy intensity [kWh/sales in euros]	0.21	0.20	-4.8

CO₂ emissions

CO ₂ emissions	2024	2025	Change in %
Total CO₂ emissions	569.2	506.2	-11.1
Scope 1 emissions [kt]	178.9	171.6	-4.1
Scope 2 (market-based) [kt]	390.3	334.6	-14.3
CO₂ intensity [t/mil. euros in sales]	47.64	43.15	-9.4



Sustainability has two dimensions at the Freudenberg Group. One involves the way the company designs its own processes and uses its facilities to conserve resources (**footprint**). The other relates to the many products and solutions that Freudenberg offers. They enable customers to manufacture more efficiently and sustainably or make their products more efficient in the way they use resources (**handprint**).



By minimizing its footprint and expanding its handprint on the customer's behalf, Freudenberg is contributing to greater sustainability worldwide.

The handprint and footprint always relate to resource and energy efficiency and thus invariably involve technology.



Materials

Materials efficiency
Recycled, renewable and substitute materials
End of life (EOL) product handling



Waste

Waste handling



Energy

Energy efficiency
Renewable energy



Emissions

Air pollution/ emissions



Water

Water pollution
Water use

A photograph of a diverse group of people in a meeting. In the center, a woman with grey hair, wearing a white blazer over a red top, is smiling warmly at the camera. To her left, a man in a dark green shirt and a woman in a white blouse are looking towards her. To her right, a man in a light green sweater is looking towards the left. The background is a soft, out-of-focus blue. The overall mood is professional and collaborative.

Employees and Diversity

**TOGETHER WE
ARE STRONG**

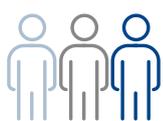
Freudenberg relies on diverse teams as the engines of its innovation. When employees contribute their different experiences, their knowledge and their abilities, they come up with the best-possible solutions and innovations for our customers. In the process, they combine entrepreneurial thought and action, common values and principles, and a high level of trust to achieve the long-term success and security of the company.

Diversity and inclusion

Diversity and inclusion are core values at Freudenberg, as expressed in the employer brand statement “Working at Freudenberg: We will wow your world!” We are firmly convinced that teams are more successful and enrich the process when they are diverse in their age, gender, cultural background and sexual orientation. In 2025, people from 147 nations worked together successfully at Freudenberg. At 24 percent, the share of female managers during the reporting year was slightly above the previous year (23 percent).

Freudenberg’s “Diversity & Inclusion Community” is actively involved in a series of initiatives to make sure our employees feel appreciated, respected and included in our company culture. One focus during the reporting year was the strengthening of cultural inclusion, promoting respectful interactions among our employees from different cultural backgrounds.

The nurturing of local talent in North America and Asia was a special focus in the year under review, making it possible for high-potential individuals to fill global professional and leadership positions outside of Europe. Regular meetings between top executives and young, talented staff increase their visibility and enable the sharing of mutual expectations. After the successful conclusion of the “China Challenge Club,” the “US Challenge Club” with 20 promising local employees was launched in 2025. It is a development program for high-potential individuals from the United States. In cross-Business Group projects and other managerial training, they are prepared for future high-level positions.



Diversity

Freudenberg considers various aspects of diversity as described in the Diversity Charter, among other sources.

147

Freudenberg employees come from 147 nations.

60

60 countries are home to Freudenberg facilities

33 %

of employees are women

Attractiveness as an employer

To be – and remain – attractive to both new and current employees, Freudenberg offers many advantages that are continually expanded. In general, we offer different benefits from region to region and from facility to facility. In most cases, they exceed the legal minimum standards in the respective countries.

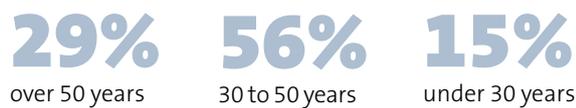
With the help of extensive training, continuing education and professional development for all hierarchical levels, Freudenberg is supporting the ongoing education of its employees as part of the talent

management process. To maintain and improve employees' health and well-being, the Freudenberg Group values appropriate health promotion. The Group offers very good medical support as part of a company health management system and promotes various sport and fitness offerings.



Employee Distribution

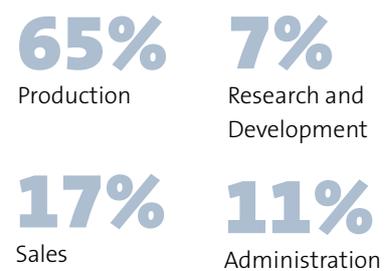
By age group:



Average length of service (worldwide):

10.6
years

By function:



Talent management

The goal of talent management is the professional development of each employee and the successful nurturing of high-potential staff. The employees regularly receive balanced feedback from their managers. They also discuss new requirements for the current position and, when necessary, the next potential development steps. As part of talent management, potential successors for professional and leadership roles are systematically identified to ensure the leadership team's stability. In 2025, cross-Business Group talent development was strengthened.

Talent conferences organized by region and function are steadily leading to a shared awareness of key positions and high-potential staff in the organization, a joint responsibility for nurturing talent, and optimal appointments.

In 2025 as well, about 80 percent of the open positions at the highest management levels were filled with internal candidates. This continues to show that Freudenberg offers excellent opportunities for advancement and that our talent management process is functioning ideally.



Leadership development

630

managers took part in various Freudenberg Group development programs.



Staff development

27,000

employees participated in a range of training formats in 2025. Instruction in manufacturing departments is not included in the total.

Companywide learning week

Under the tagline "Stay Curious Week," we held a companywide learning week in October 2025 for the first time, making it possible for all employees to take part in a learning activity. With the Learning Management System alone, we were able to record more

than 11,000 registrations for more than 70 offerings, complemented with training sessions in production areas. The outstanding response was a remarkable testimony to the offerings' diversity and creativity as well as the importance attached to learning.

Employee turnover and new hires

In recent years, the share of employees who left the Group of their own accord fell from 10 to 9 percent, and then to 8 percent. This positive trend continued in 2025 when the turnover rate fell further, to 7 percent. Once again, regional differences were evident in some areas, with rates continuing to be significantly higher in North America than in Europe, for example. The turnover among employees in the “operations” area and selected support departments was higher than in the general “indirect” areas. In the event of high turnover rates, we undertake specific measures at the local and regional level to deal with the particular causes and strengthen employee ties with the company.

With the establishment of centralized recruiting functions in the United States, Germany, China and Costa Rica, we can fill open positions more efficiently and further improve the candidates’ experience. With our “Freudenberg Future Colleagues” program, which was expanded to more than 20 of the largest countries in the Freudenberg Group last year, we had 603 more applicants who were recommended internally (previous year: 624); 258 (previous year: 171) of them were hired. That boosted the share of new hires who had been recommended internally to more than 40 percent. In all, Freudenberg brought about 7,100 new employees (previous year: 8,000) on board in 2025.

Strengthening the employer brand

The employer brand for the Freudenberg Group, with the slogan “Working at Freudenberg: we will wow your world!,” was strengthened during the reporting year. Its imagery appropriately incorporates product diversity, professional opportunities and Freudenberg’s values as an employer. The activities led to a further increase in the follower totals on social networks. More than 230,000 users visited the Freudenberg careers website in 2025.

LinkedIn campaigns as well as job fairs proved successful. The emphasis was on regionalized offers and internal employer branding to turn employees into brand ambassadors. Another figure increased as well: The number of applications went from 250,000 the previous year to 282,000 in 2025 (up 13 percent), an indication of the attractiveness of the advertised positions.



Applications 2025:

282,000

Visitors to Freudenberg careers website in 2025:

230,000

Followers on LinkedIn at the end of 2025:

675,000



New hires

7,100

new hires in 2025

2,750
in North America

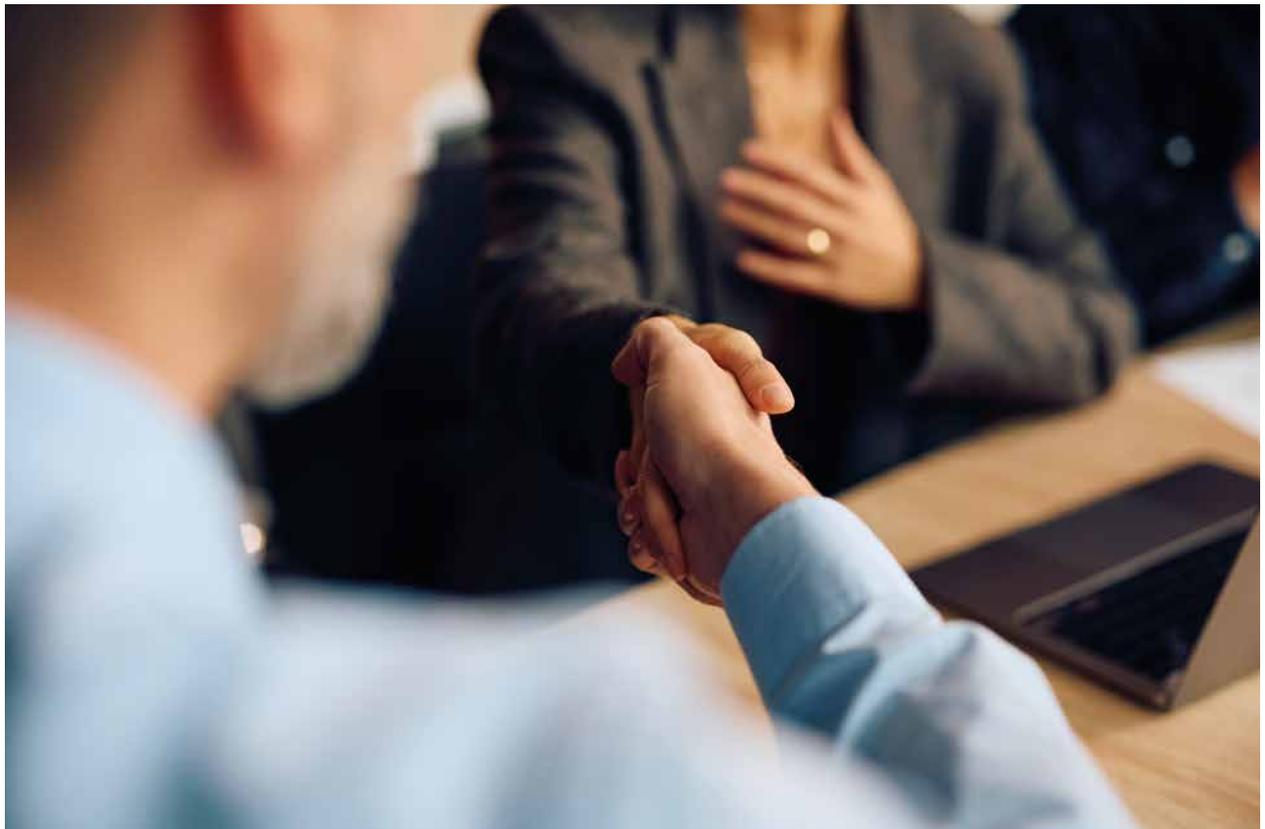
900
in Asia

1,950
in Europe excluding Germany

350
in South/Central America

1,100
in Germany

50
in Africa/Australia



Restructuring measures

In 2025, the Freudenberg Group was confronted with a challenging business environment marked by slowing demand in several key markets. These developments required decisive action to ensure competitiveness. All the Business Groups have initiated restructuring programs to adapt organizational structures to the changing market conditions and thus strengthen the company's foundation for sustainable growth. The measures have led to changes in our global positioning and production capacity. They also reflect a strategic orientation focusing on efficiency and flexibility.

Core measures implemented:

Closure and partial closure of factories:

Several facilities were closed completely or specific product lines were eliminated to optimize the utilization of capacity and reduce structural costs.

Transfer and consolidation of capacity:

Production activities have been consolidated and transferred to exploit economies of scale and regional advantages.

Voluntary programs for employees:

Voluntary severance programs are providing socially responsible adjustments to the workforce.

Expansion of shared-service activities:

Centralized service functions have been expanded to boost process efficiency and reduce overhead.

These measures are reflected in the size of the current workforce: Although new employees joined the Freudenberg Group through acquisitions in 2025, the total count was down about 1,100 overall due to restructuring measures, among other reasons. Many of the measures introduced during the fiscal year foresee reductions over several years.



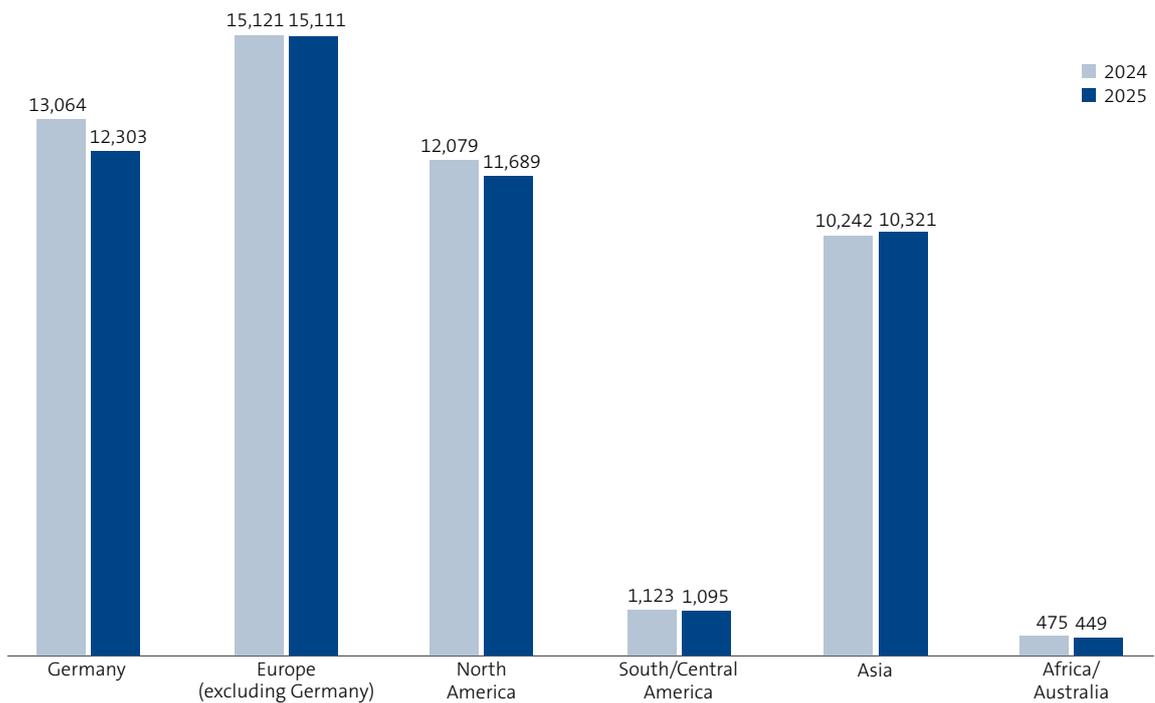
Employees

50,968

employees worked at Freudenberg as of December 31, 2025 (previous year: 52,104 employees)



Employees by region



Freudenberg Group employees by region

In Germany, the total number of employees was 12,303 (previous year: 13,064); in Europe (excluding Germany) 15,111 (previous year: 15,121); in North America 11,689 (previous year: 12,079); in Asia 10,321 (previous year: 10,242); in Africa/Australia 449 (previous year 475), and in South America/Central America 1,095 (previous year: 1,123).

Training at Freudenberg

In all, 571 employees were in training at Freudenberg worldwide as of December 31, 2025, 429 of them in Germany.

Other companies hold Freudenberg training in high regard, as evidenced by the major companies in the region that have repeatedly sent their young employees to be trained at Freudenberg in Weinheim. The range of programs run from two-year technical training to commercial training, all the way to university work-study programs. In recent years, the Freudenberg Training Center has specialized in digitalization

and is recognized as a learning hotspot for training and continuing education. The amount of training in Weinheim has seen strong growth in the last two years. In September 2025, 104 new trainees and work-study students got started at the Freudenberg Training Center. In all, 375 future specialists are now being trained at the center. That is 55 percent more than three years ago. One emphasis during the reporting year was on stronger networking among the training managers at German facilities relating to joint marketing activities for the programs, for example.



Training

571

trainees worldwide at Freudenberg
as of December 31, 2025

429

trainees at Freudenberg in Germany
as of December 31, 2025





Career Orientation and Education

horizons

expanding perspectives.

The Freudenberg
Educational Support Program
for Employees' Children

Coinciding with its 175th anniversary in 2024, Freudenberg introduced a new program, “Horizons,” for the children of Freudenberg employees. The program is geared to young adults at the start of their careers. It is designed to help them discover new horizons with an orientation to their career options and give them concrete support. The program has four elements:

1. Scholarships (70 have been given out so far):

Financial support for undergraduate studies in the focus countries: the United States, Germany, India, China, Italy, Mexico and Turkey.

2. Orientation to careers:

Assistance with the choice of a career, with insights into opportunities in industry.

3. Internships:

Offers of internships to children of employees during their studies or their initial training.

4. Alumni:

Creation of a global network providing support and ways to share experiences and ideas.



A woman wearing a yellow hard hat, safety glasses, and ear protection is working in a factory. She is wearing a yellow and blue high-visibility jacket and is focused on her work. The background is a blurred industrial setting.

Health, Safety and Environmental Protection

FOCUS ON PEOPLE AND THE ENVIRONMENT

At Freudenberg, health, safety and the environment are at the center of our activities – with a clear requirement to prevent accidents, protect health with preventive measures and to continually reduce the impact of our businesses on the environment.

In specific areas, company standards define the Group-wide minimum requirements for occupational and environmental protections. These requirements correspond to the international ISO 45001 and ISO 14001 standards.

Internal and external audits as well as standardized HSE assessments at our facilities ensure that our standards and programs are carried out consistently. The acquired insights flow systematically into measures that continue to improve job safety and health, along with environmental and fire protection.

As part of its health management program, Freudenberg provides numerous sport and fitness options.



Management systems

More than 80 percent of Freudenberg's production facilities have a certified management system in accordance with ISO 45001 and ISO 14001.

Investments

Out of the company's total investments, the share of direct investments to protect health and the environment and to ensure job safety stood at 9.3 percent. That corresponds to a slight decrease of 1 percent compared to the previous year.



Freudenberg is committed to the protection of the environment and takes responsibility for making its activities environmentally friendly.

Environmental protection

Freudenberg is committed to the protection of the environment and takes responsibility for making its activities environmentally friendly.

We strive to continually minimize adverse environmental effects along the entire value chain – by using resources more efficiently and reducing emissions and energy use.

Corporate HSE at the Group level is integrated into the remediation of contaminated sites and cleanup projects, working closely with the respective local Freudenberg units. In close coordination with the responsible authorities, the company ensures that all local requirements are fully met and that no adverse environmental effects occur due to the existing contamination. Appropriate provisions have been made to ensure that current remediation measures and groundwater monitoring can continue.

Waste

A Group-wide internal environmental standard requires all Freudenberg production facilities to have a waste management program that is systematically geared to the waste hierarchy, ranging from avoidance, to reuse and recycling, all the way to the utilization of energy recovery and secure disposal.

In 2025, the company’s production waste totaled 123,157 tons, which corresponded to 10.6 tons in relation to sales. At many locations, there are “zero waste to landfill” projects to steadily reduce the quantity of the discarded waste.

Proper sorting, classification and transfer of waste to qualified expert waste disposal firms takes place in accordance with local legal guidelines. Adherence at the production facilities is verified during compliance audits, with random sampling by qualified external consultants.

Waste generation	2024	2025	change in %
Total waste generation [kt]	139	123	-11.1
Amount of total that is hazardous [kt]	14	14	0
Waste intensity [t/mil. euros of sales]	11.6	10.6	-8.7

Incidents and crisis management

In 2025, the Freudenberg Group was again confronted with a range of external and internal environmental and crisis management events.

At a number of locations, natural disasters such as forest fires, floods, heavy rain and storms impaired business operations. The trend had already been evident in previous years and continued during the reporting period.

In addition, there were facility fires, local plant closings in connection with strikes, environmental occurrences, relatively serious power outages, and individual security incidents at the sites. In scattered instances, geopolitical conflicts also led to repercussions on business activities and travel.

Despite the wide range of challenges, Freudenberg was able to significantly limit the effects on employees, the environment and operations. The Freudenberg-wide emergency and crisis management organization has a crucial function here, based on clearly defined roles, compulsory minimum standards and regular training programs that are carried out at all locations and give the responsible persons confidence in an emergency. With ongoing preparations, risks can be recognized early on, appropriate countermeasures introduced, and damage largely avoided.

For many years, Freudenberg has had an established structure for travel safety, which informs and supports the travelers comprehensively before departure and during the trip. It includes compulsory travel guidelines, the “Freudenberg Crisis Prevention Standards,” and global access to a travel assistance provider. It offers up-to-date country-related informa-

tion as well as medical and security-oriented advice and support.

Thanks to professional preparation and support available at any time, it has been possible to identify risks early on. The travelers were reliably protected and supported once again in 2025.



Freudenberg employees are supported comprehensively and professionally during business travel.

Health protection

Health protection is decentralized and resides in the Business Groups. Around the world, there have been many successful initiatives at individual locations that have run for years in some cases. Their goal is to strengthen physical and mental health.

Maintaining the mental health of our employees is important to us. Among other methods, Freudenberg provides programs for managers and regular awareness-raising events.





Safety and occupational health are top priorities at Freudenberg.

Occupational safety

To us, job safety not only means that everyone is working safely – we design our work systems to guarantee safety from the outset.

We carry out hazard assessments for all activities – both for our own employees as well as for external partners at our sites. In addition to the legally mandated instructions, we offer regular training on all relevant occupational safety issues.

Since 2025, all work-related accidents have been reported on the companywide reporting system for sustainability, environmental protection and job safety. Aside from quantitative data, qualitative information is being recorded globally. This leads to higher-quality accident reports at the facility level and enables a company-wide analysis of the causes of accidents. Seven serious accidents occurred during 2025. Serious accidents are work-related accidents with a high potential severity of injury where, for example, the party suffers permanent injury and/or requires a hospital stay of more than seven days for treatment.

In 2025, the rate of recordable work-related accidents (Work Related Incident Frequency Rate, WRIFR) was 2.9. This figure meets the statutory goal of 3.0.

The accident rate LDIFR (Lost Day Incident Frequency Rate) was 1.6 (previous year: 1.5). That corresponds to 169 work accidents requiring more than one day off work (previous year: 166).

The Group occupational safety program “We all take care” deals with all issues affecting safety in the workplace. Its projects cover worker and machine safety along with secure production processes. “We all take care” also promotes a safety-oriented culture.



Corporate Citizenship

WE HELP WORLDWIDE

The Freudenberg Group conducts business responsibly in every country where it operates, supporting a wide array of community and social projects – ranging from small local initiatives to complex international programs.

In its social commitments, Freudenberg combines continuity and flexibility to provide help where it is needed urgently and at short notice. This combination gives the Group's commitments a multifaceted character. They are currently divided into three areas:

lighthouse projects, aid projects and emergency relief, and “Freudenberg as a good neighbor.”

Lighthouse projects

(examples)

Education and environmental protection program e²

Launched in 2015, the program aims to give people access to work and education and promote environmental protection. The initiative complements separate existing initiatives based on a prescribed catalog of criteria. e² has been established on every continent. The total funding for it has now reached 24 million euros. More than 230 projects have been financed. Here are some current examples of e² projects:

Spain: Inclusion and environmental protection in harmony

In Parets del Vallès, Spain, Freudenberg has teamed up with the ONAT Foundation on an environmental and social project, “Crystal Water.” The idea is to use natural methods to cleanse rainwater polluted by industrial activities before it reaches rivers – for example, by planting trees and shrubs. Freudenberg employees work with physically or mentally disabled people on the project.

Mexico: Commitment to reforestation and climate protection

In Querétaro, Mexico, Vibracoustic is working with Reforestamos México on a reforestation project to counter growing deforestation and protect underground water reservoirs. On a three-hectare (7.4-acre) parcel, Vibracoustic employees have joined people from the community in planting trees, increasing biodiversity and CO₂ absorption. Thanks to internal communications, the joint campaign and regular visits to the reforested land, there has been an increase in environmental awareness at the Vibracoustic site.

Turkey: More equal opportunities due to science-technical education

In Bursa, Turkey, Freudenberg and the Science Heroes Association have created a classroom for science and technical education at an elementary school. The goal is to reduce inequality in education by shrinking the gap between public and private schools. The room's equipment includes robotics kits, tablets and 3D printers; teachers are trained as well. Freudenberg employees also guide the pupils in playful educational competitions, promoting early skills in technology and innovation.





The non-profit training center in Nagapattinam, India, offers government-recognized work-study education.

Training center in India

After the devastating tsunami in December 2004, Freudenberg built a nonprofit training center in Nagapattinam in the south Indian province of Tamil Nadu. Since 2009, it has run a government-approved work-study training program for electricians, welders, installers, engine mechanics and machinists. So far, more than 1,400 young people have successfully launched their careers there. Freudenberg continues to invest in the center. It was expanded during the reporting year, adding, among other things, a computer room.

Botanical garden in Weinheim

A feast for the senses: The Hermannshof in Weinheim, Germany, is an impressive botanical garden that is largely funded by the Freudenberg Group. It is a place of calm and relaxation where you can escape everyday life and experience the diversity of the plant world. Admission is free. Visitors from around the world enjoy the beauty of nature there and pick up new ideas and inspiration for their own gardens.

School project in China

The Chinese village of Haijin is located in the province of Sichuan, which was struck by an earthquake in May 2008. With Freudenberg's help, a primary school there was rebuilt and opened in 2009. The building gives about 300 pupils the environment they need to start their education on the right foot. Every year, Freudenberg employees visit the school and organize various activities, including a summer school project and remedial tutoring.

