



Annual Report 2025

TEAM STATUS SNAPSHOT

J. CHEN

On Leave - Returning Nov 2

● Status

M. DAVIS

Online

● Status

E. ROSTOVA

On Leave

● Status

PERSONAL HR ACTIONS

📅 Submit Q4 Performance Review (E. Rostova)

📄 New Expense Report (Oct)

📄 View Payslip (Sept 30)

Putting change to work

The world of work is undergoing a structural shift. Technology is advancing at unprecedented speed, artificial intelligence is becoming embedded in daily business operations, and European labour markets are evolving under the combined pressure of regulation, demographic change, and economic uncertainty.

For employers across Europe, managing HR, payroll and workforce processes is no longer about administration alone: it is about maintaining control, operating with flexibility, ensuring regulatory compliance, and delivering continuity in a far more complex environment.

SD Worx has been built for this reality. Over more than 80 years, we have continuously adapted, evolving from a Belgian payroll provider into a leading European HR and payroll partner.

Our ambition is clear: to become the backbone of work in Europe

In 2025, we took a decisive step forward by sharpening our ambition and accelerating our transformation. This means ensuring that the essential HR, payroll, and workforce processes on which organisations and employees depend are reliable, compliant, and resilient, today and in the future.

It also means combining pan-European scale with deep local expertise, and advanced technology with human judgement, so employers can operate with confidence in an increasingly demanding landscape.

Our role is to bring clarity to complexity, ensure compliance and guarantee continuity so employers can operate with confidence.

Kobe Verdonck
CEO SD Worx



Supporting customers in a demanding environment

At SD Worx, customers are the compass that guides our decisions. Customer focus is not an aspiration: it is a discipline. It shapes how we invest, how we design solutions, and how we organise our teams. By staying true to our ambition to lead the European HR and payroll solutions market, we supported customers in shaping and executing their workforce strategies, even in challenging conditions.

Despite the headwinds, we continued to grow organically by welcoming new customers and expanding our partnerships with existing ones. At the same time, we leveraged our scale to further standardise and digitise processes across countries. This combination strengthened operational efficiency, improved profitability, and delivered a clear uplift in customer satisfaction, reflected in an increase in our Net Promoter Score.

Technology and AI as accelerators

Technology is a core enabler of our ambition to become Europe's backbone of work. In 2025, we accelerated our transition towards a digital-first and AI-enabled operating model. Our operating model is designed to deliver speed, consistency, and foresight across HR and payroll processes, without losing the human connection that remains essential in our domain.

A key milestone was the launch of our new **continuous payroll engines** in Europe, starting in Germany and Belgium. By moving from periodic payroll processing to continuous, real-time payroll, employers gain access

to up-to-date payroll data throughout the month. This enables better forecasting, stronger cost control, and more informed decision making.

In parallel, we began deploying **agentic AI capabilities at scale** to support HR and payroll professionals. These AI-enabled solutions provide faster feedback, deeper insights, and smarter support, helping teams shift from reactive administration towards proactive guidance. Technology is not positioned as a replacement for people, but as a *force multiplier*, freeing up time for interpretation, judgement and meaningful customer interaction.

Together, these digital platforms, AI capabilities and human expertise allow us to scale knowledge consistently across Europe, strengthen compliance, ensure continuity and improve both employer and employee experience.

Responsibility at European scale

What we do matters. Every month, SD Worx supports more than 6 million employees and over 100,000 organisations across Europe. Payroll accuracy, regulatory compliance, and operational continuity are fundamental to trust, and trust is the foundation of our business.

Employers operate in an environment where regulation evolves continuously, and workforce dynamics change rapidly. Our role is to bring clarity to that complexity, ensure compliance with national and European legislation, and guarantee the continuity of critical processes. When these foundations are in place,

organisations can focus on running their business with confidence, supported by better cost control, smarter use of talent, and reliable remuneration processes.

As our scale increases, so does our responsibility. In a period of limited economic growth, providing stability, predictability, and trust becomes even more important. This responsibility sits at the heart of our ambition to act as the backbone of work in Europe.

Resilient performance, disciplined growth

The progress we made in 2025 is reflected in our financial results. Revenue grew by 10.7% to €1.307 billion, adjusted EBITDA increased by 16.5% to €271.2 million, and net profit rose by 6.9% to €101.4 million – exceeding €100 million for the first time. These results were supported by disciplined cost management and continued investment in AI, software, data, and innovation.

Our performance was further strengthened by targeted acquisitions and integrations, including Socialea in France and Elco, Codeas and Labour Consulting in Italy. In addition, F2A, our largest acquisition to date, contributed for the first full year in 2025, reinforcing our position in one of Europe's largest HR markets.

While revenue growth was lower than initially expected, we maintained strong financial discipline and delivered a solid adjusted EBITDA. Crucially, this allowed us to continue investing in technology, AI and future growth initiatives, even in uncertain conditions, demonstrating the resilience and long-term strength of the organisation.

Despite the uncertainty around us, we remain fundamentally optimistic about Europe and the opportunities ahead.

Filip Dierckx

Chairman of the board
of directors SD Worx



Europe at the core of our vision

Europe is not just our footprint: it is our strategic anchor. European labour markets are diverse, regulated, and deeply embedded in national contexts. This complexity requires a distinctly European approach to HR and payroll. At the same time, we remain confident in Europe's long-term prospects. Efforts to strengthen the region's economic base, cohesion and resilience are gaining momentum, creating meaningful opportunities for companies that invest with a long-term view.

With our presence in 26 countries and deep expertise in local regulation, SD Worx is uniquely positioned to support organisations operating both locally and across borders. By combining pan-European scale with local knowledge, we are building a strong European player, capable of supporting employers consistently, compliantly and at scale.

Looking ahead, discipline and focus will remain essential. We will continue to invest in digital platforms, AI-enabled capabilities, and targeted acquisitions that strengthen our European position. By doing so, we aim to further solidify our role as a trusted partner for employers, and as **the backbone of work in Europe**.

None of this would be possible without the commitment of our people and the trust placed in us by our customers. That trust is never taken for granted. Every day, our teams across Europe work to earn it again.

Filip Dierckx

Chairman of the board
of directors SD Worx

Kobe Verdonck

CEO SD Worx


2025 at a glance



Course Detail:
Market Fish, Sautéed Greens,
Yuzu Vinaigrette
- Served: 1:45 PM

Dietary preferences

- Omnivore
- Vegetarian
- Vegan
- Pescatarian
- Dairy-free
- Gluten-free
- No nuts

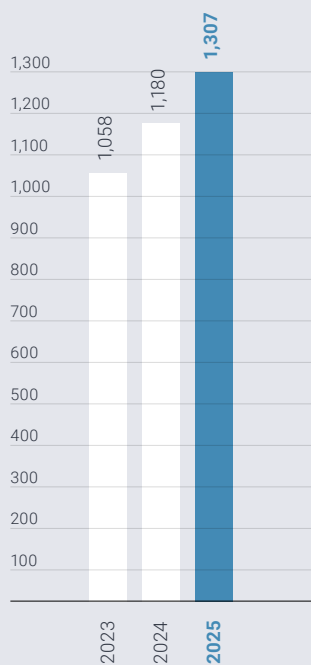


Dietary:
Gluten-Free

Key figures

Consolidated revenues

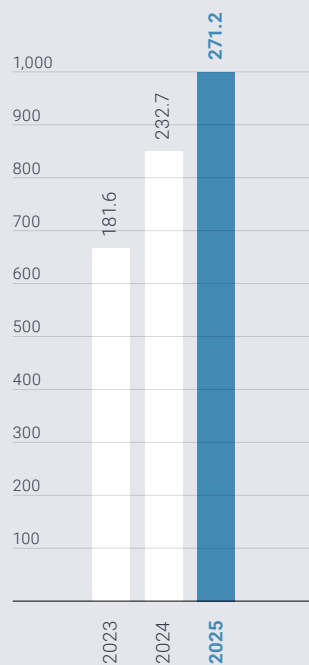
In € mio



+10.7%

Adjusted EBTIDA

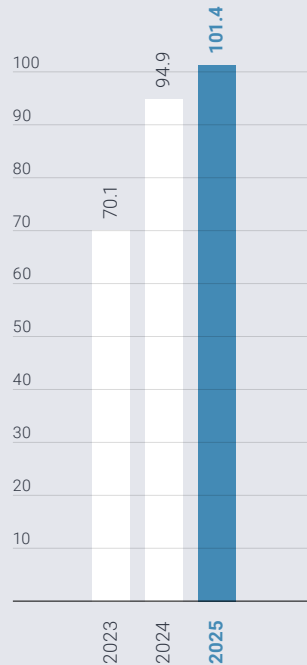
In € mio



+16.5%

Net result

In € mio



+6.9%

Ecovadis rating



Employees



10,062

employees and contingent workers

84

nationalities



top 5 worldwide



105,000+ customers



80 years of experience



€1.307 billion consolidated revenues 2025



± 6 mio employees served



± 1.7 mio users of mysdworx

Highlights

01.



Moving CM's payroll from in-house to fully integrated with SD Worx

[Check the customer testimonial](#)

02.



Scaling international employment for AHK debelux

[Check the customer testimonial](#)

03.



Integration of F2A our largest acquisition so far

[Read about the integration](#)

04.



New technological foundation for payroll

[Read about this breakthrough](#)

05.



AI as an enabler for more human impact

[Read more about our Chief People Officer's vision](#)

06.



Investing in the future of work and talent

[Read more about our partnerships](#)

Our company



European focus

SD Worx is building its position as Europe's leading HR and payroll provider by combining deep local expertise with a scaled, pan-European platform.

With strong roots in each market, SD Worx supports organisations across Europe with compliant payroll, HR and workforce solutions tailored to local legislation and practices, while offering the simplicity of a single partner for multi-country operations. Through a mix of organic growth and targeted acquisitions, SD Worx has expanded its footprint across Europe, strengthening its position in both mature and high-growth markets.

This strategy enables customers to grow across borders with confidence, supported by European-hosted technology, local specialists in every country, and an integrated service model designed for today's and tomorrow's world of work.



Our values



Dear customer



Commitment drives us forward



We believe in each other



The road is open



One for all, all for one

Our offering

Digital-first solutions for the world of work



- 1 **HCM**
- 2 **Payroll & reward**
- 3 **Workforce Management**
- 4 **Knowledge & Expertise**
- 5 **Experience layer**

SD Worx offers a comprehensive portfolio of end-to-end HR and payroll solutions that support organisations across the entire employee lifecycle. At its core, the portfolio spans **payroll and reward, HR, and workforce management**, delivered through an integrated combination of software, services and local expertise. This integrated core enables customers to manage people processes efficiently and compliantly, both within individual countries and across borders.

Around this core, SD Worx adds **knowledge and experience layers**, combining in-depth regulatory expertise, best-practice insights and user-centric digital experiences. Customers benefit not only from technology, but also from managed services, advisory support and local subject matter experts who translate complex labour and payroll requirements into reliable, everyday operations. Continuous investments in AI, cloud, digital innovation and data-driven insights further enhance the employee and HR experience, helping organisations improve efficiency, reduce risk and support sustainable workforce decisions. Together, this layered portfolio positions SD Worx as a trusted European partner, delivering compliant solutions enriched by knowledge, experience, digital and human expertise.

Vision & strategy



Our vision

SD Worx's solutions focus on supporting employers with their compliance-driven HR and payroll processes. We deliver HR, Pay and Time solutions for organisations across diverse European labour markets, navigating complex labour law, tax and social security frameworks. This requires robust technology, including AI, deep regulatory expertise and disciplined operational execution. By ensuring accuracy, compliance and continuity in these essential processes, we support the reliable functioning of organisations and labour markets across Europe.

Our mission

We align employer, regulation and worker through HR, Pay & Time solutions delivering clarity, compliance and continuity so employers can move forward with confidence.



2025 progress on a future-ready strategy

Why customers choose SD Worx

Employers across Europe operate in labour markets shaped by diverse national legislation, tax systems and social security frameworks. This complexity requires solutions that combine scale with deep local expertise. At the same time, organisations face a growing need for stronger cost control and operational excellence, increasing demand for more efficient and scalable processes ([see Highlight 1](#)). Managing HR and payroll across these environments therefore calls for both robust capabilities and local insight.

SD Worx is a strong partner for our business. The system is easy to use, and our account team is proactive in staying close to our needs and providing practical and pragmatic solutions.

Sally Alderman

Payroll & Reward Manager at Bureau Veritas UK

Against this backdrop, it is important to clarify where SD Worx brings distinct added value and how we continue to strengthen our position as Europe's backbone of work. We believe that Europe requires a distinctly European approach to HR and payroll, as the market is defined by diversity in legislation, languages, labour relations and cultural expectations. SD Worx views this complexity not as an obstacle, but as a strength and a competitive advantage.

This positioning also differentiates SD Worx from global players that often rely on more standardised, one size fits all operating models. In contrast, we offer specific solutions for SMEs, mid market organisations and large enterprises. Our strength lies in combining pan-European capabilities with deep local expertise and an extensive presence across Europe, enabling us to support customers consistently while respecting national realities.

As Chief Strategy Officer Michael Custers notes:

“We are the only industry player currently capable of becoming the European backbone of work with people solutions that can still handle the necessary country-specific nuances.”

SD Worx differentiates itself through the combination of:

- pan-European scale with local regulatory expertise
- integrated HR, payroll and workforce management solutions
- reliable and compliant payroll operations at scale
- digital platforms that enable consistent and proactive services across countries
- a digital employee platform that enhances employee experience

This combination allows SD Worx to support organisations operating in multiple jurisdictions while remaining fully aligned with national labour and regulatory requirements.

SD Worx is very close to its customers. That's really what stands out to us. Our account manager is responsive and quick to follow up on questions or issues. Legal updates are handled quickly, and the webinars and news updates are a great way to stay informed and dive deeper into specific topics.

Véronique Biannic

Payroll Manager at Jacobs Douwe Egberts

2025 HIGHLIGHTS

01. How CM streamlined payroll for 8,000 employees



CM had decades of in-house payroll history, 23 legal entities and one hard deadline, and came out on the other side with a leaner, more scalable operation.

[Check the customer testimonial](#)

Our strategic framework

With a broad European footprint and a clear focus on digital transformation, SD Worx has entered the next phase of its strategy with confidence. Our priorities remain consistent:

- # further expanding our scale and presence in Europe
- # accelerating the transformation towards a more digital, knowledge-driven and customer-obsessed organisation
- # strengthening the portfolio across payroll, HR and workforce management

Further expanding our scale and presence in Europe

In 2025, SD Worx continued to execute its strategy to become Europe's backbone of work. Our ambition remains clear: to build a strong pan-European group that combines local expertise with cross-border capability ([see Highlight 2](#)), and that can support both employers and employees in an increasingly complex and fast-moving labour environment.

While the strategic direction itself did not fundamentally change, we sharpened our focus on:

- building meaningful scale in several key European markets; and
- accelerating the digital transformation needed to serve customers faster, more proactively and more consistently across countries.

We have long operated successfully in Belgium as our home base. Over the past years, SD Worx expanded to 26 countries, building a broad European footprint and covering a global network of 120+ countries.

Mergers and acquisitions (M&As) remain an important part of our growth strategy, particularly in markets where scale can be built faster through a buy-and-build approach.

Italy (F2A) truly is the blueprint for our M&A strategy: acquire scale, integrate faster than planned, and immediately move into a leadership position.

Michael Custers

Chief Strategy Officer at SD Worx



A key example is Italy, where we accelerated the integration of F2A, our largest acquisition to date, with the intention to move faster towards scale, synergies and stronger market positioning.

Now we are also integrating newly acquired Italian companies Labour Consulting, Elco and Codeas, while in France, Socialea has joined SD Worx.

Our strategic priorities

further expanding our scale and presence in Europe

accelerating the transformation towards a more digital, knowledge-driven and customer-obsessed organisation

strengthening the portfolio across payroll, HR and workforce management

2025 HIGHLIGHTS

02. Scaling international employment for AHK Debelux



Through its partnership with SD Worx, AHK Debelux can offer its members something they couldn't before: reliable, fully compliant payroll and HR services across borders, backed by local expertise, multilingual support and a service model that scales with their needs.

[Check the customer testimonial](#)

Beyond Italy, SD Worx continues to apply a structured M&A approach. At the same time, we remain disciplined in how we define our scope. We continue to focus on HR, payroll and workforce management. These are domains where trust, compliance and accuracy are essential – and where expertise and local knowledge remain key differentiators.

Successful post-merger integration (PMI) is not just about applying the right tools, following processes or ticking off a checklist. True success lies in creating value and helping the business grow and perform. That is why we focus on full integration and value creation – and, where needed, business transformation – together with the acquired company.

In 2025, several integrations were successfully completed. Gavdi (SAP Poland), TribePerk (SME Poland) and huapii (now SD Worx Compass), a performance and talent management software provider, are now fully integrated into SD Worx.

Other integrations remain ongoing. In Italy, the integration of F2A is progressing ([see Highlight 3](#)). In Romania, Colorful HR – acquired in 2023 – represented a new country for SD Worx. Throughout 2025, the focus was on stabilising the business with a new management team and implementing the necessary business transformation to build a strong foundation for sustainable growth in 2026.

In 2026 we are starting the integration of the recently acquired companies Socialea, Labour Consulting, Elco and Codeas.

Accelerating our digital transformation to improve customer experience

In 2025, we **continued to invest in scalable HR, workforce management and payroll platforms tailored to different customer segments** – including dedicated solutions for SMEs, mid-market and international organisations, and further development of our enterprise offering, such as SD Worx Innova, SD Worx's framework for accelerating HR and Payroll transformation on SAP SuccessFactors.

In parallel, we expanded our digital ecosystem, including SD Worx Academy for knowledge sharing and continued enhancements to mysdworx, now available in 19 languages across web and mobile. Always with one goal in mind: **to improve the customer and employee experience, increase operational efficiency and enable a more proactive service model.**

A key focus area is the transition from traditional payroll batch processing towards **continuous and more real-time payroll capabilities** ([see Highlight 4](#)). This evolution enables customers to access up-to-date payroll data throughout the month, supporting better planning, reporting and cost control. We are also embedding AI in areas such as reporting and workforce scheduling to provide faster insights and more proactive support.

These developments are underpinned by **strong security, data protection and responsible AI governance**. We apply security- and privacy-by-design principles, continuous monitoring and clear governance over the use of AI, ensuring compliance, transparency and trust in how employee data are processed.

2025 HIGHLIGHTS

03. Integration of F2A our largest acquisition so far



The integration of F2A into SD Worx strengthens the value delivered to the 6,000 former F2A customers. As part of a larger European HR group, customers now benefit from broader expertise, greater resources and stronger innovation capacity to address increasingly complex HR challenges. The accelerated integration highlights our ability to deliver complex integrations at pace, aligning systems, processes and culture while maintaining continuity for customers.

[Read about the integration](#)

2025 HIGHLIGHTS

04. New technological foundation for payroll



SD Worx is laying the foundation for a new generation of HR and payroll services, moving from periodic processing to continuous, real-time capabilities. This cloud-native, integrated platform connects payroll with HR processes and supports a more proactive way of working, combining technology and human expertise, increasingly enhanced by AI. With Germany and Belgium as the first live markets, it marks a key step towards a scalable and future-proof model across Europe.

[Read about this breakthrough](#)



From expertise in people's heads to digital knowledge at scale

We are a knowledge-driven company with growing capabilities across Europe. HR and payroll are domains where expertise is critical, and much of this expertise traditionally sits with specialists.

In 2025, we further advanced our ambition to digitise and scale this knowledge. This includes the development of knowledge hubs and the build-out of generative AI capabilities, such as enabling employees and customers to access legislation databases or software documentation through conversational interfaces, making validated expertise more accessible. The long-term goal is not simply automation, but also consistency and scalability: ensuring that knowledge is available across the organisation, regardless of geography — and that **customers can benefit from faster, reliable support.**

The transformation SD Worx is undergoing is both strategic and structural. It is driven by changing customer expectations, a fast-evolving digital landscape and the ambition to remain at the forefront of our sector as a European leader. For our people, this is not a transformation happening 'around' them. **It is a transformation happening with them and through them.**

This will allow us to operate with a digital-first mindset, while preserving and strengthening what has always made SD Worx distinctive: the human connection.

Building an agentic workforce

In parallel, we continued to explore how AI-driven agents can support service delivery. As such, we are building an 'agentic workforce': a second, digital workforce that **complements human teams**. These AI agents can assist in answering customer questions, supporting employees in operational tasks and automating parts of workflows.

This approach is not positioned as replacing people, but as strengthening the organisation's ability to scale, improve response times and free up human capacity for the moments that require judgement, empathy and relationship-building.

Strengthening the portfolio across payroll, HR and WFM

In 2025, we also further strengthened workforce management as a core part of our portfolio. The platform itself is evolving beyond time and attendance, with growing focus on AI-driven **workforce planning and scheduling**. Increasingly, services like implementation and compliance updates that previously required consultancy support are being standardised and embedded into software functionality, enabling customers to **save and control costs, plan better and maintain business agility**.

■ We are building a digital workforce alongside our human teams. AI agents can support processes and answer questions, but always within a governed framework. The objective: faster service, greater consistency and more time for our people to focus on what truly requires human expertise and connection.

Gille Sebrechts

Chief Digital Officer &
Executive Vice President at SD Worx



A cultural transformation: from customer centricity to customer 'obsession'

SD Worx's digital transformation is not just a technological journey, but also a cultural shift ([see Highlight 5](#)), which is closely linked to our enhanced customer focus. We want to move beyond customer centricity towards customer obsession – ensuring that digital investments, platform development and organisational changes ultimately translate into measurable customer value.

Change and leadership go hand in hand

Transformation is not only about systems and processes. It is also about culture, mindset and leadership. In 2025, SD Worx continued to invest in leadership and change management as critical capabilities – not as one-off programmes, but as a continuous practice.

In a context of constant change, leadership is about bringing clarity, supporting teams through uncertainty, and knowing when to accelerate and when to pause. As an organisation, we have learned that successful change depends on two essential components:

- how we engage and support people; and
- how we redesign the way we work.

Both must happen in parallel. Improving processes without bringing people along will not work. Bringing people along without changing processes will not deliver results. Our leaders play a key role in balancing both.

Our Positive Impact Culture: 'Be critical friends'

Culture is one of the strongest levers for sustainable performance and in 2025, we continued to strengthen our **'Positive Impact Culture'**: an environment that encourages **employees to take ownership, drive continuous improvement and contribute to transformation.**

A key element of this culture is the concept of being 'critical friends'. This means we encourage colleagues to be transparent and honest, constructively critical when needed, and at the same time empathetic, respectful and supportive.

We believe both elements are essential. After all, a culture that is only friendly risks becoming complacent, while a culture that is only critical risks becoming unsafe.

■ In a period of transformation, the ability to challenge each other while maintaining trust is crucial. It creates psychological safety, supports collaboration across teams and countries, and strengthens our ability to learn and improve.

Bruce Fechey-Lippens

Chief People Officer at SD Worx

■ Our ambition is to move beyond customer centricity and become truly customer-obsessed: to anticipate needs, reduce friction and deliver consistent quality across every market in which we operate.

Gille Sebrechts

Chief Digital Officer & Executive Vice President at SD Worx

2025 HIGHLIGHTS

05. AI as an enabler for more human impact

"AI is a powerful enabler, but it should never be the objective in itself. The main objective is to increase the impact of our people. When technology removes administrative friction, our employees can focus on what truly matters: supporting customers and creating value."

Bruce Fechey-Lippens

Chief People Officer at SD Worx

[Read more about his vision](#)

Stable engagement in an economically demanding year

In an economically challenging year, maintaining strong employee engagement is not something we take for granted. We are proud that employee engagement remained stable in 2025. While there is always room for improvement, this stability is meaningful, especially in a year where change, complexity and workload remained high.

We measure engagement in a structured way, and we use feedback to define targeted actions year after year. Work pressure remains a recurring theme, as it does across many sectors. We address this through a combination of:

- proactive support and wellbeing initiatives;
- individual guidance and assistance; and
- an environment where employees are encouraged to manage workload sustainably.

We also continue to invest in support offerings that are accessible internationally – recognising that wellbeing challenges can be professional, financial or psychological, and that employees need different types of support at different times.

One SD Worx: standardising and localising employee experience

Our growing international scale requires alignment from a people perspective. In 2025, we continued to strengthen our ambition to operate as **one organisation**.

This includes:

- streamlining and standardising our own HR processes,
- clarifying accountability and decision lines; and
- building a consistent employee experience across countries.

Of course, local labour law, benefits and employment frameworks differ and they always will. But we want the **overall experience of joining and working at SD Worx to feel consistent**. Whether a colleague starts in Belgium, Spain or Mauritius, they should feel part of the same organisation with the same foundations, the same expectations and the same opportunities.

Trust, governance and compliance as foundations for innovation

HR and payroll sit at the heart of employer trust. For SD Worx, this means that digital innovation must always be balanced with strong governance.

As we continue to invest in AI, new platforms and digital service models, we also emphasise the importance of security, compliance and responsible implementation. This includes close collaboration between business, technology, HR and legal teams, making sure that innovation remains aligned with regulatory expectations and customer trust.

Corporate governance



Organization Pulse – Oct 26, 2023

Headcount

4,520

Active Employees

Payroll Status

Processing (85%)

Team Availability

92%

Online

Team A – Weekly Time

Employee

Services

Service Band

Preceding

Workforce Overview

Payroll Overview

9850.00

Workforce Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Payroll Overview

Time & Attendance

Oct 2025

S M T W T F S

29 30 31 1 2 3 4

5 6 7 8 9 10 11

12 13 14 15 16 17 18

19 20 21 22 23 24 25

26 27 28 29 30 31

1 2 3 4 5 6 7 8

Your Hour
42.5 (This Week)

Upcoming Time Off
Monday Day
Tue May 15 2025
Monday Day
Tue May 16 2025

Corporate governance

General assembly

The General Assembly or General Meeting involves all the shareholders and members of the company. It acts as the link between the Board of Directors and the company's shareholders.

Its main tasks are:

- changing the articles of association
- appointing and dismissing directors and members of the supervisory board and discharging them from services rendered
- approval of the budget and annual accounts
- and profit appropriation (limited company)

Board of directors of SD Worx NV

Members (as of 1 July 2025)

Ginkgo Associates CommV – permanently represented by Filip Dierckx	chairman
To Be Projects bv – permanently represented by Brigitte Boone	director
Steven Buysse	director
Teresa (Tea) Colaianni	director
DCM Seagull CommV – permanently represented by Dirk Collier	director
Michael Lavrysen	director
Georgette Schlick	independent director
Akeley BV – permanently represented by Jan Van Acoleyen	director
Fusion Inc BV – permanently represented by Koen Van Gerven	director
Ellezé CommV – permanently represented by Kobe Verdonck	director
Daniel Williamson	director



FROM LEFT BACK ROW

Jan Van Acoleyen – Filip Dierckx – Kobe Verdonck
Koen Van Gerven

FROM LEFT FRONT ROW

Teresa (Tea) Colaianni – Brigitte Boone – Fabienne Lallemand
(Board Secretary) – Steven Buysse

NOT PICTURED

Dirk Collier – Michael Lavrysen – Georgette Schlick
Daniel Williamson

Committees

The Board of Directors has established two advisory committees:

Audit & Risk Committee (ARC)

The Audit & Risk Committee supports the Board of Directors of SD Worx NV and those of its underlying entities in the execution of their supervisory function and has an enterprise-wide audit and risk oversight role over all entities in the organisational chart of SD Worx NV. Specifically, the Audit & Risk Committee of SD Worx NV is competent for all entities in SD Worx and provides advice to the Board of Directors.

The Audit & Risk Committee is an advising authority and assists the respective Boards of Directors in:

- financial reporting
- risk management and compliance
- internal audit
- external audit
- ESG

Members

- Koen Van Gerven (Chairman)
- Filip Dierckx
- Patrick De Vos
- Brigitte Boone
- Michael Lavrysen

Remuneration and Nomination Committee (RNC)

The Remuneration and Nomination Committee develops proposals for the appointment, remuneration and evaluation of the Board and the executive management of SD Worx and its subsidiaries.

Members

- Dirk Collier (Chairman)
- Filip Dierckx
- Teresa (Tea) Colaiani
- Jan Van Acoleyen
- Steven Buysse

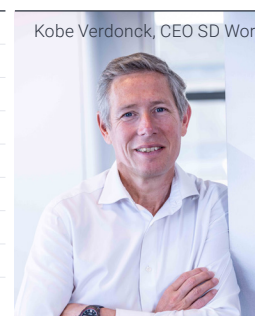
Executive Committee

The Executive Committee (Excom) acts under Board delegation and manages day-to-day operations. It ensures alignment between strategy and execution through:

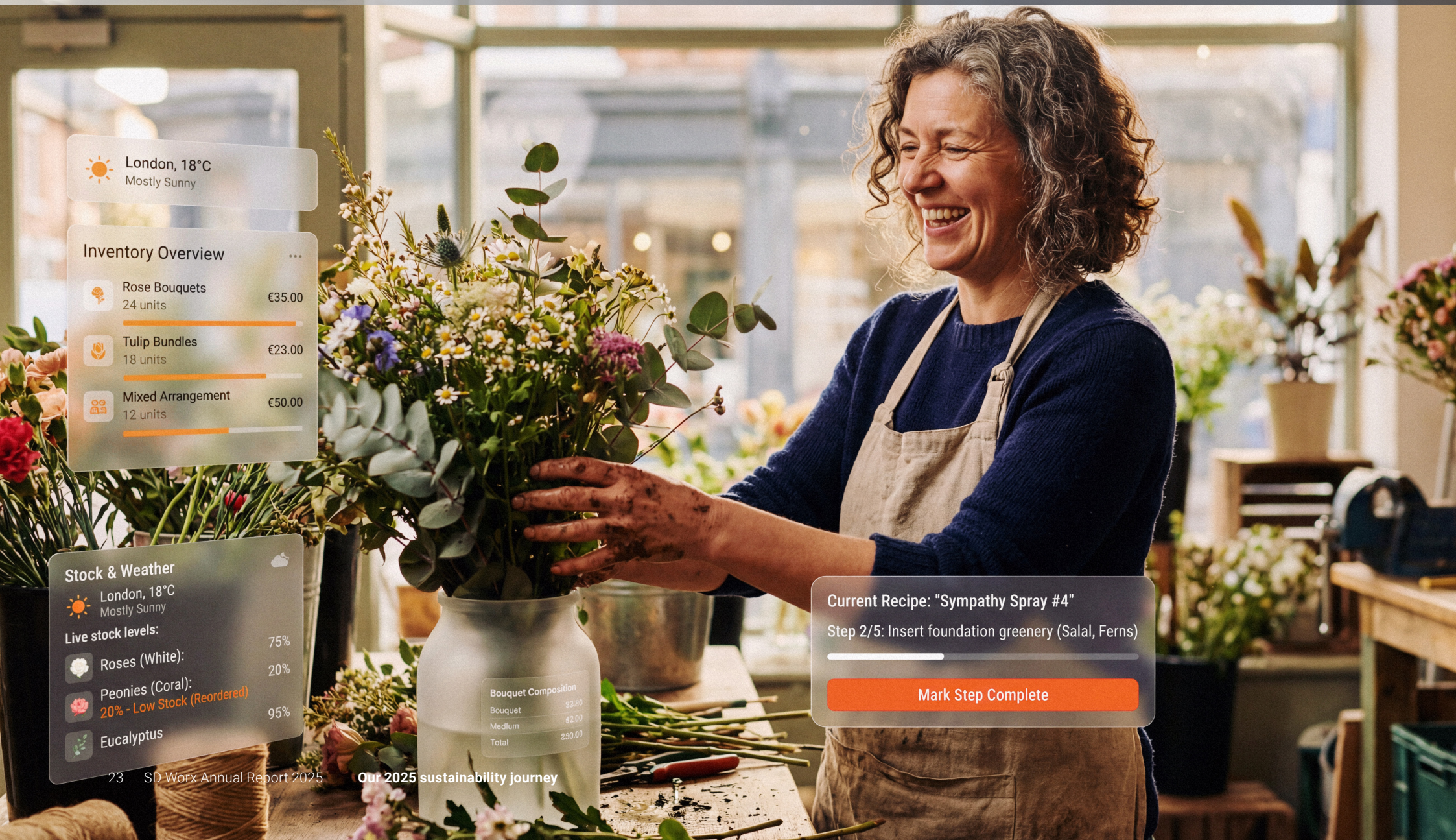
- implementation of strategy plans and policies.
- operational and financial performance
- resource allocation and stakeholder engagement
- operational risk management and internal controls

Members (as of 1 July 2025)

Kobe Verdonck	Chief Executive Officer
Patrick Barazzoni	EVP DACH - Italy - Nordics - CEE – Adriatic
Michael Custers	Chief Strategy Officer
Andrea Eschle	Chief Products & Technology Officer
Bruce Fechey-Lippens	Chief People Officer
Kelly Lespinoy	Chief Legal & Compliance Officer
Sebastian Peeters	Chief Financial Officer
Gille Sebrechts	Chief Digital Officer and EVP Prottime, SAP & INTL
Dominique Tassent	EVP Benelux & Southern Europe






Our 2025 sustainability journey




 London, 18°C
Mostly Sunny



Inventory Overview ...

-  Rose Bouquets €35.00
24 units
-  Tulip Bundles €23.00
18 units
-  Mixed Arrangement €50.00
12 units

Stock & Weather 

 London, 18°C
Mostly Sunny

Live stock levels:

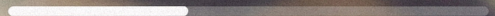
-  Roses (White): 75%
-  Peonies (Coral): 20%
-  Eucalyptus: 20% - Low Stock (Reordered) 95%

Bouquet Composition

Bouquet	\$3.90
Medium	\$2.00
Total	280.00

Current Recipe: "Sympathy Spray #4"

Step 2/5: Insert foundation greenery (Salal, Ferns)



[Mark Step Complete](#)

Sustainability beyond compliance

While ESG (Environmental, Social & Governance) is anchored within our compliance framework at SD Worx, we increasingly see it as a strategic lever for long-term value creation. This also strengthens our ability to support customers, differentiate our offering and operate at scale in a complex European environment.

As Europe's backbone of work, we operate at the heart of employment. Our services are inherently linked to data, compliance and people management, and connect us to the broader ecosystem in which employers, employees and institutions shape the future of work ([see Highlight 6](#)). As a result, many ESG topics, such as data privacy, working conditions or responsible AI usage, are integral to our business.

Defining what matters most

Our ESG approach builds on the Double Materiality Assessment conducted in 2024, which defines where our activities generate the most significant actual and potential impacts and where sustainability topics are most likely to influence SD Worx's performance, development and position.

This resulted in **six priority domains** that guide our actions:

1. climate change mitigation
2. data privacy and cybersecurity
3. information-related impacts for customers and end users
4. working conditions
5. diversity, equality, inclusion and belonging
6. corporate culture and responsible business conduct

We do not only see ESG as a reporting requirement, but as a strategic lever. It helps us strengthen our organisation and support our customers in navigating a rapidly evolving regulatory landscape.

Kelly Lespinoy

Chief Legal & Compliance Officer



Six priority domains that guide our actions

1. climate change mitigation
2. data privacy and cybersecurity
3. information-related impacts for customers and end users
4. working conditions
5. diversity, equality, inclusion and belonging
6. corporate culture and responsible business conduct

2025 HIGHLIGHTS

06. Investing in the future of work and talent



As name sponsor of Team SD Worx–Protime, SD Worx supports the development and visibility of female talent at the highest level of professional sport. This focus on performance, teamwork and growth is also reflected in our partnerships with academic institutions and European research initiatives, where we help strengthen expertise in social law, workforce organisation and sustainable careers.

[Read more about our partnerships](#)

Double Materiality Assessment



Material topic	Related ESRS*	Why it matters for SD Worx
Information-related impacts for consumers and end users	S4	Protecting personal data and ensuring transparency is fundamental in HR & payroll services.
Working conditions (own workforce)	S1	Employee wellbeing, safety, pay transparency and sustainable employment shape our people experience and business performance.
Diversity, equality, inclusion and belonging (DEIB)	S1	Inclusive, accessible and equitable workplaces drive innovation, talent attraction and long-term engagement.
Data privacy & cybersecurity	G1	Confidentiality and system resilience are critical in a data-driven HR environment.
Climate change mitigation	E1	Emission reduction and preparation for transition risks across our operations and value chain.
Corporate culture and responsible business conduct	G1	Strong culture underpins ethical conduct, customer trust, performance and resilience.

ESG is fully integrated into our Enterprise Risk Management framework, supported by the three lines model and embedded in our internal control environment. Oversight is ensured through a structured governance model, including the Board of Directors, the Audit & Risk Committee, the Executive Committee, the ESG Steering Committee and dedicated ESG coordination.

* European Sustainability Reporting Standards

Informed by stakeholders, driven by customers

Our ESG priorities are shaped through continuous engagement with stakeholders. In 2025, this dialogue continued to evolve:

- Customers increasingly engage with us on ESG topics, particularly around climate, compliance and workforce data.
- Employees contribute through engagement surveys and internal initiatives.
- Regulatory developments continue to shape our priorities and pace, particularly in areas such as data, compliance and climate reporting.

Customer expectations are a particularly strong driver. Many organisations are accelerating their sustainability ambitions – especially in the environmental domain – and expect their partners to do the same.

At the same time, our solutions enable customers to better understand and manage their workforce data, for example by supporting **pay transparency requirements** and enabling organisations to work more effectively with social data points, both within payroll and across HR processes. This helps organisations make informed, compliant decisions in an evolving regulatory landscape.

Turning ambition into measurable progress

Guided by our DMA, we focus on climate action and environmental responsibility, a safe and inclusive workforce, trustworthy data privacy and cybersecurity, and responsible business conduct. We commit to measurable 2030 ambitions, continuous improvement and transparent reporting in line with ESRS.

Environmental: building a credible foundation for climate action

Key 2030 ambitions

- **reduce GHG emissions by at least 55%, aligned with the EU Green Deal**
- **submit near-term targets to SBTi in 2026**
- **transition to 100% electric vehicles (Belgium)**
- **move to 100% renewable electricity across all facilities**
- **engage suppliers through emission reduction plans and encourage SBT commitments**

As a service-based organisation, our environmental impact is primarily linked to our value chain, with most carbon emissions situated in Scope 3.

In 2025, we established our first carbon footprint in line with the GHG Protocol, supported by improved data collection. In addition, we registered for the Science Based Targets initiative (SBTi) and started preparing science-based emission reduction targets, aligned with our ambition to reduce emissions and to submit near-term targets to SBTi in 2026.

We focus on key levers to reduce CO₂ emissions, including our office footprint and company fleet, where we can act most directly. In 2025 we took a decisive step towards a fully electric fleet in Belgium. For new company car orders, we shifted to electric-only vehicles – excluding diesel, petrol and plug-in hybrid options. This approach will be further rolled out across the organisation in the coming years.

Social: strengthening our people model

Key 2030 ambitions

- **strengthen wellbeing, safety and inclusion through comprehensive DEIB programmes**
- **increase Employee Net Promoter Score**
- **exceed Employee Engagement Index (EEI) benchmark of 4.0**
- **improve customer experience (NPS)**
- **ensure fair labour practices and advance pay transparency**
- **boost training and development to support skill based career paths**
- **reduce work related accidents and injuries**

In 2025, we continued to invest in employee engagement, development and wellbeing. Key results include:

- 78% participation in the engagement survey
- Employee Engagement Index (EEI) of 3.9 – this metric is also embedded in leadership incentives, reinforcing accountability for fostering an engaged and inclusive working environment
- Employee Net Promoter Score (eNPS) of 14, alongside complementary engagement indicators

Furthermore, we strengthened our policy framework, including the introduction of an ESG policy, a Labour & Human Rights Policy, a Contingent Workers Policy and a Responsible AI framework.

Governance: control, compliance and data integrity

Key 2030 ambitions

- strengthen Board diversity and uphold high governance standards
- maintain and improve the EcoVadis Silver Medal rating achieved in 2025
- maintain at least 90% coverage of the workforce with ISO 27001 certification (as our organisation and certification scope continue to expand)
- achieve a ≥95% completion rate for mandatory Code of Conduct, Security & Privacy training, year-on-year, including new joiners and scope expansions
- maintain zero fines for GDPR breaches

Governance is a critical foundation of our ESG approach, reflecting the central role of trust, data integrity and regulatory compliance in our business as an HR and payroll partner. It is embedded in our Enterprise Risk Management and internal control frameworks. We combine clear targets with measurable outcomes.

In 2025, this approach resulted in:

- zero GDPR fines and no major audit findings
- 92% ISO 27001 coverage across the workforce
- 88% completion rate for security and data protection training
- continued progress towards NIS2 compliance and strengthened risk management frameworks

Our approach to governance also includes a structured framework for responsible AI, aligned with evolving European regulation and supported by human oversight and lifecycle controls.

ESG only delivers value if the foundations are right. In 2025, we focused on strengthening data, governance and internal processes – ensuring sustainability is embedded in how we operate, not just how we report.

Lesley Hellebuyck

Head of Group Internal Control & Compliance



Sustainability highlights 2025

ESG embedded in Enterprise Risk Management and internal control frameworks across the Group



1st

1st Group-wide carbon footprint established (GHG Protocol)

Next steps in our ESG journey

2025 marked an important step in strengthening the foundations of our ESG approach.

While regulatory developments created uncertainty, we used the year to improve data quality, reinforce governance and further integrate ESG into our operations.

Looking ahead, we will focus on:

- formalising science-based climate targets;
- advancing our CSRD readiness, including ESRS dry runs;
- further strengthening our data and control frameworks.

Our ESG journey is characterised by a **pragmatic and disciplined approach**, focused on reliable data, robust governance and meaningful integration. While not all impacts can yet be fully quantified, we prioritise transparency, consistency and continuous improvement.



SBTi registration approved

EcoVadis Silver rating (76/100, top 7%) achieved

92%

92% ISO 27001 coverage

78%

78% engagement participation, EEI at 3.9

Double Materiality Assessment embedded and operationalised across the organisation

0

Zero GDPR fines

[The full ESG report 2025 is available here](#)

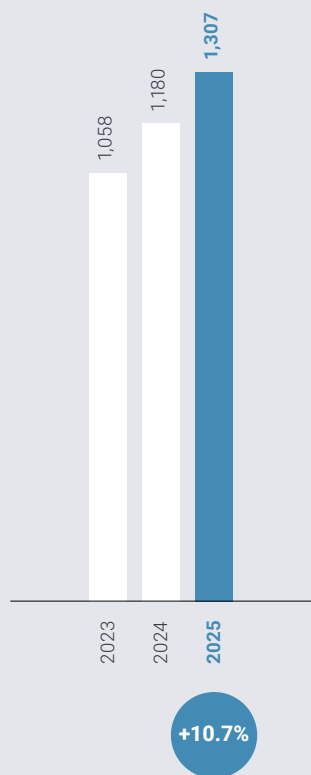
Annual figures



Key figures

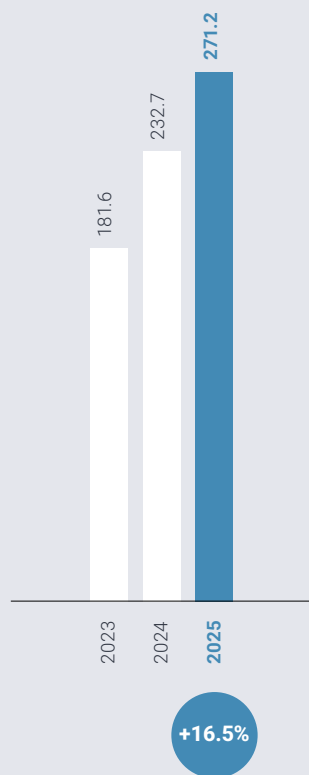
Consolidated revenues

In € mio



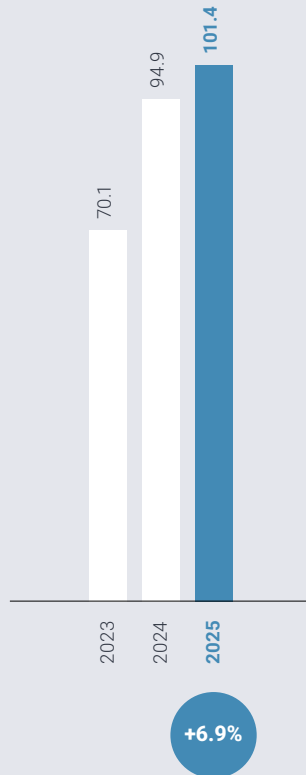
Adjusted EBTIDA

In € mio



Net result

In € mio



Customers



105,000+
customers

± 6 mio
employees served

Employees



10,062
employees and contingent workers

84
nationalities



top 5
worldwide



€1.307 billion
consolidated revenues 2025



80 years
of experience



± 1.7 mio
users of mysdworx

SD Worx records double-digit growth and strengthens European position

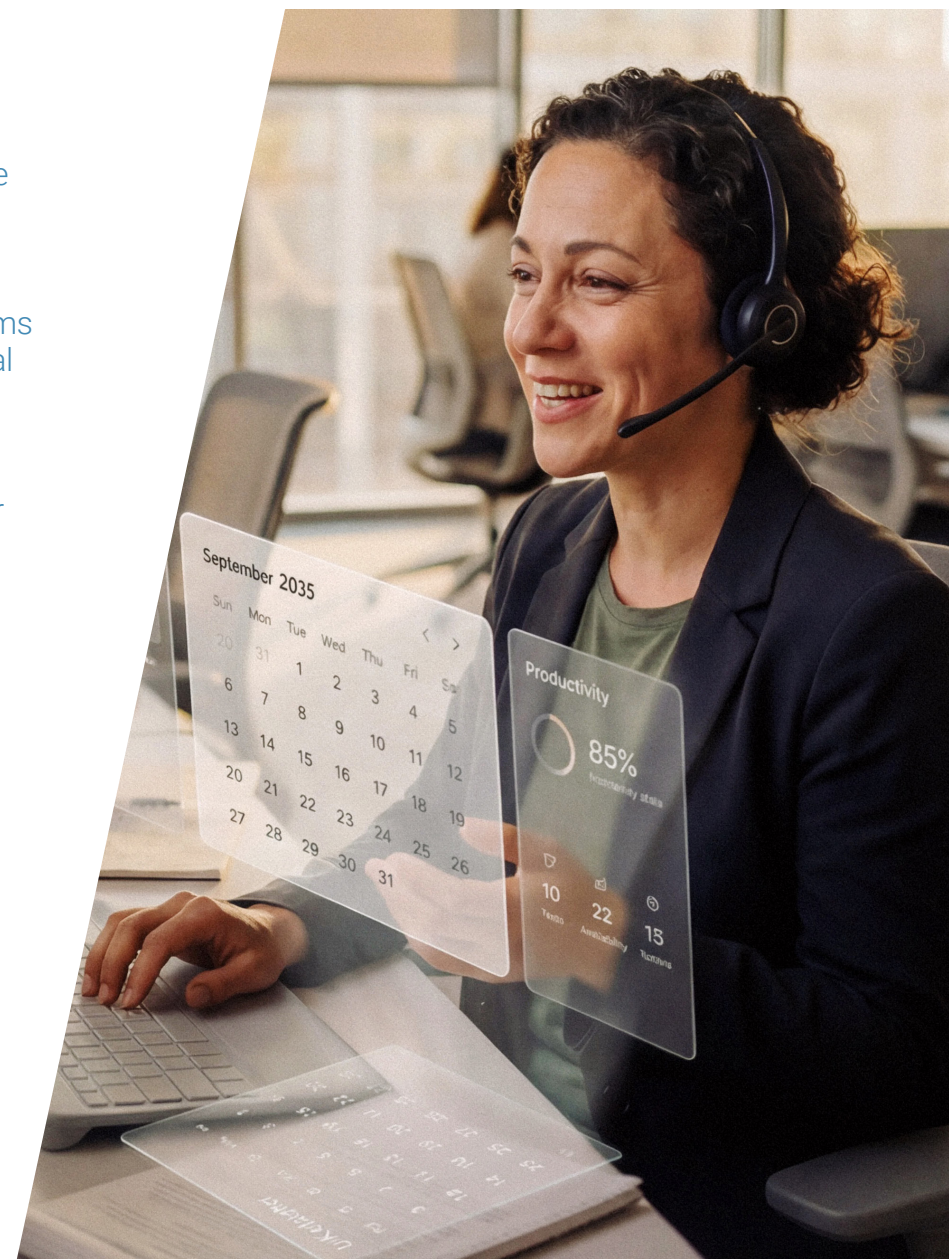
Underpinning its organic growth, SD Worx advanced its product portfolio with major technology innovations: the company introduced continuous, real-time payroll technology for German employers, and expanded SD Worx Buddy, its all-in-one HR and payroll platform for SMEs. For larger enterprises, SD Worx strengthened Innovapay, its country-specific payroll framework integrated with SAP. Adoption of SD Worx's digital and AI solutions continued to accelerate, with nearly 1.7 million unique users relying on mysdworx for daily HR and payroll transactions. AI-powered tools, ranging from customer service chatbots over AI-enabled coding and compliance tracking to automated reporting assistants, further enhanced efficiency and improved customer experience.

SD Worx also further reinforced its European footprint through acquisitions. With the transaction of Socialea, SD Worx strengthened its position in France, Europe's third largest payroll market, while broadening access to the fast-growing SME segment. In Italy, SD Worx acquired Labour Consulting, with deep local payroll and labour advisory expertise in the region of Emilia-Romagna.

Filip Dierckx, chairman of the Board of Directors at SD Worx: "Despite a challenging macroeconomic environment marked by slowing growth and more cautious customer decision making, we delivered a strong year. Our core business proved resilient and our disciplined cost management, automation and standardisation efforts, supported increasingly by AI, allowed us to protect margins and strengthen profitability. These results confirm the robustness of our strategy and give us confidence for the future."

2025 was a pivotal year as we scaled across Europe and accelerated innovation for our customers. With targeted acquisitions, strong local teams and a rapidly expanding digital and AI ecosystem, we are strengthening our position as Europe's leading HR and payroll solutions provider. Our mission remains unchanged: delivering compliant, user-friendly and personal HR and payroll solutions to our customers, powered by technology and backed by people.

Kobe Verdonck
CEO SD Worx



Financial results

Amounts in EUR million	31 Dec 2025	31 Dec 2024	Difference	%
People Solutions	1085.4	962.4	123.0	12.8%
Staffing & Career Solutions	222.5	220.4	2.0	0.9%
Intersegment elimination	-1.2	-2.5	1.3	52.5%
Revenue	1306.7	1180.3	126.4	10.7%
Total net operating costs (excl. adjustments)	-1035.5	-947.6	-87.9	-9.3%
Adjusted EBITDA (aEBITDA)	271.2	232.7	38.5	16.5%
Adjusted EBITDA margin	20.8	19.7	1.0	
Adjustments to EBITDA	-31.4	-21.2	-10.2	-47.9%
EBITDA	239.8	211.5	28.3	13.4%
Depreciation, amortisation and impairment	-97.2	-79.5	-17.6	-22.2%
EBIT	142.7	132.0	10.7	8,10%
Financial result	-17.1	-7.2	-9.9	-137.2%
Result of associated companies	0.1	0.1	0.0	9.3%
Profit before taxes	125.7	124.8	0.8	0.7%
Taxes	-24.3	-30.0	5.7	19.1%
Net result	101.4	94.9	6.6	6.9%

Results per segment

On a reported basis, adjusted EBITDA grew by 16.5% towards EUR 271.2 million, with revenue increasing by 10.7% to EUR 1,306.7 million. Strategic initiatives from 2024 contributed to the overall revenue growth as the biggest acquisition, F2A (the Italian market leader in HR and payroll), only contributed 2 months of financial performance during 2024. But also organically, SD Worx saw its business expanding, demonstrating resilience and momentum across its core operations.

Like-for-like*	31 Dec 2025		31 Dec 2024		Growth	
	Revenue	aEBITDA	Revenue	aEBITDA	Revenue	aEBITDA
People Solutions	1,089.8	269.4	1,053.0	245.4	3.5%	9.8%
Staffing & Career Solutions	222.5	2.5	218.5	0.8	1.8%	206.2%
Intersegment elimination	-1.2		-2.5		52.3%	
Total	1,311.1	271.9	1,269.0	246.3	3.3%	10.4%

On a like-for-like basis, SD Worx People Solutions grew organically by 3.5%. When excluding the lower revenues in the UK market, mainly affected by expected churn of some major customers, organic growth would have been 5.7%. SD Worx realised growth across the majority of the markets where it is operating, both through new business and a positive net retention rate on existing customers, well above 5%. The organic growth is fuelled by an increase of approximately 2% in payslips issued for customers, excluding the effect of the UK.

The revenue related to the commission income obtained under the customer fund cooperation agreement, included in the revenue of People Solutions, amounts to EUR 33.6 million, which is EUR 0.1 million lower than last year. The revenue is affected by lower market deposit yields, partly offset by the hedging strategy which reduces the impact of the lower short-term interest rates.

Net operating costs are primarily influenced by staffing expenses, which rose by EUR 24.2 million on a like-for-like basis, excluding UK. Thanks to cost awareness, the adjusted EBITDA margin improved by 1.4 basis points to 24.7%. On a like-for-like basis, adjusted EBITDA grew by 10.4% year-over-year.

SD Worx Staffing & Career Solutions continued to face a challenging market environment marked by a general downward trend in recent years. Despite these unfavourable conditions, the segment achieved a revenue increase of EUR 4.0 million compared to 2024, an increase of 1.8%. Through proactive cost management, the segment delivered an adjusted EBITDA of EUR 2.5 million, an increase of EUR 1.7 million.

* Like-for-like: restated financial performance showing the true underlying growth, including the impact of recent acquisitions and excluding the one-off results realised during 2024 relating to the social elections in Belgium.

