



**Ontex Group**

**Limited liability company/Naamloze Vennootschap**

**Korte Keppestraat 21**

**9320 Erembodegem (Aalst), Belgium**

**Register of Legal Entities Ghent, division Dendermonde**

**Enterprise/VAT number: BE 0550.880.915**

**CONVENING NOTICE TO THE ANNUAL AND EXTRAORDINARY GENERAL  
SHAREHOLDERS' MEETINGS TO BE HELD ON 25 MAY 2021**

The board of directors (the "**Board**") of Ontex Group NV (the "**Company**") is pleased to convene the annual and extraordinary general shareholders' meetings of the Company that will be held at the seat of the Company, Korte Keppestraat 21, 9320 Erembodegem (Aalst), Belgium on Tuesday 25 May 2021 at 2 p.m., with the agenda and proposed resolutions set out below.

In order for the extraordinary general shareholders' meeting to be validly constituted to deliberate and vote upon the proposed resolutions described under point II below, shareholders representing at least half of the registered capital of the Company must be present or represented at the meeting. If this attendance quorum is not reached, a new extraordinary general shareholders' meeting will be convened at the seat of the Company, with the same agenda and proposed resolutions. This second extraordinary general shareholders' meeting will be able to validly deliberate and vote irrespective of the portion of the registered capital present or represented.

**COVID-19 NOTICE**

*In light of the COVID-19 pandemic and the current measures imposed by the Belgian authorities with respect to physical gatherings such as shareholders' meetings, the **shareholders will not be allowed to participate physically in the annual and extraordinary shareholders' meetings.***

*The shareholders are therefore requested to:*

1. **Cast their vote either (i) by way of proxy given to a representative of the Company** (see the instructions under the header "Voting by proxy" below) **or (ii) by voting remotely in advance of the shareholders' meetings** (see instructions under the header "Remote voting in advance

*of the shareholders' meetings" below). Shareholders cannot make use of both options at the same time.*

2. ***Make use of their right to submit written questions in advance of the meeting*** (see the instructions under the header "Right to ask questions" below).

*In order to enable shareholders to follow the shareholders' meetings, the **meetings will be broadcasted live**. During such broadcast, shareholders will also have the possibility to **ask questions** (see the instructions under the header "Live Broadcast" below). Such broadcast will not be a virtual shareholders' meeting within the meaning of article 7:137 of the Belgian Code of Companies and Associations, and shareholders **will not be able to cast their vote through such means**. Shareholders will only be able to cast their vote by either giving a proxy to a representative of the Company or by vote remotely in advance the meetings as set out above and below.*

*The other formalities with respect to admission and registration remain identical to previous years (see the instructions under the header "Admission and registration formalities" below).*

*Given the rapid and unpredictable evolution of the measures regarding the COVID-19 pandemic, the Company will provide further updates on the practical organization of the annual and extraordinary general shareholders' meetings if and when necessary via the website of the Company ([www.ontex.com](http://www.ontex.com)).*

## **Agenda and proposed resolutions**

### **I. Annual general shareholders' meeting**

1. Presentation of the annual reports of the Board on the statutory (non-consolidated) and consolidated annual accounts of the Company for the financial year that ended on 31 December 2020.
  2. Presentation of the reports of the statutory auditor on the statutory (non-consolidated) and consolidated Board report of the Company for the financial year that ended on 31 December 2020.
  3. Communication of the consolidated annual accounts of the Company for the financial year that ended on 31 December 2020.
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4. Approval of the statutory (non-consolidated) annual accounts of the Company for the financial year that ended on 31 December 2020, including the allocation of results.

*Proposed resolution: approval of the statutory (non-consolidated) annual accounts of the Company for the financial year that ended on 31 December 2020, including the following allocation of results:*

*Carry forward of the loss of the financial year amounting to € -13,730,349 to next year:*

*Profit carried forward from last year: € 415,553,607*

*Result of the year to be appropriated: € -13,730,349*

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*Profit to be appropriated: € 401,823,258*

*Accumulated profits: €413,999,819*

*Withdrawal from reserves: € 12,176,561*

*Allocation to legal reserves: € 0*

5. Release from liability of the directors.

*Proposed resolution: approval of the release from liability of the persons who served as directors of the Company during the financial year that ended on 31 December 2020 for the performance of their duties during the financial year that ended on 31 December 2020.*

6. Release from liability of the statutory auditor.

*Proposed resolution: approval of the release from liability of the statutory auditor of the Company for the performance of its duties during the financial year that ended on 31 December 2020.*

7. (Re-)appointment of directors.

*Proposed resolutions:*

- (a) *Approval of the re-appointment of Regina SARL, with Regi Aalstad as permanent representative, as independent director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
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- (b) *Approval of the re-appointment of Michael Bredael as non-executive director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (c) *Confirmation of the co-optation of Frédéric Larmuseau as independent director, for the remaining term of the mandate of Tegacon Suisse GmbH, with Gunnar Johansson as permanent representative, i.e., a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ended 31 December 2021.*
  - (d) *Approval of the re-appointment of Frédéric Larmuseau as independent director for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (e) *Approval of the appointment of Manon Janssen as independent director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (f) *Approval of the appointment of Isabel Hochgesand as independent director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (g) *Approval of the appointment of Jesper Hojer, as non-executive director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (h) *Approval of the appointment of Gustavo Calvo Paz as non-executive director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (i) *Approval of the appointment of Philippe Costeletos as non-executive director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
  - (j) *Approval of the appointment of Rodney G. Olsen as non-executive director, for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.*
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Explanatory note:

- (a) The current mandate of Regina SARL, with Regi Aalstad as permanent representative, will expire at this annual general shareholders' meeting. Upon recommendation of the Nomination and Remuneration Committee, the Board proposes the renewal of such mandate for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

Regina SARL and Regi Aalstad meet the independence requirement of article 7:87 of the Belgian Code of Companies and Associations (as further developed through the function, family and financial criteria as provided by provision 3.5 of the 2020 Corporate Governance Code) and have expressed their intention to continue to do so.