Freudenberg Foundation

With its programs, the Freudenberg Foundation has fostered effective long-term structural changes promoting greater inclusion, education and democracy since 1984. As a nonprofit GmbH, the foundation is a partner with Freudenberg & Co. Kommanditgesellschaft. In all of the projects, the focus is on children and young people, along with their social, language-related and professional integration into society.

Aid projects and emergency relief

(examples)

Aid for people affected by the war in Ukraine

After providing crucial immediate aid at the war's outset, Freudenberg has focused more heavily on organizations that handle long-term support for refugees and their integration. More than 40 organizations in Ukraine and other European countries have been supported so far. One is the Ukrainian Friends Foundation, which sets up container villages at safe locations in Ukraine.



Freudenberg supports the Ukrainian Friends Foundation, which sets up container villages at safe locations in Ukraine.

»Freudenberg as a good neighbor«

(examples)

“Service Day” in North America

Each year in September, more than 60 Freudenberg facilities in North America participate in a variety of social activities. Since 2014, employees have come together in the United States, Canada and Mexico on “Service Day” to help people in need, plant trees or clean up parks, for example.



On “Service Day,” Freudenberg employees clean up parks and other locations.

Teaming up against old-age poverty and loneliness: free meals, get-togethers for seniors

Every year, as Christmas approaches, works council members collect donations for Weinheim retirees in need. The Freudenberg Group doubles that sum, making it possible to fund a free hot lunch on weekdays for seniors while promoting social interaction. The campaign has been underway for about 70 years.

Initiatives in surrounding communities

There are Freudenberg Group facilities in about 60 countries. At many of these locations, the Freudenberg companies and their employees participate in local social projects, living their vision of social responsibility.

A man with a beard and mustache, wearing a blue blazer over a white shirt, is smiling and shaking hands with another man whose arm and hand are visible on the right. They are in an office environment with blurred windows and desks in the background. The lighting is bright and professional.

Compliance

CONFORMING WITH LAWS AND REGULATIONS

In 1887, company founder Carl Johann Freudenberg formulated his business principles. The principles and behaviors he postulated and practiced, such as honesty, modesty, loyalty, decency, and trust, continue to shape the corporate culture to this day. These values form the basis of our Business Principles and are also reflected in the company's Guiding Principles. The Business Principle of "Responsibility and Integrity" means that Freudenberg acts with a very high level of integrity and ethical standards. The Group does not tolerate any illegal or unethical business activities.

Orientation in a complex world

In an international environment, regulations and the corresponding controls are needed to manage companies with global operations. They provide employees with orientation and strengthen the trust of customers and partners.

The Code of Conduct derived from these Business and Guiding Principles define internal standards that apply worldwide. They are designed to guarantee legally compliant and conscientious behavior in all business activities. Ongoing communication and the mandatory integration of the Code of Conduct into company processes – for example, as a component of employment contracts – confirm the need to adhere to the established standards of behavior. E-learning on the Code of Conduct is an appropriate way for any employee to become familiar with its contents. In addition, the refresher training developed in 2025 ensures that employees are regularly reminded of the standards.

The e-learning on the Code of Conduct is an appropriate way for every employee to become familiar with its content.

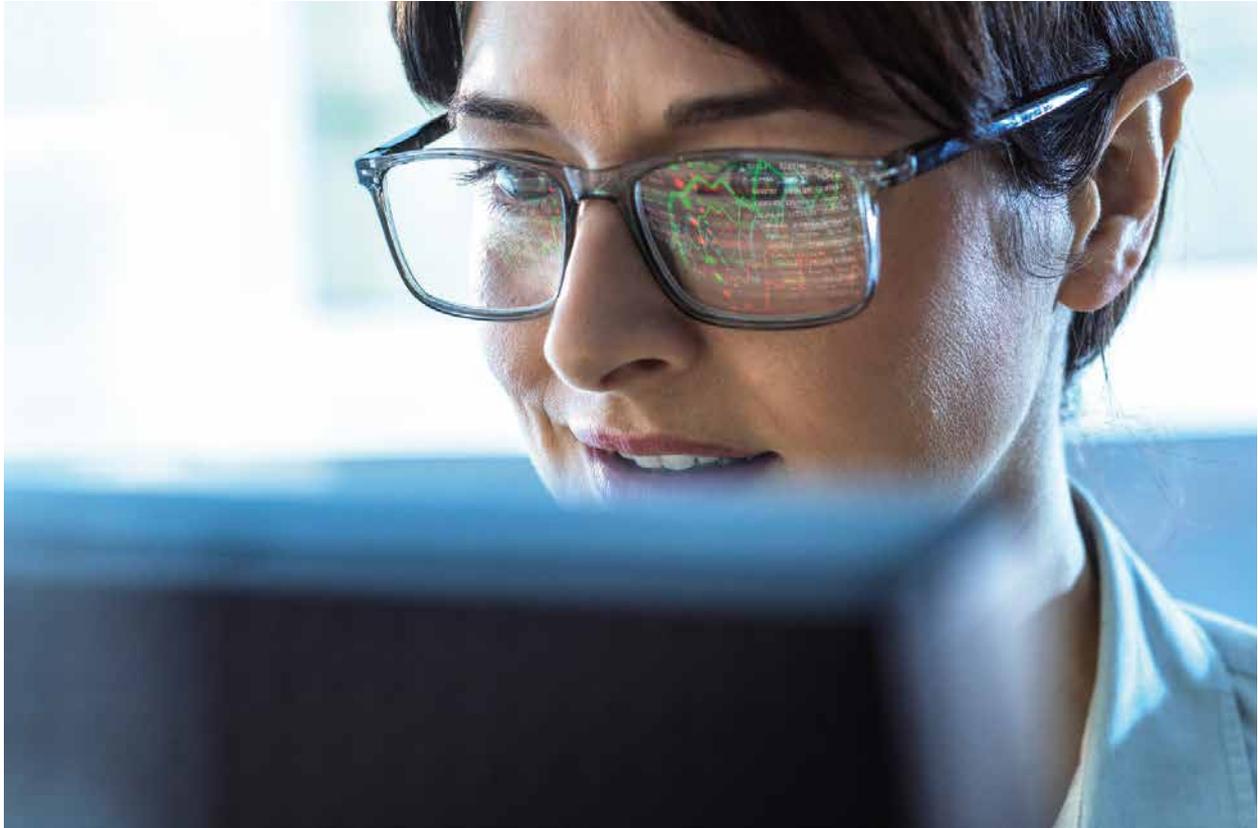


Compliance structure

Functions at the holding company level coordinate Freudenberg-wide compliance measures in close cooperation with the Business Groups. Among other things, this approach promotes the implementation of the Freudenberg compliance standards, best-practice sharing and the ongoing development of compliance programs.

Up-to-date online training on various compliance topics is available to the Business Groups worldwide. The training courses raise employees' awareness of compliance-related risks in their areas of responsibility. Campaigns such as "Cybersecurity Awareness Month" in October 2025 strengthen the awareness of risks and offer concrete tips on preventing problems. Compliance is a companywide mission.

Campaigns such as "Cybersecurity Awareness Month" in October 2025 boost the awareness of risks among Freudenberg employees and offer them concrete tips on preventing problems. Compliance is a companywide mission.



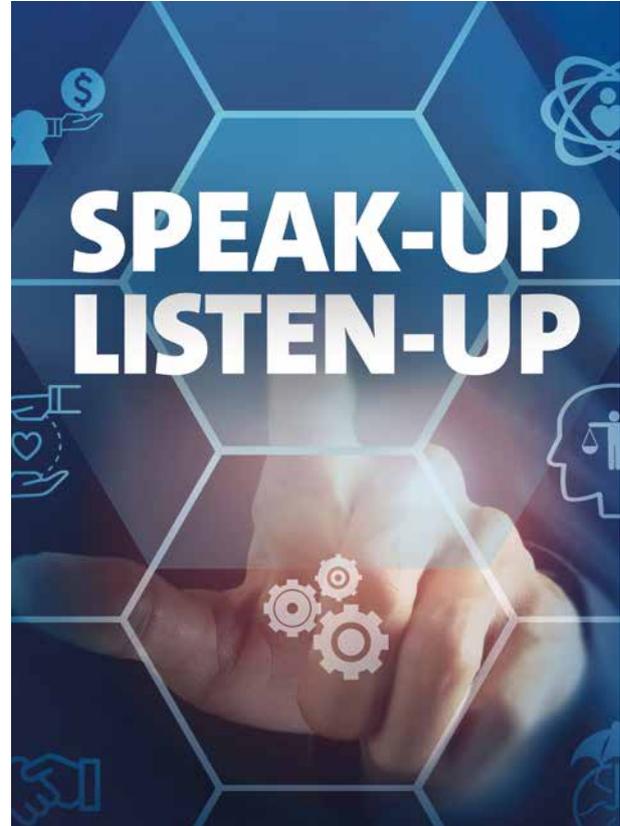
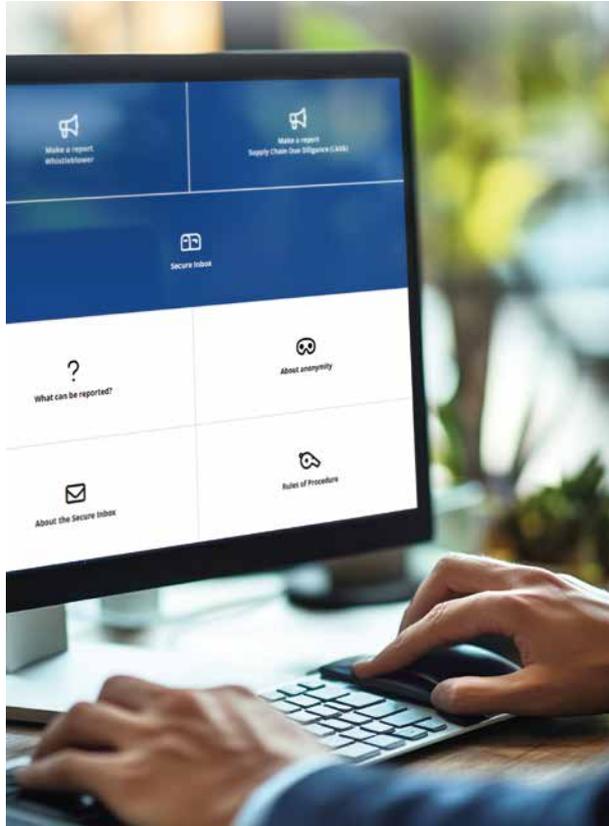
Ethics Offices

Ethics Offices are an important component of the Compliance Management System at Freudenberg. They are the confidential starting and contact point for all employees and third parties who wish to report a (potential) violation of the law or the principles in force at Freudenberg.

Since January 2025, the Ethics Offices also have received reports and concerns via an electronic whistleblower system.

The opportunity to report compliance violations or to notify the offices of a potential violation, in each case with a guarantee of confidentiality, is designed to help maintain a culture of trust and protect Freudenberg values and principles even more effectively.

To strengthen the “speak up/listen up” culture within the Freudenberg Group, the company has introduced an electronic tipster, or whistleblower, system.



UN Global Compact Progress Report

The UN Global Compact is the world's largest and most important initiative for responsible company leadership. Since joining in 2014, Freudenberg has voluntarily made the commitment to conduct its business sustainably, with a values-based approach. In the so-called UN Global Compact Progress Report, Freudenberg regularly highlights how it is implementing the 10 principles of the Global Compact and how it is helping to achieve the UN Sustainable

Development Goals. For Freudenberg – as with all the other members – this involves answering a standardized questionnaire with nearly 70 questions – mainly multiple-choice – on the topics of governance, human rights, labor standards, environment and climate, as well as anticorruption measures. The completed questionnaires can be found on the UN Global Compact website at <https://www.unglobalcompact.org>.



CONSOLIDATED FINANCIAL STATEMENTS OF FREUDENBERG SE

INHALT

Consolidated Statement of Financial Position	102
Consolidated Statement of Profit or Loss	104
Consolidated Statement of Comprehensive Income	105
Consolidated Statement of Cash Flows	106
Consolidated Statement of Changes in Equity	107
Notes to the Consolidated Financial Statements	108
Shareholdings	165

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

[€ million]	Note	Dec. 31,2024	Dec. 31,2025
ASSETS			
Intangible assets	(1)	2,651.0	3,113.8
Tangible assets	(2)	3,130.3	3,017.1
Investment properties	(3)	9.0	7.8
Investments in joint ventures	(4)	231.6	198.9
Investments in associated companies	(5)	969.7	883.7
Other financial assets		155.8	159.2
Financial assets		1,357.1	1,241.8
Other non-current assets	(7)	56.2	56.4
Deferred taxes	(26)	412.1	472.3
Non-current assets		7,615.7	7,909.2
Inventories	(6)	1,886.5	1,794.4
Trade receivables		1,764.0	1,683.0
Other current assets		313.1	396.2
Current receivables	(7)	2,077.1	2,079.2
Current tax assets		135.9	188.5
Cash and cash equivalents	(8)	2,600.5	1,928.0
Current assets		6,700.0	5,990.1
		14,315.7	13,899.3

EQUITY AND LIABILITIES

[€ million]	Note	Dec. 31,2024	Dec. 31,2025
EQUITY AND LIABILITIES			
Subscribed capital		450.0	450.0
Capital reserves		50.2	50.2
Retained earnings		7,228.0	7,024.2
Equity without non-controlling interests		7,728.2	7,524.4
Non-controlling interests		404.7	405.3
Equity	(10)	8,132.9	7,929.7
Provisions for pensions and similar obligations	(11)	623.5	538.6
Other long-term provisions	(12)	137.4	118.9
Long-term provisions		760.9	657.5
Financial debt		1,086.7	974.1
Other non-current liabilities		166.0	85.2
Liabilities	(13)	1,252.7	1,059.3
Deferred taxes	(26)	228.4	213.0
Non-current liabilities		2,242.0	1,929.8
Other current provisions	(12)	863.6	873.3
Current tax liabilities		197.2	161.2
Financial debt		1,196.0	1,269.7
Trade payables		1,299.5	1,278.3
Other current liabilities		384.5	457.3
Liabilities	(13)	2,880.0	3,005.3
Current liabilities		3,940.8	4,039.8
		14,315.7	13,899.3

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

[€ million]	Note	2024	2025
Sales	(14)	11,947.5	11,731.9
Cost of sales	(15)	-8,134.6	-8,240.6
Gross profit		3,812.9	3,491.3
Selling expenses	(16)	-1,679.1	-1,691.5
Administrative expenses	(17)	-755.6	-768.4
Research and development expenses	(18)	-534.4	-632.5
Other income	(19)	303.2	229.8
Other expenses	(20)	-197.4	-174.5
Income from investments in joint ventures	(4),(21)	23.1	23.9
Profit from operations		972.7	478.1
Income from investments in associated companies	(5),(22)	63.3	45.6
Other investment result	(23)	-2.5	6.7
Other interest and similar income	(24)	176.8	209.8
Interest and similar expenses	(25)	-192.9	-269.7
Financial result		44.7	-7.6
Profit before income taxes		1,017.4	470.5
Income taxes	(26)	-292.6	-108.6
Consolidated profit		724.8	361.9
Of which: attributable to Freudenberg		628.9	280.9
Of which: attributable to non-controlling interests	(27)	95.9	81.0

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

[€ million]	Note	2024	2025
Consolidated profit		724.8	361.9
Other comprehensive income:			
Remeasurement of defined benefit plans	(11)	27.4	60.5
Changes in value of securities		7.6	11.4
Income tax relating to items that will not be reclassified to profit or loss	(10)	-9.1	-13.8
Share in other comprehensive income of associated companies	(5)	10.4	21.6
Items that will not be reclassified to profit or loss		36.3	79.7
Exchange rate differences	(10)	62.7	-470.5
Changes in value of derivative financial instruments	(10)	0.2	0.0
Miscellaneous comprehensive income		-2.7	5.1
Income tax relating to items that will be reclassified subsequently to profit or loss when specific conditions are met	(10)	-5.0	7.0
Share in other comprehensive income of joint ventures	(4)	-0.8	-1.0
Share in other comprehensive income of associated companies	(5)	36.3	-8.6
Items that will be reclassified subsequently to profit or loss when specific conditions are met		90.7	-468.0
Other comprehensive income for the year		127.0	-388.3
Total comprehensive income for the year		851.8	-26.4
Of which: attributable to Freudenberg		746.0	-69.2
Of which: attributable to non-controlling interests		105.8	42.8

CONSOLIDATED STATEMENT OF CASH FLOWS

[€ million]	Note	2024	2025
Profit before taxes		1,017.4	470.5
Depreciation, amortization and impairment losses on intangible assets, tangible assets, investment properties and financial assets less write-ups		557.3	750.4
Income from investments and interest income		-69.5	-23.4
Income taxes paid		-298.3	-312.5
Profit or loss on disposal of intangible assets, tangible assets, investment properties and financial assets		-1.9	-9.9
Dividends received		51.7	80.8
Other expenditure and income not affecting payments		42.2	29.3
Changes in inventories, trade receivables and other assets		-166.8	64.6
Changes in trade payables and other liabilities		143.2	-6.3
Changes in provisions		37.6	-36.0
Interest paid		-104.2	-97.8
Interest received		80.2	64.5
Cash flow from operating activities	(28)	1,288.9	974.2
Cash inflow from disposals of intangible assets, tangible assets and investment properties		22.0	34.6
Cash outflow from acquisitions of intangible assets, tangible assets and investment properties		-501.5	-456.0
Cash inflow from disposals of financial assets		2.3	9.8
Cash outflow from acquisitions of financial assets		-23.6	-12.8
Cash inflow in connection with the disposal of consolidated companies or other business units less cash disposed of		41.0	9.3
Cash outflows in connection with the acquisition of consolidated companies or other business units less cash acquired		-64.3	-684.5
Cash flow from investing activities		-524.1	-1,099.6
Dividend payments to shareholders/non-controlling interests	(29)	-255.0	-176.8
Payments from transactions with non-controlling interests		-17.1	-12.1
Cash inflow from the take-up of financial debts		224.5	375.9
Cash outflow from the repayment of financial debts		-330.1	-627.4
Cash inflow from disposals of loans and securities held as non-current assets		5.2	13.3
Cash outflow from acquisitions of loans and securities held as non-current assets		-28.0	-56.5
Cash flow from financing activities		-400.5	-483.6
Changes in cash and cash equivalents with effect on payments	(31)	364.3	-609.0
Changes in cash and cash equivalents from changes in consolidated group		0.6	0.0
Changes in cash and cash equivalents from exchange rate differences		-1.8	-63.5
Cash and cash equivalents at beginning of year		2,237.4	2,600.5
Cash and cash equivalents at end of year		2,600.5	1,928.0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

[€ million]	Subscribed capital	Capital reserves	Currency translation	Remeasurement of defined benefit obligations	Fair value measurement of securities	Financial investments accounted for using the equity method
Status Jan. 1, 2024	450.0	50.2	-380.5	-252.0	19.5	217.7
Changes in consolidated group						
Consolidated profit						
Appropriation of profit						
Other comprehensive income			46.6	25.3	8.2	33.9
Status Dec. 31, 2024	450.0	50.2	-333.9	-226.7	27.7	251.6
Status Jan. 1, 2025	450.0	50.2	-333.9	-226.7	27.7	251.6
Changes in consolidated group						
Consolidated profit						
Appropriation of profit						
Other comprehensive income			-425.6	63.1	12.4	4.8
Status Dec. 31, 2025	450.0	50.2	-759.5	-163.6	40.1	256.4

[€ million]	Tax effects recognized in equity	Other retained earnings	Total retained earnings	Equity without non-controlling interests	Non-controlling interests	Equity
Status Jan. 1, 2024	61.3	6,949.9	6,615.9	7,116.1	420.0	7,536.1
Changes in consolidated group		0.0	0.0	0.0	0.0	0.0
Consolidated profit		628.9	628.9	628.9	95.9	724.8
Appropriation of profit		-133.9	-133.9	-133.9	-121.1	-255.0
Other comprehensive income	-14.3	17.4	117.1	117.1	9.9	127.0
Status Dec. 31, 2024	47.0	7,462.3	7,228.0	7,728.2	404.7	8,132.9
Status Jan. 1, 2025	47.0	7,462.3	7,228.0	7,728.2	404.7	8,132.9
Changes in consolidated group		0.0	0.0	0.0	0.0	0.0
Consolidated profit		280.9	280.9	280.9	81.0	361.9
Appropriation of profit		-134.6	-134.6	-134.6	-42.2	-176.8
Other comprehensive income	-6.4	1.6	-350.1	-350.1	-38.2	-388.3
Status Dec. 31, 2025	40.6	7,610.2	7,024.2	7,524.4	405.3	7,929.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General

Freudenberg is an international industrial group mainly active as a supplier to the automotive, mechanical engineering, oil and gas, and construction industries as well as the textile and apparel industries. The portfolio also includes medical technology and consumer goods.

The consolidated financial statements of Freudenberg SE, Weinheim, Germany (registered with Mannheim Local Court, HRB 714579), for 2025 have been drawn up in accordance with the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union (EU) as of the date of the statement of financial position (December 31, 2025) and cover the smallest consolidated group. Freudenberg SE, Weinheim, Germany, is included in the consolidated financial statements of Freudenberg & Co. Kommanditgesellschaft, Weinheim, Germany, which are published in the “Unternehmensregister” (Business Register) and cover the largest consolidated group.

Freudenberg SE has availed itself of the right as laid down in Sec. 315e (3) HGB (“Handelsgesetzbuch”, German Commercial Code) to set up its consolidated financial statements in accordance with IFRS.

The Group currency is the euro. All amounts are indicated in million euros unless otherwise stated.

Accounting standards applied for the first time in the reporting year

In the 2025 financial year, the application of the following amended and new standards was binding for the first time

Standards/Amendments	Designation	Impact
IAS 21	Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	No material impact

Accounting standards published but not yet applied

The following standards, interpretations and amendments published by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee are not yet binding. The application of these standards, interpretations and amendments is subject to endorsement by the EU which, in some cases, is still pending.

Standards/Interpretations/Amendments		Application binding from ¹	Endorsed by EU	Probable Impact
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	Yes	See below
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027	No	No material impact
IFRS 19	Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures	January 1, 2027	No	No material impact
IAS 21	Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	January 1, 2027	No	No material impact
Various standards	Amendments to IFRS 7 and IFRS 9 – Classification and Measurement of Financial Instruments	January 1, 2026	Yes	No material impact
Various standards	Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	January 1, 2026	Yes	No material impact

¹ From this date or for reporting periods beginning after this date.

Changes with respect to the introduction of IFRS 18

In April 2024, the IASB published the new IFRS 18 “Presentation and Disclosure in Financial Statements”, which is to replace IAS 1. By laying down standardized requirements for presentation and disclosure in financial statements, IFRS 18 aims to improve the comparability, relevance and comprehensibility of consolidated financial statements. The standard introduces a new structure for the statement of profit and loss, with income and expense items being classified in categories such as operating, investing and financing, and also introduces mandatory subtotals. Furthermore, the standard calls for extended disclosures in the notes to the financial statements, especially concerning the disclosure of management-defined performance measures (“MPMs”), and strict requirements apply to aggregation and disaggregation. The standard will also

result in minor changes to the statement of capital flows, as regards the classification of interest and dividend cash flows. Freudenberg will apply the new standard for the first time retrospectively for the financial year commencing on January 1, 2027. Due to the first-time application of the new provisions, we expect comprehensive adaptations to the presentation of the statement of profit or loss, especially as a result of the newly introduced investing category, which will lead to the reclassification of income and expenses from the operating and financing categories. Furthermore, detailed disclosures concerning management-defined performance measures and an extended presentation of individual income and expense items by functional areas will be necessary. Only minor changes to the statement of cash flows will be required.

Consolidated group

Apart from Freudenberg SE, 63 German (previous year: 60) and 345 foreign (previous year: 342) **affiliated companies**, with respect to which Freudenberg SE has the power to direct the relevant activities of the company, the right to variable returns from the company and the ability to affect such variable returns, are fully consolidated.

Freudenberg operates a joint venture in the field of mechanical seals within the Freudenberg Flow Technologies Business Group together with the partner Eagle Industry Co., Ltd., Tokyo, Japan. Freudenberg holds a 25-percent stake in EagleBurgmann Japan Co., Ltd., Tokyo, Japan. The partner also holds a 25-percent indirect stake in EagleBurgmann Germany GmbH & Co. KG, Wolfratshausen, Germany. According to the joint venture agreement between the partners, Freudenberg exercises control over affiliated companies of the EagleBurgmann Group in which Freudenberg holds less than half of the voting rights of the other company; such affiliated companies are therefore fully consolidated.

In the consolidated financial statements, 1 German (previous year: 1) and 11 foreign (previous year: 11) **joint ventures** are included. These legally independent companies are managed jointly with the partner company in each case. Both parties hold rights to the net assets of the companies. The joint ventures are consolidated using the equity method.

In addition, 9 foreign (previous year: 9) associated companies are included in the consolidated financial statements. Freudenberg does not control these companies but only exercises a significant influence. These companies are consolidated using the equity method.

All affiliated companies, joint ventures and associated companies are listed in the "Shareholdings" section attached to these Notes to the Consolidated Financial Statements.

In the year under review, 20 companies were included in the consolidated financial statements as fully consolidated affiliated companies for the first time. 14 companies which had previously been fully consolidated were no longer included as fully consolidated affiliated companies due to sale, liquidation or

merger. The timing of the initial consolidation is determined on the basis of the date when Freudenberg SE gained control. In the event of loss of control, de-consolidation is effected.