Further details about the net result

Adjustments to EBITDA

Amounts in EUR million	31 Dec 2025	31 Dec 2024	Difference
Restructuring and integration costs	-13.6	-7.9	-5.7
Acquisition & transaction costs	-4.9	-2.7	-2.2
Non-committed stock-based compensation	-12.2	-10.2	-2.1
Other adjustments	-0.6	-0.4	-0.2
Adjustments to EBITDA	-31.4	-21.2	-10.2

Restructuring cost and integration costs amount to EUR 13.6 million and have increased by EUR 5.7 million. These costs are largely driven by restructuring tracks, making up EUR 8.8 million out of the total. They include initiatives to increase efficiency and accelerate the integration of digital and AI to further improve the offering and the customer experience. In addition, these costs also consist of the integration and rebranding tracks for prior acquisitions, such as F2A, SoftMachine and Romanian Software.

Acquisition and transaction costs relate amongst others to due diligence costs which SD Worx incurs in search of new acquisitions to strengthen its portfolio. The level of these costs is higher than last year following a revaluation of outstanding buy out commitments.

The cost of share-based payments relates to the non-committed stock-based compensation with regards to the existing share plans for senior management. These plans qualify as equity settled, and the cost is spread evenly over a vesting period of three years.

Depreciations and amortisation

Amounts in EUR million	31 Dec 2025	31 Dec 2024	Difference
Depreciations and amortisation	-52,1	-43,8	-8,3
Depreciations on right-of-use assets	-26,2	-24,3	-1,9
Depreciations and amortisation from PPA	-18,9	-10,9	-8
Impairment of assets	0	-0,5	0,5
Depreciation, amortisation and impairment	-97,2	-79,5	-17,6

A total depreciation, amortisation and impairment charge of EUR 97.2 million has been recorded per 31 December 2025 on SD Worx's tangible and intangible assets. These charges are mainly related to the amortisation of software solutions developed internally. These charges increased as investments in digital solutions continue and reached EUR 54.9 million in 2025.

Other depreciation charges include the depreciation of right-of-use assets such as rented buildings and company cars, equalling EUR 26.2 million. Amortisations also include EUR 18.9 million related to acquired intangible assets from business combinations (PPA related assets), such as brand names and customer relationships. The amortisation charges related specifically to F2A contributed to an increase of EUR 8.0 million compared to 2024.

Financial results

The financial result per 31 December 2025 amounts to EUR -17.1 million, mainly resulting from interest charges relating to SD Worx's loans and borrowings, consisting of the subordinated EUR 80.0 million bond issued in June 2019 and a Facilities agreement including a term loan of EUR 300.0 million and a revolving credit facility of EUR 500.0 million. This Facilities agreement was closed on 30 July 2025 and refinances the Revolving Credit Facility agreement, providing SD Worx with an increased borrowing capacity to fund its expansion strategy. On 31 December 2025, the revolving credit facility remained fully undrawn and is available to provide the necessary financing for future growth.

Other financial charges relate to interest expenses on lease liabilities and non-operational foreign currency translation differences.

The total leverage of the group remains conservative at a level of 1.2x adjusted EBITDA to net debt as per 31 December 2025.

Taxes

The tax expense amounts to EUR 24.3 million as of 31 December 2025, which represents an effective tax rate of approximately 19% compared to 24% in 2024. Positive effects coming from tax reimbursements have contributed to the decreasing effective rate over 2025.

Our financial performance in 2025 demonstrates the strength and scalability of SD Worx's business model. Revenues grew to €1,307 million, up from €1,180 million last year, while operational efficiency through leveraging our European scale, automation and AI lifted our net result to a record €101.4 million. Strong cash generation and a renewed financing structure leave us well positioned to continue investing in digital innovation, AI and targeted acquisitions. Even in an uncertain macroeconomic environment, our balance sheet and profitability provide a solid foundation for sustainable long-term growth.

Sebastiaan Peeters
Chief Financial Officer



Net result


The net result stands at EUR 101.4 million, which is EUR 6.6 million or 6.9% higher than last year. The growth was achieved despite the higher amortisation charges relating to the acquired intangibles from acquisitions, and interest expenses on SD Worx's loans and borrowings, both directly linked to the expansion strategy. It is also worth noting that the net result of 2024 was positively impacted by the one-off result coming from the services provided to Belgian customers to support them with the social elections in 2024, taking place in Belgium every four years.

For more elaborate comments on the results of FY25, we refer to our [Financial statements 2025](#).

Our highlights 2025



Client Profile: Mei Lin



Style:
Layered Cut, Volume

Colour:
Rose Quartz Fade

Colour Notes:
20g, 50% Processed, Gloss Next.

Total Service: €140.00

Next Appointment
14:30, 24 Oct 2035,
€95.00



ROSE QUARTZ



50% Processed
Gloss Next

Formulation:
Roots 6.1 + 20 vol,
Ends Toner 9.02
Est. Cost: €120.00

01. All in, all at once: moving CM's payroll from in-house to fully integrated with SD Worx

For decades, CM – one of Belgium's largest non-profit health insurance organisations – managed its payroll entirely in-house. A team of up to 60 internal specialists handled everything from calculation to compliance and reporting. Then came an internal change trajectory between 2021 and 2023 that unified multiple regional entities within their respective organisations (CM in Flanders and MC in Wallonia). This paved the way for a payroll system shift.

In 2024, CM launched a public procurement process and selected SD Worx to replace its internal payroll engine and surrounding tools with an external, unified Payroll & HR platform. Kicking off the project in February 2025, the newly found partners set off with a clear ambition: migrate payroll for **8,000 employees** across **23 legal entities**, implement all modules at once and go live by January 2026. A **non-negotiable deadline**, as the decommissioning of legacy systems depended on it.

A starting point like no other

CM's payroll setup had grown over decades. Processes, reporting and logic were deeply embedded and fully controlled internally. "A lot of work had been done to harmonise work regulations across CM's different entities", explains Elke Schumann, Process Manager at CM. "But there were **still legacy exceptions** that had to be faithfully reflected in the new system."

The decision to **implement all modules simultaneously** raised the stakes even further. "While SD Worx typically rolls out payroll first and adds other modules later, we opted for a full, simultaneous implementation of all modules at once", says Laurence Welvaert, HR Program Manager at CM. "Several existing IT systems could only be decommissioned once all replacements were operational."

A tale of two mirroring teams

The project structure reflected the complexity it had to handle. On the SD Worx side, a dedicated specialist was assigned to each module. A project manager sat across the full picture, organising regular steering committees and keeping communication tight.

CM built a mirroring structure for their project team. Alongside payroll specialists, the project involved colleagues in various roles from **multiple departments**, including IT, Finance, Talent and Compensation & Benefits. Elke: "Even though payroll was the initial focus, it was important to involve stakeholders beyond the core team early on, keeping future use cases in mind."

Success in a project like this isn't just about the system; it's about the people. Their professionalism, flexibility, skills, expertise – and even a bit of humour when things get complex (laughs).

Elke Schumann

Process Manager at CM



When theory met reality

Running multiple workstreams in parallel introduced **a recurring challenge**: decisions made in one module sometimes created complications in the next one. Configurations had to be revisited; plans adjusted. It required continuous cross-team alignment and genuine goodwill on both sides.

A major test of that partnership came during work on data integration. The challenge: establishing a unique identifier for each employee when the same person might hold multiple contracts across different systems. “The new payroll system uses employee numbers tied to contracts”, Elke explains. “But we needed a single data key per person – regardless of how many contracts they held and across both platforms. That’s more complex than it sounds, and it hadn’t been handled quite this way before.”

To figure out the solution, SD Worx brought a team to CM’s headquarters in Schaerbeek. Around 15 people – from both parties – in the room. Two sessions of roughly two hours each. Working through every possible angle on a whiteboard until a solution emerged. “Both SD Worx and our own team had to get creative together and they did”, Laurence recalls. “It’s in moments like these that you find out whether a partner is truly committed.”

Even with their vast experience across so many types of companies and sectors, the SD Worx team discovered new things working with CM and they handled it constructively and skilfully.

Laurence Welvaert

HR Program Manager at CM



Smooth launch, growing partnership

Despite the complexity, the project was delivered **smoothly and timely**, moving CM from a fully in-house payroll model to a managed partnership with SD Worx. The technical go-live – data exchange between systems – took place on January 5, 2026. The first full payroll run in the new system was completed by end of January. A payroll crisis team had been prepared to stand ready throughout, but it was never needed.

Meanwhile, the structural **efficiency gains** are already showing. Responsibilities such as system maintenance, compliance updates and continuity have shifted to SD Worx, while CM’s internal payroll team has been streamlined.

And the partnership’s **future is looking bright** as well. CM has already confirmed additional projects with SD Worx, including tools for performance management and evaluation cycles. In short, what started as a payroll migration has evolved into a broader HR partnership, built on a complex project and shaped through close collaboration on both sides.



02. Scaling international employment for AHK debelux

AHK debelux is no ordinary trade organisation. Founded in 1894, it is the oldest German Chamber of Commerce abroad. Moreover, as one of the few trilateral chambers in the world, AHK debelux connects not just two, but three countries: Germany, Belgium and Luxembourg. Its mission: to enable cross-border trade for some 700 member companies. However, operating across the Belgian border means entering one of Europe's more complex regulatory environments.

The challenge: a unique and complex HR landscape

"Belgian employment law is already complicated for Belgian companies, but for Germans it's a complete maze," says Kris Peeters, Finance & HR Director at AHK debelux. Historically layered rules, complex holiday entitlement calculations, evolving legislation... The questions kept coming, and the volume kept growing. Especially once AHK debelux decided to move beyond serving businesses with just a few employees and start attracting larger members.

From a local SME office to International Employment

For a long time, AHK debelux had a partnership with SD Worx's local Brussels office for their own payroll and the occasional HR query. But 2025 proved to be a turning point. After a few conversations, it became clear that a different scale of service was needed. So, AHK debelux moved to SD Worx International Employment.

The difference? Speed, language and scale. Thanks to a subscription model with pre-allocated hours, AHK debelux no longer has to wait around for quotes. The partnership also enables AHK debelux to combine its strong local and cross-border expertise with SD Worx's leading payroll and HR know-how. What's more, the collaboration creates clear

added value for companies by offering reliable, compliant and customer-oriented payroll services across borders. Thanks to this combination AHK debelux can provide a full package service to small- and medium-sized companies. The SD Worx consultant for AHK debelux speaks fluent German, French, English, Spanish and Dutch, saving valuable translation time. And for Paper & Tea, their first larger member with 20 employees on payroll, she effectively became part of the team to guide the entire onboarding process. "Without SD Worx, we would not have brought Paper & Tea on board," says Kris.

Beyond execution: knowledge, network and technology

SD Worx's services now extend well beyond payroll and tax or legal support. The team handles A1 certificates, registers clients with the relevant authorities and supports all necessary steps to enable German companies to employ staff in Belgium. Where required, SD Worx also provides outplacement services. The legal knowledge platform provides legal updates and information on joint industrial committees. What's more: at AHK debelux's request, SD Worx even hosted German-language webinars for more than a hundred members.

On the technology front, SD Worx Payroll & HR gives members access to all their payroll documents via an online environment, putting an end to the back-and-forth over email. Looking ahead, the two parties are exploring a pilot project with our new payroll software, enabling real-time payroll updates and forecasting.

A look at the future

The ambition goes well beyond Belgium. Talks are underway with SD Worx's German division to extend the partnership in the other direction: supporting Belgian companies looking to move into Germany. And it doesn't have to stop there. With around 150 German chambers of commerce worldwide and SD Worx's expanding European footprint, there is no shortage of opportunities on the horizon.

Thanks to SD Worx,
we can offer far more
services than before.
Their combination
of service and
technology is unique.

Kris Peeters

Finance & HR Director at AHK debelux



03. Integration at full throttle: the SD Worx & F2A story in Italy

When SD Worx completed the acquisition of F2A in late 2024, it marked our largest acquisition to date and formed a major step in our European growth strategy. Not only is Italy the 4th largest economy in the continent, but F2A also significantly expanded SD Worx's presence in the country – adding more than 1,200 professionals and close to 6,000 customers across HR and finance services.

The integration came with a unique challenge: F2A itself had grown through several M&As over the years. In response, the leadership team chose a phased approach. "Our ambition was to address rebranding, technology and corporate infrastructure within the first year for the core business, while phasing the acquired companies into a second wave", comments **Alessia Rigoni**, Managing Director of SD Worx Italy.

This approach proved highly effective. Alessia: "The integration of F2A into SD Worx was completed earlier than planned, allowing us to move faster toward scale, synergies and a stronger market position."

Clarity and reassurance first

"It all started with a clear principle", adds Csaba Farkas-Pall, Director of Strategic M&A Integrations. "Integration is not just about systems and structures. It's about people, mindsets and common ambitions. That's why, as a first step, we focused on reassurance and creating transparency."

"People want to understand what will change and what won't. For employees, the message was that joining SD Worx meant becoming part of a European HR leader with broader expertise, stronger capabilities and new opportunities for development. For customers, the priority was continuity. So, the message focused on the gradual strengthening of services through the capabilities of the wider Group."

A dual-track integration

From the beginning, the integration followed two parallel tracks. The first focused on operational alignment. Csaba: "Throughout 2025, we worked on integrating core systems and infrastructure, aligning brand and marketing, implementing shared tools and harmonising domains and communication platforms."

Simultaneously, equal attention was given to the cultural dimension of integration. Leadership teams worked to

Ultimately, it's culture that determines whether integration succeeds.



Csaba Farkas-Pall

Director of Strategic M&A Integrations

align vision, leadership behaviours and values across the organisation. "Systems can change relatively quickly", Csaba adds. "Culture takes longer, but it ultimately determines whether integration succeeds."

Fast forward

With the core integration having progressed faster than planned, the focus now shifts from integration to acceleration. For 2026, three priorities stand out:

1. continuing the integration of Group tools and platforms to ensure full alignment in systems, processes, and technology;
2. further integrating people and mindsets by reinforcing shared values, strengthening the feedback culture and evolving how we work together;
3. accelerating growth by leveraging the Group's scale, our full portfolio and our increasingly unified capabilities to capture new market opportunities.

The next step will be about deeper integration of F2A into SD Worx, stronger cultural alignment and faster, more sustainable growth.

Alessia Rigoni

Managing Director of SD Worx Italy



04. Building a 'new house' of payroll

In 2025, SD Worx took an important step in further developing its payroll technology. In Germany, the first customers went live on the new technological foundation for payroll at SD Worx, internally referred to as New House.

It consists of a **fully new cloud-native payroll engine that delivers continuous payroll linked to all necessary HR administration processes. It will also be integrated with** our multi-agentic AI layer, which will increasingly support payroll processes and service delivery.

Instead of processing payroll calculations in monthly batches, calculations are updated continuously whenever data changes. This allows employers to:

- gain faster insights into their workforce costs;
- detect and resolve discrepancies more quickly;
- manage payroll processes more efficiently.

The platform is **fully cloud-native and API-ready**, enabling straightforward integration with other applications and business systems. During 2025, several AI prototypes and proof-of-concepts were developed within the platform, with agentic AI expected to play a larger role in the near term.

Germany as the first live market

Germany was selected as the first market where this new payroll architecture is fully deployed. In 2025, **our new payroll engine obtained official ITSG certification**, a key milestone for payroll software in Germany.

While elements of the Core HR proposition had already been used in markets such as Finland and Luxembourg, Germany is the first market where payroll and Core HR are offered as one fully integrated solution. Following a pilot phase, the first pilot customers went live on the platform in summer 2025 and new customers have already been onboarded from January 2026.

Customers highlight several **key benefits**: ease of use, reduced administrative workload, strong data insights for their business, efficient live payroll processing, seamless integrations, an intuitive user experience and high-quality service. In full outsourcing models, some customers also report significant FTE savings.

Thanks to a more efficient payroll process, we were able to redeploy one additional FTE to our core business.

Vanguard Logistics

We value the user-friendly payroll software and can easily ensure compliance with working time regulations.

KIA Deutschland



A payroll-first approach for SMEs

SD Worx Buddy is specifically designed for the SME segment and follows a **payroll-first approach**. While many HR platforms start from an HR or HCM system and attempt to integrate payroll afterwards, SD Worx takes the reverse approach. SD Worx Buddy is built around the core complexity of payroll itself, drawing on decades of payroll expertise. This ensures that payroll calculations remain accurate, compliant and robust, while HR administration and workforce management are seamlessly integrated into the same environment.

Germany's SME market is both large and highly complex when it comes to payroll. With SD Worx Buddy, we combine our payroll expertise with a modern cloud solution designed specifically for companies with limited HR capacity.

Lucia Ochando

Director SME Germany at SD Worx

SD Worx has been active in Germany for decades, historically with a strong focus on larger private and public organisations. With SD Worx Buddy, we are now expanding our presence in the broad SME segment, focusing on companies with 11 to 250 employees – a market that comprises more than one million businesses in Germany.

Over time, the new continuous payroll engine will evolve into the single payroll platform for the German market. The next step will be to expand from the SME segment into the private mid-market (250+ payslips), followed later by the mid-market public sector.

A foundation for further roll-out

The experience gained in Germany marks an important step in the development of new ways of working within payroll services, where Belgium will play a key role.

For instance, the platform opens up avenues to offer new capabilities for customers, such as forecasting and clearer insights into workforce costs.

This allows employers to understand the financial impact of HR decisions before they are made and to plan their workforce costs with greater confidence. At a time when many organisations are under pressure to operate more cost-efficiently, these insights are becoming increasingly valuable.

This new technology and service model will continue to evolve in the coming years and will gradually be introduced in other markets.

Launching SD Worx Buddy in Germany marks an important milestone for SD Worx. It is the first market where our new payroll architecture is running in production. This gives us the technological foundation on which we can build the next generation of payroll solutions across Europe.

Tilman Rotberg

Managing Director of SD Worx Germany



05. AI as an enabler for more human impact

Processing payroll accurately and reliably has always been at the core of what we do at SD Worx. Calculations must be correct, regulations need to be applied precisely and millions of employees rely on those processes running uninterrupted. Our customers increasingly rely on us to interpret complex and fast-changing labour legislations, provide guidance and help them navigate situations that require judgement and trust.

Looking ahead, **the value we create will increasingly come from supporting customers more proactively**: helping them understand the implications of regulatory change, navigate workforce challenges and anticipate questions before they arise.

Technology can automate calculations and repetitive work, but the real value of our consultants resides in interpretation, judgement and guidance. Our role is to help people use new tools in a way that strengthens that human connection with customers.

Wim Van Rompay

People Director at SD Worx



Technology can help us create more space for that work. By reducing the administrative workload surrounding HR and payroll, we can allow our people to focus more on interpretation, advice and proactive support. Artificial intelligence (AI) is one of the technologies supporting this evolution. At the same time, **we approach AI pragmatically**. In a domain that handles sensitive employee data and complex regulation, reliability and compliance remain essential.

In many cases, the key question is not whether AI can be used, but whether it is the best solution. Sometimes process optimisation or traditional automation already delivers the greatest impact.

Change management is also critical when introducing new technologies. People need to **develop the confidence and skills** to work with new tools and understand how they can support their daily work. By providing learning sessions, practical demos and opportunities to experiment, we help colleagues build that confidence step by step.

Leadership plays a key role in this process. Managers are expected to translate the broader transformation into their teams and **lead by example**, showing how new ways of working can strengthen both collaboration and customer impact.

By combining responsible technology adoption with strong leadership and continuous learning, we aim to ensure that innovation ultimately strengthens both the organisation and the people who work in it.

AI is a powerful enabler, but it should never be the objective in itself. The main objective is to increase the impact of our people. When technology removes administrative friction, our employees can focus on what truly matters: supporting customers and creating value.

Bruce Fechey-Lippens

Chief People Officer at SD Worx



06. Investing in the future of work and talent

Labour markets across Europe are becoming more complex, more regulated and more dynamic. This increases the need for expertise in areas such as social law, workforce organisation and sustainable careers – domains that are at the core of SD Worx's activities.

To help address this, we **invest in partnerships that strengthen knowledge development and build future talent** in these fields. Through our collaboration with Antwerp Management School, including the SD Worx Chair in 'Next Generation of Work', we support research into sustainable career policies, with the aim of **helping employers and employees prepare for the labour market of the future**.

Our cooperation with Vrije Universiteit Brussel contributes to education in social law, helping to develop professionals with the expertise required to navigate increasingly complex regulatory frameworks. At European level, our participation in the SEISMEC programme focuses on how organisations can evolve towards more human-centric ways of working in a rapidly changing technological landscape.




In parallel, SD Worx continues to invest in talent and opportunity through its role as **name sponsor of Team SD Worx-Protime**. In 2025, the team achieved **80 victories across disciplines**. Beyond these results, the partnership reflects a close alignment with our own environment: performance under pressure, teamwork and continuous development. By supporting women's cycling, SD Worx also contributes to increasing visibility and opportunities for female talent at the highest level of professional sport.





 London, 18°C
Mostly Sunny

Inventory Overview ...

 Rose Bouquets	24 units	€35.00
 Tulip Bundles	18 units	€23.00
 Mixed Arrangement	12 units	€50.00

Stock & Weather 

 London, 18°C
Mostly Sunny

Live stock levels:

 Roses (White):	75%
 Peonies (Coral):	20%
 Eucalyptus	95%

20% - Low Stock (Reordered)

Bouquet Composition

Bouquet	\$3.80
Medium	\$2.00
Total	\$58.00

 sdworx

ESG Report 2025

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ESG highlights 2025

2025 was a year of clarity, momentum and deeper integration of sustainability across SD Worx. As our business continued to expand across Europe and beyond, we strengthened the way we manage, measure and embed ESG into daily operations. These achievements not only represent meaningful progress but also shape the foundation for our next steps, especially in climate action, responsible innovation and data readiness.

Strategy & accountability

We reinforced the governance supporting our ESG ambitions. We updated our ESG strategy and KPIs to create clearer Group wide expectations and launched our Corporate ESG policy to establish a common baseline for all colleagues (see GOV 1; SBM 1). The improved [EcoVadis](#) score, from Bronze to Silver, placed SD Worx among the top 7% of assessed companies, reflecting stronger practices and Group wide engagement.

Policies and actions embedded in daily operations

Throughout the year, we updated existing policies and practices and introduced new Group-wide ones, embedding ESG expectations into daily operations:

- launch of the Corporate ESG policy, translating our ESG ambition and commitments into clear and shared expectations for all colleagues and external parties.
- a renewed Global Travel & Expense policy promoting lower carbon, purpose driven travel.
- a harmonised Waste Management policy aligned with the EU waste hierarchy.

- launch of the Labour & Human Rights and Contingent Workers policies, reinforcing Group wide protections.
- Pay Transparency initiatives enhancing internal awareness and customer facing features.
- continued growth in Learning & Development, marking a third consecutive increase in average learning hours.
- expanded Health, Safety & Wellbeing programmes, including Pulso (our Employee Assistance Programme) and Brain@Worx trainings.
- launch of the Responsible AI policy and associated training, supporting ethical and transparent innovation.
- a strengthened Supplier Code of Conduct and improved engagement to promote responsible practices across our value chain.

Data & systems readiness

Reliable insights are essential to sustainable decision making (see IRO 1/2). In 2025:

- a new carbon accounting platform aligned with the GHG Protocol was implemented.
- our first Group wide commuting survey improved the accuracy of Scope 3 mobility emissions.

- Scope 3 insights were further refined through a detailed analysis of Purchased Goods & Services.
- the establishment of the Digital Office accelerated our transition towards customer centric, AI enabled solutions at scale.

External recognition & transparency

Our strengthened ESG efforts were recognised externally with a Silver EcoVadis Medal (76/100; 93rd percentile). Internally, we enhanced access to ESG resources and data by redesigning our Group intranet (see SBM 1).

Integration across the Group

As SD Worx expanded, we ensured ESG governance and processes were embedded into new countries and acquired entities. Integrating sustainability early in (post) M&A activities helps maintain consistent values, practices and controls across the Group (see GOV 1; IRO 1/2).

Looking ahead: 2026 priorities

In 2026, we will further embed ESG into our daily operations, decision making processes and long-term strategy. Our ambition is to make sustainability an integral part of every major business choice and not a standalone workstream.

Climate strategy & SBTi

We will formalise our SBTi (Science Based Targets initiative) commitment by submitting our near term targets. We will also complete the rollout of our carbon accounting tool. As our environmental dataset becomes more complete, we will use these insights to strengthen climate management in all regions.

Social strategy

We will further align our social ambitions with the business strategy, ensuring that our people initiatives directly support our digital HR growth strategy. We will continue to invest in our people through expanded training, upskilling and career pathways to enable our organisation to meet the demands of the evolving digital landscape. We plan to strengthen our diversity and inclusion programmes with a specific focus on accessibility and targeted improvements in health and safety. In parallel, we will advance efforts to roll out pay transparency reporting in all SD Worx countries in 2027. Overall, to support more robust and reliable disclosures, we will continue to enhance the quality of our social dataset.

CSRD & ESRS readiness

2026 will be a pivotal year in preparing for CSRD (Corporate Sustainability Reporting Directive) reporting. Key milestones include:

- running our first ESRS (European Sustainability Reporting Standards) dry run
- defining the scope of ESRS/EU Taxonomy assurance
- refreshing the 2024 DMA (Double Materiality Assessment)
- initiating control walkthroughs in preparation for limited assurance on 2027 data

These steps support our pathway towards a fully compliant CSRD report in 2028.

About this report

This report follows the ESRS fair presentation principles, ensuring that disclosures are relevant, complete, accurate, neutral and faithfully represented, while avoiding unnecessary complexity.

We continue to apply GRI (Global Reporting Initiative) standards, with the scope defined by our most recent Double Materiality Assessment. During this transitional phase, we use simplified ESRS disclosures to maintain clarity and coherence.

Further details on our reporting process can be found in the annex "Reporting practice and methodology changes," which explains:

- how the refreshed Double Materiality Assessment defines the report boundary
- the systems and controls that support data quality
- recent methodological updates, including ESRS mapping and the GRI dual navigation annex
- our roadmap towards full CSRD compliance by 2028

Corporate governance



The role of the administrative, management and supervisory bodies in relation to sustainability (GOV-1)

Governance structure

SD Worx's formal governance framework defines the responsibilities of administrative, management and supervisory bodies in relation to sustainability. The framework is aligned with the Corporate Sustainability Reporting Directive (CSRD) through the draft simplified European Sustainability Reporting Standards (ESRS), which guide how we manage and disclose information on governance, sustainability-related risks, ethical behaviour and stakeholder expectations.

Anchored in the principles of the UN Global Compact, our governance model reinforces integrity, respect for human rights, labour standards and anti-corruption practices across all operations. It provides clear structures, defined accountabilities and transparent processes to support responsible business conduct and compliant reporting.

Governance bodies and responsibilities

The General Assembly is the highest decision-making body and approves the annual accounts and budgets, appoints and removes directors, amends the Articles of Association and decides on profit allocation.

Board of Directors (the Board)

The Board provides strategic and control function and oversight to ensure long-term value creation. Its responsibilities include:

- defining mission, strategy and policies
- overseeing financial integrity, investments and risk management
- decision-making related to organisational structure and changes, mergers and acquisitions.
- supervising internal audit and compliance
- monitoring performance and remuneration of the Executive Committee (Excom)

The Board aims to combine efficiency, expertise and diversity and is supported by two specialised committees: the Audit & Risk Committee (ARC) and Remuneration & Nomination Committee (RNC), which both report to the Board after each meeting. Each year, the Board prepares a detailed annual report, which describes the company's status, potential risks and prospects. The report highlights examples of corporate governance, provides an overview of the financial position and communicates the activities of the Board and the organisation.

Board structure and composition

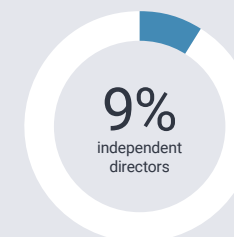
The Board is calibrated for both swift decisions and broad insight, with 8–12 directors, ensuring:

- diversity in skills, gender and perspectives
- complementarity across disciplines relevant to the company's operations
- continuity for long-term success

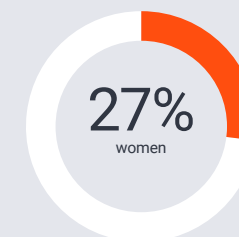
Material issues and concerns (including sustainability, compliance, audit findings and whistleblowing escalations) are channelled to the ARC and the Board via standard reporting lines and scheduled agenda items.

Board composition metrics (2025)

Board independence



Gender diversity





(From left back row) Jan Van Acoleyen – Filip Dierckx – Kobe Verdonck – Koen Van Gerven / (From left front row) Teresa (Tea) Colaianni – Brigitte Boone – Fabienne Lallemand (Board Secretary) – Steven Buyse
(Not pictured) Dirk Collier – Michael Lavrysen – Georgette Schlick – Daniel Williamson

Board members (as of 01/07/2025)

Ginkgo Associates CommV, permanently represented by **Filip Dierckx**, chairman



To Be Projects BV, permanently represented by **Brigitte Boone**, director

Steven Buyse, director

Teresa (Tea) Colaianni, director

DCM Seagull CommV, permanently represented by **Dirk Collier**, director

Michael Lavrysen, director

Georgette Schlick, independent director

Akeley BV, permanently represented by **Jan Van Acoleyen**, director

Fusion Inc BV, permanently represented by **Koen Van Gerven**, director

Ellezé CommV, permanently represented by **Kobe Verdonck**, director

Daniel Williamson, director

Oversight of sustainability matters

Sustainability is embedded in SD Worx's governance:

- The **Board** oversees sustainability matters, reviews progress toward ESG targets and assesses trade-offs and risks.
- The **ARC** oversees ESG policies, practices and performance, reporting standards and assurance for ESG disclosures, and emerging ESG topics and stakeholder concerns reported to the Board.
- **Excom** integrates sustainability considerations into strategy, budgeting, risk management and business planning.
- The **ESG Steering Committee & ESG Office** validates ESG/ climate strategy and KPIs, tracks regulatory developments (e.g. CSRD, EU Taxonomy, SBTi), and provides dashboards and briefings to the ARC, Excom and the Board.

Climate governance

As climate change is material, the oversight is delegated by the Board to the Audit & Risk Committee (ARC) and the ESG Steering Committee. The ARC reviews climate related risks through the ERM (Enterprise Risk Management) framework, while the ESG Steering Committee validates climate strategy, KPIs and regulatory developments. Excom embeds climate considerations into strategy, budgeting and operational planning. The Board holds the ultimate accountability and receives regular ARC reporting. (See E1 for details).

Governance bodies receive sustainability information through structured reporting flows, including quarterly ARC updates, ESG Steering Committee dashboards, Excom strategy reviews and periodic briefings from the ESG Office and the Risk & Security Board.

Training and competence of governance bodies

All directors and Excom members complete annual Code of Conduct and Security & Privacy training. A consolidated inventory of sustainability skills and experience is being compiled in 2026 and will be disclosed once available. More information about the Code of Conduct training content can be found in chapter G1-1 Policies related to business conduct.

Board Committees

Audit & Risk Committee (ARC)

The ARC supports the Board of Directors in fulfilling its supervisory responsibilities. It provides independent oversight of financial reporting, risk management, internal control and compliance across the Group. The Committee evaluates the effectiveness of the risk management framework, the integrity of the control environment, and the processes used to ensure compliance with laws, regulations and internal policies. It oversees the work of the Internal Audit and External Audit and monitors the quality and reliability of financial and sustainability reporting, including controls supporting ESRS aligned disclosures.

Remuneration & Nomination Committee (RNC)

The RNC supports the Board on executive appointments, succession planning and overall leadership structure. It sets and reviews remuneration frameworks aligned with long term value creation and responsible business conduct, ensuring policies are competitive, fair and compliant. The Committee also oversees key human capital priorities, including diversity and inclusion, leadership development and succession for critical roles, so that pay practices and talent decisions support the organisation's strategy and risk appetite.

Executive Committee

The Executive Committee (Excom) acts under Board delegation and manages day-to-day operations. It ensures alignment between strategy and execution through:

- implementation of strategy plans and policies.
- operational and financial performance
- resource allocation and stakeholder engagement
- operational risk management and internal controls

Excom is supported by the Risk & Security Board, ESG Steering Committee, Facility Steering Committee and the Market Teams, ensuring that governance decisions are translated into daily operational practice.

Members of the Executive Committee (31/12/2025)

Kobe Verdonck, Chief Executive Officer



Patrick Barazzoni (EVP DACH - Italy - Nordics - CEE – Adriatic)

Michael Custers (Chief Strategy Officer)

Andrea Eschle (Chief Products & Technology Officer)

Bruce Fechey-Lippens (Chief People Officer)

Kelly Lespinoy (Chief Legal & Compliance Officer)

Sebastian Peeters (Chief Financial Officer)

Gille Sebrechts (Chief Digital Officer and EVP Prottime, SAP & INTL)

Dominique Tassent (EVP Benelux & Southern Europe)

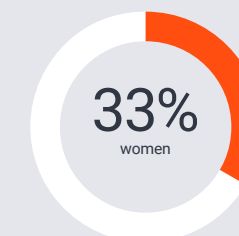
Excom composition metrics (2025)

Compliance training



(Compliance training including Code of Conduct, Security and Privacy)

Gender diversity



Risk & Security Board

The Risk & Security Board oversees information security, privacy and operational resilience across the Group. It establishes and reviews corporate security and privacy policies, monitors significant incidents and emerging threats, and evaluates the adequacy of controls designed to protect information and systems.

The R&S Board ensures that security and privacy practices align with legal requirements, strategic priorities and risk exposure. It also contributes to effective internal controls for sustainability reporting where data protection, cybersecurity or operational resilience are relevant.

ESG Steering Committee

The ESG Steering Committee is a senior leadership body responsible for guiding and validating the company's ESG strategy. It reviews progress on material sustainability matters, monitors regulatory developments and ensures alignment across the organisation on key ESG priorities.

This Committee supports both the Executive Committee and the ARC by providing insights on sustainability-related risks, opportunities and stakeholder expectations. It meets regularly to review performance against ESG targets and coordinate the implementation of agreed actions.

Members of the ESG Steering Committee (31/12/2025):

Maurice Bisschop (CEO SD Worx Jobs)

Michael Custers (Chief Strategy Officer)

Dr. Steve Engelen (Integrated Reporting Officer)

Bruce Fechey-Lippens (Chief People Officer)

Lesley Hellebuyck (Head of Internal Control & Compliance)

Kelly Lespinoy (Chief Legal & Compliance Office)

Sebastiaan Peeters (Chief Financial Officer)

Gille Sebrechts (Chief Digital Officer and EVP Protime, SAP & INTL)

Market teams

Market Teams are responsible for executing the company's commercial strategy and ensuring local market excellence. They implement go-to-market activities, deliver financial and operational results, and provide insights into local regulatory conditions, customer needs and emerging trends.

They also contribute to the implementation of sustainability commitments at local level and provide input on regional risks and opportunities that may be relevant for ERS reporting.

AI governance

SD Worx governs AI through a cross functional committee and an approved tool registry; risk based controls align to the EU AI Act and are integrated with privacy, security and ERM. For the full lifecycle, roles, controls and metrics, [see Responsible AI](#).

ESG governance as part of governance structure

SD Worx's ESG governance model consists of three interconnected layers:

01

The Board via ARC – strategic oversight of ESG matters.

02

ESG Steering Committee – senior leadership committee validating ESG strategy and monitoring progress.

03

ESG Office – operational driver coordinating ESG activities, data, compliance and reporting.

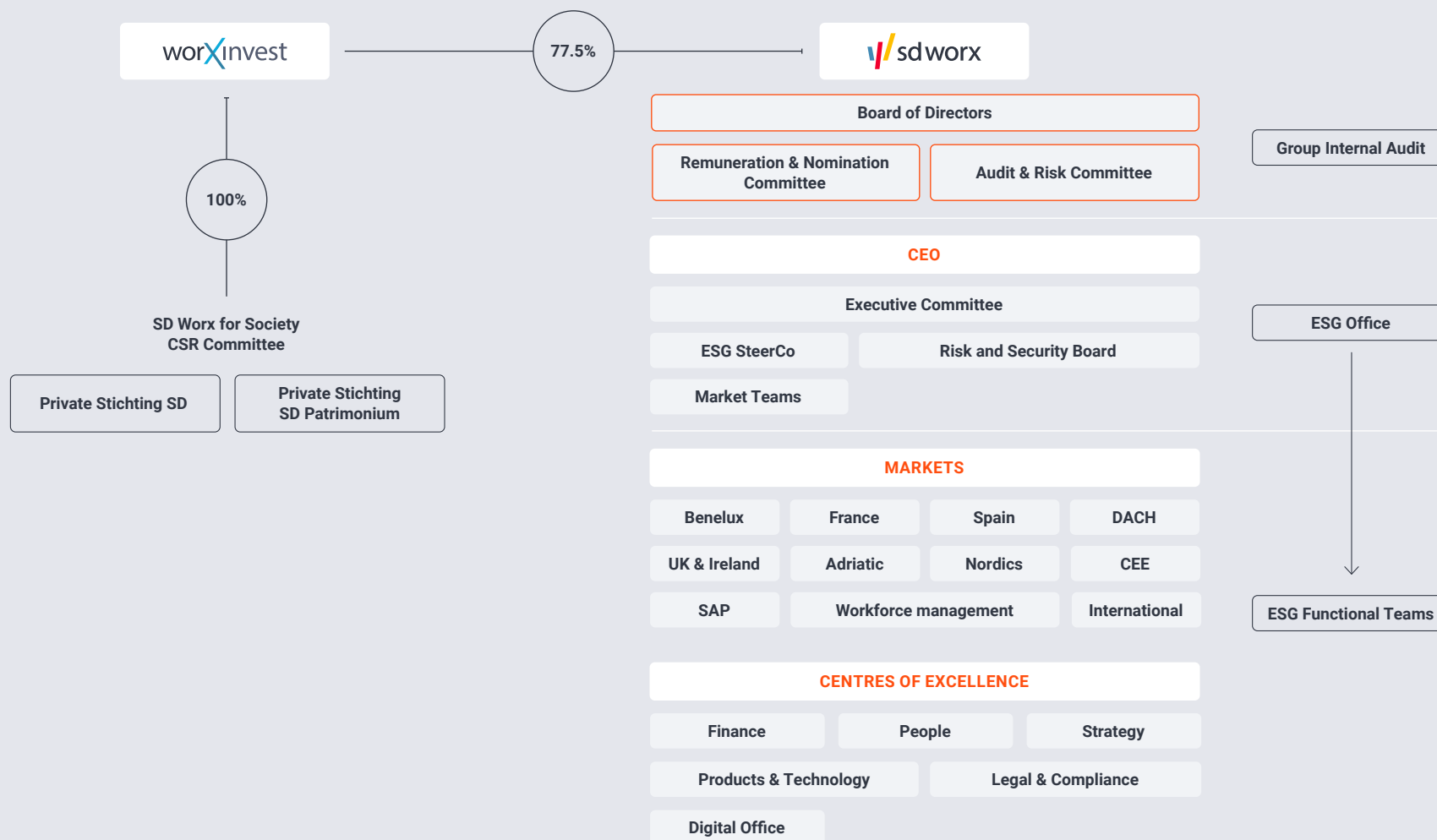
ESG Steering Committee

The committee meets quarterly to review progress on ESG targets, discuss emerging risks and align the organisation on key priorities. Members include senior leaders from various areas within the company.

ESG Office

The ESG Office is responsible for:

- leading double materiality and risk assessments
- coordinating regulatory compliance and disclosures
- managing ESG data collection, controls and reporting
- driving awareness and communication in alignment with brand and corporate communications
- supporting cross functional ESG working groups
- coordinating with functional owners to ensure progress on key actions and consistency across the Group.



Collaboration and dialogue

ESG is embedded throughout SD Worx via structured dialogue and engagement:

- **Board of Directors** – strategic ESG sessions and presentations.
- **Executive Committee and senior leadership** – departmental ESG reviews and sounding boards.
- **Employees** – awareness sessions, DEIB training, engagement surveys.
- **External stakeholders** – ESG reporting, investor briefings and community initiatives.

Dedicated ESG working groups – Environment, People, Governance and Portfolio – drive cross-functional collaboration and ensure ownership within each focus area. These groups work alongside the ESG Steering Committee to implement initiatives such as structured reporting frameworks and ESG due diligence in M&A transactions.

ESG dialogue

Stakeholder	Dialogue
Board of Directors	ESG strategic sessions and presentations
Executive Committee / Senior Leadership	ESG strategic sessions and department presentations, sounding boards
Audit & Risk Committee	Recommends ESG strategy, policy and practices; oversees reporting standards and safeguards assurance; informs the Board on ESG matters with respect to business practice, performance and change
ESG Steering Committee	Holds quarterly meetings to propose and validate ESG strategy framework and actions
ESG Office	Provides a weekly progress update on the ESG roadmap, key performance indicators and sharing of best practices
ESG Functional Teams	Offers a monthly alignment on objectives, actions and dependencies to execute the ESG roadmap
CSR Committee	Holds biannual meetings relating to CSR decisions/SD Worx Fund
Participating, M&A transaction (Investment Team)	ESG due diligence, questionnaires, synergy/cultural fit check
SD Worx employees	Regular department meetings, presentations, awareness sessions; social impact matrix communication; engagement surveys, DEIB trainings and workshops
General public	ESG reporting, social matrix actions and communication
Investors / Shareholders	(Non-)financial results briefing, investor presentations, General Assembly

Integration of sustainability-related performance in incentive schemes (GOV-2)

SD Worx integrates sustainability-related performance into its executive incentive structures by linking variable remuneration for Excom members and Spark leaders (managers reporting to Excom) to employee engagement. In 2025, SD Worx transitioned from using the Employee Net Promoter Score (eNPS) for variable remuneration to the Employee Engagement Index (EEI), a core social sustainability indicator, to foster a more comprehensive understanding of employee sentiment, wellbeing and organisational culture.

The EEI was already actively used in the business to form a qualitative component within the variable pay framework, ensuring that leadership incentives are directly influenced by their contribution to fostering an engaged, inclusive and people-focused working environment. While the Board of Directors does not have sustainability-linked variable remuneration, the inclusion of the EEI for senior leadership is a material step in aligning compensation with SD Worx's sustainability and people-first ambitions.

Statement of Due Diligence (GOV-3)

SD Worx operates a sustainability due diligence process aligned with ESRS. The process covers the identification and assessment of actual and potential human rights and environmental impacts across our own operations and the value chain. It also covers the prevention and mitigation of adverse impacts, the tracking of effectiveness and remediation where required. Outcomes of our double materiality assessment determine scope and prioritisation. The process is integrated with our ERM (Enterprise Risk Management) to ensure escalation and monitoring alongside other Group risks. It is consistent with the UN Guiding Principles on Business & Human Rights and the OECD Guidelines for Multinational Enterprises.

Governance, policies and roles

Sustainability due diligence is anchored in our Code of Conduct, Labour & Human Rights, Security & Privacy and Procurement policies. Oversight of due diligence sits with the Board, (ARC) and Excom. Day to day coordination is led by the Group Internal Control & Compliance and ESG Office with Risk & Security, Privacy, Legal and Procurement. Evidence and attestations are available in the Trust Centre/Assurance pack (see annex Attestations).

Value chain due diligence (suppliers and partners)

Our sustainability due diligence process covers identification, assessment, mitigation and remediation of impacts in our operations and value chain. We apply pre engagement screening, contractual ESG/privacy/security obligations, periodic reviews and targeted audits under a third party assurance framework. Corrective action plans are required where gaps are found. Coverage and results are tracked and disclosed with the relevant topical standards. We also conduct risk based on site supplier audits to verify adherence to environmental, social, business conduct, security and privacy requirements, aligned to ISO 14001, ISO 27001 and ISO 27701 where applicable.

Grievance and remedy

Employees can raise concerns through confidential speak up/ complaint channels. Allegations are investigated, outcomes recorded and remediation tracked to closure; material issues are escalated via ERM. Channel description and metrics are reported in G1 and S1-2 and S1-16.

Risk management and internal controls for sustainability reporting (GOV-4)

SD Worx's risk appetite varies according to the activity undertaken and our strategic priorities. The Board sets the risk appetite through a risk appetite statement: the Audit & Risk Committee and Executive Committee oversee adherence. Group top risks are consolidated annually for Excom monitoring and ARC review. Entity risk registers are also regularly reviewed. The risk appetite applies consistently across SD Worx and to key partners and suppliers.

Risk management model

SD Worx believes that good risk management leads to better operational and commercial decisions, fostering a growing, resilient and sustainable business. SD Worx operates under the 'Three Lines Governance Model' to ensure strong governance and risk management practices.

- **First line – Operational teams:** the teams that deliver SD Worx products and services to our customers and their support functions serve as our first line. They own and manage risk, maintain effective internal controls, and implement risk and control procedures for the delivery of services to our customers.
- **Second line – Specialist oversight functions:** our specialist functions, such as Enterprise Risk Management, legal, cybersecurity, data protection, internal control and compliance, which support the management of risk and our internal control environment, serve as the second line. They provide complementary expertise, ensure that risk levels remain within the risk appetite set by the Board, and report on the adequacy and effectiveness of risk management.
- **Third line – Internal Audit:** Group Internal Audit serves as the third line, providing independent, reasonable assurance and advice on governance, risk management and internal controls to support the achievement of our objectives.

Three Lines Model



Time horizons

We assess impacts, risks and opportunities over defined horizons within our corporate DMA (Double Materiality Assessment) process coordinated by the ESG Office: short-term (≤ 12 months), medium-term (2–3 years) and long-term (4–10 years). These horizons are used consistently across our enterprise risk assessments, double materiality follow-ups and strategy reviews. Enterprise risks are assessed on a 5-year horizon. Prioritisation combines inherent likelihood, inherent impact and control effectiveness. Based on these criteria, risks are prioritised to be either remediated, monitored, accepted or optimised. This approach is consistent with the principles of COSO ERM and ISO 31000.

Business model and value chain integration

Risk identification and control design are embedded in our business model and value chain through privacy/security by design, operational controls (including Business Continuity Management and incident response) and supplier due diligence and contractual controls. The risk process (identify → assess → prioritise → respond) is applied consistently across entities and functions.

Stakeholder input

Insights from our DMA and ongoing stakeholder engagement (customers, employees, regulators, suppliers) feed into risk identification and treatment plans. These inputs are reflected in risk registers, control enhancements and policy updates, ensuring that our risk profile remains aligned with stakeholder expectations and emerging issues.

Linkage of IROs to key risks

SD Worx aligns its material Impacts, Risks and Opportunities (IROs) with the enterprise risk register. Based on our DMA, the material topics (E1 Climate, S1 Own workforce, S4 Consumers & end users, G1 Business conduct) are mapped to the Group's key risk areas. Where IROs exceed escalation thresholds, items are raised to entity risk registers and, if relevant, consolidated as Group Top Risks for Excom monitoring and Audit & Risk Committee oversight. Climate related IROs follow our TCFD approach as detailed in the annex.

Key risks aligned with material topics

SD Worx is exposed to various risks in the normal course of business that could have a material adverse effect on its results. We manage these risks as well as possible through our risk management system. The table below highlights the most significant risks, these are neither ranked nor exhaustive.

Key risks aligned with material topics

Key risk and IRO reference	Description and impact	Mitigation
<p>Macroeconomic unpredictability and volatility</p> <p>SBM-3 interaction/financial effects</p>	<p>HR activity is highly correlated with economic activity. General uncertainty about the economic outlook, weak European growth and rising geopolitical tensions create a volatile environment. Although unemployment rates in the EU remain at record lows, this volatility could lead to the postponement of further hiring or even downsizing by our customers, which in turn could have a negative impact on our results.</p>	<p>SD Worx is closely monitoring market conditions and is prepared to respond quickly to changes. We have a strong balance sheet and financial position. Our agile processes allow us to act quickly and shift priorities as volatile market conditions require.</p>
<p>Talent attraction and retention</p> <p>S1 Own workforce – working conditions, DEIB, skills and training</p>	<p>Given our people-focused business and the current competitive labour markets and 'war for talent', our ability to attract and retain the right people is critical. Failure to continue to attract the talent to support SD Worx's rapid growth could impact operational efficiency and our ability to deliver, resulting in sub-optimal results.</p>	<p>SD Worx is proud of its strong culture and values. Employee engagement is a key metric that is actively monitored throughout the year through work and engagement surveys. As an end-to-end HR provider, we are constantly striving to promote innovation in HR practices and to apply new HR concepts within our own organisation as quickly as possible</p>
<p>Cybersecurity</p> <p>S4 Information related impacts on customers/end users; G1 Business conduct – data privacy and cybersecurity</p>	<p>The rapid proliferation of new vulnerabilities, the use of cyber weapons to cause operational disruption or compromise data and the ever-increasing damage caused by ransomware attacks, keep cyber risk high on the agenda. As technology and data are core business enablers for SD Worx, cybersecurity attacks resulting in HR data breaches can disrupt business operations and have significant reputational and financial implications.</p>	<p>Processes are in place to prevent and detect cybersecurity threats on a 24/7 basis, and security controls are embedded in our IT environment.</p> <p>A comprehensive threat and vulnerability management programme aims to identify and manage new vulnerabilities on time.</p> <p>With our group-wide ISO 27001 certification as the basis, we are continuously improving our cybersecurity capabilities and our capabilities to withstand cyberattacks.</p>
<p>Disruptive technology</p> <p>G1 (responsible tech conduct), S4 (algorithmic impacts on customers), GOV 1 (AI governance oversight)</p>	<p>The tremendous speed of the continued growth of generative AI and the further development of other frontier technologies such as quantum computing can lead to adverse outcomes that negatively impact our business.</p> <p>New, innovative platforms making use of cutting-edge technology can change business dynamics and the way companies manage their workforces. Failure to respond in time could affect the bottom line or even the viability of certain businesses.</p>	<p>SD Worx is investing heavily in new digital solutions through a large R&D budget, including advanced new technologies such as artificial intelligence (AI). We continuously scan the market for new trends and solutions through our Market Research and Intelligence team and use this information to strengthen our processes and products.</p>

Key risks aligned with material topics

Key risk and IRO reference	Description and impact	Mitigation
<p>Legal compliance with labour and tax regulatory frameworks</p> <p>G1 Business conduct (compliance); S1 Own workforce (compliance aspects)</p>	<p>The COVID-19 pandemic led to an increase in tax and subsidy regulations, making payroll processing more complex. Complexity is also increasing in Eastern European countries as they become more regulated. Failure to comply with regulatory changes can lead to an increase in claims, which in turn can have a significant impact on our financial results.</p>	<p>SD Worx has a knowledge centre of legal experts and specialists who monitor laws, decrees and regulatory changes issued by social security and tax authorities. We do not wait for a regulatory change to be enacted but proactively seek information to analyse the impact of such changes at an early stage. A dedicated Knowledge Tools team develops solutions to ensure that we can efficiently communicate new content and regulatory changes to both our employees and our customers.</p>
<p>Workforce</p> <p>Compliance aspects</p>	<p>An increase in claims, which in turn can have a significant impact on our financial results.</p>	<p>SD Worx has a knowledge centre of legal experts and specialists who monitor laws, decrees and regulatory changes issued by social security and tax authorities. We do not wait for a regulatory change to be enacted but proactively seek information to analyse the impact of such changes at an early stage. A dedicated Knowledge Tools team develops solutions to ensure that we can efficiently communicate new content and regulatory changes to both our employees and our customers.</p>
<p>Data protection regulations</p> <p>G1 Business conduct: data privacy; S4 Consumers/end-users</p>	<p>SD Worx processes large amounts of personal data. As the risk of cyber-attacks increases, so does the risk of personal data breaches and data-related litigation. Customers' desire to maximise the benefits of data insights further increases these risks.</p> <p>Overall, SD Worx is exposed to a higher risk of non-compliance, which can result in significant claims, fines and reputational damage.</p>	<p>We have a dedicated Privacy and Data Protection team who, together with our Group Data Protection Officer, ensure compliance with data protection regulations.</p> <p>SD Worx has invested in an ISAE 3000 assurance report to demonstrate GDPR compliance for the processing activities we carry out for our customers.</p>
<p>Supply chain resilience</p> <p>G1 2 Supplier relationship management, S4 Consumers/end-users</p>	<p>Environmental, social and governance (ESG) factors are increasingly driving investor and customer preferences, making sustainability/transition risk management critical to SD Worx's continued growth. Failure to implement robust policies and processes for all components of sustainability that can meet stakeholder expectations can lead to a loss of confidence among prospects and investors, and ultimately slower growth and lower performance.</p>	<p>Through appropriate ESG governance structures and dedicated ESG working groups, we continuously track ESG reporting standards and EU/global legislation. SD Worx already complies with ESG reporting frameworks such as GRI, which are largely aligned with approved EU reporting standards. We do not just want to comply with new standards; we want to be inspired by ESG and support our customers with ESG-inspired offerings.</p>
<p>Sustainability/ESG transition</p> <p>E1 Climate (material) → transition & physical risks; G1 (business conduct)</p>	<p>Environmental, social and governance (ESG) factors are increasingly driving investor and customer preferences, making sustainability/transition risk management critical to SD Worx's continued growth. Failure to implement robust policies and processes for all components of sustainability that can meet stakeholder expectations can lead to a loss of confidence among prospects and investors, and ultimately slower growth and lower performance.</p>	<p>Through appropriate ESG governance structures and dedicated ESG working groups, we continuously track ESG reporting standards and EU/global legislation. SD Worx already complies with ESG reporting frameworks such as GRI, which are largely aligned with approved EU reporting standards. We do not just want to comply with new standards; we want to be inspired by ESG and support our customers with ESG-inspired offerings.</p>

Financial effects & resilience

For the year 2025, SD Worx has not identified any separately quantifiable financial effects of sustainability related risks or opportunities due to data limitations and measurement uncertainty. Qualitatively, cybersecurity/privacy, workforce wellbeing and climate transition may influence revenue resilience, operating costs and capital allocation. Note 27 in the consolidated financial statements provides further information on the management of financial risks, in particular foreign exchange risk, credit risk, interest rate risk and liquidity risk concerning the Group's financial liabilities.