- (b) The current mandate of Michael Bredael will expire at this annual general shareholders' meeting. Upon recommendation of the Nomination and Remuneration Committee, the Board proposes the renewal of such mandate for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

- (c) On 9 October 2020, the Board acknowledged the resignation of Tegacon Suisse GmbH, with Gunnar Johansson as permanent representative. To fill the vacancy in accordance with article 7:88 of the Belgian Code of Companies and Associations, the Nomination and Remuneration Committee assessed the profile of Frédéric Larmuseau and acknowledges his broad experience with respect to Retail Brands, M&A and US, EU and emerging markets. As a former CEO of Jacobs Douwe Egberts, Frédéric Larmuseau brings to Ontex his extensive experience of the consumer goods sector and a broad international outlook. Therefore, the Board, upon recommendation of the Nomination and Remuneration Committee, decided on 9 October 2020 to appoint, by way of co-optation Frédéric Larmuseau as an independent director, for the remaining term of the mandate of Tegacon Suisse GmbH. Upon recommendation of the Nomination and Remuneration Committee, the Board now proposes the ratification of such mandate.

Frédéric Larmuseau meets the independence requirement of article 7:87 of the Belgian Code of Companies and Associations (as further developed through the function, family and financial criteria as provided by provision 3.5 of the 2020 Corporate Governance Code) and has expressed his intention to continue to do so.

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- (d) As the approval of the proposal sub (c) would imply that the mandate of Frédéric Larmuseau would have to be renewed already at the next annual general shareholders' meeting to be held in 2022, upon recommendation of the Nomination and Remuneration Committee, and taking into account the considerations set out in sub (c), the Board proposes to appoint Frédéric Larmuseau for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.
- (e) The Board has taken significant steps over the past several months to enhance the Company's governance and leadership. These actions are designed to tackle head-on the challenges faced and to seize the opportunities available, in order to improve the Company's performance. The proposed appointment of the new directors is a further step in this process, which will significantly strengthen and diversify the Board, by adding talent and experience in the personal hygiene and retail sectors, sustainability, procurement and financial markets. Under the proposal the Board welcomes two new independent directors and four directors nominated by the Company's two major shareholders, GBL and ENA Investment Capital LLC.

The first new independent director proposed for appointment is Manon Janssen.

Mrs. Manon Janssen, a Belgian national, is an executive with highly recognized experience in the fields of marketing and ESG. She began her career at Procter & Gamble where she worked for 16 years in different countries and where she was responsible for major brands. In 2000, she became vice president of marketing & innovation at Electrolux Europe and in 2005 she started as chief marketing officer at Philips Lighting. Mrs. Janssen currently is the CEO and chair of the board of management of Ecorys, a leading international research and advisory company, which assists private and public leaders in making informed choices with regard to social, spatial and economic issues. In addition, she chairs several expert committees in the field of energy transition and climate change, and is a director at GIMV.

Upon recommendation of the Nomination and Remuneration Committee, the Board proposes to appoint Manon Janssen for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

Manon Janssen meets the independence requirement of article 7:87 of the Belgian Code of Companies and Associations (as further developed through the function, family and financial criteria as

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provided by provision 3.5 of the 2020 Corporate Governance Code) and has expressed her intention to continue to do so.

- (f) The second new independent director proposed for appointment is Isabel Hochgesand.

Mrs. Isabel Hochgesand, a German national, is an executive with extensive international experience in procurement, supply chain, and marketing of consumer goods, including in the personal hygiene sector. She currently is chief procurement officer at Beiersdorf, a German multinational specialized in personal care products. Prior to that, Mrs. Hochgesand held various senior roles at Procter & Gamble.

Upon recommendation of the Nomination and Remuneration Committee, and taking into account the considerations set forth in the first paragraph of indent (e), the Board proposes to appoint Isabel Hochgesand for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

Isabel Hochgesand meets the independence requirement of article 7:87 of the Belgian Code of Companies and Associations (as further developed through the function, family and financial criteria as provided by provision 3.5 of the 2020 Corporate Governance Code) and has expressed her intention to continue to do so.

- (g) GBL has proposed to the Nomination and Remuneration Committee, to appoint Jesper Hojer as a non-executive director and third representative of GBL on the Board. Jesper Hojer, a Danish national, has vast experience in the consumer goods and retail sectors, as well as with the creation and implementation of digital solutions in the retail sector, and has a broad international outlook. He was until recently the CEO of Lidl International, one of the largest international chains of grocery stores. Currently, Mr. Hojer is a senior advisor at McKinsey & Company Inc., and also acts as chair of The Meatless Farm and as board member at nemlig.com.

Upon recommendation of the Nomination and Remuneration Committee, and taking into account the considerations set forth in the first paragraph of indent (e), the Board proposes to appoint Jesper Hojer for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

- (h) ENA has proposed to the Nomination and Remuneration Committee, to appoint Gustavo Calvo Paz as a non-executive director and representative of ENA on the Board. Gustavo Calvo Paz, who has the
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Argentinian, U.S., Italian and English nationalities, is a globally experienced industry executive with an extensive background in operations, business turnarounds, and strategy within the FMCG sector. He previously was the president of Kimberly Clark's EMEA division, and was an executive member of Kimberly Clark's Global Leadership Team. Prior to that, he held various senior roles at Kimberly Clark.