Acquisitions and disposals

In December 2025, Freudenberg Italia S.a.s. di Freudenberg S.r.l., Milan, Italy, together with Externa Holding S.r.l., Milan, Italy, acquired all the shares in **EULIP s.r.l.**, Parma, Italy ("EULIP"). EULIP is an independent producer of specialized functional ingredients such as oils and fats. The acquisition of EULIP is intended to strengthen the market position of CAPOL (a division of the Freudenberg Chemical Specialities Business Group) as a provider of high-quality ingredients solutions for the food and beverage industry. The main reasons for the acquisition are to benefit from the growing demand for specialized oils and fats as well as EULIP's strong market position. In addition, cross-selling potentials are to be realized and technological synergy effects with CAPOL and Klüber are to be leveraged. Finally, the resilience of the supply chain is to be strengthened by the raw material and processing competence of EULIP and the CAPOL business model is to be meaningfully extended by the tailor-made solutions and applications expertise of EULIP. The fair value as at the acquisition date of the total consideration transferred amounted to €433.4 million. This includes a contingent consideration in the single-digit range in millions of euros. The remainder of the consideration represents cash purchase price payments, of which an amount in the mid-double-digit range in millions of euros has been deposited in an escrow account to provide security for the performance of certain contractual obligations. The acquisition did not involve other types of consideration, such as the transfer of assets, the assumption of liabilities or the issue of equity instruments. The contingent consideration established as at the acquisition date depends on the achievement of certain financial targets in 2025 (sales and gross margin targets). The maximum possible amount payable is in the low double-digit range in millions of euros. On the basis of a probability-weighted assessment of expected target achievement, the contingent consideration was measured in the single-digit range in millions of euros as at the acquisition date. The receivables acquired are shown in the table "Acquired assets and liabilities"

below. The fair value of the receivables corresponds to the amount shown in that table. The gross amounts of the contractual receivables largely correspond to the fair value of the receivables as no material uncollectible cash flows are expected. All the other main groups of assets and liabilities are also shown in the table mentioned. There were no relations with EULIP prior to the commencement of negotiations and no other agreements were entered into with EULIP independently from the business combination which would have required disclosure in the statement of financial position separately from the acquisition itself. The company is fully consolidated as part of the Freudenberg Group. In the 2025 financial year, EULIP only made minor contributions to consolidated sales or profit. If the acquisition had already taken place as at the beginning of the year under review, the contribution to consolidated sales would have been €111.2 million and the contribution to consolidated profit would have been €28.6 million. The non-tax-deductible provisional goodwill arising in connection with the acquisition, in the amount of €389.6 million, results from expected synergies, especially through cross-selling potentials, technological exchange and the utilization of EULIP's market position in the growing specialized oil and fat segment. As a result of the late date of the acquisition in the financial year, the measurement process for the determination of the fair values of identifiable intangible assets is still in progress. Provisionally, the entire amount of the difference was therefore allocated to goodwill. Upon the completion of the analyses in progress, especially analyses of the margin structure and the relevant intangible assets, it may be necessary to make adjustments. The purchase price allocation is therefore still provisional as of the date of the statement of financial position.

In September 2025, Capol LLC, Wilmington, Delaware, USA, acquired all the shares in **Blue Pacific Flavors, Inc.**, City of Industry, California, USA ("BPF"), including its affiliates. BPF is a leading supplier of natural and organic flavors in the field of beverages, confectionery and food coatings. The main reasons for the business combination were to strengthen the market position of CAPOL (a division of the Freudenberg Chemical Specialities Business Group) in the US flavor market and to leverage technological synergy effects and cross-selling potentials. The fair value as at the acquisition date of the total consideration transferred amounted to €129.2 million. This includes a

contingent consideration in the single-digit range in millions of euros. The remainder of the consideration represents cash purchase price payments, of which an amount in the low double-digit range in millions of euros has been deposited in an escrow account to provide security for the performance of certain contractual obligations. The contingent consideration established as at the acquisition date depends on the achievement of defined sales and margin targets for 2027 and 2028. The maximum possible amount payable is in the low double-digit range in millions of euros. On the basis of a probability-weighted assessment of expected target achievement, the contingent consideration was measured in the single-digit range in millions of euros as at the acquisition date. The receivables acquired are shown in the table "Acquired assets and liabilities" below. The fair value of the receivables corresponds to the amount shown in that table. The gross amounts of the contractual receivables largely correspond to the fair value of the receivables as no material uncollectible cash flows are expected. All the other main groups of assets and liabilities are also shown in the table mentioned. There were no relations with BPF prior to the commencement of negotiations. In connection with the business combination, existing value-oriented employee remuneration programs were activated as a result of the change of control. The resulting payments do not represent consideration but employee benefit costs that are to be disclosed separately and were therefore not included in the consideration transferred. The company is fully consolidated as part of the Freudenberg Group. In the 2025 financial year, BPF only made minor contributions to consolidated sales or profit. If the acquisition had already taken place as at the beginning of the year under review, the contribution to consolidated sales would have been in the low double-digit range in millions of euros and the contribution to consolidated profit would have been in the single-digit range in millions of euros. The non-tax-deductible goodwill arising in connection with the acquisition, in the amount of €104.5 million, results chiefly from expected synergies, technological benefits and market potentials. The purchase price allocation was still provisional as of the date of the statement of financial position as a result of the date of the acquisition. Especially the measurement of intangible assets was still in progress.

In October 2025, Chem-Trend Limited Partnership (part of the Freudenberg Chemical Specialities

Business Group), Lansing, Michigan, USA, acquired all the shares in **Zander Colloids, LC**, Fenton, Michigan, USA, (“Zander Colloids”). Zander Colloids produces colloid solutions, emulsions and dispersions and offers specialized processing and fluid processing services for a variety of industries. The acquisition of Zander Colloids is intended to strategically supplement the existing business of ChemTrend and to achieve growth and synergy effects. The company is fully consolidated as part of the Freudenberg Group. From the Group point of view, this acquisition was not material. As at the date of statement of financial position, the purchase price allocation for this acquisition was also provisional.

In August 2025, Klüber Lubrication GmbH (part of the Freudenberg Chemical Specialities Business Group), Weinheim, Germany, acquired all the limited partnership shares in **TriboServ GmbH & Co. KG**, Geldersheim, Germany (“TriboServ”). Curt Georgi Verwaltungs GmbH, Böblingen, Germany, became the general partner of TriboServ. TriboServ is an internationally active supplier of automatic lubrication systems for industrial applications. The acquisition of TriboServ is designed to specifically complement the existing business of Klüber Lubrication by expanding its service range in the field of industrial systems solutions and to ensure closer links between existing competence areas as well as achieving growth and synergy effects. The company is fully consolidated as part of the Freudenberg Group. From the Group point of view, this acquisition was not material.

In June 2025, Capol GmbH (part of the Freudenberg Chemical Specialities Business Group), Elmshorn, Germany, acquired all the limited partnership shares in **Curt Georgi GmbH & Co. KG**, Böblingen, Germany (“Curt Georgi”). TriboServ Verwaltungs GmbH, Geldersheim, Germany, became the general partner of Curt Georgi. Curt Georgi is a globally active supplier of natural and nature-identical flavors in the fields of confectionery, baked goods and ice cream. The acquisition of Curt Georgi is intended to strategically supplement the existing business of Capol GmbH and to achieve growth and synergy effects. The company is fully consolidated as part of the Freudenberg Group. From the Group point of view, this acquisition was not material.

in October 2025, Freudenberg FST GmbH (part of the Freudenberg Sealing Technologies Business Group),

Weinheim, Germany, acquired all the shares in **DMH Dichtungs- und Maschinenhandel GmbH**, Traboch, Austria, and in IIG – Industrial Investment GmbH, Traboch, Austria (the “DMH Group”). The DMH Group specializes in the manufacture of customized sealing solutions from thermoplastics and elastomers as well as metal components and tools. The acquisition of the DMH Group is intended to supplement the existing portfolio of Freudenberg Sealing Technologies in a targeted way, to strengthen presence in regions such as North America and Asia and to achieve growth and synergy effects. The company is fully consolidated as part of the Freudenberg Group. From the Group point of view, this acquisition was not material. As at the date of statement of financial position, the purchase price allocation for this acquisition was also provisional.

In November 2025, Freudenberg-NOK General Partnership (part of the Freudenberg Sealing Technologies Business Group), Wilmington, Delaware, USA, acquired all the shares in **Alto Products Corp. AL**, Atmore, Alabama, USA (“Alto”). Alto is a manufacturer of clutch plates and automatic transmission parts. The acquisition of Alto is designed to specifically complement the existing business of Freudenberg Sealing Technologies by expanding the product portfolio in the field of drive system and transmission components as well as achieving growth and synergy effects, especially in the international aftermarket sector. The company is fully consolidated as part of the Freudenberg Group. From the Group point of view, this acquisition was not material. As at the date of statement of financial position, the purchase price allocation for this acquisition was also provisional.

In May 2025, Freudenberg Medical Europe GmbH (part of the Freudenberg Medical Business Group), Kaiserslautern, Germany, acquired all the shares in **Fuji Seiko Co., Ltd.**, Yaita, Japan (“Fuji Seiko”). Fuji Seiko is an international manufacturer of high-precision micro-tubing for minimally invasive devices for medical applications. The acquisition of Fuji Seiko is designed to specifically complement the existing business of Freudenberg Medical by securing and integrating major value addition stages in the supply chain as well as achieving growth and synergy effects. The company is fully consolidated as part of the Freudenberg Group. From the Group point of view, this acquisition was not material.

The consideration transferred for all acquisitions which were not material from the Group point of view reached the lower triple-digit range in millions of euros. In 2025, assets totaling about €131.5 million were acquired as a result of all the acquisitions classed as not material. The resulting goodwill ran into the high double-digit range in millions of euros. In the year under review, the companies concerned contributed about €29.1 million to consolidated sales. If the acquisitions had already taken place on January 1, 2025, the sales of the Freudenberg Group would have been increased by a further amount of €100.2 million.

As at the acquisition date, there was no material difference between the gross amount of contractual receivables and their fair value in the case of the companies acquired.

The transaction costs incurred in connection with all company acquisitions were not material and were recognized with an impact on net income.

The fair values of the main groups of assets and liabilities of the companies acquired as at the acquisition date were determined chiefly on the basis of level 3 input factors and are shown in the table below:

[€ million]	EULIP	BPF	Other acquisitions of Business Group Freudenberg Chemical Specialities	Other acquisitions
Intangible assets	389.6	129.2	64.8	83.6
Tangible assets	10.3	3.4	7.9	56.7
Other non-current assets	2.4	1.8	0.2	1.3
Inventories	4.6	3.3	4.5	25.8
Trade receivables	20.5	3.0	5.2	11.6
Other current assets	1.0	0.5	0.9	2.3
Cash and cash equivalents	20.9	7.9	7.4	2.7
Assets	449.3	149.1	90.9	184.0
Non-current liabilities	2.8	7.5	5.2	42.0
Current liabilities	13.1	12.1	18.4	22.3
Liabilities	15.9	19.6	23.6	64.3
Net assets	433.4	129.5	67.3	119.7

The purchase price allocation for the acquisition of the Heytex Group, which had not been finalized as at December 31, 2024, was reviewed in the year under review as at the end of the reporting period. There were no material changes.

Dismantling of the Freudenberg e-Power Systems Business Group

In the year under review, the Freudenberg Group took the decision to dismantle the Freudenberg e-Power Systems Business Group as of January 1, 2026. This decision was made as a result of unfulfilled and changed expectations concerning the development of battery and fuel cell business. The Business Group's regular business activities have ceased. The only business to be conducted in 2026 will be the processing of existing orders and the settlement of existing obligations. The business with battery cells, modules and systems and the business with fuel cell systems will not be continued. The "Hydrogen Components" business will, however, continue and has been integrated in the Freudenberg Sealing Technologies Business Group. The decision does not represent an event within the scope of IFRS 5 as the operations do not meet the criteria for a discontinued

operation within the meaning of IFRS 5.32 ff., and no assets were classed as "held for sale" as defined in IFRS 5.6 ff. The measures adopted in the year under review in this respect mainly affected assets, liabilities and consolidated profit. These effects are summarized below.

1. Impairment losses (IAS 36 and IAS 2)

In connection with the dismantling, there were several indicators of impairment losses. This concerned both the entire goodwill held by the cash-generating unit Freudenberg e-Power Systems and other intangible and tangible assets which will lose their future economic benefit as a result of the discontinuation of operations (IAS 36). In addition, impairment losses were recognized with respect to inventories where their net realizable value was lower than their amortized acquisition or production cost (IAS 2).

The recoverable amounts were determined on the basis of value in use or fair value less cost of disposal. The resulting impairment losses are shown in detail in the disclosures concerning intangible and tangible assets.

2. Provisions for restructuring (IAS 37)

Provisions were formed for contractual obligations arising in connection with the planned dismantling. These include the following items:

- Cost of the closure of locations and functions
- Contractual obligations arising in connection with the termination of supply and service contracts
- Personnel measures, where current service obligations are concerned

The provisions are based on the best estimate of management as of the date of the statement of financial position.

3. Customer and supplier relations

In connection with the discontinuation of business activities, certain long-term customer and supplier relationships were modified or the relevant contracts were terminated.

These measures had the following effects on the statement of financial position and the statement of profit or loss:

- Amendment or termination of customer contracts by mutual agreement; related payments and the winding up of obligations resulted in changes in receivables and provisions, and related effects on consolidated profit.
- Termination of a long-term supply contract with a major supplier, resulting in the recognition of compensation obligations and costs in connection with the premature termination of the contract.

These effects are reflected by expenses in the relevant functional areas.

4. Deferred taxes

The value of deferred tax assets set up with respect to previous tax losses carried forward was reassessed. On the basis of the updated expectations concerning the future income situation of the units concerned with respect to tax and business activities which are to be discontinued in the future, tax assets set up with respect

to tax losses carried forward were de-recognized with an impact on net income where the usability of such assets was no longer assessed as probable.

At the same time, the losses incurred in connection with the dismantling and restructuring measures led to effects on consolidated profit which could be used for tax purposes provided that such use was possible within the consolidation unit relevant for tax purposes. Deferred tax assets were recognized for losses carried forward where it was sufficiently probable, in the assessment of the management, that said assets could be used in the future.

The netted-out effect of the de-recognition of deferred tax assets which could no longer be used and the recognition of new deferred tax assets is included in the income taxes shown in the consolidated statement of profit or loss.

5. Effects on the statement of profit or loss

The effects arising in connection with the dismantling chiefly concern:

- Impairments
- Expenses in connection with contract terminations and restructuring
- Effects of the disposal of fixed assets on the statement of profit or loss
- Effects from the termination of customer and supplier relationships

For greater transparency, these effects are presented by functional areas in the table below: Functional areas	Effects from the dismantling of Freudenberg e-Power Systems
Cost of sales	-291.4
Selling expenses	-6.3
Administrative expenses	-14.2
Research and development expenses	-112.0
Other expenses	-21.7
Total	-445.6

Consolidation methods

The consolidated financial statements are based on the annual accounts of Freudenberg SE and the consolidated companies according to IFRS. All the annual accounts concerned were drawn up as at December 31, 2025. In accordance with IFRS 10, the accounts of the individual companies to be included in the consolidated financial statements were drawn up applying uniform accounting and measurement methods.

The acquisition costs of the individual consolidated companies are set off against the pro-rata share in the fair value of the equity of the companies concerned as of the date of acquisition according to the purchase method. Identifiable acquired assets and liabilities are also included in the consolidated statement of financial position at their fair values as of the acquisition date. Any remaining differences are shown as goodwill.

Inter-company profits and losses, sales, expenses and income and all receivables and payables between consolidated companies are eliminated. Deferred taxes are set up on consolidation transactions affecting net income.

Joint ventures and associated companies are consolidated using the equity method on the basis of financial statements drawn up in accordance with IFRS.

The differences arising from the acquisition of shareholdings in joint ventures and associated companies form part of the book value of the shareholding in the company concerned. Amortization is not recognized on goodwill in subsequent periods. An impairment test is carried out on the book value of the shareholding in the joint venture or associated company as a whole if there are indications that the carrying amount could be impaired.

Accounting and measurement principles

Acquired intangible assets are capitalized at acquisition cost and amortized on a systematic basis.

Systematic amortization is based on the following useful lives:

Software	3 to 8 years
Patents	10 to 12 years on average
Licenses	depending on contract term

Intangible assets with finite useful lives acquired in a business combination are amortized on a systematic basis over useful lives of up to 25 years.

An impairment test is carried out on goodwill at least once per year. For the impairment test, the goodwill acquired is allocated to the groups of cash-generating units expected to benefit from the business combination. In line with internal management reporting, the groups of cash-generating units are represented by the Business Groups. An impairment loss is recognized if the carrying amount of the group of cash-generating units is higher than its recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal and the value in use of the group of cash-generating units.

The value in use of the group of cash-generating units concerned is determined by the discounted cash flow method on the basis of a detailed planning period of five years. The fair value less costs of disposal is determined using an appropriate measurement model. This is based on measurement multipliers, discounted cash flow measurement models, prices quoted on exchanges or other indicators of fair value which are available. The discount rates used for the determination of the fair value are based on the weighted average cost of capital (hereafter WACC) determined separately for each group of cash-generating units.

Impairments of capitalized goodwill are shown under other expenses in the consolidated statement of profit or loss. Reversals of impairments are not recognized with respect to goodwill for which impairments have been recognized.

Impairment losses going beyond goodwill are recognized for individual assets of cash-generating units if the fair value less costs of disposal of such units or the value in use of such units has fallen below their carrying amount.

Provided that such assets meet the requirements of IAS 38, internally generated intangible assets are carried as assets at production cost and are amortized on a systematic basis over their useful lives, if their useful lives are finite.

If the useful life of intangible assets is not considered to be finite, no amortization is effected. An impairment test is carried out on such assets annually. An intangible asset may be regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash flows for the Group.

Expenditure in connection with development projects is capitalized as intangible assets if, in addition to meeting the criteria of IAS 38, a Group threshold is exceeded. Otherwise, development expenditure is shown as expenses. Capitalized development expenditure is amortized on a straight-line basis over the underlying useful life of the product concerned. Amortization of capitalized development expenditure is normally recognized in research and development expenses.

Tangible assets are capitalized at acquisition or production cost. In the case of assets produced by Group companies, production cost also includes directly attributable cost as well as pro-rata overheads and depreciation.

Borrowing costs are capitalized as part of acquisition or production cost in the case of qualifying assets.

Expenditure for repairs and maintenance is generally shown as expenses. Such expenditure is only capitalized if future economic benefits in connection with such expenditure are probable and the acquisition or production cost can be reliably measured.

Taxable investment grants and tax-free investment subsidies, normally paid by public bodies, are chiefly recognized in the statement of financial position as

deferred income and are set off against acquisition or production cost only in exceptional cases.

Movable non-current assets and industrial buildings are depreciated over their useful lives, normally on a straight-line basis.

Systematic depreciation is determined on the basis of the following useful lives:

Buildings	max. 50 years
Machinery and equipment	5 to 20 years
Other fixtures, fittings and office equipment	3 to 20 years

An impairment test on tangible and intangible assets assigned to cash-generating units is always carried out if circumstances or changed conditions indicate that the carrying amount of such cash-generating units may not be recovered. The composition of the cash-generating units is determined at the divisional or regional level as a function of the business model and differs between Business Groups. If the impairment of an asset reflected by a write-down in the past is reduced or eliminated, the impairment loss is reversed. The amortized acquisition or production cost represents the upper limit of measurement in such cases.

Under IFRS 16, right-of-use assets and corresponding payment obligations are recognized for all leased assets. The right-of-use asset represents the lessee's right to use a leased asset (the underlying asset) for an agreed term in return for a charge. In accordance with the relief options allowed by IFRS 16, Freudenberg recognizes lease payments associated with underlying assets of low value as expenses on a straight-line basis in the statement of profit or loss. Assets of low value are identified on the basis of classes of assets. Leased assets in the classes of machinery and equipment, IT equipment and other fixtures, fittings and office equipment are classed as of low value. In the case of leased assets in the other classes of assets land and buildings, passenger cars, fork lift trucks and IT infrastructure, right-of-use assets and corresponding lease liabilities are recognized even if the term of the lease is short (less than 12 months). In the case of contracts which include a lease component and another non-lease component, such as a service

installment, Freudenberg recognizes such non-lease components as part of the lease in accordance with the practical expedient allowed by IFRS 16. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the term of the lease. In the event that the exercise of a purchase option is assessed as reasonably certain, the right-of-use asset is depreciated over the useful life of the underlying asset irrespective of the term of the lease.

Land and buildings held to earn rentals from third parties are dealt with as investment properties. Such properties are measured at acquisition cost. Investment properties are depreciated over their useful lives. This approach normally corresponds to straight-line depreciation. Systematic depreciation is calculated on the basis of a maximum useful life of 50 years. The fair value is determined by the discounted cash flow method.

Participations are shown at fair value. In some cases, amortized cost represents the best estimate of fair value.

Investments in joint ventures and associated companies are shown at acquisition cost on first-time consolidation and subsequently adjusted for changes in the share of the shareholder in the net assets of the company concerned. In the event that the losses of a joint venture or associated company attributable to Freudenberg exceed the value of the share in that company, no further losses are recognized. If there is objective evidence of impairment or value recovery in the case of such participations, assumptions concerning future business developments must be made with a view to determining the recoverable amount.

Long-term loans are discounted if the amount of such discount is significant.

Inventories are shown at acquisition or production cost or at net realizable value, where this is lower. Inventories of raw materials and consumables and merchandise are measured by the weighted average cost method. Production cost includes directly attributable costs as well as production and material overheads and depreciation.

On first recognition, receivables and other financial assets are measured at fair value. Fair value normally

corresponds to the consideration to be received for goods or services transferred to the customer. Subsequent measurements of such assets are effected at amortized cost using the effective interest method. Long-term receivables are only discounted if the amount of such discount is significant. A loss allowance is recognized on the basis of the expected loss model. Further information on the expected loss model is given under "Further notes".

Contract assets, which are mainly the result of realization of revenue over time for customer-specific products and development contracts, are recognized at amortized cost. For determining impairment losses on contract assets, the simplified procedure for determining the expected credit losses is applied.

The other financial assets are classified and measured on the basis of the business model within which the financial assets are held and on the basis of contractual cash flows at the time of acquisition. There are differences between the treatment of equity and debt instruments. Investments in equity instruments which are held as long-term strategic participations, and which are not expected to be sold within the short- to medium-term future are measured in equity without effect on net income. Debt instruments with cash flows not consisting solely of interest payments and principal repayments, investments for which another measurement would result in an accounting mismatch and shares in partnerships are measured at fair value through profit or loss. An impairment test is carried out for debt instruments measured at amortized cost or at fair value through other comprehensive income.

Cash at bank or in hand is shown at its nominal value. Cash held in foreign currencies is converted using the exchange rate as of the statement of financial position date. The expected credit loss model is applied. Derivative financial instruments that do not meet the requirements for hedge accounting are measured at fair value through profit or loss.

Non-current assets and groups of assets held for sale are shown separately in the statement of financial position if they are available for immediate sale in their present condition and the sale of such assets is highly probable within the next 12 months. Such assets are shown at the lower of fair value less costs to sell and book value. Systematic depreciation is not recognized

on such assets from the date of reclassification. Liabilities included in a disposal group are shown separately under liabilities.

The requirement for the reversal of the impairment of assets has been complied with both for non-current and for current assets. Unless individual standards call for a different measurement, the amortized acquisition or production costs represent the upper limit of measurement in such cases.

Provisions for pensions and similar obligations are determined by the projected unit credit method using actuarial principles. Service cost and the net interest on the net defined benefit liability are recognized under personnel expenses with an impact on net income. Gains and losses from remeasurements of the net defined benefit liability are disclosed under other comprehensive income. Assets held to provide benefits for employees are measured at fair value.

Deferred taxes are calculated on temporary differences between the book values of assets and liabilities in the consolidated statement of financial position and their tax bases, taking into account the applicable national income tax rates valid on the date of realization and already in force on the statement of financial position date. In addition, deferred tax assets are recognized for tax losses carried forward if sufficient taxable income will be available in the future. Deferred tax assets and liabilities are only set off against each other in cases where the income taxes concerned are levied by the same tax authority and concern the same period. In the case of deferred tax assets which are not impaired following the offsetting, it is assumed that future taxable income will be sufficient to allow the realization of the deferred tax assets formed.

Other provisions allow for all recognizable risks and uncertain obligations towards third parties which will probably result in an outflow of resources which can be reliably estimated. Such provisions are recognized at their most probable settlement value and discounted if the amount of such discount is significant. Reimbursement rights in this connection are shown separately under other assets. In its contracts with customers, Freudenberg provides for warranty services for general repair obligations but does not provide for any extended warranties. In accordance with IFRS 15, the existing warranties are mainly classified as

assurance-type warranties and are recognized in accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*.

Liabilities are disclosed and measured in accordance with IFRS 9 except where another more specific standard is applicable. Liabilities are normally measured at fair value less transaction costs. Subsequent measurements of financial liabilities are normally effected in accordance with IFRS 9 at amortized cost using the effective interest method.

Contract liabilities relate to considerations received from customers in advance of performance under a contract. Contract liabilities are recognized as sales as soon as the promised goods or services have been transferred to the customer.