Internal controls for sustainability reporting

SD Worx applies a formal internal control framework for sustainability reporting. Topic owners are accountable for data definitions and first line validations; the ESG Office consolidates data and performs consistency and plausibility checks and performs second line quality reviews; and Internal Audit conducts assessments by request.



Data privacy and cybersecurity

As a global provider of HR and payroll services, we handle sensitive information daily. This data belongs to employees, customers and suppliers. This responsibility drives our commitment to maintaining the highest standards of information security and compliance.

Scope and boundary

Our security and privacy policies apply across the entire value chain, covering suppliers, outsourcing partners and technology providers. We enforce these requirements through contractual obligations, pre engagement due diligence and continuous monitoring, supported by corrective action plans where necessary (see G1, MDR P).

We integrate security and privacy into all products and operations through a Group wide governance framework built on ISO 27001 (ISMS) and supported by privacy management, incident response and Business Continuity Management (BCM) and Disaster Recovery (DR) policies. Governance oversight rests with Excom, while second line functions – including Risk & Security, Privacy/Legal and Compliance – provide monitoring and advisory support. Internal Audit delivers independent assurance, and escalation follows the ERM process described in the Risk chapter.

Our Group policies cover information security, data protection, incident response and business continuity and disaster recovery. External certifications and assurance mechanisms, such as ISO 27001/27701 and ISAE 3402/3000, are referenced in the annex.

Third-party due diligence

Our requirements apply to the entire value chain. Before engagement, suppliers and partners undergo screening (privacy, security and ESG) and accept contractual obligations; we monitor performance, conduct targeted audits and issue corrective action plans where needed. This is followed up by a dedicated Third-Party Assurance team.

Actions and controls (MDR A).

- Security by design/privacy by design in products and change processes
- 24/7 monitoring and incident response, vulnerability management and patching
- Third party due diligence and contractually binding privacy/security clauses
- BCM/DR testing; regular internal/external audits
- Mandatory information security and privacy training for all employees

Targets & metrics

Our data privacy and cybersecurity targets are crucial part of our governance strategy. Targets are built to be simple to grasp and easy to verify. Unless stated otherwise, these cover the entire Group and are reported annually. For the ISO 27001 target, recent acquisitions are excluded until formally onboarded.

To reflect the proportion of colleagues covered in countries of different sizes, we apply FTE weighting. We also follow the auditor's own severity scale, meaning that a 'major' finding corresponds to the level classified as major by Internal Audit or by our external certifier.

Governance targets

Long-term target	Action	Target	2025 result
Strengthen risk management	Conduct regular risk assessments aligned with policy	80% coverage of critical business units by Q4 2026	In progress – not yet measured in 2025
Maintain GDPR compliance	Develop and maintain a compliant privacy management system	0 major audit findings in 2026	0 major audit findings in 2025
Avoid GDPR penalties	Enhance GDPR controls and monitoring	0 GDPR fines in 2026	0 GDPR fines in 2025
Improve information security	Maintain and expand ISO 27001 coverage	90% of the workforce covered by end of 2027	92% of the workforce covered (FTE-weighted; 2025)
Achieve NIS2 compliance	Implement NIS2 requirements across all countries	0 major audit findings on material non-compliance with NIS2 requirements	In progress in 2025
Build a security aware culture	Cyber and data protection awareness programme with annual training for all employees	>95% training completion in 2026	88% training completion in 2025

Risk linkage

Privacy and cybersecurity risks identified in our DMA are managed through the ERM process in the Risk chapter and cross referenced in the TCFD annex (integration into overall risk management).

Our privacy and security strategy includes:

- 24/7 monitoring and incident response
- Vulnerability scanning and patch management
- Security by design and privacy by design principles
- Annual business continuity and disaster recovery testing
- Regular external and internal audits
- Mandatory information security and privacy training
- Clear incident response and escalation workflows

Certifications and assurance

Our commitment is validated through multiple certifications and attestations:

- ISO 27001 for information security management.
- ISO 27701 for privacy management.
- ISAE 3000 for GDPR compliance.
- ISAE 3402 for payroll outsourcing and SaaS services.

More information can be found in the annex.

Looking ahead

As the use of artificial intelligence accelerates, we also recognise the growing importance of AI specific security and privacy safeguards, including model governance, responsible data use and protection against new forms of cyber risk. By prioritising security and privacy across both traditional systems and emerging AI driven environments, we not only protect data, but also uphold the trust that our customers, employees and partners place in us.

Responsible AI

AI supports secure, efficient, future ready HR & payroll services. Our approach emphasises human oversight, fairness, accountability, GDPR compliant data protection and the transparent use of AI. Responsible AI is integrated with our cybersecurity and ethical business conduct. (See S4 for customer facing policies, engagement and remedy channels.)

Scope and boundary

The scope of responsible AI reporting includes SD Worx's own operations and third party AI systems that the Digital Office has formally approved.

The reporting boundary follows the principle of operational control. Material value chain elements, specifically AI vendors and technology providers, are addressed through contractual requirements, privacy and security due diligence and third party assurance. These elements are reflected qualitatively in the disclosure where relevant.

Governance and oversight

Oversight is provided by AI Legal and Compliance, managing risk classification, system approvals and policy updates, and reports at least twice a year to the Executive Committee and the Audit & Risk Committee (ARC). The Digital Office maintains the official registry of approved AI systems and defines the conditions under which they may be used.

Employees are required to use approved AI systems as their primary option. The use of public AI tools is only allowed under strict conditions and is never permitted for processing customer data, confidential information or proprietary content.

Process to identify, assess and manage AI impacts, risks and opportunities

SD Worx applies a risk-based classification and lifecycle approach aligned with the EU AI Act and embedded in our AI Policy. Our process covers the full AI lifecycle and includes:

1. Use case registration and documentation to ensure traceability and a consistent assessment basis.
2. Human in the loop verification for all significant or consequential decisions.
3. Governance of approved tools, maintained through the Digital Office's registry and defined usage conditions.
4. Privacy and security assessments, ensuring appropriate safeguards and alignment with GDPR and security standards.
5. Post deployment monitoring, covering issues, incidents, user feedback and model performance.

Outputs from these activities feed into the ERM cycle and inform our DMA refresh, helping to identify material AI related impacts, risks and opportunities.

Policies, actions, targets and metrics

SD Worx maintains a coherent set of policies, guidance and controls to ensure responsible, compliant and trustworthy AI.

- Artificial Intelligence policy – defines the scope, roles and responsibilities, decision rights and lifecycle controls, including registration, risk classification, approval requirements, human oversight and transparency.
- Information Security and Privacy policy – sets out ISMS and privacy management principles, including alignment with GDPR and NIS2 requirements where applicable.
- AI usage guidelines – provide practical rules for employees (e.g. no sensitive data in public tools, critical assessment of outputs) and reflect EU-trustworthy AI principles. They complement the AI Policy, Security & Privacy Policy and the Code of Conduct.
- Code of Conduct and Whistleblowing; Labour & Human Rights policy – outline expected ethical behaviour, fair conduct, grievance mechanisms, remedy and reporting channels.
- Data Processing and Contractual Controls – Establish privacy by design requirements and data use restrictions for AI vendors and third party tools.

Action and continuous improvement

We maintain a structured approach to responsible AI through clear governance, mandatory registration and ongoing risk management. All AI use cases must be registered, risk assessed and approved. We ensure that all impacted roles receive appropriate training, and we expect our suppliers to be aligned with our standards through privacy-by-design expectations, EU AI Act readiness and the data-use safeguards embedded in our DPAs and MSAs.

The EU AI Act

We identify and classify our AI use cases and keep the required technical documentation up to date. We manage risks throughout the entire lifecycle of each system, from design and development to deployment and ongoing monitoring. We apply strong data and model governance, including checks for bias and model drift. We ensure appropriate human oversight and meet the EU AI Act's requirements for accuracy, robustness, cybersecurity, logging and post market monitoring.

When we act as a provider of high risk AI systems, we prepare for the required conformity assessments. When we act as a deployer, we follow the deployer obligations and verify that the provider has met their responsibilities.

Customer transparency, ways to challenge decisions and remedy channels are described in S4. Governance roles and meeting cadence are reported in GOV 1, while the ERM approach is covered in IRO 1. These chapters complement our AI specific transparency and operator duties aligned with the EU AI Act.

Ethics, security and transparency

We do not use automated decision making for critical HR processes such as recruitment, promotions or performance evaluations. We avoid prohibited or high-risk practices, such as biometric categorisation, emotion analysis or anything that could lead to discrimination or social scoring.

Only approved AI systems are allowed to handle sensitive or confidential data.

We commit to explainability and transparency: whenever AI provides significant assistance, this is clearly disclosed, and all outputs must remain verifiable and accountable.

These principles are connected to our broader frameworks: customer engagement and remedy processes in S4, responsible business conduct in G1, people and training commitments in S1, environmental impacts of digital operations in E1, and enterprise risk management in the Risk chapter.

AI's Impact on ESG

Environmental

We use AI where it delivers measurable value – better insights, scenario modelling and operational efficiency – while avoiding unnecessary processing. This supports lower energy use and more sustainable digital operations, aligned with our environmental goals (see E1).

Social

AI improves accessibility, learning and productivity by reducing repetitive tasks, while human oversight remains mandatory. We do not use automated decision making in HR critical areas and prohibit practices that risk discrimination (see S1 and S4).

Governance & trust

Our lifecycle controls are EU AI Act aligned (registration, approval, documentation, data/model governance, monitoring), with a Group AI registry, clear rules for public tools, transparency/disclosure of significant AI assistance and oversight via Excom/ARC (see GOV 1 and IRO 1).

Strategy & general disclosures



Sustainability strategy, business model and value chain (SBM-1)

Sustainability is an integral part of how SD Worx creates value as a software and services driven HR and payroll provider. We operate a service based business model without production activities and with very limited or no exposure to high risk sectors such as fossil fuel extraction, chemicals manufacturing, tobacco or controversial weapons. We serve customers across many industries; where customers operate in higher risk sectors or jurisdictions, our exposure is indirect and limited to service delivery and is managed through sanctions screening and other third party controls.

Our value creation depends on our people, technology platforms, office infrastructure, supplier network and the diverse customers we serve across industries. Expectations for ethical, legal and responsible conduct are embedded in our Code of Conduct and Supplier Code of Conduct, which apply to all external partnerships and sourcing activities.

Our sustainability strategy is grounded in the Double Materiality Assessment (DMA). The DMA identifies where our activities generate the most significant actual and potential impacts and where sustainability matters are most likely to influence SD Worx's performance, development and position. Methodological details are provided under IRO 1-2, governance roles and responsibilities under GOV 1/GOV 4, and climate specific strategic considerations under E1, with TCFD mapping available in the annex.



ESG ambition, targets and strategic direction (GDR-T)

Guided by our DMA, we focus on climate action and environmental responsibility, a safe and inclusive workforce, trustworthy data privacy and cybersecurity, and responsible business conduct. We commit to measurable 2030 ambitions, continuous improvement and transparent reporting in line with ESRS. Progress on environmental, social and governance targets is detailed in chapters E1 6, S1 4/S4-4 and G1-3.

Key 2030 ambitions

Environment

- Reduce GHG emissions by at least 55% by 2030, aligned with the EU Green Deal.
- Submit near-term targets to SBTi in 2026.
- Transition to 100% electric vehicles by 2030 (Belgium).
- Move to 100% renewable electricity across all facilities by 2030.
- Engage suppliers through emission reduction plans and encourage SBT commitments.

Social

- Strengthen wellbeing, safety and inclusion through comprehensive DEIB programmes.
- Increase our employee Net Promoter Score (eNPS) and exceed an EEI benchmark of 4.0 by 2030.
- Improve customer experience and achieve a relational NPS target of +15 in 2026.
- Ensure fair labour practices and advance Pay Transparency.
- Boost training and development to support skill based career paths.
- Reduce work related accidents and injuries.

Governance

- Strengthen Board diversity and uphold high governance standards.
- Maintain and improve the EcoVadis Silver Medal rating achieved in 2025.
- Maintain at least 90% coverage of the workforce with ISO 27001 certification (as our organisation and certification scope continue to expand).
- Achieve a ≥95% completion rate for mandatory Code of Conduct, Security and Privacy training, year-on-year, including new joiners and scope expansions.
- Maintain zero fines for GDPR breaches.

SDGs and sustainability rating

In 2025, SD Worx underwent its annual independent sustainability assessment by EcoVadis, the most trusted global rating platform for evaluating ESG performance in service organisations.

This year, SD Worx is proud to have achieved the EcoVadis Silver Medal, reflecting our strengthened environmental, social and governance practices and our commitment to continuous progress.



Our public accountability is further reinforced through our ongoing participation in the UN Global Compact. As a signatory, we commit to integrating the 10 UN principles covering human rights, labour, environmental protection and anti corruption into our strategies, policies and daily operations. Our public profile is available at [SD Worx | UN Global Compact](#), and an overview of the 10 principles can be found at [The Ten Principles | UN Global Compact](#).



We continue to support and contribute to selected Sustainable Development Goals (SDGs) that align closely with our business model and areas of impact.



Policies supporting the strategy (GDR-P)

Our policies reflect our core values: responsible growth, integrity, respect for people and care for the planet. They guide operations across the Group and shape expectations for customers, partners and suppliers.

Environmental policies

These policies (e.g. Waste Management policy) set out how we reduce emissions, manage travel responsibly, minimise waste and integrate environmentally conscious decisions into daily operations.

Social policies

Our Labour & Human Rights policy is our main human rights commitment, aligned with:

- UN Guiding Principles on Business and Human Rights
- ILO Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises

It works alongside our Code of Conduct, DEIB commitments, Health & Safety approach and temporary worker policy.

Governance policies

SD Worx maintains a robust governance framework that supports secure, ethical and responsible business conduct. Our commitment to trustworthy digital services is reflected in our information security and privacy practices, including an ISO 27001 aligned Information Security Management System, cybersecurity controls and privacy by design principles. Ethical behaviour is guided by our core policies, such as the Code of Conduct, Anti Bribery and Corruption Policy, AML/CTF framework, whistleblowing framework and Procurement Policy, which promote integrity, transparency and compliance across all operations. We further extend responsible practices into our value chain through the Supplier Code of Conduct and a structured third party assurance approach, ensuring that our suppliers uphold high ethical, social and environmental standards.

Scope, ownership and monitoring

Policies apply Group wide unless specified and extend to partners and suppliers through contractual clauses.

- Oversight: Board/ARC
- Execution: Excom and ESG Steering Committee
- Coordination: ESG Office

Monitoring includes internal controls, training completion, incident and complaint handling, and supplier remediation.

Actions and resources to implement the strategy (GDR-A)

To deliver on our sustainability strategy, SD Worx invests in targeted actions across climate, digital trust, people and responsible business conduct. These initiatives are enabled by dedicated resources, clear governance and robust monitoring mechanisms.

Climate and environmental action

We invest in renewable electricity, electric mobility, energy efficient buildings and supplier engagement programmes. These actions are supported by dedicated CapEx/OpEx in facilities, fleet and energy efficiency projects.

Protecting the data entrusted to us

We maintain strong cybersecurity and privacy controls, continuous monitoring, security by design principles and regular training. Investments include tools, systems and specialised expertise, supported by external assurance and certifications.

Supporting our people and fostering inclusion

Our initiatives support pay transparency, wellbeing, DEIB programmes, internal mobility, learning & development and health & safety. Resources include dedicated teams, training programmes and employee engagement structures.

Upholding responsible business conduct

Ethical behaviour is reinforced through annual training on our Code of Conduct and Anti Bribery/Anti Money Laundering (ABC/AML) policies, robust complaints handling procedures, supplier due diligence and strengthened contractual audit rights. These measures ensure integrity across our value chain and support compliance with regulatory and ethical expectations.

Methods and scale

All actions are prioritised using our Enterprise Risk Management (ERM) and Double Materiality Assessment (DMA) processes. We monitor coverage, maturity and outcomes across initiatives to ensure they are managed effectively and deliver measurable progress.

Metrics, methodology and controls (GDR-M)

Key metrics

- Diversity across the workforce and leadership
- Employee and customer engagement (eNPS, EEI, NPS)
- Participation in compliance, privacy, security and ESG training
- ISO 27001 coverage
- GHG emissions (Scopes 1, 2 and material Scope 3)
- Energy consumption and renewable electricity share
- Wellbeing and safety indicators

Methodology and controls

Environmental data are calculated using the GHG Protocol and consolidated under the financial control approach. Privacy, security and health & safety metrics follow Group policies and undergo both first line validation and second line checks. External ISO and ISAE attestations are provided in the annex, reinforcing transparency and reliability of the reported information.

Targets, baseline and milestones

Targets are summarised in the Strategy and General Disclosures section and further details are provided in the relevant topical chapters. Unless otherwise stated, these apply Group wide with a 2024 baseline. Progress and interim milestones will be reported annually.



Interests and views of stakeholders (SBM-2)

SD Worx engages with a broad community of stakeholders whose perspectives shape our priorities and inform our understanding of impacts, risks and opportunities. In line with ESRS 2 and our DMA process, we distinguish between stakeholders affected by our activities and those who use our sustainability disclosures.

Our affected stakeholders include employees, customers and end users, suppliers and business partners, and workers across our value chain. We also consider users of sustainability statements, such as shareholders and investors, social partners and trade unions, regulators and public authorities, who rely on transparent information to assess our performance.

We maintain continuous dialogue with these groups through structured engagements, surveys, interviews and ongoing feedback loops. Across these channels, stakeholders emphasised both the financial and nonfinancial value SD Worx creates, while also expressing growing expectations for transparency in how this value is delivered and distributed. Their perspectives directly informed the 2024 DMA, which confirmed six material matters: climate change mitigation; working conditions; diversity, equality and inclusion; data privacy and cybersecurity; corporate culture; and information-related impacts for consumers and end users.

Insights gathered through stakeholder engagement flow into dedicated topic owners, who translate them into concrete actions and plans. The ESG Office and the ESG Steering Committee consolidate inputs and steer priorities and resources across the organisation. An oversight of escalated impacts, risks and opportunities is provided by the Executive Committee, the Audit & Risk Committee and the Board, ensuring that stakeholder expectations are reflected in both our strategy and our business model.

Economic value for stakeholders

To complement our qualitative insights, the following table illustrates how economic value is created and shared with our key stakeholder groups. These figures are based on audited financial statements and confirm that most of our revenues are distributed to employees in the form of wages and benefits, with substantial value also flowing to governments (taxes), suppliers, lenders and shareholders. Methodology and financials refer to the consolidated financial statements.

Economic value (in million EUR)

	Stakeholder	Measurement	2024	2025
Economic value generated	Customer	Revenue	1,180,320	1,306,687
	Supplier of goods & services	Operating costs	175,024	195,599
Economic value distributed	Employees	Employee wages and benefits	794,067	871,293
	Supplier of goods & services	Payment to providers of capital	127,792	152,235
	Society	Payment to governments (taxes)	20,322	25,448
	Society	Community investments/CSRD	4,037	5,779
Economic value retained		Direct economic value generated' less 'economic	59,078	56,333

Source: audited financial statements and managed accounts Payments to government (taxes) do not contain social security taxes, which are part of Employee wages and benefits. Likewise, other taxes, such as property taxes and local municipality taxes, are part of Operating costs Community investments consist primarily of sponsorship and donations.

Double Materiality assessment (DMA) (SBM-3, IRO-1/2)

This chapter links material impacts, risks and opportunities (IROs) to our strategy and potential financial effects, outlines our process and outcomes, and sets out next steps for 2026 planning.

Interaction of material impacts, risks and opportunities with strategy and business model, and financial effects

Our six material sustainability matters – climate change mitigation, working conditions, diversity, equality & inclusion, data privacy & cybersecurity, corporate culture and information-related impacts for consumers and end users – guide where we focus management attention, investments and ESG targets. These are the matters validated through the Group DMA and used to scope our ESRs disclosures.

Financial effects and resilience

This section presents SD Worx's current view of financial effects from material sustainability matters and how those insights inform the resilience of our strategy and business model. Detailed climate related risks, opportunities and scenario set up are disclosed in E1-11; this chapter summarises the resulting financial effects and their use in management processes.

Climate related financial effects

In 2025, we began identifying quantifiable financial effects of climate related risks using Average Annual Loss (AAL) modelling. The modelling provides initial decision support ranges for potential property damage and business interruption impacts under selected scenarios. Using the AXA Climate methodology, the current run provides early insight into potential financial impacts over time and constitutes our first set of quantified climate related financial effects. More info can be found in E1-11. The results are used as inputs for the annual planning and risk appetite described in GOV-4.

Resilience of strategy and business model

Insights from the climate analysis inform our assessment of revenue and cost resilience, including the potential effects of a transition and any physical risks that may influence operational continuity and cost structures over time. These inputs are integrated into budgeting, location and continuity planning, along with the calibration of risk appetite described in SBM 3. Climate risks are also tackled under Environment.

Opportunities and other material sustainability matters (non climate)

Sustainability trends also create opportunities for SD Worx – for example, the growing demand for trusted payroll and HR services that embed privacy-by-design, regulatory compliance support and lowering the footprint of digital delivery – supporting product differentiation and customer retention (see SBM-1).

For data privacy & cybersecurity, own workforce impacts, DEIB and corporate culture, quantified financial effects are not yet available due to data limitations and measurement uncertainty. Where relevant impacts exist, we monitor them qualitatively within SBM 3 (e.g. potential influence on revenue resilience, operating costs, talent retention and capital allocation) while underlying data and estimation methods mature. We will reassess quantification as methodologies and data quality improve. For climate specific opportunities, scenarios and financial effects, see E1.

Process to identify and assess material impacts, risks and opportunities

In 2024, SD Worx carried out its first Group-wide Double Materiality Assessment (DMA) in line with CSRD requirements. The DMA provides an evidence-based view of sustainability topics from two angles: impact materiality (our effects on people and the environment) and financial materiality (how sustainability matters may affect SD Worx's long-term enterprise value). It now functions as a strategic tool for setting ESG priorities, managing risks and opportunities, and determining our ESRS reporting scope.

The DMA followed a structured methodology, starting with a long list of potential sustainability topics compiled from ESRS 1, peer benchmarks, sector insights and regulatory developments. We then assessed these topics through three key steps:

01

Impact and financial materiality scoring – each topic level IRO was evaluated for severity, likelihood, the effectiveness of existing controls and SD Worx specific contextual factors.

02

Stakeholder engagement – employees, customers, suppliers and social partners were consulted through surveys and interviews, helping validate and refine internal assessments.

03

Validation and thresholds – the ESG Steering Committee and Executive Committee reviewed and confirmed the results. Materiality thresholds were applied based on scoring scales and SD Worx's risk appetite. Value chain impacts were included whenever exposure was identified as material.

The final DMA results define the scope of our CSRD/ESRS reporting. The assessment is a living process and will be reviewed periodically to ensure it reflects evolving expectations, risks and regulatory requirements.

Outcome of the DMA

The DMA identified six material sustainability matters for SD Worx. These represent the areas where our impacts are most significant, where stakeholder expectations are highest and where sustainability related risks or opportunities could meaningfully influence long term performance. Among these, climate change mitigation (ESRS E1) is considered material and is included in scope.



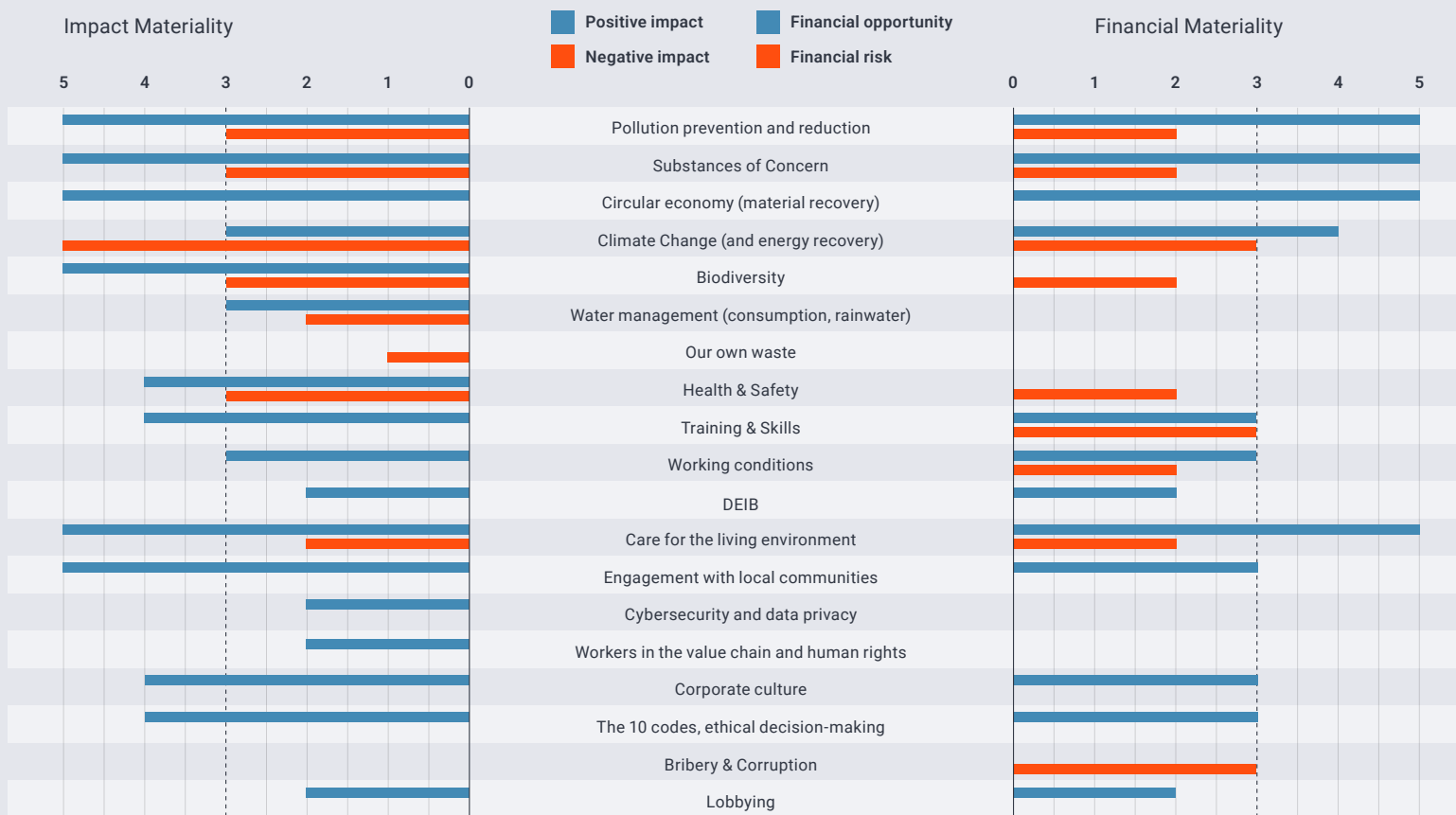
Material topic	Related ESRS*	Why it matters for SD Worx
Information-related impacts for consumers and end users	S4	Protecting personal data and ensuring transparency is fundamental in HR & payroll services.
Working conditions (own workforce)	S1	Employee wellbeing, safety, pay transparency and sustainable employment shape our people experience and business performance.
Diversity, equality, inclusion and belonging (DEIB)	S1	Inclusive, accessible and equitable workplaces drive innovation, talent attraction and long-term engagement.
Data privacy & cybersecurity	G1	Confidentiality and system resilience are critical in a data-driven HR environment.
Climate change mitigation	E1	Emission reduction and preparation for transition risks across our operations and value chain.
Corporate culture and responsible business conduct	G1	Strong culture underpins ethical conduct, customer trust, performance and resilience.

These topics anchor our ESG strategy, inform our 2025–2030 goals and KPIs, and determine the scope of ESRS aligned disclosures. A cross reference table in the annex links each material topic to the relevant policies, actions, metrics and targets in this report.

* European Sustainability Reporting Standards

Material impacts, risks and opportunities (IROs) – highlights per topic

The table depicts the material topics with measured impacts, risks and opportunities.



1 – Climate change mitigation (E1)

There are opportunities to adopt cleaner technologies, such as more energy efficient software and greener data centre operations, and to offer tools that help customers reduce their own emissions. A credible transition plan also improves resilience and supports access to sustainable finance.

Key risks include our Scope 3 emissions, near term transition costs and increasing regulatory requirements, such as carbon pricing. Physical climate risks – flooding, heat or water stress – may affect business continuity and operating costs. Further details, including scenario analysis and site screening, are provided in E1-11.

2 – Information related impacts for consumers and end users (S4)

Strong privacy practices and transparent handling of information build trust, which is especially important in HR and payroll services.

The main risks are data breaches or misuse of information, which could damage our reputation, reduce customer confidence and lead to penalties under regulations such as the GDPR.

3 – Corporate culture (G1)

A healthy, ethical culture, which is grounded in shared values, supports employee satisfaction, productivity and long term organisational success.

Risks include misconduct or non compliance, which can harm our reputation and business relationships.

4 – Data privacy & cybersecurity (G1)

Robust privacy and security capabilities strengthen our market position and enable a secure digital transformation for our customers.

However, incidents involving data loss, privacy breaches or cybersecurity threats could disrupt services and lead to financial and reputational harm. Our governance approach and controls are outlined in the Privacy & Security chapter.

5 – Working conditions (own workforce) (S1)

Stable employment, fair pay, hybrid work options and strong social dialogue help improve engagement and support retention.

Risks arise if employees perceive pay gaps or feel that wellbeing is not adequately supported, which can increase the chances of turnover or burnout.

6 – Diversity, equality, inclusion & belonging (S1)

Investing in diversity and inclusion, through closing gender pay gaps, strengthening cross cultural understanding, improving accessibility and building skills, enhances organisational strength and employer attractiveness.

Insufficient training or incidents of harassment present legal risks and can damage trust.

DMA next steps

In the coming years, SD Worx will expand quantitative modelling where it is relevant and feasible and will carry out a concise resilience assessment of our strategy and business model under key climate and social scenarios. This work will draw on insights from the DMA and E1 11. We will also continue advancing our SBTi trajectory – registering in 2025 and setting near term targets in 2026 – and strengthening supplier engagement to support reductions in Scope 3 emissions.

Environment



ESRS E1 Climate change

In January 2025, the World Economic Forum released its Global Risks 2026 Report, once again confirming that climate change remains among the most severe global risks. Over a ten-year horizon, the top three risks identified are extreme weather events, biodiversity loss and critical changes to the Earth's systems. In the short term, however, geopolitical tensions and democratic erosion, fuelled by widespread misinformation and disinformation, are dominating public attention and risking delays in decisive climate action. This is reflected in post Omnibus amendments to EU sustainability rules (e.g. CSRD/CSDDD scope changes), related implementation guidance (ESRS simplification and EFRAG Q&A), as well as the 2026 Taxonomy Delegated Act.

At the same time, competition for natural resources continues to fuel global instability. After record breaking heat in 2023 and 2024, 2025 was confirmed as the third warmest year on record by the European Centre for Medium Range Weather Forecasts. (ECMWF) in its 2025 Global Climate Highlights. These trends show that climate change has become a lived reality, with environmental degradation and resource scarcity becoming increasingly material issues for companies and societies alike. This is why SD Worx maintains a strong focus on understanding climate risks and accurately accounting for greenhouse gas emissions.

The framework developed by the Task Force on Climate-related Financial Disclosures (TCFD) has become the global reference point for climate transparency. It recognises that climate-related risks, from rising sea levels to the cost of transitioning away from fossil fuels, carry significant economic consequences. Investors, lenders, insurers and other stakeholders therefore require consistent, reliable, decision useful information. SD Worx reports in line with TCFD recommendations, which are embedded throughout the simplified ESRS E1 disclosures in this chapter.

Climate governance

Climate-related responsibilities are embedded within SD Worx's existing governance system described in ESRS 2 GOV-1 and GOV-4. The Board holds ultimate accountability for climate strategy, target approval and oversight of climate related impacts, risks and opportunities. The Audit & Risk Committee reviews climate related risks within the ERM framework and receives regular updates from the ESG Office and the Chief Risk & Security Officer. The ESG Steering Committee validates climate strategy, monitors climate related KPIs and regulatory developments, and ensures alignment across functions. The ESG Office coordinates climate data, scenario analysis and reporting, and supports cross functional climate working groups. Excom integrates climate considerations into business planning, risk management and performance reviews.

E1-1 Transition plan for climate change mitigation

SD Worx has developed a structured transition plan aligned with the EU Green Deal and the Paris Agreement pathways. The plan focuses on the organisation's most material emission sources and outlines the actions required to achieve long term decarbonisation. The key transition levers are the following:

01

Mobility: SD Worx aims to fully electrify its vehicle fleet by 2030. This transition is supported by mobility budgets, incentives for cycling and public transport use, and stricter business travel rules introduced under the 2025 Travel & Expense Policy to reduce air travel emissions.

02

Energy use in buildings: the company will expand renewable electricity procurement, deploy on site solar PV where feasible, and improve building energy performance through efficiency upgrades.

03

Supply chain: environmental criteria are being integrated into procurement processes, supported by the Supplier Code of Conduct, ESG questionnaires for key suppliers and data centre partners, and strengthened Scope 3 supplier engagement. SD Worx also encourages alignment with recognised frameworks such as the SBTi.

04

Operations: operational measures include adopting green building certifications, optimising HVAC systems, supporting hybrid working practices and rolling out ISO 14001. Certification is already in place in Estonia, Finland, Norway, Sweden, Romania and parts of the Netherlands.

05

Offsetting: to compensate for a share of unavoidable residual emissions, SD Worx invests in certified carbon offset projects (Gold Standard). Offsetting is applied in parallel with continued efforts to reduce the operational footprint.

A detailed, science aligned decarbonisation roadmap will be finalised in 2026. The year 2024 serves as the base year for defining emissions trajectories and establishing the company's re baselining policy.

E1-2 Identification of climate-related risks and scenario analysis

SD Worx applies a structured, multi-layered process to identify and assess climate related risks and opportunities. Insights from the DMA inform our climate risk universe, while portfolio level climate risk screening and scenario analysis provide quantitative inputs across short, medium and long term horizons. Outputs are integrated into our ERM framework and entity risk registers for ongoing monitoring and mitigation.

Scope and coverage

In 2025, 132 SD Worx assets including offices, parking facilities, data centres and rooftop solar were screened for acute and chronic physical hazards, transition risk drivers and nature/biodiversity related considerations.

Integration in risk management and planning

Identified climate risks are managed through established ERM processes (Three Lines Model, ARC oversight), and are embedded in strategic planning, investment decisions and business continuity measures.



Overview of acute and chronic climate risks

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing air temperature	Changing wind patterns	Changing precipitation patterns	Soil erosion
			Water stress	
			Sea level rise	
Acute	Extreme heat	Tropical cyclone	Drought	Landslide
	Extreme cold	Storm	Extreme precipitation	Earthquake
	Wildfire		Flood	Subsidence

Figure. Climate and nature related risk screening – portfolio summary (provider: Altitude by AXA Climate; assessment Nov 2025/Jan 2025; coverage: 132 assets).

The colour codes coincide with the amount of risk estimated for our portfolio. These risks were examined under different climate risk scenarios and considering different timeframes going forward.

High risks 2	Medium risks 3	Low risks 12
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The outcome is as follows:

- Physical climate risks:** Altitude analysed 16 EU Taxonomy aligned climate perils across multiple scenarios and time horizons.
 - Flood and water stress are the most material risks, mainly due to the high concentration of SD Worx sites in Western Europe.
 - All other perils, such as extreme heat, drought, storms, landslides, subsidence and tropical cyclones, show low to very low exposure, with no structural high risk patterns identified.
- Transition risks and opportunities:** Overall transition risk exposure is low, with only rising energy and electricity prices showing limited relevance for SD Worx. Two transition opportunities stand out:
 - A shift in customer preferences toward eco friendly digitalisation and low emission services.
 - Access to new markets driven by demand for digital HR solutions, remote work tools and efficient technologies.
- Biodiversity considerations:** exposure is limited, reflecting SD Worx's service based profile. Only a small number of assets are in areas with threatened species or biodiversity sensitivities, and these exposures remain manageable.

Altitude also provided asset level recommendations and confirmed that SD Worx's emissions profile is dominated by scope 3 value chain emissions.

E1-3 Resilience of strategy and business model

The DMA reconfirmed that climate change mitigation is material from both an impact and a financial perspective. As a result, climate considerations are embedded across the company's business model and strategic planning, shaping product development, operational management, procurement practices, M&A processes and financial decision making.

Strategic orientation and climate integration

- **Products & services:** SD Worx's portfolio supports low carbon value creation through digital HR and payroll solutions, including workforce management tools and AI enabled applications that improve process efficiency and help optimise energy use.
- **Operations & real estate:** operational strategy prioritises energy efficiency and sustainable building practices, including HVAC optimisation, use of green building standards (e.g. BREEAM, LEED), renewable electricity sourcing and on site solar where feasible. Hybrid working policies also contribute to footprint reduction.
- **Mobility:** the company is committed to a fully electric vehicle fleet by 2030 (Belgium), supported by incentives for modal shift and reduced carbon commuting.
- **Data centres:** efficiency and resilience are strengthened by monitoring Power Usage Effectiveness (PUE), improving cooling and energy performance, and sourcing renewable electricity through key data centre partners.
- **Supply chain and procurement:** sustainable procurement is managed through ESG questionnaires for critical suppliers, including data centre partners, use of EcoVadis scoring, the Supplier Code of Conduct, and structured Scope 3 engagement programmes.

- **M&A:** ESG aligned due diligence, including organisational culture and social alignment, is embedded across the M&A process to ensure long term strategic and sustainability compatibility.
- **Investor expectations and reporting:** increasing investor demand for high quality ESG disclosure has resulted in investments in dedicated sustainability reporting software and enhanced data quality processes.
- **Financial planning:** investments in sustainable buildings and related infrastructure are reflected in the company's asset base. Climate related risks, such as carbon pricing, potential regulatory changes and operational disruptions, are assessed within the enterprise risk framework. The company aligns financial planning with 2030 and 2050 climate trajectories, incorporating potential future liabilities.

Resilience of strategy and business model

SD Worx assesses the resilience of its strategy and business model to climate related risks through scenario based analysis and integration within its ERM and business continuity frameworks. Scenario analysis evaluates exposure to transition risks, including carbon pricing developments, evolving regulation, energy market volatility and reputational/market pressures, as well as to physical risks such as flooding, water stress and extreme heat. The analysis covers 132 operational locations and is assessed across short-term (to 2030), medium-term (to 2040) and long term (to 2050) horizons under SSP2 4.5 and SSP1 2.6 climate pathways. Results indicate that material physical risks persist through 2050, informing decisions on site selection, real estate strategy,

business continuity planning and capital allocation, including investments in green building standards, renewable energy sourcing and fleet electrification. Climate related risks are systematically embedded in SD Worx's ERM system, ensuring that both acute and chronic climate impacts are assessed and managed alongside other strategic and operational risks. Business continuity management, supported by a structured Business Impact Analysis (BIA), evaluates how climate driven disruptions could affect service delivery and critical processes. Outcomes from the BIA guide continuity plans, prioritisation of critical sites and the development of recovery strategies to maintain operational stability. Resilience is further strengthened through organisational measures such as increased renewable energy sourcing, partnerships with energy efficient data centres, ongoing EV fleet transition and the adoption of sustainable building practices. These combined actions enhance SD Worx's capacity to withstand both short term shocks and long term climate related developments, ensuring strategic robustness under a range of future climate scenarios.

E1-4 Policies related to climate change

SD Worx has established a suite of policies that collectively support its climate ambitions and overall ESG strategy. These policies guide behaviour across the organisation, embed environmental considerations into operations and procurement, and promote responsible business practices.

- **ESG Sustainability policy (2025):** introduced in 2025, the ESG Sustainability policy formalises SD Worx's commitment to responsible business conduct, environmental stewardship and social responsibility. Key commitments include:
 - o reducing greenhouse gas emissions and increasing renewable energy use
 - o strengthening employee engagement
 - o fostering diverse, inclusive and healthy workplaces
 - o upholding ethical business practices and encouraging sustainable procurement

To support implementation, SD Worx launched an ESG training programme and revamped our central ESG SharePoint hub, enabling employees to understand the company's ESG strategy and identify how they can contribute.

- **Waste Management policy (2025):** the Waste Management policy sets Group wide responsibilities and provides local guidance to reduce waste and support emission reduction efforts across all offices. It applies to all employees, contractors and visitors and covers the full waste lifecycle, from generation to disposal under the Reduce • Reuse • Dispose responsibly principles. Country specific guidance from facilities and office managers ensures alignment with local regulations and integration into daily operations.

In 2025, we diverted 81% of our waste from landfill, demonstrating strong performance in sorting and responsible disposal. Alongside the policy rollout, waste management training was provided to facilities, enabling effective local implementation. Through their participation, we successfully covered 80% of SD Worx countries in the implementation process.

- **Supplier Code of Conduct:** this Code, which is publicly accessible at www.sdworx.com/en-en/supplier-code-of-conduct, sets clear expectations for environmental and social responsibility across SD Worx's supply chain. It encourages suppliers and partners to:
 - o demonstrate ethical labour and sourcing practices
 - o maintain strong environmental and sustainability credentials
 - o use eco friendly materials, products and services
 - o meet ESG criteria incorporated into supplier selection and contracting
 - o commit to continuous improvement and alignment with sustainability standards

The Code forms a cornerstone of the company's responsible procurement approach. In sourcing and contracts, we promote eco-friendly materials and continuous improvement.

- **Global Travel & Expense policy (2025):** this updated policy introduces stricter provisions for business travel, supporting a shift towards lower carbon modes of transportation. The policy aims to empower employees to make responsible, efficient and compliant travel and spending decisions, while minimising environmental impact and ensuring fairness and transparency. More stringent criteria for air travel are designed to reduce emissions and incentivise alternative, more sustainable mobility options.

E1-5 Actions and resources

SD Worx is implementing a range of targeted actions to advance its climate strategy. These measures address key emission sources, strengthen environmental performance and support continuous improvement across the organisation.

Sustainable procurement

ESG criteria are increasingly embedded in our procurement practices, supported by EcoVadis-based supplier assessments, climate-focused audits and active engagement with key suppliers to strengthen Scope 3 decarbonisation efforts.

As 'Purchased Goods & Services' represent the largest share of our carbon footprint, we are shifting from a spend-based to an activity-based approach. This transition allows us to collect more accurate, supplier-specific emissions data and better reflect real impacts. Working closely with suppliers ensures that their reduction efforts translate into meaningful progress across our value chain emissions (Scope 3).

Mobility

SD Worx is gradually transitioning to EVs (Electric Vehicles), supported by an updated mobility policy that will lower transport emissions over time.

In 2025, we conducted our first commuting survey to establish a Scope 3 (category 7) baseline and better understand

employee travel habits. While car use remains dominant, 24% of employees already commute sustainably, and 15% are considering greener options. Key motivators include hybrid working, EV support, public transport subsidies, flexible hours and improved cycling facilities. These insights guide future mobility planning and initiatives.

To reduce Scope 2 emissions from company mobility, we implemented a green electricity arrangement for our leased EV fleet: our supplier ENECO retires Guarantees of Origin on our behalf for all electricity transacted on our EV charging cards in Belgium. This ensures exclusive renewable energy claims for our consumption and reduces our market based Scope 2 emissions relative to the location based baseline.

Energy management

Our facilities strategy (across approximately 157 offices) prioritises energy efficiency to cut usage and boost building performance. We maximise office efficiency, optimise space and promote long-term sustainability through quick wins, new office essentials and strategic upgrades:

- **Optimising office space:** hybrid work reduces space needs, supported by smart leasing, relocations and improved desk utilisation via the Book My Desk app.
- **Smart technologies:** AI-enabled systems track consumption peaks, detecting anomalies and guiding targeted energy-efficiency actions, especially in long-term leased buildings.
- **Green energy sourcing:** increasing green electricity procurement and securing renewable energy certificates to verify guarantee of origin.
- **Solar energy expansion:** performance monitoring of installed solar panels and planned rollout to expand installations beyond Belgium, including on suitable rented premises.

- **Sustainable headquarters:** new Antwerp HQ designed to meet BREEAM Outstanding standards, replacing older buildings.
- **Certified rental offices:** locations meeting recognised sustainability standards such as LEED, DGNB, and BREEAM (e.g., Espoo, Barcelona, Granada, Malaga, Ballerup).
- **Lighting optimisation:** LED upgrades, automatic controls, sensors and appropriate lighting levels to reduce energy use.
- **Energy-efficient office equipment and modular furniture:** appliances are compliant with EU Energy Label A-C and Ecodesign criteria; modular, durable and recyclable furniture is reused or relocated across our offices.
- **Circular furniture management:** reuse, recycling or donation of furniture from relocations or closures through external partners.

Data centre energy & efficiency

Data centres remain a major energy consumer within our scope, many operated by external partners. We strengthened oversight by issuing an ESG questionnaire to assess their energy performance and alignment with EU requirements.

Except for NaviSite, all providers supply Guarantees of Origins, and most follow SBTi- aligned decarbonisation pathways. Their strong renewable energy sourcing explains the low CO₂e emissions linked to our data centre operations. SD Worx continues to track improvements in PUE and renewable energy supply-aligned decarbonisation pathways.

Energy consumption data centres (2024)

Data centre	Data centres (#)	Energy consumption (kWh)	Renewable energy (%)	PUE*	CO ₂ e (tonnes)
Fujitsu	2	583,682	100	1.47–1.95	0
NRB	2	372,768	100	1.32–1.62	0
Navisite	2	944,726	100	1.24–2.11	0
Elisa	2	86,857	100	1.95–2.7	0
DNA	1	54,388	100	1.2	0
MS Azure	-	163,090	79	1.14	38
AWS	-	40,772	100	1.15	9.5
Google Cloud	-	1,545	100	1.09	0.36

* PUE is a measure of the energy efficiency of a data centre and is the ratio of the energy consumed by the data centre vs. the energy supplied to the IT equipment

Other actions

Although waste reduction, ICT equipment lifetime extensions and water management do not constitute material carbon drivers, it is still valuable to consider our efforts with respect to resource use and circularity (E3 Water and E5 Resource use and Circular economy are not considered material as per DMA outcome):

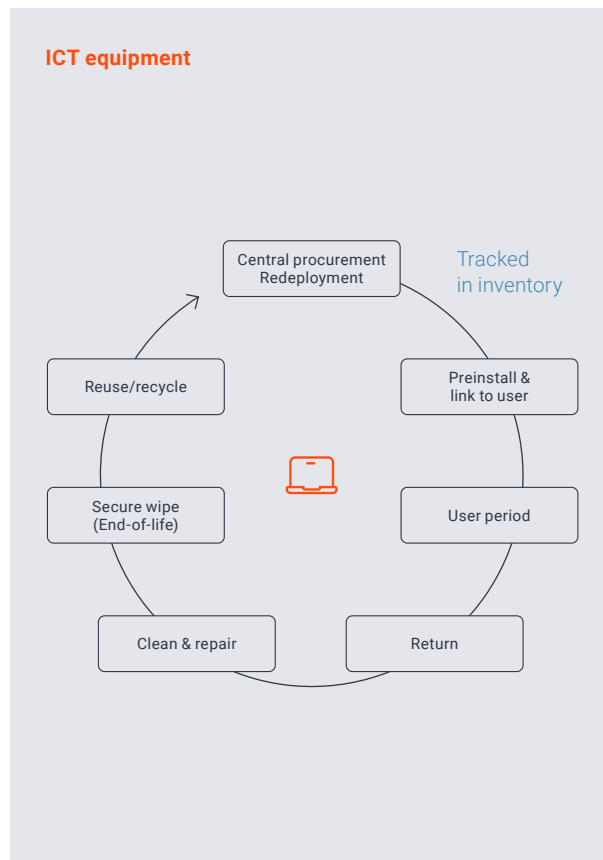
- Waste management:** SD Worx follows the EU Waste Management Hierarchy, focusing on reducing waste, improving sorting and increasing recycling across all offices. Structured recycling programmes, certified partners and employee awareness efforts support correct waste separation. A recent review showed that much more waste is recycled, reused or repurposed than previously recorded, allowing us to reclassify waste streams and apply more accurate emission factors, resulting in a significant drop in CO₂e waste emissions under ESRS E5.
- ICT equipment:** SD Worx centrally manages ICT devices such as laptops, phones and screens to enhance security and maximise their lifespan, typically up to 5 years. Devices are centrally procured and configured, tracked in inventory throughout use, and handled in a closed-loop model that prioritises refurbishment and internal reuse. Wherever redeployment isn't possible, data is securely wiped and recycled via certified partners. This circular approach improves resource efficiency, lowers CO₂e emissions and aligns with EU circular economy goals under E5. In 2024, SD Worx recycled about 2,780 IT devices with Ecubell, avoiding around 483 tonnes of CO₂e.

- Water:** at SD Worx, water stewardship is guided by a commitment to efficiency and community wellbeing (ESRS E3). Most usage is attributed to sanitation and cleaning, with consumption levels varying across different buildings. Usage is monitored in all offices, and teams are encouraged to identify opportunities for reduction. To further reduce consumption, offices adopt water saving technologies, including flow reducing fixtures and surface water flushing systems. Office managers and facility teams work collaboratively to promptly address leaks and continually enhance water management practices.

Tools & resources

To support the actions, SD Worx deploys a range of tools and investments:

- Corporate ESG software for structured reporting and analysis
- Audit Board/CREDIBL for supplier engagement and compliance management
- HRM dashboards/Power BI reporting for KPI monitoring
- Commuting survey tooling
- Capital investment for solar installations, EV charging infrastructure and building efficiency upgrades
- Environmental Management Systems (EMS, ISO 14001): SD Worx maintains ISO 14001 in several countries, including Estonia, Finland, Norway, Sweden, Romania and parts of the Netherlands. A phased programme is underway to expand certification wider in the Group. This framework strengthens environmental performance through systematic planning, governance, monitoring and continuous improvement.



E1-6 Climate mitigation targets

SD Worx has set climate mitigation targets aligned with the EU Green Deal and international decarbonisation pathways, aiming to reduce its environmental footprint while enabling sustainable practices through its products and services. These targets primarily consist of absolute metrics embedded within the company's five pillar environmental roadmap: Measure, Invest, Reduce, Compensate, Improve. In line with the Group's continued growth and strategy, additional intensity-based metrics (CO₂e/m², CO₂e/revenue, CO₂e/employee) will also be further developed.

GHG emissions reduction

- SD Worx aims to reduce total greenhouse gas (GHG) emissions by at least 55% by 2030, consistent with the EU Green Deal.
- The company registered with the Science Based Targets initiative (SBTi) in 2025 and intends to have validated SBTi aligned targets in 2026, using 2024 as its base year.
- Over the long term, SD Worx aims to achieve climate neutrality by 2050, in line with EU climate regulations and global net zero objectives

Operational targets

To achieve these GHG-reduction goals, a series of measurable operational targets have been defined.

- **Mobility targets:** multiple initiatives have been launched across the Group to promote more environmentally friendly transport choices, including:
 - Supporting low carbon commuting through incentives for modal shift, EV assistance and enhanced mobility policies.
 - Achieving a 100% electric vehicle (EV) fleet by 2030 (Belgium, covering 77% of the fleet). Progress is already visible, with the Belgian car fleet achieving a 31% CO₂e reduction between 2023 and 2024.
- **Energy & renewable energy targets:** through effective real estate and facilities management, SD Worx aims to lower energy consumption and increase the share of renewable energy by:
 - Aiming for 100% renewable electricity across all facilities by 2030 and increasing the proportion of renewable electricity each year (starting from 32% for the Group in 2024)
 - Continuously improving the energy efficiency of buildings and operations through targeted upgrades and landlord engagement.
 - Optimising data centre environmental performance through PUE (Power Usage Effectiveness) improvements and increased renewable energy sourcing.
- **Supply chain & Scope 3 targets:** supplier engagement was further strengthened in 2025, with clear expectations for emissions reductions, including:
 - Increasing the share of suppliers providing primary, high-quality environmental data.
 - Encouraging strategic suppliers to set and commit to SBTi- aligned reduction plans.
 - Integrating ESG criteria into procurement processes to drive continuous improvement in supply chain environmental performance.

E1-7 Energy consumption and mix

The table shows that approximately 82% of our energy consumption is non renewable. This is largely because most of our leased buildings across Europe rely on natural gas for heating. In line with our SBTi aligned targets, we are making significant investments to transition our energy consumption to renewable sources and to secure the appropriate energy certificates required to achieve our objectives.

Electricity used to charge our leased EV fleet amounted to 880 MWh. Part of this electricity is supplied under a renewable electricity arrangement with our energy provider ENECO, which retired Guarantees of Origin on our behalf covering the full EV charging volume in Belgium. The same holds for DKV-compensated EV fuel in Germany. On this basis, the EV-charging electricity is reported as renewable in our energy mix.