Upon recommendation of the Nomination and Remuneration Committee, and taking into account the considerations set forth in the first paragraph of indent (e), the Board proposes to appoint Gustavo Calvo Paz for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

- (i) ENA has proposed to the Nomination and Remuneration Committee, to appoint Philippe Costeletos as a non-executive director and representative of ENA on the Board. Philippe Costeletos, a Greek national, is a seasoned private equity executive. Mr. Costeletos is the founder of Stemar Capital Partners and acts as senior advisor to the Blackstone Group. He has served as chair of International for Colony Capital, and as head of Europe at TPG Capital and member of TPG's Global Management and Investment Committees. Prior to that, Mr. Costeletos was a member of the management committee at Investcorp, and worked for JP Morgan Capital across Europe and Latin America and with Morgan Stanley in London and New York. Mr. Costeletos also is a senior independent director, chair of the remuneration and conflicts committees and member of the valuation committee at RIT Capital Partners. He is chair of Mistral Fertility and a board member of Digital Care.

Upon recommendation of the Nomination and Remuneration Committee, and taking into account the considerations set forth in the first paragraph of indent (e), the Board proposes to appoint Philippe Costeletos for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

- (j) ENA has proposed to the Nomination and Remuneration Committee, to appoint Rodney G. Olsen as a non-executive director and representative of ENA on the Board. Rodney G. Olsen, a U.S. national, is an experienced international finance executive within the FMCG sector. He is a former CFO of Kimberly Clark's APAC division, and prior to that he held various senior roles at Kimberly Clark, including CFO International, CFO Global Finance Operations and CFO of the EMEA region and was responsible for large international M&A
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transactions. Prior to joining Kimberly Clark, he was senior manager Audit at EY, and senior manager SEC Reporting at the LTV Corporation.

Upon recommendation of the Nomination and Remuneration Committee, and taking into account the considerations set forth in the first paragraph of indent (e), the Board proposes to appoint Rodney G. Olsen for a period which will end immediately after the annual general shareholders' meeting that will consider the approval of the annual accounts for the financial year ending on 31 December 2024.

The Board will continue to be composed of non-executive directors only, and 50% of its members will be independent directors. In addition, the Board will meet the legal gender diversity requirements.

**8.** Approval of the remuneration report.

*Proposed resolution: approval of the remuneration report included in the corporate governance statement of the annual report of the Board for the financial year that ended on 31 December 2020.*

Explanatory Note:

The remuneration report sets out the Company's former remuneration policy and the way such policy has been applied during the financial year 2020.

It provides a comprehensive overview of the remuneration awarded to the directors and the members of the Executive Committee of Ontex during 2020.

**9.** Approval of the remuneration policy.

*Proposed resolution: approval of the remuneration policy as included as an annex to this convening notice and made available on the website of the Company.*

Explanatory Note:

Following the legislative changes brought about by the law transposing the Shareholder Rights Directive II, this is the first time that the remuneration policy is submitted to a separate vote by the shareholders' meeting. Under the former rules of the Belgian Code of Companies and Associations, the remuneration policy was only indirectly subject to a non-binding shareholders' vote as part of the annual vote on the remuneration report.

The remuneration policy, of which the approval is proposed in this Proposed Resolution 9, is forward-looking. It is therefore fundamentally different from the remuneration report (and the Company's former remuneration policy included

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therein) outlined in Proposed Resolution 8, which is backward-looking and reports on the remuneration awarded during 2020.

The Board, upon recommendation of the Remuneration and Nomination Committee, has extensively reviewed and amended the remuneration policy of the Company compared to the one applied during 2020.

To that end, the Board engaged in an extensive dialogue with shareholders, investors and proxy advisors over the past year, in order to understand their concerns and incorporate their perspectives on remuneration into our new policy. It was our pleasure to host more than 40 meetings with shareholders and proxy advisors around corporate governance and remuneration taking in more than 50% of our shareholder base.

The new performance-based remuneration policy applies from 2021 onwards, and replaces and supersedes the previous remuneration policy. It is applicable to the members of the Board and the Executive Committee. The main new principles can be summarized as follows:

<b>Remuneration Principles</b>	<b>Remuneration Policy Changes</b>
Management Incentives are based on reported financial results	Financial bonus KPIs, Adjusted EBITDA and Cash Flow will include FX impacts, while Revenue will be assessed on a like-for-like basis
No multiple rewards for the same outcomes	No overlap between KPIs for short-term and long-term incentives. Discontinuation of the T2G incentive programme
Simpler and fully performance-based long-term incentive plan	Long-term incentive plan consisting of performance shares only
Incentive plans based on a healthy mix of financial and quantifiable non-financial KPIs, including ESG	Rebalancing the weights of the financial and non-financial KPIs in both the short-term and the long-term incentive plan, and introduction of ESG KPIs in the long-term incentive plan
Pay for sustainable results	Introduction of a bonus-claw back
Alignment with shareholders	Introduction of share ownership requirements for members of the Executive Committee
Transparency	Disclosure of performance targets ex-ante if not commercially sensitive, and otherwise ex-post
Eliminate the possibility of pay for failure	Introduction of stricter severance provisions

The full version of our new remuneration policy, is available on the website of the Company ([www.ontex.be](http://www.ontex.be)).

**10.** Delegation of powers.

*Proposed resolution: approval of the following resolution: the shareholders' meeting grants a special power of attorney to each director of the Company, as well as to Mr. Jonas Deroo and Ms. Benedicte Leroy, each acting individually and with the power of substitution, to do all that is necessary or useful to implement all of the above resolutions.*

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## II. Extraordinary general shareholders' meeting

1. Alignment with the Belgian Code of Companies and Associations and related amendments to the Articles of Association.

With respect to the Belgian Code of Companies and Associations of 23 March 2019, replacing the Belgian Code of Companies of 7 May 1999, Ontex envisages – as it is legally required – to submit, at this extraordinary general shareholders' meeting, a proposal for amendment of its Articles of Association to align them with the new legislation.