Lease liabilities include fixed payments defined in the lease (less any lease incentives to be provided by the lessor), variable lease payments that depend on an index or a rate and amounts expected to be payable by the lessee under residual value guarantees. In addition, payments on the basis of purchase or extension options must be taken into consideration if the lessee is reasonably certain to exercise that option. In the case of termination options, penalties for terminating the lease are only to be included if the lease term reflects the lessee exercising an option to terminate the lease. Lease payments must be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate must be used. This is normally the case with Freudenberg. The specific incremental borrowing rate for a lease is determined on the basis of an interest matrix. This matrix is based on interbank rates and takes into consideration the term and currency of the lease as well as a risk premium.

Put options granted to the holders of non-controlling interests for the sale of their shares are recognized as forward purchases. The item recorded in equity for these shares is de-recognized and a liability measured at fair value, which corresponds to the net present value of the price at the time of exercise, is recognized. As at each statement of financial position date, the liability is remeasured. The remeasurement depends on exchange rate changes, adjustments to corporate planning assumptions and the discount rate. Any

resulting changes in book value are recognized with an effect on net income.

Sales are measured at the fair value of the consideration received or to be received. Sales are recognized when control of the promised good or service is transferred to the customer. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset.

The delivery of goods normally represents a performance obligation that is satisfied at a specific point in time. In determining the timing of satisfaction, the transfer of control of the asset is taken as the main criterion. Normally, this is the time when the goods are physically delivered to the customer.

Sales from the delivery of customer-specific products are recognized over time, provided Freudenberg has an enforceable right to payment from the customer in an amount that at least compensates Freudenberg for the performance completed to date plus a reasonable profit margin. The amount of revenue is based on the progress towards complete satisfaction of a performance obligation and normally measured on the basis of the units produced.

Sales from the performance of services are recognized in the accounting period in which the services are performed. Revenue is recognized in the amount which Freudenberg has a right to invoice, as this amount of consideration corresponds directly to the value to the customer of Freudenberg's performance completed to date. Customers are normally invoiced monthly.

Sales in connection with customer-specific development projects are realized over time. In the case of fixed-price contracts, the amount of sales is measured based on the cost incurred to date related to the total expected cost to be incurred in connection with the full satisfaction of the performance obligation. In the case of customer-specific development projects for which Freudenberg has a right to consideration from a customer in an amount that corresponds directly to the value to the customer of Freudenberg's performance completed to date, sales are recognized as a practical expedient in the amount of the consideration which Freudenberg has a right to invoice.

Invoices are normally issued following the physical delivery of goods to the customer or the performance of

the service promised in the contract. Payments by customers under fixed-price contracts are based on a contractually agreed payment plan. There are normally no contracts with customers under which the time between the transfer of a promised good or service and payment in connection with such transfer exceeds one year.

In the event that the service performed by Freudenberg exceeds the payments received or to be received by Freudenberg, a contract asset is recognized. As soon as the right to receive the consideration from the customer becomes unconditional, the contract asset is reclassified to trade receivables. If the payments received from the customer exceed the service performed by Freudenberg, a corresponding contract liability is recognized.

The performance obligations entered into by Freudenberg under contracts with customers normally have an expected original duration of one year or less. In the case of longer terms, Freudenberg is normally entitled to consideration corresponding directly to the performance of services completed to date. Accordingly, the performance obligations contracted but not yet (fully) fulfilled on the reporting date are not disclosed.

The consolidated statement of cash flows is broken down into cash flows from operating, investing and financing activities. Effects arising from changes in the consolidated group and the effects of exchange rate differences have been eliminated from the consolidated statement of cash flows. The influence of these effects on cash and cash equivalents is indicated separately. In the consolidated statement of cash flows, interest paid and interest received are allocated to cash flow from operating activities.

The exercise of judgment and estimates in the application of accounting and measurement methods

In some cases, it is necessary to apply accounting methods based on estimates or the exercise of discretion in connection with the establishment of the consolidated financial statements. Normally, these methods include complex, subjective assessments and the use of uncertain assumptions which may be subject to change. It is therefore conceivable that actual amounts in the future and future events may deviate from the forecasts made as estimates for the same reporting period could have been made differently for equally understandable reasons. Such accounting methods based on estimates and the exercise of discretion may therefore have a material impact on the net assets, financial position and results of operations in the consolidated financial statements and may also change over the course of time. The estimates used for the establishment of the consolidated financial statements and the underlying assumptions are regularly reviewed and any changes are taken into consideration as soon as better information is available.

The composition of a cash-generating unit and the determination of the recoverable amount for the performance of impairment tests is connected with assessments made by management concerning future developments and experience gained in the past. The cash flows predicted on the basis of these assessments may be affected by factors including volatility of capital markets, exchange rate fluctuations and expected economic development. The WACCs used for discounting take into account the market risk and the capital structure of companies comparable to the applicable group of cash-generating units. Changes in these factors may have significant impact on the existence or amount of a value impairment. Further details are given in note (1).

The actuarial assessments for the determination of provisions for pensions and similar obligations are based on major assumptions and estimates with respect to the discount rates used and expected future adjustments to salaries and pensions as well as life expectancy. All the parameters used are regularly reviewed as of the statement of financial position date. Any changes in the parameters used may lead to changes in statement of financial position values. In the year under review, the methodology used for determining the discount rate for defined-benefit pension obligations in Germany was adapted. This change represents a change in estimates in accordance with IAS 8 and is recognized prospectively. The changes in discount rates resulting from the adaptation of the methodology have an impact solely on other comprehensive income. The change has no material impact. Further details are given in note (11).

The determination of the settlement amount of provisions for guarantees and warranties, restructuring, environmental risks and litigation is normally connected with estimates and uncertainty. For the measurement of such values, the assessments of local independent experts are used in some cases. In the future, deviations between actual events and the assumptions made may necessitate adjustments to the Group's provisions. More detailed information on provisions is given in note (12).

The measurement of leases is based in part on estimates and assessments concerning the term of the lease. Extension and termination options must be taken into consideration in the determination of the term if it is reasonably certain that the lessee will exercise an extension option or not exercise a termination option. In assessing whether the lessee is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease, all relevant facts and circumstances that create an economic incentive for the lessee to exercise or not exercise the option concerned must be taken into consideration. Such aspects may include penalties, fixtures installed on the leased asset by the lessee and the opportunity cost of exercising or not exercising the option concerned. Information on leased assets is given in note (2).

The measurement of certain derivative financial instruments without an active market such as put or call options and earn-out clauses is based on

probability predictions and the best possible estimates of the expected settlement amount, taking into consideration recognized mathematical finance methods. The same applies to the determination of expected credit losses recognized as loss allowances in connection with financial instruments measured at amortized cost. Further information on financial instruments is given in "Further notes".

When determining whether sufficient taxable income will be available in the future for assessing the value of deferred tax assets and the usability of losses carried forward, various estimates, including the development of tax planning strategies, must be made. Deviations between the actual results and the estimates made may have an effect on the assets, liabilities and earnings situation. Further details are given in note (26).

The determination of the amount and timing of revenue from contracts with customers is affected by a number of estimations. Sales are recognized in the amount of the consideration to which Freudenberg expects to be entitled. Especially in the case of the delivery of goods, the amount of consideration may vary as a result of variable consideration. The amount of variable consideration is based on estimates and is determined upon the inception of the contract and reassessed at the end of each reporting period. The variable consideration is estimated either by using the expected value method or by using the most likely amount method. This depends on which method Freudenberg expects to better predict the amount of consideration to which it will be entitled. Sales are only recognized to the extent that it is highly probable that a significant reversal will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Amounts which have been received (or are to be received) and which will probably have to be refunded are recognized as refund liabilities and disclosed under other liabilities.

For the recognition of sales from customer-specific development projects, estimates need to be made concerning the degree of completion or the total cost of the contract. A change in these estimates may lead to an increase or reduction in sales in the reporting period.

Fair value is determined on the basis of input factors in three defined categories. Determination is based on

estimates and assumptions associated with uncertainty. The following fair value measurement hierarchy is applied:

Level 1: Use of quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Determination of fair value using measurement procedures based on observed input factors for similar assets or liabilities in active markets or for identical assets or liabilities in markets that are not active.

Level 3: Measurement of assets and liabilities using measurement methods based on unobservable inputs as adequate observable market data are not available for the measurement of fair value.

Currency translations

The financial statements of almost all companies included in the consolidated financial statements which are not located in the eurozone are drawn up in the national currencies concerned. This is normally the currency of the primary economic environment in which the companies concerned operate (concept of functional currency).

In the accounts of individual companies, foreign-currency receivables and liabilities are translated at the exchange rates as of the date of the statement of financial position.

Goodwill created as a result of acquisitions on or after March 31, 2004, is carried as an asset of the economically independent foreign companies concerned in their respective functional currencies.

Since the 2024 financial year, the effects of currency translation have not been netted out and disclosed under other income or other expenses but are disclosed in the appropriate income and expense items without offsetting.

In the consolidated financial statements, the financial statements of all companies not located in the euro-zone are translated in accordance with the following principles:

- Statement of financial position items are translated at the exchange rate as of the date of the statement of financial position.
- Statement of profit or loss items are translated at average annual exchange rates.
- Differences arising from the use of different exchange rates are recognized in equity without an effect on net income.
- The same principles are used in the case of investments in joint ventures and associated companies consolidated by the equity method.

As a result of the assessment that Argentina and Türkiye are hyperinflation countries, our activities in those countries have been reported in accordance with IAS 29, except in the case of functional activities transacted in a stable currency. Such reporting had no material impact on the net assets, financial position or results of operations of the Group as at December 31, 2025.

The exchange rates of currencies used for currency conversion which are material to the annual financial statements developed as follows:

Country	Currency	Closing rate		Average rate		
		1 euro =	Dec. 31,2024	Dec. 31,2025	2024	2025
Brazil	BRL		6.4253	6.4364	5.8907	6.2866
China	CNY		7.5833	8.2262	7.7733	8.1099
United Kingdom	GBP		0.8292	0.8726	0.8450	0.8567
India	INR		88.9335	105.5965	90.5176	98.8358
Japan	JPY		163.0600	184.0900	164.0560	169.5130
Mexico	MXN		21.5504	21.1180	20.0134	21.6301
USA	USD		1.0389	1.1750	1.0808	1.1314

Differences arising from the use of different exchange rates compared with the previous year are shown in the statement of changes in intangible and tangible assets with respect to non-current assets and in the consolidated statement of comprehensive income with respect to equity.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(1) Intangible assets

Changes in intangible assets from January 1 to December 31, 2024:

[€ million]	Internally generated software	Concessions, licenses and others ¹	Goodwill	Payments made on account	Intangible assets in course of construction	Total
ACQUISITION/PRODUCTION COST						
Status Jan. 1, 2024	5.0	2,075.8	2,142.9	1.6	2.5	4,227.8
Changes in consolidated group	0.0	27.4	53.4	0.0	0.0	80.8
Exchange rate differences	0.3	17.7	30.8	0.0	-0.1	48.7
Additions	0.1	8.0	0.0	2.8	6.0	16.9
Disposals	-0.7	-5.5	0.0	0.0	-0.1	-6.3
Reclassifications ²	0.0	5.8	0.0	-0.7	-2.1	3.0
Status Dec. 31, 2024	4.7	2,129.2	2,227.1	3.7	6.2	4,370.9
AMORTIZATION						
Status Jan. 1, 2024	4.3	1,361.4	225.3	0.0	0.0	1,591.0
Exchange rate differences	0.2	15.8	2.8	0.0	0.0	18.8
Additions - systematic	0.1	103.7	0.0	0.0	0.0	103.8
Impairment losses	0.0	11.8	0.0	0.0	0.0	11.8
Disposals	-0.7	-4.9	0.0	0.0	0.0	-5.6
Reclassifications ²	0.0	0.1	0.0	0.0	0.0	0.1
Status Dec. 31, 2024	3.9	1,487.9	228.1	0.0	0.0	1,719.9
Book value Dec. 31, 2024	0.8	641.3	1,999.0	3.7	6.2	2,651.0

¹Intangible assets identified in connection with purchase price allocations mainly concern customer lists/relations, technologies and know-how.

²The reclassifications also include transfers to other items in the statement of financial position.

Changes in intangible assets from January 1 to December 31, 2025:

[€ million]	Internally generated software	Concessions, licenses and others ¹	Goodwill	Payments made on account	Intangible assets in course of construction	Total
ACQUISITION/PRODUCTION COST						
Status Jan. 1, 2025	4.7	2,129.2	2,227.1	3.7	6.2	4,370.9
Changes in consolidated group	0.0	82.3	584.7	0.0	-1.0	666.0
Exchange rate differences	-0.4	-70.9	-80.7	-0.1	-0.2	-152.3
Additions	0.1	9.5	0.0	1.2	7.5	18.3
Disposals	0.0	-11.6	0.0	-0.6	-0.2	-12.4
Reclassifications ²	0.0	8.1	0.0	-2.7	-4.8	0.6
Status Dec. 31, 2025	4.4	2,146.6	2,731.1	1.5	7.5	4,891.1
AMORTIZATION						
Status Jan. 1, 2025	3.9	1,487.9	228.1	0.0	0.0	1,719.9
Exchange rate differences	-0.4	-57.8	-18.7	0.0	0.0	-76.9
Additions – systematic	0.1	105.7	0.0	0.0	0.0	105.8
Impairment losses	0.0	16.6	21.7	0.0	0.0	38.3
Disposals	0.0	-9.8	0.0	0.0	0.0	-9.8
Reclassifications ²	0.0	0.0	0.0	0.0	0.0	0.0
Status Dec. 31, 2025	3.6	1,542.6	231.1	0.0	0.0	1,777.3
Book value Dec. 31, 2025	0.8	604.0	2,500.0	1.5	7.5	3,113.8

¹ Intangible assets identified in connection with purchase price allocations mainly concern customer lists/relations, technologies and know-how.

² The reclassifications also include transfers to other items in the statement of financial position.

The impairment losses with respect to concessions, licenses and others recognized in the year under review chiefly concern customer lists and brands and are included in selling expenses. They are the result of a revised assessment of the future usefulness of these assets.

Goodwill was subjected to an impairment test in the 2025 financial year. Apart from the expected developments in sales and profit as well as net investments of the Business Groups concerned, the basic assumptions used for determining the value in use of the groups of cash-generating units in the 2025 financial year included a growth rate ranging from 0.5 to 2.0 percent (previous year: 0.5 to 2.0 percent) and pre-tax WACCs ranging from 8.4 percent to 16.0 percent (previous year: ranging from 8.2 percent to 15.4 percent). On this basis, it was necessary to recognize an

impairment of goodwill only with respect to the group of cash-generating units of Freudenberg e-Power Systems in the full amount of €21.7 million. The reason for this impairment was the discontinuation of the regular business activities of Freudenberg e-Power Systems. The only business to be conducted in 2026 will be the processing of existing orders and the settlement of existing obligations. The business with battery cells, modules and systems and the business with fuel cell systems will not be continued. The “Hydrogen Components” business will, however, continue and has been integrated in the Freudenberg Sealing Technologies Business Group.

The five significant goodwill items are assigned to the groups of cash-generating units Vibraoustic, Freudenberg Chemical Specialities, Freudenberg Filtration Technologies, Freudenberg Sealing Technologies and

Freudenberg Performance Materials. The WACCs used for the impairment test were 10.1 percent (previous year: 11.0 percent) for Vibracoustic, 11.7 percent (previous year: 12.7 percent) for Freudenberg Chemical Specialities, 10.6 percent (previous year: 10.2 percent) for Freudenberg Filtration Technologies, 11.4 percent (previous year: 12.1 percent) for Freudenberg Sealing Technologies and 9.6 percent (previous year: 9.6 percent) for Freudenberg Performance Materials. The assumed sustainable growth rate was 2.0 percent (previous year: 1.5 percent) for Vibracoustic and 2.0 percent (previous year: 2.0 percent) for the other four groups of cash-generating units mentioned. The book values of these goodwill items are shown in the following table:

[€ million]	Goodwill	
	Dec. 31, 2024	Dec. 31, 2025
Vibracoustic	835.9	835.9
Freudenberg Chemical Specialities	207.3	736.5
Freudenberg Filtration Technologies	259.9	234.3
Freudenberg Sealing Technologies	205.1	222.2
Freudenberg Performance Materials	188.8	184.2

The sales of Vibracoustic fell slightly in 2025 compared with the previous year. The reason was a challenging market environment characterized by falling global vehicle production in Europe and North America and significant growth in China. It is expected that global light vehicle production will decline slightly in 2026 compared with the previous year. The annual planning for Vibracoustic assumes a slight fall in sales in 2026 compared with the actual values for 2025.

For Freudenberg Filtration Technologies, 2025 was characterized by macroeconomic and geopolitical challenges including subdued global automobile production with in some cases pronounced regional differences. The decrease in sales compared with the previous year was chiefly due to negative exchange rate effects. Sales growth was recorded especially in India. Eliminating exchange rate effects, declining sales in the indoor air filtration sector in North America were offset by higher sales of automotive and industrial filters. Operational planning for 2026

assumes growth in the sales of Freudenberg Filtration Technologies.

In 2025, Freudenberg Chemical Specialities was able to assert itself in a challenging economic environment and to achieve stable sales development. Several acquisitions were made in the year under review. Further details are given in the “Acquisitions and disposals” section. Especially strong growth was recorded in Asia and business also improved in North America. Business development in Europe and South America was stable. Freudenberg Chemical Specialities plans growth in sales in 2026.

In the 2025 financial year, Freudenberg Sealing Technologies recorded a decrease in sales in the low single-digit percentage range compared with the previous year as a result of a challenging market environment with geopolitical risks. This was chiefly due to declining sales volumes in automotive business in Europe and negative exchange rate effects, whereas positive developments were recorded especially in South America and in the general industry segment in China. Acquisitions of the DMH Group and Alto Products Corp. were successfully completed in the year under review. The acquisition effects and efficiency improvement had a positive impact. Slight growth in sales is expected in 2026.

In a market affected by geopolitical conflicts and uncertainties, Freudenberg Performance Materials recorded a slight decrease in sales compared with the previous year in 2025. In the year under review, business with coated technical textiles was integrated through the acquisition of the core business of the Heytex Group. Positive developments were reported in the “Healthcare” division and in the segments “Energy & Specialities” and “Condensation Control Membranes for Metal Roofs (Dripstop)”. Freudenberg Performance Materials plans growth in sales in 2026.

In the case of a variation in the WACC of up to +1.0 percentage points, a variation in the sustainable growth rate of up to -1.0 percentage points and a variation of up to -10 percent in other relevant inputs, it would not have been necessary to recognize impairment of any of the goodwill items.

(2) Tangible assets

Changes in tangible assets from January 1 to December 31, 2024:

[€ million]	Land and buildings	Machinery and equipment	Other fixtures, fittings and office equipment	Payments made on account	Construction in progress	Total
ACQUISITION/PRODUCTION COST						
Status Jan. 1, 2024	2,393.5	4,309.9	1,086.7	70.4	288.0	8,148.5
Changes in consolidated group	24.2	1.1	1.5	0.0	1.2	28.0
Exchange rate differences	21.7	41.0	5.5	-0.4	7.3	75.1
Additions	101.9	107.0	94.6	44.6	240.5	588.6
Disposals	-40.1	-96.3	-74.5	-1.9	-9.6	-222.4
Reclassifications ¹	49.7	156.2	35.9	-56.1	-188.7	-3.0
Status Dec. 31, 2024	2,550.9	4,518.9	1,149.7	56.6	338.7	8,614.8

DEPRECIATION						
Status Jan. 1, 2024	1,196.0	3,184.2	817.6	0.0	11.8	5,209.6
Changes in consolidated group	0.0	-9.9	-2.9	0.0	0.0	-12.8
Exchange rate differences	12.1	23.6	4.5	0.0	0.3	40.5
Addition – systematic	126.8	203.6	96.0	0.0	0.0	426.4
Addition - impairment	3.3	8.5	2.6	0.0	0.8	15.2
Disposals	-33.4	-90.4	-70.4	0.0	-0.2	-194.4
Reclassifications ¹	-0.3	2.5	0.9	0.0	-3.1	0.0
Status Dec. 31, 2024	1,304.5	3,322.1	848.3	0.0	9.6	5,484.5
Book value Dec. 31, 2024	1,246.4	1,196.8	301.4	56.6	329.1	3,130.3

¹ The reclassifications also include reclassifications to other items in the statement of financial position.

Changes in tangible assets from January 1 to December 31, 2025:

[€ million]	Land and buildings	Machinery and equipment	Other fixtures, fittings and office equipment	Payments made on account	Construction in progress	Total
ACQUISITION/PRODUCTION COST						
Status Jan. 1, 2025	2,550.9	4,518.9	1,149.7	56.6	338.7	8,614.8
Changes in consolidated group	48.3	19.9	3.5	0.3	5.1	77.1
Exchange rate differences	-111.8	-197.9	-27.7	-3.2	-20.2	-360.8
Additions	140.8	100.6	97.7	43.4	219.7	602.2
Disposals	-52.9	-131.5	-85.8	-8.1	-8.2	-286.5
Reclassifications ¹	79.9	151.4	38.6	-42.0	-228.5	-0.6
Status Dec. 31, 2025	2,655.2	4,461.4	1,176.0	47.0	306.6	8,646.2

DEPRECIATION						
Status Jan. 1, 2025	1,304.5	3,322.1	848.3	0.0	9.6	5,484.5
Changes in consolidated group	0.0	-0.7	-0.1	0.0	0.0	-0.8
Exchange rate differences	-52.8	-143.7	-20.1	0.0	-2.1	-218.7
Addition - systematic	136.7	193.4	100.5	0.0	0.0	430.6
Addition - impairment	47.1	58.2	24.5	0.0	46.9	176.7
Disposals	-40.9	-122.3	-78.7	0.0	-1.3	-243.2
Reclassifications ¹	-0.4	-1.5	1.9	0.0	0.0	0.0
Status Dec. 31, 2025	1,394.2	3,305.5	876.3	0.0	53.1	5,629.1
Book value Dec. 31, 2025	1,261.0	1,155.9	299.7	47.0	253.5	3,017.1

¹ The reclassifications also include reclassifications to other items in the statement of financial position.

For impairments of tangible assets, Freudenberg received compensation totaling €2.8 million (previous year: €6.3 million) in the year under review, which was recognized under other income. The impairments, which were recognized under other expenses, were largely due to natural catastrophes.

(previous year: €0.1 million), which were recognized as deferred income.

During the year under review, Freudenberg received government grants in the amount of €0.8 million

Additional disclosures on leased assets – right-of-use assets

As a result of the application of IFRS 16, Freudenberg recognizes right-of-use assets in respect of leased assets. The following amounts are recognized in the statement of changes in tangible assets under the category “Land and buildings” (land and buildings) or “Other fixtures, fittings and office equipment” (passenger cars, forklift trucks and IT infrastructure):

[€ million]	Land and buildings	Passenger cars	Forklift trucks	IT infrastructure	Total
Acquisition/Production cost	580.2	96.6	36.5	9.1	722.4
Of which: additions	62.2	30.9	7.8	2.7	103.6
Depreciation	307.0	51.5	21.3	5.9	385.7
Book Value Dec. 31, 2024	273.2	45.1	15.2	3.2	336.7

[€ million]	Land and buildings	Passenger cars	Forklift trucks	IT infrastructure	Total
Acquisition/Production cost	660.4	102.8	43.5	7.2	813.9
Of which: additions	113.0	29.9	18.5	1.9	163.3
Depreciation	352.7	57.1	20.0	4.1	433.9
Book Value Dec. 31, 2025	307.7	45.7	23.5	3.1	380.0

In the 2025 financial year, the interest expense for leased assets amounted to €13.4 million (previous year: €10.8 million). In addition, expenses for leased assets of low value and short-term leases were recognized in the statement of profit or loss in the amount of €25.5 million (previous year: €27.7 million). The total cash outflow for leasing in 2025 was €149.4 million (previous year: €145.6 million).

(3) Investment properties

Details of land and buildings held by Freudenberg as investment properties are shown in the table below:

[€ million]	2024	2025
Rent income	5.4	5.5

There are no restrictions on the saleability of investment properties. There are no contractual obligations to purchase, build or develop investment properties. Furthermore, Freudenberg is not under any contractual obligations to repair or maintain such investment properties going beyond its statutory obligations.

There were no significant direct operating expenses in the year under review or in the previous year.

Changes in investment properties from January 1 to December 31:

[€ million]	2024	2025
ACQUISITION/PRODUCTION COST		
Status Jan. 1	53.6	53.6
Reclassifications	0.0	0.0
Status Dec. 31	53.6	53.6
DEPRECIATION		
Status Jan. 1	43.4	44.6
Additions - systematic	1.2	1.2
Reclassifications	0.0	0.0
Status Dec. 31	44.6	45.8
Book value Dec. 31	9.0	7.8

The fair value of investment properties was €31.9 million (previous year: €39.5 million) and was calculated on the basis of discounted cash flows (level 3 inputs).

(4) Investments in joint ventures

The joint venture agreement with NOK Corporation, Tokyo, Japan, is of major importance for Freudenberg.

NOK-Freudenberg Singapore Pte. Ltd., Singapore, is a 50:50 joint venture between the Japanese NOK Corporation and Freudenberg SE with the objective of

servicing the high-growth Chinese and Indian markets with locally-produced and imported sealing products.

The summarized financial information of this joint venture company is set out below:

[€ million]	NOK-Freudenberg Singapore Pte. Ltd.	
	Dec. 31, 2024	Dec. 31, 2025
Current assets	319.3	287.3
Of which: cash and cash equivalents	113.5	96.1
Non-current assets	296.1	257.4
Current liabilities	130.9	133.2
Of which: current financial liabilities	17.7	20.0
Non-current liabilities	34.2	26.7
Equity without non-controlling interests	450.3	384.9
Freudenberg share	50.0 %	50.0 %
Pro-rata share in equity	225.1	192.5
At-equity measurement	225.1	192.5

	2024	2025
Sales	496.5	488.2
Profit or loss from continuing operations	44.0	47.0
Other comprehensive income	10.7	-35.4
Total comprehensive income	54.7	11.6
Of which: depreciation and amortization	-29.8	-28.2
Of which: interest income	2.3	1.8
Of which: interest expenses	-1.0	-1.4
Of which: income tax expense or income	-14.9	-15.3

Freudenberg received a dividend amounting to €31.2 million (previous year: €14.5 million) from NOK-Freudenberg Singapore Pte. Ltd.