Energy mix (2024)

Energy source	Energy consumption (MWh)
Fuel consumption from fossil products	5,858
Consumption from nuclear products	1,977
Consumption of purchased electricity – grey residual mix	1,408
EV fuel charging – grey residual mix	109
Consumption of purchased electricity – fossil fuels	1,500
Total non-renewable energy consumption (1)	10,852
<i>Share of non-renewable sources in total energy consumption (%)</i>	<i>82%</i>
Fuel consumption from renewables	8.7
Consumption of energy from renewable sources	1,268
EV fuel charging from renewable backed sources	771
Consumption of self-generated renewable energy (e.g. solar)	357
Total renewable energy consumption (2)	2,405
<i>Share of renewable sources in total energy consumption (%)</i>	<i>18%</i>
<i>Share of renewable sources in total electricity consumption (%)</i>	<i>32%</i>
Total energy consumption (1+2)	13,257

E1-8 Gross scopes 1,2,3 GHG emissions

Organisational boundary & reporting basis

- **Operational control approach:** all emissions from activities, facilities and vehicles over which SD Worx has direct operational control are included in the inventory. This covers all owned and leased sites and vehicles operated by SD Worx. Facilities not owned but managed under SD Worx's operational control are also included. The boundary reflects the structure of SD Worx NV as detailed in the Group's financial statements.
- **Reporting period:** the sustainability reporting period runs from 01/01/2024 to 31/12/2024 for calculated emissions.
- **Base year and recalculation policy:** the base year is 2024, selected due to significant organisational expansion. SD Worx maintains a formal recalculation policy aligned with the GHG Protocol and SBTi requirements, specifying when base year emissions must be recalculated to ensure consistency over time.
- **Methodological principles:** all calculations follow the GHG Protocol and its five key principles: Relevance, Completeness, Consistency, Transparency and Accuracy.
- **Scope coverage:** Scopes 1 (direct emissions), 2 (purchased electricity, heating and cooling), and relevant Scope 3 (indirect) emissions categories are reported, consistent with the Operational Control approach. Scope 3 categories included in the inventory are those assessed as relevant and material according to the GHG Protocol value chain framework.

Carbon footprint (tonnes CO₂e)

Our carbon footprint calculation includes all greenhouse gas (GHG) emissions caused by our organisation, expressed in CO₂e. The 2025 study, based on 2024 data, shows a significant expansion of the carbon footprint calculations compared to the previous year's assessment: 157 units or offices were included, covering almost the entire Group, with a combined area of over 130,847 m² (105,785 m² net of parking) and 9,913 employees (headcount at the end of 2024). A dedicated team is responsible for collecting data on energy, office space, waste and water.

Compared to last year's assessment, our approach has become more professionalised through the adoption of a carbon accounting platform, CREDIBL. This tool enables emissions to be tracked at facility level and draws on a wide range of official emission factor databases.

The following table summarises all carbon footprint results using the official GHG Protocol categories and distinguishes between measured results based on data collection and extrapolated outcomes. For each category lacking observations, data were extrapolated based on either the number of employees or the square metres of office space used. In general, the need for extrapolation was marginal, reflecting improvements in our data collection efforts.

2024 carbon footprint (tonnes CO₂e)

Scope	Total	% Total location-based
Scope 1	3,681	5.96%
Stationary combustion	1,535	2.49%
Fugitive emissions	2,146	3.48%
Mobile combustion	N/A	
Process emissions	N/A	
Scope 2	1,166/1,585	1.89%
Purchased electricity (location-based/market-based)	985/1,585	1.60%
Purchased heat and steam	6	0.01%
EV fuel	175	0.28%
Scope 3	56,898	92.15%
1. Purchased Goods & Services (PG&S)	42,489	68.81%
2. Capital goods	3,430	5.56%
3. Fuel- and Energy Related Activities (FERA)	311	0.50%
4. Upstream transportation and distribution	193	0.31%
5. Waste generated in operations	63	0.10%
6. Business travel	1,079	1.75%
7. Employee commuting	9,333	15.12%
Upstream total	56,898	92.15%
8. Upstream leased assets	N/A	
9. Downstream transportation and distribution	N/A	
10. Processing of sold products	N/A	
11. Use of sold products	N/A	
12. End-of-life treatments of sold products	N/A	
13. Downstream leased assets	N/A	
14. Franchises	N/A	
15. Investments	N/A	
Downstream total	-	-
Total (location-based)	61,745	100
Total (market-based)	62,164	
Total (location-based), incl. offsets	61,221	
Total (market-based), incl. offsets	61,640	

Scope 1 emissions

Fugitive emissions are the largest direct emission source for the company. Besides reducing consumption of HVAC and cooling installations, we are monitoring refrigerant use and proper end-of-life activities of equipment.

Scope 2 emissions

With the mandatory shift from fossil-fuelled cars to EVs, a growing category of emissions concerns electricity to power the EV fleet. These increased emissions in Belgium and Germany, for example, are compensated through Guarantees of Origin from Eneco (Belgium) and offsets from DKV (Germany), corresponding to the fuel consumed. In addition, a shift to electric vehicles will help reduce emissions from employee commuting, which currently arise largely from cars running on fossil fuels.

Scope 3 emissions

Given the scale of our operations and value chain, it is expected that Scope 3 represents the largest share of SD Worx's total emissions, particularly Category 1: Purchased Goods & Services (PG&S).

- **PG&S:** using the spend-based approach, the relevant PG&S categories are listed below and confirm that most of our carbon footprint arises from IT services, personnel-related activities, professional fees and marketing expenditure. A thorough review was conducted across all PG&S categories, and exclusions were applied only to avoid double counting. For example, energy consumption is already accurately captured under Scopes 1 and 2; therefore, energy invoices were excluded from the total spend analysis.

Water consumption impacts are activity-based and are also considered under PG&S as water is procured from water utility companies. Consumption in 2024 was almost 36 m³, corresponding to almost 7 tonnes CO₂e.

Purchased goods & services

Purchased goods & services	2024
Business services (personnel/staffing (44%), marketing (23%), fees (33%))	26,400
Computer and related services (IT, hosting, hardware, software)	9,261
Insurance and pension	2,537
Office supplies	1,184
Other services (training, retail, real estate)	1,303
Furniture	990
Food & drink	806
Water	7
Total (tonnes CO₂e)	42,488
Purchased goods & services (million EUR)	299.818

- **Capital goods:** to ensure full coverage of emissions, capital expenditures for 2024 were calculated using the spend based approach. As shown in the table, capital goods-related emissions were limited for a service provider like SD Worx. Most of these emissions stem from computer equipment and software additions, as well as leasehold improvements that occur when offices are refurbished or adapted.

Capital goods additions

Capital goods additions	2024
Land subdivision/Other building equipment contractors	27
Office furniture	571
Office supplies	75
Computer equipment and software	2,504
Leasehold improvements	252
Total (tonnes CO₂e)	3,430
Capital goods additions (million EUR)	6.267

- **Employee commuting:** a considerable amount of time is dedicated to calculating the mobility impact of our workforce. Because commuting and transportation have a significant environmental footprint, SD Worx is strongly committed to reducing these external effects. We have launched a wide range of initiatives, including:
 - o A revised car policy that both requires and incentivises the use of electric vehicles (e.g. support for installing charging infrastructure) and offers a broader selection of smaller, more economical cars.
 - o An updated mobility policy that makes alternative modes of transport more attractive.
 - o Collaboration with Mbrella to support employees in creating a personalised mobility plan.
 - o Continued rollout of the "Bike Mobility" program, offering appealing options to lease or purchase a bicycle.
 - o A strengthened digital strategy supporting hybrid and remote working models, complemented by progressive "workation policies" that set an example in the labour market.
 - o Implementation of the Belgian federal mobility budget, which encourages alternatives to car use. Increased uptake of car sharing, public transport and cycling will help accelerate the reduction of car numbers and related GHG emissions.

To better monitor the impact of these mobility policies and strategies, SD Worx has established an annual Group-wide commuting survey. In addition, we calculate not only commuting-related emissions but also other transportation effects resulting from employees' private use of leased cars. As a result, the official Scope 3 Category 7 "employee commuting" figure represents the combined impact of both commuting and employee car transport.

- **Business travel:** with the revised Global Travel & Expense policy prioritising low carbon modes of transport, we expect to see a reduction in emissions from this category.

GHG carbon offsets

We acknowledge that GHG emission reduction targets must be disclosed as gross targets, meaning SD Worx may not apply GHG removals, carbon credits or avoided emissions towards achieving these targets. To ensure full transparency, and as further detailed under E1 9, we nevertheless provide an informational breakdown of total GHG emissions both with and without voluntary carbon offsets. This supplementary view highlights our contribution to high quality external mitigation efforts, including the climate mitigation effects generated through the DKV myclimate programme, which compensates for fuel related emissions in Germany.

GHG performance intensity measures

To enable a meaningful performance comparison over time, absolute emissions must be contextualised through carbon intensity or other relative indicators that inform policy decisions. The tables below present a selection of KPIs that will be closely monitored going forward. Given the continued growth of the SD Worx Group, we will also assess the carbon implications of both organic expansion and mergers and acquisitions on an ongoing basis.

Carbon intensity (excl. PG&S) (2024)

KPI	Measured
Carbon-to-revenue ratio (Tonnes CO ₂ e/million EUR)	16.31
Tonnes CO ₂ e/Employee	1.94
Tonnes CO ₂ e/100 sqm	18.20
Tonnes CO ₂ e/1000 kWh	1.45

Carbon intensity (2024)

KPI	Measured
Carbon-to-revenue ratio (Tonnes CO ₂ e/million EUR)	52.31
Tonnes CO ₂ e/Employee	6.23
Tonnes CO ₂ e/100 sqm	58.37
Tonnes CO ₂ e/1000 kWh	4.66

Exclusions from the carbon footprint

Certain GHG categories are considered negligible or are not applicable to a service-oriented organisation such as SD Worx. These exclusions, which have been validated by an external consultant, are motivated as follows:

- **Mobile consumption:** the SD Worx car fleet primarily consists of operational leases, where employees have full control over vehicle use. Therefore, emissions are reported under Scope 3, Category 7 (Employee commuting and business travel), rather than Scope 1.
- **Process emissions, processing of sold products:** these categories do not apply to SD Worx, as we do not engage in industrial processes or manufacture physical products.
- **Upstream leased assets, downstream transportation, downstream leased assets, franchises, investments:** these activities are either not part of SD Worx's business model, or their associated emissions are assessed as immaterial or negligible.
- **Use of sold products:** this category is not required for SD Worx as an HRM and software service provider. Nonetheless, we are exploring ways to gain improved insights into emissions linked to customer use of our software solutions. Developing such visibility would help us distinguish the portion of PG&S emissions related specifically to IT and software, potentially through revenue based or activity based methodologies.
- **End-of-life treatment of sold products:** since SD Worx does not sell physical products, this category does not apply. In line with the GHG Protocol, emissions from the disposal of items are accounted for in Scope 3, Category 5 (Waste generated in operations) during the year they are discarded.

Methodologies & factors

Scope 1 and Scope 2 emissions are primarily calculated using activity data. An exception applies to fugitive emissions from cooling installations that are operated and owned by landlords; in these cases, average refrigerant charge estimates are used. Even then, SD Worx follows the methodologies and recommendations set out by the GHG Protocol. Global warming potentials (GWPs) for all greenhouse gases are sourced from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report.

Energy-related emissions are determined by multiplying the consumption of company purchased electricity, steam, heat and cooling by the relevant emission factors.

For location-based reporting, emission estimates rely on grid average factors for the country in which the energy is consumed. For market based reporting, estimates may draw on contractual instruments, such as supplier specific emission factors or those associated with renewable energy certificates (RECs) such as Guarantees of Origin (GoOs) retired on our behalf, provided they meet the GHG Protocol's 'Scope 2 Quality Criteria'.

At present, market-based emissions are predominantly calculated using AIB residual energy mix factors for the applicable country. Supplier mix factors are used for Austria and Switzerland where AIB factors are missing. Over time, SD Worx aims to increase the use of emission factors derived from contractual instruments to enhance accuracy and alignment with GHG Protocol best practices.

Scope 3 emissions are calculated using several distinct methodological approaches, depending on the data availability and the nature of the underlying activity.

- **Spend-based method:** emissions are estimated by multiplying the economic value of purchased goods, services or assets by relevant secondary emission factors (e.g., industry average emissions per monetary unit of expenditure). We ensure that inflation effects, exchange rates and the GWP of emissions are also considered.

In 2025 we enhanced our Scope 3 calculation methodology by replacing EEIO emission factors with EXIOBASE multi regional input-output factors. We also refined our approach by analysing emission factors not only by category but separately for each country. This rigorous update strengthens the geographic accuracy, sectoral detail and overall methodological robustness of our carbon accounting.

The shift has led to significant changes in our reported emissions. These differences are driven by the broader system boundaries, refined sector classifications and updated energy and technology profiles embedded in the EXIOBASE model. They do not reflect operational or data input changes but rather improved measurement precision.

- **Distance-based method:** this approach applies to transportation related categories and uses data on mass, transport distance and mode of transport, combined with appropriate mass distance emission factors for the vehicle type.
- **Average data method:** emissions are estimated using secondary emission factors expressed per unit of consumption (e.g. kg CO₂e/kWh), particularly when primary activity data is not available.

SD Worx uses the following tools and data sources to quantify Scope 3 emissions:

- Carbon accounting platform: CREDIBL
- Purchased goods and services, capital goods: ERM (spend-based), SAP
- Supplier engagement for PG&S: Audit Board
- Employee commuting: commuting survey/HRM tooling
- Business travel: HRM tooling
- People-related data: HRM dashboarding, intranet and Power BI

Increasingly, we can obtain emissions related information directly from suppliers and service providers through online portals, documentation and product packaging. For example, CO₂e information is now more frequently included on invoices and packaging for IT equipment, improving data quality for Scope 3 reporting

Methodology and emission factors

Source	Method	Emission factors (EFs)	Inputs
Scope 1			
Stationary combustion	Emission factors applied to primary data or average data where primary data is unavailable	2024 DEFRA	<ul style="list-style-type: none"> * Metering * Fuel expenditure data and average prices * Purchase records * Utility bills * Energy invoices
Fugitive emissions	GHG protocol	2024 DEFRA IPCC GHG guidance	<ul style="list-style-type: none"> * Equipment inventory count
Scope 2			
Purchased electricity	Location-based/ Market-based	2024 IEA 2024 AIB	<ul style="list-style-type: none"> * Utility bill/metered consumption
Purchased heat and steam	Market-based	2024 DEFRA IPCC GHG guidance	<ul style="list-style-type: none"> * Utility bill/metered consumption
EV fuel	Location-based/ Market-based	2024 IEA 2024 AIB	<ul style="list-style-type: none"> * Utility bill/metered consumption * Fuel records
Purchased cooling	Location-based	2024 DEFRA IPCC GHG guidance	<ul style="list-style-type: none"> * Utility Bill/metered consumption
Scope 3			
Purchased Goods & Services (PG&S)	Spend-based Market-based	EXIOBASE 3.9.4 2024 DEFRA	<ul style="list-style-type: none"> * Economic value of purchased goods and services from purchasing records * Equipment inventory emission info * Water utility records
Capital goods	Spend-based	EXIOBASE 3.9.4	<ul style="list-style-type: none"> * Economic value of purchased goods and services from purchasing records
Fuel- and Energy Related Activities (FERA)	Location/market-based with correction factors	2024 DEFRA, World Bank, IEA	<ul style="list-style-type: none"> * Energy activity data from scope 1 and 2 * T&D and other upstream losses
Upstream transportation and distribution	Distance-based Spend-based	2024 DEFRA	<ul style="list-style-type: none"> * Invoices and kilometre info courier services
Waste generated in operations	Primary data or else average data	2024 DEFRA, 2025 DSNZ	<ul style="list-style-type: none"> * Site-specific data * Waste invoices
Business travel	Distance-based Spend-based	2024 DEFRA, 2025 DSNZ	<ul style="list-style-type: none"> * Purchasing records * Travel invoices
Employee commuting	Average data	2024 DEFRA, 2025 DSNZ	<ul style="list-style-type: none"> * Commuting survey * Localised log-in data, laptops * GIS data, workforce * National commuting surveys * HRM data: working days, headcount

E1-9 GHG removals and GHG mitigation projects financed through carbon credits

At present, SD Worx does not generate any GHG removals within its own operations or value chain.

In terms of GHG mitigation projects, SD Worx has been partnering with Lignaverda, which engages in certified reforestation projects in Senegal. The activities supported by SD Worx are part of Lignaverda's climate-oriented projects. They contribute to climate change mitigation by storing carbon dioxide in tree biomass and soils. They also contribute to climate resilience by creating cooling micro-climates and improving soil structure and fertility.

Lignaverda is listed on the Verra registry under project ID #5823 and follows the VM0047 methodology together with the Community, Climate and Biodiversity Standards. The projects issue high-quality carbon removal credits, demonstrating that carbon has been effectively and sustainably removed from the atmosphere. Over the full project cycle of 40 years, the contribution of SD Worx is expected to result in the removal of approximately 14,400 tonnes CO₂e.

In 2024, SD Worx GmbH supported certified climate mitigation projects through the voluntary financing mechanism embedded in the DKV myclimate programme. A total of 524 tonnes CO₂e-worth of carbon credits was financed indirectly by DKV, which in turn channels contributions to Gold Standard-certified climate protection projects, including improved cookstove programmes, clean water initiatives and renewable energy installations. These carbon credits represent voluntary climate contributions and are therefore reported separately from our gross Scope 1, Scope 2 and Scope 3 emissions (see E1.8)

E1-10 Internal carbon pricing

SD Worx does currently not apply an internal carbon price to guide investment decisions or operational choices. However, various options are being evaluated as part of the 2026 decarbonisation plan to strengthen climate-aligned decision-making and support long-term emissions reduction objectives.

E1-11 Anticipated financial effects of material physical and transition risks and potential climate-related opportunities

Climate-related risks mainly pertain to the following risks:

- **Transition risks:** the organisation faces financial risks from energy price volatility, carbon pricing and compliance costs. Implementing a net-zero transition plan will increase operational expenses, as highlighted in the 'Altitude risk report'. Rising and unpredictable energy prices further amplify these risks, directly impacting cost structures. Market and reputational consequences may also arise if the company fails to keep pace with industry peers.
- **Physical risks:** climate-related hazards pose significant challenges, including heightened exposure to water stress and flooding at Western European offices and heat stress affecting offices and data centres. These factors could disrupt business continuity and operational resilience.
- **Reputational risks:** inadequate measurement, disclosure and reduction of greenhouse gas emissions, relative to stakeholder expectations and public commitments, represent a major reputational threat. Such shortcomings could erode customer trust and weaken the company's standing as a responsible business.

Using the [AXA Climate methodology](#), we were able to compute the Average Annual Loss (AAL), which represents the expected financial impact of climate-related events during a year. It combines the likelihood of these events occurring with the potential costs of damages they might cause. It does not mean those costs will occur every year - some years might have no losses, while others could see significant impacts.

Losses are categorised into two main types:

- **Property damage:** loss of assets' value caused by impacts on buildings, infrastructure, furniture or inventory.
- **Business interruption:** loss of company revenue caused by assets stopping their operations.



Total AAL in property damage (SSP2-4.5) in % of asset's value

	Earthquake	Flood	Tropical cyclone	Wildfire	Total AAL
2025	<0.1	0.17	<0.1	<0.1	0.2
2030	<0.1	0.19	<0.1	<0.1	0.23
2035	<0.1	0.2	<0.1	<0.1	0.24
2040	<0.1	0.21	<0.1	<0.1	0.24
2045	<0.1	0.21	<0.1	<0.1	0.25
2050	<0.1	0.22	<0.1	<0.1	0.26

Total AAL in business interruption (SSP2-4.5) in % of asset's related revenue

	Drought	Extreme heat	Flood	Tropical cyclone	Total AAL
2025	<0.1	<0.1	0.16	<0.1	0.19
2030	<0.1	<0.1	0.18	<0.1	0.22
2035	<0.1	<0.1	0.19	<0.1	0.23
2040	<0.1	<0.1	0.2	<0.1	0.24
2045	<0.1	<0.1	0.2	<0.1	0.25
2050	<0.1	<0.1	0.21	<0.1	0.26

There are no high or medium risks identified at this stage, but we will increasingly be focusing on climate-related risks related especially to real estate and facility management operations.

The transition to a low-carbon economy offers multiple growth avenues. Opportunities include:

- Expanding digital services with a strong sustainability focus, which can capture emerging market demand.
- Achieving cost savings through energy efficiency measures and renewable energy adoption to strengthen operational performance.
- Transparent ESG practices, which enhance the company's market position and build stakeholder trust.
- Scenario analyses from Altitude, which provide valuable insights for long-term financial planning and capital allocation.
- Developing ESG-driven solutions, such as sustainable HR tools and green mobility policies, to address evolving customer needs.
- Shifts in consumer preferences towards eco-friendly products, thereby opening doors to new markets and driving competitive advantage.
- Electrified mobility and renewable energy integration to improve efficiency and resilience across operations.
- Leveraging data-driven emissions insights, thereby enabling better customer engagement and supporting product differentiation.

Methods & uncertainty

Anticipated financial effects are derived using a top down sensitivity analysis of our energy and operating cost base, as well as selected transition related cost drivers. These sensitivities are applied to carbon price and energy price pathways that are calibrated to our scenario set (NGFS Net Zero 2050 and Current Policies) and to our current contracted energy mix. The resulting AAL figures represent best estimate ranges, depend on the underlying scenarios, and should not be interpreted as forecasts or as financial statements.

The AAL results support decision making by informing our risk appetite setting and planning processes outlined in SBM 3.

Social



SD Worx creates social value through the way we design and deliver our HR and payroll solutions. Our work strengthens fair labour markets, fosters healthy employer–employee relationships and supports decent work for all. This value is generated by our internal delivery stakeholder – our operational, technical and corporate teams – and benefits both internal and external stakeholders, including society, the broader labour market, customers, partners, suppliers and our own employees.

As a Payroll and HR provider, we directly influence livelihoods, organisations and communities. This responsibility shapes every decision we make, from ensuring compliance and continuity to promoting fairness, inclusion and responsible business practices. We prioritise people and fairness over short-term gains.

Guided by our 2024 Double Materiality Assessment, we focus on where our influence is greatest across the value chain and for end users. Detailed policies, actions and performance metrics are outlined in S1-S4 and aligned with ESRS 2 SBM 2.

Our commitment to addressing workforce risks

When conducting business, SD Worx maintains an overarching commitment to human rights aligned with the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. This commitment is formally embedded in the company's Labour and Human Rights Policy, which sets out SD Worx's foundational adherence to the International Bill of Human Rights and the ILO's core labour conventions, and explicitly confirms alignment with the UNGPs. The policy applies Group wide across all SD Worx entities and covers permanent, temporary and contingent workers, senior leadership and business partners across the value chain, ensuring that human rights expectations are understood and upheld in daily operations and decision making and coupled with the Supplier Code of Conduct, also in third party engagements. The Policy establishes clear principles, including the prohibition of child and forced labour, non discrimination, freedom of association, fair working conditions, health and safety, responsible technology use, and access to grievance and remediation mechanisms, and forms part of the organisation's broader ESG governance framework.

In 2025, to address DMA-identified risks related to employee training and skills development, workplace safety and inclusive culture within the materiality topics of our 'Own Workforce', SD Worx further strengthened its internal governance framework. This included the publication of a Contingent Workers policy and the introduction of a comprehensive Labour & Human Rights Policy, both designed to ensure consistent standards of fair treatment and to mitigate legal and reputational risks (see S1-6 and S1-16).

Training and capability building were expanded to include AI-focused learning modules and dedicated mental health and resilience training through Brain@Worx (see S1-12).

Addressing risks identified in 'Working Conditions', SD Worx strengthened wage governance and transparency to ensure compensation remains competitive and aligned with market expectations and EU Pay Transparency standards (see S1-9 and S-15).

Enhanced wellbeing programmes and work-life balance initiatives (see S1-13) were introduced to counter negative impacts linked to stress and mental health, supporting morale, engagement and long-term workforce sustainability. In particular, the Pulso Employee Assistance Programme is aimed at promoting wellbeing by offering confidential psychological support to reduce burnout and promote a supportive environment.

ESRS S1 Own workforce

S1-1 Policies related to own workforce

SD Worx maintains a comprehensive set of people-related policies designed to manage material impacts, risks and opportunities associated with its own workforce. These policies reflect the company's people-centric culture and commitment to responsible employment practices for employees and non-employees. The fundamental principles of the people-centred policies are also enshrined in the SD Worx Code of Conduct, with the key policy areas covering:

- commitment to labour and human rights principles
- equal opportunities and non-discrimination
- respectful workplace behaviour and inclusion
- learning, development and internal mobility
- health, safety and employee wellbeing
- flexible working arrangements and work-life balance
- collective bargaining and social dialogue
- fair remuneration and pay transparency

In 2025, SD Worx released the Contingent Workers policy to govern the use of the services of temporary workers along with the Labour and Human Rights Policy, translating our ethical principles into practical commitments for respecting and promoting human and labour rights across our global operations and value chain.

Workforce policies are communicated internally and integrated into people management processes.

S1-2 Engagement with own workforce and workers' representatives, existence of channels for own workforce to raise concerns or needs and approaches to remedy

SD Worx maintains structured processes to engage with its workforce and workers' representatives on matters that may affect their rights, working conditions or wellbeing. Engagement occurs through defined channels, including regular dialogue mechanisms and grievance mechanisms, ensuring employees can raise concerns and have them addressed.

We offer speak-up and grievance mechanisms to ensure our employees can safely raise concerns. Employees may seek support from the People Department, where People Business Partners act as trusted contacts for advice, issue resolution and escalation, with the option to remain anonymous. In selected SD Worx locations, employees can also approach Persons of Trust; independent trained volunteers who listen confidentially and support employees through the escalation process. For cases requiring impartial assessment, SD Worx offers access to external advisors who provide independent consultation and moderation services. Country specific procedures apply where required by local law and are referenced from the dedicated intranet. A consolidated Group procedure will be rolled out in 2026.

These processes are designed to gather worker perspectives, inform decision-making for meaningful engagement and workforce consultation.

Additional engagement mechanisms include:

- Annual Employee Engagement surveys
- Pulse checks
- Structured feedback via line managers and HR business partners

Results of the annual employee engagement survey are communicated transparently (see S1-4), and we continue to strengthen our feedback culture by encouraging more open dialogue across the organisation. We are also fostering a "critical friend" approach to feedback throughout our countries, embracing cultural differences and promoting constructive, respectful exchanges that support our collective growth and help us create meaningful impact for both colleagues and customers.

S1-3 Actions and resources related to own workforce

To mitigate the risks and negative impacts identified in the DMA, SD Worx continued to reinforce its labour and human rights framework by publishing a Contingent Workers Policy and introducing a comprehensive Labour & Human Rights policy, ensuring consistent standards of fair treatment across its workforce. Furthermore, ESG principles have been embedded in our updated Global Travel and Expense Policy to enable our workforce to make environmentally and socially responsible travel choices (see S1-1 and to the Environment chapter on mobility).

Global mobility

To enhance clarity around global mobility and ensure consistency across all countries, we rolled out a Global Mobility Policy, which provides a clearer framework for short term, long term and permanent international assignments. Our approach centres on talent mobility – moving people across borders and towards their full potential. By creating opportunities where talent, ambition and business needs align, we continue to support international growth and employee development.

Training

Training and capability building resources were further expanded through the set-up of AI focused learning modules, and targeted mental health and resilience training via Brain@Worx, strengthening the organisation's ability to address capability gaps. The skills-based training catalogue was also expanded with courses on communications, language, project management and other domains such as HR, legal and IT.

Pay transparency

In line with risks related to working conditions, SD Worx strengthened wage governance and transparency to maintain competitive and market aligned remuneration in accordance with EU Pay Transparency requirements.

DEIB

Key efforts to enhance DEIB included the revamping of our DEIB charter, cultural awareness workshops to strengthen cross-border collaboration and the launch of a targeted plan to improve the inclusion of people with disabilities.

Building on the success of our Shadowing Days programme in 2024, we continued the 2025 edition with 'Connect & Discover', an internal initiative designed to strengthen collaboration and organisational understanding by enabling employees to shadow colleagues across different teams for a day. The programme offers opportunities to observe daily work practices, exchange insights and explore new ways of collaborating, while supporting cross country and cross department connections. Open to all SD Worx employees, participants could register as visitors or hosts and select the areas they wished to explore during the scheduled programme period.

Wellbeing and work-life balance

The company also enhanced its wellbeing and work life balance programmes, supported by the Pulso Employee Assistance Programme, which provides confidential psychological support to reduce stress, burnout and promote mental wellbeing (see S1-13).

S1-4 Targets related to own workforce

SD Worx has established targets to address its material social topics on working conditions and diversity, equity, inclusion and belonging (DEIB). We aim to achieve 100% compliance with EU Pay Transparency requirements, increase employee participation in engagement surveys and continue to strengthen our inclusive culture through comprehensive DEIB programmes.

In 2025, 78% of employees participated in the Employee Engagement Survey. The Employee Engagement Index (EEI) was stable at 3.9 and eNPS at 14. Through continuous actions outlined in S1-3, SD Worx is committed to progress toward the long term targets of an EEI of 4.0 and eNPS above 15 by 2030.

Targets related to own workforce (2025)

	Target	2025
Employee Engagement Index	4.0 by 2030	3.9
eNPS	Exceed 15 by 2030	14
Compliance to EU Pay Transparency requirements	100% by 2027	Refer to S1-15
Coverage of SD Worx offices in H&S reporting	100% by 2027	90%



S1-5 Characteristics of the undertaking's employees

SD Worx reports the key characteristics of its workforce in the following tables to provide context for the assessment of social impacts, risks and opportunities.

In 2025, our global workforce was represented by people from 84 nationalities.

Characteristics, own workforce (2025)

Indicator	Units	2025
Total number of employees¹	FTE	9,005
Total number of employees¹	headcount	9,369
Permanent employees²	FTE	8,384
Female		5,150
Male		3,234
Temporary Workers²	FTE	262
Female		143
Male		118
Number of non-guaranteed hours employees	headcount	Nil
Number of nationalities represented in global workforce	#	84
Average age of workforce	years	40.6
Rate of employee turnover in the reporting period	%	12.9
New hires	headcount	1,290
Vacancies filled internally	%	25

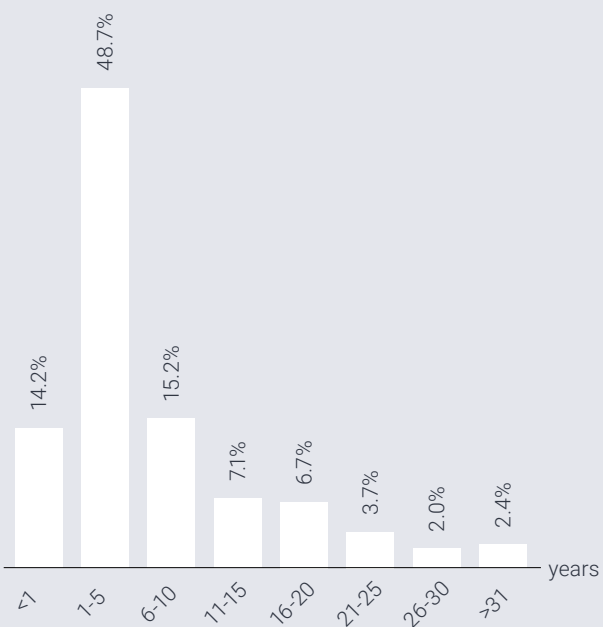
Note

¹ Data includes SD Worx entities and its subsidiaries as well as entities acquired by SD Worx in 2025 (see the core report). The figures exclude WorxInvest and VZW.

² Differences between the total headcount (or FTE) and the sum of employees and temporary workers are explained by the ongoing harmonisation of workforce systems and processes as a result of companies acquired in 2025.

Profile SD Worx workforce 2025

Seniority



Gender equality



10,062
employees and
contingent workers

84
nationalities

1,290
new hires

Total number of employees, including subsidiaries (2025)

Country of employment	Headcount	FTE
Albania	328	327
Austria	60	55
Belgium	2,869	2,712
Croatia	87	86
Denmark	8	8
Estonia	25	23
Finland	264	262
France	351	326
Germany	726	689
Hungary	1	1
Ireland	99	95
Italy	980	935
Luxembourg	80	76
Mauritius	843	842
Netherlands	601	550
Norway	150	144
Poland	421	419
Romania	145	143
Serbia	8	8
Slovenia	4	4
Spain	696	689
Sweden	228	225
Switzerland	12	11
United Kingdom	383	375
Total	9,369	9,005

S1-6 Characteristics of non-employees in the undertaking's own workforce

In the context of SD Worx, a non-employee is a contingent worker who works for our organisation without being hired by SD Worx under an employment contract. From a legal perspective, this contingent worker can either be an employee of another company who renders services for SD Worx or a self-employed person with or without an own company.

With close to 10% of the workforce supported by individuals working on a contractual basis for SD Worx, we believe it is essential to safeguard the organisation against operational, legal and financial risks while enabling flexible resourcing aligned with business needs.

In 2025, we rolled out a dedicated policy for 'Contingent Workers' for this workgroup. The policy seeks to provide clear guidance, processes and responsibilities to hiring managers to ensure that SD Worx engages contingent workers in a consistent, compliant and risk mitigating manner. It aims to give SD Worx better visibility into its external talent landscape, support informed workforce planning and prevent legal misclassification of contingent workers as employees.

The total number of non-employees in the workforce as of 31 December 2025 was reported as 792.

S1-7 Collective bargaining coverage and social dialogue

At SD Worx, we uphold the right to freedom of association and collective bargaining as a fundamental aspect of our people-centric ESG approach, embedding these principles in our Code of Conduct and ensuring compliance with applicable labour legislation across all entities. Collective bargaining at SD Worx is only one aspect of social dialogue. Social dialogue covers all types of exchanges, consultations, negotiations within the Group among its different entities, employees and their representatives about economic and social matters relating to working life.

We actively facilitate social dialogue through structured exchanges and consultations with employees and their representatives on topics including working conditions, health & safety, working hours, training, pay transparency and equal opportunities. Records of these meetings are transparent and made accessible to all our employees through a central portal.

While collective bargaining coverage varies across regions, driven by local legislations, in 2024 our Global Works Council strengthened employee representation at the international level, enhancing transparency, commitment and cross-border cooperation between management and colleagues.

A total of 30 employees within and outside the European Economic Area represent their countries within the Global Works Council, representing 89% of the workforce in countries with significant employment (more than 50 employees). We are committed to advancing inclusive dialogue and representation mechanisms that reflect national differences and support fair working conditions.

S1-8 Diversity metrics

Diversity, Equity, Inclusion & Belonging (DEIB)

Efforts to advance DEIB continued, strengthening open dialogue across the organisation on themes such as belonging, inclusion and wellbeing, with a view to fostering an environment where every colleague feels respected, valued and empowered to thrive. In doing so, we engaged broadly within and outside of SD Worx to promote inclusive practices as listed below.

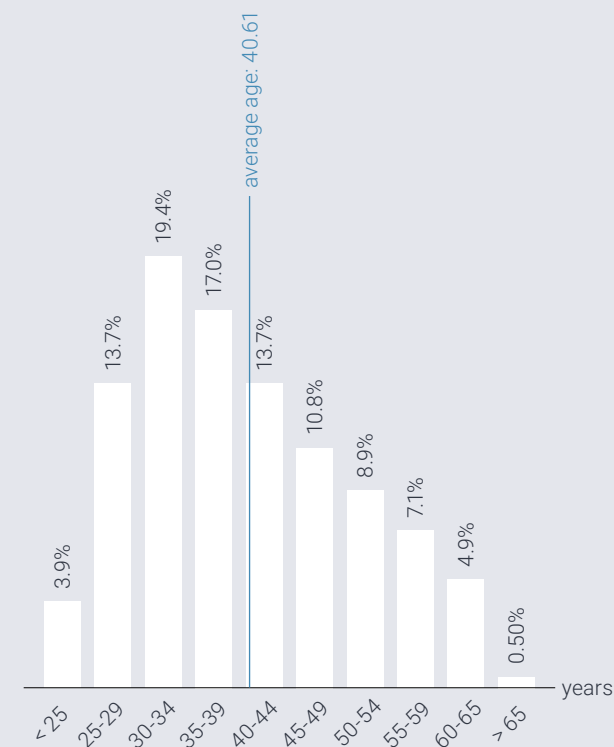
- **Collaboration with a global DEIB partner** started in 2025, with a focus on strengthening cross-cultural awareness and effective cross-border cooperation within our global teams through a company-wide webinar, "From Awareness to Action: Navigating Culture at Work," with tips to translate cultural theory into practical behaviours, pilot interactive workshops on cross-cultural communication and collaboration, and panel discussions on Cross-Cultural Fluency at SD Worx. This was facilitated by the SD Worx People team and our DEIB partner, providing a deep dive into navigating cultural differences at work, with real-life examples and best practices from multinational organisations.
- **DEIB training:** A dedicated e-learning module, Understanding DEIB at SD Worx, was launched. The e-learning was embedded into the onboarding journey for all new joiners, ensuring that our expectations around fairness, respect and inclusion are clear from Day One.
- **Awareness campaigns:** Company-wide panels, internal events and podcasts addressing topics such as belonging, inclusion in hybrid and international teams, and fair reward practices took place. A key highlight was the launch of the DEIB podcast "Let's Talk Pay Equality!," supporting transparency and dialogue around equal pay, complementing broader communication on the Pay Transparency Directive.

Our **DEIB Charter** was updated considering the insights generated from the above sessions.

In 2026, webinars and panel discussions will continue to enhance the inclusion of persons with disabilities in the workplace and supporting women leadership, by partnering with non-governmental organisations. Additionally, steps are being taken to continuously improve quantitative disclosures.

The average age of our workforce was reported as 40.61 years, with the age distribution as tabulated.

Average age SD Worx workforce 2025



Workforce statistics (2025)

Indicator	Units	2025
Employee distribution by gender¹	%	
Female		61
Male		39
Gender distribution in figures at top management² level	headcount	
Female		3
Male		6
Gender distribution as a percentage at top management² level	%	
Female		33
Male		67
% Women representation on the Board of Directors	%	
Female		27
Male		73
% Women in the Core Leadership³ Team	%	59
Employees having received a bonus during the reporting period	headcount	3,674
Female		2,027
Male		1,647
Employees having received a promotion during the reporting period	headcount	1,723
Female		981
Male		742
Percentage of persons with disabilities among the total employees	%	0.4
Female		0.3
Male		0.1
% Workers from minority groups and/or vulnerable workers employed in relation to the entire organisation	Nil	
% Workers from minority groups and/or vulnerable workers in top executive positions (excluding boards of directors)	Nil	

Note

¹ Only permanent employees on a fixed-term contract have been considered.

² The Executive Committee (Excom) has been considered as Top Management.

³ SPARK leaders have been considered in the Core Leadership and include two female leaders who are also part of the top management (Excom).

SPARK leaders are a select group of senior leaders who report to an Excom member and are part of the Excom members' management team. The composition of the Spark Leader group is reviewed each year at the Excom level.

Further quantitative and qualitative dimensions of diversity and inclusion are reported under S1-5, S1-9, S1-11, S1-2 and S-15.

S1-9 Adequate wages

All our employees and non-employees are paid an adequate wage. SD Worx ensures that employee compensation adheres rigorously to all relevant wage regulations across every country in which the company operates. This commitment ensures that each employee receives a sufficient wage, not only meeting but always exceeding the minimum standards established by local authorities.

Remuneration aligned to market benchmarking

To uphold this standard and further promote fairness and transparency, SD Worx utilises the Korn Ferry remuneration benchmark. This industry-recognised reward approach is employed to regularly assess and maintain competitive as well as equitable pay structures, thereby aligning remuneration packages with both market trends and internal policies.

In addition to offering competitive salaries, SD Worx provides employees with a comprehensive package of statutory and contractual social protection benefits. These include coverage for illness, parental leave and retirement, ensuring support throughout the different stages of employees' professional and personal lives (see S1-10). All benefits are carefully administered in accordance with applicable local labour legislation, ensuring compliance and offering employees assurance that their wellbeing and financial security are prioritised.

Furthermore, SD Worx periodically reviews its benefits programmes to reflect evolving legal requirements and best practices, thereby sustaining a supportive workplace environment for all employees. SD Worx has instituted a series of robust measures to ensure that employee wages remain fair, competitive and compliant with all applicable regulations across the diverse countries in which it operates. One of the key actions is the ongoing, systematic review of compensation levels for all employees. This process involves benchmarking wages against both internal peers at comparable contribution levels and the prevailing country-specific wage medians. Continuous reviews enable the organisation to promptly identify disparities and maintain equitable remuneration structures that reflect employee value and market conditions.

To reinforce transparency and oversight, SD Worx is deploying advanced dashboarding mechanisms that provide real-time visibility into employees' relative pay positions. These dashboards are designed to highlight any instances in which an individual's remuneration falls outside the parameters defined by the company's internal reward policy. When such cases are detected, targeted mitigating actions are initiated to correct these deviations and restore alignment with established compensation standards. This proactive approach ensures that all employees are consistently rewarded in accordance with both internal equity and external competitiveness.

In anticipation of the forthcoming national implementations of the EU Pay Transparency Directive, SD Worx is undertaking comprehensive preparations to fully comply with these new regulatory requirements. The company is committed not only to embracing the directive's provisions within EU jurisdictions, but also to extending similar protections and transparency measures to its employees in non-EU countries. This entails the development and adoption of baseline frameworks that guarantee all staff, regardless of geographical location, have access to clear information regarding their compensation and the criteria underpinning wage determinations. Through these concerted efforts, SD Worx upholds the principles of fairness, openness and equality, thereby fostering a workplace culture where every employee is valued and supported.

S1-10 Social protection

SD Worx demonstrates a steadfast commitment to upholding all applicable legislative requirements within the jurisdictions where it operates. The company ensures that every employee receives comprehensive social protection, which encompasses a broad range of statutory entitlements as well as supplementary benefits provided by the organisation itself. These measures include, but are not limited to, access to health insurance, robust pension schemes, and both statutory and enhanced provisions for maternity, paternity, parental or carer's leave. Additionally, SD Worx provides generous sick leave arrangements and full coverage for employment-related injuries, despite operating within a sector generally characterised by a low-risk profile.

By implementing these benefits, which are always in line with local needs and legislation, SD Worx places a strong emphasis on the wellbeing of its workforce. This approach not only supports the physical and mental health of employees but also contributes to their financial security, ensuring that individuals are protected against unforeseen circumstances that may arise during their employment. Such comprehensive protection fosters a positive workplace culture, enhances employee satisfaction and retention, and underpins the company's reputation as a responsible and equitable employer.

The number of employees without social protection regarding one or more major life events was reported as zero. Through these ongoing efforts, the company upholds high employment standards, promotes fairness and provides an environment where all colleagues can thrive.

S1-11 Persons with disabilities

SD Worx strives continuously to foster an inclusive and accessible workforce that actively supports the needs of differently abled persons. In 2025, the company launched a dedicated exercise to identify potential gaps in meeting relevant standards and to better understand local country standards and enhance the experiences of employees with diverse abilities at the workplace. Insights from this assessment will inform a targeted improvement plan, reinforcing SD Worx's intention to continuously advance accessibility and inclusion across its operations both for existing employees and for prospective candidates. Based on officially available information for the reporting period, out of the employees who contributed to SD Worx business activities, an estimate of 0.44% were differently abled, representing around 40 persons from 8 countries.

Internal awareness campaigns took place on DEIB (see S1-8) to promote understanding and integration of all abilities and talents. To mark the International Day of Persons with Disabilities in December 2025, a dedicated communication was shared via internal channels.

In the total workforce (excluding non-employees), the table shows the number of persons reported with disabilities. Due to ongoing consolidation of workforce data for companies acquired in 2025, information on persons with disabilities will be further refined in the next reporting cycle.

Number of reported persons with disabilities (2025)

Country	Female	Male	Total
Belgium	4		4
Denmark		2	2
Finland		1	1
France	1		1
Germany	15	10	25
Netherlands	2		2
Poland	1		1
Spain	4		4
Total	27	13	40

S-12 Training and skills development metrics

SD Worx continuously invests in talent development through structured performance and career progression with its employees across the organisation. In 2025, 79% of all learning hours were delivered through classroom training, while 21% were delivered via e-learning.

The number of learning hours per employee rose for the third consecutive year, with an increase of 25% reported in 2025 (16 hours per FTE) compared to the same period in 2024.

A total of 7,551 colleagues (excluding contingents) followed at least one skills-based training programme in the reporting period.

Learning hours by gender (2025)

Gender	Number of hours	Average hours by FTE
Female	93,148	18
Male	42,498	13
Total	135,646	16

Note: Figures refer to permanent employees and exclude contingent staff.

Learning & Development Campus

As our organisation evolves, the training curriculum is being revamped to equip our workforce with the right skills. In 2025, we placed particular emphasis on digital readiness and wellbeing, namely:

- **AI training:** As indicated in the 'Responsible AI' section with reference to GOV-1, IRO-1, to enhance our organisation's capability and confidence in applying artificial intelligence, such courses help colleagues understand the opportunities and limitations of AI, use emerging tools responsibly, and explore how AI can contribute to productivity and customer value. By embedding AI expertise into our learning offering, we are preparing our people for the evolving nature of work.
- **Brain@Worx programme:** This course is aimed at promoting wellbeing and is further detailed under S1-14.

In parallel, we continued to refine and streamline our learning catalogue to make development pathways clearer and more accessible. By enhancing the quality, structure and consistency of our training programmes, we enable colleagues to navigate their learning journey more intuitively and choose the right mix of courses to support their individual growth.

SPARK JOYner programme

As part of our commitment to continuous learning and career development, SD Worx continued to strengthen its internal talent pipeline through the third edition of the SPARK JOYner programme. After two successful cohorts since its launch in 2022, the initiative invited curious, entrepreneurial and dynamic colleagues for a third edition in 2025 to step forward as future SD Worx ambassadors with the ambition to grow into more strategic roles.

The SPARK JOYner programme offers a comprehensive learning journey covering leadership, project management, strategic insights, senior mentoring and career coaching, while fostering cross functional collaboration and innovation. Open to internal employees with at least one year of experience and a strong growth mindset, the selection process includes written motivation, a video pitch and an online assessment reviewed by a jury of executives, Spark Leaders and alumni. Through this structured development track, SD Worx ensures that employees have meaningful, future oriented opportunities to expand their skills, broaden their perspectives and contribute to strategic innovation across the organisation.

Talent management and performance reviews

In the most recent cycle for the year ended 2025, 92% of employees completed the Year End Assessment in 'MyMove', our Talent Management, Performance and Assessment tool, reflecting an increase from 87% from the previous year. In the summer of 2025, Germany was onboarded to 'MyMove' and participated in the formal performance review, contributing to the increase.

The 2025 figures* exclude Austria, which currently does not take part in the impact cycle, as well as colleagues in Italy and Romania, who recently integrated the SD Worx NV organisation as part of the acquisition of F2A and Romanian Software.

Looking ahead, we will continue building on the career path foundations already in place. Our aim is to offer even clearer guidance on the skills and competencies that support internal mobility and progression within SD Worx. Strengthening these pathways will help colleagues steer their career choices with confidence and enable more targeted, meaningful development conversations.

Career and performance reviews conducted of employees in scope*

Percentage of employees who participated in formalised performance and career development reviews



Number of employees who participated in regular performance and career development reviews, broken down by gender



S-13 Health & Safety

SD Worx operates a group Health & Safety framework that covers the majority of its workforce, with local procedures aligned to legislation. We actively foster a safe, healthy and prevention-focused work environment by aligning concrete initiatives with the objectives of our dedicated Health & Safety policy. Our people being our greatest asset, we continuously aim to maintain the highest standards of workplace health and safety.

Our objectives are to:

- Eliminate hazards and prevent accidents by proactively identifying, assessing and mitigating risks across all work environments through periodic risk assessments and control tours in offices and incident analyses
- Avoid physical, psychological, material and environmental harm through robust prevention measures, safe working practices and continuous monitoring,
- Promote physical and mental health by supporting employee wellbeing, encouraging healthy behaviours and offering resources that strengthen resilience and overall wellness,
- Provide a healthy, safe and pleasant workplace where all employees feel secure, respected and supported in performing their roles, and
- comply with applicable health and safety laws and standards, ensuring that our practices meet or exceed regulatory requirements in the countries where we operate.

Over the reporting period, the organisation showed an improvement in health and safety outcomes. Despite a 49% increase in included employees, the number of work-related accidents fell by 40% from 15 in 2024 to 9 in 2025. This reduction directly contributed to a 57% drop in the Total Incident Frequency Rate (TIFR).

Additionally, the organisation strengthened its structural safety foundation. Coverage by the Health & Safety Management System increased to 88%, reflecting broader implementation of systematic controls and safer working environments. Data quality and reporting reliability also improved: the number of entities with non-available data decreased from 7 to 0.

Health & Safety indicators (2025)

	2025
# work-related accidents (WRA)	9
# fatalities	0
# reported WR ill health	5
# days lost WRA	398
# commuting accidents	16
# worked hours	14,315,796
Lost Time Injury Frequency Rate	0.63
Lost Time Injury Severity Rate	44.22
% coverage H&S management system	88
Total Incident Frequency Rate (TIFR)	1.48

New or refurbished offices

In preparation for opening or rebuilding new offices, the organisation systematically consults internal and external HSE experts to ensure full compliance with national legislation and to integrate country specific requirements into the design, layout and technical infrastructure of each site. This includes conducting the necessary risk assessments, documenting preventive and corrective measures, and performing HSE control tours to verify that hazards are identified and mitigated before employees move into the workplace. This structured, forward looking approach ensures that all new and refurbished offices meet legal obligations, adhere to best practices, and provide safe, compliant and ergonomically sound environments from day one.

Fostering a prevention culture

Across all domains, SD Worx reinforces its structural prevention culture by ensuring trained HSE staff support policy implementation, analysing accidents to prevent recurrence, providing targeted onboarding and training, enforcing zero tolerance toward violence and harassment, conducting mandatory technical inspections, supporting reintegration of long term sick employees, guaranteeing the right to digital disconnection, and maintaining open communication with advisory bodies and the workers' council. Other initiatives to encourage a healthy lifestyle include free medical check-ups and fitness awareness programmes for preventive health management and wellbeing.

H&S training and Emergency app

To increase safety awareness and behaviour, the organisation strengthened its H&S training and Emergency Preparedness tools in 2025. A short e training course has been launched to support employees in quickly recognising emergency situations, reacting appropriately, understanding evacuation routes and assembly points and reducing fire related risks.

A dedicated Emergency App offers instant access to first aiders, fire wardens, and country specific emergency procedures, ensuring employees can respond confidently and guide colleagues safely during critical moments.

Ergonomics at work

To complement these safety initiatives, ergonomic wellbeing is also prioritised via the updated Ergonomics & Healthy Workspace tools. Employees can use the interactive E coach self assessment to optimise their workstation, receive ergonomics e learning to understand and apply good posture and setup principles, and book 1 on 1 consultations with external ergonomists, for personalised advice on physical discomfort or workstation issues. These resources help prevent strain, improve comfort and support sustainable healthy work habits.

Fit@Work

The Fit@Work Month, running from 29 September to 31 October in the 2025 edition, promotes physical, mental and emotional health through weekly English language workshops. The sessions included a keynote address by Prof. Steven Poelmans, guided breathing exercises, meditation, massage techniques and a Pulso led habit building workshop, all offered in multiple time slots and recorded for future use. Participants could also enter a draw to win breathing devices, encouraging long term stress management habits.

Pulso

At the start of 2025, SD Worx launched Pulso, a new Employee Assistance Program (EAP) offering 24/7 support for employees' emotional wellbeing, practical issues and crisis situations. It provides easy, multilingual access through phone, email, chat and an online platform, as well as local in person counselling. With a geographically spread network of professional mental health counsellors, Pulso forms part of SD Worx's global wellbeing approach tailored to local needs.

Together, these initiatives – from compliance based metrics to wellbeing programmes, emergency training, and ergonomic support – reflect a broad and proactive commitment to creating a safe, healthy and empowering work environment for all.



S-14 Work-life balance metrics

SD Worx supports employees in managing work and family responsibilities by ensuring access to comprehensive family related leave provisions across all countries of operation. A summary of the employees who took such leaves is given below, irrespective of geography, contract type or working hours.

Family-related leaves taken in 2025

	2025
Total % of employees entitled to take family-related leave	6.46%
Female (415 employees)	7.59%
Male (152 employees)	4.58%
Maternity leave (number of employees)	243
Paternity leave (number of employees)	54
Parental leave or carers' leave (number of employees)	270
Back to work rate (%)	92 (Belgium)

In 2025, a total of 567 colleagues took family-related leaves of absence, with the majority (498 colleagues or 88% of the total) from SD Worx Belgium. It was observed that 92% of the 498 colleagues who took leaves of absence returned to work and remained in employment after 3 months of joining. The 'Back to work' indicator, now formally recorded for Belgium only, will be collected in a structural way for other countries as well going forward.

Make the Most Out of Work

SD Worx launched the "Make the Most Out of Work" internal campaign to promote smarter working, stronger collaboration and improved employee wellbeing. The initiative focuses on fostering an inclusive meeting culture, encouraging effective communication, supporting collaboration within diverse teams, and strengthening work life balance through tools such as Brain Balance training and practical wellbeing resources.

Brain@Worx

Our Brain@Worx programme expanded further in throughout 2025 and now plays an important role in fostering sustainable careers. Through training courses that explore topics like focus and disconnection, healthy sleep and movement, and reflective practices, colleagues are encouraged to build habits that support their wellbeing at work and beyond.

Overall, six learning journeys were delivered in English, French and Dutch, engaging employees globally. In response to strong interest, additional Brain@Worx journeys have been scheduled from February 2026 in all three languages.

Workation Programme

SD Worx continued its "workation" programme that enables employees to work remotely from another SD Worx country, thereby enhancing flexibility, autonomy and wellbeing while reinforcing a culture of trust, responsibility and international collaboration. In 2025 over 300 employees took part in the programme. The workation programme operates in line with our policies on workation and on global remote working.

S1-15 Remuneration metrics

Remuneration policy for employees

SD Worx's comprehensive remuneration package is designed to:

- Connect performance with reward.
- Align individual and team objectives with the overall business strategy and outcomes.
- Attract and retain talented professionals.
- Recognise and reward achievements in accordance with the company's financial health and capacity.