The Board has already adjusted the Company's Corporate Governance Charter in October 2020 in order to bring it in line with the Belgian Code of Companies and Associations and the Belgian Corporate Governance Code of 9 May 2019 (the "2020 Corporate Governance Code"), replacing the 2009 Corporate Governance Code.

By way of general principle, the Company has aimed to strictly apply the Belgian Code of Companies and Associations and the 2020 Corporate Governance Code. Further, the current allocation of roles among the Board, Committees and Executive Committee has been kept as close as possible to the current structure.

*Proposed resolution:* Alignment of the Articles of Association with the provisions of the new Belgian Code of Companies and Associations of March 23, 2019 (the "CCA"), and adoption of the following amendments to the Articles of Association of the Company:

- Throughout the Articles of Association, replace the words (i) "registered office", (ii) "registered (paid-up) capital", (iii) "corporate purpose" or "purpose", (iv) "warrants", (v) "recognised accountholder", (vi) "clearing (and settlement) institution" or "clearing (and settlement) organisation", (vii) "Board of Directors", (viii) "chairman", (ix) "his", "him", "he" and (x) "Companies Code" with, respectively, (i) "seat" (*zetel*), (ii) "(paid-up) capital" (*(volstort) kapitaal*), (iii) "object" (*voorwerp*), (iv) "subscription rights" (*inschrijvingsrechten*), (v) "authorized accountholder" (*erkende rekeninghouder*), (vi) "settlement institution" (*vereffeningsinstelling*), (vii) board of directors, (viii) "chair", (ix) "his/her/its", "him/her", "he/she" and (x) "Code of Companies and Associations" (*Wetboek van Vennootschappen en Verenigingen*);

These changes are intended to streamline and improve the text and align the text with the changed Dutch terminology of the CCA.
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- Throughout the Articles of Association, where the Articles of Association contain references to specific articles of the Companies Code, replace these by references to the relevant articles in the CCA (as per the correlation table) or a general reference to the CCA;
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These changes are intended to align the text with the CCA.

- Rename Title I. as "*Title I. – Legal form, name, seat, email address, website, object, duration*";

These changes are intended to streamline and improve the text.

- In Article 1, replace the second indent with "*It is a listed company ("société cotée" / "genoteerde vennootschap")*";

These changes are intended to align the text with the CCA. The status of "*company soliciting or having solicited funds from the public*" no longer exists under the CCA.

- In Article 3:
  - rename the title as follows:  
*"Seat, email address and website"*;
  - replace the first indent as follows:  
*"The seat of the company is located in the Flemish Region"*;
  - add a third indent which reads as follows:  
*"The email address of the company is: ontexgroupnv@ontexglobal.com."*; and
  - add a fourth indent which reads as follows:  
*"The website of the company is: www.ontex.com."*;
- In Article 7:
  - in the first paragraph, third indent, replace the word "*of*" with the word "*for*" and delete the characters "(5" and ")";
  - in the second paragraph, second indent, add the words "*and §1 above*" at the end of the first sentence, and replace the words "*the employees*" and "*employees*" with "*members of personnel*";

These changes are intended to streamline and improve the text and align the text with the changed Dutch terminology of the CCA.

- In Article 11:
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- replace the first indent as follows:

*"In the event more than one person has rights in rem with respect to the same shares, the board of directors may suspend the exercise of the rights attached to such shares until one person has been appointed as the sole representative of the relevant shares vis-à-vis the company.";*  
and

- in the second indent, add the words *"(in which case the bare owners and the usufructuaries shall inform the company in writing of such deed or agreement)"* at the end of the first sentence;

These changes are intended to streamline and improve the text.

- In Article 12, second indent, replace the words *"holders of bonds"* with *"holders of convertible bonds"*;

Under the CCA, only holders of convertible bonds have the right to attend shareholders' meetings.

- In Article 13:

- add a new first paragraph which reads as follows:

*"§1 The company may acquire, take as pledge or dispose of its own shares, in accordance with the Code of Companies and Associations.";*

- renumber the following paragraphs accordingly;
- delete the third paragraph (former second paragraph).

The current regime governing the acquisition and disposal of own shares has been modified in order to align it with the new provisions of the CCA. The existing authorisation for the buy-back of the Company's own shares (within certain limits) granted under the provisions of the (old) Companies Code (*Wetboek van Vennootschappen*) remains unchanged. Further, the language with respect to the authorization for divestments to prevent any serious and imminent harm has been deleted, as this authorization expired.

- In Article 16:

- in the first indent, add the words *"without any notice period or severance fee"* at the end of the second sentence; and
  - in the second indent, add the words *"of the financial year during which his/her appointment expires"* at the end of the last sentence;
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The changes to the first indent are intended to clarify that, despite the flexibility created by the CCA in this regard, the Company will not make use of the possibility to grant a notice period or severance fee to directors upon termination of their mandate.

The changes to the second indent are intended to streamline and improve the text.

- In Article 19, add the words "*for the remaining term of such director's predecessor (unless otherwise decided by the shareholders' meeting)*" at the end of the first sentence;

These changes are intended to streamline and improve the text.