The total carrying amount of interests in all individual joint ventures which are not material was €6.4 million (previous year: €6.5 million).

The pro-rata share of the profit or loss from continuing operations of all individual joint ventures classed as not material was €0.4 million (previous year: €1.1 million) and the pro-rata share in other comprehensive income was €0.0 million (previous year: €0.3 million).

(5) Investments in associated companies

For Freudenberg, its most important investment in associated companies is its participation in the Japanese company NOK Corporation with its registered office in Tokyo, Japan.

The NOK Group manufactures and supplies sealing products, flexible printed circuits, roll products for office equipment and further products such as specialty lubricants.

This major associated company provided the following figures in its consolidated interim financial statements as at December 31:

[€ million]	NOK Corporation	
	Dec. 31, 2024	Dec. 31, 2025
Current assets	2,686.8	2,385.4
Non-current assets	3,041.0	2,831.5
Current liabilities	1,214.7	1,087.2
Non-current liabilities	606.6	510.6
Treasury shares	-108.9	-14.2
Non-controlling interests	276.4	234.6
Equity without treasury shares and non-controlling interests	3,739.0	3,398.7
Freudenberg share	25.9%	26.2 %
Pro-rata share in equity	969.5	891.5
Effect from share buyback NOK	-28.3	-35.0
Goodwill	7.1	7.1
At-equity measurement	948.3	863.6

	2024	2025
Sales	4,706.1	4,338.7
Profit or loss from continuing operations	270.3	183.9
Other comprehensive income	191.3	143.5
Total comprehensive income	461.6	327.4

The fall in the other comprehensive income of NOK Corporation is due to the negative developments in exchange rates and lower actuarial gains, which were offset in part by developments in securities.

Freudenberg received dividends in the amount of €29.7 million (previous year: €26.5 million) from NOK Corporation.

As at December 31, 2025, the market value of the shareholding in NOK Corporation was €662.9 million (¥122,028.7 million) (previous year: €659.9 million; ¥107,600.8 million).

The total carrying amount of interests in all associated companies classed as not material was €20.1 million (previous year: €21.4 million).

The pro-rata share in the profit or loss from continuing operations of all individual associated companies classed as not material was €4.2 million (previous year: €1.0 million) and the pro-rata share in the other comprehensive income of these companies was €2.3 million (previous year: €-0.2 million). The pro-rata share in the total comprehensive income was therefore €6.5 million (previous year: €0.8 million).

(6) Inventories

Inventories break down as follows:

[€ million]	Dec. 31,2024	Dec. 31,2025
Raw materials and consumables	661.0	624.3
Work in progress	231.8	211.0
Finished goods and merchandise	910.6	851.7
Customer-specific tools in construction	77.2	86.9
Payments made on account	5.9	20.5
	1,886.5	1,794.4

Inventories fell by €92.1 million compared with the previous year. After eliminating the effects of changes in the consolidated group and exchange rate effects, inventories fell by about 2.3 percent.

Write-downs of inventories totaling €62.7 million (previous year: €44.4 million) were recognized as expenses in the reporting year.

Write-ups totaling €33.8 million (previous year: €32.7 million) were recognized in accordance with the requirement to reverse write-downs as the reason for the impairment losses concerned no longer existed.

The inventories shown are not subject to any significant restrictions on title or disposal.

(7) Receivables

[€ million]	Dec. 31,2024	Dec. 31,2025
Trade receivables	1,764.0	1,683.0
Of which: Residual term up to 1 year	1,764.0	1,683.0
Other assets	369.3	452.6
Of which: Residual term up to 1 year	313.1	396.2
Of which: Residual term more than 1 year	56.2	56.4

After adjustment for effects resulting from changes in the consolidated group and exchange rate effects, trade receivables fell by about 2 percent.

Contract assets have not been disclosed as a separate item but under other assets in the statement of financial position, because the amount concerned was not material. As at December 31, 2025, contract assets amounted to €11.0 million (previous year: €12.7 million). Changes in contract assets are mainly the result of the satisfaction of performance obligations laid down in contracts with customers. Contract assets are normally a result of contracts meeting the requirements for the realization of sales over time.

The other assets include pension plan assets in excess of the corresponding pension obligations amounting to €3.6 million (previous year: €2.6 million).

The other assets also include other tax receivables in the amount of €148.1 million (previous year: €114.5 million) and liability insurance claims totaling €3.4 million (previous year: €3.9 million).

The claims for reimbursement in connection with recognized provisions, which are included in other assets, are shown in the other provisions under note (12).

(8) Cash and cash equivalents

[€ million]	Dec. 31,2024	Dec. 31,2025
Securities	245.8	246.2
Checks and cash in hand	2.3	0.8
Cash at banks	2,352.4	1,681.0
	2,600.5	1,928.0

The securities are highly liquid investments with short terms.

The decrease in liquidity is the result of lower cash at banks. Further information is given in the notes to the consolidated statement of cash flows.

(9) Assets and groups of assets held for sale

As at December 31, 2025 (as in the previous year), no assets or liabilities were classified as held for sale.

(10) Equity

The subscribed capital in the amount of €450.0 million (previous year: €450.0 million) consists of 450 million no-par-value registered shares. The sole shareholder of Freudenberg SE is Freudenberg & Co. Kommanditgesellschaft, Weinheim (hereafter: Freudenberg & Co. KG).

The reserves break down as follows:

[€ million]	Dec. 31,2024	Dec. 31,2025
Capital reserves	50.2	50.2
Retained earnings	7,228.0	7,024.2
	7,278.2	7,074.4

The capital reserves consist of contributions in kind made by the shareholder.

The retained earnings include net income earned by the Group in the past and not distributed as well as reserves of companies included in the consolidated financial statements including expenses and income recorded without effect on net income.

The profit distributed in the reporting year amounted to €134.6 million (previous year: €133.9 million). This corresponded to a profit per share of €0.30 (previous year: €0.30).

The Board of Management proposes that the 2025 net retained profit in the amount of €4,866.0 million (previous year: €4,604.2 million) should be carried forward to new account.

In the reporting year, income (+) and expenses (-) which had previously been recorded without an effect on net income with respect to the following components of other comprehensive income were reclassified to the statement of profit or loss:

[€ million]	Dec. 31,2024	Dec. 31,2025
Exchange rate differences	-4.9	0.0
	-4.9	0.0

In the 2025 financial year, tax effects (income (+) / expenses (-)) recorded without effect on net income are attributable to the various items of other comprehensive income as follows:

[€ million]	Dec. 31,2024	Dec. 31,2025
Remeasurement of defined benefit plans	-9.5	-13.6
Securities and other items	-4.7	6.9
	-14.2	-6.7

Non-controlling interests

The change in non-controlling interests in the equity of consolidated affiliated companies from €404.7 million to €405.3 million was mainly the result of the allocation of the profit for the year, offset by exchange rate differences and dividends paid.

In the case of the following affiliated company, the consolidated financial statements include significant non-controlling interests in the amount of 25 percent of the shares:

[€ million]		
Freudenberg-NOK General Partnership, Wilmington, Delaware, USA	Dec. 31,2024	Dec. 31,2025
Profit (+)/loss (-) attributable to non-controlling interests	25.9	20.5
Total amount of non-controlling interests	166.3	167.5

This affiliated company is included in the consolidated financial statements with the following values:

[€ million]		
Freudenberg-NOK General Partnership, Wilmington, Delaware, USA	Dec. 31,2024	Dec. 31,2025
Current assets	504.9	490.9
Non-current assets	329.4	345.1
Current liabilities	137.6	121.2
Non-current liabilities	30.4	33.4

	2024	2025
Sales	838.2	790.6
Profit (+)/loss (-)	120.9	107.5
Total comprehensive income	172.1	26.3

Freudenberg-NOK General Partnership, Wilmington, Delaware, USA, paid dividends in the amount of €2.8 million (previous year: €58.4 million) to the holder of the non-controlling interests.

Other non-controlling interests especially concern Freudenberg Flow Technologies, where they arise as a result of the contractual agreements with the partner Eagle Industry Co. Ltd., Tokyo, Japan.

(11) Provisions for pensions and similar obligations

The Freudenberg pension scheme consists of both defined contribution and defined benefit pension plans. Defined benefit plans include both fixed salary and final salary plans. The provisions for pensions and similar obligations include obligations arising from current pensions and future pension entitlements.

The pension plans at the Freudenberg Group mainly concern German, Japanese and British companies. The pension obligations of the German companies are commitments financed by provisions. These obligations are subject to the rules of the pension plan concerned and the applicable statutory provisions. The plans include benefit commitments dependent on service periods and on salaries and provide for disability benefits and benefits for surviving dependents as well as for retirement benefits.

The pension plans of British companies are managed by third party pension funds. The representatives of the pension funds are legally obliged to act in the interest of all participants in the plan. In cooperation with investment advisers, they are responsible for the development and regular review of investment strategies for the plan assets. Commitments based on age and years of service include both retirement benefits and certain forms of survivor benefits. Most of these plans are frozen and future entitlements can no longer be earned by plan participants. The pension obligations of these companies are mainly financed by plan assets, funded chiefly by employers' contributions.

The pension plans in Japan consist of benefit commitments based on age and years of service. These pension plans are managed by a third-party pension fund. The pension obligations of the Japanese companies are mainly financed by plan assets, funded solely by employers' contributions.

Apart from pension obligations, this item also includes obligations similar to pensions, such as amounts paid to employees upon the termination of their employment which do not constitute termination benefits. These benefits vary in accordance with the legal, tax and economic conditions in the countries concerned.

All defined benefit schemes of the Freudenberg Group are subject to typical actuarial risks, especially investment and interest risks.

Current service cost and net interest on the net defined benefit liability are disclosed in the statement of profit or loss under personnel expenses in the relevant functional areas.

In the case of the defined contribution plans, there are no additional obligations apart from the payment of contributions. Contributions paid are expensed under personnel expenses and amounted to €19.2 million in 2025 (previous year: €23.2 million).

The defined benefit obligations were calculated on actuarial principles by the projected unit credit method. The calculation was based on the following discount rates as major actuarial assumptions:

	Dec. 31, 2024	Dec. 31, 2025
Germany	3.40 %	4.20 %
Japan	1.68 %	2.62 %
United Kingdom	5.43 %	5.40 %

In the case of the other foreign companies, the discount rates ranged from 1.1 to 9.7 percent (previous year: 0.9 to 27.7 percent).

The Heubeck 2018 G actuarial tables were used in the case of the German companies. A uniform trend of 2.0 percent in pensions and 2.5 percent in salaries was defined for the relevant pension plans. As a result of the pension plan regulations, the assumed trend in salaries and pensions only has an effect on the value of pension obligations in exceptional cases.

Net obligations are shown in the following items of the statement of financial position:

[€ million]	Dec. 31,2024	Dec. 31,2025
Provisions for pensions and similar obligations	623.5	538.6
Other assets	2.6	3.6
	620.9	535.0

Net obligations are calculated as follows:

[€ million]	Dec. 31,2024	Dec. 31,2025
Present value of funded obligations	330.0	288.0
Fair value of plan assets	-312.5	-282.9
Surplus (-)/deficit (+)	17.5	5.1
Present value of unfunded obligations	603.4	529.9
	620.9	535.0

Defined benefit obligations developed as follows:

[€ million]	Germany	Japan	United Kingdom	Miscellaneous	2024
Present value of defined benefit obligations, Jan. 1, 2024	585.4	95.6	207.8	96.8	985.6
Current service cost	9.7	2.5	0.0	5.4	17.6
Interest cost	20.5	1.2	9.5	4.1	35.3
Gains (-) and losses (+) from remeasurement of defined benefit obligations	-49.1	-4.4	-18.5	9.7	-62.3
Gains (-) and losses (+) on settlements	0.0	0.0	0.0	0.0	0.0
Past service cost	0.0	0.0	0.0	0.2	0.2
Contributions by plan participants	0.0	0.0	0.0	0.5	0.5
Liabilities extinguished on settlements	0.0	0.0	0.0	-16.3	-16.3
Benefits paid	-24.1	-5.2	-13.4	8.0	-34.7
Changes in consolidated group	0.2	0.0	0.0	2.0	2.2
Other changes	2.1	-2.8	0.1	0.4	-0.2
Exchange rate differences	0.0	-3.9	10.0	-0.6	5.5
Present value of defined benefit obligations, Dec. 31, 2024	544.7	83.0	195.5	110.2	933.4

[€ million]	Germany	Japan	United Kingdom	Miscellaneous	2025
Present value of defined benefit obligations, Jan. 1, 2025	544.7	83.0	195.5	110.2	933.4
Current service cost	7.9	1.7	0.0	4.9	14.5
Interest cost	17.7	1.2	9.7	3.7	32.3
Gains (-) and losses (+) from remeasurement of defined benefit obligations	-56.3	-5.6	-2.9	0.1	-64.7
Gains (-) and losses (+) on settlements	0.0	0.0	0.0	0.0	0.0
Past service cost	0.0	0.0	0.7	0.2	0.9
Contributions by plan participants	0.0	0.0	0.0	0.7	0.7
Liabilities extinguished on settlements	0.0	0.0	0.0	-0.5	-0.5
Benefits paid	-46.6	-4.7	-14.8	-9.3	-75.4
Changes in consolidated group	0.0	0.0	0.0	-0.3	-0.3
Other changes	5.5	0.0	-0.1	-6.5	-1.1
Exchange rate differences	0.0	-9.5	-9.7	-2.7	-21.9
Present value of defined benefit obligations, Dec. 31, 2025	472.9	66.1	178.4	100.5	817.9

The plan assets of funded pension plans developed as follows:

[€ million]	Japan	United Kingdom	Miscellaneous	2024
Fair value of plan assets, Jan. 1, 2024	87.3	214.3	39.2	340.8
Interest income	1.5	9.9	0.9	12.3
Gains (+) and losses (-) from remeasurement of plan assets	-4.9	-33.5	3.5	-34.9
Contributions by employer	3.7	2.9	2.9	9.5
Contributions by plan participants	0.0	0.0	0.5	0.5
Liabilities extinguished on settlements	0.0	0.0	0.2	0.2
Benefits paid	-5.2	-13.4	-4.3	-22.9
General plan administration costs	0.0	-0.2	0.0	-0.2
Changes in consolidated group	0.0	0.0	1.7	1.7
Other changes	-1.4	0.0	0.0	-1.4
Exchange rate differences	-3.6	10.3	0.2	6.9
Fair value of plan assets, Dec. 31, 2024	77.4	190.3	44.8	312.5

[€ million]	Japan	United Kingdom	Miscellaneous	2025
Fair value of plan assets, Jan. 1, 2025	77.4	190.3	44.8	312.5
Interest income	1.7	9.4	0.6	11.7
Gains (+) and losses (-) from remeasurement of plan assets	-5.6	-0.4	1.8	-4.2
Contributions by employer	1.9	1.9	2.1	5.9
Contributions by plan participants	0.0	0.0	0.7	0.7
Liabilities extinguished on settlements	0.0	0.0	0.0	0.0
Benefits paid	-4.4	-14.8	-4.1	-23.3
General plan administration costs	0.0	-0.2	0.0	-0.2
Changes in consolidated group	0.0	0.0	0.0	0.0
Other changes	0.0	-0.1	0.1	0.0
Exchange rate differences	-8.8	-9.5	-1.9	-20.2
Fair value of plan assets, Dec. 31, 2025	62.2	176.6	44.1	282.9

The fair value of plan assets with quoted prices in active markets was as follows:

[€ million]	Dec. 31,2024	Dec. 31,2025
Equity instruments	58.0	59.6
Interest-bearing securities	57.3	45.5
Other assets	171.4	139.7
	286.7	244.8

The fair value of plan assets without quoted prices in active markets was as follows:

[€ million]	Dec. 31,2024	Dec. 31,2025
Interest-bearing securities	1.8	9.6
Other assets	24.0	28.5
	25.8	38.1

In the following year, contributions in the amount of €7.9 million (previous year: €10.4 million) will probably be made to plan assets. Furthermore, an amount of €21.4 million was paid to Board of Management members from the existing pension obligations. The weighted average duration of defined benefit obligations as at the end of the reporting year was 12.6 years (previous year: 12.6 years).

As at the end of the financial year, expected non-discounted pension payments as a function of the due date were as follows.

[€ million]	Dec. 31,2025
2026	53.6
2027-2030	207.5
2031-2035	266.7

In the reporting year, gains and losses from the re-measurement of the defined benefit obligations and plan assets recognized in retained earnings developed as follows:

[€ million]	2024	2025
Gains (+) and losses (-) from remeasurement, Jan. 1	-234.4	-204.9
Gains (+) and losses (-) from remeasurement of defined benefit obligations	62.3	64.7
Of which: as a result of changed financial assumptions	64.2	62.1
Of which: as a result of changed demographic assumptions	-1.6	-0.1
Of which: as a result of experience-based adjustments	-0.3	2.7
Gains (+) and losses (-) from remeasurement of plan assets	-34.9	-4.2
Reclassifications/other changes	4.9	-4.9
Exchange rate differences	-2.8	3.4
Gains (+) and losses (-) from remeasurement, Dec. 31	-204.9	-145.9

The possible changes in the defined benefit obligation as a result of changes in the discount rate, a major actuarial assumption, were calculated on the basis of the projected unit credit method. If the discount rate as at the statement of financial position date had been 0.5 percentage points lower, the present value of defined benefit obligations as at the statement of financial position date would have been €49.6 million (previous year: €57.6 million) higher. If the discount rate as at the statement of financial position date had been 0.5 percentage points higher, the present value of defined benefit obligations as at the statement of financial position date would have been €45.0 million (previous year: €54.4 million) lower.

(12) Other provisions

[€ million]	Personnel obligations	Warranties and guarantees	Restructuring	Miscellaneous	Total
Status Jan. 1, 2025	490.9	81.0	97.2	331.9	1,001.0
Increases	347.8	35.9	94.3	199.8	677.8
Unwinding of discount and effect of change in discount rate	0.0	0.2	0.0	-0.3	-0.1
Amounts used	-328.9	-27.7	-50.0	-149.3	-555.9
Reversal	-27.6	-12.2	-15.2	-51.7	-106.7
Exchange rate differences	-17.6	-2.6	-2.0	-13.4	-35.6
Changes in consolidated group	7.6	0.0	0.2	4.8	12.6
Other changes	-3.2	0.8	3.8	-2.3	-0.9
Status Dec. 31, 2025	469.0	75.4	128.3	319.5	992.2
Of which: long-term	68.0	7.1	6.1	37.7	118.9
Of which: short-term	401.0	68.3	122.2	281.8	873.3
Reimbursement claims connected with provisions and shown in the statement of financial position under other assets	0.3	0.0	0.0	0.0	0.3

The provisions for personnel obligations mainly include provisions for other short-term employee benefits such as bonuses and commissions, provisions for vacation not taken and other long-term employee benefits such as long-term remuneration components as well as provisions for partial early retirement and provisions for termination benefits.

The provisions for guarantees and warranties concern products supplied and services rendered. Provisions for restructuring are recognized if a detailed, formal restructuring plan has been prepared and communicated to the parties concerned. The provisions cover expenditure directly connected with the measures adopted.

The miscellaneous provisions include the following items:

[€ million]	Dec. 31, 2024	Dec. 31, 2025
Commissions	29.9	27.3
Litigation risks	22.3	23.4
Onerous contracts	27.2	22.0
Other	251.7	246.8
Total	331.1	319.5

The fall in the miscellaneous provisions is mainly due to other provisions, which include provisions for environmental protection, customer bonuses and construction and building management.

(13) Liabilities

[€ million]	Residual term		Dec. 31,2024	Residual term		Dec. 31,2025
	Short-term	Long-term		Short-term	Long-term	
Liabilities to banks (= financial debt)	197.2	163.6	360.8	27.0	145.2	172.2
Cash pool liabilities	164.5	0.0	164.5	174.3	0.0	174.3
Other financial debt	30.8	32.2	63.0	86.3	29.0	115.3
Lease liabilities	106.1	236.9	343.0	108.6	283.4	392.0
Shareholder's loans	439.0	300.0	739.0	609.0	150.0	759.0
Accounts of Freudenberg & Co. KG Partners	258.4	354.0	612.4	264.5	366.5	631.0
Financial debt	1,196.0	1,086.7	2,282.7	1,269.7	974.1	2,243.8
Trade payables	1,299.5	0.0	1,299.5	1,278.3	0.0	1,278.3
Contract liabilities	82.1	0.0	82.1	69.3	0.0	69.3
Miscellaneous liabilities	302.4	166.0	468.4	388.0	85.2	473.2
Other liabilities	384.5	166.0	550.5	457.3	85.2	542.5
	2,880.0	1,252.7	4,132.7	3,005.3	1,059.3	4,064.6

Current assets in the amount of €6.5 million (previous year: €1.0 million), chiefly receivables, have been pledged as collateral for liabilities. The increase is mainly the result of liabilities and related collateral pledges assumed in connection with corporate acquisitions.

The average interest rate on long-term liabilities to banks is 1.63 percent (previous year: 1.86 percent).

The other financial debt includes loans by third parties with an interest rate between 3.62 and 4.60 percent on the long-term portion.

The interest payable on the certificates of indebtedness included in the liabilities to banks is based on variable and fixed components. Cash flows for variable and fixed interest and repayment of principal will probably be as follows from 2026 to 2027:

[€ million]	Book value	Cash flows	
	Dec. 31,2025	2026	2027
Certificates of indebtedness	132.0	2.2	134.0

The certificates of indebtedness include compliance with normal market loan covenants. These were complied with during the period under review.

The cash pool liabilities are towards the parent company and its affiliates which are not included in the consolidated group of Freudenberg SE and are of a short-term nature.

Lease liabilities are recognized as a result of the application of IFRS 16. As at December 31, 2025, possible future cash outflows in the amount of €15.9 million (previous year: €42.6 million) were not included in lease liabilities because a lease had been concluded but not yet incepted as at the date of the statement of financial position or because it was not assessed as reasonably certain that an extension option would be exercised.

The cash flows for the leasing liabilities shown in the statement of financial position break down as follows:

[€ million]	Dec. 31, 2025
2026	106.3
2027-2030	237.6
2031 ff.	103.8

The loans granted by the shareholder were extended during the reporting year. Interest is payable on these loans at rates between 2.34 and 3.51 percent (previous year: between 2.34 and 3.95 percent). The long-term portion of these loans consists of one tranche with a remaining term of two years.

The interest rates applicable to deposits in accounts of Freudenberg & Co. KG Partners as at the date of the statement of financial position vary between 1.65 and 4.60 percent depending on the individual agreements (previous year: between 3.05 and 4.52 percent). The long-term portion of these accounts has a term of between one year and five years.

Miscellaneous liabilities include liabilities for outstanding wages and salaries, holiday pay and special bonuses, liabilities for other taxes and liabilities in connection with social security as well as other repayment obligations. The long-term portion of these miscellaneous liabilities, as in the case of the financial debt, chiefly has a term of less than five years.

Contingent liabilities and other financial obligations

[€ million]	Dec. 31, 2024	Dec. 31, 2025
CONTINGENT LIABILITIES		
Guarantees	16.8	16.9
Warranty agreements	0.2	0.1
Miscellaneous	2.9	4.3
	19.9	21.3
OTHER FINANCIAL COMMITMENTS		
Purchase commitments in connection with the delivery of goods and services	258.2	184.4
Purchase commitments in connection with tangible assets	77.1	58.4
Purchase commitments in connection with intangible assets	0.1	0.0
Miscellaneous	4.3	4.1
	339.7	246.9

In addition, the following contingent liabilities and other financial commitments concern joint ventures:

[€ million]	Dec. 31, 2024	Dec. 31, 2025
CONTINGENT LIABILITIES		
Warranty agreements	18.6	8.5
	18.6	8.5
OTHER FINANCIAL COMMITMENTS		
Purchase commitments in connection with the delivery of goods and services	1.0	1.0
	1.0	1.0

NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(14) Sales

[€ million]	2024	2025
Sales from sales of goods	11,671.7	11,500.0
Sales from research and development / research and development licenses	96.1	81.4
Sales from services	36.6	36.7
Sales from production-related licenses	10.7	7.9
Other sales	132.4	105.9
	11,947.5	11,731.9

Other sales include, inter alia, sales from the sale of customer-specific tools, sales from rental and lease contracts and sales from support and supplementary operations. At Freudenberg, long-term performance obligations arise under rental and lease agreements. Further details are given in note (3).

The breakdown of sales by sectors is given below:

[€ million]	2024	2025
Automotive OEMs	4,908.5	4,660.8
Final users	1,476.7	1,474.7
Mechanical and plant engineering	1,083.2	1,110.0
Construction	693.5	643.6
Spare parts business	621.8	617.3
Medicine and pharmaceuticals	564.2	592.2
Energy and water	531.2	565.9
Textile and apparel	498.5	455.4
Chemical	268.5	255.3
Other industry sectors	1,301.4	1,356.7
	11,947.5	11,731.9

In the 2025 financial year, sales in the amount of 41.0 million (previous year: 26.2 million) were recorded which had been recognized as contract liabilities at the beginning of the financial year.