Additionally, SD Worx is committed to offering a contemporary and competitive compensation structure within a motivating yet manageable framework:

- **Motivation:** Competitive wage conditions are essential for attracting and retaining qualified employees. Commitment and performance drive salary progression and variable pay opportunities.
- **Manageability:** Administrative efficiency and budgetary control are integral to our approach. Our wage policy is consistently benchmarked to market standards.
- **Market-based compensation:** We aim to provide rewards that exceed market averages across all roles and pay types.
- **Transparency:** We uphold a high level of transparency in our remuneration practices, balancing diverse business needs with our pursuit of profitable growth.
- **Internal compliance:** Clear policies and guidelines support fairness and ensure adherence to internal standards.

ABC (Atmosphere, Benefits & Cash) reward strategy

In accordance with SD Worx's ABC (Atmosphere, Benefits & Cash) reward strategy and with prevailing market standards, our remuneration package encompasses more than just gross salaries. We provide a comprehensive suite of benefits, tailored to reflect the company's commitment to attracting and retaining talented professionals, while aligning with our strategic objectives and financial capacity.

Although specific provisions may differ by country, the core benefits offered across all geographies are organised into five principal categories:

- **Atmosphere:** initiatives and programmes that foster a positive workplace culture, promote employee health and wellbeing, and support work-life balance, ensuring engagement, inclusivity and accountability.
- **Benefits:** comprehensive welfare provisions including pension insurance, medical insurance and support for mobility and transportation, designed to enhance overall employee satisfaction and retention.
- **Cash:** direct financial rewards, such as competitive salaries and monetary incentives, reflecting both market standards and performance, in alignment with SD Worx's commitment to recognising achievements and maintaining financial health.

This structured approach ensures transparency, equity and manageability, reinforcing our dedication to rewarding achievements in line with the company's financial health and capacity, as well as supporting compliance with internal standards.

A

Atmosphere

For Life. For Work. Your career at SD Worx will be challenging, fun, focused on the team and your role within the team and focused on your growth with plenty of opportunities to grow day in day out.

B

Benefits

Solid benefit packages that support you in your daily life, throughout your career; by offering insurance packages, mobility options, flexibility options, vacation days, workation options and many more.

C

(Total) Cash

Providing you a market conform total cash position, taking into account your job level and performance level.

SD Worx is committed to delivering market-conform wages, ensuring that employee compensation consistently aligns with prevailing market standards and our ABC (Atmosphere, Benefits & Cash) reward strategy. Across all countries in which we operate, our remuneration practices not only comply with local wage regulations but also surpass statutory minimums, reflecting our dedication to fairness, transparency and competitive pay. To maintain equity and competitiveness, SD Worx regularly utilises the external remuneration benchmark, in line with industry-recognised standards, to assess and calibrate our pay structures in accordance with both market trends and internal guidelines. Variable remuneration constitutes a fundamental element of SD Worx's comprehensive compensation framework, designed to advance both organisational objectives and employee motivation. The allocation of variable compensation is strictly contingent upon the attainment of predetermined performance outcomes, primarily driven by financial performance indicators and further adjusted based on customer feedback (CX) for all employees. For management and executive committee members, additional adjustments are made according to employee feedback (Employee Score or EEI).

Historically, SD Worx has maintained a strong emphasis on collective targets, in alignment with the company's value of "One For All, All For One." Beginning in 2024, the variable pay approach has been further refined: market targets and results now partially inform variable compensation for positions linked to local market performance. Consequently, variable remuneration is determined by a combination of Group-wide and market-specific targets, while customer and employee

feedback continue to serve as critical adjustment factors as previously described. This structure is intended to minimise pay volatility, thereby providing greater stability for employees, to ensure fairness and promote alignment with overarching organisational goals.

All employees are granted unrestricted access to information pertaining to the establishment of targets for financial performance, customer satisfaction (CX) and employee engagement (EI). Both the target-setting processes and final outcomes are communicated transparently throughout the organisation.

SPARK bonus for talent

In addition to the standard variable pay system, SD Worx offers a one-time bonus programme (SPARK bonus) to recognise exceptional contributions and outstanding performance on a company-wide basis. The timing, nomination process, communication and other details are determined at the division level by the respective division executive committee member in conjunction with their management team. This decentralised approach encourages a culture of ownership, enabling each division to tailor the process to its specific requirements.

Both the variable pay system and the SPARK bonus reflect SD Worx's unwavering commitment to transparency, equity and employee recognition. These initiatives further fuel the company's social responsibility objectives by fostering a culture of engagement, inclusivity and accountability across the workforce.

Global employee referral bonus

To attract talent, we provide a global employee referral bonus programme. Employees earn a substantial incentive, which is double the market standard, when they refer a candidate who is subsequently hired and remains employed for at least six months. This bonus amount does not vary by role, reflecting our commitment to equality and our core values that every colleague matters. Referred employees benefit from early familiarity with SD Worx culture and an initial internal network, while referring employees are recognised for their contribution and engagement. This approach creates mutual benefit, offering both a referral bonus for the referring colleague and outstanding career opportunities for the referred candidate.

Pay transparency at SD Worx

In preparation for the upcoming national implementations of the EU Pay Transparency Directive, SD Worx is implementing thorough measures to ensure complete compliance with these new regulatory requirements. As a key element of our ABC (Atmosphere, Benefits & Cash) reward policy, pay transparency forms an essential part of our organisational framework. SD Worx remains dedicated not only to satisfying the directive's standards across all EU member states but also to proactively providing similar protections and transparency initiatives for employees outside the EU. Accordingly, we are establishing comprehensive baseline frameworks to guarantee that all employees, regardless of location, have access to transparent information about their remuneration and the criteria underlying wage determination. With these strategic actions, SD Worx underscores its ongoing commitment to fairness, openness and equality, cultivating an inclusive workplace culture where every employee feels recognised and valued.

Our adjusted gender pay gap stands at 3.03% in line with our target to maintain it below 5%.

Additionally, as a payroll and HR services provider, ensuring objectivity in compensation is fundamental to our corporate identity. This principle not only guides our internal People team and influences our own reward policies and processes but also informs the guidance and recommendations we provide to our customers.

Remuneration metrics

	2025
Adjusted gender pay gap	3.03%
Unadjusted gender pay gap	15.98%
Annual total remuneration ratio	5.32



S1-16 Incidents of discrimination and other human rights incidents

During the reporting period, no substantiated incidents of human rights violations or discrimination were recorded at SD Worx. In one isolated case where concerns were raised in 2025, they were promptly assessed through established grievance channels, and appropriate remedial measures were implemented to address the situation and prevent recurrence.

In 2025, SD Worx also published a dedicated Labour and Human Rights policy to reinforce its commitment to non-discrimination, zero tolerance for any form of harassment, and the fair and respectful treatment of all individuals across its operations. The policy sets clear expectations for behaviour, provides accessible channels for reporting concerns, and establishes strong safeguards against retaliation.

Discrimination and human rights events

	2025	Target 2026
Discrimination		
Number of incidents of discrimination at work on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination, including harassment, identified in the reporting period	1	0
Judicial and non-judicial proceedings that have been initiated (such as cases before domestic courts and tribunals, mediation and complaints filed with the National Contact Points for OECD Multinational Enterprises)	0	0
Substantiated incidents of discrimination registered, including those identified through internal processes	0	0
Human rights		
Number of human rights incidents connected to its own workforce identified in the reporting period, excluding those that relate to discrimination reported in above metric	0	0
Total amount of fines, penalties and compensation for damages recognised during the reporting period in the financial statements for incidents of discrimination and other human rights incidents	0	0
Substantiated incidents of human rights registered, including those identified through internal processes	0	0

ESRS S2 Workers in the value chain

Based on our DMA, S2 Workers in the value chain and S3 Affected communities are assessed as not material to SD Worx. Materiality will be reassessed in the next DMA cycle.



ESRS S3 Affected communities

Although S3 -Affected Communities is not material for SD Worx, we report a voluntary summary of our CSR, sponsorships and community engagement activities for transparency.

Sponsorships

SD Worx's sponsorship initiatives align directly with two of the Sustainable Development Goals it upholds, SDG 4 Quality Education and SDG 8 Decent Work and Economic Growth, by fostering learning opportunities and promoting fair, inclusive and sustainable labour practices.

SD Worx focuses on supporting research in the future of work through various initiatives:

- **Chair at the Antwerp Management School**

SD Worx is continuing its long standing collaboration with the Antwerp Management School, contributing to the 'Next Generation of Work' Centre of Expertise and advancing research that supports sustainable career development and policies.

- **Cooperation with VUB (Free University Brussels)**

An ongoing cooperation agreement with the VUB (Vrije Universiteit Brussels) for the Social Law Education Program is intended to attract (working) students with an interest in social law since its launch in 2022.

- **SEISMEC**

SD Worx is participating in the SEISMEC project (Piloting the shift to human-centric industry), funded by the European Commission within the Horizon Europe Programme. This interdisciplinary project includes researchers from Erasmus University Rotterdam (EUR) and Rotterdam School of Management, Erasmus University (RSM), in collaboration with a multinational consortium of research, industry and civil society partners. SEISMEC aims to tackle the future of work, to transform workplaces and empower workers in all major European industries.

In addition to supporting research, SD Worx keeps driving the growth of women's cycling through the support of Team SD Worx Prottime.

Team SD Worx-Prottime

Just as in HR and payroll, success stems from combining individual talent with strong teamwork, bringing people together and creating real momentum. In 2025, Team SD Worx-Prottime delivered an outstanding season with 48 road victories and a total of 80 wins across all disciplines, meeting the target set in honour of SD Worx's 80th anniversary. Off the bike, we supported several charitable initiatives by donating team jerseys, raising funds for local causes and backing youth cycling clubs (further info is available in the core report).



Fonds Worx

Through the [Fonds Worx](#) (formerly SD Worx Fund), SD Worx provides financial and professional support to projects of partner organisations that enable vulnerable people to participate fully in economic life. These organisations:

- prepare underprivileged people for employment, either directly or indirectly
- ensure that disadvantaged groups remain active in the labour market
- ensure that underprivileged people can return to the labour market after an absence.

Since 2020, Fonds Worx has joined forces with the [King Baudouin Foundation](#), which is ‘an actor for change and innovation in Belgium and Europe’, serving the public interest and increasing social cohesion. It seeks to maximise its impact by improving skills in organisations and for individuals and stimulates effective philanthropy by individuals and corporations.

This objective matches perfectly with the SD Worx Fund. Operations are managed through a joint management committee set up by the King Baudouin Foundation, chaired by Fons Leroy and including board members from private foundations. King Baudouin Foundation has taken over all engagements of SD Worx Fund and oversees new requests.

Fonds Worx initiatives

Shaping the Future – Bridging the Gap for Youth Employment

Together with the King Baudouin Foundation, we support the project “Shaping the Future,” a three-year trajectory with 20 projects across Belgium, focused on youth employment and young talents at work. The focus is on financial support, individual coaching and collective workshops through an impact platform. It includes seven projects in Flanders, three in Belgium, five in Wallonia and five in Brussels.

Type of projects:

The projects aim to improve access to the labour market and focus on one of the following objectives for the benefit of young people (aged 15–29) in vulnerable situations: guidance towards employment and/or internships/holiday jobs.

Organisations must commit to supporting the pathway before, during or after employment, with a preference for projects that cover all three phases. The goal is to promote sustainable employment.

The organisation is willing to invest time and energy in further developing the project through the collective impact platform that the foundation will establish.

SD Worx community initiatives

In 2025, SD Worx colleagues across Europe and beyond actively contributed to environmental protection, social inclusion and community wellbeing. These initiatives were largely colleague-led and locally anchored, reflecting our belief that sustainable impact starts close to home while contributing to broader societal goals.

Environmental initiatives

Colleagues took concrete action to reduce environmental impact and raise awareness around sustainability.

In **Belgium**, initiatives focused on circularity and nature protection, including a furniture second life project and a plogging activity in Mechelen, combining outdoor exercise with litter collection.

In **Austria**, sustainability was embedded into daily habits through the distribution of refillable water bottles to all employees, supporting the reduction of single use plastics.

In **Spain**, colleagues came together for the Green Action Success initiative. Teams actively contributed to the reforestation of the Mijas mountain, planting native trees and turning teamwork into tangible environmental impact. The initiative left behind not only newly planted forests, but also a strong sense of shared responsibility and long term commitment to environmental stewardship.

Social and community engagement

Social responsibility remained a strong pillar of SD Worx’s ESG efforts, with initiatives spanning health, education, inclusion, culture and solidarity.

Career-focused, coaching and empowerment initiatives

SD Worx colleagues contributed to social impact by sharing their expertise, time and experience to support employability, learning and inclusion. These initiatives closely align with SD Worx's core mission of enabling meaningful work and lifelong development.

One such example is the involvement of colleagues in the collaboration with JINC in the Netherlands. This organisation supports young people for whom the transition from education to work is less self-evident. Through structured programmes, JINC offers guidance to students in the final phase of secondary education, focusing on study choices, self-confidence and a broader understanding of career possibilities. These young people often receive limited support from their immediate environment, making targeted external guidance particularly valuable.

Within SD Worx, several colleagues acted as coaches and mentors, engaging in individual conversations with students, supporting them in exploring further education options and helping them take concrete next steps such as enrolling in open days or follow-up programmes. A strong emphasis is placed on human connection, trust-building and practical skills such as networking and preparing for future job applications. This approach helps lower psychological and informational barriers and encourages young people to look beyond what they may initially consider attainable.

Colleagues of **Protime** took part in the 'Onbeperkt jobstudent' initiative to offer young people with a disability or chronic illness the opportunity to gain meaningful work experience. We

welcomed a student with autism to our headquarters, where she spent five months, working every Wednesday and getting her very first taste of a corporate environment. With the support of two dedicated buddies in the HR team, she was guided through her tasks. This experience not only helped her take an important step in her journey but also broadened our own perspectives.

In **Spain**, several initiatives focused on empowerment and inclusion through education and awareness. Colleagues volunteered with BarcelonActua in Barcelona, supporting the social inclusion of young migrants in vulnerable situations. Learning and awareness were further strengthened through experiential initiatives such as the "Discover Different Realities" virtual reality experience, which immersed colleagues in the everyday lives of people with disabilities. Inspirational guest speakers shared personal stories of resilience, inclusion and overcoming adversity, contributing to a deeper understanding and dialogue around disability and diversity. Leadership-led conversations on inclusion, including exchanges with external partners, reinforced SD Worx's belief that diverse talent is essential for growth; and connection led conversations on inclusion, including exchanges with external partners, reinforced SD Worx's belief that diverse talent is essential for growth and connection.

In **Italy**, access to learning and knowledge was encouraged through the creation of a shared office library, while a Family Day with a focus on diversity promoted awareness and dialogue across generations.

In **Poland**, SD Worx actively partners with academic institutions to support student development and strengthen the future talent pipeline through multiple initiatives:

- Internships aligned with university curriculum requirements and providing students with hands-on experience that supports academic requirements and career growth.
- Creation of a patronage class in collaboration with a selected university, where SD Worx experts deliver joint learning modules and practical case studies.
- Study visits to SD Worx office for students to gain first hand insight into business operations, HR processes and payroll technologies.
- Expert-led study sessions at universities, delivered by SD Worx experts.
- Sponsorship of the BIT Festival, including support for a student Hackathon organised by a university association to promote innovation and problem-solving.

In **Mauritius**, educational empowerment formed a key pillar of community engagement. Initiatives included learning-focused activities for vulnerable children and women, support for educational infrastructure, and sustained collaboration with schools and youth organisations to improve learning conditions and long-term opportunities.

Solidarity, fundraising and support for good causes

Alongside career-focused engagement, SD Worx colleagues showed strong solidarity with local and international communities through a wide range of fundraising, donation and volunteer initiatives addressing health, social inclusion, education and humanitarian needs.

Across multiple countries, colleagues organised fundraising campaigns such as charity auctions, cake sales, raffles, concerts and themed office events.

In **Belgium**, initiatives supported Kom op Tegen Kanker, including a charity auction of a signed world champion cycling jersey, as well as participation in the Pink Walk in support of Pink Ribbon, National Breast Cancer Foundation.

In **Belgium and Spain**, colleagues organised regular blood donation drives, providing essential support to healthcare systems. In Spain, a blood donation initiative was particularly meaningful in the aftermath of the tragic train accident in Córdoba, underlining the immediate societal value of employee action.

In **Ireland**, colleagues raised funds, for example for the Irish Cancer Society, through cake sales and individual fundraising journeys.

In **Albania**, colleagues also organised a baking sale to support those in need within the team.

In **Spain**, initiatives such as the Ugly Jumper Christmas, a Family Christmas Event and the Sant Jordi celebration combined community building with charitable donations, including support for organisations such as Mary's Meals. The "Their Rights at Play" initiative extended solidarity to vulnerable children and abandoned animals through partnerships with Cruz Roja Juventud and Rescate Animal Granada.

In **Poland**, colleagues participated in Szlacheta Paczka, one of Poland's most recognised social aid initiatives, providing support to families in need through employee volunteering and fundraising.

Furthermore, they participated in a charity run organised by the Poland Business Run Foundation, in which companies from all over Poland can take part and jointly support people in need. This unique initiative combines sport, integration and assistance to the needy.

In **Mauritius**, colleagues demonstrated a broad and sustained commitment to solidarity, supporting underprivileged students through donations of school supplies, educational outings and the installation of a water filtration system in a primary school. Additional initiatives included donation box campaigns, fundraising events, cultural celebrations in elderly homes, emergency support for individuals and families in need, and long-term partnerships with organisations such as Les Amis de Don Bosco. Large-scale engagement moments, including the Payback Concert, mobilised hundreds of colleagues in support of charitable causes.

ESRS S4 Consumers & end users

As part of our responsibility to manage information-related impacts on consumers and end users, a major milestone has been the launch of our Digital Office in the last quarter of 2025 to strengthen the reliability, accessibility and customer centricity of its digital services. The Digital Office drives the unified digital transformation agenda across all markets and functions, ensuring that the design, delivery and evolution of HR and payroll solutions consistently safeguard data quality, service continuity and user experience (see S4-3).

S4-1 Policies related to consumers and end users

SD Worx applies an integrated set of policies and practices to manage material impacts, risks and opportunities affecting customers and end users. Within Customer Experience (CX), three central policy pillars apply:

Data privacy, information integrity and data quality

SD Worx ensures the confidentiality and integrity of customer data, which positively impacts customer trust and guards against misuse of personal and sensitive information. Data breaches are recognised as a material risk for consumers and end users under strict GDPR requirements. A dedicated Group policy on data security and the use of customer data is in place and a yearly mandatory training for all employees is conducted to emphasise the importance of these areas.

To strengthen information related impacts, SD Worx invests in structural data quality improvements through:

- **Data quality enhancement programmes** through a dedicated initiative devised by the SPARK JOYners cohort of 2025, focusing on improving customer data accuracy, routing logic, service workflows and system consistency to safeguard information reliability.
- **Automated NPS data selection processes** to ensure harmonised, secure and GDPR-compliant contact selection across all markets, significantly reducing manual errors and improving data reliability.

These initiatives reinforce the integrity of customer feedback and complaint data and help reduce privacy-related risks.

Complaint handling

SD Worx has established a consolidated, corporate complaint handling process that ensures consistent logging, follow-up and resolution of customer complaints across all markets and customer-facing teams.

However, governance is still being strengthened:

- Customers do not yet log complaints directly; instead, customer-facing teams are responsible for logging complaints uniformly into the system.
- CX is currently enhancing governance structures to ensure full standardisation, role clarity, consistent complaint definitions and improved quality assurance of complaint handling.

CX governance and corporate embedding

Customer experience is strategically embedded within SD Worx through:

- A **CX Board** that provides strategic oversight and ensures alignment between corporate leadership, operations and markets.
- A clear, Group wide **CX Strategy**, anchored in Voice of the Customer, journey design and CX culture, ensuring that customer impact is structurally managed and governed.
- Annual **CX Awards** that recognise customer-centric behaviour and stimulate strong CX culture across the organisation.
- Significant progress in customer-centric capability building: 68% of operations employees (payroll consultants) have now completed the Spark Your Customer training, compared to 18% in 2024, demonstrating strong momentum in embedding customer-first behaviour across the workforce.

S4-2 Engagement with consumers and end users, existence of channels for consumers and end users to raise concerns or needs and approaches to remedy

SD Worx actively engages with customers and end users through a structured feedback ecosystem:

Engagement mechanisms

- Recurrent Relational NPS measurements across all markets, along with Transactional NPS in journeys such as onboarding, incident handling and case management.
- Quarterly bridging meetings between corporate CX and local markets to translate customer perspectives into improvement priorities.
- Loop-closing communication, demonstrating to customers how their feedback leads to actionable improvements (e.g. BE SME campaign reaching 4,421 customers with 63% engagement).
- Direct interactions such as interviews, feedback calls, shadowing and focus groups embedded in the CX Ways of Working.

Channels for raising concerns

- Customers raise concerns through NPS feedback, cases, incidents, service interactions and the complaint process.
- Complaint logging is performed by customer facing teams, not by customers directly, ensuring structured registration across SD Worx.
- In the past year, nearly 570 NPS-triggered cases were formally logged and followed up by account owners.
- Concerns can also be raised anonymously through secure and confidential channels described under G1-1 and G1-2.

Remediation approach

Remediation is supported through:

- the uniform complaint handling process
- small loop and big loop governance for feedback resolution
- escalation mechanisms
- and improvement initiatives embedded in CX governance and SPARK behavioural principles



S4-3 Actions and resources related to consumers and end users

SD Worx provides ESG-inspired solutions that enable customers to activate their sustainability strategies and build fair, transparent and futureproof workplaces. A key focus is helping organisations prepare for and comply with EU Pay Transparency requirements by raising awareness, offering practical tools and embedding transparency features directly into HR and payroll products.

Our ESG-inspired offerings include:

- **Compliant payroll and HR processes**, which underpin fair and transparent pay practices and support CSRD social pillar reporting obligations.
- **SD Worx Academy**, offering training across 12 European countries on employment legislation, sustainable workforce management and the implications of the EU Pay Transparency Directive.
- **Talent Management tools such as SD Worx Compass**, enabling structured and transparent performance, talent and skills development conversations.
- **Employee wellbeing programmes**, supporting equitable reward strategies, transparent pay communication, flexible planning and hybrid working policies.
- **DEIB solutions**, including HR dashboards for monitoring diversity metrics and built-in tools for gender pay gap analysis and compliance with the EU Pay Transparency Directive and relevant local laws.

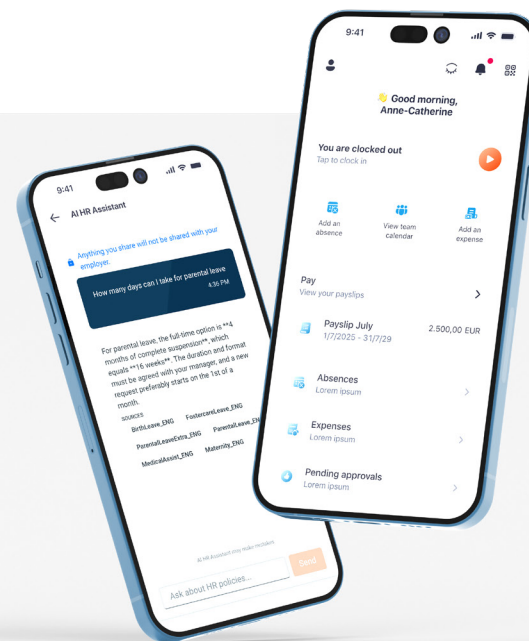
- **Digital HR solutions**, including workforce management platforms and the mysdworx app, designed to improve employee experience, support sustainability goals and make HR processes more accessible and transparent.

The mysdworx app is a centralised gateway to access many HR functionalities for professionals, organisations and their employees. During the last 12 months, we recorded over 1.2 million active users consulting this mobile app to check their payslips or tax documents, request leave or submit expenses. The number of active users of the app continues to increase rapidly, with a few hundred thousand users added in recent years.

Over time, the app is becoming available in more countries and new features are being added to provide a more digital employee experience. The app rating is exceeding 4.7 on 5 when checking the iOS app store or Google Play Store.

- Customised outplacement and coaching programmes, supporting employee development and smooth career transitions.

Together, these offerings help customers strengthen the social dimension of ESG, enhance pay transparency and meet evolving regulatory requirements across Europe.



SD Worx Knowledge Centre

The SD Worx Knowledge Centre continues to play a central role in advancing the company's social and governance ambitions by translating complex HR and employment legislation into clear, practical guidance for customers and internal teams, while positioning expertise sharing and long term HR research as core to our impact. Through the work of our legal, tax and HR specialists, the Knowledge Centre supports informed decision making, strengthens sustainable HRM practices and reinforces SD Worx's position as a trusted thought leader in building future proof, inclusive and compliant workplaces. This expertise is widely shared with the broader public and professional communities through webinars, business events, social dialogue and multiple communication channels, including our website and blog, where we offer free e books and evidence based insights on topics such as reward strategies, talent management and labour market trends, ensuring that knowledge generated within SD Worx contributes meaningfully to the wider HR ecosystem.

Digital Office

To better manage information related impacts on consumers and end users, SD Worx initiated the launch of its Digital Office, our central department that brings together key expertise from across the business to set and drive forward our digital transformation agenda. It combines different several dedicated teams with distinct mandates to enhance the reliability, accessibility and customer centricity of its digital service and ensure future-ready digital development across all markets.

In addition to the above, SD Worx implements structured actions to manage both positive and negative impacts on customers:

Preventing and mitigating negative impacts

- Harmonised **complaint handling process** and strengthening governance for consistent complaint logging.
- **Churn process harmonisation**, with uniform reporting and root cause analysis
- Improvements in **incident communication**, routing, case management and journey governance.
- Data quality improvements and automated NPS data selection ensure clean, secure and compliant customer data foundations.
- Training and enablement of service owners, including SPARK based customer interaction training.

Strengthening positive impact

- Enhancements of onboarding experiences and journey feedback loops.
- Customer-centric culture reinforcement through CX Awards and Spark Your Customer training.
- Digital accessibility and UX improvements across channels.

Tracking effectiveness

- Corporate dashboards for NPS, complaints, loop closing timeliness and case quality.
- Trend analysis linking NPS with operational metrics such as ticket handling, issue recurrence and solution quality.
- Governance oversight through the CX Board, bridging meetings and CX leadership reviews.

Human rights incidents

No human rights-related incidents involving customers or end users were identified in the reporting period.



S4-4 Targets related to consumers and end users

SD Worx has defined several goals to further strengthen the customer experience. A central objective is to achieve a Relational Net Promoter Score (rNPS) of +15 by 2026, a target approved by the Executive Committee.

rNPS measures the strength and quality of long term customer relationships, based on how likely customers are to recommend SD Worx. Unlike transactional NPS, which focuses on a single interaction, rNPS reflects overall satisfaction and loyalty across the full relationship.

To improve quality and create more value for customers, SD Worx also intends to adjust its loop closing process. 'Loop closing' refers to the follow-up with customers after they give feedback – acknowledging their input, resolving issues and communicating back to them. The proposal is to move from a seven-day response window to ten business days, giving teams more time to provide thorough, high-quality follow-up rather than focusing on speed alone.

At the same time, the Voice of the Customer programme will continue to expand. Efforts include gathering feedback across more customer journeys, improving data quality and enhancing dashboard insights to support better decisions.

Looking ahead to 2026, the customer experience programme aims to roll out rNPS in additional markets, strengthen reporting and further reinforce CX governance. Together, these targets ensure that performance management remains closely linked to customer impact and supports continuous improvement in customer outcomes.



Governance



ESRS G1 Business conduct

SD Worx manages business conduct with integrity, transparency and accountability, embedding sustainability into decision making, risk management and day-to-day operations. The Board of Directors holds ultimate oversight of sustainability matters, supported by the Audit & Risk Committee, which monitors controls, compliance and the quality of sustainability reporting. Policies and internal controls operate under the defined risk model (see GOV 4), ensuring clear responsibilities for operational teams, specialist oversight functions and Group Internal Audit. Sustainability governance applies across the SD Worx Group unless otherwise stated. Reporting for 2025 follows the financial consolidation perimeter and the scope described in BP 1, ensuring consistency between ESG disclosures and statutory financial reporting.

G1-1 Policies related to business conduct

SD Worx maintains a comprehensive framework of policies that guide ethical behaviour, responsible business conduct and compliance across our organisation and value chain. These policies set clear expectations for all employees, management, Board members, contractors and, through our Supplier Code of Conduct, our suppliers and business partners. The framework forms the foundation of our commitment to integrity, transparency and responsible corporate citizenship.



Our policy framework

Our Code of Conduct is the core of our policy framework. It defines the standards of professional behaviour we expect from everyone at SD Worx: acting with integrity, competing fairly, protecting confidential and personal information, fostering a respectful workplace and raising concerns when something does not seem right.

To support these values, we maintain specific policies that address key areas of responsible business conduct:

- Risk Management – our enterprise risk policy outlines how risks are identified, assessed and mitigated under the three lines model, operating within the risk appetite approved by the Board.
- Information Security & Privacy – our security and privacy policies safeguard personal and sensitive information through strong access controls, cybersecurity standards, incident response procedures and compliance with data protection laws.
- Anti Bribery & Corruption (ABC) – we apply zero tolerance to bribery and improper advantages. The policy includes clear rules for gifts and hospitality, interactions with public officials, engagement of third parties, and accurate recordkeeping. Breaches lead to corrective action.
- Anti Money Laundering & Counter Terrorist Financing (AML/CTF) – where legally required, we conduct risk based customer due diligence, screening, monitoring and reporting to prevent misuse of our services for illegal purposes.
- Fraud Risk Management – we embed preventive and detective controls, promote segregation of duties and ensure that suspected fraud is investigated promptly and transparently.

- Competition Law Compliance – this policy strengthens our fair competition practices across all SD Worx entities. It includes an easy to use Do's & Don'ts guide and clarifies how concerns can be raised confidentially through channels aligned with our Whistleblowing Policy.
- Whistleblowing – any individual can raise concerns safely through confidential reporting channels, with anonymity where permitted. We strictly prohibit retaliation and follow a defined process for case handling and escalation.
- Labour & Human Rights – we commit to fair working conditions, equal opportunities, non discrimination, health and safety, freedom of association and access to grievance mechanisms.
- ESG policy – this policy defines our commitments across environmental, social and governance topics and ensures integration of ESG considerations into day to day processes, training and reporting.
- Global Mobility policy – we define clear rules to ensure transparent, consistent and responsible decision making in all mobility related processes for short-term, long-term and permanent international assignments.
- Supplier Code of Conduct and Procurement – we expect suppliers to meet standards on human rights, anti corruption, data protection and environmental practices. Supplier qualification, due diligence and contractual clauses ensure ethical sourcing and responsible third party engagement.

Applicability, review and oversight

All policies apply to all employees, management, board members and contractors, with expectations for suppliers enforced through due diligence and contractual agreements. Policy owners review their policies at least annually or sooner if prompted by legal, regulatory or risk developments.

Implementation, training and due diligence activities are detailed in G1-2, while performance indicators and targets appear in G1-3 and G1-4. Information on data privacy and security, including attestations, is provided in GOV-4 and annex.

SD Worx's business model does not involve activities linked to animal welfare, and therefore no specific policy is required at this time.

G1-2 Actions related to business conduct

SD Worx is committed to doing business in an ethical, lawful and transparent manner. We have implemented a comprehensive set of actions to prevent and address corruption and other forms of misconduct. These actions include mandatory Code of Conduct training for all employees (with embedded anti bribery and corruption content), a robust whistleblowing and speak-up framework with non retaliation guarantees, risk-based third party due diligence for suppliers and partners, and structured internal controls and investigations processes. Details of these actions are described below; corresponding targets and metrics are reported in G1-3 and G1-4.

External and internal monitoring

We complement our own controls with EcoVadis' 360° Watch external monitoring. Our Corporate Communications team tracks media coverage across markets. Where monitoring indicates credible allegations or adverse findings, the matter is routed into our speak up/compliance case handling process for timely assessment and escalation.

Internal controls and fraud risk management

SD Worx is maturing its fraud risk management approach in line with the policy. Structured fraud risk assessments and enhanced documentation of preventive/detective controls are being phased in. We are enhancing documentation of preventive and detective controls so that ownership, frequency and evidence requirements are clear. Insights from these assessments inform improvements to controls and targeted training for relevant roles.

Anti money laundering and counter terrorist financing

SD Worx implements anti money laundering and counter terrorist financing (AML/CTF) controls in all markets where such regulations apply. Our risk based framework covers stakeholder and customer due diligence, ongoing monitoring of unusual activity, and mandatory reporting where required by law. We conduct background checks to stakeholders to ensure alignment with our Code of Conduct and the UN Global Compact principles. For customers, we perform thorough compliance checks, including international sanctions screening using tools from providers such as Bureau van Dijk and Moody's. Our Credit & Collection Team carries out KYC (Know your Customer) and credit rating assessments, with enhanced measures in jurisdictions or cases subject to mandatory legal requirements. Together, these controls reduce the risk that SD Worx services are misused for unlawful financial activities.

Whistleblowing and speak up mechanisms in practice

We provide secure and confidential channels that are accessible to all stakeholders (including employees, customers, partners, and suppliers) allowing concerns to be raised anonymously if preferred. These mechanisms ensure that everyone feels safe to report potential breaches of our Code of Conduct, ethical standards, or legal obligations without fear of retaliation. All reports are triaged promptly and investigated under defined procedures, with fairness, confidentiality, and non-retaliation guaranteed to reporters. Awareness and training support correct use of the channels, and where issues are substantiated, corrective and preventive actions are implemented. Subject to legal constraints, we disclose aggregated indicators such as the number of reports, substantiation rates, and median resolution times. See G1-1 for the underlying policy and protection.

Risk management

Risk management follows an enterprise-wide methodology, aligned with the three lines of defence model. Management owns and manages risks, risk and compliance functions provide oversight and guidance, and Internal Audit offers independent assurance. Further details of this model are provided under GOV 4.

Training, awareness and process controls

To ensure policies are understood and applied, SD Worx delivers annual mandatory training to all employees on the

Code of Conduct and Security & Privacy. We also introduced ESG awareness training to all employees and over 70% of employees completed it during the first rollout in 2025.

These trainings are assigned also to new joiners and refreshed annually for all employees. Completion rates are tracked and reported, with reminders and manager notifications, and escalation for overdue modules. (See G1-3 and G1-4).

Ethical business model and relationship with suppliers

SD Worx operates in more than 25 countries and relies on a broad supplier base. Our Code of Conduct, including clear rules on avoiding and disclosing conflicts of interest, along with our Supplier Code of Conduct and Procurement policy, set clear expectations on ethics, labour and human rights, environmental responsibility and data protection. These requirements are embedded through risk-based due diligence and proportionate contractual clauses. Our Code of Conduct also includes a clear conflict of interest process, requiring employees to avoid situations that could compromise impartial decision making and to disclose potential conflicts promptly for transparent resolution.

Governance and buyer enablement

Group Procurement and the Third-Party Assurance (TPA) team, in coordination with the ESG Office, govern supplier due diligence, contractual controls and ongoing monitoring. Buyer enablement includes annual role-based training on ESG, modern slavery and human rights, data protection and security, and anti-bribery and corruption, with tracked completion and escalation for overdue cases where required (see G1-3 & G1-4).

Risk-based segmentation and assurance

Suppliers are segmented using a documented model combining spend and criticality, category risk, geography and data sensitivity. Tier 1 (high-risk) suppliers receive enhanced due diligence, including evidence-based questionnaires, certifications and attestations review, privacy and security controls, and ABC/AML checks, alongside contractual ESG clauses with audit rights. Tier 2 (high impact) suppliers are progressively included in the TPA programme; performance and corrective action plan closure are monitored.

Supplier oversight and on site audits

We operate with a risk based supplier oversight model that includes pre engagement screening, contractual ESG, security and privacy obligations, and on site audits for higher risk categories and geographies. Audits assess conformance with our Supplier Code of Conduct and applicable ISO standards including ISO 14001 (environmental management), ISO 27001 (information security) and ISO 27701 (privacy information management). Findings result in corrective action plans (CAPs) with time bound closure and re verification. See GOV 3/4/SBM 1 for how audits fit our overall sustainability due diligence and value chain coverage.

Coverage and continuous improvement

In 2025, 63% of targeted suppliers completed a sustainability assessment. This indicator is tracked year on year and used to steer programme priorities. From 2026, we will strengthen supplier management by increasing visibility into whether key suppliers have Code of Conduct for their employees and suppliers, and by collecting and analysing supplier level carbon emissions data to support even more accurate Scope 3 reporting, regulatory compliance and improved environmental insights (see G1-3 & G1-4).

Procedures to address corruption and bribery

Our Group-wide Anti-Bribery & Corruption (ABC) Policy sets clear Group-wide expectations for behaviour to prevent bribery and corruption across all entities, regions and departments.

Policy framework in practice

Our ABC policy defines bribery and corruption clearly, including offering, promising, giving, soliciting or receiving anything of value to improperly influence decisions. We prohibit providing or accepting advantages, including gifts, hospitality, benefits, donations or facilitation payments, that could improperly influence decisions. We set behavioural expectations for interactions with customers, partners, suppliers and public officials, and require transparency and appropriate recordkeeping for higher risk interactions. Responsibilities are clear: all employees must understand and comply with the policy and applicable laws, managers promote ethical behaviour and escalate concerns, Group Internal Control & Compliance (GICC) owns the policy, oversees implementation and ensures regular reviews. All Group companies are covered by the same policy framework, ensuring consistent standards across the full SD Worx Group.

Preventive controls and due diligence measures

SD Worx applies several preventive measures to reduce bribery and corruption risks, including:

- Third-party due diligence, including integrity assessments for suppliers and partners aligned with our Procurement policy and Supplier Code of Conduct
- Clear rules on gifts, hospitality and benefits, including when they may be offered or accepted and which approvals are required.
- Contractual compliance obligations for external parties engaged by SD Worx, reflecting our anti corruption standards.
- Transparency requirements to ensure that decisions and sensitive interactions are documented and traceable.

The ABC Policy is reviewed at least annually by GICC to reflect legal developments, insights from investigations and emerging risks, and to ensure continued effectiveness.

Speak up, investigations and corrective actions

Concerns can be raised through confidential speak up channels anonymously. Non retaliation applies to good faith reporters. We assess reports promptly, handle them confidentially and escalate through defined procedures. Substantiated issues trigger remediation and disciplinary measures as appropriate. Confirmed violations may result in disciplinary action up to termination, contractual remedies for external parties (including remediation or termination), and referrals to competent authorities where the law requires. Consistent enforcement strengthens accountability and the effectiveness of our controls.

ABC training and awareness

ABC principles are embedded in our mandatory Code of Conduct training for all employees. The training covers practical scenarios on bribery and undue influence, rules for gifts, hospitality, sponsorships and third party engagements, and requirements for accurate documentation, approvals and escalation. Annual refreshers and onboarding coverage maintain awareness. Coverage metrics are included in G1-3/4.

Transparency on convictions, fines and reported cases

In line with ESRS requirements, SD Worx discloses all confirmed findings, fines or legal actions related to bribery or corruption. We report this information transparently and in aggregate where appropriate, respecting legal and privacy constraints.

Scope and period

Unless stated otherwise, measures and programmes described apply across the SD Worx Group globally. Selected indicators reference 2025 performance and 2026 forward looking actions. Quantitative metrics, targets and outcomes are presented in G1-3/4.

G1-3/4 Business conduct targets and metrics

SD Worx measures progress through defined targets and transparent metrics that reflect our commitment to ethical conduct, strong governance and responsible value chain practices. The following tables provide a clear overview of the targets we have set and how we performed against them.

Targets (G1-3)

Our business conduct targets focus on three areas essential to good governance: ethical awareness, anti corruption and responsible procurement. They set the direction for continuous improvement across the Group. These targets guide our actions and set measurable expectations for employees, suppliers and the entire SD Worx organisation.

Targets (G1-3)

Objective/KPI	2025	Target & Due Date	Owner	Scope/Notes
Code of Conduct incl. ABC training	92%	≥95% completion by 2026	GICC	Group scope; all employees
Security & Privacy training	88%	≥95% completion by 2026	GICC	Leadership guidance for higher threshold
ESG awareness training	76%	≥80% by 2027	ESG Office	Group scope; all employees
Zero ABC outcomes	0 cases; €0 fines	0 confirmed bribery/ corruption cases and €0 related fines/sanctions in 2026	GICC	Confirmed = concluded investigations at year-end cut off
Sustainable procurement – TPA assurance coverage	63% of targeted suppliers covered in 2025	100% Tier 1 and ≥60% Tier 2 high impact suppliers covered by third party assurance by end 2026	Procurement/TPA/ESG Office	TPA covers E, S, G incl. security & privacy measures
Sustainable procurement – Supplier Code of Conduct acknowledgement	Started in Q4/2025	100% Tier 1 and ≥60% Tier 2 by end 2026	Procurement/TPA	Acknowledgement recorded and tracked
Sustainable procurement – Supply chain climate data	Started in Q4/2025	Collect supplier GHG data covering ≥50% of spend in high impact categories by end 2026	Procurement/ESG Office	For Scope 3 improvement & CSRD readiness

Performance (G1-4 Anti-corruption / bribery metrics)

Our 2025 performance on bribery and corruption is presented in the table below. These metrics provide a transparent view of how effectively our controls, training and speak up mechanisms prevent and address unethical behaviour. The absence of confirmed cases, fines or related sanctions reflects the strength of our compliance systems and culture of integrity.

Supporting governance KPIs

In addition to the mandatory G1 metrics, we monitor related indicators that support good governance, especially training coverage and supplier due diligence. These KPIs offer important context on the maturity of our governance programmes.

Methodology and calculation (apply to all G1 training KPIs)

All training KPIs follow a consistent methodology based on the share of employees who complete mandatory modules within their assigned cycles. Metrics include new joiners and are monitored through automated reminders, manager notifications and escalation processes. Supplier related KPIs follow a risk based approach covering targeted high impact suppliers. All governance metrics are supported by internal controls, data validation checks and periodic reviews.

Performance (G1-4 Anti-corruption / bribery metrics)

Metric	2025	Scope/Notes
Confirmed bribery/corruption cases	0	Confirmed cases only; Group-wide (employees & contingent)
Monetary fines/sanctions related to bribery/corruption	€0	Administrative or judicial decisions within the full year
Disciplinary actions/dismissals related to bribery/corruption	0	Employees and contingent workforce
Whistleblowing reports related to bribery/corruption	0	Reports classified under bribery/corruption
Business relationships terminated or not renewed due to bribery/corruption	0	Suppliers/partners/customers
Legal cases brought against SD Worx for bribery/corruption (pending/concluded)	0	Pending or concluded as at year-end

Supporting governance KPIs

KPI	2025	Coverage definition/Scope
Code of Conduct training completion	92%	% of assigned employees completing within the cycle
Security & Privacy training completion	88%	As defined above (mandatory cycle)
ESG training completion	76%	Group scope; rolling cycle
Supplier sustainability assessments completed (targeted suppliers)	63%	Risk based program; % of targeted suppliers completing assessment

G1-5 Metrics related to political influence, including lobbying activities

Based on our DMA, political influence is assessed as not material for 2025. SD Worx made no political contributions and engaged in no paid lobbying activities during the reporting period. Materiality will be reassessed in the next DMA cycle.

G1-6 Metrics related to payment practices

Based on our DMA, metrics related to payment practices is assessed as not material for SD Worx at Group level; accordingly, G1 6 datapoints are not disclosed. Materiality will be reassessed in the next DMA cycle.



Annex



External assurance and recognition

As a European end-to-end HR solutions provider, SD Worx delivers services to recognised standards of security, compliance and operational excellence. We evidence this through independent attestations, certifications and industry recognitions. Our [Trust Centre](#) provides a single, transparent view of these credentials so customers and stakeholders can quickly verify the standards we meet, reflecting our commitment to accountability, integrity and trust.

External assurance

EcoVadis assessment

Annual independent sustainability assessment conducted by EcoVadis, providing a widely recognised rating and scorecard across service organisations. The assessment covers four core themes: Environment, Labour & Human Rights, Ethics and Sustainable Procurement. SD Worx undergoes a corporate wide [EcoVadis assessment](#).

ISAE 3402

International assurance standard specifically designed for outsourcing activities with financial impact (e.g. payroll). SD Worx extends coverage to key IT support processes. Independent auditors annually assess our (payroll) outsourcing services.

We issue ISAE 3402 Type 2 reports on selected payroll products, confirming that all control activities and processes were correctly performed over a defined period.

ISAE 3000

International assurance standard for assurance on non-financial information, supporting GDPR compliance. SD Worx holds an ISAE 3000 Type 1 attestation, proving our internal control framework meets GDPR requirements.

UN Global Compact

Being a UN Global Compact signatory strengthens SD Worx accountability and commits us to its 10 principles on human rights, labour, the environment and anticorruption.

ISO 27001

Information Security Management Standard ensuring confidentiality, integrity and availability of data. SD Worx is ISO 27001 certified for a significant portion of its activities and is implementing ISO 27001:2022 across all entities.

ISO 27701

Privacy Information Management Standard ensuring the effective governance and protection of personal data. SD Worx is certified for significant activities in the Nordics under ISO/IEC 27701, demonstrating alignment with GDPR relevant privacy requirements.

ISO 14001

Environmental Management Standard ensuring proactive environmental impact reduction and compliance. SD Worx holds ISO 14001 certification in Finland, Estonia, Sweden, Norway, Romania and part of the Netherlands.

Industry recognition

We believe analyst recognitions are important reputation, credibility and confidence boosters. Here's an overview of the recognitions we received.

For our business process services

- Recognised as one of the Top 10 Fastest-Growing Business Process Services (BPS) Players by Growth in Everest Group's BPS TOP 50™ report of June 2025.

For our multi-country payroll solutions

- Recognised as a Leader in NelsonHall's NEAT vendor evaluation for Next-generation Payroll Services 2025, for the 9th time in a row
- Recognised as Major Contender (Global) and Leader (EMEA) on Everest Group's Multi-Country Payroll Outsourcing PEAK Matrix® Assessment 2025, for the 4th consecutive year
- Shortlisted as a Next Generation Multicountry Payroll Vendor in the 2025 Constellation Shortlist
- SD Worx has been named as a Sample Vendor in the Gartner® Hype Cycle™ for HR Technology, 2025 for Unified Multicountry Payroll1 for 5 consecutive years
- Recognised as a Representative Vendor in the Gartner® 2024 Market Guide for Multicountry Payroll Solutions for the 8th time in a row
- Recognised as a Leader in the Avasant Payroll Business Process Transformation 2025–2026 RadarView™

For multi-process HR outsourcing and cloud transformation services

- Recognised as a Leader in NelsonHall's NEAT vendor evaluation for Multi-Process HR Transformation 2025 for the 8th consecutive year
- Recognised for the 7th time as a Major Contender in Everest Group's Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2025

For workforce management

- Recognised for the 4th time as a Leader in NelsonHall's most recent NEAT vendor evaluation for New World Workforce Management 2024
- Protime recognised for the 6th time in the Gartner® 2024 Market Guide for Workforce Management Applications as a Representative WFM Vendor, headquartered in Europe3

For SAP business application services

- Recognised as Major Contender (Global) in Everest Group's SAP Business Application Services PEAK Matrix® Assessment 2025
- Recognised as a Disruptor in the Avasant SAP SuccessFactors Services 2025 RadarView™, July 2025

For cloud HR technology

- Recognised as a Core Leader in Fosway's 9-Grid™ for Cloud HR Technology 2025, for the 3rd time in a row
- Recognised as a Leader in NelsonHall's NEAT vendor evaluation for HCM Technology & Gen AI with a focus on SMBs

1. Gartner, Hype Cycle for HR Technology, Ranadip Chandra, 17 June 2025
2. Gartner, Market Guide for Multicountry Payroll Solutions, David Bobo et al., 9 December 2024
3. Gartner, Market Guide for Workforce Management Applications, Josie Xing et al., 01 August 2024 (This research has already been archived.)

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TCFD table

Mapping of the 11 TCFD recommended disclosures to SD Worx’s governance, strategy, risk and metrics disclosures (2025 cycle). See E1-7 for consolidated energy totals/mix and E1-8 for Scopes 1/2/3 and intensities; see E1-6 for 2030 absolute and operational targets, and SBTi 2026 validation plan.

Integration with ERM. Climate related IROs (per ESRS scoping: E1, with related S1/S4/G1 linkages) are assessed on SD Worx’s ≤ 12m / 2–3y / 4–10y horizons and aligned with the ERM 5 year assessment. Items above escalation thresholds move from entity registers to Group Top Risks for Excom monitoring and Audit & Risk Committee (ARC) oversight. See also Risk management → Key risk areas for the linkage between climate IROs and Group Key risk areas.

TCFD table

TCFD disclosure topic	TCFD recommended disclosure	Where in the ESG Report
Governance	(a) Board oversight of climate-related risks and opportunities	Environment → Governance (ESRS 2 GOV-1/GOV-4); E1 sections – Governance structure overseeing climate matters
	(b) Management’s role in assessing and managing climate-related risks and opportunities	Governance (ESRS 2 GOV-1/GOV-4); Environment → Execution of climate strategy
Strategy	(a) Climate-related risks and opportunities over the short/medium/long term	Environment → E1-2 Identification of climate-related risks and scenario analysis; DMA (IRO-1/2)
	(b) Impact on business, strategy and financial planning	Environment → E1-3 Resilience of strategy & business model; E1-5 Actions & resources; SBM-3
	(c) Resilience of strategy under different climate scenarios	Environment → E1-3 Resilience; E1-11 Anticipated financial effects
Risk management	(a) Processes for identifying and assessing climate-related risks	Environment → E1-2; Governance → GOV-4; DMA (IRO-1/2)
	(b) Processes for managing climate-related risks	Governance → GOV-4; Environment → E1-5 Actions & resources
	(c) Integration into overall risk management	Governance → GOV-4; Risk & Security/Key risk areas
Metrics & targets	(a) Metrics used to assess climate-related risks and opportunities	Environment → E1-7 Energy; E1-8 GHG emissions; E1-5 Data centre energy & efficiency; GDR-M
	(b) Scope 1, 2, 3 emissions and related risks	Environment → E1-8 Gross scopes 1/2/3; Methodologies & factors
	(c) Targets and performance against targets	Environment → E1-6 Climate-mitigation targets; E1-5 Actions & resources; E1-7/E1-8 trends

Reporting practice and methodology changes (BP-1/2)

Purpose and principles

The purpose of this reporting practice is to set out the principles, scope boundaries, governance and information systems that underpin our sustainability statement to ensure transparency, accuracy and comparability.

Basis for preparation

Our sustainability statement is prepared on a consolidated basis, using the SD Worx Group financial consolidation perimeter. The scope follows our double materiality assessment and covers SD Worx's own operations and, where material, value chain impacts. We report in accordance with the GRI Standards (2021) and provide a GRI Content annex with a Statement of Use and cross references to ESRS (simplified) disclosures.

The reporting period entails 1 January 2025–31 December 2025; publication date and contact point are provided in the annex: Cross-reference table. Where methodologies or estimates are applied, or prior period figures are restated, we disclose the rationale and effect in the relevant sections. Where estimates or proxies are used for value chain data, we identify the affected metrics and describe the basis, expected accuracy and planned improvements. Differences, if any, between entities included in sustainability reporting and those in financial consolidation, are described in relevant section. Topic specific coverage and any exceptions are disclosed in each material topic section.

Reliefs and phase-ins

We apply ESRS (simplified set) for this report. Any phase ins will be disclosed at the latest in the first CSRD report in 2028 (covering 2027 data).

Data architecture and sources

Disclosures combine quantitative metrics and qualitative narratives from defined systems of record, with documented methods and owner oversight to ensure accuracy, traceability and verifiability.

Governance and assurance

ESG risk governance follows the SD Worx three lines model. Oversight resides with the Board through the Audit & Risk Committee (ARC); the ESG Steering Committee validates approach and monitors progress; and the ESG Office coordinates data collection, methodology and dashboards. The Audit & Risk Committee's remit includes ESG matters. Internal Control and Internal Audit provide independent assurance activities, and the Board via ARC reviews external assurance outputs and certifications.

Indexes and cross references

We publish three index tables to support traceability: GRI Content table, ESRS (simplified) cross reference, and a TCFD mapping table covering governance, strategy, risk, and metrics & targets.

Changes vs. last year's methodology

- GRI baseline + ESRS (simplified) alignment: retained GRI as baseline and introduced mapped ESRS topics.
- ESRS working method: ESRS simplified as the foundation of the ESG report structure and the ESRS annex for traceability and efficiency.
- Sharper scoping logic: scope and boundary descriptions explicitly tie to double materiality and the consolidation perimeter.
- Navigation aids: added the ESRS (simplified) cross reference and TCFD table alongside the previously used GRI index.
- CSRD roadmap: this 2025 statement applies the ESRS (simplified) approach; the first CSRD report will be published in 2028 with 2027 data, with methodology described in this narrative.

Looking forward to 2027

We will expand ESRS disclosure coverage, formalise process level controls and documentation, enhance supplier and system integrations for environmental and social metrics, and phase in assurance in line with regulatory and stakeholder expectations.

Cross Reference Table (GRI – ESRS – EcoVadis) (BP-1/2)

This annex provides the ESRS content index required under ESRS 2, in line with IRO 2 and AR 30. It presents each disclosure and indicates where it appears in this sustainability statement, linking the topics identified in our Double Materiality Assessment to the relevant sections and aligned reporting frameworks. The table supports both user navigation and assurance traceability. It also functions as our GRI Content Index, mapping each GRI Standard disclosure (ID and title) to its location in the report and noting a reason for omission where required. SD Worx applies the ESRS 2 – General Disclosures (Nov 2025) simplified set.