- In Article 20:
  - replace the second paragraph as follows:

*"§2. The board of directors may create an executive committee, which – for the avoidance of doubt – is not a management board ("conseil de direction" / "directieraad") within the meaning of Article 7:104 of the Code of Companies and Associations, to which it may delegate special and limited powers. Such special and limited powers may not include powers that are reserved to the board of directors by the Code of Companies and Associations or the articles of association. The board of directors will determine the composition, the powers and the functioning of the executive committee. The board of directors can allow the sub-delegation by the executive committee of the powers delegated to it.";*
  - replace the fourth paragraph as follows:

*"§4. The board of directors must set up an audit committee (in accordance with Article 7:99 of the Code of Companies and Associations), a remuneration committee (in accordance with Article 7:100 of the Code of Companies and Associations) and a nomination committee.*

*The rules governing the composition, tasks and method of functioning of such committees are laid down in a corporate governance charter and/or in the terms of reference drawn up by the board of directors. The board of directors may, in preparation of its deliberations and resolutions, set up other committees of which it determines the composition, tasks and functioning in accordance with these articles of association.";*

Ontex's previous governance structure, consisting of a board of directors and a management committee (*directiecomité*) within the meaning of article 524*bis* of the (old) Companies Code, is no longer an option under the CCA.

After careful deliberation, the Board came to the conclusion that a one-tier structure most adequately responds to the principal considerations of (i) preserving the *status quo* with regard to the existing allocation of powers between the Board and management and (ii) maintaining its current practices of good governance. The Board therefore proposes to the shareholders' meeting to adopt a one-tier structure where the Board delegates certain powers to an *ad hoc* executive committee.

The Board implemented the new one-tier model in October 2020. While the new corporate governance model, as reflected by the changes to the Articles of Association, is slightly different from a legal perspective, there are little practical implications, as the powers delegated to the executive committee mirror the powers that were previously exercised by the management committee.

The changes to the fourth paragraph are intended to streamline and improve the text.

- In Article 21, add the words "*or such other director as may be appointed by the board of directors*";

These changes are intended to streamline and improve the text.

- In Article 22, add a new indent at the end which reads as follows:

*"The board of directors may draw up internal regulations in accordance with Article 2:59 of the Code of Companies and Associations."*;

These changes are intended to offer additional flexibility to the Board in line with the CCA.

- Replace Article 25 as follows:

*"Resolutions of the board of directors may be approved by unanimous written consent of all directors."*;

Under the CCA, the Board may resolve unanimously in writing, even in the absence of demonstrating exceptional circumstances or urgency, as was required by the (old) Companies Code.

- In Article 26:
    - in the first indent, delete the words "*and the secretary of the meeting*"; and
    - in the second indent, replace the words "*two directors*" with "*one or more directors who are entitled to represent the company*";
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These changes are intended to align the text with the CCA.

- In Article 27, delete the words "*remuneration and*";

These changes are intended to streamline and improve the text.

- In Article 28:
  - in the first indent, replace the word "*or*" with "*and/or*", replace the words "*management committee*" with "*executive committee*" and add the words "*of association*" after "*these articles*";
  - replace the third indent as follows:

*"Within the limits of the powers granted to him/her by the board of directors and/or the executive committee or pursuant to these articles of association, the chief executive officer may delegate special and limited powers to any person. He/she may allow sub-delegation of these powers. The chief executive officer informs the board of directors and/or the executive committee (as the case may be) of the powers which are delegated by him/her pursuant to this paragraph."*;

These changes are intended to align the text with the new governance structure as proposed by (new) Article 20 of the Articles of Association, as explained above.

- Replace Article 29 as follows:

*"(a) Representation by corporate bodies*

*The company is represented in all its acts and at law by:*

*1° two directors acting jointly; or*

*2° the chief executive officer alone, within the limits of the daily management and the other powers delegated to him/her.*

*(b) Representation by special proxyholders*

*The company is also validly represented in all its acts and at law by:*

*1° two members of the executive committee acting jointly (if such a committee has been set up in accordance with Article 20, §2 of these articles of association), within the limits of the powers delegated to it; or*

*2° by every other person, acting within the limits of the mandate granted to him/her by the board of directors, the executive committee or the chief executive officer, as the case may be."*;

These changes are intended to align the external representation of the Company with the proposed new corporate governance structure. In accordance with new Article 29, the Company will remain validly represented

by (i) two directors acting jointly, (ii) the CEO (with respect to matters of daily management and other powers delegated to him) and (iii) a person who holds a special power of attorney. In addition, two members of the newly established executive committee may validly represent the Company with respect to the powers delegated to such committee by the Board.

- Delete "Chapter 4. – Remuneration" and Article 30, and renumber the following chapters and provisions of the Articles of Association and any references within the Articles of Association to such chapters and provisions accordingly;
- In Article 30 (former Article 31):
  - in the first indent, add "of association" after "articles";
  - in the second indent, remove "renewable", remove "(3)", and add a new sentence at the end, which reads as follows:

*"The statutory auditor(s) shall be eligible for re-election in accordance with the Code of Companies and Associations."*; and
  - in the third indent, at the end of the sentence, add "of the financial year during which his/her/its (their) appointment expires"

These changes are intended to streamline and improve the text.

- In Article 31 (former Article 32): replace the words "25 May" with "5 May";

This change intends to revise the date of the Company's annual shareholders' meeting from May 25 to May 5.

- In Article 32 (former Article 33):
  - in the first paragraph, replace the words "one-fifth" with "one-tenth"; and
  - in the second paragraph, replace the words "applicable Belgian law" with "applicable European and Belgian law";

Under the CCA, shareholders holding one-tenth of a company's capital will be entitled to request the convocation of a shareholders' meeting. The other changes are intended to streamline and improve the text and align the text with the CCA.