(15) Cost of sales

Cost of sales, amounting to €8,240.6 million (previous year: €8,134.6 million), indicates the cost of goods and services sold. Apart from individual directly attributable costs, such as personnel expenses and material expenses, overheads including depreciation/amortization as well as development expenses for customer-specific development projects are also shown under cost of sales.

(16) Selling expenses

Selling expenses, amounting to €1,691.5 million (previous year: €1,679.1 million), include all expenses incurred in the sales area, for example personnel, advertising, carriage and packaging expenses.

(17) Administrative expenses

In 2025, administrative expenses amounted to €768.4 million (previous year: €755.6 million). Administrative expenses include all expenses which cannot be allocated to production, sales or research and development and concern, inter alia, personnel expenses and miscellaneous administrative expenses.

(18) Research and development expenses

Apart from personnel and material expenses, research and development expenses chiefly include the cost of licenses and patents occurring in the course of development projects.

(19) Other income

[€ million]	2024	2025
Currency and exchange gains	106.7	94.5
Income from recharges	21.1	22.9
Income from disposals of non-current assets	6.1	19.6
Government grants	21.0	17.6
Income from other secondary business	2.2	1.3
Miscellaneous income	146.1	73.9
	303.2	229.8

The fall in other income is mainly due to the lower miscellaneous income. Miscellaneous other income includes effects from reimbursements for damage which occurred in the year under review, the measurement of option rights, and the reimbursement of fees. In addition to these elements, miscellaneous other income includes a large number of individual items with low amounts such as rental income

(20) Other expenses

[€ million]	2024	2025
Exchange rate loss	89.2	86.8
Losses resulting from disposals of non-current assets	4.2	9.6
Miscellaneous expenses	104.0	78.1
	197.4	174.5

The fall in other expenses was chiefly a result of lower miscellaneous expenses. Miscellaneous expenses include effects from the measurement of option rights, donations and expenditure for one-off effects such as damage caused by natural catastrophes. Furthermore, miscellaneous expenses include the impairment of the goodwill of the cash-generating units of Freudenberg e-Power Systems.

(21) Income from investments in joint ventures

Income from investments in joint ventures amounted to €23.9 million (previous year: €23.1 million).

(22) Income from investments in associated companies

The fall in income from investments in associated companies from €63.3 million to €45.6 million is a result of the lower pro-rata profit of the associated company NOK Corporation, Tokyo, Japan.

(23) Other investment result

The rise in other investment result from €-2.5 million to €6.7 million was chiefly a result of the increase in investment income from shares in partnerships.

(24) Other interest and similar income

Other interest and similar income amounted to €209.8 million (previous year: €176.8 million). The increase is chiefly due to higher income from currency conversion in connection with financing activities.

(25) Interest and similar expenses

In 2025, interest and similar expenses amounted to €269.7 million (previous year: €192.9 million). The increase chiefly concerns higher losses from currency conversion in connection with financing activities. Interest payable on shareholder's loans in the amount of €24.7 million (previous year: €30.4 million) and interest payable to the Partners of Freudenberg & Co. KG in the amount of €21.8 million (previous year: €25.6 million) are also recognized in interest and similar expenses.

(26) Income taxes

This item shows German corporation tax (plus solidarity surcharge) and municipal trade taxes as well as similar taxes on income payable in other countries.

The figure also includes deferred taxes on temporary differences between the tax balance sheets and commercial balance sheets of individual group companies, on adjustments to consistent measurement within the Freudenberg Group and on the consolidation procedure.

Deferred taxes are calculated at the tax rates applicable in the respective countries.

Income taxes break down as follows (expense (-) / income (+)):

[€ million]	2024	2025
Current taxes related to the reporting period	-328.3	-233.5
Current taxes related to prior periods	-40.4	14.1
Deferred taxes	76.1	110.8
	-292.6	-108.6

The deferred tax income related to changes in tax rates was €0.4 million (previous year: deferred tax expense of €0.4 million). Deferred tax income includes income in the amount of €104.3 million (previous year: €94.8 million) resulting from the development or elimination of temporary differences. In the reporting year, impairment losses with respect to deferred tax assets on temporary differences were recognized in the amount of €6.1 million (previous year: €6.6 million).

In the reporting year, deferred taxes related to transactions recognized directly in equity resulted in a reduction in equity of €6.8 million (previous year: reduction in equity €14.1 million).

As of December 31, 2025, tax losses carried forward amounted to €912.5 million (previous year: €913.8 million). Deferred tax assets were recognized in respect of tax losses carried forward totaling €198.9 million (previous year: €170.8 million). Deferred tax assets were not recognized in respect of tax losses carried forward with a total amount of €713.6 million (previous year: €743.0 million) as it is not expected that these losses will be usable. Of the tax losses carried forward, €24.7 million (previous year: €20.7 million) will be forfeited in the period up to 2035 if they are not used.

In the reporting year, tax losses carried forward totaling €0.7 million (previous year: €3.7 million), for which no deferred tax assets had been recognized, were used.

Deferred taxes concern temporary differences and tax losses carried forward in the following amounts:

[€ million]	Deferred tax assets Dec. 31,2024	Deferred tax liabilities Dec. 31,2024	Deferred tax assets Dec. 31,2025	Deferred tax liabilities Dec. 31,2025
Intangible assets	123.9	204.9	96.0	165.0
Tangible assets	30.8	151.2	67.7	161.7
Financial assets	1.3	1.1	4.6	0.3
Inventories	75.0	1.6	78.7	2.0
Receivables	23.2	23.9	28.3	24.5
Other assets	21.7	4.9	9.6	4.5
Provisions for pensions and similar obligations	79.6	0.3	48.4	0.7
Other provisions	100.0	9.8	98.5	3.0
Liabilities	121.8	23.7	169.5	12.5
Other liabilities	0.4	9.0	0.5	8.5
Tax losses carried forward	36.4	0.0	40.2	0.0
	614.1	430.4	642.0	382.7
Offsetting	-202.0	-202.0	-169.7	-169.7
Recognized in statement of financial position	412.1	228.4	472.3	213.0
thereof long term	189.1	219.8	225.6	209.8
thereof short term	223.0	8.6	246.7	3.2

In 2025, the year under review, the German *Gesetz für ein steuerliches Investitionssofortprogramm zur Stärkung des Wirtschaftsstandorts Deutschland* ("Act for an Immediate Tax-Based Investment Program to Strengthen Germany as an Industrial Location") was adopted. Among other items, this Act provides for a step-by-step reduction in the rate of corporation tax in Germany from the present figure of 15 percent to 10 percent in the period from 2028 to 2032. Deferred tax assets and liabilities arising in connection with temporary differences and tax losses carried forward were therefore measured using the tax rate that will probably apply at the time when it is expected that the temporary differences will probably be reversed or the tax losses carried forward will probably be used. The effects of the re-measurement of deferred taxes both on income and on other comprehensive income were not material.

No deferred tax liabilities were recognized in respect of the earnings of affiliated companies and shareholdings as it is intended to use these funds for maintaining the substance and expanding the business of the companies concerned.

In accordance with IAS 12.39, no deferred tax liabilities were set up on temporary differences arising from affiliates and shareholdings amounting to €39.3 million as it is not expected that the temporary differences will be reversed in the foreseeable future.

Reconciliation of expected income tax with actual income tax expense

Freudenberg SE and its German subsidiaries are subject to corporation tax (plus solidarity surcharge) and the municipal trade tax. Income realized in other countries is taxed at the rates applicable in the respective countries. The tax rate of 30.0 percent (previous year: 30.0 percent) used for calculating the expected tax expense is based on the structure of Freudenberg relevant for taxation. It is calculated as the weighted average of the tax rates for the regions in which Freudenberg realized its main income. Non-taxable income includes, inter alia, the profit after tax of participations consolidated by the equity method, dividends received from non-consolidated companies and income from the remeasurement of financial assets measured at fair value through profit or loss.

[€ million]	2024	2025
Profit before income taxes	1,017.4	470.5
Expected income tax expense (-)/ income (+)	-305.2	-141.2
Different tax rates:		
In Germany	-0.3	0.3
In other countries	65.8	43.6
Tax portion of:		
Non-taxable income	38.7	36.5
Non-deductible expenses	-72.9	-69.9
Current taxes related to prior periods	-26.3	-12.4
Recognition of tax effects of previously unrecognized tax loss carryforwards	6.1	21.1
Tax portion of tax losses carried forward and used for which no deferred tax assets were recognized	0.7	0.5
Tax credits from grants and subsidies	21.4	19.9
Other taxation effects	-20.6	-7.0
Actual income tax expense	-292.6	-108.6
Effective tax rate (percent)	28.8	23.1

OECD minimum taxation – Pillar Two Model Rules

The Group is within the scope of the OECD Pillar Two Model Rules, and it applies the IAS 12 temporary exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. The Group may incur higher taxes due to the Pillar Two legislation that became effective on January 1, 2024. Under the legislation, the Group is liable to pay a top-up tax corresponding to the difference between its GloBE effective tax rate in each jurisdiction and the 15.0 percent minimum rate. During the initial three years, Transitional Safe Harbour rules apply which deem the top-up for a jurisdiction to be nil where any of three simplification tests are met for that jurisdiction.

With the exception of a few affiliates in five jurisdictions, the Freudenberg Group meets the “Transitional Safe Harbour” tests in all the jurisdictions in which it operates. For the jurisdictions with a lower effective tax rate, an immaterial income tax expense was recognized and is included in the income taxes in the statement of profit or loss.

(27) Profit or loss attributable to non-controlling interests

[€ million]	2024	2025
Profit	100.2	87.3
Loss	-4.3	-6.3
	95.9	81.0

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(28) Cash flow from operating activities

The cash flow from operating activities takes into account dividends received from joint ventures totaling €31.6 million (previous year: €16.0 million) and dividends received from associated companies totaling €33.0 million (previous year: €33.1 million).

(29) Payments to shareholders/non-controlling interests

Payments to shareholders and non-controlling interests include dividends paid to the shareholder, to the Partners of Freudenberg & Co. KG and to holders of non-controlling interests in Group companies.

(30) Reconciliation of financial debt

The table below shows the reconciliation of financial debt:

[€ million]	2024	With effect on payments	Without effect on payments				2025
			Addition	Acquisitions / Disposals	Exchange rate effects	Others	
Liabilities to banks	360.8	-201.9	0.0	18.2	-4.9	0.0	172.2
Liabilities from cash pool	164.5	11.2	0.0	0.0	0.0	-1.4	174.3
Leasing liabilities	343.0	-112.0	150.9	27.5	-13.9	-3.5	392.0
Other financial debt	63.0	12.6	0.0	15.2	25.1	-0.6	115.3
Shareholder's loans	739.0	20.0	0.0	0.0	0.0	0.0	759.0
Accounts of Freudenberg & Co. KG Partners	612.4	18.6	0.0	0.0	0.0	0.0	631.0
Financial debt	2,282.7	-251.5	150.9	60.9	6.3	-5.5	2,243.8

Cash inflows from interest received and cash outflows from interest paid are included in cash flow from operating activities and are shown separately in the consolidated statement of cash flows.

(31) Changes in cash and cash equivalents with effect on payments

Freudenberg recognizes checks, cash in hand, cash at bank and short-term securities with an original term of up to three months as cash and cash equivalents. Cash and cash equivalents include funds with an amount of €10.3 million (previous year: €20.3 million) subject to restrictions on use.

The funds subject to restrictions on use by Freudenberg largely concern cash and cash equivalents held by affiliates which can only be used by Freudenberg with restrictions as a result of exchange controls.

FURTHER NOTES

Material expenses

[€ million]	2024	2025
Raw materials, consumables and merchandise purchased	4,909.7	4,740.5
Services purchased	297.9	273.0
	5,207.6	5,013.5

Workforce and personnel expenses

In the year under review, an average of 51,376 (previous year: 51,974) persons were employed in the following functions:

2025	Germany	Other countries	Total
Production	6,944	26,493	33,437
Sales	2,294	6,911	9,205
Research and development	1,959	2,024	3,983
Administration	1,462	3,289	4,751
	12,659	38,717	51,376

[€ million]	2024	2025
Wages and salaries	2,737.9	2,731.3
Social security contributions and costs of pensions and assistance	657.0	665.8
Personnel expenses	3,394.9	3,397.1

Research and development

In the year under review, research and development activities amounting to €579.5 million (previous year: €604.4 million) were performed. The research and development activities also include development expenses for customer-specific development projects included in the cost of sales in the consolidated statement of profit or loss. Research and development expenses incurred in the year under review in connection with the dismantling of the Freudenberg e-Power Systems Business Group were not taken into consideration in this figure. Sales from research and development and research and development licenses amounted to €81.4 million (previous year: €96.1 million). In the reporting year, government grants for research and development projects totaling €2.9 million (previous year: €11.7 million) were received.

Financial instruments

The term “financial instrument” is used to refer to any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. A distinction is made between primary and derivative financial instruments. Primary financial instruments in the case of the purchase or sale of assets are recognized at the settlement date, i.e. the delivery of the asset concerned. Derivative financial instruments are recognized as of the trade date. In the event of loss of control over the contractually agreed rights to a financial asset, the asset concerned is derecognized. Financial liabilities are derecognized on the statement of financial position when the commitment is discharged or cancelled, or expires.

According to IFRS 9, financial assets are divided into the following categories:

- Measured at amortized cost

This category includes debt instruments with cash flows consisting solely of principal and interest payments. They are held by Freudenberg in a business model whose objective is achieved by collecting the contractual cash flows.

- Measured at fair value through other comprehensive income

This category includes both debt and equity instruments. Debt instruments are to be included in this category if the cash flows associated with these instruments consist solely of principal and interest payments and the business model has the objective of both collecting contractual cash flows and selling financial assets.

Amounts recognized in other comprehensive income for those debt instruments are reclassified to the statement of profit or loss upon the later disposal of such instruments. Equity instruments not held for trading may be assigned to this category. The

amounts recognized in other comprehensive income for those equity instruments are not reclassified to the statement of profit or loss in the event of the later disposal of such instruments.

- Measured at fair value through profit or loss

This category includes both debt and equity instruments. Debt instruments are to be assigned to this category in the event that the cash flows associated with such instruments do not consist solely of principal and interest payments or if the business model is based mainly on short-term trading intentions. Equity instruments must also be assigned to this category if there are trading intentions. If there are no trading intentions, there is an option to classify equity instruments as measured at fair value through profit or loss. In addition, both debt and equity instruments are classified in this category if such classification prevents an accounting mismatch between assets and liabilities. The same applies to partnership shares. Those shares are not considered to be equity instruments and also do not meet the condition that the cash flows associated with them consist solely of principal and interest payments. Derivative financial instruments that do not meet the requirements for hedge accounting are also measured at fair value through profit or loss.

In accordance with IFRS 9, financial liabilities are, as a general principle, measured at amortized cost. In such cases, the liabilities concerned are initially recognized at fair value less transaction costs. In accordance with IFRS 9, subsequent measurements are effected at amortized cost using the effective interest method. Only liabilities held for trading purposes are measured at fair value through profit or loss.

Financial instruments are assigned to categories on the basis of the relevant items in the statement of financial position. The allocation to the categories unambiguously defines the accounting and measurement of the financial assets and liabilities.

Consolidated Financial Statements – Notes to Consolidated Financial Statements

[€ million]	At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss	Book value Dec. 31, 2024
ASSETS				
Other financial assets	6.1	56.4	93.3	155.8
Trade receivables	1,764.0			1,764.0
Other assets	163.6		4.0	167.6
Securities and cash at bank and in hand	2,600.5			2,600.5
	4,534.2	56.4	97.3	4,687.9

LIABILITIES				
Financial debts ¹	2,282.7			2,282.7
Trade payables	1,299.5			1,299.5
Other liabilities	301.5		1.0	302.5
	3,883.7		1.0	3,884.7

[€ million]	At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss	Book value Dec. 31, 2025
ASSETS				
Other financial assets	9.0	67.7	82.5	159.2
Trade receivables	1,683.0			1,683.0
Other assets	212.5		11.6	224.1
Securities and cash at bank and in hand	1,928.0			1,928.0
	3,832.5	67.7	94.1	3,994.3

LIABILITIES				
Financial debts ¹	2,243.8			2,243.8
Trade payables	1,278.3			1,278.3
Other liabilities	318.5		1.7	320.2
	3,840.6		1.7	3,842.3

¹Financial debts include lease liabilities in the amount of €392.0 million (previous year: €343.0 million), even though not included in the scope of IFRS 9.

Certain other assets and other liabilities are shown on the statement of financial position but are not included in the table concerning financial instruments because they cannot be categorized as financial instruments in accordance with IFRS 9 or are subject to the special recognition and measurement principles applicable to hedge accounting (see information on

hedging transactions). The other current and non-current assets shown in the statement of financial position, amounting to €228.5 million (previous year: €201.6 million), mainly concern reimbursement claims with respect to other taxes, advance payments made and contract assets. Further details are given in note (7). The other current and non-current liabilities

shown in the statement of financial position in the amount of €222.3 million (previous year: €248.0 million) chiefly concern liabilities with respect to other taxes, contract liabilities and other reimbursement liabilities. Further details are given in note (13).

Loans, receivables and debts are measured at amortized cost. The cash flows arising from these financial assets consist solely of principal and interest payments. These loans, receivables and debts are held by Freudenberg within a business model whose objective is achieved by collecting the contractual cash flows. The fair values of financial assets and financial liabilities measured at amortized cost are approximately equal to the carrying amounts of such assets and liabilities.

The other financial assets measured at fair value through other comprehensive income as at the statement of financial position date consist solely of equity instruments not held for trading purposes. The greater part of these financial instruments, in the amount of €64.2 million (previous year: €53.2 million), were measured on the basis of active markets for identical assets (level 1 inputs). For the remaining equity instruments, in the amount of €3.5 million (previous year: €3.2 million), the amortized cost represents the best estimate of the fair value. The amounts recognized in other comprehensive income for equity instruments are not reclassified to the statement of profit or loss upon the later disposal of such instruments. In the reporting year, the total amount of other financial assets recognized in other comprehensive income was €11.5 million (previous year €7.6 million). This amount recognized in other comprehensive income in the year under review includes effects resulting from disposals of financial instruments in this category in the amount of €0.3 million.

The other financial instruments measured at fair value through profit or loss are debt instruments with a carrying amount of €2.4 million (previous year: €2.5 million) with cash flows not consisting solely of principal and interest payments. In addition, these financial instruments include investments that do not meet the requirements for measurement at fair value through other comprehensive income and with cash flows not consisting solely of principal and interest payments in the amount of €11.7 million (previous year: €15.0 million). The other financial assets also include shares in partnerships with an amount of €68.4

million (previous year: €75.9 million). These shares are measured on the basis of observed input factors for similar assets or liabilities in active markets or for identical assets or liabilities in markets that are not active (level 2 inputs). The other financial instruments measured at fair value through profit or loss are measured on the basis of values observed on active markets for identical assets (level 1 inputs). In the reporting year, the total effect of the re-measurement of such financial instruments on the statement of profit or loss was insignificant. The other assets and other liabilities include derivative financial instruments used for hedging currency risks that do not meet the requirements for hedge accounting. Such derivatives are measured at fair value through profit or loss (see information on hedging transactions). The other liabilities also include put options granted to holders of non-controlling interests for the sale of their shares in the amount of €48.9 million (previous year €156.9 million), which are recognized as forward purchases.

Freudenberg does not hold any financial assets or liabilities for short-term trading purposes.

Offsetting of financial assets and financial liabilities is not effected to any material extent in the statement of financial position and there is no potential for offsetting.

Risks in connection with financial instruments

Freudenberg is exposed to risks resulting from changes in exchange rates and interest rates and, as a general principle, uses conventional derivative instruments such as interest rate swaps, caps and currency futures to hedge risks in connection with business operations and financing to a limited extent (see information on hedging transactions).

The risks arising in connection with financial instruments are chiefly as follows:

Interest rate risk:

In the case of fixed-interest loans or investments, there is a risk that changes in the market interest rate will affect the market value of the item concerned (market value risk contingent on interest rates). In contrast, variable interest loans and investments are not subject to this risk as the interest rate is adjusted to reflect changes in the market situation with a very short delay. However, there is a risk with respect to future interest payments as a result of short-term fluctuations in market interest rates (cash flow risk contingent on interest rates). Risks associated with interest rate changes mainly affect long-term items. If market interest rates had been 1.0 percentage points higher or lower, on average, as of December 31, 2025, this would have had only an insignificant impact on net income.

Currency risk:

The primary financial instruments are chiefly held in the functional currency. Exchange rate differences caused by the conversion of financial statements into the Group currency are not taken into consideration. If the value of the euro against major currencies held at the date of the statement of financial position (USD, GBP and JPY) had been 10 percent higher as at December 31, 2025, the profit before income taxes would have been €20.1 million (previous year: €12.4 million) lower. If the value of the euro against major currencies held (USD, GBP and JPY) had been 10 percent lower as at December 31, 2025, the profit before

income taxes would have been €24.5 million (previous year: €15.1 million) higher.

Liquidity risk:

Risks connected with cash flow fluctuations are identified by the cash flow planning system in place. As a result of the good rating (“A3”) of Freudenberg SE and the credit lines granted by banks on a binding basis, Freudenberg can access ample sources of funds at all times. Further information is given in the Report on Opportunities and Risks (section: Financial risks) in the Combined Management Report.

Credit risk:

A credit risk is the risk that Freudenberg will incur a financial loss as a result of the other party to a financial instrument failing to discharge its obligation. Credit risks may be of a variety of types. For example, they may be a result of the investment of liquid funds or the granting of payment deadlines in connection with the supply of goods and services. As a general principle, credit risks arise in connection with all agreements which need to be fulfilled by the counterparty in the future.

In accordance with IFRS 9, expected credit losses are the key factor in calculating loss allowances using the expected loss model. Impairment losses are recognized in accordance with IFRS 9 for all financial assets measured at amortized cost, for debt instruments measured at fair value without effect on net income, and for contract assets. IFRS 9 provides for a three-stage procedure. Loss allowances are measured either on the basis of the 12-month expected credit loss (stage 1) or on the basis of the lifetime expected credit loss if there has been a significant increase in credit risk since initial recognition (stage 2) or a credit impairment has been identified (stage 3).

Securities and cash at bank and in hand are debt instruments that are measured at amortized cost. Such assets held by Freudenberg mainly have a low credit risk and are due in the short-term. Such assets must therefore be assigned to stage 1 of the impairment model. The loss allowance for these assets as at the date of the statement of financial position was €1.6 million (previous year: €1.6 million).

For trade receivables, the simplified approach in accordance with IFRS 9 is adopted. In this approach, the loss allowance is always calculated on the basis of the lifetime expected credit losses. In order to determine the expected credit losses, trade receivables are assigned to groups with similar credit risks. In the case of appropriate individual circumstances and risk indications, individual impairment losses are recognized. Information related to the past and to the future is taken into consideration in the measurement of impairment losses.

In order to determine the expected credit losses for a group of receivables, Freudenberg applies two factors. The first factor takes the country risk into account and the second factor accounts for the customer-specific default risk.

The centrally defined country risk factor covers factors such as transfer or convertibility risks, moratoriums, and capital or currency regulations which would prevent a company from converting its local currency into a foreign currency and/or transferring foreign currency to creditors in other countries. This specifically includes circumstances such as war, confiscation, revolution, insurrections, flooding and earthquakes. In addition, the model considers forward looking information regarding the financial and economic situation. The financial information includes medium-term financial solvency indicators such as overall foreign debt and total payments in connection with external debts. These figures are typically connected with indicators such as the gross domestic product and/or foreign exchange revenues. Economic information includes long-term structural indicators that measure the growth potential such as income levels, savings rates or economic growth rates achieved as well as export diversification, dependence on subsidies or the size of economies.

The customer-specific risk is based on shared credit risk characteristics of receivable groups. It takes into consideration specific business models, customer experience, differences in local payment cultures and market knowledge. If there is a major difference between different due date ranges, impairment loss rates are calculated separately for the different due date ranges.

To a large extent, trade receivables are covered by credit insurance. Credit insurance is taken into account in the calculation of the impairment losses. Otherwise, the carrying amount represents the maximum credit risk.

Trade receivables are de-recognized if, on the basis of an appropriate estimate, it is not to be expected that the receivable may be realized in full or in part. In this context, the information concerned must indicate that a debtor has financial problems and that there is no realistic prospect of the receipt of payments, for example if a debtor has been placed under liquidation or is subject to insolvency proceedings. As at the statement of financial position date, derecognized receivables in the amount of €0.3 million (previous year: €0.8 million) were still subject to enforcement activity.

In the year under review and the comparison period, loss allowances for financial assets other than those mentioned above were not material. This is also a result of the risk management system implemented by Freudenberg, which aims, inter alia, to minimize the credit risk. Freudenberg only concludes derivative financial instruments with national and international banks of investment grade rating. Credit risks are largely limited by distributing between several banks and a policy of applying caps to individual banks.

The risk profile of trade receivables is summarized in the table below:

[€ million]	Gross carrying amount Dec. 31, 2024	Weighted average loss rate ¹	Loss allowance
Current (not past due)	1,450.7	0%	6.5
1 – 60 days past due	253.0	3%	7.8
61 – 180 days past due	54.7	21%	11.5
181 – 360 days past due	17.9	25%	4.5
More than 360 days past due	14.0	61%	8.6

¹ The weighted average loss rate was rounded to full percentage values.

[€ million]	Gross carrying amount Dec. 31, 2025	Weighted average loss rate ¹	Loss allowance
Current (not past due)	1,428.6	0%	4.2
1 – 60 days past due	216.8	5%	11.5
61 – 180 days past due	39.0	16%	6.3
181 – 360 days past due	21.0	48%	10.0
More than 360 days past due	26.7	88%	23.6

¹ The weighted average loss rate was rounded to full percentage values.