Statement of Use – GRI

This sustainability statement has been prepared in accordance with the GRI Standards (2021). For any GRI disclosure that is only partially met or not reported, a reason for omission is provided, for example, “Information unavailable at publication”.

Scope cues

The cross reference table covers the simplified ESRS set, including:

- Cross cutting MDR P/A/M/T
- Relevant topical disclosure requirements (e.g. E1 Climate, S1 Own Workforce, G1 Business Conduct, S4 Consumers & End Users).
- EcoVadis categories – Environment; Labour & Human Rights; Ethics; Sustainable Procurement – are shown only as thematic navigation labels.

Reporting basis

This sustainability statement covers the SD Worx Group (consolidated) for the period 1 January–31 December 2025. Reporting practices, scope and boundary choices are explained in Reporting practice & methodology changes (BP 1 & BP 2).

The report was published on 30 April 2026.

For questions, please contact:

Chief Legal | Compliance Officer
Kelly.lespinoy@sdworx.com

No external assurance was obtained for the 2025 reporting year. In alignment with CSRD/ESRS requirements, limited assurance will apply from our first CSRD compliant report (covering 2027 data, published 2028). Data quality is supported by internal controls, system level validations and periodic internal audit reviews.

Assurance roadmap

To prepare for future mandatory assurance, SD Worx has established the following roadmap:

2026: Conduct an ESRS readiness assessment and dry run

2026: Define ESRS and EU Taxonomy assurance scope, roles and evidence requirements

Before the 2027 cycle: Appoint and onboard an independent assurer

2027: Build the evidence repository and complete control walkthroughs to enable limited assurance for 2027 data

Cross reference table (GRI – ESRS – EcoVadis)

GRI Standard & Disclosure (2021)	Location in this report	ESRS (Simplified) cross-reference	EcoVadis theme
GRI 2-1 Organizational details	E1-8 organisational boundary (SD Worx NV) p. 52; Social → Total number of employees, including subsidiaries (country table) p. 70 Reporting-practice pp. 109-110	BP-1 = Basis for preparation of the sustainability statement BP-2 = Specific information if the undertaking uses phasing-in options	Ethics
GRI 2-2 Entities included in sustainability reporting	Annex → Reporting practice and methodology changes p. 109; Cross Reference Table reporting basis p. 110	BP-1 = Basis for preparation of the sustainability statement BP-2 = Specific information if the undertaking uses phasing-in options	Ethics
GRI 2-3 Reporting period, frequency and contact point	Annex → Reporting practice and methodology changes p. 109; Cross Reference Table reporting basis / publication date / contact p. 110	BP-1 = basis for preparation of the sustainability statement	Ethics
GRI 2-4 Restatements of information	Annex → Reporting practice and methodology changes / Changes vs last year's methodology p. 109	BP-2 = Specific information if the undertaking uses phasing-in options	Ethics
GRI 2-5 External assurance	Annex → Governance and assurance p. 109; Cross Reference Table reporting basis / no external assurance for 2025 and assurance roadmap p. 110	No direct ESRS equivalent	Ethics
GRI 2-6 Activities, value chain and other business relationships	Strategy & General → Sustainability strategy, business model and value chain p. 28; Environment → E1-3 Resilience of strategy and business model p. 45; Governance → Ethical business model and relationship with suppliers p. 100	SBM-1 = Strategy, business model and value chain	Ethics
GRI 2-7 Employees	Social → S1-5 Characteristics of the undertaking's employees pp. 68-70	S1-5 = Characteristics of the undertaking's employees	Labour & Human Rights
GRI 2-8 Workers who are not employees	Social → S1-6 Characteristics of non-employees in the undertaking's own workforce p. 71	S1-6 = Characteristics of non-employees in the undertaking's own workforce	Labour & Human Rights
GRI 2-9 Governance structure and composition	Corporate governance → Governance structure / Board structure and composition / Excom / ESG governance pp. 6-12	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics
GRI 2-10 Nomination and selection of the highest governance body	Corporate governance → Governance structure / Board structure and composition p.6; Board Committees (RNC) p. 8	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics
GRI 2-11 Chair of the highest governance body	Corporate governance → Board members p. 7	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics
GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Corporate governance → Oversight of sustainability matters p. 8	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics
GRI 2-13 Delegation of responsibility for managing impacts	Corporate governance → Oversight of sustainability matters p. 8; ESG Steering Committee / ESG Office pp. 10-11	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics

Cross reference table (GRI – ESRS – EcoVadis)

GRI Standard & Disclosure (2021)	Location in this report	ESRS (Simplified) cross-reference	EcoVadis theme
GRI 2-14 Role of the highest governance body in sustainability reporting	Corporate governance → p. 8 Sustainability oversight, p. 97 ultimate oversight of sustainability reporting, Annex → Governance and assurance p. 109	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability GOV-4 = Risk management and internal controls over sustainability reporting	Ethics
GRI 2-15 Conflicts of interest	Governance → Ethical business model and relationship with suppliers p. 100	G1-1 = Policies related to business conduct G1-2 = Actions related to business conduct	Ethics
GRI 2-16 Communication of critical concerns	Corporate governance → Statement of Due Diligence / Grievance and remedy p. 15; Social → S1-2 engagement and grievance mechanisms p. 65; S4 Consumers & end users pp. 91-92, Governance → Whistleblowing and speak up mechanisms in practice pp. 99-101	S1-2 = Engagement with own workforce and channels/remedy; G1-2 = Actions related to business conduct / management of supplier relationships S4 = Consumers & end users	Ethics, Labour & Human Rights
GRI 2-17 Collective knowledge of the highest governance body	Corporate governance → Training and competence of governance bodies p. 8	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics
GRI 2-18 Evaluation of the performance of the highest governance body	Corporate governance → Governance bodies and responsibilities / Board committees pp. 6-8	GOV-1 = Role of the administrative, management and supervisory bodies in relation to sustainability	Ethics
GRI 2-19 Remuneration policies	Corporate governance → Integration of sustainability-related performance in incentive schemes p. 14; Social → S1-15 Remuneration metrics pp. 82-84	S1-15 = Remuneration metrics GOV-2 = Integration of sustainability-related performance in incentive schemes	Labour & Human Rights
GRI 2-20 Process to determine remuneration	Corporate governance → Board Committees (RNC) p. 8; Social → S1-9 Adequate wages p. 74; S1-15 Remuneration metrics pp. 82-84	S1-15 = Remuneration metrics GOV-2 = Integration of sustainability-related performance in incentive schemes	Labour & Human Rights
GRI 2-21 Annual total compensation ratio	Social → S1-15 Remuneration metrics pp. 82-84	S1-15 = Remuneration metrics	Labour & Human Rights
GRI 2-22 Statement on sustainable development strategy	ESG highlights / About this report pp. 3-4; Strategy & General → Sustainability strategy / ESG ambition, targets and strategic direction pp. 28-29	SBM-1 = Strategy, business model and value chain; SBM-3 = Interaction of material impacts, risks and opportunities with strategy and financial effects	All
GRI 2-23 Policy commitments	Strategy & General → Policies supporting the strategy p. 31; Governance → G1-1 Policies related to business conduct / Our policy framework pp. 97-98	GDR-P = Policies supporting the strategy; G1-1 = Policies related to business conduct	Ethics
GRI 2-24 Embedding policy commitments	Strategy & General → Actions and resources to implement the strategy pp. 31-32; Environment → E1-4 Policies related to climate change p. 46; Governance → G1-2 Actions related to business conduct / Training, awareness and process controls pp. 99-100	GDR-P = Policies supporting the strategy, GDR-A = general actions and resources, G1-2 = Actions related to business conduct / management of relationships with suppliers	Ethics; Sustainable Procurement

Cross reference table (GRI – ESRS – EcoVadis)

GRI Standard & Disclosure (2021)	Location in this report	ESRS (Simplified) cross-reference	EcoVadis theme
GRI 2-25 Processes to remediate negative impacts	Corporate governance → Statement of Due Diligence / Grievance and remedy p. 15; Social → S1-2 engagement and grievance mechanisms / remedy p. 65; S1-16 incidents and remedial measures p. 85 (supporting evidence); Social → S4-3 remediation and complaint handling pp. 91-94; Governance → speak up / corrective and preventive actions pp. 99-101	GOV-3 = Statement on due diligence; S1-2 = Engagement with own workforce and channels/remedy; S4-3 = Processes to remediate negative impacts and channels for consumers and end-users to raise concerns; G1-2 = Actions related to business conduct / corrective action processes	Ethics; Labour & Human Rights
GRI 2-26 Mechanisms for seeking advice and raising concerns	Social → S1-2 engagement and grievance mechanisms p. 65; Governance → Whistleblowing and speak up mechanisms in practice pp. 99-101	S1-2 = Engagement with own workforce and channels/remedy; G1-2 = Actions related to business conduct / management of supplier relationships	Ethics, Labour & Human Rights
GRI 2-27 Compliance with laws and regulations	Corporate governance → Data protection regulations p. 20; Data privacy and cybersecurity targets / 0 GDPR fines p. 23; Governance → G1-3/G1-4 business conduct targets and metrics pp. 102-103 G1-4 = Metrics related to corruption or bribery	G1-4 = Anti-corruption / bribery metrics (confirmed incidents and related metrics)	Ethics
GRI 2-28 Membership of associations	Strategy & General → SDGs and sustainability rating p. 30; Annex → External assurance and recognition (UN Global Compact) p. 106	SBM-1 = Strategy, business model and value chain	Ethics
GRI 2-29 Approach to stakeholder engagement	Corporate governance → Collaboration and dialogue p. 13; Strategy & General → Interests and views of stakeholders p. 34	SBM-2 = Interests and views of stakeholders	Ethics
GRI 2-30 Collective bargaining agreements	Social → S1-7 Collective bargaining coverage and social dialogue p. 71	S1-7 = Collective bargaining coverage and social dialogue	Labour & Human Rights
GRI 3-1 Process to determine material topics	Strategy & General → Double Materiality assessment / Process to identify and assess material impacts, risks and opportunities pp. 35-36	IRO-1 = Process to identify and assess material impacts, risks and opportunities	Ethics
GRI 3-2 List of material topics	Strategy & General → Outcome of the DMA / Material topics / IRO highlights pp. 36-39	IRO-2 = ESRS disclosure requirements covered by the sustainability statement / output of the materiality process	Multiple
GRI 3-3 Management of material topics (by topic)	Environment pp. 40-62; Social pp. 64-95; Governance pp. 97-104	Topical standards referenced: E1 = Climate change; S1 = Own workforce; S4 = Consumers and end-users; G1 = Business conduct	Multiple
GRI 201-1 Direct economic value generated and distributed	Strategy & General → Economic value for stakeholders p. 34	SBM-3 = Interaction of material impacts, risks and opportunities with strategy and financial effects	Ethics
GRI 302-1 Energy consumption within the organization	Environment → E1-7 Energy consumption and mix p. 51	E1-7 = Energy consumption and mix	Environment
GRI 302-4 Reduction of energy consumption	Environment → E1-5 Actions and resources (energy management) p. 47; E1-6 Climate mitigation targets p. 50	E1-5 Actions and resources (energy management) E1-6 Climate mitigation targets	Environment

Cross reference table (GRI – ESRS – EcoVadis)

GRI Standard & Disclosure (2021)	Location in this report	ESRS (Simplified) cross-reference	EcoVadis theme
GRI 303-1 Interactions with water as a shared resource	Environment → Other actions (Water stewardship) p. 49	E3 = Water and marine resources (narrative reference)	Environment
GRI 303-2 Management of water discharge-related impacts	Environment → Other actions (Water stewardship / leaks / facilities practices) p. 49	E3 = Water and marine resources (narrative reference)	Environment
GRI 305-1 Direct (Scope 1) GHG emissions	Environment → E1-8 Gross scopes 1,2,3 GHG emissions / carbon footprint / methodologies pp. 52-58	E1-8 = Gross scopes 1, 2 and 3 GHG emissions	Environment
GRI 305-2 Energy indirect (Scope 2) GHG emissions	Environment → E1-8 Gross scopes 1,2,3 GHG emissions / carbon footprint / methodologies pp. 52-58	E1-8 = Gross scopes 1, 2 and 3 GHG emissions	Environment
GRI 305-3 Other indirect (Scope 3) GHG emissions	Environment → E1-8 Gross scopes 1,2,3 GHG emissions / carbon footprint / methodologies pp. 52-58	E1-8 = Gross scopes 1, 2 and 3 GHG emissions	Environment
GRI 305-4 GHG emissions intensity	Environment → Carbon intensity p. 56	E1-8 = Gross scopes 1, 2 and 3 GHG emissions	Environment
GRI 305-5 Reduction of GHG emissions	Environment → E1-1 Transition plan for climate change mitigation p. 42; E1-5 Actions and resources p. 47; E1-6 Climate mitigation targets p. 50	E1-6 = Climate mitigation targets	Environment
GRI 306-1 Waste generation and significant waste-related impacts	Environment → E1-4 Waste Management policy p. 46; Other actions (Waste management) p. 49; Carbon footprint table (waste generated in operations) p. 53	E5 = Resource use and circular economy	Environment
GRI 306-2 Management of significant waste-related impacts	Environment → E1-4 Waste Management policy p. 46; Other actions (Waste management) p. 49	E5 = Resource use and circular economy	Environment
GRI 308-1 New suppliers that were screened using environmental criteria	Environment → E1-5 Sustainable procurement p. 47; Governance → Supplier oversight / sustainability assessments / supply chain climate data p. 100; G1-3/4 targets and supporting KPIs pp. 102-103	G1-2 = Actions related to business conduct / supplier management; E1-5 = Actions and resources (including Scope 3 supply-chain actions)	Sustainable Procurement
GRI 414-1 New suppliers that were screened using social criteria	Strategy & General → Policies supporting the strategy / Supplier Code of Conduct p. 31; Governance → Ethical business model and relationship with suppliers / supplier oversight p. 100; G1-3/4 targets and supporting KPIs pp. 102-103	G1-2 = Actions related to business conduct / supplier management; S1 = Own workforce / social aspects referenced for value-chain-related content	Sustainable Procurement
GRI 401-1 New employee hires and employee turnover	Social → S1-5 Characteristics of the undertaking's employees pp. 68-69	S1-5 = Characteristics of the undertaking's employees	Labour & Human Rights
GRI 401-3 Parental leave	Social → S-14 Work-life balance metrics / family-related leaves taken in 2025 p. 81	S-14 Work-life balance metrics	Labour & Human Rights
GRI 403-1 Occupational health and safety management system	Social → S-13 Health & Safety / H&S management system and framework pp. 79-80	S1-13 = Health and Safety / health and safety metrics	Labour & Human Rights

Cross reference table (GRI – ESRS – EcoVadis)

GRI Standard & Disclosure (2021)	Location in this report	ESRS (Simplified) cross-reference	EcoVadis theme
GRI 403-9 Work-related injuries	Social → S-13 Health & Safety indicators p. 79	S1-13 = Health and Safety / health and safety metrics	Labour & Human Rights
GRI 404-1 Average hours of training per year per employee	Social → S-12 Training and skills development metrics / Learning hours by gender p. 77	S1-12 = Training and skills development metrics	Labour & Human Rights
GRI 404-2 Programs for upgrading employee skills and transition assistance programs	Social → S1-3 Training / capability building p. 66; S-12 Learning & Development Campus / SPARK JOYner / performance reviews pp. 77-78	S1-12 = Training and skills development metrics	Labour & Human Rights
GRI 405-1 Diversity of governance bodies and employees	Corporate governance → Board composition metrics / Excom composition metrics pp. 6-9; Social → Profile SD Worx workforce p. 69; Diversity metrics / Workforce statistics pp. 72-73	S1-8 = Diversity metrics; GOV-1 = Role of the administrative, management and supervisory bodies	Labour & Human Rights
GRI 407-1 Operations and suppliers in which freedom of association and collective bargaining may be at risk	Social → Labour & Human Rights commitment pp. 64-65; S1-7 Collective bargaining coverage and social dialogue p. 71; Governance → Labour & Human Rights and Supplier Code of Conduct / supplier expectations p. 98; p. 100	S1-7 = Collective bargaining coverage and social dialogue; G1-2 = Actions related to business conduct / supplier management	Labour & Human Rights
GRI 408-1 Operations and suppliers at significant risk for incidents of child labor	Social → Labour & Human Rights commitment p. 64; Governance → Labour & Human Rights / Supplier Code of Conduct and due diligence p. 98; p. 100	G1-2 = Actions related to business conduct / supplier management; S1 = Own workforce / policy-related social aspects	Labour & Human Rights
GRI 409-1 Operations and suppliers at significant risk for forced or compulsory labor	Social → Labour & Human Rights commitment p. 64; Governance → Labour & Human Rights / Supplier Code of Conduct and due diligence p. 98; p. 100	G1-2 = Actions related to business conduct / supplier management; S1 = Own workforce / policy-related social aspects	Labour & Human Rights
GRI 412-1 Operations that have been subject to human rights reviews or impact assessments	Corporate governance → Statement of Due Diligence p. 15; Strategy & General → DMA process p. 36; Social → Labour & Human Rights commitment p. 64; Governance → supplier due diligence and oversight p. 100	GOV-3 = Statement of due diligence, IRO-1/IRO-2 = Impacts, risks and opportunities	Labour & Human Rights
GRI 413-1 Operations with local community engagement, impact assessments, and development programs	Social → S3 voluntary summary / Sponsorships / Fonds Worx / community initiatives pp. 87-90	S3 = Affected communities	Labour & Human Rights
GRI 415-1 Political contributions	Governance → G1-5 Metrics related to political influence, including lobbying activities p. 104	G1-5 = Political influence and lobbying activities	Ethics
GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Corporate governance → Data privacy and cybersecurity pp. 22-24; Social → S4-1 Policies related to consumers and end users / complaint handling p. 91; S4-2 engagement and remedy p. 92; S4-3 tracking effectiveness / human rights incidents p. 94	S4 = Consumers and end-users; G1 = Business conduct (privacy / data-governance link)	Ethics
GRI 419-1 Non-compliance with laws and regulations in the social and economic area	Governance → Data privacy & cybersecurity pp. 20-23; Compliance metrics p. 95/103 G1-4 = confirmed incidents / sanctions / fines metrics	G1-4 = Anti-corruption / bribery metrics (confirmed incidents and related metrics)	Ethics

Glossary of terms and abbreviations

Abbreviation	Full term				
AAL	Average Annual Loss	(e/r) NPS	(Employee/Relational) Net Promoter Score	ISO	International Organization for Standardization
AI	Artificial Intelligence	ERM	Enterprise Risk Management	KPI	Key Performance Indicator
ABC	Anti-Bribery and Corruption	ESG	Environmental, Social and Governance	M&A	Mergers & Acquisitions
AIB	AIB factors are emission factors published by the Association of Issuing Bodies to quantify greenhouse gas emissions from electricity consumption in Europe using market-based accounting.	ESRS	European Sustainability Reporting Standards	MDR	Minimum Disclosure Requirement
AML	Anti-Money Laundering	Excom	Executive Committee	NIS2	EU Network and Information Security Directive
ARC	Audit & Risk Committee	FERA	Fuel- and Energy-Related Activities	PG&S	Purchased Goods & Services
BCM	Business Continuity Management	FTE	Full Time Equivalent	PUE	Power Usage Effectiveness
BIA	Business Impact Analysis	GDR	General Disclosures (ESRS 2)	R&S	Risk & Security
Board	Board of Directors	GHG Protocol	Greenhouse gas protocol global standard for measuring emissions	RNC	Remuneration & Nomination Committee
BP-1	Reporting policies (changes)	GIA	Group Internal Audit	SBM-1	Business model and value chain
BP-2	Reporting methodology (changes)	GICC	Group Internal Control & Compliance	SBM-2	Interests and views of stakeholders
CO₂e	Carbon Dioxide Equivalent	GoO	Guarantee of Origin	SBM-3	Interaction of material impacts, risks and opportunities with strategy and financial effects
CSR	Corporate Social Responsibility	GOV-1	Role of the administrative, management and supervisory bodies	SBTi	Science Based Targets Initiative
CSRD	Corporate Sustainability Reporting Directive	GOV-2	Integration of sustainability-related performance in incentive schemes	SDG	Sustainable Development Goal
CSDDD	Corporate Sustainability Due Diligence Directive	GOV-3	Statement of due diligence	SSP	The Shared Socio-economic Pathways (SSPs) are a set of climate change scenarios that describe different socio-economic developments and their implications for greenhouse gas emissions and climate change.
CTF	Counter Terrorism Financing	GOV-4	Risk management and internal controls for sustainability reporting	TCFD	Task Force on Climate-related Financial Disclosures
CX	Customer Experience	GRI	Global Reporting Initiative		
DEFRA	Department for Environment, Food & Rural Affairs	IEA	International Energy Agency		
DEIB	Diversity, Equity, Inclusion and Belonging	IPCC	The Intergovernmental Panel on Climate Change is the United Nations body responsible for assessing the science related to climate change, providing critical information to inform global climate policies.		
DMA	Double Materiality Assessment				
DR	Disaster Recovery	IRO	Impacts, Risks and Opportunities		
DSNZ	Department for Energy Security and Net Zero	ISAE	International Standard on Assurance Engagements		
EAP	Employee Assistance Programme	ISMS	Information Security Management System		
EEI	Employee Engagement Index				



 sdworx

Annual Report

on financial year ended
31 December 2025

Notes
Takes a whole year and
it's the best part
I hope this can be a
positive and successful
experience

Dear stakeholder,

2025 was a strong and strategically important year for SD Worx. Despite a challenging macroeconomic environment marked by slowing growth and increased geopolitical uncertainty, we achieved solid financial performance and continued to strengthen our position as Europe's leading HR and payroll solutions provider. Consolidated revenues rose 10.7% to billion € 1.307, adjusted EBITDA grew 16.5% to million € 271.2, and the net result surpassed million € 100 for the first time, reaching million € 101.4. These results reflect the resilience of our model and the trust placed in us by more than 105,000 clients across Europe.

Our growth is the result of continued innovation, disciplined operational management, and an expanding European footprint. In 2025, we advanced our digital and AI capabilities, introducing real-time payroll technology for the German market, further expanding SD Worx Buddy for SMEs, and strengthening Innovapay for large enterprises. Adoption of our digital platforms continues to accelerate, with nearly 1.7 million unique users relying on mysdworx for their daily HR and payroll needs.

We also reinforced our local presence through targeted acquisitions, including Socialea in France and Labour Consulting in Italy, enhancing our offering in key markets and deepening our payroll and HR expertise. Combined with strong teams across 27 countries, these additions underpin our ambition to serve customers with both local knowledge and scalable European solutions.

Operational efficiency remained a priority in 2025. Through cost discipline, standardisation, and increasing automation, supported by AI, we strengthened profitability while continuing to invest in high-quality, compliant solutions & services. Our financial position remains solid, with a renewed banking facility that provides the flexibility needed to support future growth.

While global uncertainty persists, our strong European focus has meant limited direct impact to date. We remain vigilant in monitoring macroeconomic developments and cybersecurity risks, and we continue to apply prudence in our financial planning and long-term forecasting.

Looking ahead, our strategy is clear: combining people-centric service with our growing digital and AI capabilities to deliver intuitive, compliant and reliable HR and payroll solutions. The progress made in 2025 gives us confidence in our ability to continue creating value for our customers, colleagues and shareholders.

27 April 2026,
On behalf of the directors,

Filip Dierckx

Chairman of the Board of
Directors SD Worx

**Kobe Verdonck**

CEO SD Worx



Financial performance

Key figures

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
Profit and loss				
SD Worx People Solutions	1,085.4	966.0	119.4	12.4%
SD Worx Staffing & Career Solutions	222.5	216.8	5.6	2.6%
Intersegment elimination	-1.2	-2.5	1.3	-52.5%
Revenue	1,306.7	1,180.3	126.4	10.7%
Net operating costs (excl. adjustments)	-1,035.5	-947.6	-87.9	9.3%
Adjusted EBITDA	271.2	232.7	38.5	16.5%
Adjusted EBITDA margin (%)	20.8%	19.7%	1.0%	
Cashflow				
Cash flow from operating activities	253.5	183.5	70.0	38.2%
Capital expenditure	-62.2	-53.0	-9.2	17.4%
Operational cashflow after capex	191.3	130.5	60.8	46.6%
Adjusted EBITDA	271.2	232.7	38.5	16.5%
Cash conversion	70.5%	56.1%	14.5%	
Adjusted leverage ratio	1.2x	1.4x		

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
SD Worx People Solutions	1,085.4	966.0	119.4	12.4%
SD Worx Staffing & Career Solutions	222.5	216.8	5.6	2.6%
Intersegment elimination	-1.2	-2.5	1.3	-52.5%
Revenue	1,306.7	1,180.3	126.4	10.7%
Total net operating costs (excluding adjustments)	-1,035.5	-947.6	-87.9	9.3%
Adjusted EBITDA	271.2	232.7	38.5	16.5%
Adjusted EBITDA %	20.8%	19.7%	1.0%	5.3%
Adjustments to EBITDA	-31.4	-21.2	-10.2	47.9%
EBITDA	239.8	211.5	28.3	13.4%
Depreciation, amortisation, and impairment	-97.2	-79.5	-17.6	22.2%
EBIT	142.7	132.0	10.7	8.1%
Net finance income	-17.1	-7.2	-9.9	137.2%
Profit before tax	125.6	124.8	0.8	0.7%
Taxes	-24.3	-30.0	5.7	-19.1%
Profit and loss associated companies	0.1	0.1	0.0	4.0%
Net result after tax	101.4	94.9	6.6	6.9%

On a reported basis, our adjusted EBITDA grew by 16.5% towards million € 271.2, with revenue increasing by 10.7% to million € 1,306.7. Strategic initiatives from 2024 contributed to the overall revenue growth as the biggest acquisition, F2A (the Italian market leader in HR and payroll), only contributed 2 months of financial performance during 2024. But also organically, we saw our business expanding, demonstrating resilience and momentum across our core operations.

The net result surpassed million € 100.0 for the first time, reaching million € 101.4, which is million € 6.6 or 6.9% higher than last year. The growth was achieved despite of the higher amortisation charges relating to the acquired intangibles from acquisitions, and interest expenses on our loans and borrowings, both directly linked to the expansion strategy. It is also worth noting that the net result of 2024 was positively impacted by the one-off result coming from the services provided to our Belgian customers to support them with the social elections in 2024, taking place in Belgium every four years.

Segment performance

The below tables related to the performance are presented on a like-for-like basis. This adjusted basis of financial performance is used to analyse the true underlying organic growth. Reported performance is adjusted to include the full 12 months of financial performance of acquisitions made in both the current and the comparative period. Additionally, the comparative period excludes the one-off results realised during 2024 relating to the social elections in Belgium.

Like-for-like basis Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
SD Worx People Solutions	1,089.8	1,053.0	36.8	3.5%
SD Worx Staffing & Career Solutions	222.5	218.5	4.0	1.8%
Intersegment elimination	-1.2	-2.5	1.3	-52.3%
Revenue	1,311.1	1,269.0	42.1	3.3%
SD Worx People Solutions	269.4	245.4	23.9	9.8%
Adjusted EBITDA	271.9	246.3	25.6	10.4%
SD Worx People Solutions	24.7%	23.3%	1.4%	
SD Worx Staffing & Career Solutions	1.1%	0.4%	0.8%	
Adjusted EBITDA margin	20.7%	19.4%	1.3%	

SD Worx People Solutions

SD Worx People Solutions includes a full range of solutions in the areas of HR, Payroll & WFM solutions. The revenue of this segment is summarized as follows.

Like-for-like basis Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
Payroll & Reward / HCM	1,018.2	985.4	32.9	3.3%
Workforce management	71.6	67.6	4.0	5.9%
Total revenue	1,089.8	1,053.0	36.8	3.5%

On a like-for-like basis, SD Worx People Solutions grew organically by 3.5%. When excluding the lower revenues in the UK market, mainly affected by expected churn of some major customers, organic growth would have been 5.7%. We realised growth across most of the markets where we are operational, both through new business and a positive net retention rate on existing customers, well above 5%. The organic growth is fuelled by an increase of approximately 2% in payslips issued for customers, excluding the effect of the UK.

The revenue related to the commission income obtained under the customer fund cooperation agreement, included in the revenue of SD Worx People Solutions, amounts to million € 33.6, which is million € 0.1 lower than last year. The revenue is affected by lower market deposit yields, partly offset by the hedging strategy which reduces the impact of the lower short-term interest rates.

Net operating costs are primarily influenced by staffing expenses, which rose by million € 24.2 on a like-for-like basis and excluding the evolution in our UK branch. Thanks to cost awareness, the adjusted EBITDA margin improved by 1.4 basis points to 24.7%. On a like-for-like basis, adjusted EBITDA grew by 10.4% year-over-year.

Inorganic growth in the current year through new acquisitions contributed an additional million € 3.1 in reported revenue over 2025. These acquisitions included AF Consulting (France), Elco (Italy) and Labour Consulting (Italy).

SD Worx Staffing & Career

SD Worx Staffing & Career Solutions is active in the areas of flexible work, temporary work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temporary workers and consultancy.

The segment continued to operate in a challenging market throughout 2025, with the broader industry experiencing a persistent downward trend in recent years. Despite these conditions, the segment achieved a revenue increase of million € 4.0 year-on-year, representing growth of 1.8%. Through proactive cost management, the segment improved its profitability, delivering an adjusted EBITDA of million € 2.5, an increase of million € 1.7.

Adjustments

Adjustments are applied to EBITDA for those income and expenses which the group believes are not representative of the actual recurring performance of SD Worx. The total adjustment amounted to million € 31.4, compared to million € 21.2 last year. The schedule below summarizes the adjustments made to EBITDA by type of adjustment.

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
- Restructuring and integration costs	-13.6	-7.9	-5.7	72.7%
- Acquisition & transaction costs related to third parties	-4.9	-2.7	-2.2	80.5%
- Share based payments	-12.2	-10.2	-2.1	20.2%
+/- Other non-operating income/expense	-0.6	-0.4	-0.2	44.8%
Adjustments to EBITDA	-31.4	-21.2	-10.2	47.9%

Restructuring and integration costs amount to million € 13.6 and have increased by million € 5.7. These costs are largely driven by restructuring tracks, making up million € 8.8 out of the total. They include initiatives to increase efficiency and accelerate the integration of digital and AI to further improve the offering and the customer experience. In addition, these costs also consist of the integration and rebranding tracks for prior acquisitions, such as F2A, SoftMachine and Romanian Software.

Acquisition and transaction costs relate amongst others to due diligence costs which SD Worx incurs in search of new acquisitions to strengthen its portfolio. The level of these costs is higher than last year following a revaluation of outstanding buy out commitments.

The cost of share-based payments relates to the non-committed stock-based compensation with regards to the existing share plans for senior management. These plans qualify as equity settled, and the cost is spread over the vesting period, which typically runs three years.

During 2025, several persons were offered the opportunity to exchange their existing certificates, both vested and unvested, with shares in the company Brouwersvliet. These shares have a lock-up period of five years. Any unvested certificates, exchanged in this transaction, vested immediately. The related one-off expense was recognised immediately.

Depreciation and amortisation

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
Depreciations and amortisations	-52.1	-43.8	-8.3	18.8%
Depreciations on right-of-use assets	-26.2	-24.3	-1.9	7.7%
Depreciations and amortisations from PPA	-18.9	-10.9	-8.0	73.8%
Impairment of assets	0.0	-0.5	0.5	-99.9%
Depreciation, amortisation, and impairment	-97.2	-79.5	-17.6	22.2%

A total depreciation, amortisation and impairment charge of million € 97.2 has been recorded per 31 December 2025 on our tangible and intangible assets. These charges are mainly related to the amortisation of software solutions developed internally. These charges increased as investments in digital solutions continued and reached million € 54.9 in 2025.

Other depreciation charges include the depreciation of right-of-use assets such as rented buildings and company cars, equalling million € 26.2 million. Amortisations also include million € 18.9 related to acquired intangible assets from business combinations (PPA related assets), such as brand names and customer relationships. The amortisation charges related specifically to F2A contributed to an increase of million € 8.0 compared to last year.

Financial result

The net financial result per 31 December 2025 amounts to million € -17.1, mainly resulting from interest charges relating to our loans and borrowings, consisting of the subordinated million € 80.0 bond issued in June 2019 and a Facilities agreement including a term loan of million € 300.0 and a revolving credit facility of million € 500.0. This Facilities agreement was closed on 30 July 2025 and refinances the Revolving Credit Facility agreement, providing SD Worx with an increased borrowing capacity to fund its expansion strategy. On 31 December 2025, the revolving credit facility remained fully undrawn and is available to provide the necessary financing for future growth.

Other financial charges relate to interest expenses on lease liabilities and non-operational foreign currency translation differences.

The total leverage of the group remains conservative at a level of 1.2x adjusted EBITDA to net debt as per 31 December 2025.

Taxes

The tax expense amounts to million € 24.3 as of 31 December 2025, which represents an effective tax rate of approximately 19% compared to 24% in the previous year. Positive effects coming from tax reimbursements have contributed to the decreasing effective rate over 2025.

Financial position

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
Non-current assets	884.2	881.7	2.5	0.3%
+ Current assets	433.7	417.1	16.6	4.0%
- Non-current Liabilities	-423.3	-498.0	74.7	-15.0%
- Current Liabilities	-433.8	-324.0	-109.9	33.9%
Equity	460.8	476.9	-16.0	-3.4%
Attributable to equity holders of the parent	459.1	475.4	-16.3	-3.4%
Non-controlling interest	1.8	1.5	0.3	20.4%

The net book value of non-current assets increased by million € 2.5 to million € 884.2. The increase can mainly be found in the continued investment by SD Worx in new technology to better serve our customers, either internally developed or acquired externally, as well as assets (including goodwill) acquired through business combinations.

The non-current liabilities include the Group's used amounts relating to the available credit facilities, which increased to million € 298.8. The subordinated bond, with a nominal amount of million € 80.0 will fall due during June 2026 and is presented as part of the current liabilities on 31 December 2025.

Net debt

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
Borrowings:				
- Subordinated bond	81.7	81.0	0.6	0.7%
- Facility Agreement	298.8	0.0	298.8	-
- Revolving Credit Facility Agreement	0.0	284.7	-284.7	-100.0%
- Other loans	0.0	1.1	-1.0	-97.1%
Lease liabilities	77.3	83.2	-5.9	-7.1%
Other financial liabilities				
- Earn outs and deferred payments	20.4	21.3	-0.9	-4.3%
Total debt	478.2	471.2	7.0	1.5%
Money market fund investments	93.6	37.3	56.3	151.1%
Cash equivalents	0.0	2.3	-2.3	-99.8%
Cash	46.4	79.0	-32.6	-41.3%
Total cash and cash equivalents	140.0	118.6	21.4	18.1%
Net debt	338.2	352.7	-14.4	-4.1%

Our capital basis is mainly managed through our net debt position, which is calculated by adding all short and long-term interest-bearing loans and borrowings, and deducting the available cash and short-term deposits.

On 31 December 2025, the available million € 300.0 term loan was fully used. The revolving credit facility, with a total available million € 500.0, remained unused and remains available to fund our future expansion strategy. The subordinated bond loan, with a nominal value of million € 80.0, is listed on the Euronext Growth Brussels market and falls due during June 2026. With a leverage ratio (Lenders' definition) of 1.2x, we believe that the leverage of SD Worx remains at a reasonable level.

Money market funds are highly liquid investments made as part of our day-to-day cash management. Considering the facts and circumstances, the investment is presented as cash equivalent, and are valued at the net asset value of a share at the reporting date.

Financial instruments

Derivative financial instruments are used to cover specific financial risks, mainly related to foreign exchange rates to which we are exposed. Our strategy aims principally at financial stability and predictability of financial results. For this purpose, several foreign currency forward contracts are in place at year-end relating to expected intragroup transactions between companies belonging to the SD Worx group and our shared service centers in Mauritius and Poland (also referred to as SD Worx Hubs), during 2026.

We do not use financial instruments for speculative purposes.

Cash flow

Amounts in mio €	31 Dec 2025	31 Dec 2024	Difference	%
Cashflow from:				
Operating activities	253.5	183.5	70.0	38.2%
Investing activities	-69.1	-199.0	129.9	-65.3%
Financing activities	-162.7	8.5	-171.2	-2,014.3%
Total increase/(decrease) in cash	21.6	-7.1	28.7	-406.7%
Impact exchange differences	-0.2	-0.2	0.0	9.6%
Total cash and cash equivalents	140.0	118.6	21.4	18.1%

The total cash and cash equivalents available to the Group increased during the year 2025 by million € 21.4.

The cash flow from operating activities totalled million € 253.5, mainly driven by a strong operational performance, and supported by a cash in on net working capital, offset by the settlement of income taxes.

The cash out on investing activities follows from the investments made aimed at developing our digital solutions offered to our clients. The total cash out on capital expenditure rose to million € 62.2 in the current year compared to million € 53.0 in the previous year. The cash out on acquisition of subsidiaries has decreased to million € 9.1 from million € 147.6 as the acquisition of F2A (rebranded SD Worx Italy) occurred during 2024.

The cash flow from financing activities is largely influenced by the dividend towards our shareholders over the year ended 2024, settled during 2025. Additional funding used on the revolving credit facility mainly to supports the buy-and-build strategy which we pursue. Other cash out related to financing activities relates to leasing expenses and interests paid.

Significant events of the year

AF Consulting

On 24 June 2025, we acquired all of the outstanding shares of AF Consulting SaS (also referred to as "Socialea"). The company, with headquarter in Pointoise (France), is an advisory firm that specializes in payroll outsourcing, human resources, and consulting services. Through the acquisition, the Group strengthens its presence within the French market.

Elco

On 26 June 2025, the Group acquired 70% of the outstanding shares of Elco SaS, an Italian company with registered office in Novara. The company provides payroll services to its customers, mainly situated within the Piemonte region in Italy. Through the acquisition, the Group strengthens its presence within the Italian market. A forward purchase agreement is in place to acquire the remaining 30% of the outstanding shares.

Labour consulting

On 3 December 2025, the Group acquired 70% of the outstanding shares of Labour Consulting S.r.l, an Italian company with registered office in Reggio Emilia. The company provides payroll services to its customers, mainly situated within the Emilia-Romagna region in Italy. Through the acquisition, the Group strengthens its presence within the Italian market. A forward purchase agreement is in place to acquire the remaining 30% of the outstanding shares.

Events after the end of the financial year

On 18 February 2026, we acquired all the outstanding shares of Paie & RH Solutions, a French payroll provider with a focus on the French SME market and lower mid-market segment.

There have been no other significant events after the balance sheet date.

Risks and uncertainties

Enterprise Risk Management

Enterprise Risk Management (ERM) at SD Worx provides a structured, enterprise wide view of the risks that could impact strategic objectives, operational resilience, regulatory compliance, and long term value creation. Aligned with COSO ERM and ISO 31000, the framework strengthens governance, supports risk informed decision making, and embeds consistent risk management practices across the Group.

As part of the ERM rollout, SD Worx completed a group wide risk assessment, forming the strategic layer of the ERM framework. This assessment evaluates inherent risk exposure and control strength, enabling prioritisation of the most material enterprise risks and focused monitoring at Executive and Board level.

Risk Assessment – Key Outcomes

The assessment confirms that SD Worx operates in a complex and evolving risk environment, with risks largely mitigated by existing control frameworks, yet requiring continued attention due to their strategic and operational significance. The identified top risks are grouped into six key risk clusters

Service Continuity & Resilience

Risks related to the uninterrupted delivery of payroll and HR services, including system availability, cyber threats, process failures, and third party dependencies. Given the mission critical nature of services, operational resilience remains a core risk focus.

Strategic Execution

Risks impacting the successful execution of the Group's strategy, including transformation initiatives, growth ambitions, portfolio complexity, and change capacity. Effective prioritisation and execution discipline remain essential.

Compliance & Financial Integrity

Risks arising from regulatory complexity, legal obligations, and financial reporting across multiple jurisdictions. Strong compliance frameworks and internal controls remain critical to safeguard integrity and stakeholder trust.

Digital Enablement & Data Governance

Risks related to technology reliability, cybersecurity, data privacy, and data quality. Digital capabilities are key strategic enablers, requiring sustained governance and investment.

Commercial & Customer

Risks linked to market dynamics, customer expectations, pricing, contract performance, and service quality, with potential impact on client satisfaction and retention.

Talent & Workforce

Risks associated with attracting, developing, and retaining critical skills, leadership capacity, and workforce engagement in a competitive labour market.

The results of the risk assessment provide a solid foundation for ongoing monitoring, targeted remediation, and the phased rollout of ERM at entity and operational levels, supporting sustainable growth and resilience across SD Worx.

Uncertainties that could have a significant impact

Ongoing geopolitical tensions and fast shifting trade policies are driving macro-economic uncertainty and negatively affect economic growth. To date, SD Worx' strong European focus means these developments have not had a material impact on our performance.

A further deterioration of the overall economic growth may limit our ability to grow our business organically. We believe that our focus on customer service excellence and operational efficiency is the right strategy to limit the impact of these volatile market conditions on us to a manageable minimum.

In light of the increased threat of cyber-attacks that the geopolitical instability poses, we continue to actively monitor our cybersecurity policies and adjust them where necessary.

Research and development activities

Research and development activities are continuously ongoing at the various companies belonging to our group. The primary activities include the development of continuous payroll software for SD Worx' domestic markets and the development of an international platform that connects various national payroll engines used with global components like the "mysdworx" app, our workforce management solution and other partner solutions.

The Group is also continuing to invest in the development of its international HCM solution by means of expanding the "SD Worx People" solution and is investing in AI capabilities to enhance the overall customer and employee experience, increase operational efficiency and enable a more proactive service model.



Consolidated financial statements for the year ended

A. Consolidated Statement of Profit or Loss

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Revenue	8	1,306,687	1,180,320
Services and other goods	9	-192,212	-170,018
Employee benefit expenses	10	-871,293	-794,067
Other operating	11	-3,387	-5,006
Depreciation and amortisation	12	-97,166	-79,018
Impairment of assets	12	0	-518
Operational FX differences		34	269
Total net operating costs		-1,164,023	-1,048,357
Operating profit		142,664	131,963
Financial expenses	13	-19,505	-12,698
Financial income	13	2,104	2,294
Net exchange difference relating to financing activities	13	303	3,195
Finance costs net		-17,098	-7,208
Share of profit of associates and joint ventures		96	92
Profit before tax		125,662	124,847
Taxes	14	-24,252	-29,988
Profit for the year		101,410	94,858
Attributable to:			
Equity holders of the parent		101,044	94,673
Non-controlling interests	6	366	185

B. Consolidated Statement of Comprehensive Income

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Profit for the year		101,410	94,858
Exchange differences on translation of foreign operations		-1,877	-2,021
Net gain/(loss) on cash flow hedges		-	-
Deferred tax on items that may subsequently be reclassified		-	-
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods		-1,877	-2,021
Remeasurement gain/(loss) on defined benefit plans	25	2,525	-13,422
Deferred tax on items that will not be subsequently reclassified	14	-688	3,275
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		1,837	-10,147
Other comprehensive income/(loss) for the year, net of tax		-40	-12,168
Total comprehensive income for the year, net of tax		101,370	82,690
Attributable to:			
Equity holders of the parent		101,004	82,505
Non-controlling interests		366	185

C. Consolidated Statement of Financial Position

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Non-current assets		884,212	881,699
Goodwill	15	560,342	549,633
Intangible assets	16	192,079	193,619
Property, plant and equipment	17	19,893	20,780
Right of Use assets	18	72,991	77,346
Investments in associates and joint ventures		364	296
Financial assets	19	2,773	3,065
Other assets	19	17,547	15,968
Deferred tax assets	14	18,224	20,992
Current assets		433,688	417,087
Inventory		972	911
Trade and other receivables	20	278,696	284,492
Current income taxes	14	5,167	11,028
Other financial assets	19	2,245	1,857
Cash and cash equivalents	23	139,974	118,569
Funds held for clients	23	6,633	230
Total assets		1,317,900	1,298,786

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Equity		460,816	476,865
Equity attributable to equity holders of the parent		459,061	475,407
Issued capital	21	548,000	548,000
Share premium		94,061	94,061
Currency translation reserve		-17,062	-15,186
Other reserves		41,586	39,588
Accumulated losses		-207,524	-191,057
Non-controlling interest		1,756	1,458
Non-current Liabilities		423,378	497,962
Borrowings	23	298,859	365,869
Lease liabilities	18, 23	50,635	57,492
Other financial liabilities	23	12,192	13,028
Provisions	24	5,229	4,048
Employment benefit obligations	25	26,083	30,159
Deferred tax liability	14	17,763	18,569
Other non-current liabilities		12,617	8,796
Current Liabilities		433,706	323,959
Borrowings	23	81,675	910
Lease liabilities	18, 23	26,688	25,714
Other financial liabilities	23	68,361	58,425
Provisions	24	529	56
Trade and other payables	26	242,040	226,365
Funds held for clients	23	6,633	230
Current tax liabilities	14	7,780	12,259
Total equity & liabilities		1,317,900	1,298,786

D. Consolidated Statement of Cash Flow

Amounts in thousand €	Note	2025	2024
Profit for the year		101,410	94,858
Adjustments for:			
Income tax expense recognised in profit and loss		24,252	29,988
Depreciation, amortizations and impairments		97,166	79,536
(Gain)/loss on disposal of intangibles and PPE		-210	150
Impairment loss/(reversal) recognised on receivables		245	1,618
Increase/(decrease) of provisions		1,547	1,016
Net financing (income)/cost		17,598	10,559
Change in employee benefit obligation		10,008	11,983
Share based payment expense		12,258	10,214
Share of (profit)/loss of associates		-96	-92
Unrealized exchange rate differences		137	-4,045
Other adjustments		4,071	-394
Change working capital			
Decrease/(Increase) in inventory		-237	-41
Decrease/(Increase) in trade and other receivables		6,083	1,228
(Decrease)/ Increase in trade and other payables		12,449	-16,025
Decrease/(Increase) in other items		2,044	-144
Other items			
Use of provisions	24	-260	-297
Contribution to pensions	25	-12,600	-14,571
Income tax (paid)/received		-22,374	-22,057
Cash flow from operating activities		253,491	183,483

Purchases of intangibles and PPE	16, 17	-62,198	-52,973
Proceeds from sale of intangibles and PPE	16, 17	0	0
Government grants obtained		567	-200
Purchases financial assets		-57	0
Proceeds from sale of financial assets		28	198
Interest received		1,611	1,511
Dividends received		0	0
Repayment of loans granted		0	0
Proceeds from loans granted		0	0
Net cash outflow on acquisition of subsidiaries	5	-9,090	-147,575
Cash flow from investing activities		-69,139	-199,040
Proceeds from borrowings	23	42,000	213,000
Repayment of borrowings	23	-26,147	-84,430
Repayment of lease liabilities	18, 23	-30,425	-25,302
Settlement of contingent consideration	23	-7,678	-3,731
Acquisition of non-controlling interests		-1,189	0
Dividends paid	23	-118,812	-80,500
Interest paid	23	-17,066	-10,538
Payment for debt issue costs	23	-3,390	0
Cash flow from financing activities		-162,706	8,500
Total increase/(decrease) in cash		21,645	-7,057
Total cash and cash equivalents at the beginning of the period		118,569	125,844
Total increase/(decrease) in cash		21,645	-7,057
Impact exchange differences		-240	-219
Total cash and cash equivalents at the end of the period	23	139,974	118,569

E. Consolidated Statement of Changes in Equity

Consolidated statement of changes in equity

Amounts in thousand €	Attributable to the owners of SD Worx					Total	Non-controlling interests	Total Equity
	Issued capital	Share premium	Currency translation reserve	Other reserves	Retained earnings			
Balance per January 1st, 2025	548,000	94,061	-15,186	39,588	-191,057	475,407	1,458	476,865
Profit for the year					101,044	101,044	366	101,410
Other comprehensive income/(loss) for the year, net of tax			-1,877	2,525	-688	-40		-40
Total comprehensive income for the year, net of tax			-1,877	2,525	100,356	101,004	366	101,370
Capital increase						0		0
Repayments of equity and share capital						0		0
Transactions with non-controlling interests					-1,348	-1,348	160	-1,188
Dividend distribution					-128,500	-128,500	-312	-128,812
Non-controlling interests on business combinations						0		0
Share based payments				-484	12,739	12,255		12,255
Other				-43	286	243	83	326
Total transactions with owners	0	0	0	-528	-116,823	-117,351	-69	-117,419
Balance per December 31st, 2025	548,000	94,061	-17,062	41,586	-207,524	459,061	1,756	460,816

Consolidated statement of changes in equity

Amounts in thousand €	Attributable to the owners of SD Worx					Total	Non-controlling interests	Total Equity
	Issued capital	Share premium	Currency translation reserve	Other reserves	Retained earnings			
Balance per January 1st, 2024	548,000	94,061	-13,165	48,913	-224,560	453,250	1,246	454,496
Profit for the year					94,673	94,673	185	94,858
Other comprehensive income/(loss) for the year, net of tax			-2,021	-13,422	3,275	-12,168	0	-12,168
Total comprehensive income for the year, net of tax			-2,021	-13,422	97,948	82,505	185	82,690
Capital increase						0		0
Repayments of equity and share capital						0		0
Transactions with non-controlling interests						0		0
Dividend distribution					-70,500	-70,500		-70,500
Non-controlling interests on business combinations						0		0
Share based payments				10,213		10,213		10,213
Other				-6,116	6,055	-61	28	-34
Total transactions with owners	0	0	0	4,097	-64,445	-60,348	28	-60,321
Balance per December 31st, 2024	548,000	94,061	-15,186	39,588	-191,057	475,407	1,458	476,865

F. Notes to the consolidated financial statements

Note 1. General information

SD Worx NV (the "Company") is a limited liability company (naamloze vennootschap / société anonyme) incorporated in Belgium. The registered office is located at Brouwersvliet 2, 2000 Antwerp, Belgium. SD Worx NV is the holding company of the SD Worx group, which is structured in two sub-groups:

- SD Worx People Solutions provides solutions & services in the areas of HR, Payroll & WFM solutions; and
- SD Worx Staffing & Career Solutions is active in the areas of flexible work, temporary work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temporary workers and consultancy.

The consolidated financial statements of the Company include SD Worx NV, its two sub-groups and their subsidiaries (hereafter "the Group") for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 27 April 2026.

Note 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below.

2.1. Basis of preparation

The Group's consolidated financial statements for the year ended 31 December 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

The consolidated financial statements provide comparative information in respect of the previous period.

The consolidated financial statements are presented in euro, which is the parent company's functional currency, and are presented in thousands, except when otherwise indicated. They are prepared on the historical cost basis except for derivative financial instruments that have been measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In accordance with Belgian Law, SD Worx NV is required to prepare the consolidated financial statements in Dutch. SD Worx NV has also made these consolidated financial statements available in English.

2.2. Basis of consolidation

A. Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities directly or indirectly controlled by the Company. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value in accordance with IFRS 9 Financial Instruments.

B. Equity accounted investees

Equity-accounted investees include associates. An associate is an entity over which the Group has significant influence and that is not a subsidiary. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In its consolidated financial statements, the Group uses the equity method of accounting for investments in associates. Under the equity method, the investment is initially recognised at cost in the consolidated statement of financial position and adjusted thereafter to recognise the Group's share of the profit or loss of the associate and other comprehensive income of the associate.

2.3. Changes in accounting policies and disclosures

A. New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability were applied for the first time in 2025 but did not have an impact on the Group's consolidated financial statements.

B. Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group has not early adopted any of these standards, interpretations or amendments. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- IFRS 18 Presentation and Disclosure in Financial Statements (applicable for annual periods beginning on or after 1 January 2027, but not yet endorsed in the EU)
- IFRS 19 Subsidiaries without Public Accountability – Disclosures (applicable for annual periods beginning on or after 1 January 2027, but not yet endorsed in the EU)
- Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments (applicable for annual periods beginning on or after 1 January 2026, but not yet endorsed in the EU)

The Group is currently assessing the changes following the application of IFRS 18 Presentation and Disclosure in Financial Statements.

Changes resulting from other standards issued but not yet effective are not expected to have a significant effect on the Group.

2.4. Specific accounting policies

2.4.1. Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Goodwill represents the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the fair value of the Group's share of the net identifiable assets acquired and liabilities assumed of the acquired subsidiary at the date of acquisition. Separately recognized goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

2.4.2. Goodwill

The goodwill recognized in the consolidated statement of financial position is allocated to the aggregations of Cash Generating Units (CGUs), since this is the lowest level at which goodwill is monitored for internal management purposes and it is not possible to allocate goodwill to individual CGU's on a reasonable and non-arbitrary basis. These aggregations of CGUs are People Solutions and Staffing & Career Solutions.

2.4.3. Foreign currency transactions

Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (functional currency). The euro is the presentation currency of the Group.

Transactions and balances

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognised in the consolidated statement of profit and loss. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

Foreign exchange gains and losses that relate to interest-bearing debts and cash and cash equivalents are presented in the consolidated statement of profit and loss within respectively Financial expenses or Financial income. All other foreign exchange gains and losses are presented as a separate line item in the statement of profit and loss.

Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into euro using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

2.4.4. Intangible assets

Intangible assets are measured at cost, less amortisation, less impairments recognized. Amortisations are recognized using the straight-line method.

The expected useful lives for the main items of intangible assets are as follows:

Category	Expected useful live
Software	3-5 years
Customer contracts	8 years
Brand names	5 years

The applied useful life can deviate from the above when sufficient evidence exists that the related intangible asset has a shorter/longer useful life.

A. Intangible assets acquired separately

Intangible assets that are acquired separately are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of a separately acquired intangible asset comprises its purchase price. Any directly attributable cost of preparing the asset for its intended use is also included in the cost of the intangible asset. Recognition of costs in the carrying amount of an intangible asset ceases when the asset is in the condition necessary for it to be capable of operating in the manner intended by the Group.