- In Article 33 (former Article 34):
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- in paragraph (a), 1°, replace the words “central European Time” with “Central European Time” and replace the words “shareholders’ register” with “register of shares”;
- replace paragraph (a), 2°, first indent as follows:

“2° notify the company (or the person designated by the company) via the email address of the company or the specific email address set forth in the convening notice, at the latest on the sixth calendar day preceding the day of the meeting, of its intention to participate in the meeting, indicating the number of shares in respect of which it intends to do so. In addition, the holders of dematerialised shares must, at the latest on the same day, provide the company (or the person designated by the company), or arrange for the company (or the person designated by the company) to be provided, with an original certificate issued by an authorised account holder or a settlement institution certifying the number of shares owned by the relevant shareholder on the record date and for which it has notified its intention to participate in the meeting.”;

- in paragraph (b), replace the words “applicable Belgian law” with “applicable European and Belgian law” and delete the word “original”;
- in paragraph (c), add the word “corporate” before “bodies”;
- replace paragraph (d) as follows:

“The holders of non-voting shares, non-voting profit-sharing certificates, convertible bonds, subscription rights or certificates issued with the cooperation of the company, may participate in the shareholders’ meeting in consultative capacity only. If they propose to participate, they are, mutatis mutandis, subject to the same formalities concerning admission and access, and forms and filing of proxies, as those imposed on the shareholders.”;

<p>These changes are intended to streamline and improve the text and align the text with the CCA.</p>
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- Replace Article 34 (former Article 35) as follows:

“The convening notice may allow shareholders to vote remotely before the shareholders’ meeting, either by letter or, if specifically allowed in the convening notice, via the company’s website (in which case the form shall be signed by means of an electronic signature in accordance with applicable European and Belgian law), through a form which shall be made available by the company. The signed paper form must be received by the company at the latest on the sixth calendar day preceding the date of the meeting. Voting via the company’s website may occur until the calendar day before the date of the meeting.

The company will ensure that, when arranging voting via the company's website, the company is able, through the system used, to verify the identity and capacity of the shareholder.

Shareholders voting remotely must, in order for their vote to be taken into account for the calculation of the quorum and voting majority, comply with the conditions set out in Article 33, (a).";

These changes are intended to streamline and improve the text and align the text with the CCA.

- Add a new Article 35 (Remote participation in the shareholders' meeting), which reads as follows:

***"Article 35 Remote participation in the shareholders' meeting***

*The convening notice may allow shareholders to participate remotely in the shareholders' meeting by way of electronic means of communication which shall be made available by the company. The shareholders participating in the shareholders' meeting through such electronic means of communication are deemed to be present at the place where the shareholders' meeting is being held.*

*If the convening notice allows remote participation in the shareholders' meeting, the board of directors shall determine the terms and modalities relating thereto.*

*The company will ensure that, when arranging remote participation in the shareholders' meeting, the company is able, through the system used, to verify the identity and capacity of the shareholder.*

*Shareholders participating remotely in the shareholders' meeting must, in order for their vote to be taken into account for the calculation of the quorum and voting majority, comply with the conditions set out in Article 33, (a).";*

These changes are intended to align the text with the CCA.

- In Article 36, replace the words "the quorum requirements" with "the relevant quorum requirement(s)";

These changes are intended to streamline and improve the text.

- In Article 37, add a new sentence at the end, which reads as follows:

"Abstentions, blank votes and invalid votes shall be considered for the quorum, but shall not be considered for the calculation of the denominator or the nominator of the applicable voting majority.";

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The Company will not propose to introduce double voting rights. The changes are intended to clarify how the abstentions, blank votes and invalid votes are taken into account for purposes of calculating the quorum and the majority, in line with the relevant provisions of the CCA.

- In Article 39, replace the second indent as follows:

*"The copies or extracts destined for third parties are signed by the chair of the board of directors, by one or more directors who are entitled to represent the company or by the chief executive officer.";*

These changes are intended to streamline and improve the text, and align the text with the CCA.

- In Article 40, add "in connection therewith" at the end of the first sentence, and replace the last sentence with "To this effect, the record date shall be set at midnight Central European Time, on the fourteenth calendar day preceding the date of the second meeting.";

These changes are intended to streamline and improve the text, and align the text with the CCA.

- In Article 42, second indent, replace the words "above mentioned" with "abovementioned";

These changes are intended to streamline and improve the text.

- In Article 43, second indent, delete "to the extent allowed by the Companies Code" and add a new sentence at the end, which reads as follows:

"Any such pay-out of an interim dividend shall be done in accordance with the Code of Companies and Associations.";

The CCA introduces a more flexible regime in relation to interim dividends. The purpose of these changes is to permit the pay-out of interim dividends by the Board within the framework of such new regime, if and when the Company deems it appropriate to make use of such flexibility.

- Rename Title VI. as "Title VI. – Dissolution and Distribution";

These changes are intended to streamline and improve the text.

- In Article 44, at the end of the first sentence, add the words "(subject to any obligation to submit the appointment of the liquidator(s) to the president of the enterprise court for confirmation in accordance with the Code of Companies and Associations)";

These changes are intended to align the text with the CCA.

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- In Article 45, add the words "or the sums which are necessary for that purpose have been deposited";

These changes are intended to streamline and improve the text.

- Rename Article 46 as "Election of domicile", add the words "other security holder," between the words "bondholder," and "director" and add the words ", writs of summons" between the words "processes" and "and documents";

These changes are intended to streamline and improve the text.

- Add Articles 47 (Jurisdiction) and 48 (Mandatory law), which read as follows:

**"Article 47 Jurisdiction**

*For any dispute concerning the affairs of the company or the implementation of these articles of association, between the company, its shareholders, other security holders, directors, statutory auditors and/or liquidators, exclusive jurisdiction is granted to the enterprise court in whose jurisdiction the seat of the company is located, unless such jurisdiction is expressly waived by the company.*

**Article 48 Mandatory law**

*The provisions of these articles of association that would conflict with mandatory provisions of the Code of Companies and Associations or other applicable law, are deemed non-existent. The nullity of an article or part of an article of these articles of association does not affect the validity of the other (parts of the) provisions of these articles of association."*

The purpose of these new articles is to make explicit the applicable rules in terms of jurisdiction and mandatory law in relation to the Articles of Association.