The loss allowance for trade receivables developed as follows:

[€ million]	2024	2025
Loss allowance Jan. 1	34.9	38.9
Changes in consolidated group	0.4	0.8
Exchange rate differences	-0.7	-0.9
Additions (expenses for loss allowance)	19.8	28.3
Amounts used	-2.2	-4.9
Reversals (write-ups)	-13.3	-6.6
Loss allowance Dec. 31	38.9	55.6

As at the statement of financial position date, the loss allowance for other assets amounted to €0.7 million (previous year: €0.6 million). No significant impairment losses to contract assets were recognized in the year under review.

Hedging transactions

Freudenberg SE is responsible for all financing activities and also operates the cash management system for the entire group of companies. Group companies obtain the financing they require via cash pools or internal loans or, in some countries, in the form of bank loans guaranteed by Freudenberg SE.

The limits of action, responsibilities and control procedures in connection with derivative financial instruments are laid down in a binding form in internal directives for Group companies. Compliance with these directives and the proper handling and measurement of transactions are regularly verified, observing the principle of separation of functions. Furthermore, risk management for financial instruments is integrated in the Freudenberg Group risk management system. Freudenberg does not expose itself to additional financial risks through speculation with derivative financial instruments but uses such instruments only for hedging purposes and therefore reducing risks in connection with transactions (see information on risks in connection with financial instruments). Future transactions are only hedged if there is a high probability of occurrence. As a general principle Freudenberg uses derivative financial instruments for hedging interest rates and foreign exchange risks. Open risk items are primarily hedged via transactions within the Group. External hedging transactions are only concluded after consultation with the responsible corporate function.

The interest rate risk represents the risk that the fair value or future cash flows of financial instruments may fluctuate as a result of changes in market interest rates. As in the previous year, there were no derivatives entered into for the purpose of interest rate hedging as at December 31, 2025.

Freudenberg is active internationally and is subject to exchange rate risks resulting from transactions in foreign currencies. Currency risks arise from future business transactions and recognized assets and liabilities concluded in a currency which is not the functional currency of the relevant Group company. The objective of hedging transactions is to reduce the volatility resulting from foreign currencies. For this purpose, currency futures and currency swaps are concluded.

Derivative financial instruments for hedging recognized assets or liabilities (fair value hedges) are shown in the statement of financial position at fair value. Changes in the fair value are recorded in the statement of profit or loss.

Financial instruments for hedging future cash flows (cash flow hedges) are also included in the statement of financial position at fair value, but changes in the fair value of such instruments are recognized without effect on net income under retained earnings, taking into consideration the applicable income taxes and recognized in the statement of profit or loss when future cash flows are realized. Ineffective portions of hedge transactions are always recognized in the statement of profit or loss. The effectiveness of hedging transactions is determined regularly by prospective assessment upon the inception of the transaction. For hedging currency risks, the main hedging transactions concluded are based on contract terms that are congruent with the underlying transaction. Ineffectiveness may arise if parameters such as the timing of a planned transaction change compared with the original estimate.

Derivatives not covered by hedge accounting, are measured at fair value through profit or loss.

As at December 31, 2025, the Group held the following currency futures:

[€ million]	Dec. 31, 2024	Dec. 31, 2025
DERIVATIVE FINANCIAL INSTRUMENTS - CASH FLOW HEDGES		
Other liabilities - book value (liabilities)	0.1	0.1
Notional amount	5.8	5.6
Maturity date	1/2025-10/2025	1/2026-10/2026
Hedge ratio	1:1	1:1
Change in exchange rate of outstanding hedging instruments	-0.1	-0.1
DERIVATIVE FINANCIAL INSTRUMENTS WITHOUT HEDGE ACCOUNTING		
Other assets - book value (assets)	4.0	11.6
Other liabilities - book value (liabilities)	1.0	1.7
Notional amount	237.8	392.6
Maturity date	1/2025-05/2026	1/2026-05/2028

As at the date of the statement of financial position, Freudenberg, as in the previous year, did not hold any fair value hedges.

In the reporting year, value changes in the case of currency futures (cash flow hedges) are recognized in equity in the amount of €0.0 million (previous year: €0.2 million).

The fair values of currency futures were determined on the basis of the quoted currency future prices for similar financial instruments (level 2 inputs). As a result of the very high effectiveness of the hedges, the fluctuations in the values of cash flows from the hedged underlying transactions correspond to the fluctuations in the value of the hedges.

Derivatives to hedge currency risks in connection with the US dollar represent a large part of the notional amount.

[€ million]	Dec. 31, 2024	Dec. 31, 2025
Notional amount currency pair USD/EUR	76.5	208.2
Weighted average hedged rate for the year USD/EUR	1.10	1.18

Related party disclosure

Relations with related parties concern the parent company Freudenberg & Co. KG, joint ventures, associated companies and other related parties.

Other related parties include other participations of the parent company and companies that are not included in the consolidated financial statements for reasons of materiality. Transactions with these parties in the course of the company's ordinary business are effected at normal market conditions and were as follows:

[€ million]	Sales 2024	Receivables			Payables ¹		
		Residual term up to 1 year	Residual term more than 1 year	Dec. 31,2024	Residual term up to 1 year	Residual term more than 1 year	Dec. 31,2024
Parent company	3.9	1.9	0.0	1.9	568.0	300.0	868.0
Joint ventures	42.9	17.4	0.0	17.4	4.9	1.1	6.0
Associated companies	16.2	4.7	0.0	4.7	7.5	0.0	7.5
Other related parties	4.1	0.6	0.0	0.6	58.6	0.0	58.6
	67.1	24.6	0.0	24.6	639.0	301.1	940.1

[€ million]	Sales 2025	Receivables			Payables ¹		
		Residual term up to 1 year	Residual term more than 1 year	Dec. 31,2025	Residual term up to 1 year	Residual term more than 1 year	Dec. 31,2025
Parent company	4.2	4.3	0.0	4.3	742.9	150.0	892.9
Joint ventures	49.4	14.7	0.0	14.7	5.7	10.3	16.0
Associated companies	15.0	3.7	0.0	3.7	5.4	0.0	5.4
Other related parties	4.6	0.3	0.0	0.3	66.0	0.0	66.0
	73.2	23.0	0.0	23.0	820.0	160.3	980.3

¹ Details of liabilities to the parent company are presented in the information on liabilities in note (13).

Related parties also include the members of the Board of Management and the Supervisory Board. The members of these bodies are listed under “Company Boards”.

The remuneration of members of the Board of Management includes fixed and variable components. The variable remuneration is based on the short-term and long-term targets of the Group with the operating result and sales as the main factors in the determination of variable remuneration.

The total remuneration of members of the Board of Management, including expenditure for bonuses with a short-term basis amounted to €6.1 million (previous year: €9.9 million) as well as €1.6 million (previous year: €1.0 million) for bonuses with a long-term basis.

Expenses of €0.8 million (previous year: €0.8 million) were incurred for defined-benefit and defined-contribution pension commitments with respect to company pensions for Board of Management members.

As at the statement of financial position date, the Group recognized obligations outstanding to Board of Management Members under bonus programs with a short-term and long-term basis as well as pension obligations in the amount of €7.4 million (previous year: €34.6 million).

The total remuneration of former members of the Board of Management and their surviving dependents amounted to €2.9 million (previous year: €1.2 million).

An amount of €32.3 million (previous year: €33.4 million) was assigned to provisions for pension obligations to former members of the Board of Management.

Under a service agreement, Freudenberg SE paid an amount of €1.5 million (previous year: €1.5 million) to its parent company for the performance of key management functions.

Fees of the Auditor

The auditor, PriceWaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Germany, performed the following services in the 2025 financial year:

[€ million]	2025
Auditing services	3.6
Tax services	0.1
Other assurance services	0.1
Other services	0.5
	4.3

Major events after the date of the statement of financial position

The Freudenberg e-Power Systems Business Group was dismantled effective January 1, 2026. The Business Group's regular business activities have ceased. The only business to be conducted in 2026 will be the processing of existing orders and the settlement of existing obligations. The business with battery cells, modules and systems and the business with fuel cell systems will not be continued. The "Hydrogen Components" business will, however, continue and has been integrated in the Freudenberg Sealing Technologies Business Group.

The US Supreme Court ruling of February 2026 on the legality of the tariffs imposed by the US administration had no impact on financial reporting for the 2025 financial year. It is currently not possible to make a final assessment of future impact on the assets, liabilities, financial position and earnings situation of the Group. The same applies to the escalation of the ongoing Iran conflict.

There were no other events of major significance for the net assets, financial position and results of operation of the group of companies up to March 20, 2026, the date when these consolidated financial statements were approved for publication by the Supervisory Board.

Weinheim, March 20, 2026

Freudenberg SE

The Board of Management

SHAREHOLDINGS

AS AT DECEMBER 31, 2025

Company	Location	Country/Region	Share of capital [%]
Freudenberg SE	Weinheim	Germany	-
I. AFFILIATED COMPANIES			
Germany			
Blaesus Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG	Mainz	Germany	94.00
Burgmann International GmbH¹	Wolfratshausen	Germany	100.00
Capol GmbH¹	Elmshorn	Germany	100.00
Carl Freudenberg KG	Weinheim	Germany	100.00
Chem-Trend (Deutschland) GmbH¹	Maisach	Germany	100.00
Corteco GmbH¹	Weinheim	Germany	100.00
CT Beteiligungs-GmbH¹	Munich	Germany	100.00
Curt Georgi GmbH & Co. KG¹	Böblingen	Germany	100.00
Curt Georgi Verwaltungs GmbH¹	Böblingen	Germany	100.00
Dosortia Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG	Mainz	Germany	94.00
EagleBurgmann Atlantic GmbH¹	Wolfratshausen	Germany	75.00
EagleBurgmann Espey GmbH¹	Moers	Germany	75.00
EagleBurgmann Germany GmbH & Co. KG¹	Wolfratshausen	Germany	75.00
EagleBurgmann Germany Verwaltungs-GmbH	Wolfratshausen	Germany	75.00
EagleBurgmann Middle-East GmbH	Wolfratshausen	Germany	60.00
Externa Handels- und Beteiligungsgesellschaft mit beschränkter Haftung¹	Weinheim	Germany	100.00
FHP Export GmbH¹	Weinheim	Germany	100.00
Freudenberg Chemical Specialities GmbH¹	Weinheim	Germany	100.00
Freudenberg e-Power Systems GmbH¹	Munich	Germany	100.00
Freudenberg Filtration Technologies GmbH & Co. KG¹	Weinheim	Germany	100.00
Freudenberg Flow Technologies GmbH¹	Weinheim	Germany	100.00
Freudenberg FST GmbH¹	Weinheim	Germany	100.00
Freudenberg FT GmbH¹	Weinheim	Germany	100.00
Freudenberg Haushaltsprodukte Augsburg GmbH¹	Augsburg	Germany	100.00
Freudenberg Home and Cleaning Solutions GmbH¹	Weinheim	Germany	100.00
Freudenberg Home and Cleaning Solutions Wertheim GmbH¹	Wertheim	Germany	100.00
Freudenberg Industrial Services GmbH¹	Hamburg	Germany	100.00
Freudenberg Medical Europe GmbH¹	Kaiserslautern	Germany	100.00
Freudenberg Performance Materials Apparel GmbH & Co. KG¹	Weinheim	Germany	100.00
Freudenberg Performance Materials GmbH & Co. KG¹	Weinheim	Germany	100.00
Freudenberg Performance Materials Holding GmbH¹	Weinheim	Germany	100.00
Freudenberg Performance Materials Service GmbH¹	Weinheim	Germany	100.00
Freudenberg Process Seals GmbH & Co. KG¹	Weinheim	Germany	100.00
Freudenberg Real Estate GmbH¹	Weinheim	Germany	100.00
Freudenberg Sealing Technologies GmbH¹	Hamburg	Germany	100.00
Freudenberg Technology Innovation SE & Co. KG¹	Weinheim	Germany	100.00

Company	Location	Country/Region	Share of capital [%]
Freudenberg Verwaltungs- und Beteiligungs-GmbH ¹	Weinheim	Germany	100.00
Freudenberg Wohnbauhilfe GmbH	Weinheim	Germany	100.00
Hemoteq AG ¹	Würselen	Germany	100.00
Heytex Bramsche GmbH ¹	Bramsche	Germany	100.00
Heytex Corporate Services GmbH ¹	Bramsche	Germany	100.00
Heytex Holding GmbH ¹	Bramsche	Germany	100.00
Heytex Neugersdorf GmbH ¹	Ebersbach-Neugersdorf	Germany	100.00
Integral Accumulator GmbH ¹	Weinheim	Germany	100.00
Klüber Lubrication Deutschland GmbH & Co. KG ¹	Munich	Germany	100.00
Klüber Lubrication GmbH ¹	Weinheim	Germany	100.00
Klüber Lubrication München GmbH & Co. KG ¹	Munich	Germany	100.00
Lederer GmbH ¹	Öhringen	Germany	100.00
Mehler Texnologies GmbH ¹	Fulda	Germany	100.00
Mehler Texnologies Logistics GmbH ¹	Fulda	Germany	100.00
OKS Spezialschmierstoffe GmbH ¹	Maisach	Germany	100.00
omniTECHNIK Mikroverkapselungs GmbH ¹	Munich	Germany	100.00
PTFE Compounds Germany GmbH ¹	Bördeland	Germany	100.00
SurTec Deutschland GmbH ¹	Zwingenberg	Germany	100.00
SurTec International GmbH ¹	Bensheim	Germany	100.00
TriboServ GmbH & Co. KG ¹	Geldersheim	Germany	100.00
TriboServ Verwaltungs GmbH ¹	Geldersheim	Germany	100.00
VIAM Europe GmbH ¹	Meuselwitz	Germany	100.00
Vibracoustic Aftermarket GmbH ¹	Weinheim	Germany	100.00
Vibracoustic Asia Holding GmbH	Weinheim	Germany	100.00
Vibracoustic CV Air Springs GmbH	Hamburg	Germany	65.07
Vibracoustic Europe GmbH ¹	Weinheim	Germany	100.00
Vibracoustic SE & Co. KG ¹	Weinheim	Germany	100.00
Vibracoustic SE ¹	Hamburg	Germany	100.00
Vileda Gesellschaft mit beschränkter Haftung ¹	Weinheim	Germany	100.00
Other countries			
Freudenberg S.A. Telas sin Tejer	Buenos Aires	Argentina	100.00
Klüber Lubrication Argentina S.A.	Buenos Aires	Argentina	100.00
Chem-Trend Australia Pty Ltd	Thomastown	Australia	100.00
EagleBurgmann Australasia Pty. Ltd.	Ingleburn	Australia	25.00
Freudenberg Filtration Technologies (Aust) Pty. Ltd.	Braeside	Australia	100.00
Freudenberg Home and Cleaning Solutions Pty. Ltd.	Broadmeadows	Australia	100.00
Freudenberg Sealing Technologies Pty. Ltd.	Brendale	Australia	100.00
Klüber Lubrication Australia Pty. Ltd.	Thomastown	Australia	100.00
EagleBurgmann Belgium BV	Sint-Job-in-'t-Goor	Belgium	75.00
Freudenberg Home and Cleaning Solutions S.A.	Barchon	Belgium	100.00
Klüber Lubrication Belgium Netherlands S.A.	Dottignies	Belgium	100.00
Klüber Lubrication Benelux S.A./N.V.	Dottignies	Belgium	100.00
Chem-Trend Industria e Comercio de Produtos Quimicos Ltda.	Valinhos	Brazil	100.00
EagleBurgmann do Brasil Vedacoes Ltda.	Macuco Valinhos	Brazil	75.00
Freudenberg Nao-Tecidos Ltda.	São José dos Campos	Brazil	100.00
Freudenberg-NOK-Componentes Brasil Ltda.	São Paulo	Brazil	75.00
Klüber Lubrication Lubrificantes Especiais Ltda.	Barueri	Brazil	100.00

Consolidated Financial Statement – Shareholdings

Company	Location	Country/Region	Share of capital [%]
SurTec do Brasil Ltda.	Valinhos	Brazil	100.00
Vibracoustic South America Ltda.	Taubaté	Brazil	100.00
Freudenberg Productos del Hogar Ltda.	Santiago de Chile	Chile	100.00
Klüber Lubrication Chile Ltda.	Santiago de Chile	Chile	100.00
Alto Products China Ltd.	Shenzhen	China	75.00
Blue Pacific Flavors (Suzhou) Co., Ltd.	Suzhou	China	100.00
Changchun Integral Accumulator Co., Ltd.	Changchun	China	100.00
Chem-Trend (Shanghai) Trading Co. Ltd.	Shanghai	China	100.00
Chem-Trend Chemicals (Shanghai) Co., Ltd.	Shanghai	China	100.00
Dichtomatik (China) Co., Ltd.	Shanghai	China	100.00
EagleBurgmann Dalian Co. Ltd.	Dalian	China	40.00
EagleBurgmann Shanghai Co., Ltd.	Shanghai	China	40.00
EagleBurgmann Technology (Shanghai) Co., Ltd.	Shanghai	China	50.00
Freudenberg & Vilene Interlinings (Nantong) Co. Ltd.	Nantong	China	87.50
Freudenberg & Vilene International Trading (Shanghai) Co., Ltd.	Shanghai	China	87.50
Freudenberg & Vilene Nonwovens (Suzhou) Co. Ltd.	Suzhou	China	87.50
Freudenberg Apollo Filtration Technologies Co., Ltd.	Foshan	China	75.00
Freudenberg Home and Cleaning Solutions (Ningbo) Co., Ltd.	Ningbo	China	100.00
Freudenberg Home and Cleaning Solutions (Shanghai) Co., Ltd.	Shanghai	China	100.00
Freudenberg Management (Shanghai) Co. Ltd.	Shanghai	China	100.00
Freudenberg Medical Plastic & Metal Manufacturing (Shenzhen) Co., Ltd.	Shenzhen	China	100.00
Freudenberg Performance Materials (Changzhou) Company Limited	Changzhou	China	100.00
Freudenberg Politex Ltd.	Shanghai	China	100.00
Freudenberg Real Estate (Yantai) Co. Ltd.	Yantai	China	100.00
Freudenberg Spunweb (Shanghai) Trading Co., Ltd.	Shanghai	China	67.69
Heytex Technical Textiles (Zhangjiagang) Co. Ltd.	Zhangjiagang	China	100.00
Klüber Lubrication (Shanghai) Co., Ltd.	Shanghai	China	100.00
Klüber Lubrication Industries (Shanghai) Co., Ltd.	Shanghai	China	100.00
SurTec Metal Surface Treatment Technology (Hangzhou) Co. Ltd.	Hangzhou	China	100.00
Tianjin VIAM Co., Ltd.	Tianjin	China	75.00
Traxit (Huzhou) Lubrication Co. Ltd.	Huzhou	China	100.00
Traxit (Tianjin) Chemical Co. Ltd.	Tianjin	China	100.00
Vibracoustic (Chongqing) Co. Ltd.	Chongqing	China	100.00
Vibracoustic (Shanghai) Sales & Trading Co., Ltd.	Shanghai	China	100.00
Vibracoustic (Wuxi) Vibration Isolators Co., Ltd.	Wuxi	China	100.00
Vibracoustic (Yantai) Co., Ltd.	Yantai	China	100.00
Vibracoustic CV Air Springs (Yantai) Co., Ltd.	Yantai	China	65.07
Freudenberg Medical srl.	San José	Costa Rica	100.00
Chem-Trend A/S	Søborg	Denmark	100.00
EagleBurgmann KE A/S	Ringkøbing	Denmark	75.00
Klüber Lubrication Nordic A/S	Skovlunde	Denmark	100.00
SurTec Scandinavia ApS	Copenhagen	Denmark	100.00
Freudenberg Sealing Technologies OÜ	Mullutu	Estonia	100.00
Freudenberg Filtration Technologies Finland Oy	Tampere	Finland	100.00
Freudenberg Home and Cleaning Solutions Oy	Espoo	Finland	100.00
Chem-Trend France S.A.S.U.	Entzheim	France	100.00
Corteco SAS	Nantiat	France	100.00
EagleBurgmann France S.A.S.	Neuville sur Oise	France	75.00

Company	Location	Country/Region	Share of capital [%]
FHP Vileda S.A.S.	Asnières Sur Seine	France	100.00
Freudenberg Filtration Technologies SAS	Nanterre	France	100.00
Freudenberg Immobilier SAS	Chamborêt	France	100.00
Freudenberg Joints Plats SAS	Chamborêt	France	100.00
Freudenberg Performance Materials SAS	Colmar	France	100.00
Freudenberg Sealing Technologies SAS	Langres	France	100.00
Klüber Lubrication France S.A.S.	Valence	France	100.00
Mehler Texnologies France SARL	Francheville	France	100.00
SurTec France S.A.S.	Toulouse	France	100.00
Vibracoustic France SAS	Carquefou	France	100.00
Vibracoustic Nantes SAS	Carquefou	France	100.00
FHP Hellas S.A.	Kifissia, Athens	Greece	100.00
Aquabio Ltd.	Worcester	United Kingdom	100.00
Bonar International Holdings Limited	Edinburgh	United Kingdom	100.00
Bonar Rotaform Limited	Leicester	United Kingdom	100.00
Bonar Silver Limited	Leicester	United Kingdom	100.00
Capol (U.K.) Limited	Huddersfield	United Kingdom	100.00
Chem-Trend (UK) Ltd.	Huddersfield	United Kingdom	100.00
EagleBurgmann Industries UK Ltd.	Warwick	United Kingdom	75.00
Freudenberg Filtration Technologies UK Limited	Crewe	United Kingdom	100.00
Freudenberg Flow Technologies Limited	Port Talbot	United Kingdom	100.00
Freudenberg Home and Cleaning Solutions Limited	Rochdale	United Kingdom	100.00
Freudenberg Limited	Littleborough	United Kingdom	100.00
Freudenberg Performance Materials LP	Littleborough	United Kingdom	100.00
Freudenberg Sealing Technologies Limited	Leicester	United Kingdom	100.00
Freudenberg Technical Products Pension Trust Company Limited	North Shields	United Kingdom	100.00
Klüber Lubrication Great Britain Ltd.	Huddersfield	United Kingdom	100.00
Low & Bonar Euro Holdings Limited	Leicester	United Kingdom	100.00
Low & Bonar Limited	Edinburgh	United Kingdom	100.00
Low & Bonar Pension Trustees Limited	Edinburgh	United Kingdom	100.00
Mehler Texnologies Ltd.	Leicester	United Kingdom	100.00
Techlok Limited	Port Talbot	United Kingdom	100.00
VERMOP UK Ltd.	Purley	United Kingdom	100.00
Freudenberg Textile Technologies, S.A.	Guatemala City	Guatemala	100.00
APEC (Asia) Limited	Hong Kong	Hong Kong	100.00
Freudenberg & Vilene Int. Ltd.	Hong Kong	Hong Kong	87.50
Freudenberg Home and Cleaning Solutions (Hong Kong) Limited	Hong Kong	Hong Kong	100.00
Freudenberg Trading (Hongkong) Ltd.	Hong Kong	Hong Kong	100.00
Japan Vilene (Hong Kong) Ltd.	Hong Kong	Hong Kong	75.00
Klüber Lubrication China Ltd.	Hong Kong	Hong Kong	100.00
Vibracoustic Hong Kong Holdings Ltd.	Hong Kong	Hong Kong	100.00
Chem-Trend Chemicals Co. Pvt. Ltd.	Bangalore	India	100.00
EagleBurgmann India Pvt. Ltd.	Pune	India	50.00
EagleBurgmann KE Pvt. Ltd.	Chennai	India	75.00
Freudenberg Filtration Technologies India Private Limited	Pune	India	100.00
Freudenberg Gala Household Product Pvt. Ltd.	Mumbai	India	60.00
Freudenberg Performance Materials India Pvt. Ltd.	Chennai	India	100.00
Freudenberg Regional Corporate Center India Pvt. Ltd.	Bangalore	India	100.00