B. Intangible assets in a business combination

Intangible assets acquired in a business combination are measured at fair value at the date of acquisition. Subsequent to initial recognition, intangible assets acquired in a business combination are subject to amortisation and impairment test, on the same basis as intangible assets that are acquired separately.

C. Internally-generated intangible assets

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the internal generation of assets into a research phase and a development phase. Expenditure on research is recognised as an expense when it is incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique projects controlled by the Group are recognized as intangible assets when the Group can demonstrate that the following criteria are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Management uses its judgement to assess whether the above conditions are met.

The cost of an internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. The cost of an internally-generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

Internally generated intangible assets are not amortized until they are capable of operating in the manner intended by management. Until that date intangible assets are tested for impairment on an annual basis.

D. Government grants

The Group obtains various forms of government assistance such as investment grants, R&D tax credits, ... with regards to the intangible assets which it develops internally. These grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. The grant is presented net of the carrying amount of the intangible asset to which it relates and is subsequently recognized in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

2.4.5. Property, plant and equipment

After initial recognition, property, plant and equipment owned by the Group is depreciated using the straight-line method.

The expected useful lives for the main items of property, plant and equipment are as follows:

Category	Expected useful live
Land	Indefinite
Buildings	20-33 years
Leasehold improvements	over the period of the lease agreement (or the expected useful lives if lower)
Machinery & equipment	3-5 years
Office equipment & furniture	3-10 years
IT equipment	3-5 years

The applied useful life can deviate from the above when sufficient evidence exists that the related asset has a shorter/longer useful life.

2.4.6. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A. Right-of-use-assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the duration of the contract.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

B. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

C. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery, equipment and vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value, which is defined as being less than € 5.000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.4.7. Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.4.8. Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Funds held for clients are not considered cash and cash equivalents, they are presented separately from cash and cash equivalents against a liability representing the obligation to transfer those funds.

2.4.9. Financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Initial recognition and measurement

Investments in financial assets are divided into various categories. Classification of these investments depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Management determines the classification at the time of the purchase.

Purchase and sale of financial assets are recognized on the settlement date, which is the date an asset is delivered to or by the Group. In case of financial assets classified and measured at amortised cost, the cost also includes transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as either financial assets at amortised cost or financial assets at fair value through profit or loss.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade and other receivables, and non-current financial assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired, or the Group has transferred substantially all the risks and rewards of the asset.

Impairment

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

*B. Financial liabilities***Initial recognition and measurement**

Initially, financial liabilities are measured at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and other financial liabilities.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified as either financial liabilities at amortised cost or financial liabilities at fair value through profit or loss.

Financial liabilities at amortised cost are subsequently measured using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any significant financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.10. Shareholder's equity

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Under Belgian law, a distribution is authorised when it is approved by the shareholders. A corresponding amount is subsequently recognised directly in equity.

2.4.11. Income tax

The tax currently payable is based on taxable profit for the year, which differs from profit as reported in the consolidated statement of profit and loss because of temporary or permanent tax differences (items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible). Income tax for the current and prior periods is recognised as a liability to the extent that it has not yet been settled, and as an asset to the extent that the amounts already paid, exceed the amount due. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period. The measurement reflects the Group's expectations, at the end of the reporting period, as to the manner in which the carrying amount of its assets and liabilities will be recovered or settled.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Although the current and deferred tax assets and liabilities are separately recognised and measured, they are offset in the consolidated statement of financial position to the extent that the Group plans to settle the current tax asset and current tax liability on a net basis, when they relate to income taxes levied by the same taxation authority and the taxation authority permits the entity to make or receive a single net payment.

2.4.12. Share-based payments

A share-based payment is a transaction in which the Group receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the Group's shares or other equity instruments of the Group.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, if any, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payment reserve.

2.4.13. Provisions

A provision is recognised when the Group has a present obligation (legal or constructive), at the end of the reporting period, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period.

2.4.14. Employee benefits

The Group grants its employees post-employment benefits (pension plans, retirement indemnities, etc.) and other long-term benefits (e.g. long-service awards). For post-employment benefits, a distinction is made between defined benefit plans and defined contribution plans.

A. Post-employment benefits – Defined benefit plans

The obligations under defined-benefit plans are calculated by the projected unit credit method, which determines the present value of entitlements earned by employees at year-end under all types of plan, taking into consideration estimated future salary increases.

Such post-employment benefit obligations are measured using the following methods and main assumptions:

- retirement age, determined on the basis of the applicable rules for each plan, and the requirements to qualify for a full pension;
- career-end salary levels, with reference to employee seniority, projected salary levels at the time of retirement based on the expected effects of career advancement, and estimated trends in pension levels;
- forecast numbers of pensioners, determined based on employee turnover rates and applicable mortality tables;
- a discount rate that depends on the duration of the obligations, determined at the year-end date by reference to the market yield on high-quality corporate bonds or the rate on government bonds whose duration is coherent with the Group's commitments to employees.

The amount of the provision corresponds to the value of obligations less the fair value of the plan assets that cover those obligations.

Current service cost which is the actuarial cost of providing benefits in respect of service rendered is recognised as an expense in profit or loss for the current period.

Interest cost which arises as a result of the unwinding of the discount in the present value calculation is recognised in net finance cost in profit or loss for the current period. It is determined by multiplying the net defined benefit liability (asset) with the discount rate, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings (or accumulated losses) through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

B. Post-employment benefits – Defined contribution plans

With respect to defined contribution plans, the contributions payable are recognised when employees have rendered the related services. These related contributions are expensed as incurred. Any

amount unpaid at the end of the period is recognised as a liability.

Following IAS 19R, defined contribution plans with a minimum funding guarantee are accounted for as defined benefit pension plans.

C. Other long-term benefits

Other long-term employee benefits, such as service awards, are also accounted for using the projected unit credit method. The accounting treatment is similar to the method applied for post-employment benefits.

D. Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.4.15. Revenue from contracts with customers

Revenue comprises the expected consideration for services rendered and goods sold during the year and is recognised when control over the promised goods and services is transferred to the customer. When the outcome of the contract cannot be measured reliably, revenue is recognized only to the extent that expenses incurred are eligible to be recovered. Revenue related to variable consideration is not recognised to the extent that the related amount is not highly probable of being realized without significant reversal.

Revenue from contracts with customers is recognised when control of these services (and the related goods when applicable) are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Accounting for revenue is usually different for recurring revenue and non-recurring revenue.

A. Recurring revenue – Managed services, SaaS, and HaaS

Revenue from managed services, SaaS and HaaS is recognized over time when the services are rendered.

These revenues can consist of a basic fixed fee and/or variable revenue based on a number of factors, such as number of employees, number of payslips generated, number of expense reports produced, ... As all the deliverables within the context of a contract are usually highly interdependent, they are deemed to be one performance obligation.

When the services provided relate to own developed software, the Group has assessed that any implementation services provided in connection to the contract do not qualify as a separate performance obligation as the client cannot benefit from the implementation services on a standalone basis (e.g. are not distinct within the context of the contract). Payments and receivables related to these implementation services are hence deferred along with associated costs until the go-live. The release of deferred implementation revenue and costs is recognised on a straight-line basis over the contract term. The adjusted revenue from the provision of services will be recognised over the period that the service for a performance obligation is provided.

The transaction price for the contract is determined as the sum of fixed considerations, expected monthly billing, less an estimate of volume discounts if any. Other variable items such as higher / lower employee numbers for PEPM charge (per employee per month amounts charged to customer), credits for service level, third party penalties or inflation increases are taken in the month they are received or incurred. Termination fees are taken at a point in time when the termination is complete.

The outright sale of third-party software under reseller agreements is a single performance obligation which is fulfilled at a point in time when the license ownership is transferred to the customer. Revenue arising from such contracts is recognised at this point.

B. Recurring revenue - Staffing and Career services

Through the staffing and career services, the Group obtains revenue through temporary placements. The revenue for these contracts is recognized over time based on the number of hours worked, and includes the amounts received or receivable for the services delivered by the temporary workers, including their salary and salary-related employment costs (gross basis). The employment costs for these temporary workers are presented in the consolidated statement of profit and loss under staffing costs. Revenue from services rendered is recognized in the consolidated statement of profit and loss in proportion to the progress in execution of the contract as of the balance sheet date, which is measured on the basis of costs (mainly hours) incurred to date as a percentage of total estimated costs for each contract.

Revenue from permanent placements includes the fee received or receivable for the services provided. This fee is generally determined as a percentage of the remuneration package of the selected candidate (net basis). The revenue related to the permanent placement is recognized at a point in time when the service is complete, in most cases being the start date of the candidate placed. In the case of 'retained assignments', revenue is recognized upon the completion of certain pre-agreed stages of the service, and for which the fee is considered non-refundable.

Revenue from outplacement services is recognized over time during which the service is provided. The recognition is based on the progress of the contract, measured in terms of hours.

C. Non-recurring revenue

The Group also enters into contracts with customers for installation, customisation, maintenance or other technical services or consultancy on third party software, and other advisory services. Each promise under these contracts is a separate performance obligation and revenue is recognised for such contracts on a time and material basis or percentage of completion method.

D. Contract balances

If a customer pays, or the Group has an unconditional right to receive consideration, before the performance obligation is completed, then the revenue is not recognised and a deferred liability is created.

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the revenue is recognised and an accrued revenue asset is created. The assets are assessed for impairment in line with IFRS 9.

The nature of costs that are eligible include direct labour and associated costs, sub-contractor costs, contract management and materials. Other costs such as general and administration, wasted resources and expenses that relate to satisfied performance obligations are all recognised as expenses.

The asset is amortised over the period that the benefit will be transferred to the customer. An impairment loss is recognized in profit or loss when the carrying value of the asset exceeds the remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates less the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Note 3. Significant accounting judgements and key sources of estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The actual outcome may differ from these judgments, estimates, and assumptions, and therefore could have a material effect on the carrying amount of the asset or liability involved. In preparing these consolidated financial statements, the Group has applied consistent judgement in applying the Group's accounting policies, and the key sources of estimation uncertainty were the same as those that applied at 31 December 2024.

Judgements and estimates

- Impairment testing of goodwill (estimate with respect to recoverable amounts; refer to note 15)

When testing goodwill for impairment, the Group uses the latest budgets and forecasts available. These budgets rely on expected profitability which is based on historical knowledge and adjusted for forward looking expectations. The macro-economic uncertainty around economic growth, geopolitics and inflation, combined with a recovery developing more slowly than anticipated, might further influence the Group's ability to meet these budgets and forecasts in the future. The Group is however not exposed to revenue generated in high-conflict areas, like Russia, Ukraine or the Middle East.

- Actuarial valuation of employee benefits (estimate with respect to the determination of actuarial gains/losses; refer to note 25)

Provisions for post-employment benefits depend on certain assumptions made with regards to future developments, such as mortality tables, attrition rates, ... Any results from these actuarial revaluations are presented in other comprehensive income. The future evolution of the liability depends on whether these assumptions correctly reflect actual evolutions.

- Impairment testing of software under development (judgement with respect to future marketability; refer to note 16)

When testing the Group's software under development for impairment, the Group is required to use judgement to determine the future marketability of each piece of software under development. Even though the Group might conclude that marketability is possible at the balance sheet date, future evolutions in the market and/or technology might result in a different conclusion in future periods.

- Provisions for income taxes (judgement in determination of deferred tax assets refer to note 14)

The Group applies judgement in determining the probability, as well as the timing when future taxable profit will be available against which tax losses carried forward can be used. As the Group is subject to market risk, the timing when these profits are available might not be the same as the initial judgement made.

Name	Country	Percentage of voting rights	
		31 Dec 2025	31 Dec 2024
People Solutions			
SD Worx Austria GmbH	Austria	100%	100%
Loon en weddebeheer NV	Belgium	100%	100%
Climate-related risks			
Pro-Pay NV	Belgium	100%	100%
The Group is of the opinion that the solutions & services which it provides to its customers will still be viable after the transition to a low-carbon economy. Nevertheless, climate-related matters could potentially increase the uncertainty in estimates and assumptions which are underpinning several items in the consolidated financial statements. The Group is confident that climate-related risks currently do not have a significant impact on any model employed, or any assumption applied to measure items presented in the consolidated financial statements.	Belgium	100%	100%
	Belgium	100%	100%
	Belgium	100%	100%
	Belgium	100%	100%
	Belgium	74%	74%
	Belgium	100%	100%
SD Worx Bulgaria EOOD	Bulgaria	100%	100%
SD Worx Croatia d.o.o.	Croatia	100%	100%
SD Worx Denmark ApS	Denmark	100%	100%
The Group considers, that the Group believes could potentially be impacted in the future by climate-related matters are:	Estonia	100%	100%
	Finland	100%	100%
	France	100%	100%
Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers whether or not climate-related matters, such as climate-related legislation and regulations, might restrict the use of assets or require significant capital expenditures. Refer to note 17 for further information.	France	100%	0%
	Germany	100%	100%
	Germany	100%	100%
	Hungary	100%	100%
	Ireland	100%	100%
	Italy	100%	100%
	Italy	100%	100%
	Italy	100%	100%
	Italy	100%	100%
	Italy	100%	100%
	Italy	100%	100%
	Italy	100%	80%
	Italy	90%	90%

Name	Country	Percentage of voting rights	
		31 Dec 2025	31 Dec 2024
Bartoli & Arveda S.r.l.	Italy	70%	70%
SED System 2 S.r.l.	Italy	70%	70%
2A Engineering S.r.l.	Italy	70%	70%
2A Ecogestioni S.r.l.	Italy	70%	70%
At Work S.r.l.	Italy	80%	80%
Elco SaS	Italy	70%	0%
Labour consulting S.r.l.t.p.	Italy	70%	0%
SD Worx SA	Luxembourg	100%	100%
SD Worx (Mauritius) Ltd.	Mauritius	100%	100%
Protime BV	The Netherlands	100%	100%
SD Worx Nederland BV	The Netherlands	100%	100%
SD Worx Managed Payroll Services BV	The Netherlands	100%	100%
SD Worx BPO Services BV	The Netherlands	100%	100%
SD Worx HCM BV	The Netherlands	100%	100%
SD Worx Norway AS	Norway	100%	100%
SD Worx Poland SP.z.o.o.	Poland	100%	100%
SD Worx Romania SRL	Romania	100%	80%
SD Worx Beograd d.o.o.	Serbia	100%	100%
SD Worx SL, kadrovske rešitve, d.o.o.	Slovenia	100%	100%
Protime Workforce Managment S.L.U.	Spain	100%	100%
SD Worx Spain SLU	Spain	100%	100%
SD Worx Switzerland AG	Switzerland	100%	100%
SD Worx Sweden AB	Sweden	100%	100%
SD Worx UK Ltd.	United Kingdom	100%	100%

Name	Country	Percentage of voting rights	
		31 Dec 2025	31 Dec 2024
Staffing & Career solutions			
SD Worx Staffing & Career Solutions NV	Belgium	100%	100%
SD Worx Staffing Solutions NV	Belgium	100%	100%
SD Worx Staffing & Career Solutions - Nederland BV	The Netherlands	100%	100%
Trento Engineering BV	The Netherlands	100%	100%
Equipe BV	The Netherlands	100%	100%
SD Worx Staffing Solutions BV	The Netherlands	100%	100%
SD Worx Payrolling BV	The Netherlands	100%	100%
The Mushroom Factory BV	The Netherlands	100%	100%

Associates

The Group considers that it has significant influence on several non-profit organisations in Belgium through the presence of their representatives at the general meeting of these organisations. These non-profit organisations are part of the Belgian legal requirement for the Group to perform certain specified payroll related services for its Belgian customers. As these organisations cannot distribute any return to any of its members, even in the event of a liquidation, no share in the net assets of the associated companies is presented on the consolidated balance sheet.

Name	Country	Percentage of voting rights	
		31 Dec 2025	31 Dec 2024
SD Worx Sociaal Secretariaat VZW	Belgium	-	-
Sodalys VZW	Belgium	-	-
UwPayroll BV	Belgium	20%	20%

Note 5. Business combinations

New acquisitions made during 2025

During 2025, the Group entered into several business combinations of which more information is provided below.

AF Consulting

On 24 June 2025, the Group acquired all of the outstanding shares of AF Consulting SaS (also referred to as "Socialea"). The company, with headquarter in Pointoise (France), is an advisory firm that specializes in payroll outsourcing, human resources, and consulting services. Through the acquisition, the Group strengthens its presence within the French market. Part of the acquisition price will be settled through an earn out, calculated based on the financial performance of the company, and capped at a maximum amount.

Elco

On 26 June 2025, the Group acquired 70% of the outstanding shares of Elco SaS, an Italian company with registered office in Novara. The company provides payroll services to its customers, mainly situated within the Piemonte region in Italy. Through the acquisition, the Group strengthens its presence within the Italian market. Part of the acquisition price will be settled through an earn out, calculated based on the financial performance of the company. The Group has a forward purchase agreement with the minority shareholders to acquire the remaining 30% of the outstanding shares.

Labour consulting

On 3 December 2025, the Group acquired 70% of the outstanding shares of Labour Consulting S.r.l, an Italian company with registered office in Reggio Emilia. The company provides payroll services to its customers, mainly situated within the Emilia-Romagna region in Italy. Through the acquisition, the Group strengthens its presence within the Italian market. Part of the acquisition price will be settled through an earn out, calculated based on the financial performance of the company. The Group has a forward purchase agreement with the minority shareholders to acquire the remaining 30% of the outstanding shares.

Impact on the financials

These acquired business together have added thousand € 3,140 revenue and net profit after tax of thousand € 559 to the Group's results of 2025. If the above acquisitions had occurred on 1 January 2024, management estimates that the consolidated revenue would have been thousand € 1,311,100 and the consolidated net result for the year would have been thousand € 102,001.

Details of the consideration transferred, the net assets acquired and the goodwill following these transactions is presented below:

Amounts in thousand €	Note	2025
Cash and cash equivalents		1,163
Intangible assets	16	2
Property, plant and equipment	17	96
Right-of-use assets	18	1,844
Financial assets		23
Inventory		0
Receivables		1,643
Provisions		0
Borrowings and lease liabilities	23	-1,906
Other financial liabilities	23	0
Payables		-2,409
Employee benefit obligations	25	-188
Net deferred tax assets/(liabilities)	14	66
Net assets acquired		334
Add: Goodwill	15	13,278
Total consideration transferred		13,612
Of which: Cash paid		10,252
Contingent consideration	23	3,359

The fair values presented above are provisional pending the completion of their final valuation. Considering the timing of the acquisitions, the Group has not yet been able to allocate goodwill, but expects mainly changes in the valuation of the intangible assets. This process will be completed during the measurement period.

The reconciliation with the Consolidated Statement of Cash Flow is summarized below:

Amounts in thousand €	Note	2025
Cash paid		-10,252
Cash and cash equivalents obtained		1,163
Net cash outflow on acquisition of subsidiaries		-9,090

Acquisition related costs with regards to these transactions of thousand € 718 are included in "Acquisition related costs" (refer to note 9).

Final purchase price allocations in 2025 relating to acquisitions from 2024

During the year ended 31 December 2024, the Group entered into several business combinations. During that year, the Group acquired:

- 80% of the issued shares of Romanian Software S.R.L on 25 April 2024;
- 100% of the issued shares of Tribeperk Sp.z o.o, on 15 May 2024;
- 100% of the issued shares of The Mushroom Factory BV, on 6 August 2024;
- 100% of the issued shares of F2A on 30 October 2024; and
- 100% of the issued shares of Geonex NV on 4 December 2024.

Further disclosure on the transactions, the rationale of acquisition, and the impact thereof on the financial results is provided in last year's consolidated financial statements. During the year ended 31 December 2024, the Group had accounted for provisional purchase price allocations relating to these transactions.

In the course of 2025, and within the measurement period, the purchase price allocation for the related acquisitions was finalized. The following table summarizes the effects of adjustments made to the fair value of assets and liabilities.

Amounts in thousand €	Note	As previously reported	Adjustment	Final
Cash and cash equivalents		13,777		13,777
Intangible assets	16	74,450	3,750	78,200
Property, plant and equipment	17	1,163		1,163
Right-of-use assets	18	6,647	120	6,767
Financial assets		391		391
Inventory		9		9
Receivables		41,753	383	42,136
Provisions		-18		-18
Borrowings and lease liabilities		-91,491	-120	-91,611
Other financial liabilities		-11,737		0
Payables		-30,344		-30,344
Employee benefit obligations	25	-5,397		-5,397
Net deferred tax assets/(liabilities)	14	-13,307	-2,619	-15,926
Net assets acquired		-14,105	1,514	-12,591
Add: Goodwill	15	183,083	-1,514	181,569
Total consideration transferred		168,978		168,978

The provisional goodwill has been allocated to identifiable tangible and intangible assets by adjusting the pre-acquisition carrying amounts to represent the fair value upon date of the acquisition. When determining fair value, the Group considers climate-related matters when relevant. Such matters might affect the fair value of the brand name or the customer relationships identified. For example, a lower performance by an acquired subsidiary on ESG could result in additional costs to mitigate, which could potentially negatively affect the brand value. In the current determination of fair value, such impacts are immaterial.

This primarily resulted in the recognition of the following assets:

- For customer relations an income approach method has been applied, more specifically the Multi-Period Excess Earnings Method. This method relies on a discounted cash flow model in which future cash flows attributed to existing customer contracts are discounted, considering Contributory Asset Charges, working capital and an expected attrition rate. This valuation resulted in a total fair value for customer relations of thousand € 44,382.
- The acquired software as well as brand names have been valued using a royalty relief method, which is a market-income methodology. In this model, the relevant asset has been measured based on the license payments which have been saved as a consequence of having the ownership of the acquired business. The royalty payments have been calculated as a percentage of revenue on an after-tax basis. This valuation resulted in a total fair value allocated to acquired software of thousand € 29.232 and allocated to brand names of thousand € 2.627.
- Deferred taxes were recognized for all fair value adjustments based on the effective tax rate of the respective country.

The fair value of receivables assumed was deemed to equal the carrying value of the receivables at the date of acquisition. The Group did not adjust the receivables for any differences between the amounts to which it is contractually entitled and the amounts which it expects to collect.

The goodwill recognized mainly consists out of expected long-term synergies, and competitive advantages such as the possibility to offer services in multiple regions. None of the goodwill is deductible for tax-purposes.

Note 6. Non-Controlling Interests

Non-controlling interest relates to the following subsidiaries of the Group.

Name	Country of incorporation	31 Dec 2025	31 Dec 2024
Teal Partners BV	Belgium	26%	26%
Huapii BV	Belgium	0%	20%
ETAss S.r.l.	Italy	0%	20%
Errebi S.r.l.	Italy	0%	20%
F2A Professional S.r.l.	Italy	10%	10%
Bartoli & Arveda S.r.l.	Italy	30%	30%
SED System 2 S.r.l.	Italy	30%	30%
2A Engineering S.r.l.	Italy	30%	30%
2A Ecogestioni S.r.l.	Italy	30%	30%
At Work S.r.l.	Italy	20%	20%
Elco SaS	Italy	30%	0%
Labour consulting S.r.l.t.p.	Italy	30%	0%
Romanian Software SRL	Romania	0%	20%

There are no significant restrictions for the Group to distribute its profits from subsidiaries in which third parties have non-controlling interests, to realize assets or to settle their liabilities.

Note 7. Segment reporting

Operating segmentation

The Group reports its performance based on the 2 subgroups around which it is structured: People Solutions and Staffing & Career. The reporting is performed up to the level of EBITDA, which is a measure of profit or loss. The elements of income and expense that make up this figure, are determined in accordance with IFRS principles. For our definition of EBITDA we refer to note 31. The segment reporting is provided on a regular basis to the members of the executive committee as well as the board of directors, which the Group has identified as the chief operating decision-maker. Other elements below EBITDA are not reported on a segment level. We refer to note 31 for more information around EBITDA as an alternative performance measure. The comparative figures included in the table have been adjusted to reflect a reallocation during 2024 of several CGUs from Staffing & Career to People Solutions. As a result, revenues totalling million € 3.6 and EBITDA totalling million € 0.8 was reassigned between both segments.

The Group does not report on its balance sheet or the cashflow statement at the segment level. Capital expenditure is however a measure monitored on a segment level. In this context capital expenditure is defined as additions to intangible assets, and property, plant and equipment, but presented net of government grants obtained.

The following tables provide the financial information on a segment level as well as the reconciliation to the total amounts for that respective period. Refer to note 8 for more information on entity-wide information on major customers.

2025 Amounts in thousand €	People Solutions	Staffing & Career Solutions	Intersegment	Total
Revenue with external customers	1,084,772	221,915		1,306,687
Intersegment revenue	629	551	-1,180	0
Revenue	1,085,401	222,466	-1,180	1,306,687
Operating costs	-846,926	-221,111	1,180	-1,066,857
Segment EBITDA	238,475	1,354	0	239,830
Capital expenditure	60,193	625	0	60,818
Segment assets	1,351,804	89,637	-123,541	1,317,900

2024 Amounts in thousand €	People Solutions	Staffing & Career Solutions	Intersegment	Total
Revenue with external customers	965,217	215,103		1,180,320
Intersegment revenue	740	1,744	-2,485	0
Revenue	965,958	216,847	-2,485	1,180,320
Operating costs	-754,271	-217,035	2,485	-968,822
EBITDA	211,687	-189	0	211,498
Capital expenditure	51,242	666	0	51,908
Segment assets	1,330,032	91,855	-123,102	1,298,786

A reconciliation between segment EBITDA and net result for each of the respective periods presented above is provided in the summary table below.

Amounts in thousand €	31 Dec 2025	31 Dec 2024
Segment EBITDA	239,830	211,498
Depreciations, amortisations and impairment	-97,166	-79,536
Net finance costs	-17,098	-7,208
Share of profit of associates	96	92
Taxes	-24,252	-29,988
Profit for the year	101,410	94,858

Geographical segmentation

A geographic split of revenue with external customers, and the non-current assets - other than financial instruments, deferred tax assets and post-employment benefit assets – is presented in the table below. The table includes the country of domicile as well as any country if either the non-current assets or the revenue with external customers exceeds 10% of the Group total. All other countries, individually below this threshold are presented in aggregate and labelled as Other.

Amounts in thousand €	2025	2024
Revenue with external customers		
Belgium	719,150	685,418
Netherlands	177,148	165,406
Italy	102,897	18,509
Other	307,492	310,987
Total	1,306,687	1,180,320
Non-current assets		
Belgium	245,877	241,540
Italy	222,925	224,910
Netherlands	81,906	83,148
Other	294,960	292,074
Total	845,668	841,673

The Group generates the majority of its revenue within Belgium and the Netherlands, accounting for 69% of the total revenue (compared to 72% over 2024). In these markets, the Group operates both its segments.

The growth in revenue is noted throughout all major geographic areas where the Group is present. The increase in other is largely driven by inorganic growth coming from newly acquired subsidiaries.

The growth across geographic segments can largely be attributed to the applied growth strategy of the Group, which is aimed at increasing the footprint throughout Europe.

The Group believes that gross margins provide more useful insight into the performance of SD Worx Staffing & Career Solutions as opposed to revenue, and therefore evaluates the segment as such (refer to note 31 for further explanation on this APM). During 2025, the gross margin with regards to SD Worx Staffing & Career Solutions amounted to thousand € 35,829 (thousand € 33,557 over 2024).

Note 8. Revenue from contracts with customers

Solutions & services

The Group's revenue from contracts with customers is disaggregated following the two main business segments: SD Worx People Solutions and SD Worx Staffing and Career Solutions.

- SD Worx People Solutions includes a full range of solutions in the areas of HR, Payroll & WFM solutions. The Group manages the segment by further disaggregating it into the solutions Payroll & Reward / HCM and Workforce management.
- SD Worx Staffing & Career Solutions is active in the areas of flexible work, temporary work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temporary workers and consultancy. The Group manages the segment as one single solution.

Considering the close relationship between Payroll & Reward and HCM, the Group does not disaggregate financial performance of these 2 solutions, but monitors them on an aggregate basis.

Across these domains, the Group offers technology, managed services and expertise, which combine into a well-balanced portfolio.

Revenue disaggregation

The table below disaggregates revenue based on the segments and solutions offered.

Amounts in thousand €	Note	2025	2024
SD Worx People Solutions		1,085,401	965,958
- Payroll & Reward / HCM		1,013,808	898,347
- Workforce management		71,593	67,611
SD Worx Staffing & Career Solutions	31	222,466	216,847
Intersegment elimination		-1,180	-2,485
Total revenue from contracts with customers	A	1,306,687	1,180,320

SD Worx People Solutions saw its revenues growing with 12%, which is mainly driven by the acquisition of F2A during the second half of 2024. When excluding the effect from inorganic growth coming from acquisitions, SD Worx People Solutions grew organically by 4%. Revenue within this business line also includes income recognized under the Customer Fund Cooperation Agreement for an aggregate amount of thousands € 33,581 (previous year: thousands € 33,702), refer to note 28 for further explanation.

SD Worx Staffing & Career Solutions focusses on the Belgian and Dutch markets. The revenue of the segment has shown a growth of 3%, increasing to thousand € 222,466 for the year 2025. The increase is mainly driven by topline growth within the Dutch market.

Major customers

The Group operates in both segments on a business-to-business model. The customers are diverse in nature and are grouped as either Large enterprise, Mid-market and SME. The grouping of customers is determined based on the size of the customer. There are no individual end customers which represents more than 10% of the Group's revenue.

Principal versus agent

The Group determines whether it is a principal or an agent by evaluating whether it obtains control of the specified services included in the contract. The Group has generally concluded that it is the principal in its revenue arrangements, as it typically controls the services before transferring them to the customer. As such, the Group reports on the revenues and costs related to such services on a gross basis.

Note 9. Services and other goods

Amounts in thousand €	Note	2025	2024
Facility costs		14,525	14,200
Information and technology		51,071	46,693
Hosting		18,675	17,592
Subcontracting		36,248	33,159
Marketing and communication		22,652	21,969
Professional fees		31,347	21,520
Commissions		4,441	3,738
Royalties		379	692
Acquisition related costs	5, 31	4,867	2,697
Integration related costs		4,811	4,435
Insurance costs		2,497	2,288
Other		699	1,036
Total services and other goods	A	192,212	170,018

The total costs related to services and other goods have increased by thousand € 22,193 (or 13%). The main cost drivers behind the services and other goods are professional fees, subcontracting and information and technology.

- Information and technology relates to costs incurred with regards to hardware and software which are purchased externally, and which are not eligible for recognition as asset. Software not eligible for recognition as asset includes SaaS solutions employed by the Group. The level of the costs incurred is highly dependent on the activity and the resulting capacity usage.
- Subcontracting costs are incurred principally when the Group involves third parties to assist the Group in serving its clients. Such situations can arise when clients might have affiliates in countries where the Group does not have a physical presence. The level of these costs is thus mainly driven by the level of revenue as well as the availability of internal resources.
- Marketing and communication includes such costs related to events and exhibitions, sponsoring events, marketing campaigns and general communication expenses. The level of these costs is mainly driven by the level of revenue.
- Professional fees concern consulting, legal advice, tax advice, accounting and auditing, and other professional services provided to the Group. The level of the costs incurred can be influenced by fees spend on one-off projects.

The level of costs incurred are mostly correlated with revenue, and as a result, the increasing business in combination with cost price indexations have resulted in higher costs for services and other goods. The strongest nominal increase is observed within the professional fees.

Note 10. Employee benefit expenses

Overview of employee benefit expenses

Amounts in thousand €	Note	2025		
		Total	Direct	Indirect
Wages and salaries		587,738	118,192	469,546
Social security tax		147,742	40,789	106,953
Social insurances		5,660	0	5,660
Share based payment expense	31	12,248	0	12,248
Other employee benefits		64,940	10,643	54,297
Post-employment benefits	25	29,128	3,338	25,791
Training and education		2,436	33	2,403
Recruitment		1,830	0	1,830
External personnel		73,334	12,601	60,733
Capitalized to internal development projects		-53,764	0	-53,764
Total employee benefit expense	A	871,293	185,596	685,697

Amounts in thousand €	Note	2024		
		Total	Direct	Indirect
Wages and salaries		542,632	117,269	425,363
Social security tax		127,773	40,090	87,683
Social insurances		4,452	0	4,452
Share based payment expense	31	10,192	0	10,192
Other employee benefits		62,082	10,783	51,299
Post-employment benefits	25	24,612	2,923	21,689
Training and education		2,587	31	2,556
Recruitment		2,130	0	2,130
External personnel		62,110	12,352	49,758
Capitalized to internal development projects		-44,502	0	-44,502
Total employee benefit expense	A	794,067	183,448	610,619

The Group considers direct employee benefit expenses as those expenses relating to temporary workers and candidates which are recharged to clients as part of the revenues it obtains within the business segment SD Worx Staffing and Career Solutions.

Employee benefit expenses amounted to thousand € 871,293, for the year ended 31 December 2025, compared with thousand € 794,067 over the comparative period. The increase is driven, to a large extent, by the combined effect of indexation of salaries driven by inflation, as well as a continued growth in the number of internal FTEs employed by the Group, mainly following the acquisition of F2A during 2024. The increase in direct employee benefit expenses correlates to the revenues within the Staffing & Career Solutions segment.

Average number of persons employed

	2025	2024
Employees	9,005	8,226
Temp workers and candidates	3,292	3,333
Total average FTEs employed	12,297	11,559

Note 11. Other operating result

Amounts in thousand €	Note	2025	2024
Write down on receivables		418	1,908
Loss on trade receivables		1,135	1,302
Provisions		740	525
Other taxes		2,153	1,819
Other expense		3,047	3,081
Total other operating expenses	A	7,493	8,635
Facility income		568	558
Commissions received		1,490	1,251
Gain on disposal of assets		126	125
Other income		1,922	1,696
Total other operating income	A	4,106	3,629
Net other operating result		-3,387	-5,006

The total other operating result amounts to thousand € -3,387 compared with thousand € -5,006 last year.

Other taxes consist amongst others of property taxes paid with regards to buildings used by the Group. The other expense contains amongst others compensation payments to clients.

The Group obtains facility income by making some of its buildings available for use by third parties.

Note 12. Depreciation, amortisation and impairment of assets

Amounts in thousand €	Note	2025	2024
Amortization intangible assets	16	60,886	49,213
Depreciations property, plant and equipment	17	6,397	6,034
Depreciations right-of-use assets	18	29,883	23,772
Total Depreciations and amortization expenses	A, 31	97,166	79,018
Impairment intangible assets	16	0	0
Impairment property, plant and equipment	17	0	0
Impairment right-of-use assets	18	0	518
Impairment goodwill	15	0	0
Other impairments		0	0
Total impairment of assets	A, 31	0	518

Amortisation and depreciation charges are higher compared to last year as the Group continues to invest heavily in the software solutions provided to its clients.

Refer to note 15 for more information on the impairment testing on goodwill performed by the Group.

Note 13. Financial result

Amounts in thousand €	Note	2025	2024
Interest expense on loans and borrowings	23	14,935	9,292
Interest expense on pension plans	25	692	351
Interest expense on lease liabilities	18, 23	3,320	2,859
Loss on sale of financial assets		211	0
Other finance expense		348	196
Financial expenses	A	19,505	12,698
Interest income		407	379
Interest income on pension plans	25	314	513
Gain on the sale of financial assets		1,204	1,132
Other finance income		179	270
Financial income	A	2,104	2,294
Net exchange difference relating to financing activities	A	303	3,195
Finance costs net	A	-17,098	-7,208

The total net finance costs are mainly driven by the interest expense on loans and borrowings. These expenses consist of the annual interest charge on the Group's listed bond at 3.8% per annum and the interest charge on the available facilities. As the utilisation of these facilities is situated at a higher level during 2025 compared to last year, the interest expense on loans and borrowings have increased accordingly.

Interest expenses on lease liabilities, relating mainly to buildings, amount to thousand € 3,320 (refer also to note 18 for further disclosures around leases).

Note 14. Income taxes

Recognized in the Consolidated Statement of Profit or Loss

Amounts in thousand €	Note	2025	2024
Current year		28,632	21,431
Adjustments for prior year		-3,184	-1,108
Current tax expense/(income)		25,448	20,322
Origination and reversal of temporary differences		-1,944	-429
Utilization of previously recognised tax losses		948	10,615
Recognition current year's losses		-200	-520
Change in tax rate		0	0
Change in unrecognized temporary differences		0	0
Recognition of previously unrecognized tax losses		0	0
Deferred tax expense/(income)		-1,196	9,666
Total tax expense	A	24,252	29,988

The Group recognized a tax expense of thousand € 24,252 for the year ended 31 December 2025 compared with thousand € 29,988 over the comparative period. The decrease in total tax expense is driven, amongst others, by favourable adjustments on prior year tax estimates, resulting in higher tax gains in the current year.

Reconciliation of effective tax rate

Amounts in thousand €	2025		2024	
Consolidated net result	101,410		94,858	
+/- result associated companies	-96		-92	
+ Impairment goodwill	0		0	
+ Taxes	24,252		29,988	
Profit before tax	125,566		124,754	
	In tho €	In %	In tho €	In %
Taxes on earnings at Belgian corporate income tax rate	31,391	25.0%	31,189	25.0%
Difference with foreign tax rates	-1	0.0%	-264	-0.2%
Weighted average applicable tax rate	31,390	25.0%	30,924	24.8%
Adjustments previous years	-3,184	-2.5%	-716	-0.6%
Tax non-deductible items	7,608	6.1%	7,881	6.3%
Tax relief	-11,386	-9.1%	-10,126	-8.1%
Tax exempt income	0	0.0%	0	0.0%
Tax losses not recognised as DTA	2,021	1.6%	1,279	1.0%
Usage of DTA	0	0.0%	-754	-0.6%
Adjustments to DTA	-1,600	-1.3%	-1,518	-1.2%
Other	-597	-0.5%	3,018	2.4%
Effective tax charge	24,252	19.3%	29,988	24.0%

The Group's effective tax rate decreased to 19% compared to 24% over the year ended 31 December 2024.

The overall lower effective tax rate during the current year is influenced by favourable adjustments on previous years, negatively affecting the current year's effect tax rate.

The Group is not subject to income taxes resulting from dividends to shareholders of the Group that were proposed or declared before the consolidated financial statements were authorised for issue but are not recognised as a liability in the consolidated financial statements.

The Group obtains various forms of investments deductions related to its activities, which are declared through the corporate income tax declaration. When such income tax deductions can be related to individual projects, especially the Group's growing portfolio of cloud-based payroll and HR software solutions, they are considered a reduction of the payroll cost and, when applicable, recognized as negative capital expenditure (refer to note 16). In other cases, when such direct link cannot be made, they are treated as tax relief and are deducted from the tax expense.

Current income taxes on the Consolidated Statement of Financial Position

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Current tax receivables	C	5,167	11,028
Current tax liabilities	C	7,780	12,259

Deferred taxes on the Consolidated Statement of Financial Position

Amounts in thousand €	Note	31 Dec 2025			31 Dec 2024		
		Asset	Liability	Net asset	Asset	Liability	Net asset
Intangible assets		3,995	22,206	-18,211	6,040	21,598	-15,558
Property, plant and equipment		491	164	327	64	143	-79
Right-of-use assets		0	16,613	-16,613	0	15,970	-15,970
Investments in subsidiaries		4,700	0	4,700	4,700	0	4,700
Other assets		304	2,953	-2,648	817	2,967	-2,151
Lease liabilities		18,071	0	18,071	17,430	0	17,430
Provisions		267	25	242	90	154	-64
Employee benefit obligations		3,644	2,283	1,361	6,021	2,280	3,741
Trade and other payables		1,160	341	819	299	532	-233
Other liabilities		4,762	0	4,762	2,454	0	2,454
Total temporary differences		37,394	44,585	-7,191	37,915	43,645	-5,729
Deferred tax assets on tax losses carried forward		7,652	0	7,652	8,153	0	8,153
Offsetting of assets and liabilities		-26,822	-26,822	0	-25,076	-25,076	0
Total deferred taxes recognized	C	18,224	17,763	461	20,992	18,569	2,424

Deferred tax assets and deferred tax liabilities are offset when the Group has a legally enforceable right to set off current taxes when they are due, and when they are levied by the same tax authority.

Deferred tax assets are recognized on temporary differences and tax credits carried forward to the extent that it is probable that the Group will generate future taxable profits against which the benefits can be offset. The assessment is made on an entity-by-entity basis using expected taxable profits for the next 5 years. The tax losses carried forward mainly relate to Sweden and the United Kingdom.

The Group has deferred tax assets associated with its investment in its French subsidiary GlobePayroll SAS for a total amount of thousand € 4,700.0, which follow from the planned liquidation of the entity. The Group did not recognize any other deferred taxes associated with its investments in subsidiaries.

Deferred taxes on the Consolidated Statement of Financial Position

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Net deferred tax asset at beginning of the year		2,424	22,817
Gain/(loss) charged to income statement		1,196	-9,666
Gain/(loss) recognized in other comprehensive income	B	-688	3,275
Acquired through business combinations	5	-2,552	-14,016
Exchange differences		137	-3
Other		-55	18
Net deferred tax asset at end of year		461	2,424

Unrecognized deferred tax assets

The Group has approximately thousand € 84,776 of unused tax credits carried forward across various jurisdictions for which no deferred tax asset has been recognized (compared to thousand € 81,794 last year), as it is not probable at the reporting date that sufficient future taxable profit will be available. These tax credits are spread across the following jurisdictions:

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Austria		2,756	3,033
Belgium		275	833
Finland		0	2,215
France		33,393	27,931
Germany		0	996
Italy		2,194	0
Netherlands		1,502	0
Sweden		0	3,507
Switzerland		7,095	7,250
United Kingdom		37,561	36,028
Total of unused tax credits carried forward		84,776	81,794

All of these tax losses have no legal expiry date.

Pillar Two Model Rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalisation of the global economy. The Group is in scope of the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") as its annual revenue is higher than million € 750.

On 23 May 2023, the International Accounting Standards Board issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 (the Amendments). The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD. The Group has adopted these amendments, which introduce:

- A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the consolidated financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes based on the 2025 country-by-country reporting and 2025 financial information for the constituent entities in the Group, as well as those in scope of its ultimate parent. The Group assessed that in most of the jurisdictions in which it operates, either the provisional safe harbour rules can be applied, or the effective tax rate is above 15%.

The implementation of Pillar II does not materially affect the Group's effective tax rate (ETR) and deferred tax accounting. The Group does not anticipate a material increase in its overall tax expenses due to Pillar II adjustments, with no substantial impact on cash tax outflows.

Note 15. Goodwill

Goodwill acquired through business combinations is allocated by Group management to either of the following 2 clusters of cash-generating units for goodwill impairment purposes:

- a) People Solutions, which provides solutions & services in HR & Payroll
- b) Staffing & Career Solutions, which provides services in the areas of flexible and temporary employment

The Group acquires businesses to create long term synergies, advantages of scale or other competitive advantages, which are, amongst others:

- The possibility to offer both fixed as permanent employment to customers, which means a broadening of the Group's service offering;
- The integration of backoffice functions (HR, finance, marketing, legal, internal audit, general management and IT);
- Centralizing procurement functions to benefit from a stronger negotiation position and higher volume discounts;
- The possibility to offer services in multiple countries, which means that the Group can offer its customers an international service package;
- Attracting and acquiring qualified personnel, management and directors.

In principle, these synergies and advantages of scale have an indefinite useful life.

The following table shows the movements in goodwill.

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Gross book value		561,160	380,579
Accumulated impairment		-11,527	-11,527
Carrying value at 1 January	C	549,633	369,052
Acquired through business combinations	5	11,764	180,510
Disposals		0	0
Transfers		0	0
Impairment	12	0	0
Foreign exchange difference		-1,055	70
Gross book value		571,869	561,160
Accumulated impairment		-11,527	-11,527
Carrying value at 31 December	C	560,342	549,633

The increase in goodwill is largely explained by the acquisition of new subsidiaries during the year (refer to note 5 for further explanation) resulting in a net increase by thousand € 10,709 compared with thousand € 183,083 over the comparative period which was mainly driven by the acquisition of F2A, offset by thousand € 2,572.4 following the finalization of the pending purchase price accounting of 2023.

The effect of foreign exchange translation totals thousand € -1,055 compared with thousand € 70 over 2024 and are mainly driven by the Group's goodwill denominated in GBP and SEK. The corresponding opposite effect is shown in the currency translation reserve within equity.

The Group did not recognize an impairment on its goodwill in the current year.

Impairment testing

The Group performs its annual goodwill impairment testing at 31 December of each year, however in case impairment indicators are present at an interim reporting date, cash generating units or individual assets will be subject to impairment testing at the interim date.

Impairment testing is performed at the level of the cluster of CGUs as this is the level management uses to monitor and evaluate the performance of the business. For impairment testing, the carrying amount of a cluster of CGUs including goodwill is compared with the recoverable amount of the cluster of CGUs. When determining the recoverable amount, the Group first determines the value in use of the cluster of CGUs. However, when the value in use is lower than the carrying value, the Group may also decide to determine the fair value less cost of disposal, after which the recoverable amount is determined as the higher of value in use or fair value less cost of disposal.

For impairment testing purposes, the Group has allocated the goodwill as follows to the cash-generating units:

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
People Solutions		516,574	505,865
Staffing & Career Solutions		43,768	43,768
Total goodwill	C	560,342	549,633

The recoverable amounts of the cluster of CGUs' have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions, which are subject to macroeconomic conditions, demand and competition in the markets where the Group is currently operating, product offerings, EBITDA margins, growth rates, capital expenditure and working capital, etc.

The Group has based its value in use calculations on budgets as approved by the SD Worx board of directors and forecast calculations. These are prepared separately for each of the Group's CGUs. These budgets and forecast calculations generally cover a period of ten years. A long-term growth rate is calculated and applied to project future cash flows after the last year to determine a terminal value. The resulting estimated future cash flows are discounted to their present value using an after-tax weighted average cost of capital (WACC).

The key market assumptions for the value-in-use calculations used to determine the recoverable amount are those regarding the discount rates and long term growth rates. Specific assumptions have been used to determine the underlying budgets and forecasts.

Assumptions	Note	31 Dec 2025	31 Dec 2024
People Solutions			
Weighted average cost of capital		9.5%	10.4%
Long term growth rate		2.0%	2.1%
Staffing & Career Solutions			
Weighted average cost of capital		8.9%	10.1%
Long term growth rate		2.0%	2.1%

When determining the key assumptions, the Group considers climate-related risks, which includes possible transition risks. While the Group does not believe its operations are currently exposed to transition risks, assumptions could be influenced in several different ways. Assumptions relying on market data, such as risk free rates, CGU specific betas and long term growth rates could change in the future based on expectations from market participants. For example, an increased spread between green loan instruments, such as green bonds, and regular loan instruments could increase the cost of lending. The Group believes that the current assumptions used factor in all known expectations from market participants.

The WACC per CGU is determined using a bottom up approach as the weighted average of country specific WACCs, determined for each country separately where the Group is present. The WACC takes into account both debt and equity, which are weighted using the Group's target leverage. The cost of equity is determined using a country specific risk free rate adjusted for a CGU specific beta, which is reevaluated annually based on publicly available market data. The risk free rate is adjusted for a market risk premium and a size premium to correctly reflect the risks specific to each CGU. The cost of debt is determined based upon the EURIBOR 3M + spread reflective of the agreements with the syndicate at the level of the group.

In 2025, the long term growth rate was set at 2.0% compared to 2.1% last year. The growth rates are consistent with the long-term average market growth rates in which the Group operates and is determined based on the weighted average of the expected long-term inflation for the countries where the Group operates.

The assumptions to determine the budgets and forecasts were mainly determined using historical performance as well as market expectations such as the expected evolution of expenses. Short term growth rates have been applied in order to project revenue and costs from 2026 up to and including fiscal year 2035.

The key assumptions for each cluster of CGU are reviewed on an annual basis.

Based on the impairment testing performed, the Group did not recognize an impairment.

The following table provides the sensitivity analysis, detailing the amount of impairment that should be recognised, if any, in case of an unfavourable evolution of the related assumption.

Amounts in thousand €		Staffing & Career Solutions	
		People Solutions	
Discount rate	+0.5%	-	-5,312
Long term growth rate	-0.5%	-	-3,792
EBITDA margin terminal value	-0.5%	-	-12,664

Note 16. Intangible assets

2025					
Amounts in thousand €	Note	Software	Customer Contracts	Other Intangible assets	Total
Gross book value		321,143	82,618	7,195	410,955
Accumulated amortisations and impairments		-193,190	-19,410	-4,736	-217,337
Carrying value at 1 January	C	127,952	63,208	2,458	193,619
Additions	D	56,561	0	0	56,561
Government grants (-)		-1,380	0	0	-1,380
Amortisation	12	-48,328	-11,207	-1,351	-60,886
Impairment	12	0	0	0	0
Disposals		-74	0	0	-74
Acquired through business combinations	5	2	3,688	62	3,752
Transfers		187	0	-187	0
Foreign exchange difference		-90	562	-15	457
Other		12	35	-16	31
Gross book value		370,868	87,448	6,895	465,212
Accumulated amortisations and impairments		-236,025	-31,163	-5,945	-273,133
Carrying value at 31 December	C	134,843	56,286	951	192,079

2024 Amounts in thousand €	Note	Software	Customer Contracts	Other Intangible assets	Total
Gross book value		204,353	39,173	1,449	244,976
Accumulated amortisations and impairments		-111,902	-12,915	-1,110	-125,928
Carrying value at 1 January	C	92,451	26,258	339	119,048
Additions	D	47,008	0	72	47,080
Government grants		-1,066	0	0	-1,066
Amortisation	12	-41,752	-6,727	-734	-49,213
Impairment	12	0	0	0	0
Disposals		0	0	0	0
Acquired through business combinations	5	30,927	44,024	2,781	77,732
Transfers		0	0	0	0
Foreign exchange difference		424	-361	0	63
Other		-40	14	1	-25
Gross book value		321,143	82,618	7,195	410,955
Accumulated amortisations and impairments		-193,190	-19,410	-4,736	-217,337
Carrying value at 31 December	C	127,952	63,208	2,458	193,619

The Group's intangible assets decreased by thousand € 1,540. During the year, increases to the intangible assets related mainly to the in-house development of software (thousand € 55,181, which is net of government grants obtained), and intangible assets acquired from business combinations (thousand € 3,752). The increases were offset by amortisation totalling thousand € 60,886 (31 December 2024: thousand € 49,213)

Software

Software is mainly developed internally as the Group invests in its country specific payroll engines, HR related applications, and time and attendance applications. Own developed software is divided as either front-end or back-end. Front-end software consists of user interfaces such as application and website design. This type of software is considered to be more subject to changes as user

preferences change more quickly, as such the useful life is limited to 3 years. Back-end software consists mostly of payroll engines. Back-end software is more stable as it will change depending on evolving legislation. As such, the back-end software is amortized over a useful life of 5 years.

Internally developed software is considered under development until it is ready for use in the manner intended by the Group. The ready for use criteria is assessed for each software project separately, if a software project can be split into different modules, each module is assessed separately if it can be used without the completion of other modules within the software. The assessment occurs on a quarterly basis, evaluating multiple criteria such as results from pilot projects and expected marketability of the software in its current state. At 31 December 2025, thousand € 9,246 of software was considered under development (31 December 2024: thousand € 21,301).

To a lesser extent software will also include externally acquired software, which relates mainly to back-office applications.

Customer contracts

Customer contracts represents the value of existing customer relations upon acquisition of a new business. Such customer contracts represent the opportunity of the Group to acquire additional market share. They are measured at acquisition using an income approach method, more specifically the Multi-Period Excess Earnings Method. Further explanation on business combinations made during the year is provided in note 5.

The most significant balances included within the customer contracts relate to the acquisition of F2A (SD Worx Italy) for a total amount of thousand € 33,765 (31 December 2024: thousand € 38,075), and Aditro (SD Worx Nordics) for a total amount of thousand € 9,070 (31 December 2024: thousand € 11,033). The remaining value of the customer contracts at 31 December 2024 will be amortized over a weighted average remaining useful life of approximately 5 years.

Impairment

The executive committee reviews intangible assets under development (mainly internally generated software) on an annual basis. The members of the executive committee are supported by selected senior managers. Depending on the projects discussed, also internal stakeholders can be invited ad hoc. An impairment is recognized when indicators exist that the carrying value of the asset can no longer be recovered. Such indicators for impairment are:

- Significant changes in technology which negatively impact the marketability of the asset;
- Economical or legal conditions which have changed during the period;
- Evidence from internal reporting that indicates that the economic performance of the intangible asset will be worse than expected; or
- Significant changes with an adverse effect on the entity have taken place during the period, or will happen in the near future (e.g. restructurings or plans to discontinue an operation to which the asset belongs; plans to dispose the asset).

The annual review of software projects was performed during January 2026. Following this meeting no impairment has been recognised.

Government grants

As part of its development of software, the Group obtains various forms of investment deduction from tax authorities. The most significant sources of government grants relate to the Belgian regime for investment deduction.

The Belgian regime is subject to the acceptance by the Belgian tax authority and is settled as a deduction of the income tax payable of the fiscal year to which it relates. The investment deduction receivable is therefore presented net of the related income tax payable.

The Group records this government assistance as negative addition. For the year ended 31 December 2025, the Group obtained thousand € 1,380 of investment deduction, compared with thousand € 1,066 in the previous year.

Restrictions

As at 31 December 2024 there were no restrictions on intangible assets.

Commitments

At 31 December 2025, there were no open commitments by the Group to acquire any intangible assets.