2. Delegation of powers.

*Proposed resolution: approval of the following resolution: the extraordinary shareholders' meeting grants a special power of attorney to (i) each director of the Company, as well as to Mr. Jonas Deroo and Ms. Benedicte Leroy, each acting individually and with the power of substitution, to do all that is necessary or useful to implement all of the above resolutions and to (ii) any Belgian notary, or any of its notarial associates, to draw up a coordinated version of the Articles of Association of the Company, to file this coordinated version with the clerk's office of the Commercial Court of Ghent, division Dendermonde and to arrange for the completion of the necessary formalities with the Register of Legal Entities and any relevant public administration*

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## Registration and admission conditions

In order to be admitted to and entitled to vote at the shareholders' meetings, the holders of securities issued by the Company must comply with Article 7:134, §2 of the Belgian Code of Companies and Associations and Article 34 of the Articles of Association of the Company and with the notification formalities set forth below:

### I. Holders of registered shares

In accordance with Article 7:134, §2 of the Belgian Code of Companies and Associations, shareholders holding registered shares will only be allowed to participate in the shareholders' meetings if they have complied with the following conditions:

- (a) The registered shares must be recorded in the name of the shareholder in the share register of the Company on Tuesday 11 May 2021 at midnight (24:00h) (Belgian time) (the "**Record Date**").
- (b) In addition, the holders of registered shares must give written notice to the Company of their intention to participate in the shareholders' meetings of the number of securities (which must all be recorded in the share register on the Record Date) for which they wish to participate in the shareholders' meetings. A standard form of this notice is available on the Company's website under the section titled "Investor Relations / Shareholder Resources Center" ([www.ontex.com](http://www.ontex.com)).

This notice must be received by the Company at the address or e-mail address mentioned below **at the latest on Wednesday 19 May 2021**.

### II. Holders of dematerialized shares

In accordance with Article 7:134, §2 of the Belgian Code of Companies and Associations, shareholders holding dematerialized shares will only be allowed to participate in the shareholders' meetings if they have complied with the following conditions:

- (a) The dematerialized shares must be recorded in the name of the shareholder in the accounts of an authorized account holder or a settlement institution on Tuesday 11 May 2021 at midnight (24:00h) (Belgian time) (the "**Record Date**").
  - (b) In addition, the holders of dematerialized shares must provide the Company with, or arrange for the Company to be provided with, a certificate issued by the authorized account holder or the settlement institution certifying the number of dematerialized shares recorded in the shareholder's account on the Record Date and in respect of which such holder has indicated his/her/its intention to participate in the shareholders' meetings.
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- (c) In addition, the holders of dematerialized shares must give written notice to the Company of their intention to participate in the shareholders' meetings and of the number of securities (which must all be recorded in the accounts of an authorized account holder or a settlement institution on the Record Date) for which they wish to participate in the shareholders' meetings. A standard form of this notice is available on the Company's website under the section titled "Investor Relations / Shareholder Resources Center" ([www.ontex.com](http://www.ontex.com)).

The certificate referred to in (b) and the notice referred to in (c) must be received by the Company at the address or e-mail address mentioned below **at the latest on Wednesday 19 May 2021**.

**Only persons who are shareholders of the Company on the Record Date (i.e., on Tuesday 11 May 2021 at midnight (24:00h) (Belgian time)) and who have communicated their intention to participate in the shareholders' meetings at the latest on Wednesday 19 May 2021 as set out above, will be admitted to the shareholders' meetings.**

The shares are not blocked as a result of the above-mentioned procedure. Shareholders are thus free to dispose of their shares after the Record Date.

#### **COVID-19 NOTICE**

*In light of the COVID-19 pandemic and the current measures imposed by the Belgian authorities with respect to physical gatherings such as shareholders' meetings, the **shareholders will not be allowed to participate physically in the annual and extraordinary shareholders' meetings.***

*The shareholders are therefore requested to:*

- 1. Cast their vote either (i) by way of proxy given to a representative of the Company** (see the instructions under the header "Voting by proxy" below) **or (ii) by voting remotely in advance of the shareholders' meetings** (see instructions under the header "Remote voting in advance of the shareholders' meetings" below). Shareholders cannot make use of both options at the same time.
- 2. Make use of their right to submit written questions in advance of the meeting** (see the instructions under the header "Right to ask questions" below).

*In order to enable shareholders to follow the shareholders' meetings, the **meetings will be broadcasted live.** During such broadcast, shareholders will also have the possibility to **ask questions** (see the instructions under the header "Live Broadcast" below). Such broadcast will not be a virtual shareholders' meeting within the meaning of article 7:137 of the Belgian Code of Companies and Associations, and shareholders **will not be able to cast their vote through such means.** Shareholders will only be able to cast their vote by either giving a proxy to a representative of the Company or by vote remotely in advance the meetings as set out above and below.*



*The other formalities with respect to admission and registration remain identical to previous years (see the instructions under the header "Admission and registration formalities" above).*

*Given the rapid and unpredictable evolution of the measures regarding the COVID-19 pandemic, the Company will provide further updates on the practical organization of the annual and extraordinary general shareholders' meetings if and when necessary via the website of the Company ([www.ontex.com](http://www.ontex.com)).*

### **Voting by proxy**

In accordance with Article 7:143, §2 of the Belgian Code of Companies and Associations and Article 34(b) of the Articles of Association of the Company, shareholders may participate in the shareholders' meetings and exercise their right to vote by giving a proxy. In light of the inability to participate physically in the shareholders' meetings, the shareholders are requested to grant such proxy to a representative of the Company.