Consolidated Financial Statement – Shareholdings

Company	Location	Country/Region	Share of capital [%]
Gimi India Pvt. Ltd.	Bangalore	India	100.00
Klüber Lubrication India Pvt. Ltd.	Bangalore	India	100.00
SurTec Chemicals India Pvt. Ltd.	Bangalore	India	100.00
Vibracoustic India Pvt. Ltd.	Mohali	India	100.00
PT EagleBurgmann Indonesia	Cikarang Selatan	Indonesia	24.98
Cambus Teoranta	Spiddal	Ireland	100.00
Freudenberg Medical Ireland Ltd.	Carrick-on-Shannon	Ireland	100.00
Chem-Trend Italy S.a.s. di Externa Holding S.r.l.	Milan	Italy	100.00
Corteco S.r.l. (a socio unico)	Pinerolo	Italy	100.00
EagleBurgmann Italia S.r.l.	Vimercate	Italy	75.00
Eulip Srl	Parma	Italy	100.00
Externa Holding S.r.l.	Milan	Italy	100.00
Externa Italia S.r.l.	Pinerolo	Italy	100.00
FHP di R. Freudenberg S.A.S.	Milan	Italy	100.00
Freudenberg Italia S.a.s. di Freudenberg S.r.l.	Milan	Italy	100.00
Freudenberg Performance Materials Apparel S.a.s. di Externa Holding S.r.l.	Milan	Italy	100.00
Freudenberg S.r.l.	Milan	Italy	100.00
Freudenberg Sealing Technologies S.a.s. di Externa Italia S.r.l.u.	Pinerolo	Italy	100.00
Freudenberg Tecnologie di Filtrazione S.a.s. di Externa Holding S.r.l.	Milan	Italy	100.00
Hänsel Textil Italia S.a.s. di Externa Holding S.r.l.	Rho	Italy	100.00
Klüber Lubrication Italia S.a.s. di Externa Holding S.r.l.	Milan	Italy	100.00
Mehler Texnologies S.r.l.	Settimo Milanese	Italy	100.00
Politex S.a.s. di Freudenberg Politex s.r.l.	Milan	Italy	100.00
SurTec Italia SAS di Externa Holding Srl	Milan	Italy	100.00
Chem-Trend Japan K.K.	Kobe	Japan	100.00
EagleBurgmann Japan Co., Ltd.	Tokyo	Japan	25.00
Freudenberg Spunweb Japan Company, Ltd.	Osaka	Japan	67.69
Fuji Seiko Co., Ltd.	Yaita	Japan	100.00
Japan VIAM Co., Ltd.	Moriyama	Japan	75.00
Japan Vilene Company Ltd.	Tokyo	Japan	75.00
Oshitari Laboratory, Inc.	Sayama	Japan	75.00
Oyama Chemical Co., Ltd.	Oyama	Japan	75.00
SurTec MMC Japan KK	Tokyo	Japan	56.00
Vibracoustic Japan KK	Yokohama	Japan	100.00
Vilene Create Co., Ltd.	Tokyo	Japan	75.00
Freudenberg Vileda Jordan Ltd.	Amman	Jordan	51.00
Capol Inc.	Saint-Hubert	Canada	100.00
EagleBurgmann Canada Inc.	Milton	Canada	75.00
Freudenberg Filtration Technologies Inc.	London	Canada	100.00
Freudenberg Flow Technologies Inc.	Nisku	Canada	100.00
Freudenberg Household Products Inc.	Markham	Canada	100.00
Freudenberg-NOK Inc.	Tillsonburg	Canada	75.00
EagleBurgmann Colombia, S.A.S.	Bogotá	Colombia	75.00
Bonar International Sarl	Luxembourg	Luxembourg	100.00
EagleBurgmann (Malaysia) SDN. BHD.	Shah Alam	Malaysia	25.00
Freudenberg Flow Technologies Sdn. Bhd.	Kuala Lumpur	Malaysia	100.00
Freudenberg FST Sdn. Bhd.	Petaling Jaya	Malaysia	100.00
Freudenberg Regional Corporate Center South East Asia Sdn. Bhd.	Kuala Lumpur	Malaysia	100.00

Company	Location	Country/Region	Share of capital [%]
Klüber Lubrication (Malaysia) Sdn. Bhd.	Shah Alam	Malaysia	100.00
United Lubricants Industries (S.E.A) Sdn. Bhd.	Cheras	Malaysia	100.00
Alto Products de Mexico S. de R.L. de C.V.	Santa Catarina	Mexico	75.00
Chem-Trend Comercial, S.A. de C.V.	Querétaro	Mexico	100.00
EagleBurgmann Mexico S.A. de C.V.	Querétaro	Mexico	75.00
Freudenberg Filtration Technologies, S.A. de C.V.	Silao	Mexico	100.00
Freudenberg Productos del Hogar, S.A. de C.V.	Tultitlan	Mexico	100.00
Freudenberg-NOK Sealing Technologies de Mexico, S.A. de C.V.	Cuautla	Mexico	75.00
Klüber Lubricacion Mexicana S.A. de C.V.	Querétaro	Mexico	100.00
VIAM Manufacturing Mexico S.A. de C.V.	Aguascalientes	Mexico	75.00
Vibracoustic de México, S.A. de C.V.	Jerma de Villada	Mexico	100.00
Vibracoustic Toluca, S.A. de C.V.	Toluca	Mexico	100.00
Vitechmex Nonwovens S.A. de C.V.	Aguascalientes	Mexico	75.00
Alto Europe B.V.	Nijverdal	Netherlands	75.00
EagleBurgmann Netherlands B.V.	Veenendaal	Netherlands	75.00
Freudenberg Household Products B.V.	Arnhem	Netherlands	100.00
Freudenberg Industrial Services B.V.	Zwolle	Netherlands	100.00
Freudenberg Performance Materials B.V.	Arnhem	Netherlands	100.00
Low & Bonar Technical Textiles Holding B.V.	Arnhem	Netherlands	100.00
SurTec Benelux B.V.	Roermond	Netherlands	100.00
EagleBurgmann Norway AS	Gardermoen	Norway	75.00
Freudenberg Flow Technologies AS	Sandnes	Norway	100.00
Freudenberg Home and Cleaning Solutions AS	Gardermoen	Norway	100.00
Deurowood GmbH	Hard	Austria	100.00
DMH Dichtungs- und Maschinenhandel GmbH	Traboch	Austria	100.00
EagleBurgmann Austria GmbH	Judenburg	Austria	75.00
Freudenberg Austria GmbH	Kufstein	Austria	100.00
Freudenberg Home and Cleaning Solutions Austria GmbH	Langenzersdorf	Austria	100.00
Freudenberg Sealing Technologies Austria GmbH & Co. KG	Kufstein	Austria	100.00
IIG - Industrial Investment GmbH	Traboch	Austria	100.00
Klüber Lubrication Austria Ges.m.b.H.	Salzburg	Austria	100.00
PU1Tec Dichtungen und Kunststoffe GmbH	Klagenfurt	Austria	100.00
SurTec Produkte und Systeme für die Oberflächenbehandlung GesmbH	Salzburg	Austria	100.00
Trygonal GmbH	Klagenfurt	Austria	100.00
Trygonal Kunststoffinnovationen GmbH	Bruck an der Mur	Austria	100.00
Blue Pacific Flavors Asia-Phils, Inc.	Mandaluyong City	Philippines	100.00
EagleBurgmann Philippines, Inc.	Dasmariñas, Cavite	Philippines	25.00
Chem-Trend Polska Sp. z o.o.	Kobylnica	Poland	100.00
Chem-Trend Polska sp. z o.o. spółka komandytowa	Kobylnica	Poland	100.00
EagleBurgmann Poland sp. z o.o.	Warsaw	Poland	75.00
FHP Vileda Sp. z o.o.	Warsaw	Poland	100.00
FIM Polska Sp. z o.o.	Środa Śląska	Poland	100.00
Freudenberg Sealing Technologies Sp. z o.o.	Śnieciska	Poland	100.00
Freudenberg Vilene Sp. z o.o.	Lodz	Poland	100.00
Klüber Lubrication Polska Sp. z o.o.	Kobylnica	Poland	100.00
Mehler Technologies Sp. z o.o.	Sosnowiec	Poland	100.00
SurTec Polska Sp. z o.o.	Kobylnica	Poland	100.00
Vibracoustic Polska Sp. z o.o.	Środa Śląska	Poland	100.00

Consolidated Financial Statement – Shareholdings

Company	Location	Country/Region	Share of capital [%]
ST Ibérica Sociedade Unipessoal, LDA	Albergaria-a-Velha	Portugal	100.00
Chem-Trend Romania s.r.l.	Sibiu	Romania	100.00
Freudenberg Performance Materials Apparel srl	Bukarest	Romania	100.00
Freudenberg Performance Materials SRL	Braşov	Romania	100.00
Klueber Lubrication Romania s.r.l.	Sibiu	Romania	100.00
Mehler Texnologies Romania S.R.L.	Stefanestii de Jos	Romania	100.00
SurTec Romania s.r.l.	Sibiu	Romania	100.00
VERMOP RO S.R.L.	Cluj-Napoca	Romania	100.00
Vibracoustic Romania SRL	Dej	Romania	100.00
Freudenberg Household Products Eastern Europe OOO	St. Petersburg	Russian Federation	70.00
Freudenberg Politex OOO	Zavolzhye	Russian Federation	100.00
AlMozn National Co. For Home Appliances Limited	Jeddah	Saudi Arabia	75.00
EagleBurgmann Saudi Arabia Ltd.	Al-Khobar	Saudi Arabia	51.00
EagleBurgmann Sweden AB	Norrköping	Sweden	75.00
Freudenberg Home and Cleaning Solutions AB	Norrköping	Sweden	100.00
Freudenberg Sealing Technologies AB	Landskrona	Sweden	100.00
Vibracoustic China Holding AB	Forsheda	Sweden	100.00
Vibracoustic Forsheda AB	Forsheda	Sweden	100.00
Vibracoustic Sweden Holding AB	Forsheda	Sweden	100.00
Vibracoustic Wuxi Holding AB	Forsheda	Sweden	100.00
EagleBurgmann (Switzerland) AG	Höri	Switzerland	75.00
Freudenberg Sealing Technologies AG	Zurich	Switzerland	100.00
Klüber Lubrication AG (Schweiz)	Zurich	Switzerland	100.00
Trygonal Schweiz AG	Rüti	Switzerland	100.00
SurTec Cacak d.o.o.	Čačak	Serbia	100.00
Chem-Trend Singapore Pte. Ltd.	Singapore	Singapore	100.00
EagleBurgmann KE Pte. Ltd.	Singapore	Singapore	75.00
EagleBurgmann Singapore Pte. Ltd.	Singapore	Singapore	25.00
EBI Asia Pacific Pte. Ltd.	Singapore	Singapore	25.00
EBI Asia Pte. Ltd.	Singapore	Singapore	50.00
Freudenberg Flow Technologies Pte. Ltd.	Singapore	Singapore	100.00
Klüber Lubrication South East Asia Pte. Ltd.	Singapore	Singapore	100.00
Freudenberg Filtration Technologies Slovensko, s.r.o.	Potvorice	Slovakia	100.00
Freudenberg Immobilienmanagement Slovakia, s.r.o	Potvorice	Slovakia	100.00
Klüber Lubrication Slovensko s.r.o.	Vráble	Slovakia	100.00
SurTec SK s.r.o.	Vráble	Slovakia	100.00
FILC tovarna filca d.o.o.	Škofja Loka	Slovenia	100.00
Freudenberg Gospodinjski Proizvodi d.o.o.	Limbuš	Slovenia	100.00
SurTec Adria d.o.o.	Ljubljana	Slovenia	100.00
EagleBurgmann Ibérica S.A.	Getafe	Spain	75.00
Freudenberg Espana S.A.	Parets del Vallès	Spain	100.00
Freudenberg Home and Cleaning Solutions Iberica, S.L.U.	Parets del Vallès	Spain	100.00
Freudenberg Performance Materials Spain, S.L.	Parets del Vallès	Spain	100.00
Freudenberg Sealing Technologies, S.L.U.	Parets del Vallès	Spain	100.00
Klüber Lubrication GmbH Ibérica S.en C.	Parets del Vallès	Spain	100.00
Trygonal Iberia SL	Andoain	Spain	100.00
Vibracoustic Cascante S.A.U.	Cascante	Spain	100.00
Vibracoustic Spain Holding S.L.U.	Martorell	Spain	100.00

Company	Location	Country/Region	Share of capital [%]
Vibracoustic Spain S.A.U.	Martorell	Spain	100.00
Freudenberg Apparel Lanka (Pvt) Ltd.	Colombo	Sri Lanka	87.50
EagleBurgmann Seals South Africa (Pty) Ltd.	Modderfontein/Johannesburg	South Africa	55.50
Freudenberg Filtration Technologies (Pty) Ltd.	Cape Town	South Africa	100.00
Freudenberg Nonwovens (Pty.) Ltd.	Cape Town	South Africa	100.00
Klüber Lubrication (Pty.) Ltd.	Alrode Alberton	South Africa	100.00
SurTec South Africa Pty. Ltd.	Alrode Alberton	South Africa	100.00
Chem-Trend Korea Ltd.	Anseong-si	South Korea	100.00
EagleBurgmann Korea Co., Ltd.	Osan	South Korea	25.00
Freudenberg Vilene Filtration Technologies Korea Co., Ltd.	Pyeongtaek-si	South Korea	87.50
Korea Vilene Co., Ltd.	Pyeongtaek-si	South Korea	87.50
EagleBurgmann Taiwan Co., Ltd.	Kaohsiung	Taiwan	25.00
Freudenberg & Vilene Nonwovens (Taiwan) Co. Ltd.	Taoyuan City	Taiwan	87.50
Freudenberg Far Eastern Spunweb Comp. Ltd.	Taoyuan City	Taiwan	67.69
Chem-Trend Trading (Thailand) Co. Ltd.	Bangkok	Thailand	100.00
EagleBurgmann (Thailand) Co., Ltd.	Rayong	Thailand	25.00
Freudenberg & Vilene Filter (Thailand) Co. Ltd.	Chonburi	Thailand	87.50
Freudenberg Home and Cleaning Solution (Thailand) Co Ltd.	Nonthaburi	Thailand	100.00
Klüber Lubrication (Thailand) Co., Ltd.	Bangkok	Thailand	100.00
VIAM Manufacturing (Thailand) Co., Ltd.	Prachin Buri	Thailand	75.00
Vibracoustic (Thailand) Ltd.	Sriracha	Thailand	100.00
Accu-Tech s.r.o.	Chrastava	Czech Republic	100.00
Chem-Trend CZ s.r.o.	Prague	Czech Republic	100.00
EagleBurgmann Czech s.r.o.	Prague	Czech Republic	75.00
Freudenberg Home and Cleaning Solutions s.r.o.	Prague	Czech Republic	100.00
Freudenberg Sealing Technologies s.r.o.	Opatovice nad Labem	Czech Republic	100.00
Klüber Lubrication CZ, s.r.o.	Prague	Czech Republic	100.00
Mehler Texnologies s.r.o.	Lomnice nad Popelkou	Czech Republic	100.00
SurTec CR s.r.o.	Prague	Czech Republic	100.00
TPE správni s.r.o.	Melnik	Czech Republic	100.00
Vibracoustic CZ s.r.o.	Melnik	Czech Republic	100.00
Beltan Vibracoustic Titresim Elemanları Sanayi ve Ticaret A.S.	Bursa	Türkiye	100.00
Eagle Burgmann Endüstriyel Sızdırmazlık Sanayi ve Ticaret Limited Şirketi	Istanbul	Türkiye	75.00
Freudenberg Household Products Evici Kullanım Araçları Sanayi ve Ticaret A.S.	Istanbul	Türkiye	100.00
Freudenberg Sealing Technologies Sanayi ve Ticaret A.S.	Bursa	Türkiye	100.00
Freudenberg Vilene Tela Sanayi ve Ticaret A.S.	Istanbul	Türkiye	100.00
Klüber Lubrication Yağlama Ürünleri Sanayi ve Ticaret A.S.	Istanbul	Türkiye	100.00
Mehler Texnologies Teknik Tekstil Ticaret Limited Sirketi	Istanbul	Türkiye	100.00
Vibracoustic Çerkezköy Oto Parçaları Dış Ticaret A.S.	Çerkezköy	Türkiye	100.00
Vibracoustic Çerkezköy Otomotiv Sanayi ve Ticaret A.S.	Çerkezköy	Türkiye	100.00
Vibracoustic CV Air Springs Otomotiv Sanayi ve Ticaret A.S.	Gemlik	Türkiye	65.07
Vibracoustic CVAS Turkey Trading Otomotiv A.S.	Bursa	Türkiye	65.07
EagleBurgmann Hungaria Kft.	Budapest	Hungary	75.00
Freudenberg Háztartási Cikkek Kereskedelmi BT	Budapest	Hungary	100.00
Freudenberg Sealing Technologies Kft.	Kecskemét	Hungary	100.00
Klüber Lubrication Hungaria Kft.	Budapest	Hungary	100.00

Consolidated Financial Statement – Shareholdings

Company	Location	Country/Region	Share of capital [%]
Vibracoustic CV Air Springs Magyarország Kft.	Nyíregyháza	Hungary	65.07
Alto Products Corp. AL	Atmore	USA	75.00
Blue Pacific Flavors, Inc.	City of Industry	USA	100.00
California Beverage Designs, LLC	City of Industry	USA	100.00
Capol LLC	Wilmington	USA	100.00
Chem-Trend Limited Partnership	Lansing	USA	100.00
DMH-USA, INC.	Cleveland	USA	100.00
EagleBurgmann Industries Inc.	Wilmington	USA	75.00
EagleBurgmann Industries LP	Wilmington	USA	75.00
Freudenberg Battery Power Systems, LLC	Wilmington	USA	100.00
Freudenberg Filtration Technologies LP	Wilmington	USA	100.00
Freudenberg Flow Technologies, LLC	Wilmington	USA	100.00
Freudenberg Household Products Inc.	Wilmington	USA	100.00
Freudenberg Household Products LP	Wilmington	USA	100.00
Freudenberg Medical, LLC	Wilmington	USA	100.00
Freudenberg North America Limited Partnership	Wilmington	USA	100.00
Freudenberg Performance Materials LP	Wilmington	USA	100.00
Freudenberg Real Estate LP	Wilmington	USA	100.00
Freudenberg Residential Filtration Technologies Inc.	Indianapolis	USA	100.00
Freudenberg Texbond L.P.	Peachtree Corners	USA	100.00
Freudenberg-NOK General Partnership	Wilmington	USA	75.00
Freudenberg-NOK Holdings, Inc.	Wilmington	USA	75.00
Intpacor Inc.	Wilmington	USA	100.00
Klüber Lubrication NA LP	Wilmington	USA	100.00
Mehler Texnologies Inc.	Richmond	USA	100.00
Pellon Corporation	Carson City	USA	100.00
Seal Aftermarket Products, LLC	Weston	USA	75.00
SurTec, Inc.	Romeo	USA	100.00
Tobul Accumulator Incorporated	West Columbia	USA	100.00
Toledo Driveline, LLC	Toledo	USA	75.00
Traxit North America, LLC	Wilmington	USA	100.00
TTKKE Holdings, LLC	Dover	USA	75.00
Upper Bristol Ramp, LLC	Wilmington	USA	75.00
VIAM Holding, Inc.	Sacramento	USA	75.00
VIAM Manufacturing, Inc.	Nashville	USA	75.00
Vibracoustic CV Air Springs USA, Inc.	Wilmington	USA	65.07
Vibracoustic North America Holdings, Inc.	Wilmington	USA	100.00
Vibracoustic North America LP	Wilmington	USA	100.00
Vibracoustic USA, Inc.	East Lansing	USA	100.00
VICAM Inc.	Nashville	USA	75.00
VITECH Manufacturing, Inc.	Wilmington	USA	75.00
XALT Energy MI, LLC	Wilmington	USA	100.00
XALT Energy, LLC	Wilmington	USA	100.00
Zander Colloids, LC	Fenton	USA	100.00
EagleBurgmann Gulf Mechanical LLC	Abu Dhabi	UAE	29.40
EagleBurgmann Middle East FZE	Dubai	UAE	60.00
Freudenberg Flow Technologies FZE	Dubai	UAE	100.00
Mehler Texnologies Middle East Trading L.L.C.	Dubai	UAE	100.00

Company	Location	Country/Region	Share of capital [%]
Chem-Trend Vietnam Company Limited	Ho Chi Minh City	Vietnam	100.00
EagleBurgmann Vietnam Company Limited	Ho Chi Minh City	Vietnam	25.00
Freudenberg & Vilene International Vietnam Company Limited	Ho Chi Minh City	Vietnam	87.50
SurTec Viet Nam Co., Ltd.	Ho Chi Minh City	Vietnam	100.00

Company	Location	Country/Region	Share of capital [%]
---------	----------	----------------	----------------------

II. INVESTMENTS IN JOINT VENTURES (CONSOLIDATED BY EQUITY METHOD)

Germany

CPW GmbH	Wuppertal	Germany	50.00
----------	-----------	---------	-------

Other countries

Corfina s.r.l.	Pinerolo	Italy	50.00
NOK-Freudenberg Singapore Pte. Ltd. ²	Singapore	Singapore	50.00

III. INVESTMENTS IN ASSOCIATED COMPANIES (CONSOLIDATED BY EQUITY METHOD)

Other countries

Yihua Bonar Yarns & Fabric Co. Ltd.	Yangzhou	China	60.00
Hikotomi Industrial Co., Ltd.	Hikone	Japan	24.98
NOK Corporation	Tokyo	Japan	26.23
NOK Klüber Co., Ltd.	Tokyo	Japan	49.00
Shinwa Products Co., Ltd.	Tsuzuranuki	Japan	34.09
Klüber Lubrication Korea Ltd.	Seoul	South Korea	48.00
Dawson Manufacturing Company	Plymouth	USA	45.00
SurTec Middle East (L.L.C.)	Sharjah	UAE	35.00
EagleBurgmann Venezuela, C.A.	Caracas	Venezuela	41.25

¹ Application of Sec. 264 (3), HGB (Handelsgesetzbuch, "German Commercial Code") and Sec. 264b, HGB

² Consolidated financial statements including

Changchun NOK-Freudenberg Oilseal Co., Ltd., Changchun, China
Corteco China Co. Ltd., Shanghai, China
Freudenberg-NOK Pvt. Ltd., Chennai, India
NOK-Freudenberg Group Sales (China) Co., Ltd., Shanghai, China
NOK-Freudenberg Group Trading (China) Co., Ltd., Shanghai, China
NOK-Freudenberg Hong Kong Ltd., Hong Kong, Hong Kong
PT NOK Freudenberg Sealing Technologies, Kota Batam, Indonesia
Taicang NOK-Freudenberg Sealing Products Co., Ltd., Taicang, China
Wuxi NOK-Freudenberg Oilseal Co., Ltd., Wuxi, China

INDEPENDENT AUDITOR’S REPORT

To Freudenberg SE, Weinheim

Audit Opinions

We have audited the consolidated financial statements of Freudenberg SE, Weinheim, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year from 1 January to 31 December 2025, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Freudenberg SE, which is combined with the Company’s management report, for the financial year from 1 January to 31 December 2025.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2025, and of its financial performance for the financial year from 1 January to 31 December 2025, and
- the accompanying group management report as a whole provides an appropriate view of the Group’s position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated

financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional 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 audit opinions on the consolidated financial statements and on the group management report.

Other Information

The executive directors are responsible for the other information.

The other information comprises the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the prepa-

ration of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

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 whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 and this group management report.

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 and of the group management report, 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 audit opinions. 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 controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are respon-

sible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

Frankfurt am Main, 20 March 2026

PricewaterhouseCoopers GmbH

Wirtschaftsprüfungsgesellschaft

Michael Conrad

René Reichmann

Wirtschaftsprüfer

Wirtschaftsprüfer

[German Public Auditor]

[German Public Auditor]

EDITORIAL INFORMATION:

Freudenberg Group
Hoehnerweg 2–4
69469 Weinheim, Germany

PUBLISHED BY:

Freudenberg & Co. Kommanditgesellschaft
Corporate Communications
Phone: +49 6201 80-0
corporate.communications@freudenberg.com
www.freudenberg.com

March 2026
Item No. FRE1072EN

PROJECT TEAM:

Corporate Communications:
Michael Scheuer (Lead)
Andreas Baldauf
Angela Gerhardt
Katrin Jacobi

Corporate Controlling
and Accounting:
Dr. Jan Haaß (Lead)
Simon Beßler
Claudia Boettner
Philip Hasselmann
Anja Killian
André Krahn
Verena Kuhn
Lucia Mugner
Dr. Frank Multerer
Giuseppe Porco
Johannes Teschke
Define Yalcinkaya

DESIGN:

GreenwoodFinch
Corporate Communications
Elmstein, Germany

PRODUCTION:

ABT Print und Medien GmbH
Weinheim, Germany

PHOTOS ANNUAL REPORT:

Amy van Veen (Seite 2, 1. row, 3. from left)
Andrey Popov – stock.adobe.com (p. 88, bottom)
Andreas Kaufmann (p. 36)
Blue Planet Studio – stock.adobe.com (p. 59)
Connect Images – stock.adobe.com (p. 96)
contrastwerkstatt – stock.adobe.com (p. 85)
Dragana Gordic – stock.adobe.com (p. 89)
Drazen – stock.adobe.com (p. 79, 83)
Ezequiel Giménez/Stocksy – stock.adobe.com (p. 88, top)
fizkes – stock.adobe.com (p. 62)
FotoArtist – stock.adobe.com (p. 84)
Frank Eidel (p. 2, 1. row, 5. from left)
Freudenberg e-Power Systems (p. 41)
Freudenberg-Gruppe (p. 61, 92)
Fritz Kopetzky (p. 32)
FST Bursa (p. 91)
Gerald Schilling (p. 33)
Grady Reese/peopleimages.com – stock.adobe.com (p. 94)
Johannes Vogt (p. 2, 2. row, 3. from left; 3; 6; 8; 35; 38)
Khan – stock.adobe.com (p. 90)
Kolja Schmidt (p. 34, 95)
liubimciki – stock.adobe.com (p. 82)
Marc Fippel Photography (p. 39)
Marco Moog Photography (p. 2, 1. row, 4. from left)
Marco Schilling (p. 65)
Maria Mikhaylichenko – stock.adobe.com (p. 97, left)
Martin Joppen (p. 2)
M Einero/peopleimages.com – stock.adobe.com (p. 74)
Miha Creative – stock.adobe.com (p. 71)
Namphueng – stock.adobe.com (p. 98)
Parradee – stock.adobe.com (p. 97, right)
Paul Lehane (p. 40)
PJang – stock.adobe.com (p. 93, bottom)
Portra/E+ via Getty Images (p. 66)
privat (p. 2, 3. row, 3. from left)
Sharne T/peopleimages.com – stock.adobe.com (p. 60)
Tsutomu Watanabe (p. 37)
Ukrainian Friends Foundation (p. 93, top)
ZETHA_WORK – stock.adobe.com (p. 67)

To improve the readability of this Annual Report, the language forms male, female, diverse (m/w/d) are not used simultaneously. All references to persons apply equally to all genders.

Registered trade marks are omitted in the Annual Report, also to improve readability.