Note 17. Property, plant and equipment

2025						
Amounts in thousand €	Note	Land & Buildings	Hardware & equipment	Furniture & vehicles	Leasehold improvements & other	Total
Gross book value		3,898	39,517	13,148	15,215	71,778
Accumulated Depreciation and impairment		-2,849	-29,249	-9,253	-9,647	-50,998
Carrying value at 1 January	C	1,049	10,268	3,894	5,569	20,780
Additions	D	51	4,415	448	723	5,637
Depreciation	12	-134	-4,424	-859	-980	-6,397
Impairment	12	0	0	0	0	0
Disposals		2	-10	-22	-12	-41
Acquired through business combinations	5	0	120	-57	34	96
Transfers		0	0	-161	0	-161
Foreign exchange difference		0	-8	-20	-12	-40
Other		0	18	1	-1	18
Gross book value		3,899	42,845	12,045	14,547	73,335
Accumulated Depreciation and impairment		-2,929	-32,467	-8,820	-9,227	-53,443
Carrying value at 31 December	C	969	10,378	3,225	5,321	19,893

2024 Amounts in thousand €	Note	Land & Buildings	Hardware & equipment	Furniture & vehicles	Leasehold improvements & other	Total
Gross book value		3,868	32,295	10,636	13,622	60,422
Accumulated Depreciation and impairment		-2,773	-22,703	-6,871	-8,228	-40,575
Carrying value at 1 January	C	1,096	9,592	3,764	5,394	19,846
Additions	D	30	4,368	578	1,068	6,043
Depreciation	12	-42	-4,010	-1,003	-978	-6,034
Impairment	12	0	0	0	0	0
Disposals		0	-466	276	0	-190
Acquired through business combinations	5	0	778	280	104	1,163
Transfers		0	-5	5	-39	-39
Foreign exchange difference		0	13	-7	18	24
Other		-34	-3	0	2	-35
Gross book value		3,898	39,517	13,148	15,215	71,778
Accumulated Depreciation and impairment		-2,849	-29,249	-9,253	-9,647	-50,998
Carrying value at 31 December	C	1,049	10,268	3,894	5,569	20,780

The Group's property, plant and equipment mainly consist of hardware and equipment, which includes servers, laptops and other equipment used in the Group's HaaS offering. Additions to hardware and equipment totalled thousand € 4,415 (thousand € 4,368 over the comparative period), and a related depreciation charge for the current period of thousand € 4,424 was recognized compared to thousand € 4,010 last year.

The Group reassess useful lives at the end of each reporting period. In doing so, the Group also considered climate-related risks. Specifically, the Group has considered whether climate-related legislation and regulations might impact either the useful life or residual values, for example when buildings or IT equipment becomes subject to additional energy efficiency requirements, for example to meet the requirements to reduce carbon emissions by 2030 with 55%. Currently, the Group determined that such requirements do not affect the useful lives applied.

No impairments on property, plant and equipment have been recognized during the current period.

Restrictions

As at 31 December 2025 there were no significant restrictions on the Group's property, plant and equipment, except for real estate mortgages on buildings owned by Sodeco NV and LWB NV. The net book value of these buildings at 2025 totals thousand € 927 (31 December 2024: thousand € 994).

Commitments

The Group had no significant commitments to acquire property, plant and equipment at the end of the current reporting period, or at the end of the previous reporting period.

Note 18. Leases

The Group leases principally relate to the office spaces it uses and company cars which are available to certain of its employees. In addition, the Group also holds a service agreement for the use of a server park which it has considered a lease agreement under IFRS. The lease term for vehicles varies from 3 to 5 years, for office spaces from 3 to 12 years, and for hardware 5 years.

Several of these contracts (mainly office spaces) provide for the option of extended lease periods as most of the building rental is usually a contract of 3-6-9 years which can be easily extended. These extensions are only considered when the Group is reasonably sure it will use the extension option.

The Group currently has a purchase option relating to leased hardware which will become property of the Group at the end of the lease term.

The Group has currently several commitments for significant lease arrangements involving buildings which have not yet started at the reporting date. The total asset value of these commitments is estimated at million € 1.5 and includes office spaces (mainly situated in Belgium). At the reporting date, the Group also has several company cars which have been ordered, but have not yet been made available at 31 December 2025. The Group estimates that the impact of these company cars is immaterial.

The Group has certain leases of company cars with lease terms of 12 months or less and leases of office equipment and other items with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these types of leases.

Right-of-use assets

2025 Amounts in thousand €	Note	Land & Buildings	Hardware & equipment	Vehicles	Total
Gross book value		82,680	6,576	43,083	132,339
Accumulated amortisations and impairments		-36,139	-1,839	-17,015	-54,993
Carrying value at 1 January	C	46,541	4,737	26,068	77,346
Additions		9,803	601	14,192	24,596
Depreciation	12	-16,075	-1,493	-12,315	-29,883
Impairment	12	0	0	0	0
Disposals		-386	0	-745	-1,131
Acquired through business combinations	5	1,507	0	458	1,964
Transfers		0	0	161	161
Foreign exchange difference		-77	0	-9	-86
Other		-33	0	55	23
Gross book value		89,439	7,177	50,145	146,761
Accumulated Depreciations and impairments		-48,158	-3,332	-22,280	-73,771
Carrying value at 31 December	C	41,281	3,844	27,866	72,991

2024					
Amounts in thousand €	Note	Land & Buildings	Hardware & equipment	Vehicles	Total
Gross book value		72,226	6,215	30,908	109,349
Accumulated amortisations and impairments		-27,828	-524	-14,007	-42,358
Carrying value at 1 January	C	44,398	5,692	16,901	66,991
Additions		9,316	360	18,487	28,163
Depreciation	12	-12,688	-1,316	-9,768	-23,772
Impairment	12	-518	0	0	-518
Disposals		-154	0	-62	-216
Acquired through business combinations	5	6,145	0	502	6,647
Transfers		0	0	0	0
Foreign exchange difference		65	0	9	74
Other		-21	0	-1	-22
Gross book value		82,680	6,576	43,083	132,339
Accumulated Depreciations and impairments		-36,139	-1,839	-17,015	-54,993
Carrying value at 31 December	C	46,541	4,737	26,068	77,346

Following new lease contracts, the Group recognized a total of thousand € 24.596 additional right-of-use assets, and thousand € 23.625 of lease liabilities. New lease agreements for office locations in 2025 related to offices in Norway and Belgium. Leased vehicles relate to company cars which the Group leases on behalf of its employees.

The total depreciation charge recognized in profit and loss amounts to thousand € 29.883 (31 December 2024: thousand € 23.772).

Lease liabilities

Amounts in thousand €	Note	2025	2024
Balance at 1 January	23	83,206	74,848
Additions		23,625	27,535
Accretion of interest	13	3,320	2,859
Payments	23	-33,744	-28,053
Acquired through business combinations		1,964	6,647
Disposals		-1,131	-715
Foreign exchange difference		82	86
Other		0	0
Balance at 31 December	23	77,323	83,206
Of which:			
- Non current	C	50,635	57,492
- Current	C	26,688	25,714

During the current year, several lease contracts have been early terminated, resulting in the derecognition of (part of) the remaining asset and liability value. These early terminations usually relate to company cars and to a lesser extent to office spaces. There have been no other significant modifications to lease contracts during the period. For the lease of office spaces, the Group is exposed to potential future increases in variable lease payments based on an index, in most cases based on the CPI of the respective country. Such variable lease payments are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

We refer to note 23 for an analysis the Group's lease liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date.

Lease expenses

Amounts in thousand €	Note	2025	2024
Depreciation of right-of-use assets	12	29,883	23,772
Impairment of right-of-use assets	12	0	518
Interest expense on lease liabilities	13	3,320	2,859
Short term lease payments		343	665
Low value lease payments		1,254	1,207
Variable lease payments		0	0
Total lease expense		34,799	29,021

Note 19. Financial assets and other assets

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Cash guarantees		2,081	2,022
Investments at fair value through profit and loss	27	46	78
Other financial assets		2,891	2,821
Financial assets		5,018	4,921
Pension asset	25	6,296	5,915
Other		11,251	10,053
Other assets		17,547	15,968
Of which:			
- Non current	C	20,320	19,033
- Current	C	2,245	1,857

Other non-current assets consist amongst others out of the Group's Pension assets. The Group's pension plans are further disclosed in note 25 below.

Note 20. Trade and other receivables

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Trade receivables (gross)		218,575	225,977
Impairment losses		-4,672	-4,461
Trade receivables		213,904	221,516
Other receivables		33,714	34,197
Prepaid payroll taxes		378	148
Non-income tax receivables		1,746	2,259
Accrued income		2,884	4,362
Prepaid expenses		26,071	22,009
Trade and other receivables	C	278,696	284,492

Trade receivables and other receivables decreased compared to year-end 2024, which is driven by lower trade receivables.

Other receivables concern invoices to issue as well as advance payments made to suppliers.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

Note 21. Share capital & reserves

Share capital

Ordinary shares issued and fully paid	Number	tho €
At 1 January 2024	30,291,646	548,000
Increases	0	0
Decreases	0	0
At 31 December 2024	30,291,646	548,000
Increases	0	0
Decreases	0	0
At 31 December 2025	30,291,646	548,000

The Group is not subject to any externally imposed capital requirements, with the sole exception of the statutory minimum equity funding requirements imposed by local legislation that apply to the different companies belonging to the Group.

The par value of each share is € 18.09 (same as at 31 December 2024). All shares issued have been fully paid, have equal voting rights, and are entitled to dividend.

Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising from the translation of the consolidated financial statements of foreign entities of the Group.

Other reserves

The other reserves consist of cumulative effects from share-based payment plans (refer to note 22 for further explanation on these plans), as well as actuarial revaluations coming from defined benefit post-employment plans.

Dividends

Amounts in thousand €	31 Dec 2025	31 Dec 2024
Dividends paid or due on ordinary shares	118,500	80,500
Per share	3.91	2.66
Proposed dividends on ordinary shares	137,300	118,500
Per share	4.53	3.91

On 11 December 2024, the general meeting of shareholders decided to distribute an interim dividend equal to € 1.65 per share, equal to thousand € 50,000.0 in total. The interim dividend was unpaid at 31 December 2024 and presented as part of the other financial liabilities. The board of directors proposes to the general meeting of shareholders to approve an additional dividend of thousand € 68,500.00, resulting in a total dividend equal to € 3.91 per share, equal to thousand € 118,500.0 in total.

On 11 December 2025, the general meeting of shareholders decided to distribute an interim dividend equal to € 1.98 per share, equal to thousand € 60,000 in total. The interim dividend was unpaid at 31 December 2025 and presented as part of the other financial liabilities. The board of directors proposes to the general meeting of shareholders to approve an additional dividend of thousand € 77,300, resulting in a total dividend equal to € 4.53 per share, equal to thousand € 137,300 in total.

Note 22. Share based payments

For the years 2022 until 2025, SD Worx established several share based incentive plans towards certain employees, managers and directors of the Group ("the Eligible Group") a share purchase plan (SPP) and share allocation plan (SALP) in place. In addition to the 2 beforementioned plans, the Group also has an Employee Share Purchase Plan in place.

Share Purchase Plan

Under the share purchase plan (SPP), the Eligible Group receives the right to acquire a number of share certificates at fair value at the grant date with a discount of 20% (the initial contribution), as well as a put option to sell the acquired certificates to WorxInvest Subholding NV after a vesting period of 3 years. Plan participants must remain in service for a period of 3 years from the date of grant. In case a plan participant leaves the Group before the end of the third year, the participant is reimbursed by WorxInvest Subholding NV for his initial contribution made.

The certificates grant the beneficiaries the economic rights on the underlying shares of the Company, while the other rights attached to the shares (including voting rights and preferential subscription rights) are exercised by WorxInvest Subholding NV.

The fair value of the put options is estimated at the grant date using a Black & Scholes option pricing model, taking into account the terms and conditions on which the options were granted.

There are no cash settlement alternatives, nor does the Group have a past practice of cash settlement for these certificates. As a result, the incentive plans are considered as equity-settled at the level of the Group.

Share Allocation Plan

Under the share allocation plan (SALP), the Eligible Group receives a call option to acquire a specified number of share certificates after a vesting period of 3 years. In addition, the plan participant also receives a put option to sell the acquired share certificates back to WorxInvest Subholding NV at the fair value of the certificate at the moment of sale. Plan participants must remain in service for a period of 3 years from the date of grant.

Considering the terms and conditions on which the options were granted, the fair value of the call options is estimated to equal the fair value of the underlying certificate at the grant date.

The exercise price of the call options is nil, but the plan is only open to participants of the SPP. There are no cash settlement alternatives, nor does the Group have a past practice of cash settlement for these options. As a result, the incentive plans are considered as equity-settled at the level of the Group.

Brouwersvliet

On 21 November 2025, Brouwersvliet NV ("Brouwersvliet") was incorporated by WorxInvest Subholding NV by means of a contribution in kind of 12.5% of the shares held in WorxInvest NV. Brouwersvliet NV is set up as anchoring vehicle for the main certificate holders ("the eligible persons"). As per end 2025, the eligible persons were offered the opportunity to exchange existing certificates with Brouwersvliet shares, having a lock-up period of five years. Exchanged, unvested certificates, vested immediately at the moment of the transfer. The related one-off share-based payment expense for the Group under the equity-settled treatment in accordance with IFRS 2 recognized per year-end 2025 would, in the absence of the Brouwersvliet transaction, be recognized over the normal vesting period of the related plans. The below table summarizes the exchanged shares per plan for the eligible persons.

	Expiry date	# share certificates
SPP 2023	30/06/2026	41,258
SALP 2023	30/06/2026	229,304
SPP 2024	30/06/2027	21,370
SALP 2024	30/06/2027	25,667
SPP 2025	30/06/2028	11,101
SALP 2025	30/06/2028	20,747
Total early vested options		349,447

The below table provides an overview of all unvested plans.

	Expiry date	Fair value at grant date (€)	# share certificates	
			31 Dec 2025	31 Dec 2024
SPP 2022	30/06/2025	11.42	0	411,347
SALP 2022	30/06/2025	37.45	0	124,810
SPP 2023	30/06/2026	16.10	48,604	91,586
SALP 2023	30/06/2026	53.60	65,079	310,416
SPP 2024	30/06/2027	11.37	45,370	53,094
SALP 2024	30/06/2027	56.86	27,165	56,354
SPP 2025	30/06/2028	13.49	43,541	0
SALP 2025	30/06/2028	67.43	31,687	0
Total outstanding unvested options			261,446	1,047,607

The fair value under the SPP plans is lower than the fair value under the SALP plans as a result of the initial contribution made by the eligible group.

The following table reconciles the movement in outstanding certificates.

	2025		2024	
	Weighted average fair value	Share certificates	Weighted average fair value	Share certificates
At 1 January	29.87	1,047,607	27.61	1,235,537
Granted	34.76	122,901	34.79	109,448
Forfeited	38.87	-34,550	27.43	-18,513
Vested	28.99	-874,512	21.63	-278,865
At 31 December	33.92	261,446	29.87	1,047,607

Note 23. Net debt position

The Group monitors its capital basis through its net debt position, which is calculated by adding all short and long-term interest-bearing loans and borrowings, and deducting the available cash and short-term deposits. The net financial debt of the Group for the year ended 31 December 2025 and 31 December 2024 are as follows:

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Borrowings and lease liabilities (non current)		349,494	423,361
Add Borrowings and lease liabilities (current)		108,363	26,624
Less Cash and cash equivalents	C, D	-139,974	-118,569
Net Financial Debt/(Cash)		317,882	331,417

Financial liabilities

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Borrowings:			
- Facility Agreement		298,848	0
- Revolving credit facility		0	284,660
- Subordinated bond		0	81,047
- Other loans		11	162
Lease liabilities		50,635	57,492
Other financial liabilities			
- Earn outs and deferred payments		12,192	13,028
Financial liabilities (non-current)	C	361,686	436,390
Borrowings:			
- Subordinated bond		81,654	0
- Bank overdraft		0	691
- Other loans		21	219
Lease liabilities		26,688	25,714
Other financial liabilities:			
- Earn outs and deferred payments		8,163	8,236
- Dividends payable	21	60,000	50,000
- Other		198	188
Financial liabilities (current)	C	176,724	85,048
Financial liabilities		538,410	521,438

On 30 July 2025, the Group refinanced its existing Revolving Credit Facility Agreement into a Facility Agreement. Under the new Facilities agreement, the Group has access to a term loan of million € 300.0 and a revolving credit facility of million € 500.0. The Facility Agreement is used together with the subordinated bond to finance the Group. During the current reporting period, the Group increased its usage of the available facilities by thousand € 17,000.0. At year-end 2025, the Group has fully used the available term loan. Considering the unconditional right the Group has to defer the settlement of this amount for at least 12 months under the same agreement, amounts due under the Facility Agreement are presented as a non-current borrowing.

1. The Facility Agreement

On 30 July 2025, the Group entered into the Facilities Agreement. Under the Facilities Agreement, the Group has access to term loan of million € 300.0 maturing after 5 years and a revolving credit facility of million € 500.0 maturing after 5 years, extendable for 2 individual consecutive years. The Facilities Agreement is an unsecured facility under negative pledge conditions. In addition, certain subsidiaries act as guarantors for this loan.

The Facilities Agreement is subject to an adjusted leverage covenant and a cashflow cover covenant. Both covenants are calculated based on the accounting policies as included in the annual consolidated financial statements of the Group. The adjusted leverage may not exceed 3x and the cashflow cover may not be less than 1.05x.

“Cashflow Cover” means the ratio of cashflow to the aggregate of (a) net finance charges; (b) all scheduled and mandatory repayments of borrowings falling due, and any voluntary prepayments made; and (c) the amount of the capital element of any payments relating to finance leases.

“Adjusted Leverage” means the ratio of total net debt, which equals total borrowings deducting the aggregate amount of cash and cash equivalents, to EBITDA, where EBITDA is adjusted for the EBITDA of any subsidiary acquired or disposed during the year as if that transaction had occurred on the first day of the year.

Financial covenants related to the Facilities Agreement are tested bi-annually on a rolling last-12-month basis. As per 31 December 2025, Cashflow Cover equals 3.85x, and Adjusted Leverage equals 1.25x. In the comparative period (and under the Revolving credit facility agreement), cashflow cover equalled 3.49x and adjusted leverage equalled 1.41x. There are no indications that SD Worx would have difficulties complying with the covenants when they will be tested next time at the 30 June 2026 or 31 December 2026.

2. Subordinated bond

As per 11 June 2019, SD Worx NV successfully issued a public subordinated bond. The total of the proceeds amounted to thousand € 80,000.0.

The bond is unsecured under a negative pledge covenant.

The subordinated bond is subject to an adjusted leverage covenant, which is calculated based on the accounting policies as included in this report, but excluding any adjustments to EBITDA following the application of IFRS 16 ‘Leases’. Under this covenant, the adjusted leverage may not exceed 4.00:1, unless it is remedied within 12 months. In case the Adjusted Leverage at 31st December is higher than 3.25:1, the original interest rate shall be increased by 0.75% per annum.

For the purpose of the testing of covenants, adjusted leverage means the ratio of total net senior debt, which equals total borrowings excluding subordinated debt and deducting the aggregate amount of cash and cash equivalents, to EBITDA, where EBITDA is adjusted for the EBITDA of any subsidiary acquired or disposed during the year as if that transaction had occurred on the first day of the year.

The financial covenants shall be tested on a bi-annual and a rolling last-12-month basis. As at 31 December 2025 adjusted leverage equals 0.94x (prior year: 1.09x). As the subordinated debt falls due on 11 June 2026, no further testing of the covenants is required.

Reconciliation to the consolidated statement of cash flows

Amounts in thousand €	Note	1 Jan 2025	Cash flows	Non-cash movements				31 Dec 2025
				Recognized in P&L	Business combinations	Exchange differences	Other	
Borrowings:								
- Facility Agreement		0	-6,901	5,749	0	0	300,000	298,848
- Revolving credit facility		284,660	9,953	5,387	0	0	-300,000	0
- Subordinated bond		81,047	-3,040	3,647	0	0	-81,654	0
- Other loans		162	-244	82	0	0	11	11
Lease liabilities		57,492	0	0	1,964	-25	-8,797	50,635
Other financial liabilities								
- Earn outs and deferred payments		13,028	0	2,103	3,359	0	-6,299	12,192
Interest bearing debt (non-current)	C	436,390	-232	16,969	5,324	-25	-96,739	361,686
Borrowings:								
- Subordinated bond		0	0	0	0	0	81,654	81,654
- Bank overdraft		691	-691	0	0	0	0	0
- Other loans		219	-372	4	62	0	107	21
Lease liabilities		25,714	-33,744	3,320	0	107	31,291	26,688
Other financial liabilities								
- Earn outs and deferred payments		8,236	-7,667	1,308	0	0	6,286	8,163
- Dividends payable		50,000	-118,812	0	0	0	128,812	60,000
- Other		188	0	0	0	0	10	198
Interest bearing debt (current)	C	85,048	-161,285	4,632	62	107	248,159	176,724
Total liabilities from financing activities		521,438	-161,517	21,600	5,386	82	151,421	538,409

Amounts in thousand €	Note	1 Jan 2024	Cash flows	Non-cash movements				1 Jan 2024
				Recognized in P&L	Business combinations	Exchange differences	Other	
Borrowings:								
- Revolving credit facility		70,426	208,734	5,500				284,660
- Subordinated bond		80,681	-86,482	3,406				81,047
- Other loans		291					-129	162
Lease liabilities		52,728				156	157	57,492
Other financial liabilities								
- Earn outs and deferred payments		1,682			11,880		-234	13,028
Borrowings:		205,808	121,952	8,906	99,774	156	-207	436,390
- Shareholder loans	C							
- Other loans		0	-597	0				
Lease liabilities		365	-871	497			114	219
Other financial liabilities		22,120	-28,053	2,859	2,196	-70	26,663	25,714
- Earn outs and deferred payments								
- Dividends payable		3,774	-3,431	29	7,356		508	8,236
- Other		60,000					70,500	50,000
Interest bearing debt (current)								
Total liabilities from financing activities		86,259	-113,452	3,384	10,954	-70	97,974	85,048
	C							
Total liabilities from financing activities		292,067	8,500	12,290	110,727	86	97,767	521,438

Other movements relates to transfers from long term to short term as well as the acquisition and disposal of new lease agreements.

The following table reconciles the cash flow arising from liabilities from financing activities with the relevant captions within the consolidated statement of cashflow.

Amounts in thousand €	Note	2025	2024
Proceeds from borrowings		42,000	213,000
Repayment of borrowings		-26,147	-84,430
Repayment of lease liabilities		-30,425	-25,302
Settlement of contingent consideration		-7,678	-3,731
Dividends paid	21	-118,812	-80,500
Interest paid		-17,066	-10,538
Payment for debt issue costs		-3,390	0
Total cashflow from liabilities from financing activities		-161,517	8,500

Cash and cash equivalents

Amounts in thousand €	Note	2025	2024
Money market fund investments	27	93,584	37,273
Short-term deposits		5	2,308
Gross cash at bank and petty cash		53,019	79,218
Less Funds held for clients	C	-6,633	-230
Total cash and cash equivalents	D	139,974	118,569

Cash equivalents include short term deposits as well as investments in money market funds.

Money market funds are highly liquid investments made by the Group as part of their day-to-day cash management. Investments made in money market funds relate to the BNP Paribas InstiCash, which is a highly regulated investment for which the Group can convert its invested funds back into cash at any given time. The Group has assessed the investment policy applied by the fund and has deemed that the net asset value of the individual shares are subject to minimal changes in value. The Group therefore considers the investment to qualify as a cash equivalent. The money market funds are valued at the net asset value of a share at the reporting date.

Short-term deposits are deposits with a maturity of less than 3 months. The Group uses the short-term deposits to actively manage its cash needs. The deposits are acquired with a regulated bank, and thus for which the Group assumes that insignificant risk of changes in value is present. In view of their short maturity date, they are considered to be readily convertible to a known amount of cash. The Group therefore considers these short-term deposits as a cash equivalent.

As part of their operations, the Group sometimes holds funds on behalf of their clients. Although these amounts are present on a bank account controlled by the Group, the use of this cash is restricted. The Group therefore does not present these funds as part of cash and cash equivalents on the face of the consolidated statement of financial position.

Note 24 Provisions and contingencies

Amounts in thousand €	Note	Litigations & disputes	Other	Total
Balance per January 1st, 2025		3,794	310	4,104
Additional provision of the year		2,157	648	2,805
Amounts used during the year	D	-235	-25	-260
Reversal provision during the year		-885	0	-885
Transfers		0	0	0
Acquisition/(disposal) of subsidiaries		0	0	0
Foreign exchange difference		7	-14	-7
Balance per December 31st, 2025		4,838	919	5,758
Of which:				
- Non current	C	4,838	391	5,229
- Current	C	0	529	529

The Group recognizes a provision for certain legal claims filed against the Group by, as well as disputes with customers. The provision recorded consists of the best estimate by management of the total compensation payments due.

Contingencies

The Group is subject to claims, which fall in the normal course of the business. For claims in which the Group believes a cash outflow will be probable, a provision is recognized. Any claims for which no provision is currently recognized are not likely, on aggregate, to have a material adverse effect on the financial position of the Group. There have been no significant changes compared to 31 December 2024.

Note 25. Employee benefit obligations

The Group has several retirement and other long-term defined benefit plans applicable to several countries in which the Group operates. The net liability recognized in the consolidated statement of financial position is summarized as follows:

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Post-employment benefits		21,606	25,465
Long-term benefits		4,478	4,694
Employment benefit obligations	C	26,083	30,159
Less Pension assets	19	6,296	5,915
Net liability / (asset)		19,788	24,244

Post-employment benefits

Overview of plans

Belgium

The Group has defined benefit pension plans in Belgium, foreseeing the payment of a lump sum and representing 70% of the total gross obligation at 31 December 2025. Former pension plans were closed for new entrants as of 1 January 2014 and a new accrual is setup if an employee opted for the new pension plan as of 31 December 2013. The current open pension schemes are defined contribution pension plans, subject to a minimum return guarantee by the employer as specified by the Law of 28 April 2003, amended by the Law of 18 December 2015. Under the application of IFRS, these plans are also considered as defined benefit plans and accounted for as such. The Belgian plans are funded through group insurance contracts, their financing follows the insurance company method.

UK

The pension plans in the United Kingdom, foreseeing the payment of an annuity that can be converted into a lump sum, represent 20% of the total gross obligation at 31 December 2025.

The Group operates a main funded pension scheme with both defined contribution and defined benefit sections. The SD Worx UK Pension Plan is closed to future accrual of new benefits as of 30 September 2003.

In addition, the Group participates in an industry wide defined benefit scheme, the Industry Wide Coal Staff Superannuation Scheme (IWCSST). The IWCSST Trust Deed and Rules require a separate employer section to be established for each employer since the benefits payable in respect of the members of each employer fund are to be funded solely by the contributions paid in respect of those members together with investment returns.

Their financing is calculated every 3 years based on a funding valuation.

Germany

The Group's defined benefit pension plans in Germany, foreseeing the payment of an annuity, represent 4% of the total gross obligation at 31 December 2025. The plans in Germany are unfunded book-reserved pension plans which cover active, deferred and retired members. The German subsidiaries do not fund the pension plans in place, but recognize the related liabilities on the balance sheet on an IAS 19 basis. The pension benefits are paid by the relevant subsidiary as they fall due.

Other

The remaining plans represent 6% of the total gross obligation at 31 December 2025. These plans are mainly accounted for in Finland, France, Italy, Switzerland and Mauritius. Plans in Italy and France specifically relate to legal requirements and are accounted for as unfunded book-reserved pension plans. In other countries the Group has several defined benefit pension schemes in place with external pension insurers. The plans have been established in accordance with common practice and legal requirements. These are all retirement plans that generally provide a benefit related to years of service and rates of pay close to retirement.

For all of the above mentioned plans, there are no unusual specific risks to which the plan exposes the Group, neither are there any significant concentrations of risk.

Funded status

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Defined benefit obligation		192,207	200,230
Fair value of plan assets		176,897	180,680
Funded status		-15,310	-19,550

The funded status listed above also includes unfunded plans in Germany, Italy and France. The total defined benefit obligation of these plans amounts to thousand € 14,725 at 31 December 2025 and thousand € 15,925 over the previous year.

Total pension expense recognized

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Current service cost		10,008	11,983
Past service cost		0	0
Service cost recognized		10,008	11,983
Interest expense on defined benefit obligation	13	692	351
Interest income on plan assets	13	-314	-513
Net interest income		377	-162
Pension expense		10,385	11,821

Reconciliation of the Defined Benefit Obligation

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Defined benefit obligation at beginning of year		200,230	177,985
Service cost		10,008	11,983
Interest expense on defined benefit obligation		6,211	6,277
Participant contribution		141	394
Benefit payments		-12,503	-11,570
Acquired through business combinations		188	5,397
Effect of changes in demographic assumptions		640	-99
Effect of changes in financial assumptions		-9,925	-7,791
Effect of experience adjustments		-805	15,574
Foreign exchange difference		-1,980	2,068
Other		2	13
Defined benefit obligation at end of year		192,207	200,230

Reconciliation of the fair value of plan assets

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Fair value of plan assets at beginning of year		180,680	174,200
Interest income		5,822	6,439
Employer contribution		12,600	14,571
Participant contribution		141	394
Benefit payments		-12,503	-11,570
Acquired through business combinations		0	0
Return on plan assets		-7,570	-5,738
Foreign exchange difference		-2,273	2,383
Other		0	1
Fair value of plan assets at end of year		176,897	180,680

Reconciliation of net liability

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Net liability/(asset) at beginning of year		19,550	3,785
Service cost recognized		10,008	11,983
Net interest income		389	-162
Total remeasurements in OCI	B	-2,521	13,422
Acquired through business combinations	5	188	5,397
Participant contribution		0	0
Employer contribution	D	-12,600	-14,571
Net benefit payments		0	0
Foreign exchange difference		293	-316
Other		2	13
Net liability/(asset) at end of year		15,310	19,550

Disaggregation of fair value of plan assets

in %	31 Dec 2025	31 Dec 2024
Government bonds	14.6%	2.4%
Corporate bonds	5.7%	0.3%
Equity	0.6%	21.4%
Cash	0.3%	0.0%
Property	0.2%	0.3%
Insurance contracts	73.3%	71.6%
Other	5.2%	4.0%
Total	100.0%	100.0%

Significant assumptions

At 31 December 2025	Country		
	Belgium	UK	Germany
Discount rate	4.00%	5.50%	4.20%
Inflation rate	2.00%	3.00%	2.00%
Salary increase	2.90%	3.00%	3.00%
Weighted average duration	13.2	11.0	14.5

At 31 December 2024	Country		
	Belgium	UK	Germany
Discount rate	3.40%	5.42%	3.40%
Inflation rate	2.10%	3.30%	2.10%
Salary increase	3.00%	3.30%	3.00%
Weighted average duration	11.6	11.3	15.9

The discount rates have been set in cooperation with specialized actuaries that assist the Group in making the necessary calculations. A specific model was applied to determine the discount rates, which for Belgium and Germany is based on AA rated bonds. For the UK they were based on AA rated bonds with gilt adjustment.

The inflation rate has been based on the latest long term outlook.

Sensitivity analysis

The sensitivity analyses provided below are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

Amounts in thousand € At 31 December 2025	Country		
	Belgium	UK	Germany
Discount rate -0.5%	6,089	2,024	622
Discount rate +0.5%	-5,850	-1,866	-559
Inflation rate -0.5%	-2,363	-622	-397
Inflation rate +0.5%	2,373	689	432
Salary increase -0.5%	-3,798	0	0
Salary increase +0.5%	4,662	0	0

Amounts in thousand € At 31 December 2024	Country		
	Belgium	UK	Germany
Discount rate -0.5%	6,073	2,237	777
Discount rate +0.5%	-5,917	-2,062	-693
Inflation rate -0.5%	-2,358	-703	-504
Inflation rate +0.5%	2,492	773	551
Salary increase -0.5%	-3,824	0	0
Salary increase +0.5%	4,817	0	0

Overview by country

Amounts in thousand € At 31 December 2025	Country			
	Belgium	UK	Germany	Other
Net liability/(asset) at beginning of year	8,577	-5,915	9,701	7,187
Service cost recognized	8,617	412	56	923
Net interest income	187	-321	325	198
Total remeasurements in OCI	-612	-39	-1,219	-650
Acquired through business combinations	0	0	0	188
Participant contribution	0	0	0	0
Employer contribution	-10,720	-740	-264	-876
Net benefit payments	0	0	0	0
Foreign exchange difference	0	306	0	-13
Other	0	0	0	2
Net liability/(asset) at end of year	6,049	-6,296	8,597	6,960

Amounts in thousand € At 31 December 2024	Country			
	Belgium	UK	Germany	Other
Net liability/(asset) at beginning of year	-1,429	-6,389	10,161	1,442
Service cost recognized	10,452	520	127	884
Net interest income	-155	-349	312	30
Total remeasurements in OCI	12,537	1,365	-637	157
Acquired through business combinations	0	0	0	5,397
Participant contribution	0	0	0	0
Employer contribution	-12,793	-742	-262	-774
Net benefit payments	0	0	0	0
Foreign exchange difference	0	-320	0	4
Other	-34	-1	0	47
Net liability/(asset) at end of year	8,577	-5,915	9,701	7,187

Note 26. Trade and other payables

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Trade payables		68,708	57,995
Advance payments		12,934	10,185
Short-term employee benefits		110,389	113,376
Non-income tax payables		28,663	23,681
Deferred income		15,895	14,525
Accrued charges		2,492	3,418
Other payables		2,960	3,186
Trade and other payables	C	242,040	226,365

The trade and other payables consist largely out of short-term employee benefits, representing 46% of the total, which relate amongst others to holiday pay accruals and payroll related taxes. Non-income tax payables, representing 12% of the total, consist almost entirely out of VAT payables. Deferred income, representing 7% of the total, relates mainly to prepaid license and maintenance fees which have been invoiced at the start of the period.

Note 27. Financial risk management

The Group's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to foreign currency risk, credit risk, interest rate risk, and liquidity risk. The Group's senior management oversees the management of these risks.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expenses are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The net equity risk (i.e. the risk arising from the consolidation of equity investments in foreign currency subsidiaries) is not hedged, as none of the subsidiaries in foreign currency are situated in a country with a high inflation rate in comparison to average inflation rate in Europe.

Around 10% of the revenue of the Group is generated by subsidiaries of which the activities are operated in a currency other than the euro. The main foreign currencies for which a change in exchange rate could have a material impact on the Group are the GBP, MUR, SEK, NOK and PLN.

The sensitivity analysis provided below summarizes the impact of the translation risk of the Group's foreign operations. It has been prepared assuming that the euro would have weakened / strengthened during 2025 by 10%, against the important foreign currencies, which the Group estimates to be a reasonably possible change of the exchange rate.

Amounts in thousand €		GBP	MUR	SEK	NOK	PLN
Profit and loss for the period	10%	123	1,480	138	-1,090	1,635
	-10%	-150	-1,809	-169	1,332	-1,998
Equity	10%	-4,193	-280	-13,198	-3,233	-891
EBITDA margin terminal value	-10%	5,124	342	16,131	3,952	1,089

Foreign currency forwards

The Group utilises currency forward contracts as hedging instruments to mitigate the foreign currency exposure arising from the mismatch between the local-currency cost base of its shared service centres, where costs are incurred in Polish Zloty and Mauritian Rupee, and the euro-denominated recharges to other Group entities. These forward contracts are designated as cashflow hedges. Hedge effectiveness is assessed at inception and on an ongoing basis, in accordance with IFRS 9, to confirm that the hedging relationships meet the qualifying criteria and remain effective throughout their duration.

Net investment hedge

The Group has designated its euro-denominated intercompany loan with its Swedish subsidiary as a hedge of the foreign currency exposure arising from the Group's net investment in that foreign operation. The risk being hedged is the foreign exchange volatility between the euro and the Swedish krona that affects the value of the subsidiary's net assets when translated into euros for consolidation purposes.

Under this hedging strategy, the euro-denominated loan is designated as the hedging instrument, as movements in the EUR/SEK exchange rate offset the translation differences arising on the Group's net investment in its Swedish subsidiary. In accordance with IFRS 9 and IAS 21, the effective portion of the foreign exchange differences on the hedging instrument is recognised in other comprehensive income

The Group assesses hedge effectiveness at inception and on an ongoing basis to confirm that the hedging relationship meets the qualifying criteria for hedge accounting and remains effective in offsetting changes in the value of the hedged net investment attributable to movements in the EUR/SEK exchange rate.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Trade and other receivables

At the reporting date, the Group is not subject to a significant concentration of credit risk. The group's customer base is spread across many industries and situated in several different countries.

Outstanding customer receivables and contract assets are regularly monitored by the credit and collections department. No important allowance for impairment in respect of trade receivables was accounted for.

Financial assets

The Group carefully considers whether to invest any surplus cash positions in high-quality financial assets.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates, which are linked to the Euribor.

The Group manages this risk by actively monitoring developments in market interest rates and maintaining a portfolio comprising both fixed and variable rate instruments. At 31 December 2025, 79% of the Group's outstanding borrowings (excluding lease liabilities) were at a floating interest rate. An increase of the floating interest rate by 50 BPS, would have resulted in an increase in interest charges of approximatively thousand € 1,531 over the year 2025.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations. The Group's approach to liquidity risk is to ensure, as far as possible, that it will always have sufficient funds available to meet its liabilities when due, under both normal and stressed conditions. This risk is managed by having sufficient availability of cash, as well as committed and uncommitted credit lines, both at Group and subsidiary level. At 31 December 2025, the Group has fully used the term loan of million € 300, and had not used any part of the revolving credit facility of million € 500 which is available under its Facilities Agreement.

The existing financing, which is available to the Group to meet this objective, is subject to several covenants. We refer to note 23 for more detailed information on the existing covenants for each of these financing lines. The Group actively monitors these covenants throughout the year and aims at keeping these covenants well below the allowed ratio.

The following table presents the contractual maturities for the financial liabilities, the numbers aggregate current and non-current portions:

Amounts in thousand €	Carrying amount	Contractual Cashflows	1 year or less	Between 1 and 5 years	More than 5 years
Borrowings	380,533	385,001	85,001	300,000	0
Lease liabilities	77,323	85,611	30,516	49,567	5,528
Other financial liabilities	80,554	80,554	68,361	12,193	0
Trade and other payables	242,040	242,040	242,040	0	0
Total at 31 December 2025	780,450	793,206	425,919	361,759	5,528
Borrowings	366,779	371,752	5,610	366,143	0
Lease liabilities	83,206	89,200	26,862	54,661	7,677
Other financial liabilities	71,451	71,451	58,425	13,027	0
Trade and other payables	226,365	226,365	226,365	0	0
Total at 31 December 2024	747,801	754,601	316,114	430,810	7,677

Fair value

The Group applies the following hierarchy for determining the fair value of financial instruments, by valuation technique.

- Level 1: listed prices in active markets;
- Level 2: other methods in which all variables that have a significant effect on the calculated fair value are observable, either directly or indirectly;
- Level 3: techniques using variables which have a significant effect on the recorded fair value, but are not based on observable market data.

The following table provides an overview of assets measured at fair value:

Amounts in thousand €	Note	Level 1	Level 2	Level 3	Total
2025					
Investments at fair value through profit and loss	19	0	0	108	108
Money market fund investments	23	93,584	0	0	93,584
2024					
Investments at fair value through profit and loss	19	0	0	141	141
Money market fund investments	23	37,273	0	0	37,273

Level 1 fair value of money market fund investments relate to the following investments, which are based on the official published NAV of the related fund.

Fund name	ISIN	Quantity	NAV
BNP PARIBAS INSTICASH EUR 1D - EUR	LU0094219127	621,990	150.446

The table below provides an overview of the fair values together with the carrying amounts shown in the consolidated statement of financial position of the different financial instruments:

Amounts in thousand €	Note	31 Dec 2025		31 Dec 2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
- Investments		108	108	141	141
- Short-term deposits		654	654	452	452
- Cash guarantees		2,081	2,081	2,022	2,022
- Other		2,174	2,174	2,306	2,306
Money market fund investments		93,584	93,584	37,273	37,273
Total assets		98,602	98,602	42,195	42,195
Borrowings					
- Facility Agreement		298,848	298,848	0	0
- Revolving credit facility		0	0	284,660	284,660
- Subordinated bond		81,654	81,677	81,047	82,009
- Bank overdraft		0	0	691	691
- Other loans		31	31	382	382
Lease liabilities		77,323	77,323	83,206	83,206
Other financial liabilities					
- Earn outs and deferred payments		20,356	20,356	21,451	21,451
- Dividends payable		60,000	60,000	50,000	50,000
- Other		198	198	0	0
Total liabilities		538,410	538,433	521,438	522,400

Financial assets consist of investments in other companies not accounted for as associates, short-term deposits, cash guarantees and other financial assets. These assets are considered to have a fair value of level 3. The fair value is not deemed to deviate significantly from their carrying amount.

All financial liabilities are considered to have a level 2 fair value, with the exception of the subordinated bond, for which an active market could be identified, therefore qualifying it as a level 1 fair value.

Note 28. Related party transactions

Shareholders

WorxInvest NV owns 23,476,026 of the outstanding shares at 31 December 2025, representing 77.5% of the voting rights, and is the main shareholder of the Group. The remaining 22.5% of the voting rights is held by Brabo Investments s.à.r.l.

WorxInvest Subholding NV, the direct shareholder of WorxInvest NV, is involved in the share-based payment plans that are currently in place. The SALP/SPP incentive plans grant the certificate holders after the vesting period a put option to sell the certificates to WorxInvest Subholding NV. We refer to note 22 for further information with regards to the share based payment plans.

The Group has an agreement with WorxInvest NV to assign part of the net income that is obtained by WorxInvest NV through referred customers by the Group (the customer fund cooperation agreement). The related income is attributed to the Group as commission income. The commission is calculated based on the net financial income generated by these customers and takes into consideration any other forms of income the Group might have obtained through other agreements. The commission is settled on a quarterly basis and is presented as part of revenue in the consolidated statement of profit and loss. In the current year, the Group recognized thousand € 33,581 of revenue under this agreement (thousand € 33,702 in the comparative period).

At the balance sheet date, the Group did not yet distribute a dividend to its shareholders. The dividend is presented as payable in the table below. Refer also to note 21 for further information.

Consolidated companies

An overview of all the companies belonging to the Group is provided in note 4.

Associates and other related parties

There are several not-for-profit entities with domicile in Belgium that are considered a related party of the Group (refer to note 4 for further information). These entities acts on behalf of the Group to settle social security taxes, as well as other payroll related taxes between the Belgian based clients of the Group and the Belgian government. For these services a fee is charged by the related entity to the Group. The Group on the other hand performs several administrative tasks on behalf of these entities for which it charges a separate fee.

WorxEstate NV is considered a related party of the Group as both the Group and WorxEstate NV have the same majority shareholder. The Group leases several office spaces in Belgium from WorxEstate NV for which it pays lease compensations. Under these lease agreements, the Group paid thousand € 5,287 of rent to WorxEstate NV (31 December 2024: thousand € 5,082) presented as purchases in the table below. As a result of these lease agreements, the Group recognized thousand € 7,206 of lease liabilities (31 December 2024: thousand € 7,627), presented as loans in the table below.

Amounts in thousand €		Sales / Recharges	Purchases	Receivables	Payables	Loans	Dividends received/(paid)
<u>Shareholders</u>							
WorxInvest NV	2025	33,960	-759	593	46,500	0	-99,588
	2024	34,103	-700	629	38,750	0	-62,388
Brabo Investments s.à.r.l	2025	0	0	0	-13,500	0	-28,913
	2024	0	0	0	-11,250	0	-18,113
<u>Associates</u>							
SD Worx VZW	2025	1,347	-630	28,179	-9,675	0	0
	2024	1,312	-505	35,577	-10,003	0	0
<u>Other related parties</u>							
WorxEstate NV	2025	245	-5,311	73	-435	-7,206	0
	2024	161	-5,082	76	-542	-7,627	0

Key management

The total cash-based remuneration granted to members of key management in respect of their responsibilities in the Group amounts to thousand € 4,406 in 2025 (thousand € 2,644 in 2024). The below schedule provides a breakdown of this compensation.

Amounts in thousand €	2025	2024
Short-term benefits	746	795
Post-employment benefits	0	8
Termination benefits	1,325	0
Management fees	2,335	1,840
Total cash-based remuneration	4,406	2,644
Share-based payments	8,941	6,856

Note 29. Audit fees

Deloitte Bedrijfsrevisoren BV, represented by Ben Vandeweyer, was appointed as the statutory auditor of the SD Worx NV on the annual shareholders meeting of 6 June 2025. The total audit fees as well as the fees received for other services provided to SD Worx NV or any of its subsidiaries are detailed below.

Amounts in thousand €	2025	2024
Auditor's fees according to a mandate at the group level led by the company publishing the information	381	386
Fees for exceptional services or special missions executed in the company and its branches by the auditor		
- Other attestation missions	2	0
- Other missions external to the audit	716	19
Fees to parties auditors are linked to according to the mandate at the group level led by the company publishing the information	118	298
Fees for exceptional services or special missions executed in the company and its branches by people they are linked to		
- Fees for tax consultancy	39	0
- Fees for other missions external to the audit	29	643
Total audit fees	1,286	1,346

Note 30. Events after the balance sheet date

On 18 February 2026, the Group acquired all the outstanding shares of Paie & RH Solutions, a French payroll provider with a focus on the French SME market and lower mid-market segment.

There have been no other significant events after the balance sheet date.

Note 31. Alternative performance measures

Alternative performance measures ("APMs") present useful information which supplements the Group's consolidated financial statements and which allows the reader of the consolidated financial statements to better understand the financial state of the Issuer and the wider Group. These measures are not defined under IFRS and may not be directly comparable with APMs for other companies. The APMs represent important measures for how management monitors the company and its business activity. The APMs are not intended to be a substitute for, or superior to, any IFRS measures of performance. Some of the financial information presented in our annual reports contains APMs. These include EBITDA and Normalised EBITDA. Please see further for the definition of these APMs and the reconciliation with IFRS measures.

A. Adjustments

Adjustments mean the revenues and expenses of which, in case of a change of control, an acquirer has the choice or option (mid- or long-term) to not realize those revenues or incur those expenses. In other words, expenses or revenues which are not part of the recurring business operations of the Group. These adjustments mainly relate to:

- Restructuring and integration costs
- Acquisition and transaction costs
- Non-committed stock-based compensations

The Group considers its stock-based compensations plans as non-committed in the sense that currently no active plan or commitment exists to reissue a new plan in the upcoming years.

B. EBITDA and Adjusted EBITDA

EBITDA is defined as earnings before net finance costs, income taxes, depreciation, and amortisation. Adjusted EBITDA means EBITDA excluding the adjustments.

As an explanation for the use of this APM, EBITDA provides an analysis of the operating results, excluding depreciation and amortisation, as they are non-cash variables which can vary substantially from company to company depending on accounting policies and the accounting value of the assets. Additionally, it is an APM which is widely used by investors when evaluating businesses (multiples valuation), as well as by rating agencies and creditors.

The following table provides a reconciliation of EBITDA and Adjusted EBITDA of the Group.

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Operating profit		142,664	131,963
Depreciations and amortisations	12	97,166	79,018
Impairment of assets	12	0	518
EBITDA		239,830	211,498
Restructuring & integration costs		13,623	7,890
Acquisition & transaction costs	9	4,867	2,697
Non-committed stock based compensations	10	12,248	10,192
Profit/(Loss) from material business and asset disposal		0	0
Other non-operating income/expense		642	443
Adjusted EBITDA		271,209	232,719

C. Gross profit

Gross profit is calculated only for SD Worx Staffing & Career Solutions. This APM is determined as the difference between revenues from contracts with customers and direct employee benefit expenses. Although the Group presents the statement of profit and loss by nature, this APM, calculated on a by function basis, is used to measure the extent to which the Group is able to recharge the costs relating to temporary workers and candidates to its clients.

The following table provides a reconciliation of the gross profit.

Amounts in thousand €	Note	31 Dec 2025	31 Dec 2024
Revenue relating to SD Worx Staffing & Career Solutions	8	222,466	216,847
Direct employee benefit expenses	10	-185,596	-183,448
Other direct expenses/revenues		-1,040	158
Gross profit		35,829	33,557

Report on the audit of the consolidated financial statements

Deloitte.



SD Worx NV/SA

Statutory auditor's report to the shareholders' meeting for the year ended 31 December 2025 - Consolidated financial statements

The original text of this report is in Dutch

SD Worx NV/SA | 31 December 2025

Statutory auditor's report to the shareholders' meeting of SD Worx NV/SA for the year ended 31 December 2025 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of SD Worx NV/SA ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 6 June 2026, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration"). Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2027. We have performed the statutory audit of the consolidated financial statements of SD Worx NV/SA for 10 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 1 317 900 (000) EUR and the consolidated statement of profit and loss shows a profit for the year then ended of 101 410 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2025 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, amongst 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.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements, as well as to report on this matter.

Aspects regarding the directors' report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Signed at Antwerp.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL

Represented by Ben Vandeweyer

Deloitte.

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
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Member of Deloitte Touche Tohmatsu Limited

Statutory financial statements of SD Worx NV

The statutory annual financial statements of SD Worx NV are presented in summary format below. In accordance with the Belgian Companies Code, the annual financial statements of SD Worx NV, the management report, and the statutory auditor's report will be filed with the National Bank of Belgium.

These documents are also available free of charge on the internet, or upon request sent to:

SD Worx NV
Brouwersvliet 2
B - 2000 Antwerp

The statutory annual financial statements of SD Worx NV are prepared in accordance with Belgian generally accepted accounting principles ("BE GAAP").

The main activities of SD Worx NV are managed by an Executive Committee ("Excom") and its areas of focus include:

- The Group's financial investment and portfolio management;
- Financial control and consolidation;
- M&A and overall strategy of the Group;
- Organisation of Group control functions with a view to effectively managing risks within the Group;
- Capital structure of the Group;
- Holding, evaluating and managing the operational performance of the Group;
- Coordination of the Group's different business operations, and fostering cooperation and synergies between the business operations with an aim to maximally integrate business operations;
- Corporate housekeeping and governance of the Group

A. Statutory balance sheet

Assets

Amounts in thousand €	31 Dec 2025	31 Dec 2024
Fixed assets	1,721,793	1,751,278
Formation expenses	3,170	652
Intangible fixed assets	0	0
Tangible fixed assets	0	2
Financial fixed assets	1,718,623	1,750,623
Current assets	141,510	77,207
Amounts receivable > 1 year	0	0
Amounts receivable < 1 year & stocks	3,365	9,480
Current investments & Cash	109,593	67,189
Deferred charges and accrued income	28,552	538
Total assets	1,863,303	1,828,485

Liabilities

Amounts in thousand €	31 Dec 2025	31 Dec 2024
Equity	1,280,394	1,269,135
Capital	548,000	548,000
Share premium	94,061	94,061
Reserves	54,800	49,551
Accumulated profits (or Losses (-))	583,533	577,523
Investment grants	0	0
Pensions, provisions and deferred taxes	118	0
Provisions and deferred taxes	118	0
Amounts payable	582,791	559,350
Amounts payable > 1 year	300,000	363,000
Financial payables > 1 year	300,000	363,000
Other payables > 1 year	0	0
Amounts payable < 1 year	282,791	196,350
Financial payables < 1 year	80,000	0
Trade creditors	3,984	7,855
Prepayments	2,000	6,500
Payables relating to taxes and payroll	1,245	1,906
Other payables < 1 year	191,890	176,729
Accruals and deferred income	3,672	3,359
Total equity & liabilities	1,863,303	1,828,485

B. Statutory statement of profit or loss

Amounts in thousand €	2025	2024
Revenue	33,581	33,702
Other operating income	6,125	6,300
Non-recurring operating income	0	0
<i>Operating income</i>	39,706	40,002
Services and other goods	-37,696	-37,136
Staffing costs	-2,788	-3,316
Depreciations, amortisations and impairments	-2	-4
Provisions for liabilities and charges	-118	0
Other operating cost	-2	-79
Non-recurring operating costs	0	-6
<i>Operating costs</i>	-40,606	-40,541
Operating result	-899	-539
Income from non-current financial assets	170,008	87,495
Income from current assets	0	35
Other financial income	902	300
Non-recurring financial income	1,204	1,131
<i>Financial income</i>	172,114	88,961
Costs relating to borrowings	-18,617	-14,008
Other financial costs	-263	-826
<i>Non-recurring financial costs</i>	-900	0
Financial expenses	-19,780	-14,834
Profit before tax	151,435	73,588
- Taxes	-2,876	-963
Profit after tax	148,559	72,625

C. Statutory result appropriation

Amounts in thousand €	31 Dec 2025	31 Dec 2024
Net result of the year	148,559	72,625
Result carried forward	577,523	627,030
Total available and distributable reserves	726,082	699,655
Addition to the legal reserve	5,249	3,632
Profit to be distributed - Gross dividend	137,300	118,500
Carried forward	583,533	577,523
Total	726,082	699,655

Statement on the board

Glossary

Term	Explanation
Adjustment	The revenues and expenses of which, in case of a change of control, an acquirer has the choice or option to not realize those revenues or incur those expenses.
CAPEX	Capital expenditure
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBIT	Earnings before interest and tax
OPEX	Operational expenditure
WACC	Weighted average cost of capital

To the best of our knowledge:

1. the consolidated financial statements, established in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, give a true and fair view of the assets, financial position and results of SD Worx NV and of the entities included in the consolidation;
2. the annual review presents a fair overview of the development and the results of the business and the position of SD Worx NV and of the entities included in the consolidation, as well as a description of the principal risks and uncertainties facing them pursuant Article 12, paragraph 2 of the Royal Decree of November 14, 2007.

Compliance certificate

The Group confirms that the Adjusted Leverage does not exceed 4:1 as per the Reference Date 31 December 2025.

On behalf of the company

Filip Dierckx
Chairman of the
Board of Directors

Sebastiaan Peeters
Chief Financial Officer