The appointment of the representative of the Company as proxyholder by a shareholder should be done by making use of the standard form of shareholder proxy that is available on the Company's website ([www.ontex.com](http://www.ontex.com)). Shareholders are invited to comply with the instructions provided on the standard form of shareholder proxy, including by providing voting instructions, in order to ensure they will be validly represented by the representative of the Company. A signed copy of the proxy must be received by the Company at the address or e-mail address mentioned below **at the latest on Wednesday 19 May 2021.**

### **Remote voting in advance of the shareholders' meetings**

In accordance with Article 7:146 of the Belgian Code of Companies and Associations and Article 35 of the Articles of Association of the Company, shareholders may participate in the shareholders' meetings and exercise their right to vote by voting remotely in advance of the shareholders' meetings.

Voting remotely should be done by making use of the standard remote voting form that is available on the Company's website ([www.ontex.com](http://www.ontex.com)). Shareholders are invited to comply with the instructions provided on the standard remote voting form. A signed copy of the remote voting form must be received by the Company at the address or e-mail address mentioned below **at the latest on Wednesday 19 May 2021.**

### **Right to add agenda items and to submit resolution proposals**

In accordance with Article 7:130 of the Belgian Code of Companies and Associations and Article 33 of the Articles of Association of the Company, one or more shareholders holding (together) at least 3% of the capital of the Company may request to have new items added to the agenda of the shareholders' meetings and may submit resolution proposals in relation to existing or new agenda items.

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The additional agenda items and/or resolution proposals must be received by the Company **at the latest on Monday 3 May 2021**. They must be sent to the Company to the address or e-mail address mentioned below. If such requests are received by the Company, it will publish a modified agenda of the shareholders' meetings, standard form of shareholder proxy and standard remote voting form, completed on the basis of any requests validly submitted, on the Company's website ([www.ontex.com](http://www.ontex.com)), **at the latest on Monday 10 May 2021**.

More information concerning the above right and its exercise modalities is available on the Company's website ([www.ontex.com](http://www.ontex.com)) under the section titled "Investor Relations / Shareholder Resources Center".

### **Right to ask questions**

In accordance with Article 7:139 of the Belgian Code of Companies and Associations, shareholders are entitled to ask questions to the directors with respect to the annual report or the agenda items and to the statutory auditor with respect to its report.

Given that physical attendance at the shareholders' meetings is not allowed due to the measures imposed by the Belgian authorities to prevent the spread of the COVID-19 virus, shareholders are encouraged to make use of their right to submit written questions in advance of the meetings.

Written questions will only be answered if the shareholder asking them has complied with the above admission conditions in accordance with 7:134, §2 of the Belgian Code of Companies and Associations and Article 34 of the Articles of Association of the Company and if the written questions have been received by the Company **at the latest on Wednesday 19 May 2021**. Written questions must be sent to the Company on the address or e-mail address mentioned below. Shareholders are invited to make use of the standard form for written questions that is available on the Company's website ([www.ontex.com](http://www.ontex.com)).

Shareholders will also have the right to ask questions during the live broadcast (see the instructions under the header "Live broadcast" below).

### **Live broadcast**

In order to enable shareholders to follow the shareholders' meetings, the meetings will be broadcasted live, and shareholders will have the possibility to ask questions to the Company's representatives via a Q&A tool.

In order to attend the live broadcast, shareholders that have complied with the registration and admission conditions (as set out above) must send a request to that end via email to [shm@ontexglobal.com](mailto:shm@ontexglobal.com). Such email request must have been received by the Company **at the latest on Friday 21 May 2021**. The Company will subsequently send login details and technical instructions to remotely attend the shareholders' meetings.

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It will **not** be **possible** for shareholders **to vote remotely during the shareholders' meetings**. The live broadcast is not considered a virtual shareholders' meeting within the meaning of Article 7:137 of the Belgian Code of Companies and Associations. Shareholders will thus only be able to cast their vote either (i) by voting remotely ahead of the meetings or (ii) by giving a proxy to a representative of the Company as set out above.

### **Availability of documents**

The documents and reports mentioned herein are available on the Company's website ([www.ontex.com](http://www.ontex.com)). Given the special measures imposed by the Belgian authorities (federal and regional) in the context of the COVID-19 virus, there will not be a permanence at the seat of the Company where shareholders would otherwise be able to obtain a copy of such documents and reports.

### **Data protection**

The Company is responsible for the processing of personal data it receives from, or collects about, shareholders, security holders and proxy holders in the context of shareholders' meetings. The processing of such data will be carried out for the purpose of the organization and conduct of the shareholders' meetings. The data include, amongst others, identification data, the number and type of securities issued by the company, proxies and voting instructions. This data may also be transferred to third parties for the purposes of services to the Company in connection with the foregoing. The processing of such data will be carried out, *mutatis mutandis*, in accordance with the Company's privacy policy, available at <http://ontex.com/legal/privacy-statement/>. For more information or complaints regarding the processing of personal data by or on behalf of the Company, the Company can be contacted by e-mail at [gdpr@ontexglobal.com](mailto:gdpr@ontexglobal.com).

By registering and attending the shareholder meeting, you agree that the Company may photograph and make film recordings during the shareholders' meetings, in order to market the Company and to support future events. The Company will process your images, pictures and video's for this purposes. If you do not wish to be photographed nor recorded, please inform the Company upfront by sending an email to [shm@ontexglobal.com](mailto:shm@ontexglobal.com). In any event, you can always withdraw your consent or exercise your rights of information, restriction, rectification and deletion by sending an email to [gdpr@ontexglobal.com](mailto:gdpr@ontexglobal.com).

### **Address of the Company:**

Ontex Group NV  
Attention of Mrs. Benedicte Leroy, Corporate Legal Counsel  
Korte Kepestraat 21  
9320 Erembodegem (Aalst)  
Belgium

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Tel: +32 53 333 689  
E-mail: [shm@ontexglobal.com](mailto:shm@ontexglobal.com)

The Board of Directors

